

(Translation)

Minutes of the Annual General Meeting of Shareholders for the Year 2010  
Of The Erawan Group Public Company Limited

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The Meeting was convened on Tuesday, April 27, 2010 at 14.00 hours at Salon A room, JW Marriott Hotel Bangkok, No.4 Sukhumvit Road, Kwang Klongtoey, Khet Klongtoey, Bangkok 10110 and presided over by Mr.Prakit Pradipasen , Chairman of the Board of The Erawan Public Company Limited (“Chairman”)

Ms.Kanokwan Thongsivarugs, the Company Secretary, introduced to the Meeting the directors, managements, auditors and Registration inspection of vote count attended the Meeting as follows:

The following Directors attending the Meeting:

- |                                  |  |
|----------------------------------|--|
| 1. Mr. Prakit Pradipasen         | Chairman of the Board/Independent Director           |
| 2. Mr.Sansern Wongcha-um         | Independent Director/Chairman of The Audit Committee |
| 3. Assoc.prof. Manop Pongsadadt  | Independent Director/ The member of Audit Committee  |
| 4. Mr.Dej Bulsuk                 | Independent Director/ The member of Audit Committee  |
| 5. Mr.Banyong Pongpanich         | Independent Director                                 |
| 6. Mr.Ekasith Jotikasthira       | Independent Director                                 |
| 7. Mr. Vitoon Vongkusolkit       | Director   |
| 8. Mr.Supol Wattanavekin         | Director   |
| 9. Mr.Chanin Vongkusolkit        | Director   |
| 10. Mrs.Panida Thepkanjana       | Director   |
| 11. Mr.Krisda Montienvichienchai | Director   |
| 12. Mr.Kasama Punyagupta         | Director/President and Chief Executive Officer       |

The following Management attending the Meeting:

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|------------------------------|--|
| 1. Ms.Kamonwan Wipulakorn    | Executive Vice President and CFO                   |
| 2. Ms.Kanokwan Thongsivarugs | Company Secretary to record the Minutes of Meeting |

The following Auditor and Representatives attending the Meeting:

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|-----------------------------------|--|
| 1. Ms.Boonsri Chotpaiboonpan      | Auditor of KPMG Phoomchai Audit Ltd (KPMG) |
| 2. Mr.Charoen Phosamritlert       | Representative of the Auditor              |
| 3. Ms. Vannaporn Jongperadechanon | Representative of the Auditor              |

The following Registration inspection of vote count attending the Meeting:

- |                                 |
|---------------------------------|
| 1. Ms. Pakinee Pramtade         |
| 2. Ms.Vassavee Khunteeraprasert |

The Company Secretary informed the meeting for the governing rules of shareholder meetings described in details as appeared in the Enclosure which has been sent to the shareholders together with the notice of this Meeting.

- Shareholders could ask/express his/her opinion in the Meeting: the Company would give a full and complete answer to important issues. Prior to the voting of any agenda, the Chairman will invite shareholders to ask questions.
- The Chairman will inform the Meeting that the voting of each agenda shall be made openly.
- One share shall be entitled to one vote.
- Shareholder(s) who has/have special interest in any agenda, will not be eligible to the voting in the respective agenda.
- Agenda 7: To appoint directors to succeed those completing their terms, nominated directors and shareholders holding altogether 67,193,966 shares (2.99% of total shares) would have no right to vote for themselves. Shareholders may exercise their voting to elect directors on an individual basis.
- Agenda 8: To consider the directors' remuneration for the year 2010, directors who were also shareholders holding altogether 94,985,250 shares (4.23% of total shares) would have no rights to vote.
- For transparency of the Meeting, shareholders who disapprove or abstain voting of any agenda will be able to submit their votes in the voting ballots provided for shareholders while processing their registration. Such votes would be deducted from the total shares collected by the computerized database system during registration. The shareholders attending in persons who did not submit any voting ballots, it would be considered as agreement to particular agenda.
- For shareholders attending the Meeting later, the Company would count these additional votes only in agendas whose ballots were not yet collected.
- For shareholder can not have a mission to end the Meeting. Please vote on the agenda and return ballots before leaving the conference room.

After shareholders were informed essence in regard to the Meeting procedures, the Company Secretary has invited the Chairman to open the Meeting.

The Chairman convened the meeting, welcomed the Shareholders and informed that at the commencement of the Meeting, there were 87 shareholders attending in person and 101 shareholders attending by proxy, totally 188 shareholders representing 1,839,273,816 shares, equivalent to 81.94% of the total 2,244,779,001 shares which have been issued and distributed, the quorum was, then, constituted in accordance with the law and the Articles of Association of the Company, stipulating that in a general shareholders' meeting, at least twenty-five shareholders or proxies (if any) or at least half of all shareholders, and representing at least one-third of shares distributed shall be required in order to form a quorum.

The Chairman informed the Meeting that the Company provided the shareholders the opportunity to propose the agenda for the Annual General Meeting of Shareholders for the year 2010 in advance via the Company's website from 1 October 2009 until 31 January 2010 through the electronic media of the Stock Exchange of Thailand. The Company stipulated the procedures and criteria in considering the proposals including qualifications of shareholder eligible to submit the proposal, proposal not to be included in the Meeting agenda, proposal forms, channels for submitting the proposal, and consideration procedures. There was no meeting agenda proposed by the shareholders.

The Chairman subsequently commenced the Meeting and conducted the following nine (9) business agenda in addition:

**Agenda 1 To Acknowledge the Minutes of the Annual General Meeting of Shareholders for the year 2009.**

The Chairman informed the Meeting of the opinion of the Board of Directors that the minutes of the Annual General Meeting of Shareholders for the Year 2010 held on 28 April 2009 as prepared by the Company Secretary were correctly reflecting the resolutions passed by the said Shareholders Meeting. Such meeting minutes was published on the Company website and the copies of which had been sent to the shareholders together with the notice of this Meeting as per the Enclosure No.1.

The Chairman invited the shareholders to ask questions and voice their observations. A shareholder raised issues which were summarized as follow:

Shareholder 1 asked why the minutes did not disclose the name of shareholders who asked questions or made comments at the meeting. Would the SET has specific guideline in relation to such procedure?

