

AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS

To the Shareholders and the Board of Directors of Major Cineplex Group Public Company Limited

I have reviewed the accompanying consolidated and company statements of financial position of Major Cineplex Group Public Company Limited and its subsidiaries and of Major Cineplex Group Public Company Limited, respectively, ("the Company") as at 31 March 2011, and the related consolidated and company income statements, and the related consolidated and company statements of comprehensive income, of changes in equity, and cash flows for the three-month period ended 31 March 2011. The Company's management is responsible for the correctness and completeness of information in these interim financial statements. My responsibility is to issue a report on these interim financial statements based on my review. The interim consolidated and company financial statements for the three-month period ended 31 March 2010, of Major Cineplex Group Public Company Limited and its subsidiaries and of Major Cineplex Group Public Company Limited, respectively, were reviewed by another independent auditor of the same firm as myself, whose report, dated 12 May 2010, stated that nothing had come to his attention that caused him to believe that the interim financial statements were not presented fairly, in all material respects, in accordance with generally accepted accounting principles. The consolidated and company income statements, statements of changes in equity and cash flows for the three-month period ended 31 March 2010, presented herewith for comparative purpose, are part of the interim consolidated and company financial statements were reviewed as mentioned above.

I conducted my review in accordance with the standard on auditing applicable to review engagements. This standard requires that I plan and perform the review to obtain moderate assurance as to whether the interim financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data, and thus provides less assurance than an audit, and accordingly, I do not express an audit opinion.

Based on my review, nothing has come to my attention that causes me to believe that the interim consolidated and company financial statements referred to above are not presented fairly, in all material respects, in accordance with generally accepted accounting principles.

The consolidated and company financial statements for the year ended 31 December 2010 of Major Cineplex Group Public Company Limited and its subsidiaries and of Major Cineplex Group Public Company Limited, respectively, were audited by another independent auditor of the same firm as myself, whose report, dated 24 February 2011, expressed an unqualified opinion on those statements. The consolidated and company statements of financial position as at 31 December 2010, presented herewith for comparative purpose, are part of the consolidated and company financial statements which were audited and upon which a report was issued as stated above and I have not performed any other auditing procedures subsequent to the date of that report. As discussed in Note 3, from 1 January 2011, the Group has adopted the new and revised financial reporting standards as announced by the Federation of Accounting Professions. The consolidated and company statements of comprehensive income and of changes in equity for the three-month period ended 31 March 2010, as presented for comparative purposes, are presented in the new format to conform with the current period financial statements.

Pisit Thangtanagul
Certified Public Accountant (Thailand) No. 4095
PricewaterhouseCoopers ABAS Limited

Bangkok
13 May 2011

MAJOR CINEPLEX GROUP PUBLIC COMPANY LIMITED

**INTERIM CONSOLIDATED AND COMPANY
FINANCIAL STATEMENTS
(UNAUDITED)**

31 MARCH 2011

Major Cineplex Group Public Company Limited
Statements of Financial Position
As at 31 March 2011 and 31 December 2010

		Unit: Baht'000			
		Consolidated		Company	
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
		31 March	31 December	31 March	31 December
Notes		2011	2010	2011	2010
Assets					
Current assets					
	Cash and cash equivalents	411,031	202,163	323,014	138,858
	Short-term investment	8 49,160	48,526	49,160	48,526
	Trade accounts receivable, net	9 664,091	797,909	265,268	285,569
	Amounts due from related parties	21 37,315	55,336	398,420	435,490
	Short-term loans to related parties	21 -	-	430,655	8,891
	Inventories, net	10 136,372	134,616	23,939	19,364
	Films under production	350	10,773	-	-
	Current portion of prepaid rents	12 35,105	35,105	9,473	9,473
	Other current assets	292,140	271,857	111,873	105,828
	Total current assets	1,625,564	1,556,285	1,611,802	1,051,999
Non-current assets					
	Restricted cash	5,931	5,922	-	-
	Finance lease receivables	21,012	22,162	-	-
	Account receivable - long-term contract	51,709	55,868	51,709	55,868
	Investment in subsidiaries, net	19 -	-	1,878,640	1,878,640
	Investment in associates, net	19 1,938,410	2,205,263	1,669,357	1,878,745
	Interest in joint ventures	19 74,905	61,249	68,920	55,520
	Long-term investment in other companies, net	8 174,143	278,095	174,143	278,095
	Long-term loans to related parties	21 15,639	14,288	1,418,063	1,696,079
	Property, plant and equipment, net	11 5,346,512	5,406,005	2,348,173	2,339,240
	Goodwill, net	338,408	338,408	-	-
	Intangible assets, net	11 398,277	418,347	29,130	30,572
	Long-term prepaid rents	12 581,318	589,982	185,453	187,821
	Other non-current assets	83,319	81,058	54,308	53,805
	Total non-current assets	9,029,583	9,476,647	7,877,896	8,454,385
	Total assets	10,655,147	11,032,932	9,489,698	9,506,384

Director _____ Director _____

The accompanying notes on pages 11 to 31 are an integral part of these interim consolidated and company financial statements.

Major Cineplex Group Public Company Limited
Statements of Financial Position (Cont'd)
As at 31 March 2011 and 31 December 2010

		Unit: Baht'000				
		Consolidated		Company		
		(Unaudited)	(Audited)	(Unaudited)	(Audited)	
		31 March	31 December	31 March	31 December	
Notes		2011	2010	2011	2010	
Liabilities and equity						
Current liabilities						
Bank overdrafts and short-term						
	borrowings from financial institutions	13	393,303	497,380	100,185	299,808
	Trade accounts and notes payable		523,974	539,360	426,944	382,881
	Amounts due to related parties	21	44,876	36,192	144,841	140,628
	Short-term loans from related parties	21	-	-	89,209	87,408
	Current portion of long-term borrowings	13	175,055	158,828	32,000	28,000
	Accrued income tax		98,126	64,253	42,481	23,976
	Other current liabilities		683,661	719,850	310,219	355,869
	Total current liabilities		1,918,995	2,015,863	1,145,879	1,318,570
Non-current liabilities						
	Long-term borrowings from related parties	21	114,464	440,127	114,464	507,938
	Long-term borrowings from financial institutions	13	92,153	146,615	34,037	91,960
	Debentures	13	2,300,000	2,300,000	2,300,000	2,300,000
	Employee benefit obligations		14,862	-	7,926	-
	Other non-current liabilities		455,912	456,816	20,645	20,810
	Total non-current liabilities		2,977,391	3,343,558	2,477,072	2,920,708
	Total liabilities		4,896,386	5,359,421	3,622,951	4,239,278

The accompanying notes on pages 11 to 31 are an integral part of these interim consolidated and company financial statements.

Major Cineplex Group Public Company Limited
Statements of Financial Position (Cont'd)
As at 31 March 2011 and 31 December 2010

		Unit: Baht'000			
		Consolidated		Company	
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
		31 March	31 December	31 March	31 December
Notes		2011	2010	2011	2010
Liabilities and equity (Cont'd)					
Equity					
Share capital					
	Authorised share capital	14			
	Ordinary shares, 906,000,000 shares at par value of Baht 1 each	<u>906,000</u>	<u>906,000</u>	<u>906,000</u>	<u>906,000</u>
Issued and fully paid-up share capital					
	Ordinary shares, 881,897,219 shares at paid-up of Baht 1 each	881,897	881,897	881,897	881,897
	Share premium	14 3,839,674	3,839,674	3,839,674	3,839,674
Retained earnings					
Appropriated					
	Legal reserve	90,600	90,600	90,600	90,600
	Reserve for treasury shares	14 267,920	267,920	267,920	267,920
	Unappropriated	955,750	780,530	1,208,905	511,225
	<u>Less</u> Treasury shares	14 (267,920)	(267,920)	(267,920)	(267,920)
	Other components of equity	<u>(154,329)</u>	<u>(56,290)</u>	<u>(154,329)</u>	<u>(56,290)</u>
Equity attributable to owners of the parent		<u>5,613,592</u>	<u>5,536,411</u>	<u>5,866,747</u>	<u>5,267,106</u>
	Non-controlling interests	20 145,169	137,100	-	-
Total equity		<u>5,758,761</u>	<u>5,673,511</u>	<u>5,866,747</u>	<u>5,267,106</u>
Total liabilities and equity		<u>10,655,147</u>	<u>11,032,932</u>	<u>9,489,698</u>	<u>9,506,384</u>

The accompanying notes on pages 11 to 31 are an integral part of these interim consolidated and company financial statements.

