

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2010 AND 2009(REVIEWED/UNAUDITED) AND
FOR THE YEAR ENDED 31 DECEMBER 2009 (AUDITED)

UNIT : THOUSAND BAHT

1. GENERAL INFORMATION

- 1.1 Registration** Thanulux Public Company Limited (“The Company”) is incorporated in Thailand. The Company was listed on the Stock Exchange of Thailand on 21 July 1987.
- 1.2 Office location** Head office and its factory is located at 129/1, Chongnonthri Road, Chongnonthri, Yannawa, Bangkok, Thailand.
 Factory branch (Saha Group Industrial Park - Lamphun Project) is located at 99/3 Moo 5,Paa-Sak, Muang Lamphun, Lamphun, Thailand.
 Factory branch (Saha Group Industrial Park - Kabinburi Project) is located at 125 Moo 5,Nonthri, Kabinburi, Prachinburi, Thailand.
- 1.3 Main activities** Manufacturing and distributing ready-made clothes and leatherware. The subsidiaries’ main activities are discussed in Note 4.
- 1.4 The first five major shareholders ranged by their shareholding as of 31 March 2010 are as follows:**

	<u>% of issued and paid-up share capital</u>
Saha Pathana Inter-Holding Plc.	23.52
I.D.F. Co., Ltd.	13.25
Ramasorn Thaveekarn Co., Ltd.	11.68
Mr. Samrerng Manoonpon	11.32
I.C.C. International Plc.	10.22

2. BASIS FOR PRESENTATION OF THE INTERIM FINANCIAL STATEMENTS

- The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standards No. 34 (Revised 2007) “**Interim Financial Reporting**” including related interpretations and guidelines promulgated by the Federation of Accounting Professions (“FAP”), applicable rules and regulations of Securities and Exchange Commission and with generally accepted accounting principles in Thailand.
- The interim financial statements are prepared to provide an update on the financial statements for the year ended 31 December 2009. They focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements for the year ended 31 December 2009.
- The results of the operations presented in the three - month period ended 31 March 2010 are not necessarily an indication nor anticipation of the operating results for the full year.

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Group uses the same accounting policies and calculation method in these interim financial statements consistent with the financial statements for the year ended 31 December 2009.

4. BASIS OF THE CONSOLIDATION OF INTERIM FINANCIAL STATEMENTS

The consolidated financial statements include the financial statements of Thanulux Public Company Limited and its subsidiaries (“The Group”), these consolidated financial statements are prepared by applying the same basis as that applied for the preparation of the consolidated financial statements for the year ended 31 December 2009, with there being no changes in the structure of shareholding in subsidiaries during the period, as follows:-

	% of Shareholding	Incorporated in	Office location	Main activities
S. Apparel Co.,Ltd.	80.00	Thailand	4/2 Moo 8, Bangna-Trad Road, KM. 18 Bangchalong, Bangplee, Samutprakarn.	Manufacturing, subcontracting and distributing ready-made clothes.
T-CHAMBER CO.,LTD.	99.99	Thailand	129/1, Chongnonthri Road, Chongnonthri, Yannawa, Bangkok.	Distributing ready-made clothes.

5. TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES

The Company had transactions with its subsidiaries and related companies, given that those companies having the same group of shareholders or mutual directors. Significant inter-company transactions and outstanding balances are summarized below:

5.1 NATURE OF RELATIONSHIPS

RELATED PARTIES	TYPES OF BUSINESS	RELATIONSHIP
1. S. Apparel Co., Ltd.	Manufacturing, subcontracting and distributing ready-made clothes	Co-directors, Co-shareholders and being subsidiary
2. T-CHAMBER Co., Ltd.	Distributing ready-made clothes	Co-shareholders and being subsidiary
3. People’s Garment Plc.	Garment manufacturing	Co-shareholders
4. I.C.C. International Plc.	Consumer goods distributing	Co-directors, Co-shareholders
5. Sahacogen (Chonburi) Plc.	Electricity generating and distributing	Co-directors, Co-shareholders

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RELATED PARTIES	TYPES OF BUSINESS	RELATIONSHIP
6. Thai Wacoal Plc.	Ladies' lingerie manufacturing	Co-directors, Co-shareholders
7. Textile Prestige Plc.	Embroidery fabric manufacturing	Co-directors, Co-shareholders
8. Saha Pathana Inter- Holding Plc.	Holding company	Co-directors, Co-shareholders
9. Far East DDB Plc.	Advertising	Co-shareholders
10. O.C.C. Plc.	Distributing cosmetics and garment	Co-directors, Co-shareholders
11. Saha Pathanapibul Plc.	Consumer goods distributing	Co-directors, Co-shareholders
12. Thai Monster Co., Ltd.	Garment manufacturing	Co-directors, Co-shareholders
13. Total Way Image Co., Ltd.	Leatherware manufacturing	Co-directors, Co-shareholders
14. Thai Naxis Co., Ltd.	Label manufacturing	Co-directors, Co-shareholders
15. Celebrate Wealth Co., Ltd.	Distributing import fashion goods	Co-directors, Co-shareholders
16. SSDC (Tigertex) Co., Ltd.	Bleaching, dyeing fabric and yarn	Co-directors, Co-shareholders
17. International Commercial Coordination (Hong Kong) Ltd.	Apparel distributing	Co-directors, Co-shareholders
18. International Leather Fashion Corp., Ltd.	Leatherware manufacturing	Co-directors, Co-shareholders
19. Wise Winner Co., Ltd.	Distributing garment and sport equipment	Co-directors, Co-shareholders
20. Five Stars Plus Co., Ltd.	Leather garment manufacturing	Co-directors, Co-shareholders
21. Morgan De Toi (Thailand) Ltd.	Garment distributing	Co-directors, Co-shareholders
22. Champ Ace Co., Ltd.	Garment manufacturing	Co-directors, Co-shareholders
23. Pak Numpo Wattana Co., Ltd.	Apparel distributing	Co-directors, Co-shareholders
24. S.T.G.C. Co., Ltd.	Research and develop business	Co-directors, Co-shareholders
25. Grand Star Industry Co., Ltd.	Fabric manufacturing	Co-directors, Co-shareholders
26. Intanin Chiangmai Co., Ltd.	Apparel distributing	Co-shareholders
27. Koraj Wattana Co., Ltd.	Apparel distributing	Co-directors, Co-shareholders
28. Sun & Sand Co., Ltd.	Apparel distributing	Co-directors, Co-shareholders
29. Eastern I.C.C. Co., Ltd.	Apparel distributing	Co-directors, Co-shareholders
30. Maharachapreuk Co., Ltd.	Apparel distributing	Co-directors, Co-shareholders
31. Belle Maison (Thailand) Co., Ltd.	Catalog sale	Co-directors, Co-shareholders
32. Thai Takaya Co., Ltd.	Jeans manufacturing	Co-directors, Co-shareholders
33. Thai Gunze Co., Ltd.	Garment manufacturing	Co-directors, Co-shareholders
34. Waseda Education (Thailand) Co., Ltd.	Education institution	Co-directors, Co-shareholders
35. Thai Bunka Fashion Co., Ltd.	Fashion institution	Co-directors, Co-shareholders
36. Mit Pathana Homeshopping Co., Ltd.	Television direct sale	Co-directors, Co-shareholders