The Chairman requested the Company Secretary to explain this issue to the meeting. The Company Secretary informed the meeting that it was not a requirement from the SET to disclose the name of the shareholder who raised issue or asked question at the meeting in the meeting minutes. The Company's current procedure is not against the SET's relevant rules & regulations.

The Chairman invited the shareholders to ask questions and voice their additional observations. As no questions being raised, the Chairman requested the Meeting to acknowledge the minutes of the Annual General Meeting of Shareholders for the Year 2009.

**The Meeting resolution:**

The Meeting passed a resolution to acknowledge the Minutes of the Annual General Meeting of Shareholders for the year 2009 held on 28 April 2009.

**Agenda 2 To Acknowledge the Company's Operating Results of 2009.**

The Chairman informed the Meeting that the Company had prepared the report of the report of the Board on the performance of the Company for the year ended on 31 December 2009, as attached to the notice of this Meeting as per the Enclosure No.2, Which the Board considered correct and adequate. Thus, the Chairman requested the Meeting to acknowledge the performance of the Company for the year 2009 and adopt the

directors' adopted the Board's Responsibility in the Financial Statements for the year ended on 31 December 2009. The Chairman requested Mr.Kasama Punyagupta, President and Chief Executive Officer and Ms.Kamonwan Wipulakorn, Executive Vice President & CFO, to explain the details of the Company's performance to the Meeting. Mr.Kasama Punyagupta reported to the Meeting as follows:

### 2.1 Hotels in Operations and during Construction

On new hotel developments, we opened 3 new hotels as planned in 2009 including our 5th ibis hotel (2nd in Bangkok), ibis Bangkok Nana in March, our 2nd midscale hotel, Holiday Inn Pattaya in October and our 6th ibis hotel (2nd in Phuket), ibis Phuket Kata in December. These newly opened hotels added another 825 rooms to our hotel portfolio. We now own 12 hotels, total of 3,089 rooms, from luxury to midscale and to economy segment across Thailand's major tourist destinations.



The construction of our 7th ibis (3rd in Bangkok) on the riverside of Bangkok's renowned Chaophraya River is on schedule with target opening in the fourth quarter of 2010. This ibis Bangkok Riverside will be the largest among our ibis hotels with 267 rooms in total. With the completion of this 7<sup>th</sup> ibis, we'll have total of 1,713 rooms inventory for the economy segment.

5 years ago we only had 2 hotels, Grand Hyatt Erawan and JW Marriott Bangkok, both are in luxury segment and located in Bangkok CBD. With the implementation of Phase I Expansion plan which targeted to diversify risks and be able to serve diverse customers' needs, we have expanded into other hotel segments including midscale and economy hotels and geographically to other major destinations of Thailand. Total room inventory increased from 821 rooms in 2005 to 3,089 now and 3,356 by the end of this year. This growing and

diversified inventory will not only be a good base for future revenue growth but also enable us to capture growing demand from other segment and more flexible under different circumstances.

The benefits from our hotel diversification strategy have become more visible under these market difficulties. In general, our midscale and economy hotels were relatively less affected than the luxury hotels. The strongest growth also came from our economy segment.

For hotel project development we strongly emphasized on the project management from procurement to construction supervision to ensure brand standards and investment budget. We have been able to not only open our new hotels as per target openings with the brand standards but also with a lower-than-expected investment. We have so far saved more than Baht 400 million investment budget or approximately 6 percent of total investment. As a result, our expected return on investment is still more or less closed to the original target we set for the project despite the lower-than-expected hotel revenues which were impacted by the market situations during their ramp up periods.

## 2.2 Company Financial Performance

Thailand tourism industry gradually picked up from its dip in Dec-08 with a rebound of tourist arrivals since January this year. Though not back to normal or near the level our hotels experienced during the good years, an increasing occupancy and revenue per available room (“RevPar”) on a month-on-month (“m-m”) basis during the first three months of this year represented a good sign of recovery and in line with pattern of recovery we experienced through several incidents in the past which demands progressively returned within 4-6 weeks. Such promising demand recovery was however put on the brakes during the second quarter when the internal political conflicts led to violence in mid-April followed by concerns over the spread of H1N1 flu across many countries in the world in early May which was certainly an unexpected factor. As political situations positively developed and the world learns how to handle H1N1 on everyday life, we saw demand picked up again in the third quarter and continued through the last quarter of the year. International tourist arrivals at Suwannabhumi International Airport which is the main gate to Thailand started to show year-on-year (“y-y”) growth from September through the year end and Thailand was able to maintain total tourist arrivals at 14 millions level in 2009 despite the aforementioned hiccup and global economic downturn. Tourist arrivals by nationality were mainly from Asia (55%) and Europe (29%). While Asian tourists appeared to be more sensitive to the situations but once the situation developed positively, they showed strongest recovery as well. New growing markets are Middle East and South Asia (mainly India) which appeared to be less sensitive to the situation.

In 2010, the Office of Tourism Development has earlier forecasted total tourist arrivals to increase to 15.5 millions. However, with on-going political demonstrations, the forecast was expected to be revised accordingly but we have not seen the new forecast.

Business operation wise, our focus has been on maximizing top line while cost-savings initiatives remained in tact. The benefits from our hotel diversification strategy set out 4 years ago have become more visible under these market difficulties. In general, our midscale and economy hotels were relatively less affected than the

luxury hotels. The strongest growth came from our economy segment. All in all, the market weakness in 2009 led to 8% drop of hotel income despite 295% income growth of the 5 hotels opened in 2008 and approximately Baht 120 million additional income generated from the 3 new hotels opened in 2009. Our two luxury hotels in Bangkok, experienced a drop of 9% in average occupancy and 14% in average room rates (“ARR”). This resulted in a 25% decrease of revenue per available rooms (“RevPar”) and the combined room revenues from these two flagships. For resort destinations, Phuket remained stronger than Samui. Our Renaissance Koh Samui Resort and Spa (“RKS”) closed the year with 11% lower occupancy and 17% lower ARR which resulted in a 31% drop of RevPar and room revenues. As for our ultra-luxury Six Senses Destination Spa Phuket (“SSP”), fully opened in Dec-08, its RevPar improved almost double in 2009 which was its first full year of operation with occupancy up by 8% y-y as driven by the promotional prices given throughout the year. In total, income from the four luxury hotels dropped 18% from a year ago to Baht 2,210 million in 2009 which mainly caused by a 24% decrease of combined room revenues while income from food & beverage (“F&B”) dropped only 9%. The lower drop of F&B was mainly due to the fact that our F&B operations at GHEB and JWM normally supported by local customers than hotel guests, thus not much dependent on hotel occupancy.