Major Cineplex Group Public Company Limited
Income Statements (Unaudited)
For the three-month periods ended 31 March 2011 and 2010

		Unit: Baht'000			
		Consolidated		Company	
Notes		2011	2010	2011	2010
Revenues					
	Service income	1,062,854	1,077,447	582,630	487,435
	Sales	407,312	407,041	127,440	90,218
	Total revenues	1,470,166	1,484,488	710,070	577,653
Costs					
	Cost of services	702,278	713,054	418,925	347,392
	Cost of sales	252,900	265,617	43,392	33,603
	Total costs	955,178	978,671	462,317	380,995
	Gross profit	514,988	505,817	247,753	196,658
	Other operating income	19 26,377	27,830	667,036	67,417
	Profit before expenses	541,365	533,647	914,789	264,075
	Selling expenses	95,966	109,859	34,720	28,997
	Administrative expenses	236,459	253,303	127,371	114,969
	Management's remunerations	10,800	16,904	7,014	13,787
	Total expenses	343,225	380,066	169,105	157,753
	Operating profit	198,140	153,581	745,684	106,322
	Gain on disposal of investments	12,813	19,400	15,746	82,968
	Share of result of investments - equity method	19 69,800	30,535	-	-
	Profit before finance costs and income tax	280,753	203,516	761,430	189,290
	Finance costs	(38,983)	(35,023)	(34,084)	(28,307)
	Profit before income tax	241,770	168,493	727,346	160,983
	Income tax	(40,102)	(26,403)	(22,015)	(10,072)
	Profit for the period	201,668	142,090	705,331	150,911
Attributable profit to:					
	Owners of the parent	192,501	141,183	705,331	150,911
	Non-controlling interests	9,167	907	-	-
		201,668	142,090	705,331	150,911
		Baht	Baht	Baht	Baht
Earnings per share for profit					
attributable to the parent					
	Basic earnings per share	7 0.23	0.17	0.84	0.18
	Diluted earnings per share	0.23	0.17	0.84	0.18

The accompanying notes on pages 11 to 31 are an integral part of these interim consolidated and company financial statements.

Major Cineplex Group Public Company Limited
Statements of Comprehensive Income (Unaudited)
For the three-month periods ended 31 March 2011 and 2010

	Unit: Baht'000			
	Consolidated		Company	
	2011	2010	2011	2010
Profit for the period	201,668	142,090	705,331	150,911
Other comprehensive income:				
Gain (loss) on remeasuring available-for-sale investments	(98,039)	22,735	(98,039)	23,092
Other comprehensive income for the period, net of income tax	(98,039)	22,735	(98,039)	23,092
Total comprehensive income for the period	<u>103,629</u>	<u>164,825</u>	<u>607,292</u>	<u>174,003</u>
Total comprehensive income attributable to:				
Owners of the parent	94,462	163,918	607,292	174,003
Non-controlling interests	9,167	907	-	-
	<u>103,629</u>	<u>164,825</u>	<u>607,292</u>	<u>174,003</u>

The accompanying notes on pages 11 to 31 are an integral part of these interim consolidated and company financial statements.

Major Cineplex Group Public Company Limited
 Statements of Changes in Equity (Unaudited)
 For the three-month periods ended 31 March 2011 and 2010

Unit: Baht'000

	Consolidated											
	Parent's shareholders' equity											
	Issued and paid-up share capital	Share premium	Retained earnings				Treasury shares	Other components of equity		Total shareholders of the Company	Non- controlling interests	Total
			Legal reserve	Appropriated		Unappropriated		Available- for-sale investment	Other comprehensive			
				Treasury shares reserve								
Opening balance as at 1 January 2011	881,897	3,839,674	90,600	267,920	780,530	(267,920)	(56,290)	5,536,411	137,100	5,673,511		
Retrospective adjustment from change in accounting policy (Note 3)	-	-	-	-	(17,281)	-	-	(17,281)	(1,098)	(18,379)		
Opening balance after adjustment	881,897	3,839,674	90,600	267,920	763,249	(267,920)	(56,290)	5,519,130	136,002	5,655,132		
Changes in equity for period												
Total comprehensive income for the period	-	-	-	-	192,501	-	(98,039)	94,462	9,167	103,629		
Closing balance as at 31 March 2011	<u>881,897</u>	<u>3,839,674</u>	<u>90,600</u>	<u>267,920</u>	<u>955,750</u>	<u>(267,920)</u>	<u>(154,329)</u>	<u>5,613,592</u>	<u>145,169</u>	<u>5,758,761</u>		
Opening balance as at 1 January 2010	881,897	3,839,674	90,600	267,920	481,080	(267,920)	(4,773)	5,288,478	100,444	5,388,922		
Disposal of investment in subsidiaries	-	-	-	-	-	-	-	-	21,839	21,839		
Total comprehensive income for the period	-	-	-	-	141,183	-	22,735	163,918	907	164,825		
Closing balance as at 31 March 2010	<u>881,897</u>	<u>3,839,674</u>	<u>90,600</u>	<u>267,920</u>	<u>622,263</u>	<u>(267,920)</u>	<u>17,962</u>	<u>5,452,396</u>	<u>123,190</u>	<u>5,575,586</u>		

The accompanying notes on pages 11 to 31 are an integral part of these interim consolidated and company financial statements.

Major Cineplex Group Public Company Limited
 Statements of Changes in Equity (Unaudited)
 For the three-month periods ended 31 March 2011 and 2010

	Company							Unit: Baht'000
	Issued and paid-up share capital	Share premium	Retained earnings			Treasury shares	Other components of equity	Total
			Legal reserve	Treasury shares reserve	Unappropriated		Other comprehensive income	
							Available- for-sale investment	
Opening balance as at 1 January 2011	881,897	3,839,674	90,600	267,920	511,225	(267,920)	(56,290)	5,267,106
Retrospective adjustment from change in accounting policy (Note 3)	-	-	-	-	(7,651)	-	-	(7,651)
Opening balance after adjustment	881,897	3,839,674	90,600	267,920	503,574	(267,920)	(56,290)	5,259,455
Changes in equity for period								
Total comprehensive income for the period	-	-	-	-	705,331	-	(98,039)	607,292
Closing balance as at 31 March 2011	<u>881,897</u>	<u>3,839,674</u>	<u>90,600</u>	<u>267,920</u>	<u>1,208,905</u>	<u>(267,920)</u>	<u>(154,329)</u>	<u>5,866,747</u>
Opening balance as at 1 January 2010	881,897	3,839,674	90,600	267,920	625,964	(267,920)	(5,130)	5,433,005
Total comprehensive income for the period	-	-	-	-	150,911	-	23,092	174,003
Closing balance as at 31 March 2010	<u>881,897</u>	<u>3,839,674</u>	<u>90,600</u>	<u>267,920</u>	<u>776,875</u>	<u>(267,920)</u>	<u>17,962</u>	<u>5,607,008</u>

The accompanying notes on pages 11 to 31 are an integral part of these interim consolidated and company financial statements.