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RELATED PARTIES	TYPES OF BUSINESS	RELATIONSHIP
37. Sriracha Aviation Co., Ltd.	Machinery and plane maintenance	Co-directors, Co-shareholders
38. Sunrise Garment Co., Ltd.	Garment manufacturing	Co-shareholders
39. K. Commercial and Construction Co., Ltd.	Construction contractor	Co-directors, Co-shareholders
40. H & B Intertext Co., Ltd.	Fabric doll manufacturing	Co-shareholders
41. Sriracha BSC Bowling Co., Ltd.	Bowling alley	Co-directors, Co-shareholders
42. Thai Shikibo Co., Ltd.	Cotton yarn manufacturing	Co-directors, Co-shareholders
43. Thai Staflex Co., Ltd.	Fabric products	Co-directors, Co-shareholders
44. Treasure Hill Co., Ltd.	Golf course	Co-directors, Co-shareholders
45. BSC Entertainment Co., Ltd.	Bowling alley	Co-directors, Co-shareholders
46. Thai Asahi Kazei Spandex Co., Ltd.	Manufacturing and distributing spandex	Co-shareholders
47. Value Added Textile Co., Ltd.	Fabric embroidering and printing	Co-shareholders
48. Panland Co., Ltd.	Property development	Co-directors, Co-shareholders
49. Wien Co., Ltd.	Direct sale	Co-directors, Co-shareholders
50. Sahapat Real Estate Co., Ltd.	Real estate development	Co-directors, Co-shareholders
51. Janome (Thailand) Co., Ltd.	Sewing machines	Co-directors, Co-shareholders
52. Sahapat Properties Co., Ltd.	Property development	Co-shareholders
53. Thai Itokin Co., Ltd.	Garment manufacturing	Co-directors, Co-shareholders
54. Racha Uchino Co., Ltd.	Household textile	Co-directors, Co-shareholders
55. Erawan Textile Co., Ltd	Spun yarn and fabrics manufacturing	Co-directors, Co-shareholders
56. Pattaya Manufacturing Co., Ltd.	Garment manufacturing	Co-directors, Co-shareholders
57. Ramasorn Thaveekarn Co., Ltd.	Investment	Co-directors
58. Deluxe Bijou Societe Anonyme Co., Ltd.	Manufacturing and distributing ornament	Co-directors
59. PTK Multi Services Co., Ltd.	Security service	Co-shareholders
60. Watsadoramai Co., Ltd.	Distributing agent	Co-directors
61. I.D.F. Co., Ltd.	Investment	Co-shareholders
62. Keen Intertrade Co., Ltd.	Agent	Co-directors
63. Bangkok Tokyo Socks Co.,Ltd.	Manufacturing and distributing socks	Co-directors, Co-shareholders

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5.2 RELATED PARTY REVENUE AND EXPENSES

The revenue, expenses and other transaction for the three-month periods ended 31 March 2010 and 2009:-

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
Sales				
- I.C.C. International Plc.	251,711	268,724	251,711	268,724
- Other companies	20,836	15,509	22,214	15,655
Total	272,547	284,233	273,925	284,379
Dividend (Note 13)	2,815	1,485	2,815	1,485
Other income	15,039	15,666	15,674	16,315
Purchase of goods and raw materials	25,144	18,523	28,368	21,605
Purchase of fixed assets	39	64	39	18
Other expenses	18,171	16,588	18,171	16,593

Revenues from sales, purchases of goods and raw materials, other income and expenses shown in the statements of income are in accordance with general trading conditions. For the transactions with no reference to market prices, the prices or compensation will be fixed under the agreed contracts.

5.3 INTER-COMPANY BALANCES OF ASSETS AND LIABILITES

As of 31 March 2010 and 31 December 2009, balances and liabilities are as follows:-

	Consolidated financial statements		Separate financial statements	
	31 March 10	31 December 09	31 March 10	31 December 09
Accounts receivable - trade				
- I.C.C. International Plc.	177,894	179,409	177,894	179,409
- Others	33,056	27,716	35,383	28,879
Total (Note 8)	210,950	207,125	213,277	208,288
Short-term loans (net) (Note 9)	118,000	120,000	118,000	120,000
Accrued income	3,465	7,813	3,471	7,838
Investments - net				
(Notes 11, 12 and 13)	1,033,794	1,036,368	1,071,522	1,074,096

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Accounts payable – trade (Note 17)	18,070	12,215	17,798	12,733
Accrued expenses	7,266	7,722	7,266	7,722

Movements of loans to related parties for the quarter period ended 31 March 2010 and for the year ended 31 December 2009 are as follows:-