We now have 2 hotels under the midscale segment, Courtyard by Marriott Bangkok Hotel (“CYB”) in its second year of operation and the newly opened Holiday Inn Pattaya (“HIP”). As a result of industry softness, CYB recorded 20% lower RevPar in 2009 as compared to the same period a year ago. HIP which offered promotional rates during its first three months of operations was able to command 61% occupancy. Our midscale hotels recorded total income of Baht 274 million in 2009, a 4% increase from last year despite an 18% drop of CYB’s total income. This was mainly contributed from HIP which had only three months of operation during the fourth quarter of 2009.

For Economy segment are all under “ibis” brand. At the end of 2009, we had total of 6 economy hotels which proven to be the most resilient segment providing the highest growth y-y. Our first 4 ibis hotels opened in 2008 including ibis Phuket Patong (“IPP”), ibis Pattaya (“IPT”) ibis Bangkok Sathorn (“IST”) and ibis Samui Bophut (“ISM”) had their occupancy and RevPar grew significantly y-y while the newly opened ibis Bangkok Nana (“INN”) led the pack with highest occupancy (77%) and RevPar and ibis Phuket Kata (“IKT”) in its first month of operation achieved 58% occupancy with the highest ARR as Phuket moved toward its high season in Dec-09. The six ibis hotels combined to generate Baht 297million in revenue in 2009, a 411% increase y-y. Majority of their revenue came from room sales

Our 2 rental properties, Ploenchit Center (“PC”) and Erawan Bangkok (“EB”), continued to generate steady income growth to the group with higher rental rates continuously y-y. The combined income from rental business in 2009 was Baht 401 million representing an increase of 3% from last year.

We had Baht 1,373 million capital expenditure occurred during the year, majority of which were for the 3 new hotel projects already opened in 2009 and one new project (the ibis Riverside) under construction due to open in 2010. Sources of funding to support this capital expenditure were project loans drawn during the year and our cashflow from operation. At the end of 2009, we already completed 10 hotels of our Phase I expansion

which initially targeted to add 14 hotels to our investment portfolio to become one of the leading players in Thailand's hospitality business. The remaining 3 ibis hotels in Hua Hin, Krabi, and Sri-Racha which we have already secured land and project financing remained on hold at the end of 2009.

Mrs. Kamonwan Wipulakorn explained further on the financial statements that Earnings before Interest, Tax, Depreciation and Amortization ("EBITDA") excluding other income and non-recurring items were down to Baht 790 million in 2009. The Company also recorded a lower EBITDA margin of 25% in 2009 vs. 32% in 2008 which was mainly due to revenue contraction of the pre-08 hotels as the new hotels opened during 2008 and the rental properties all showed both EBITDA and margins improvement from 2008. With the addition of 3 new hotels in 2009 and the 5 new hotels opened in 2008 were in their full year of operations in 2009, our Depreciation and amortization ("D&A") increased by Baht 123 million or 24% from last year to record at Baht 628 million for 2009.

The average cost of funding maintained within the same range of 4% as the year before. Total interest expenses increased 12% to Baht 307 million in 2009 which was mainly due to the recognition of interest charges on our 3 new hotels opened this year and the effects of full year operations from those opened in 2008. The 5 new hotels opened in 2008 which had Baht 36 million of interest payments during 2008 recorded Baht 91 million in 2009 while the 3 new hotels opened in 2009 added another Baht 19 million. Interest charges of the pre-2008 properties in 2009 were actually lower than those in 2008.

Non-recurring items for 2009 were mainly pre-opening expenses from new hotels prior to their openings. The net amount this year is a negative Baht 50 million (mainly from ibis Nana opened in Mar-09, Holiday Inn Pattaya opened in Oct-09 and Ibis Phuket Kata opened in Dec-09). These costs are booked under "Selling and administrative expenses" in our P&L. For the year 2008, the net amount in our P&L is a negative Baht 94 million which resulting from a combined pre-opening expense of Baht 103 million and Baht 9 million additional gains from the Sale of Amarin Plaza (although transaction was completed in 2007, gradual completion of due diligence process resulted in this Baht 9 million additional gains in 1Q08 and was booked as "Other income" in our P&L.

Total liabilities of the Company increased 9% from Baht 8,872 million as of 31 December 2008 to Baht 9,750 million as of 31 December 2009. This is mainly from the project loan drawdown for new projects, Since we did not have to pay back long term loan principal in 2009, total existing long term loans remained the same as 2008 while the additional drawn down of project loans led to an increase of total interest-bearing debts increase to Baht 8,570 million at the end of 2009 vs. Baht 7,705 million in Dec-08. On the other hand, total equity was thinner from a net loss incurred in 2009. As a result, debt-to-equity ratio (D/E) increased to 2.7 times at the end of this year. Despite this high leverage, we believe that our liquidity is still at a manageable level on several accounts. All project loans have over 2 years' grace period and the repayments have been designed to gradually match with the expected cash flow generated by each project especially during its first three year ramp up period. In the next three years (2010-2012), only 25% of total loan outstanding will be repaid. Additionally, our interest coverage is still high at 2.4 times while Baht 1,732 million out of total credit lines of Baht 1,939 million short-term loan facility remained unused at end of 2009.