Major Cineplex Group Public Company Limited
Statements of Cash Flows (Unaudited)
For the three-month periods ended 31 March 2011 and 2010

	Notes	Unit: Baht'000			
		Consolidated		Company	
		2011	2010	2011	2010
Cash flows from operating activities					
Cash generated from operations	18	581,167	160,139	214,299	20,050
Interest paid		(39,969)	(36,099)	(38,402)	(28,337)
Income tax paid		(6,229)	(9,581)	(3,510)	(5,976)
Net cash generated from operating activities		534,969	114,459	172,387	(14,263)
Cash flows from investing activities					
Increase in restricted cash		(10)	(6)	-	-
Proceeds from sales of investment in subsidiaries		-	366	-	-
Payments for short-term investments	8	(150,000)	(300,000)	(150,000)	(300,000)
Proceeds from sales of short-term investments		150,141	300,281	150,141	300,281
Short-term loans to related parties	21	-	-	(10,884,006)	-
Short-term loans made to related parties	21	-	-	10,462,242	-
Short-term loans to third parties		(5,653)	-	(6,495)	-
Long-term loans made to related parties	21	(2,503)	(1,105)	(2,503)	(113,840)
Proceeds from settlements of long-term loans to related parties	21	1,152	27	281,519	201,877
Loans made to third parties		-	(5,000)	-	(5,000)
Proceeds from loans made to third parties		2,034	2,543	2,034	2,543
Payments for investment in subsidiaries		-	-	-	(2,000)
Proceeds from disposal of investment in associate	19	24,039	46,519	24,039	46,519
Proceeds from decrease in share reduction of associate	19	202,500	-	202,500	-
Payments for investment in joint venture	19	(14,400)	(10,000)	(14,400)	(10,000)
Proceeds from disposals of investment in joint venture	19	1,000	-	1,000	-
Proceeds from disposals of long-term investment		3,734	9,692	3,734	9,692
Payments for long-term investment		-	(34,371)	-	(34,371)
Purchases of property, plant and equipment		(91,740)	(147)	(75,994)	(69,461)
Proceeds from disposals of property, plant and equipment		2,109	8	-	7
Proceeds from cancellation of lease agreement		-	42,056	-	-
Payments for intangible assets		(102,928)	(66,065)	(107)	(16,753)
Interest received		2,822	1,184	10,772	26,611
Dividends received from subsidiaries and associates	19	120,000	17,837	653,589	17,837
Net cash received from investing activities		142,297	3,819	658,065	53,942
Cash flows from financing activities					
Proceeds from short-term loans from related parties	21	-	-	10,477,755	-
Repayments for short-term loans from related parties	21	-	-	(10,475,954)	-
(Decrease) increase in bank overdrafts		(4,269)	(22,201)	185	63
(Payments for) proceeds from short-term borrowings, net		(99,808)	110,164	(199,808)	70,164
Repayments of finance lease liabilities		(1,137)	-	-	(123)
Proceeds from long-term loans from related parties		-	-	-	63,000
Settlements of long-term loans from related parties	21	(325,663)	-	(394,474)	(16,000)
Proceeds from long-term borrowings from financial institutions	13	21,800	-	-	-
Repayments of long-term borrowings from financial institutions	13	(59,321)	(400,000)	(54,000)	(400,000)
Net cash used in financing activities		(468,398)	(312,037)	(646,296)	(282,896)

The accompanying notes on pages 11 to 31 are an integral part of these interim consolidated and company financial statements.

Major Cineplex Group Public Company Limited
Statements of Cash Flows (Unaudited) (Cont'd)
For the three-month periods ended 31 March 2011 and 2010

	Unit: Baht'000			
	Consolidated		Company	
	2011	2010	2011	2010
Net increase (decrease) in cash and cash equivalents	208,868	(193,759)	184,156	(243,217)
Opening balance of cash and cash equivalents	202,163	532,016	138,858	371,357
Closing balance of cash and cash equivalents	<u>411,031</u>	<u>338,257</u>	<u>323,014</u>	<u>128,140</u>

Non-cash transactions

Significant non-cash transactions for the three-month periods ended 31 March 2011 and 2010:

	Unit: Baht'000			
	Consolidated		Company	
	2011	2010	2011	2010
Investment in property, plant and equipment, not yet paid	759	87,237	2,352	(26,585)
Purchases of film rights, not yet paid	14,475	74,848	-	-
Offsetting dividend received with loans from subsidiaries	-	-	-	(40,000)
Purchases of property, plant and equipment under finance leases	1,298	10,212	-	-
Purchases of property, plant and equipment by offsetting with loan to third parties	488	-	-	-
Purchases of film rights by offsetting with loan to third parties	354	-	-	-
Disposals of equipment by offsetting with amount due from related parties	-	-	1,980	10,559
Transfer of amounts due from related parties to loans to related parties	-	-	-	(14,548)
Transfer of other current assets to loans to related parties	-	(20)	-	(20)
Offsetting amounts due to related parties with loans to related parties	-	30	-	16,430
Offsetting other current liabilities with loans to related parties	-	1,079	-	738
Offsetting loan to related party with loan from related party	-	-	1,000	-

The accompanying notes on pages 11 to 31 are an integral part of these interim consolidated and company financial statements.

Major Cineplex Group Public Company Limited
Unaudited Condensed Notes to the Interim Consolidated and Company Financial Statements
For the three-month periods ended 31 March 2011 and 2010

1 General information

Major Cineplex Group Public Company Limited (“the Company”) is a public limited company incorporated and resident in Thailand. The address of the Company’s registered office is as follows:

1839-1839/1 Phaholyothin Road, Ladyao, Jatujak, Bangkok.

The Company is listed on the Stock Exchange of Thailand. For reporting purposes, the Company and its subsidiaries are referred to as “the Group”.

The group interim consolidated and company financial statements have been authorised for issue by the Board of Directors on 13 May 2011.

The group interim consolidated and company financial statements have been reviewed, not audited.

2 Basis of preparation

All amounts shown in the financial statements and its notes are in thousands Thai Baht unless otherwise stated.

These interim consolidated and company financial statements are prepared in accordance with Thai generally accepted accounting principles under the Accounting Act B.E. 2543, being those Thai Accounting Standards issued under the Accounting Professions Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission. The primary financial statements (i.e. statements of financial position, income statements, statements of comprehensive income, changes in equity and cash flows) are prepared in the full format as required by the Securities and Exchange Commission. The notes to the financial statements are prepared in a condensed format according to Thai Accounting Standard 34 “Interim Financial Reporting” and additional notes are presented as required by the Securities and Exchange Commission under the Securities and Exchange Act B.E. 2535.

An English version of the interim consolidated and company financial statements have been prepared from the interim financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language interim financial statements shall prevail.

3 Summary of significant accounting policies

The accounting policies used in the preparation of the interim financial statements are consistent with those used in the annual financial statements for the year ended 31 December 2010 except as described in Note 4.

The following new accounting standards, new financial reporting standards, amendments to accounting standards and interpretation are mandatory for the first time for the financial year beginning on or after 1 January 2011.