	Consolidated financial		Separate financial statements		Interest rates per annum (%)	
	statements					
	2010	2009	2010	2009	2010	2009
SSDC (Tigertex) Co., Ltd.						
Beginning balances	40,000	40,000	40,000	40,000		
<u>Add</u> increase during the period	-	-	-	-		
<u>Less</u> repayment during the period	-	-	-	-		
Ending balance	40,000	40,000	40,000	40,000	3.00	3.00 - 4.25
Five Stars Plus Co., Ltd.						
Beginning balances	5,300	5,000	2,900	-		
<u>Add</u> increase during the period	-	3,000	-	3,000		
<u>Less</u> repayment during the period	-	(2,700)	-	(100)		
<u>Less</u> allowance for doubtful accounts	(5,300)	(5,300)	(2,900)	(2,900)		
Ending balance	-	-	-	-	3.00	3.00 - 4.25
Thai Itokin Co., Ltd.						
Beginning balances	10,000	-	10,000	-		
<u>Add</u> increase during the period	-	10,000	-	10,000		
<u>Less</u> repayment during the period	(2,000)	-	(2,000)	-		
Ending balance	8,000	10,000	8,000	10,000	4.00	4.00
Erawan Textile Co., Ltd.						
Beginning balances	70,000	83,200	70,000	83,200		
<u>Add</u> increase during the periods	-	111,530	-	111,530		
<u>Less</u> repayment during the period	-	(124,730)	-	(124,730)		
Ending balance	70,000	70,000	70,000	70,000	3.25	3.25 – 5.00
Total short-term loans - net	118,000	120,000	118,000	120,000		

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6. CASH AND CASH EQUIVALENTS

	Consolidated financial statements		Separate financial statements	
	31 March 10	31 December 09	31 March 10	31 December 09
Cash on hand	296	173	242	145
Deposits – saving accounts	43,810	16,014	39,651	10,115
Certificates of deposits	94,010	80,529	65,010	42,010
Total	138,116	96,716	104,903	52,270

7. SHORT-TERM INVESTMENTS

As of 31 March 2010 and 31 December 2009, the short-term investments consist of:-

	Consolidated financial statements		Separate financial statements	
	31 March 10	31 December 09	31 March 10	31 December 09
- Certificates of deposits	225,375	392,004	220,002	392,004
- Bill of exchanges	40,000	-	40,000	-
- Investments in open-ended fund-debt securities (trading securities)	10,219	15,219	10,219	15,219
<u>Add</u> Unrealized gain on revaluation of investment	267	294	267	294
Net	10,486	15,513	10,486	15,513
- Investment in private fund *				
Private Fund Unit (available-for-sale securities)	150,000	-	150,000	-
<u>Less</u> Unrealized gain on revaluation of investment	(1)	-	(1)	-
Net	149,999	-	149,999	-
Total	425,860	407,517	420,487	407,517

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*** INVESTMENT IN PRIVATE FUND**

During in March 2010, the Company has incorporated a private fund and appointed BBL Asset Management Co., Ltd. to manage its investment in securities in the total value of Baht 150 million. The Company set its investment policy by investing in debt securities only. The management and custodian fees will be charged at the rates stipulated in the fund management contract.

As of 31 March 2010 the details of investment are as follows:-

- Government bonds	49,773
- Treasury bill	9,937
- Debentures	17,047
- Saving deposits	73,242
Fair value	<u>149,999</u>

8. ACCOUNTS RECEIVABLE - TRADE - NET

	Consolidated financial statements		Separate financial statements	
	31 March 10	31 December 09	31 March 10	31 December 09
Related companies (Note 5)	210,950	207,125	213,277	208,288
Others	103,315	126,553	80,569	112,306
Total	314,265	333,678	293,846	320,594
<u>Less</u> Allowance for doubtful accounts	(2,311)	(2,700)	(2,089)	(2,474)
Allowance for goods returned	(38,971)	(38,000)	(38,000)	(38,000)
Net	<u>272,983</u>	<u>292,978</u>	<u>253,757</u>	<u>280,120</u>

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The aging of trade accounts as of 31 March 2010 and 31 December 2009 are as follows:

	Consolidated financial statements		Separate financial statements	
	31 March 10	31 December 09	31 March 10	31 December 09
Related companies				
Trade notes receivable				
Current	2,968	2,374	2,968	2,374
Accounts receivable - trade				
Current	201,771	199,940	203,265	200,031
Overdue within 3 months	5,606	3,455	6,381	3,864
Over 3 to 6 months	477	1,297	553	1,960
Over 6 to 12 months	128	59	110	59
Total	210,950	207,125	213,277	208,288
<u>Less</u> Allowance for doubtful accounts	(110)	(59)	(110)	(59)
Allowance for goods returned	(38,237)	(38,000)	(38,000)	(38,000)
Net	172,603	169,066	175,167	170,229
Other companies				
Trade notes receivable				
Current	293	12	-	12
Accounts receivable - trade				
Current	75,014	102,342	57,937	89,640
Overdue within 3 months	25,580	20,319	20,209	19,254
Over 3 to 6 months	444	1,013	444	985
Over 6 to 12 months	325	2,648	320	2,196
Over 12 months	1,659	219	1,659	219
Total	103,315	126,553	80,569	112,306
<u>Less</u> Allowance for doubtful accounts	(2,201)	(2,641)	(1,979)	(2,415)
Allowance for goods returned	(734)	-	-	-
Net	100,380	123,912	78,590	109,891
Total	272,983	292,978	253,757	280,120

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9. SHORT-TERM LOAN TO RELATED COMPANIES - NET

	Consolidated financial statements		Separate financial statements	
	31 March 10	31 December 09	31 March 10	31 December 09
Principal	123,300	125,300	120,900	122,900
<u>Less</u> Allowance for doubtful accounts	(5,300)	(5,300)	(2,900)	(2,900)
Net (Note 5)	118,000	120,000	118,000	120,000

The loans represent promissory notes which are unsecured and repayable at call with the repayment period within 1 month and subject to the interest at 3 – 4 percent per annum.