### 2.3 Corporate Social Responsibilities Activities (2008-2010)

Mr. Kasama Punyagupta (President & CEO) informed the Meeting of the Company's activities in relation to the Corporate Social Responsibilities (CSR) which have been continuously implemented since 2008 to present. The Company committed to operate its business under the principle of good governance and to raise CSR awareness among our employees to ensure that our relationship and interaction with all parties of the Company's stakeholders including its shareholders, employees, lenders, suppliers, and business alliances and the community we live in were in line with these principles. We had a clear policy and allocate annual budget to support these activities. The shareholders can refer to more details of these activities as described in the 2009 Annual Report.

The Chairman invited shareholders to ask questions or voice their observations. Shareholders raised issues which were summarized as follow:

Shareholder 2 requested the directors to provide explanation on the followings:

- Major reasons for the loss of the year
- Risk management
- In addition to rescheduling of long term loan repayment, any other financial risk management
- Terrorism Insurance provide what kind of compensation

Mr. Kasama Punyagupta (President & CEO) explained that following the Company's Phase I Expansion plan set out 5 years ago, the Company has built up expertise in hotel development. Hotels are long-term investments. Risks from natural disasters, epidemic, economic downturn or political unrest have all been taken into consideration since Day One. Short term impacts from these factors are collectively just a part of the process. In a longer term, if you are offering the right products and services, values for our hotels are always going to be there. What we have to do and been doing is to make sure that we have risk management tools in place to survive through such difficult periods. Our Phase I Expansion which emphasized on diversification strategy has helped us diversify risk that may incur in a particular market or destination at different time. We are currently have diversified hotel portfolio from luxury to midscale to economy segment and across Thailand's major tourist destination compared with only 2 luxury hotels in Bangkok 5 years ago. We have over the years established resources and system to support long term growth. We believe we were able to get through the industry crisis several times in the past because we were well-prepared with risk management plan in place as well as our ability to adjust ourselves quickly to cope with the situation before and after. This included not only a timely investment readjustment of new projects and financial obligations but also an on-going review of cost reduction and savings. Last time when there was a political unrest in Sep-08 and a sign of global financial crisis in Oct-08, we already began discussion with our lenders to waive financial covenant and reschedule our long term loan repayment for 2009 and also announced a postponement of capital expenditure on new hotel projects. All these measures completed even before the airport closure in Dec-08. Similarly, from the beginning of this year, we have reviewed the situation and decided not to resume the three ibis projects which have been put on



hold since 2008 and also discussed with the lenders to reschedule all outstanding loans to preserve cash flow and allow us to be more flexible to cope with the situation.

Other risk mitigation is insurance. We have all insurance including Business Interruption and Terrorism Insurance in place for all of our properties. In order to claim business interruption from the terrorism insurance, there has to be property damage. Hence based on current situation where our property is not damaged, we cannot claim the insurance.

Shareholder 3 asked if the Company has plan to expand into the Northern part of Thailand

Mr. Kasama Punyagupta (President & CEO) explained that based on current expansion plan the Company did not have plan to expand into the Northern part of Thailand. Based on information on hand, many hotels in key destination such as Chiang Mai did not have good performance.

Shareholder 4 and Shareholder 5 requested the directors to provide further explanation on the Company's performance of which Mr. Kasama Punyagupta (President & CEO) and Mrs. Kamonwan Wipulakorn (Executive Vice President & CFO) have clarified as follows:

- what the market share the Company has in the domestic market

It would be difficult to assess the actual figures as many small operators did not share the information. Based on information from government agencies, it is estimated that total hotels & resorts market (excluding small operators such as guest houses) have revenues totaling approximately Baht 200,000-300,000 million. Our Company has approximately Baht 3,500 million revenues which is about 1% of total market. We believed other major operators more or less have the same market shares because the tourism industry has many players.

- How Six Senses Destination Spa increased occupancy rate from 4% in 2008 to 12% in 2009

Six Senses Destination Spa Phuket with emphasis on health and wellness is unique from a typical pool villa resort. This type of product can demand higher room rates. With the current promotion, we achieved an average spending per room of approximately Baht 24,000-25,000. The resort was in its first year of operation in 2009. With unfavorable market environment last year, the resort's performance was lower-than-expectation. However with intensive marketing programs over the year, we experienced good improvement in 4Q09 with occupancy rate increased to 30% level and continued through 1Q of this year.

- What is the break even point of the Company's 2 luxury hotels in Bangkok

Occupancy level to determine hotel's breakeven point is not fixed. It can be adjusted as hotels can reduce their operating expenses during abnormal market conditions. For example, during the airport closure in Dec-08, occupancy of our 2 luxury hotels in Bangkok dropped to 10-15% but picked up later of the month after the airport re-open and with support from local customers on F&B revenues, the hotels could still operate with profit in Dec-08.

- What is the occupancy rate of the Company's 2 luxury hotels in Bangkok in 1Q10 and April-10 compared to April last year and what is the forecast for the year

- What is the occupancy forecast for hotels in Bangkok and non-Bangkok

The protest at Ratchaprasong Intersection from 3<sup>rd</sup> April has caused the Company to temporary close Grand Hyatt Erawan and Courtyard by Marriott Bangkok which are located in the area. Average occupancy of these two hotels in April was down to 10% compared with 45% level last April. Due to some fixed expenses which mainly from HR, we estimated operating loss from these two hotels. The Company together with other business operators in Ratchaprasong area have actively discussed with the government for remedy and expected that the government's remedial programs would help subsidize some loss.

- What is the highest D/E Ratio the Company can bear?

As mentioned earlier that we postponed long term loan repayment in 2009 to preserve cash flow so our debts as a result were not paid down while we continued to draw down project loan to support the new hotel projects. Moreover, the weak market situation particularly during 2Q which led to a net loss last year further pressured the D/E ratio at the end of last year. For this year, we estimated debt to remain at the same level around Baht 8,400 million as we have already rescheduled total debts and as a result, the debt repayment this year was in the same range as estimated project loan drawdown for ibis Riverside project.

- Would the Company encounter liquidity problem? Would the Company need to raise equity capital?

The Company already adjusted capital expenditure and debt obligations to match with expected cash flow from operations. In addition, we have short term credit line of Baht 1.9 billion which can be used for general purpose as required. We have also explored other alternatives to strengthen our equity such as establishment of property fund. Based on current situation, we did not foresee the need to raise equity capital from shareholders.