- TAS 1 (Revised 2009), the revised standard will prohibit the presentation of times of income and expenses in the statement of changes in equity. Entities can choose to present the statement of comprehensive income in one statement or two statements (the income statement and statement of comprehensive income). However, the entity chose to present two statements, income statement and comprehensive income. Where entities restate or reclassify comparative information, they will be required to present a restated statement of financial position as at the beginning comparative period in addition to the current period and comparative period. However, for the financial statements which period beginning on or after 1 January 2011 and are the first period apply this standard, an entity can choose to present statement of financial position only two accounting periods

Major Cineplex Group Public Company Limited
Unaudited Condensed Notes to the Interim Consolidated and Company Financial Statements
For the three-month periods ended 31 March 2011 and 2010

3 Summary of significant accounting policies (Cont'd)

- TAS 16 (Revised 2009), the revised standard requires the entity to include in cost of PPE, an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, when the entity has obligation to do. An entity requires that an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item shall be depreciated separately. The revised standard also requires an entity to review useful life, residual value and depreciation method at least at each financial year-end. The entity assessed and determined that there is no impact from this standard.
- TAS 19 deal with accounting for employee benefit. The standard classifies employee benefit into 4 categories: a) short-term employee benefits b) post-employment benefits (including defined contribution plan and defined benefit plan) c) other long-term employee benefits and d) termination benefits. The standard requires the entity to measure the defined benefit plan and other long-term employee benefits by using the Projected Unit Credit method (PUC). An entity can choose to recognise any actuarial gain or loss for defined benefit plan either in other comprehensive income or profit and loss. Actuarial gain or loss for other long-term employee benefit shall recognise in profit and loss.

The effects of the adoption of the above standards to the statement of financial position as at 31 March 2011 are presented as following:

	Consolidated 2011	Company 2011
	Baht'000	Baht'000
Statement of financial position as at 31 March 2011		
Decrease in opening balance of retained earnings	17,281	7,651
Increase in employee benefit obligations	14,304	7,651
Decrease in investment in associates and interest in joint ventures	4,075	-
Increase in non-controlling interests	1,098	-

New interpretations of accounting standards during the three-month period ended 31 March 2011

The new interpretations were announced in the Government Gazette during the three-month period ended 31 March 2011 are as follows:

- a) Effective for the period beginning on or after 1 January 2011

TSIC 31 Revenue - Barter Transactions Involving Advertising Services

The Group's management has assessed and determined that this interpretation does not significantly impact the financial statements being presented.

- b) Effective for the period beginning on or after 1 January 2013

TSIC 10 Government Assistance - No Specific Relation to Operating Activities
 TSIC 21 Income Taxes - Recovery of Revalued Non-Depreciable Assets
 TSIC 25 Income Taxes - Changes in the Tax Status of an Entity or its Shareholders

The Group's management has determined that the new accounting standards, amendments to accounting standards and new interpretation will not significantly impact the financial statements being presented.

Costs that are incurred unevenly during the financial year are anticipated or deferred in the interim report only if it would be also appropriate to anticipate or defer such costs at the end of the financial year.

Income tax expense is recognised based on the best estimate of the weighted average annual income tax rate expected for the full financial year.

4 New accounting policies

4.1 Employee benefits

The Group has post-employment benefits both defined benefit and defined contribution plans. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that is not a defined contribution plan. Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

- Defined benefit plans

Retirement benefit

Under Labour Laws applicable in Thailand and Group's employment policy, all employees completing 120 days of service are entitled to severance pay on termination or retrenchment without cause or upon retirement age of 60. The severance pay will be at the rate according to number of years of service as stipulated in the Labor Law which is currently at a maximum rate of 300 days of final salary.

- Defined contribution plans

Provident fund

The Group operates a provident fund, being a defined contribution plan, the assets for which are held in a separate trust fund. The provident fund is funded by payments from employees and by the Group. The Group's contributions to the provident fund are charged to the income statement in the years to which they relate.

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5 Segment information

Financial information by business segments is as follows:

	Consolidated					Unit: Million Baht	
	Cinema business	Advertising business	Bowling and Karaoke business	Rental and services	VCD/DVD and film rights distribution	Film production	Consolidated
For the three-month period ended 31 March 2011							
Revenues							
Gross segment revenues	919	221	109	133	178	105	1,665
Inter-segment revenues	(21)	(77)	(2)	(18)	(8)	(43)	(169)
Net revenues	898	144	107	115	170	62	1,496
Segment results	94	117	3	39	5	(14)	244
Unallocated costs							(46)
Operating profit							198
For the three-month period ended 31 March 2010							
Revenues							
Gross segment revenues	810	193	112	235	259	63	1,672
Inter-segment revenues	(31)	(65)	(1)	(19)	(13)	(31)	(160)
Net revenues	779	128	111	216	246	32	1,512
Segment results	39	91	(8)	89	46	(43)	214
Unallocated costs							(61)
Operating profit							153

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6 Expenses by nature

The following items classified by nature have been charged to the operating profit during the interim period.

For the three-month periods ended	Unit: Baht'000			
	Consolidated		Company	
	31 March 2011	31 March 2010	31 March 2011	31 March 2010
Depreciation	144,794	149,626	67,433	64,858
Amortisation				
- film rights	106,832	183,066	-	-
- computer software	1,702	687	1,549	476
- prepaid rents	8,664	10,052	2,368	2,368
Impairment of assets (Reversal)	6,390	(25,710)	-	-
Repair and maintenance expenditure	10,270	11,899	3,492	4,192
Staff costs	152,186	126,871	82,936	59,711
Loss from written-off of property, plant and equipment and intangible assets	-	84,818	-	-
Doubtful debts and bad debts (reversal)	(780)	8,793	-	1,852
Loss on inventory (reversal)	267	3,435	-	-
Loss on goods returns	547	18,097	-	-
Inventory				
- Cost of inventories recognised as expense (included in "Cost of sales")	120,287	193,449	43,392	33,731

7 Earnings per share

Earnings per share attributable to equity holders of the parent is calculated by dividing the profit attributable to equity holders of the parent by the weighted average number of paid-up ordinary shares in issue during the period.

The outstanding warrants as at 31 March 2011 which issued and offered warrants to directors and employees of the Company and its subsidiaries (Note 15) did not affect the diluted earnings per share since the exercise price of the outstanding warrants is higher than the average market price of the Company's shares during the period ended 31 March 2011.

For the three-month periods ended	Unit: Shares'000			
	Consolidated and Company			
	31 March 2011	31 March 2010	31 March 2011	31 March 2010
Number of weighted average shares:				
- basic	840,990	840,990	840,990	840,990
- diluted	840,990	840,990	840,990	840,990

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8 Investments

	Unit: Baht'000	
	Consolidated and Company	
	31 March 2011	31 December 2010
Current	49,160	48,526
Non-current	174,143	278,095
	<u>223,303</u>	<u>326,621</u>

8.1) Current

Short-term investment represents investment unit of a mutual fund and bond. Movements of short-term investment are as follows:

	Unit: Baht'000
	Consolidated and Company
	31 March 2011
Opening book value	48,526
Additions	150,000
Disposals	(150,000)
Change in fair value of investment	634
Closing book value	<u>49,160</u>

The Company disposed short-term investment during the period and recognised gain on disposal of investment of Baht 0.14 million.

8.2) Non-current

Movements of non-current investment are as follows:

	Unit: Baht'000
	Consolidated and Company
	31 March 2011
Opening book value	278,095
Disposals	(5,953)
Reversal of impairment	4,149
Change in fair value of investment	(102,148)
Closing book value	<u>174,143</u>

The Company disposed partial long-term investment during the period and recognised loss on disposal of investment of Baht 5.69 million.