10. INVENTORIES

	Consolidated financial statements		Separate financial statements	
	31 March 10	31 December 09	31 March 10	31 December 09
Finished goods	78,880	75,603	75,966	73,626
Work in process	69,960	60,773	65,802	54,096
Raw material	122,804	113,956	113,611	94,623
Supplies	1,338	1,492	1,338	1,492
Goods in transit	5,937	9,208	5,575	9,208
Total	278,919	261,032	262,292	233,045

11. INVESTMENTS IN SUBSIDIARIES

As of 31 March 2010 and 31 December 2009 consist of:-

	Paid – up		Percentage of		Separate financial statements			
					Cost method		Dividend for	
	Share capital		shareholding		31 March 10	31 December 09	31 March 10	31 March 09
Subsidiary companies	2010	2009	2010	2009	31 March 10	31 December 09	31 March 10	31 March 09
S. Apparel Co., Ltd.	36,000	36,000	80.00	80.00	27,729	27,729	-	-
T-CHAMBER Co., Ltd	10,000	10,000	99.99	99.99	9,999	9,999	-	-
					37,728	37,728	-	-

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12. INVESTMENTS IN AVAILABLE-FOR-SALE SECURITIES

	Consolidated and separate financial statements			
	Investment		Dividend for	
			Quarter ended	
	31 March 2010	31 December 2009	31 March 2010	31 March 2009
Related companies	259,046	259,046	-	-
Others	49,148	49,148	94	1,316
Total	308,194	308,194	94	1,316
<u>Add</u> Unrealized gain on investment revaluation	538,340	541,714	-	-
Net	846,534	849,908	94	1,316

Investments in available-for-sale securities consist of:-

	Paid – up capital	Percentage of shareholding		Investment		Dividend for Quarter ended	
		2010	2009	31 March	31 December	31 March	31 March
				2010	2009	2010	2009
- Related companies							
1. People’s Garment Plc.	96,000	14.05	14.05	52,683	52,683	-	-
2. I.C.C. International Plc.	290,634	3.33	3.33	111,008	111,008	-	-
3. Sahacogen (Chonburi) Plc.	955,000	1.77	1.77	32,759	32,759	-	-
4. Thai Wacoal Plc.	120,000	1.39	1.39	22,476	22,476	-	-
5. Textile Prestige Plc.	108,000	0.96	0.96	10,185	10,185	-	-
6. Saha Pathana Inter-Holding Plc.	494,034	0.58	0.58	28,394	28,394	-	-
7. Far East DDB Plc.	75,000	0.35	0.35	505	505	-	-
8. O.C.C. Plc.	60,000	0.13	0.13	41	41	-	-
9. Saha Pathanapibul Plc.	318,422	0.07	0.07	995	995	-	-
Total				259,046	259,046	-	-
<u>Add</u> Unrealized gain on investment revaluation				471,331	473,905	-	-
Net				730,377	732,951	-	-

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	Investment		Dividend for Quarter ended	
	31 March	31 December	31 March	31 March
	2010	2009	2010	2009
- Others				
1. President Bakery Plc.	13,500	13,500	-	1,292
2. Thai Toray Textile Mill Plc.	265	265	45	-
3. Nation Multimedia Group Plc.	8,608	8,608	-	-
4. Bangkok Bank Plc.	10,002	10,002	-	-
5. Kasikorn Bank Plc.	654	654	-	-
6. The Siam Cement Plc.	4,541	4,541	-	-
7. PTT Plc.	832	832	23	10
8. Thoresen Thai Agencies Plc.	75	75	1	2
9. Thai Oil Plc.	367	367	9	6
10. PTT Aromatics and Refining Plc.	450	450	16	6
11. Regal Corporation	9,854	9,854	-	-
Total	49,148	49,148	94	1,316
Add Unrealized gain on investment revaluation	67,009	67,809	-	-
Net	116,157	116,957	94	1,316
Total	846,534	849,908	94	1,316

13. GENERAL INVESTMENTS - NET

	Consolidated financial				Dividend for	
	statements		Separate financial statements		Quarter ended	
	31 March	31 December	31 March	31 December	31 March	31 March
	2010	2009	2010	2009	2010	2009
Related companies	351,298	351,298	347,298	347,298	2,815	1,485
Others	13,046	13,046	13,046	13,046	-	236
Total	364,344	364,344	360,344	360,344	2,815	1,721
Less Provision for loss on - diminution in investments	(52,790)	(52,790)	(48,790)	(48,790)	-	-
Net	311,554	311,554	311,554	311,554	2,815	1,721

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General investments consist of:-

	Consolidated and separate financial statements						
	Paid – up capital	Percentage of shareholding		Investment		Dividend for Quarter ended	
		2010	2009	2010	2009	2010	2009
Separate financial statements							
- Related companies							
1.Thai Monster Co., Ltd.	20,000	19.00	19.00	5,549	5,549	-	-
2.Total Way Image Co., Ltd.	20,000	19.00	19.00	7,132	7,132	1,330	-
3.Thai Naxis Co., Ltd.	20,000	19.00	19.00	4,700	4,700	-	-
4.Celebrate Wealth Co., Ltd.	20,000	19.00	19.00	* 3,799	* 3,799	-	-
5.SSDC (Tigertex) Co., Ltd.	270,000	18.96	18.96	58,394	58,394	-	-
6.International Commercial Coordination (Hong Kong) Ltd.	HKD 2,000	18.00	18.00	* 2,291	* 2,291	-	-
7.International Leather Fashion Corp., Ltd.	50,000	18.00	18.00	8,810	8,810	-	-
8.Wise Winner Co., Ltd.	10,000	18.00	18.00	* 1,800	* 1,800	-	-
9. Five Stars Plus Co., Ltd.	50,000	17.00	17.00	* 8,500	* 8,500	-	-
10.Morgan De Toi (Thailand) Ltd.	25,000	15.99	15.99	3,999	3,999	-	-
11.Champ Ace Co., Ltd.	40,000	15.00	15.00	6,000	6,000	-	-
12.Pak Numpo Wattana Co., Ltd.	1,000	14.00	14.00	1,037	1,037	-	-
13.S.T.G.C. Co., Ltd.	2,500	13.00	13.00	* 325	* 325	-	-
14.Erawan Textile Co., Ltd.	181,832	15.18	13.00	63,854	63,854	-	-
15.Grand Star Industry Co., Ltd.	20,000	12.50	12.50	4,992	4,992	-	-
16.Intanin Chiangmai Co., Ltd.	5,000	12.50	12.50	2,781	2,781	-	-
17.Koraj Wattana Co., Ltd.	1,000	12.50	12.50	1,528	1,528	-	-
18.Sun & sand Co., Ltd.	1,000	12.50	12.50	1,499	1,499	-	-
19.Eastern I.C.C. Co., Ltd.	1,000	12.50	12.50	2,938	2,938	-	-
20.Maharachapruerk Co., Ltd.	1,000	12.00	12.00	415	415	-	-
21.Belle Maison (Thailand) Co., Ltd.	80,000	11.63	11.63	* 9,300	* 9,300	-	-
22.Thai Takaya Co., Ltd.	30,000	11.00	11.00	3,300	3,300	-	-
23.Thai Gunze Co., Ltd.	180,000	8.00	8.00	17,280	17,280	-	-
24.Wazeda Education (Thailand) Co., Ltd	56,000	7.14	7.14	* 4,000	* 4,000	-	-