- Any interest rate adjustment on the long term loan rescheduling

Interest rate remained unchanged

- Can we claim the insurance if there is any damage

Business interruption and property damage can be claimed if the insured property is damaged.

The Chairman invited the shareholders to ask questions and voice their additional observations. As no questions being raised, the Chairman requested the Meeting to acknowledge the performance of the Company's operating results of 2009 and to adopt the Board's Responsibility in the Financial Statements for the year ended on 31 December 2009.

**The Meeting resolution:**

After due consideration, the Meeting passed a resolution to acknowledge the performance of the Company's operating results of 2009 and to adopt the Board's Responsibility in the Financial Statements for the year ended on 31 December 2009 with the majority voting as follows:

Resolution	Total Votes (1 Share = 1 vote)	Percent of the total votes of shareholders attending the meeting and entitle to vote
Approved	1,839,722,546	99.9982
Objected	-0-	-
Abstained	33,800	0.0018

Remark: During the conduct of this agenda, there were additional shareholders attending the Meeting, representing 482,530 shares. Thus, the total numbers of shares present in the Meeting were 1,839,756,346 shares.

**Agenda 3 To Approve the Company's Balance Sheets, Profit and Loss statements, Cash Flow Statements and Consolidated Financial Statements as at 31st December 2009.**

The Chairman informed the Meeting that the Company had prepared the balance sheet, profit and loss statements, cash flow statements and consolidated financial statements as at 31 December 2009, which was duly audited by the Company's auditor, and that the Audit Committee and the Board considered it to be correct, completed and adequate in accordance with the general accounting principles, which was illustrated in the Section "Financial Statements" "Report of the Audit Committee to Shareholder" and "Report of the Board's Responsibility in the Financial Statements" of the Annual Report, which has been sent to the shareholders together with the notice of this meeting as per the Enclosure No.2. The 2009 results were as follows:

(Unit: million Baht)

Items	Company only	Consolidated
Total Assets	11,102	13,289
Total Liabilities	6,717	9,750
Total Equity (company's shareholders )	4,385	3,539
Total Revenues	1,708	3,192
Net Profit / (Loss)	(30)	(229)
Earnings / (Loss) per Share	Baht (0.01)	Baht (0.10)

The Chairman invited the shareholders to ask questions and voice their additional observations. No questions being raised. Then, requested the Meeting to approve the Company's Balance Sheets, Profit and Loss Statements, Cash Flow Statements and Consolidated Financial Statements as at 31st December 2009.

**The Meeting resolution:**

After due consideration, the Meeting passed a resolution to approve the audited balance sheets, profit and loss statements, cash flow statements and consolidated financial statements as at 31 December 2009 with the majority voting as follows:

Resolution	Total Votes (1 Share = 1 vote)	Percent of the total votes of shareholders attending the meeting and entitle to vote
Approved	1,839,722,510	99.9982
Objected	-0-	0
Abstained	33,836	0.0018

**Agenda 4 To Consider the Omission of Dividend Payment.**

The Chairman informed the Meeting that the Company had a policy to distribute dividend in the rate of 35% of net profit on Consolidated Financial Statement. The amount of the dividend (if any) would also be subject to the Company's cash flow and investment requirement. In 2009, the Company registered net loss of Baht 229 million on Consolidated Financial Statement. The Board of Directors therefore proposed to this Shareholders' Meeting to consider the omission of dividend payment for the year 2009.

The Chairman invited the shareholders to ask questions and voice their additional observations. No questions being raised. Then, requested the Meeting to approve the omission of dividend payment because the Company registered net loss of Baht 229 million on Consolidated Financial Statement.

**The Meeting resolution:**

After due consideration, the Meeting passed a resolution to approve the omission of dividend payment because the Company registered net loss of Baht 229 million on Consolidated Financial Statement with the majority voting as follows:

Resolution	Total Votes (1 Share = 1 vote)	Percent of the total votes of shareholders attending the meeting and entitle to vote
Approved	1,839,689,346	99.9964
Objected	31,300	0.0017
Abstained	35,700	0.0019

**Agenda 5 To Acknowledge the Audit Committee's Report for the year 2009.**

The Chairman requested Mr. Sansern Wongcha-um, the Chairman of The Audit Committee, to explain this agenda to the Meeting.

The entire Audit Committee consists of independent directors and at least three members. In 2009, the Audit Committee met four times to consider the following:

- To review the quarterly financial statements and the 2009 financial statements.
- To consider approval of change in accounting policy and compliance with the Thai accounting standards.
- To evaluate an adequacy of the internal control system

- To review connected transactions or conflict of interest.
- To approve the annual auditing plan and to acknowledge and submit an internal auditing result to the Board of Directors
- To evaluate the Internal Audit Department's performance.
- To consider select an auditors and the auditing fees.

The Audit Committee's report is shown in "Report of the Audit Committee to Shareholder" of the Annual Report, which has been sent to the shareholders together with the notice of this meeting as per the Enclosure No.2.

The Chairman invited the shareholders to ask questions and voice their additional observations. No questions being raised. Then, requested the Meeting to acknowledge the Audit Committee's 2009 report.

**The Meeting resolution:**

After due consideration, the Meeting passed a resolution to acknowledge the Audit Committee's 2009.

**Agenda 6 To appoint the auditors and approve the auditing fee for the year 2010**

The Chairman requested Mr. Sansern Wongcha-um, the Chairman of The Audit Committee, to explain this agenda to the Meeting.

The Board and the Audit Committee considered selecting KPMG Phoomchai Audit Limited ("KPMG") to be the Company's Auditor. KPMG has been well recognized internationally with expertise in auditing and has been well-performed for the past year as the Company's auditor in 2009. In addition, KPMG proposed proper audit fee, comparing with quantities of works and fee rate of other auditing firms at the same level. The Board and the Audit Committee therefore proposed this Shareholders' Meeting to appoint the auditors from KPMG, namely:

1. Miss Boonsri Chotpaiboonpan, C.P.A. No. 3756 and/or;
2. Mr. Charoen Phosamritlert, C.P.A. No. 4068 and/or;
3. Miss Vannaporn Jongperadechanon, C.P.A. No. 4098

And fix the audit fee for the accounting period ended on 31<sup>st</sup> December 2010 at Baht 2,300,000 (Two millions and three hundred thousands Baht), which is Baht 155,000 (One hundred and fifty-five thousands Baht) more than the previous year or an increase of 7 percent. The increase from 2009 is mainly for additional works on 2 new hotels opened in the fourth quarter of 2009.