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9 Trade accounts receivable, net

	Unit: Baht'000			
	Consolidated		Company	
	31 March 2011	31 December 2010	31 March 2011	31 December 2010
Trade accounts receivable				
- Third parties	531,974	731,644	54,487	76,353
- Related parties (Note 21)	18,197	15,912	142,379	189,359
Unbilled revenue				
- Third parties	151,282	99,040	25,543	18,237
- Related parties (Note 21)	10,700	155	42,859	1,620
Total	712,153	846,751	265,268	285,569
<u>Less</u> Allowance for doubtful accounts	(48,062)	(48,842)	-	-
Trade accounts receivable, net	<u>664,091</u>	<u>797,909</u>	<u>265,268</u>	<u>285,569</u>

Outstanding trade accounts receivable can be analysed as follows:

	Unit: Baht'000			
	Consolidated		Company	
	31 March 2011	31 December 2010	31 March 2011	31 December 2010
Unbilled revenue	161,982	99,195	68,402	19,857
Trade accounts receivable				
Current	295,013	493,715	17,263	110,841
Overdue not more than 3 months	125,738	125,741	85,762	66,927
3 - 6 months	31,270	15,191	92,448	41,217
Over 6 months	98,150	112,909	1,393	46,727
Total	712,153	846,751	265,268	285,569
<u>Less</u> Allowance for doubtful accounts	(48,062)	(48,842)	-	-
Trade accounts receivable, net	<u>664,091</u>	<u>797,909</u>	<u>265,268</u>	<u>285,569</u>

10 Inventories, net

	Unit: Baht'000			
	Consolidated		Company	
	31 March 2011	31 December 2010	31 March 2011	31 December 2010
Foods and beverages	33,903	29,604	20,221	16,302
VCD and DVD, net of allowance	92,309	84,074	-	-
Supplies	4,855	14,768	3,718	3,062
Inventories held for sale	11,645	11,645	-	-
	142,712	140,091	23,939	19,364
<u>Less</u> Allowance for obsolescence and diminution in value of inventories	(9,565)	(9,297)	-	-
	133,147	130,794	23,939	19,364
Goods in transit	3,225	3,822	-	-
Inventories, net	<u>136,372</u>	<u>134,616</u>	<u>23,939</u>	<u>19,364</u>

The allowance for obsolescence was recognised in the consolidated income statement for the three-month period ended 31 March 2011 amounting to Baht 267,852 (31 December 2010: reversal of allowance for obsolescence was recognised amounting to Baht 7,137,990).

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11 Property, plant, equipment and intangible assets, net

	Unit: Baht'000			
	Consolidated		Company	
	Property, plant and equipment, net	Intangible assets, net	Property, plant and equipment, net	Intangible assets, net
For the three-month period ended				
31 March 2011				
Opening net book amount	5,406,005	418,347	2,339,240	30,572
Additions	93,410	88,854	78,346	107
Disposals, net	(2,109)	-	(1,980)	-
Depreciation/amortisation	(144,794)	(108,534)	(67,433)	(1,549)
Impairment of asset	(6,000)	(390)	-	-
Closing net book amount	<u>5,346,512</u>	<u>398,277</u>	<u>2,348,173</u>	<u>29,130</u>

Capital expenditure contracted for at the balance sheet date, but not recognised in the financial statements is presented as follows:

	Currency	Consolidated		Company	
		31 March 2011	31 December 2010	31 March 2011	31 December 2010
		Thousand	Thousand	Thousand	Thousand
Property, plant and equipment	THB	19,631	18,817	9,639	8,825
Intangible assets	THB	3,712	6,981	2,912	6,981
	USD	2,667	1,514	-	-
	EURO	61	-	-	-
Total	THB	23,343	25,798	12,551	15,806
	USD	2,667	1,514	-	-
	EURO	61	-	-	-
Total in Thai Baht		<u>107,146</u>	<u>66,745</u>	<u>12,551</u>	<u>15,806</u>

12 Prepaid rents

	Unit: Baht'000	
	Consolidated	Company
For the three-month period ended 31 March 2011		
Opening net book amount	625,087	197,294
Amortisation	(8,664)	(2,368)
Closing net book amount	<u>616,423</u>	<u>194,926</u>

	Unit: Baht'000			
	Consolidated		Company	
	31 March 2011	31 December 2010	31 March 2011	31 December 2010
Current portion	35,105	35,105	9,473	9,473
Long-term portion	581,318	589,982	185,453	187,821
Total	<u>616,423</u>	<u>625,087</u>	<u>194,926</u>	<u>197,294</u>

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13 Long-term borrowings and debentures

	Unit: Baht'000			
	Consolidated		Company	
	31 March 2011	31 December 2010	31 March 2011	31 December 2010
Current				
Bank overdrafts	13,303	17,572	185	-
Short-term loans from financial institutions	380,000	479,808	100,000	299,808
Total bank overdrafts and short-term loans from financial institutions	393,303	497,380	100,185	299,808
Current portion of long-term borrowings:				
- Finance lease liabilities	982	828	-	-
- Bank borrowings	174,073	158,000	32,000	28,000
Total current portion of long-term borrowings	175,055	158,828	32,000	28,000
Non-current portion				
- Finance lease liabilities	35,622	36,490	20,037	19,960
- Bank borrowings	56,531	110,125	14,000	72,000
Total non-current portion of borrowings	92,153	146,615	34,037	91,960
- Debentures	2,300,000	2,300,000	2,300,000	2,300,000
Total borrowings and debentures	2,960,511	3,102,823	2,466,222	2,719,768

The movements in long-term borrowings (excluding finance lease liabilities) can be analysed as follows:

	Unit: Baht'000	
	Consolidated	Company
For the three-month period ended 31 March 2011		
Opening amount	268,125	100,000
Additions	21,800	-
Repayments	(59,321)	(54,000)
Closing amount	230,604	46,000

Long-term bank borrowings bear interest at the rate at 4.00% per annum and are secured by pledge of property, building, leasehold rights and operating lease contracts.

Debentures

	Unit: Baht'000	
	Consolidated	Company
For the three-month period ended 31 March 2011		
Opening amount	2,300,000	2,300,000
Closing amount	2,300,000	2,300,000

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13 Long-term borrowings and debentures (Cont'd)

The Company issued a straight, unsecured and unsubordinated Baht debenture at par value of Baht 1,000 per unit. Details of the debenture are as follows:

Term	Issue date	Maturity date	Debentures Baht Million	Fixed interest rate (%) per annum
3 years	15 June 2009	15 June 2012	1,500	4.80
3 years	9 April 2010	17 May 2013	800	3.35

Interest is due for payment quarterly and every six months. The Company will have to maintain the debt to equity ratio at the ratio stipulated in the prospectus.

The Company used proceeds from the debentures to repay borrowings from financial institution, for operation and expansion of its business.

Borrowing facilities

As at 31 March 2011, the available credit facilities from financial institutions of the Group and the Company are Baht 2,402.09 million and Baht 2,169.81 million, respectively. The facilities mainly expiring within 3 years are subject to review at various dates. The facilities have been arranged to mainly used for cinema construction and working capital (31 December 2010: Baht 2,614.30 million and Baht 2,270 million, respectively).

14 Share capital and premium on share capital

	Authorised number of shares Shares'000	Issued and fully paid up shares		
		Number of shares Shares'000	Ordinary shares Baht'000	Shares premium Baht'000
For the three-month period ended				
31 March 2011				
Opening balance	906,000	881,897	881,897	3,839,674
Closing balance	906,000	881,897	881,897	3,839,674

As at 31 March 2011, the total authorised number of ordinary shares is 906 million shares (31 December 2010: 906 million shares) with a par value of Baht 1 per share (31 December 2010: Baht 1 per share).