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	Paid – up capital	Percentage of shareholding		Investment		Dividend for Quarter ended			
		2010	2009	2010	2009	2010	2009		
		Consolidated and separate financial statements							
25.Thai Bunka Fashion Co., Ltd.	25,000	8.00	8.00	*	2,000	*	2,000	-	-
26.Mit Pathana									
Homeshopping Co., Ltd.	30,000	5.67	5.67	*	1,700	*	1,700	-	-
27.Sriracha Aviation Co., Ltd.	33,000	6.06	6.06	*	2,000	*	2,000	-	-
28.Sunrise Garment Co., Ltd.	10,000	5.00	5.00		1,966		1,966	-	-
29. K. Commercial and									
Construction Co., Ltd.	50,000	5.00	5.00		6,694		6,694	-	-
30.H & B Intertext Co., Ltd.	40,000	5.00	5.00		2		2	-	-
31.Bangkok Tokyo Socks Co., Ltd.	102,300	4.89	4.89		3,755		3,755	-	-
32.Sriracha BSC Bowling Co., Ltd.	47,000	4.26	4.26	*	2,000	*	2,000	-	-
33.Thai Shikibo Co., Ltd.	237,500	4.81	4.81		11,425		11,425	1,485	1,485
34.Thai Staflex Co., Ltd.	60,000	4.00	4.00		2,400		2,400	-	-
35.Treasure Hill Co., Ltd.	200,000	4.00	4.00	*	6,300	*	6,300	-	-
36. BSC Entertainment Co., Ltd.	187,050	4.00	4.00	*	8,759	*	8,759	-	-
37. Thai Asahi Kazei									
Spandex Co., Ltd.	1,350,000	4.00	4.00		54,000		54,000	-	-
38.Value Added Textile Co., Ltd.	16,500	3.00	3.00		67		67	-	-
39.Panland Co., Ltd.	300,000	3.00	3.00	*	9,000	*	9,000	-	-
40.Wien Co., Ltd.	10,000	2.40	2.40		1,067		1,067	-	-
41.Sahapat Real Estate Co., Ltd.	250,000	2.40	2.40		6,165		6,165	-	-
42.Janome (Thailand) Co., Ltd.	88,000	2.00	2.00		1,760		1,760	-	-
43.Sahapat Properties Co., Ltd.	20,000	1.00	1.00		200		200	-	-
44.Thai Itokin Co., Ltd.	50,000	1.00	1.00	*	911	*	911	-	-
45.Racha Uchino Co., Ltd.	81,000	0.49	0.49		163		163	-	-
46.Pattaya Manufacturing Co., Ltd.	30,000	0.33	0.33		741		741	-	-
Total					347,298		347,298	2,815	1,485
<u>Less</u> * Provision for loss on diminution in investments					(43,881)		(43,881)	-	-
Total general investments stated in the separate financial statements-net					303,417		303,417	2,815	1,485
General investments of the subsidiary company									
47. Treasure Hill Co., Ltd.					4,000		4,000	-	-
<u>Less</u> Provision for loss on diminution in investments					(4,000)		(4,000)	-	-

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		UNIT : THOUSAND BAHT					
Total general investments stated in the consolidated financial statements - net				303,417	303,417	2,815	1,485
Consolidated and separate financial statements							
	Paid – up capital	Percentage of shareholding		Investment		Dividend for Quarter ended	
		2010	2009	2010	2009	2010	2009
- Other companies							
1.Miwaki SDN. BHD.	RM 500	19.00	19.00	2,481	2,481	-	236
2.Miwaki Philippines Inc.	USD 400	19.00	19.00	3,317 *	3,317	-	-
3.Intersouth Co., Ltd.	1,000	12.50	12.50	4,286	4,286	-	-
4.Builton (Thailand) Co., Ltd.	4,000	10.00	10.00	250	250	-	-
5.The International Knitting Mills Co., Ltd.	40,000	2.81	2.81	1,500 *	1,500	-	-
6.Sunlots Enterprise Co., Ltd.	130,000	2.69	2.69	4 *	4	-	-
7.Khonkaen Vithes Suksa Co., Ltd.	60,000	1.67	1.67	1,000	1,000	-	-
8.Thanara Co., Ltd.	60,000	-	1.25	-	-	-	-
9.Sigma Holding Co., Ltd.	46,364	0.26	0.26	120	120	-	-
10.Osoth Inter Laboratories Co., Ltd.	105,000	0.15	0.15	88 *	88	-	-
Total				13,046	13,046	-	236
<u>Less*</u> Provision for loss on diminution in investments				(4,909)	(4,909)	-	-
Total general investments-other companies - net				8,137	8,137	-	236

INVESTMENT IN CELEBRATE WEALTH CO., LTD.