KPMG has no non-audit transaction with the Company and the auditors named above do not have relation with nor interest in the Company, its subsidiaries, management, major shareholders of other related persons. Therefore, all proposed auditors are independent to audit and express their opinions for the Financial Statement of the Company. The Board, therefore, proposed this Shareholders' Meeting for consideration and approval.

In this regard, KPMG has also been considered as the auditor of the Company's subsidiaries for the year 2010 with the audit fee in total of Baht 1,480,000 (One million, four hundreds and eighty thousands Baht).

The Chairman invited the shareholders to ask questions and voice their additional observations. A shareholder raised issues which were summarized as follow:

Shareholder 2 asked if it was appropriate to increase the Company's annual audit fee while the Company recorded financial loss last year and whether the Company's director negotiated the fee. She was of the opinion that the auditor should have at least maintained the audit fee at the same level as last year.

The Chairman of Audit Committee explained to the meeting that the fee was already negotiated and adjusted as per Company's request. The main reason for an increase from last year was due to additional works on 2 additional hotels (Holiday Inn Pattaya and Ibis Phuket Kata) which were opened in 4<sup>th</sup> quarter last year. Based on such basis, the Audit Committee found the additional Baht 155,000 increase from last year was reasonable.

The Chairman also added that the audit fee also reflected the fact that the two new properties were located outside of Bangkok which would require more time and work to the auditor to perform. In addition, the Company's audit fee for 2009 was already significantly reduced from 2008.

The Chairman invited the shareholders to ask questions and voice their additional observations. No questions being raised. Then, requested the Meeting to appoint the auditors and approve the auditing fee for the year 2010

**The Meeting resolution:**

After due consideration, the Meeting passed a resolution to approve the auditing fee for the year 2010 with the majority voting.

Resolution	Total Votes (1 Share = 1 vote)	Percent of the total votes of shareholders attending the meeting and entitle to vote
Approved	1,785,146,410	97.0301
Objected	47,820	0.0026
Abstained	54,591,916	2.9673

Remark: During the conduct of this agenda, there were additional shareholders attending the Meeting, representing 29,800 shares. Thus, the total numbers of shares present in the Meeting were 1,839,786,146 shares.

**Agenda 7 To Appoint Directors to Succeed those Completing their Terms.**

The Chairman advised the Meeting that in accordance with Clause 19 of the Company Articles of Association, which stated that "One-third of the Directors must retire from the office by rotation at the Annual General Meeting of Shareholders". This year, four (4) directors who shall retire by rotation in this Shareholders' Meeting, were Mr. Banyong Pongpanich, Independent director, Mr. Supol Wattanavekin, Director, Mr. Chanin Vongkusolkrit, Director and Mr. Krisda Monthienvichienchai, Director. The Chairman explained the procedure of how to nominate directors to the Meeting.

The Board of Directors complied with nominating guideline recommended by the Nominating and Corporate Governance Committee. The Nominating and Corporate Governance Committee excluding Mr. Chanin Vongkusolkrit who has special interest since he is due to retire has considered the soundness and for maximum benefit of the Company resulted from a performance evaluation of directors during the past year and specific qualifications of directors whose terms had been due, and resolved to propose the Board to reelect the four retiring directors as directors of the Company for another term. These four directors are professionally experts; they possess knowledge and expertise that suit our businesses; they have also contributed in their performances as our directors and sub-committee and they are fully qualified based on the criteria, appear in the Section "Management Structure" of the annual report, which has been sent to the shareholders together with the notice of this meeting as per the Enclosure No.2. The four (4) directors have never been punished, dismissed or removed on the ground of dishonest performance, nor been imprisoned for and offense related to property committed with dishonest intent, nor engaged in the business which has the same nature as, and is in competition with, the business of the Company.

The Board excluding the directors having special interest considered the qualifications of nominees and agreed with the proposal of the Nominating and Corporate Governance Committee to propose to this Shareholders' Meeting to reelect all 4 retiring directors namely Mr. Banyong Pongpanich, Mr. Supol Wattanavekin, Mr. Chanin Vongkusolkrit and Mr. Krisda Monthienvichienchai to retain office for another term. The qualifications set for our directors and a definition of our independent director are above the SEC's minimum requirements. The credentials and backgrounds of the proposed persons, including the definition of independent director has been sent to the shareholders together with the notice to this meeting as per the Enclosure No.3.

The Chairman invites all 4 directors step outside the Meeting to allow shareholders to elect each individual director.

1. To elect Mr. Banyong Pongpanich to be an Independent Director. The Nominating and Corporate Governance Committee and the Board considered that Mr. Banyong Pongpanich has appropriate qualification and has well-performed as Independent Director, Member of the Financial and Risk Management Committee and Member of the Management Development and Compensation Committee. The credentials and backgrounds of the said director were presented in the notice of meeting as per the Enclosure No. 3.

Therefore, the Meeting was proposed to re-elect Mr. Banyong Pongpanich, an independent director retiring by rotation, to be an independent director for another term with a term of office from 27 April 2010 to the Annual General Meeting of Shareholders for the Year 2013.

The Chairman invited the shareholders to ask questions or raise their observations. No questions being raised. The Chairman, then, requested the Meeting to re-elect Mr. Banyong Pongpanich, an independent director retiring by rotation, to be an independent director for another term.