During 2009, the Company repurchased 40.91 million shares through the Stock Exchange of Thailand. The total amount paid to repurchase the shares was Baht 267.92 million which has been presented as treasury shares under the equity. The treasury shares are held for reissuance at a later date. The Company allocated retained earnings as a reserve for treasury shares amounting to Baht 267.92 million in accordance with section 66/1(2) of the Security and Exchange Act B.E. 2535 which requires the Company to set aside retained earnings as reserve.

15 Warrants

Warrants issued and offered to directors and employees (ESOP)

The Company issued and offered warrants to directors and employees (ESOP) of the Company and its subsidiaries, which are in registered form and are non-transferable. The warrants have no offered price and their terms do not exceed 5 years from the issued date. During the three-month period ended 31 March 2011, warrants have not been exercised since the offered price exceeds the market price.

16 Dividends

At the Board of Directors Meeting held on 24 February 2011, the directors passed a resolution to approve dividends in respect of the operating results for the period from July to December 2010 at Baht 0.60 per share, totalling Baht 504.59 million. The dividends will be distributed to the shareholders listed in the register on 14 March 2011 that approved by the Annual Ordinary Shareholders Meeting on 5 April 2011. The dividend will be distributed the shareholders within 4 May 2011.

At the Board of Directors Meeting held on 13 August 2010, the Board passed a resolution to approve dividends in respect of the operating results for the period from January to June 2010 at Baht 0.20 per share, totalling Baht 168.20 million. The dividends were distributed to the shareholders listed in the register on 26 August 2010 and paid on 3 September 2010.

On 7 April 2010, at the Annual General Meeting of shareholders of the Company, the shareholders passed a resolution to approve dividends in respect of the operating results for the period from January to December 2009 at Baht 0.35 per share, totalling Baht 294.34 million. The dividends were distributed to the shareholders listed in the register on 20 April 2010 and paid on 4 May 2010.

17 Commitments and contingencies

i) Bank guarantees and letter of credits

As at 31 March 2011, there are outstanding bank guarantees and letter of credits given on behalf of the Group to third parties amounting to Baht 115.90 million (31 December 2010: Baht 205.30 million).

ii) Guarantees

As at 31 March 2011, the Company and a subsidiary have given guarantees for bank loans granted to subsidiaries and an associate for a total of Baht 819.09 million (31 December 2010: Baht 706.92 million).

iii) Operating lease commitments - where a Group is the lessee

The Company and its subsidiaries have commitment obligations in terms of long-term lease of land, buildings and service contracts. The future aggregate non-cancellable minimum lease and service payments under the contracts are as follows:

	Unit: Million Baht			
	Consolidated		Company	
	31 March 2011	31 December 2010	31 March 2011	31 December 2010
Not later than 1 year	572	703	260	387
Later than 1 year but not later than 5 years	2,115	2,138	864	877
Later than 5 years	4,838	4,976	1,446	1,496
	<u>7,525</u>	<u>7,817</u>	<u>2,570</u>	<u>2,760</u>

In addition to the minimum lease and service payments, the Group also has obligations in respect of lease of buildings and service contracts based on revenue sharing with the lessors.

iv) Commitment from film productions

As at 31 March 2011, the Group has commitments in respect of payments to film directors amounting to Baht 0.78 million (31 December 2010: Baht 1.03 million).

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18 Cash flows from operating activities

Reconciliation of profit before income tax for the period to cash flows from operating activities:

For the three-month periods ended	Notes	Unit: Baht'000			
		Consolidated		Company	
		31 March 2011	31 March 2010	31 March 2011	31 March 2010
Profit before income tax		241,770	168,493	727,346	160,983
Adjustments for:					
Depreciation and amortisation	11, 12	261,992	343,431	71,350	67,702
Doubtful debts and bad debts (reversal)	6	(780)	8,793	-	1,852
Loss on diminution in value of inventories	6	267	3,435	-	-
Loss on goods returns	6	547	18,097	-	-
Reversal of impairment of investment in a subsidiary and long-term investment	8, 19	(4,149)	-	(4,149)	(18,000)
Impairment loss on equipment and and intangible assets (reversal)		6,390	(25,710)	-	-
Gain on disposals of equipment		(194)	-	-	-
Loss from cancellation of lease agreement		-	42,762	-	-
Loss on write-off of equipment and intangible assets		-	891	-	-
Loss from write-off of deposits		-	60	-	-
Gain on disposals of investments in subsidiaries, associates and joint venture	19	(14,218)	(19,400)	(17,151)	(18,203)
Gain on disposals of short-term investment	8	(141)	(281)	(141)	(281)
Loss from disposals of long-term investment	8	5,694	2,773	5,694	2,773
Shares of profit of investments in associates and joint ventures	19	(69,800)	(30,536)	-	-
Provision for liabilities on loss in subsidiaries (reversal)		-	-	-	(49,257)
Employee benefit obligations		556	-	274	-
Dividends income		-	-	(632,641)	(26,637)
Interest income		(2,313)	(1,438)	(18,583)	(30,386)
Finance costs		38,983	35,023	34,084	28,307
Changes in operating assets and liabilities:					
- trade accounts receivable		134,598	15,800	20,301	74,958
- other accounts receivable		-	60,000	-	(1,852)
- amounts due from related parties		18,011	4,233	26,051	51,566
- inventories		(2,024)	33,096	(4,576)	967
- movies under productions		10,423	37,884	-	-
- other current assets		(15,984)	(34,717)	311	(55,442)
- finance lease receivables		1,150	(15,904)	-	-
- long-term accounts receivable		4,159	-	4,159	-
- prepaid rents		-	(252)	-	-
- other non-current assets		(4,295)	5,478	(2,536)	354
- trade accounts payable		(911)	(193,110)	44,063	(77,597)
- amounts due to related parties		2,500	(8,907)	1,433	849
- other current liabilities		(30,164)	(284,243)	(40,906)	(92,245)
- other non-current liabilities		(900)	(5,612)	(85)	(361)
Cash flows from operating activities		581,167	160,139	214,299	20,050

19 Investments in subsidiaries, associates and interest in joint ventures

19.1) Movements of investment in subsidiaries

	<u>Company</u> <u>Baht'000</u>
Investment in subsidiaries	
For the three-month period ended 31 March 2011	
Opening net book amount	1,878,640
Closing net book amount	<u>1,878,640</u>

In the first quarter of 2011, certain subsidiaries paid dividends to the Company totalling Baht 512.64 million, which recorded in "Other income" in the company income statement.

19.2) Movements of investment in associates

	<u>Unit: Baht'000</u>	
	<u>Consolidated</u>	<u>Company</u>
Investment in associates		
For the three-month period ended 31 March 2011		
Opening net book amount	2,205,263	1,878,745
Effective of the changes in accounting policy (Note 3)	(3,883)	-
Balance after adjustment	<u>2,201,380</u>	<u>1,878,745</u>
Disposals	(10,230)	(6,888)
Decrease in share capital of an associate	(202,500)	(202,500)
Dividends received	(120,000)	-
Share of results	<u>69,760</u>	<u>-</u>
Closing net book amount	<u>1,938,410</u>	<u>1,669,357</u>

Gain on disposals of assets to the Property Fund will be realised on the straight-line basis over the lease contracts period of the buildings leased out to the Property Fund. During the three-month period ended 31 March 2011, the Group realised gain on disposals of Baht 4.08 million in the consolidated income statement.

As at 31 March 2011, investment in associates included net book value of goodwill amounting to Baht 44.12 million (31 December 2010: Baht 44.12 million) in the consolidated financial statements.

Siam Future Development Public Company Limited ("SF")

Disposal of investment in associate

In the first quarter of 2011, the Company disposed its investment in SF of 3.38 million shares for the considerations of Baht 24.04 million and recognised gain from disposal amounting to Baht 13.81 million and Baht 17.15 million in the consolidated and company income statements.