On 17 February 2010, the Company's board of directors meeting no. 1/2553 approved the additional investment in 306,008 ordinary shares of Celebrate Wealth Company Limited (CW) amounting to Baht 25,236,795 as follows:-

Description		Number of shares	Price per share (Baht)	Total (Baht)
Acquisition of additional shares proportionated to the Company's shareholders.	(1)	37,992	100.00	3,799,200
Acquisition of additional shares from former shareholders who has given up their preemptive rights	(1)	162,008	100.00	16,200,800
Acquisition from the former shareholders	(2)	106,008	49.40	5,236,795
Total		306,008		25,236,795

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UNIT : THOUSAND BAHT

Additional information:-

- (1) Invested in additional ordinary shares of CW, according to CW's extraordinary meeting of shareholders no. 1/2553 held on 2 February 2010, which approved the increase of its share capital of Baht 20 million (200,000 shares of Baht 100 each).
- (2) Acquisition of ordinary shares from 8 former shareholders (persons and related company) of 106,008 shares at Baht 49.40 per share (Approximate price of book value of CW at 31 December 2009).

The Company had settled the CW share acquisition on 1 April 2010 (Note 26.1), after which its shareholding in CW increases from 19 percent to 86 percent of the paid-up capital.

14. INVESTMENTS IN DEBT SECURITIES

	Consolidated and separate financial statements	
	31 March 2010	31 December 2009
DEBENTURES:-		
The Siam Cement Public Company Limited	44,000,000	44,000,000
CH. Karnchang Public Company Limited	37,000,000	37,000,000
Charoen Pokphand Foods Public Company Limited	15,000,000	15,000,000
Thai Airways International Public Company Limited	8,200,000	8,200,000
Bank of Ayudhya Public Company Limited	10,000,000	10,000,000
PTT Chemical Public Company Limited	10,000,000	10,000,000
Advanced Info Service Public Company Limited	10,000,000	10,000,000
PTT Exploration and Production Public Company Limited	20,000,000	20,000,000
Quality Houses Public Company Limited	10,000,000	10,000,000
Easy Buy Public Company Limited	10,000,000	10,000,000
Thanachart Capital Public Company Limited	5,000,000	-
Total	179,200,000	174,200,000
Less Portion due for redemption within one year	(42,200,000)	(42,200,000)
Net	137,000,000	132,000,000

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UNIT : THOUSAND BAHT

As of 31 March 2010 the debt securities are as follows:

Issued date	Number of units (units)	Amount (Thousand Baht)	Terms (years)	Coupon rate (per annum)	Interest payment	Maturity date	Type of debentures
<u>Siam Cement Public Company Limited</u>							
Oct. 1, 09	15,000	15,000	4	4.15	Every 3 months since the issuance date of debenture.	Oct. 1, 13	Name-registered certificate of unsubordinated and
Nov. 3, 08	8,000	8,000	4	5.35	Every 3 months since the issuance date of debenture.	Nov. 1, 12	unsecured debenture in registered form with a
Apr. 1, 08	1,000	1,000	4	4.25	Every 3 months since the issuance date of debenture.	Apr. 1, 12	debentureholders' representative
Apr. 2, 07	10,000	10,000	4	5.75	Every 3 months since the issuance date of debenture.	Apr. 1, 11	
Mar.31,06	10,000	10,000	4	6.00	Every 3 months since the issuance date of debenture.	Apr. 1, 10	
Total		44,000					
<u>CH. Karnchang Public Company Limited</u>							
Oct. 22, 09	7,000	7,000	4	1st- 2nd year at 5.40 and 3rd – 4th year at 6.20	Every 6 months since the issuance date of debenture.	Oct. 22, 13	Name-registered certificate of unsubordinated and
Apr. 30, 08	20,000	20,000	3	5.00	Every 6 months since the issuance date of debenture.	Apr. 30, 11	unsecured debenture in registered form with a debentureholders' representative
Jul. 26, 07	10,000	10,000	3	5.25	Every 6 months since the issuance date of debenture.	Jul. 26, 10	
Total		37,000					
<u>Charoen Pokphand Foods Public Company Limited</u>							
Nov. 25, 09	5,000	5,000	4	3.90	Every 6 months since the issuance date of debenture.	Nov. 25, 13	Name-registered certificate of unsubordinated and
Oct. 19, 07	10,000	10,000	3	4.25	Every 6 months since the issuance date of debenture.	Oct. 19, 10	unsecured debenture in registered form with a debentureholders' representative

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UNIT : THOUSAND BAHT

Total		15,000					
Issued date	Number of units (units)	Amount (Thousand Baht)	Terms (years)	Coupon rate (per annum)	Interest payment	Maturity date	Type of debentures
<u>Thai Airways International Public Company Limited</u>							
Nov. 22, 07	2,200	2,200	3	4.51	Every 6 months since the issuance date of debenture	Nov. 22, 10	Name-registered certificate of unsubordinated and unsecured debenture in registered form with a debentureholders' representative
Nov. 22, 07	6,000	6,000	5	5.04	Every 6 months since the issuance date of debenture.	Nov. 22, 12	debentureholders' representative
Total		8,200					
<u>Bank of Ayudhya Public Company Limited</u>							
Jun. 5, 08	10,000	10,000	2	4.25	Every 3 months since the issuance date of debenture.	Jun. 5, 10	Name-registered certificate of unsubordinated and unsecured debenture in registered form with a debentureholders' representative
Total		10,000					
<u>PTT Chemical Public Company Limited</u>							
Dec. 4, 08	10,000	10,000	5	1st- 3rd year at 5.35 and 4th – 5th year at 6.00	Every 3 months since the issuance date of debenture.	Dec. 4, 13	Name-registered certificate of unsubordinated and unsecured debenture in registered form with a debentureholders' representative
Total		10,000					
<u>Advanced Info Service Public Company Limited</u>							
Jan. 23, 09	10,000	10,000	5	1st- 2nd year at 4.00 and 3rd – 4th year at 5.00 and 5th year at 6.00	Every 3 months since the issuance date of debenture.	Jan. 23, 14	Name-registered certificate of unsubordinated and unsecured debenture in registered form with a debentureholders' representative