### Meeting Resolution

After due consideration, the Meeting passed a resolution to re-elect Mr. Banyong Pongpanich, an independent director retiring by rotation, to be an independent director for another term with a term of office from 27 April 2010 to the Annual General Meeting of Shareholders for the Year 2013 with the majority voting as follows:

Resolution	Total Votes (1 Share = 1 vote)	Percent of the total votes of shareholders attending the meeting and entitle to vote
Approved	1,782,235,168	97.0302
Objected	1,500	0.0001
Abstained	54,547,978	2.9698

- To elect Mr. Supol Wattanavekin to be a Director. The Nominating and Corporate Governance Committee and the Board considered that Mr. Supol Wattanavekin has appropriate qualification and has well-performed as a Director, Member of Member of the Financial and Risk Management Committee and the Management Development and Compensation Committee. The credentials and backgrounds of the said director were presented in the notice of meeting as per the Enclosure No. 3.

Therefore, the Meeting was proposed to re-elect Mr. Supol Wattanavekin, a director retiring by rotation, to be a director for another term with a term of office from 27 April 2010 to the Annual General Meeting of Shareholders for the Year 2013.

The Chairman invited the shareholders to ask questions or raise their observations. No questions being raised. The Chairman, then, requested the Meeting to re-elect Mr. Supol Wattanavekin, a director retiring by rotation, to be a director for another term.

### Meeting Resolution

After due consideration, the Meeting passed a resolution to re-elect Mr. Supol Wattanavekin, a director retiring by rotation, to be a director for another term with a term of office from 27 April 2010 to the Annual General Meeting of Shareholders for the Year 2013 with the majority voting as follows:

Resolution	Total Votes (1 Share = 1 vote)	Percent of the total votes of shareholders attending the meeting and entitle to vote
Approved	1,726,567,788	96.9390
Objected	1,500	0.0001
Abstained	54,517,942	3.0609

- To elect Mr. Chanin Vongkusolkit to be a Director. The Nominating and Corporate Governance Committee and the Board considered that Mr. Chanin Vongkusolkit has appropriate qualification and has well-performed as a Director, Member of the Financial and Risk Management Committee and Member of the Nominating and Corporate Governance Committee. The credentials and backgrounds of the said director were presented in the notice of meeting as per the Enclosure No. 3.



Therefore, the Meeting was proposed to re-elect Mr. Chanin Vongkusolkit, a director retiring by rotation, to be a director for another term with a term of office from 27 April 2010 to the Annual General Meeting of Shareholders for the Year 2013.

The Chairman invited the shareholders to ask questions or raise their observations. No questions being raised. The Chairman, then, requested the Meeting to re-elect Mr. Chanin Vongkusolkit, a director retiring by rotation, to be a director for another term.

#### Meeting Resolution

After due consideration, the Meeting passed a resolution to re-elect Mr. Chanin Vongkusolkit, a director retiring by rotation, to be a director for another term with a term of office from 27 April 2010 to the Annual General Meeting of Shareholders for the Year 2013 with the majority voting as follows:

Resolution	Total Votes (1 Share = 1 vote)	Percent of the total votes of shareholders attending the meeting and entitle to vote
Approved	1,834,263,316	99.9984
Objected	1,500	0.0001
Abstained	27,780	0.0015

4. To elect Mr. Krisda Monthienvichienchai to be a Director. The Nominating and Corporate Governance Committee and the Board considered that Mr. Krisda Monthienvichienchai has appropriate qualification and has well-performed as a Director and Member of the Audit Committee. The credentials and backgrounds of the said director were presented in the notice of meeting as per the Enclosure No. 3.

Therefore, the Meeting was proposed to re-elect Mr. Krisda Monthienvichienchai, a director retiring by rotation, to be a director for another term with a term of office from 27 April 2010 to the Annual General Meeting of Shareholders for the Year 2013.

The Chairman invited the shareholders to ask questions or raise their observations. No questions being raised. The Chairman, then, requested the Meeting to re-elect Mr. Krisda Monthienvichienchai, a director retiring by rotation, to be a director for another term.

#### Meeting Resolution

After due consideration, the Meeting passed a resolution to re-elect Mr. Krisda Monthienvichienchai, a director retiring by rotation, to be a director for another term with a term of office from 27 April 2010 to the Annual General Meeting of Shareholders for the Year 2013 with the majority voting as follows:

Resolution	Total Votes (1 Share = 1 vote)	Percent of the total votes of shareholders attending the meeting and entitle to vote
Approved	1,785,277,384	97.0372
Objected	1,500	0.0001
Abstained	54,507,262	2.9627

Remark: Mr. Banyong Pongpanich, Mr. Supol Wattanavekin and Mr. Chanin Vongkusolkrit, the Directors holding an aggregate of 67,193,966 votes, were having special interest and hence not allowed to vote this agenda.

**Agenda 8 To Consider the Directors' Remuneration for the year 2010.**

The Chairman as The Chairman of the Nominating and Corporate Governance Committee explained the Meeting that The Nominating and Corporate Governance Committee reviewed the remunerations of the Company's directors and members of the committees on the basis of their responsibilities and statistical data of remunerations paid by the service sector as well as average payments by listed companies registering the same level of incomes. As such, the Nominating and Corporate Governance Committee proposed to the Board that director's remunerations for 2010 shall remain on the same basis as previous year which consist of (i) a retainer fee to be paid to directors on a monthly basis; (ii) an attendance fee to be paid on the basis of a number of director's attendance to the meeting and (iii) a remuneration fee to be paid on an annual basis subject to the Company's performance. Due to the Company's financial performance, the remuneration fee for the year 2009 shall not be paid.

Proposed remunerations for 2010 compared with those for 2009 are as follows:

<b><u>Board of Directors' Retainer Fees</u></b>	<b>2010</b>	<b>2009</b>
1) Retainer Fee: Baht 2,940,000 in total per year		
- Chairman	Baht 25,000/month	Baht 25,000/month
- Directors each	Baht 20,000/month	Baht 20,000/month
<b><u>The Committees' Retainer or Attendance Fees</u></b>		
2) Audit Committee: Not exceeding Baht325,000 in total per year		
- Chairman	Baht 25,000/Attening	Baht 25,000/Attening
- Members each	Baht 20,000/Attening	Baht 20,000/Attening
3) Financial and Risk Management Committee (Retainer fee):Baht 960,000 in total per year		
- Chairman	Baht 20,000/month	Baht 20,000/month
- Members each	Baht 15,000/month	Baht 15,000/month
- Executive Director Member	-0-	-0-
4) The Nominating and Corporate Governance Committee and the Management Development and Compensation Committee: Not Exceeding Baht 150,000 in total a committee per year		
- Chairman	Baht 15,000/Attening	Baht 15,000/Attening
- Members each	Baht 11,250/Attening	Baht 11,250/Attening

The Chairman informed the Meeting that shareholders being the directors of the Company holding an aggregate of 94,985,250 shares who had special interest in the fixing of directors' remunerations, and that they were not eligible for voting on the remunerations of directors and meeting allowances of committee members.