The aforesaid disposal resulted in the change to shareholding percentage from 23.24% to 22.85%.

Ratchayothin Avenue Company Limited ("RAV")

In the first quarter of 2011, Ratchayothin Avenue Company Limited decreased its share capital of 40,500,000 shares at par value of Baht 10 each, totalling Baht 405.00 million. The Company received the share reduction of Baht 202.50 million.

In addition, the Company received a dividend from RAV amounting to Baht 120.00 million, which included in "Other income" in the company income statement.

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19 Investments in subsidiaries, associates and interest in joint ventures (Cont'd)

19.3) Movements of interest in joint ventures

	Unit: Baht'000	
	Consolidated	Company
Interest in joint ventures		
For the three-month period ended 31 March 2011		
Opening net book amount	61,249	55,520
Effective of the change in accounting policy (Note 3)	(192)	-
Balance after adjustment	61,057	55,520
Additions	14,400	14,400
Disposals	(592)	(1,000)
Share of results	40	-
Closing net book amount	74,905	68,920

Major Kantana Broadcasting Company Limited (“KAN”)

Disposal of investment

In the first quarter of 2011, the Company disposed its investment in KAN of 0.1 million shares for the considerations of Baht 1.00 million and recognised gain from disposal amounting to Baht 0.41 million.

PVR Blu Entertainment Co., Ltd. (“PVR blu-O”)

Addition investment

On 12 May 2010 the Board of Directors Meeting No.2/2553, the directors approved for the additional investment of 2.45 million shares in PVR blu-O to retain the percentage of shareholding at 49% at par value of Rupee 10 each, for the considerations of Rupee 24.50 million. The first payment was made on 4 March 2011 amounting to Rupee 20.00 million, equivalent to Baht 14.40 million.

19.4) The details of investments in subsidiaries, associates and interest in joint ventures are as follows:

Subsidiaries	Nature of business	Nature of relationship	% Ownership interest
Major Cineplex Property Co., Ltd.	Building space for rent	Shareholder	99.99
Major Cineplex Services Co., Ltd.	Utilities services	Shareholder	99.99
Chiangmai Cineplex Co., Ltd.	Cinema services	Shareholder	99.99
Ratchayothin Management Co., Ltd.	Utilities services	Shareholder	99.99
Ratchayothin Cinema Co., Ltd.	Cinema services	Shareholder	99.99
Ratchayothin Realty Co., Ltd.	Building space for rent	Shareholder	99.99
Major Bowl Group Co., Ltd.	Bowling, Karaoke and entertainment services	Shareholder	99.99
Major Cinead Co., Ltd.	Advertising and advisory services	Shareholder	99.93
Bangkok Imax Theater Co., Ltd.	Cinema services	Shareholder	99.93
Udon Five Star Cineplex Co., Ltd.	Cinema services	Shareholder	99.99
Siam Cineplex Co., Ltd.	Cinema services	Shareholder	99.99
EGV Entertainment Public Company Limited (“EGV”)	Cinema services	Shareholder	60.36
		Indirect shareholding	39.61
M Picture Entertainment Public Company Limited (“MPIC”)	Publishing, advertising and distribution of film rights	Shareholder	65.93

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19 Investments in subsidiaries, associates and interest in joint ventures (Cont'd)

19.4) The details of investments in subsidiaries, associates and interest in joint ventures are as follows:
(Cont'd)

Subsidiaries	Nature of business	Nature of relationship	% Ownership interest
Subsidiaries under EGV			
Entertain Golden Village Exhibition Co., Ltd.	Cinema services, advertising services	Indirect shareholding	99.96
EGV Exhibition Co., Ltd.	Cinema services, advertising services, area for rent	Indirect shareholding	99.96
EGV Five Star Co., Ltd.	Cinema services, advertising services	Indirect shareholding	99.96
Subsidiaries under MPIC			
TV Forum Co., Ltd.	Television media business	Indirect shareholding	65.92
M Picture Co., Ltd.	Distribution of film rights for cinema services, VCD/DVD production and TV broadcast	Indirect shareholding	65.92
M.V.D. Co., Ltd. (“MVD”)	Distribution of VCD/DVD and film rights	Indirect shareholding	65.92
M Thirtynine Co., Ltd.	Studio movie production	Indirect shareholding	65.92
Subsidiary under MVD			
Pacific Media Sale Co., Ltd.	Distribution of tape, CD, VDO, VCD and DVD	Indirect shareholding	65.53
Associates			
Siam Future Development Public Company Limited (“SF”)	Rental of building space and utilities services	Shareholder	22.85
Ratchayothin Avenue Co., Ltd.	Rental of building space and utilities services	Shareholder	50.00
Major Cineplex Lifestyle Leasehold Property Fund	Rental of building and utilities services	Indirect shareholding via SF	11.43
Thaiticketmajor Co., Ltd.	Agent for selling of tickets	Shareholder	33.00
Thaiticketmajor Co., Ltd.	Agent for selling of tickets	Shareholder	40.00
Joint ventures			
PVR blu-O Entertainment Limited (“PVR blu-O”)	Bowling, Karaoke and entertainment	Shareholder	49.00
Major Kantana Broadcasting Company Limited	Cable television services	Shareholder	44.99

All subsidiaries and associates are incorporated in Thailand except PVR blu-O, which is incorporated in India. All holdings are investments in ordinary shares and investment unit in the Property Fund.

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20 Non-controlling interest

	Unit: Baht'000
	Consolidated
	31 March 2011
Opening balance	137,100
Effective of the change in accounting policy (Note 3)	(1,098)
Balance after adjustment	136,002
Share of profit	9,167
Closing balance	<u>145,169</u>

21 Related party transactions

The significant investments in subsidiaries, associates and joint ventures are set out in Note 19.

Other related companies are companies belonging to directors and directors' family of the Company and is therefore related parties.

The following significant transactions were carried out with related parties:

i) Sales of goods and services and others

	Unit: Baht'000			
	Consolidated		Company	
For the three-month periods ended	31 March 2011	31 March 2010	31 March 2011	31 March 2010
Management income				
Leasehold Property Fund	9,578	6,779	9,578	6,779
Related parties	1,200	1,650	1,200	1,650
	<u>10,778</u>	<u>8,429</u>	<u>10,778</u>	<u>8,429</u>
Advertising income				
Subsidiaries	-	-	42,149	39,600

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21 Related party transactions (Cont'd)

i) Sales of goods and services and others (Cont'd)

For the three-month periods ended	Unit: Baht'000			
	Consolidated		Company	
	31 March 2011	31 March 2010	31 March 2011	31 March 2010
Interest income				
Subsidiaries	-	-	16,584	29,549
Associates	-	230	-	230
Joint Ventures	79	-	79	-
Related parties	36	-	-	-
	<u>115</u>	<u>230</u>	<u>16,663</u>	<u>29,779</u>
Sponsorship income				
Subsidiaries	-	-	-	386
	<u>-</u>	<u>-</u>	<u>-</u>	<u>386</u>
Rental and services income				
Subsidiaries	-	-	1,521	671
Joint Ventures	221	100	-	-
Leasehold Property Fund	3,415	5,251	21	48
Related parties	10,676	12,060	1,412	2,640
	<u>14,312</u>	<u>17,411</u>	<u>2,954</u>	<u>3,359</u>
Dividends income				
Subsidiaries	-	-	512,641	-
Associates	-	-	120,000	-
Leasehold Property Fund	-	-	-	8,800
Related parties	-	-	-	17,837
	<u>-</u>	<u>-</u>	<u>632,641</u>	<u>26,637</u>
Other income				
Subsidiaries	-	-	1,017	189
Associates	959	-	990	-
Leasehold Property Fund	262	-	-	-
Related parties	2,120	1,021	3	4
	<u>3,341</u>	<u>1,021</u>	<u>2,010</u>	<u>193</u>
Sale of equipment				
Subsidiaries	-	-	1,980	9,868