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UNIT : THOUSAND BAHT

Total		10,000					
Issued date	Number of units (units)	Amount (Thousand Baht)	Terms (years)	Coupon rate (per annum)	Interest payment	Maturity date	Type of debentures
<u>PTT Exploration and Production Public Company Limited</u>							
May.29,09	20,000	20,000	3	3.25	Every 3 months since the issuance date of debenture.	May.29,12	Name-registered certificate of unsubordinated and unsecured debenture in registered form with a debentureholders' representative
Total		20,000					
<u>Quality Houses Public Company Limited</u>							
Jul.24,09	10,000	10,000	3	4.55	Every 3 months since the issuance date of debenture.	Jul. 24,12	Name-registered certificate of unsubordinated and unsecured debenture in registered form with a debentureholders' representative
Total		10,000					
<u>Easy Buy Public Company Limited</u>							
Aug. 6,09	10,000	10,000	3	4.90	Every 3 months since the issuance date of debenture.	Aug. 6,12	Name-registered certificate of unsubordinated and unsecured debenture in registered form with a debentureholders' representative
Total		10,000					
<u>Thanachart Capital Public Company Limited</u>							
Jan.22,10	5,000	5,000	3	3.35	Every 3 months since the issuance date of debenture.	Jan.22,13	Name-registered certificate of unsubordinated and unsecured debenture in registered form with a debentureholders' representative
Total		5,000					

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UNIT : THOUSAND BAHT

17. ACCOUNTS PAYABLE - TRADE

	Consolidated financial statements		Separate financial statements	
	31 March 10	31 December 09	31 March 10	31 December 09
Related companies	18,070	12,215	17,798	12,733
Others	127,682	112,249	113,268	80,056
Total	145,752	124,464	131,066	92,789

18. LEGAL RESERVE

Under the Public Limited Companies Act B.E. 2535 the Company is required to allocate not less than 5 per cent of its annual net profit, less any accumulated losses brought forward (if any), as legal reserve until this account reaches an amount not less than 10 per cent of the registered capital. The legal reserve is not available for dividend distribution.

19. GENERAL RESERVE

The Company has appropriated part of its net profit for general reserves with no specific objective.

20. EXPENSES CLASSIFIED BY NATURE OF EXPENSES

For the three-month periods ended 31 March 2010 and 2009 expenses classified by their nature are as follows:-

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
Changes in finished goods and work-				
in process (increase) decrease	(12,482)	27,250	(14,046)	21,486
Purchases of finished goods	30,329	37,964	32,346	36,985
Raw material and supplies used	221,854	163,538	190,744	148,099
Management benefit expenses	8,998	10,658	8,598	10,257
Employee benefit expenses	131,496	132,191	116,971	118,184
Depreciation and -				

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amortization expenses	13,425	15,238	12,188	14,004
Royalty expenses	24,461	22,711	24,461	22,711
Other expenses	47,775	44,017	45,608	42,699

21. PROMOTIONAL PRIVILEGES

By virtue of the Investment Promotion Act, B.E. 2520, the Company was granted some promotional privileges from the Board of Investment as follows:-

1. Promotional certificates No.	1396/2543	1329(1)/2544	1515/O./2544	1604(2)/2550
2. Dates of promotional certificates	24/07/00	02/05/01	16/08/01	18/6/07
3. The first receiving revenues dates	01/08/00	01/02/03	10/09/01	1/10/07
4. The type of business promoted	Leather products or artificial leather	Textile or fragment	Ready-made garment	Leather products or artificial leather
5. Important privileges which are granted:-				
5.1 Exemption from corporate income tax on net profit from promotional operations, commencing from the first receiving revenue date.	8 years (Expired on 31/07/08)	8 years	3 years (Expired on 13/06/04)	8 years
5.2 Exemption from income tax on dividends from promoted business which was exempted from income tax in 5.1.	8 years (Expired on 31/07/08)	8 years	3 years (Expired on 13/06/04)	8 years
5.3 Reduction of the corporate income tax from net profit from promoted business at 50% of normal rate after the end of exemption period.	5 years	5 years	5 years (Expired on 13/06/09)	5 years
5.4 Double deduction of expenses for utilities (electricity, water and transportation) for the year.	10 years	10 years	5 years (Expired on 13/06/06)	10 years

As a promoted entity, the Company must strictly comply with certain terms and conditions stipulated in the promotional certificates.

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UNIT : THOUSAND BAHT

22. FINANCIAL INFORMATION BY SEGMENT

The Group operates in core business segment that is ready-made clothes and leather product industry with geographical segments of both local and export sales. The segment reporting for the three-month periods ended 31 March 2010 and 2009 as follows:

(UNIT : MILLION BAHT)

Consolidated financial statements	2010			2009		
	Local	Export	Total	Local	Export	Total
Revenue from sales	324.07	172.94	497.01	317.39	151.57	468.96
Result of operation						
by segment	51.02	18.28	69.30	56.40	14.19	70.59
Unallocated expenses			(42.74)			(55.21)
Other income			25.25			29.92
Corporate income tax			(3.95)			(3.05)
Net profit attributable to minority interest			(0.24)			(0.26)
Net profit			<u>47.62</u>			<u>41.99</u>
Property, plant and - equipment-net			380.60			417.44
Intangible assets-net			3.85			4.01
Leasehold rights-net			11.18			12.19
Total assets			<u>2,990.55</u>			<u>2,771.61</u>

23. CORPORATE INCOME TAX

Corporate income tax of the Group for the three-month periods ended 31 March 2010 and 2009 are calculated from the accounting profit and adjusted with revenues and expenses which are exempted from income tax or expenses not allowed by tax law.

Non - BOI business operations are subjected to corporate income tax at the rate of 25 per cent.