The Chairman invited shareholders to ask questions of voice their observations. A shareholder raised an issue which was summarized as follows:

Shareholder 2 requested the director to clarify on the followings:

- any committee responsible directly for minority shareholders' interest
- appreciated that the Board of Directors did not accept the annual remuneration fee for the year 2009 however since shareholders did not receive dividend this year, the Board of Directors could also consider reducing retainer and attendance fees as well

The Chairman clarified that the Nominating and Corporate Governance Committee have duly reviewed and formed an opinion that our directors' remunerations which have not been increased since 2005 have been lower than those in the same industry. Even when the Company had profit and distribute profit to shareholders as dividend, the directors did not take the same opportunity to raise remunerations because the directors viewed that the current remunerations were already appropriate. The Chairman noted the shareholder's comment and would take it into consideration for next year proposal.

The Chairman invited the shareholders to ask questions or raise additional observations. No questions being raised. The Chairman, then, requested the Meeting to approve the directors' remuneration for the year 2010

#### **Meeting Resolution**

After due consideration, the Meeting passed a resolution to The Meeting approved the directors' remuneration for the year of 2010 upon the Nominating and Corporate Governance Committee's as the resolution comprised with the majority voting.

Resolution	Total Votes (1 Share = 1 vote)	Percent of the total votes of shareholders attending the meeting and entitle to vote
Approved	1,690,193,260	96.8703
Objected	38,500	0.0022
Abstained	54,569,136	3.1275

#### **Agenda 9 Others (If any).**

The Chairman advised that this agenda was provided for shareholders to ask questions and/or for directors to clarify any queries of the shareholders (if any). No issue would be proposed for consideration and approval, and therefore, no voting would be made.

The Chairman invited shareholders to ask questions. There were shareholders asked questions and gave their suggestion, which are summarized as follows:

Shareholder 2, 5 and 6 requested the directors to further clarify the followings:

- Did the Company has emergency plan to cope with worst case whether happened inside or outside Thailand

Mr. Kasama Punyagupta (President & CEO) clarified that the Company and each hotel operators already have action plan in place for different circumstances which can be timely implemented

- What is the intangible assets increased shown in Cash Flow Statement
- How to improve D/E Ratio

Mrs. Kamonwan Wipulakorn (Executive Vice President & CFO) clarified that the increase in intangible assets was for computer software and based on current forecast of Company's performance and debt repayment schedule, it was expected that D/E Ratio would be improved towards the end of this year if the situation did not get worse than expected.

- Did ERAWAN focus its business on hotel only? Is there an opportunity to be taken over?

Mr. Kasama Punyagupta (President & CEO) clarified that the Company's business has been in line with the Company's vision to be one of the leading hotel investors in Thailand and hence its mission was to build a well-diversified hotel portfolio. The Company was not at risk to be taken over.

Additionally, Shareholder 7 and 8 who left the questions with the Company Secretary requested the directors to clarify the followings:

- the rumors that Grand Hyatt Erawan provided shelter for the leaders of the United Front for Democracy against Dictatorship (UDD) which held protest against the government at Ratchaprasong Intersection and whether it was true that the hotel management was the UDD member:

The Chairman clarified that the rumor was not true. Grand Hyatt Erawan Bangkok had never supported and/or offered accommodation for leaders of UDD and/or protestors. Grand Hyatt Erawan did not accept new bookings and closed its Food and Beverage outlets to public since April 6<sup>th</sup> but continued to provide service to remaining hotel guests. The hotel finally closed its normal operations from April 16<sup>th</sup> until present. With regard to the hotel management, the directors could verify that no management involved with the UDD protest. Grand Hyatt Erawan Bangkok was established by a joint venture between The Erawan Group which holds a 73.6% share and the Ministry of Finance via The Syndicate of Thai Hotels & Tourists Enterprises Limited which owns the land on which the hotel was built and holds a 26.4% share. The company has appointed Hyatt International, which is a leading global hospitality company, to manage the hotel according to Thai laws and the Public Company Acts under the supervision of a professional management who have been appointed by Board of directors. The hotel Board of directors consists of the representatives of shareholders and their decisions are made freely without the influence of any person or any organization.

- Number of hotel rooms by the end of this year
- Estimated revenues for this year and 1Q10 performance compared with 1Q09 and 4Q09

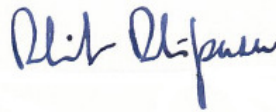
Mr. Kasama Punyagupta (President & CEO) clarified that the Company scheduled to open 1 new hotel, ibis Bangkok Riverside in 4Q this year. Hence, the Company would have total room inventory of 3,356 by year end. Estimated total revenues for the year would be in the range of Baht 3,500 million. Revenues in 1Q10 was 32% higher than 1Q09 and 5% higher than 4Q09.

No additional questions being raised.

The Company Secretary informed the Meeting that the Company would prepare the minutes of the Annual General Meeting of Shareholders for the year 2010 within 14 days from the date of the Meeting, which would be posted on the Company's website at [www.TheErawan.com](http://www.TheErawan.com). The shareholders who would like to propose a material amendment of minutes of shareholders meeting please inform the Company Secretary within 30 days after the dissemination.

The Chairman asked whether there was any question to be raised, but no shareholder raised any issue. Thus, the Chairman declared the meeting adjourned.

The meeting was adjourned at 4.15 p.m.



Signed \_\_\_\_\_ Chairman of the Meeting

(Mr. Prakrit Pradipasen)

Chairman of the Board



Signed \_\_\_\_\_ Secretary to the Meeting

(Ms. Kanokwan Thongsirarugs)

Company Secretary and Minutes Recorder