BOI business operations are subjected to income tax according to the privileges which are granted (Note 21).

Corporate income taxes of the subsidiaries are calculated at the rate of 30 per cent of taxable

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UNIT : THOUSAND BAHT

profit.

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UNIT : THOUSAND BAHT

24. FOREIGN CURRENCY TRANSACTIONS

24.1 Exchange Forward contracts

The Group has entered into selling exchange forward contracts with the local commercial bank to hedge against risk in exchange rate fluctuation which might affect Baht to be received from export trade accounts receivable as follows:-

As of 31 March 2010 :-

	Consolidated financial statements			Separate financial statements		
	Amount (Million)	Delivery will be made during	Exchange rates on delivery date (Currencies exchange to Baht)	Amount (Million)	Delivery will be made during	Exchange rates on delivery date (Currencies exchange to Baht)
USD	0.29	Jul – Sep 2010	32.43 – 33.05	0.20	Sep 2010	32.43 – 32.45
EUR	0.07	Sep 2010	-	0.07	Sep 2010	44.75

As of 31 December 2009 :-

	Consolidated financial statements			Separate financial statements		
	Amount (Million)	Delivery will be made during	Exchange rates on delivery date (Currencies exchange to Baht)	Amount (Million)	Delivery will be made during	Exchange rates on delivery date (Currencies exchange to Baht)
USD	0.35	Jun 2010	33.09 – 33.29	0.35	Jun 2010	33.09 – 33.29
JPY	1.16	Feb –May 2010	0.3711 – 0.3774	-	-	-

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UNIT : THOUSAND BAHT

24.2 Uncovered transactions

As of 31 March 2010 and 31 December 2009, the Group has outstanding assets and liabilities denominated in foreign currencies which are not covered by any hedging transaction as follows:

(UNIT : MILLION)

	Consolidated financial statements				Separate financial statements			
	Foreign currencies		Converted to Baht		Foreign currencies		Converted to Baht	
	31 Mar. 10	31 Dec. 09	31 Mar. 10	31 Dec. 09	31 Mar. 10	31 Dec. 09	31 Mar. 10	31 Dec. 09
Assets								
USD	0.69	1.59	22.32	52.82	0.69	1.53	22.22	50.70
EUR	0.48	0.48	20.53	24.99	0.35	0.42	15.26	22.02
JPY	-	18.18	10.60	6.51	-	-	-	-
Total			53.45	84.32			37.48	72.72
Liabilities								
USD	0.20	0.16	6.55	5.28	0.20	0.14	6.55	4.84
EUR	0.29	0.33	12.59	17.49	0.29	0.33	12.59	17.49
JPY	7.63	10.92	2.68	3.99	4.89	3.03	1.71	1.11
Total			21.82	26.76			20.85	23.44

25. COMMITMENT AND CONTINGENT LIABILITIES

25.1 As of 31 March 2010 and 31 December 2009, the Group has commitment and contingent liabilities as follows:-

(UNIT : MILLION)

	Consolidated financial statements		Separate financial statements	
	31 Mar. 10	31 Dec. 09	31 Mar. 10	31 Dec. 09
Letters of credit				
- EUR	-	0.01	-	0.01
- USD	-	0.03	-	0.03
- JPY	0.83	-	0.83	-
Bank guarantee with Customs Department (BAHT)	4.39	5.37	3.99	4.71
Bank guarantee for electricity (BAHT)	4.95	4.95	4.28	4.29
Bank guarantee for business operation (BAHT)	0.11	0.87	0.11	0.87
Loan guarantee for related companies (BAHT)	0.31	0.31	0.31	0.31

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UNIT : THOUSAND BAHT

25.2 The Company has entered into 8 trademark countercontracts with respective owners under the manufacturing and distribution of garments and leather products under their trademarks. Both parties have mutual obligations to fulfil under these contracts whereby the Company must pay the royalty fee at the rate of 3.5 – 7.5 % of total sales.

25.3 The Company has commitment relating to land and building lease contract, whereby the Company must pay the monthly rentals in respect of the said contracts as follows :-

(UNIT: BAHT)

	Period	Lease term (years)	Monthly rental
Land lease right	2008 – 2018	10	45,000
Building lease right	2004 – 2021	17	4,428

26. SUBSEQUENT EVENTS

26.1 Subsequent to the Company’s board of directors meeting on 17 February 2010 (Note 13), the Company additionally invested in Celebrate Wealth Company Limited (CW) and paid of Baht 25.23 million on 1 April 2010. As of the result, CW’s status has changed from a related company to a subsidiary company. Therefore, the financial statements of CW will be included in the consolidated financial statements as from 1 April 2010.

26.2 On 27 April 2010, the Company’s Annual General Meeting of shareholders approved the following resolutions:-

- To pay dividends from BOI business operation of Baht 0.75 per share, to the existing shareholders of 120 million shares. The dividends are paid from BOI business operations of Kabinburi Project 3 according to the Promotional Certificate No. 1329(1)/2544 in the amount of Baht 90 million. The dividend payment will be paid on 21 May 2010.
- To pay the directors’ remuneration not more than Baht 8 million.
- To appropriate net profit for general reserve in the amount of Baht 8 million.

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2010 AND 2009(REVIEWED/UNAUDITED) AND
FOR THE YEAR ENDED 31 DECEMBER 2009 (AUDITED)

UNIT : THOUSAND BAHT

27. RECLASSIFICATION

The Group has reclassified the balance sheet as of 31 December 2009 to conform to the balance sheet as of 31 March 2010 presentation as follows :-

	Consolidated financial statements			Separate financial statements		
	Before		After	Before		After
	reclassification	Reclassification	reclassification	reclassification	Reclassification	reclassification
Balance sheet						
Cash and						
cash equivalent	228,718	(132,002)	96,716	184,272	(132,002)	52,270
Short - term investments	275,515	132,002	407,517	275,515	132,002	407,517

28. APPROVAL OF FINANCIAL STATEMENTS

These financial statements have been approved for issuance by the Company's board of directors on 29 April 2010.