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21 Related party transactions (Cont'd)

ii) Purchases of goods and services and others

For the three-month periods ended	Unit: Baht'000			
	Consolidated		Company	
	31 March 2011	31 March 2010	31 March 2011	31 March 2010
Rental and service expenses				
Subsidiaries	-	-	11,150	11,667
Associates	9,886	9,286	6,735	6,028
Leasehold Property Fund	32,092	29,640	24,706	22,672
Related parties	12,487	12,509	11,185	11,224
	<u>54,465</u>	<u>51,435</u>	<u>53,776</u>	<u>51,591</u>
Equipment rental expenses				
Subsidiaries	-	-	-	400
Associates	656	649	-	-
Related parties	5,400	5,400	5,400	5,400
	<u>6,056</u>	<u>6,049</u>	<u>5,400</u>	<u>5,800</u>
Interest expense				
Subsidiaries	-	-	1,714	1,046
Associates	6,422	234	6,422	234
Related parties	164	156	158	156
	<u>6,586</u>	<u>390</u>	<u>8,294</u>	<u>1,436</u>
Consulting fee				
Related parties	<u>3,900</u>	<u>6,450</u>	<u>3,900</u>	<u>6,450</u>
Sponsorship expense				
Subsidiaries	-	-	1,040	-
Leasehold Property Fund	183	180	-	-
Related parties	50	-	-	-
	<u>233</u>	<u>180</u>	<u>1,040</u>	<u>-</u>
Advertising cost				
Associates	-	1,600	-	-
Leasehold Property Fund	1,250	-	-	-
Related parties	60	1,311	-	-
	<u>1,310</u>	<u>2,911</u>	<u>-</u>	<u>-</u>
Film hire cost				
Subsidiaries	-	-	37,853	32,015
	<u>-</u>	<u>-</u>	<u>37,853</u>	<u>32,015</u>
Other expenses				
Subsidiaries	-	-	938	1,337
Associates	598	872	551	842
Related parties	711	719	169	431
	<u>1,309</u>	<u>1,591</u>	<u>1,658</u>	<u>2,610</u>
Purchases of fixed assets				
Subsidiaries	-	-	668	27,963

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21 Related party transactions (Cont'd)

iii) Outstanding balances arising from sales/purchases of goods/services and others

	Unit: Baht'000			
	Consolidated		Company	
	31 March 2011	31 December 2010	31 March 2011	31 December 2010
Trade accounts receivable (included unbilled revenue) (included in "Trade accounts receivable")				
Subsidiaries	-	-	181,636	187,600
Associates	2,451	2,022	519	601
Joint venture	362	253	160	160
Related parties	26,084	13,792	2,923	2,618
	<u>28,897</u>	<u>16,067</u>	<u>185,238</u>	<u>190,979</u>
Amounts due from related parties				
Subsidiaries	-	-	378,587	397,473
Associates	22,290	20,085	5,881	3,832
Joint venture	4,258	3,508	4,258	3,508
Related parties	10,767	10,795	9,694	9,729
	<u>37,315</u>	<u>34,388</u>	<u>398,420</u>	<u>414,542</u>
Dividends receivables				
Associates	-	20,948	-	20,948
	<u>37,315</u>	<u>55,336</u>	<u>398,420</u>	<u>435,490</u>
Deposit (included in "Other non-current assets")				
Associates	9,035	9,035	3,460	3,460
Related parties	6,800	7,400	6,800	7,400
	<u>15,835</u>	<u>16,435</u>	<u>10,260</u>	<u>10,860</u>
Trade accounts payable (included in "Trade accounts and notes payable")				
Subsidiaries	-	-	190,054	153,954
Associates	1,424	344	19	-
Related parties	10,451	3,186	1,133	1,974
	<u>11,875</u>	<u>3,530</u>	<u>191,206</u>	<u>155,928</u>
Other payable (included in "Amounts due to related parties")				
Subsidiaries	-	-	118,057	128,797
Associates	20,490	8,187	19,076	6,804
Related parties	18,141	24,011	1,808	1,727
Board	6,245	3,994	5,900	3,300
	<u>44,876</u>	<u>36,192</u>	<u>144,841</u>	<u>140,628</u>

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21 Related party transactions (Cont'd)

iii) Outstanding balances arising from sales/purchases of goods/services and others (Cont'd)

	Unit: Baht'000			
	Consolidated		Company	
	31 March 2011	31 December 2010	31 March 2011	31 December 2010
Advance received for land rental (included in "Other non-current liabilities")				
Associates	30,983	31,244	-	-
Deposits received (included in "Other non-current liabilities")				
Associates	120,003	120,003	-	-
Related parties	4,034	3,974	-	-
	<u>124,037</u>	<u>123,977</u>	<u>-</u>	<u>-</u>
Finance lease payable (included in "Long-term borrowings")				
Associates	12,022	11,976	12,022	11,976
Related parties	9,688	7,984	8,015	7,984
	<u>21,710</u>	<u>19,960</u>	<u>20,037</u>	<u>19,960</u>

iv) Short-term loans to related parties

The short-term loans to related parties are loans to fellow subsidiaries of Major Cineplex Group Public Company Limited ("Major's Group") in Thailand for the use of financing to other Major's Group companies in Thailand. The short-term loans to related parties as at 31 March 2011 comprise unsecured loans repayable within 1 month amounting to Baht 430,655,196, which carry interest at the rate of 4% per annum.

The movements of short-term loans to related parties are shown below.

	Baht'000
For the three-month period ended 31 March 2011	Company
Opening balance	8,891
Loans borrowed during the year	10,884,006
Loans repaid during the year	<u>(10,462,242)</u>
Closing balance	<u>430,655</u>

The related interest income was Baht 1.09 million. As at 31 March 2011, the accrued interest income was Baht 1.05 million.

v) Long-term loans to related parties

For the three-month period ended 31 March 2011	Unit: Baht'000	
	Consolidated	Company
Subsidiaries and associates and employees		
Opening balance	14,288	1,696,079
Loans made during the year	2,503	3,503
Loans repayments during the year	<u>(1,152)</u>	<u>(281,519)</u>
Closing balance	<u>15,639</u>	<u>1,418,063</u>

The long-term loans to related parties are carrying interest at the rates ranging from 4.00% to 7.25% per annum and there is no specific repayment date.

21 Related party transactions (Cont'd)

vi) Short-term loans from related parties

The short-term loans from related parties are loans from fellow subsidiaries of Major Cineplex Group Public Company Limited ("Major's Group") in Thailand for the use of financing to other Major's Group companies in Thailand. The short-term loans from related parties as at 31 March 2011 comprise unsecured loans repayable within 1 month amounting to Baht 89,208,641, which carry interest at the rate of 4% per annum.

The movements of short-term loans from related parties are shown below.

For the three-month period ended 31 March 2011	Unit: Baht'000
	Company
Opening balance	87,408
Loans borrowed during the year	10,477,755
Loans repaid during the year	<u>(10,475,954)</u>
Closing balance	<u>89,209</u>

The related interest expense was Baht 1.25 million. As at 31 March 2011, the accrued interest expense was Baht 0.35 million.

vii) Long-term loans from related parties

For the three-month period ended 31 March 2011	Unit: Baht'000	
	Consolidated	Company
Subsidiaries and associates		
Opening balance	440,127	507,938
Loans received during the year	-	1,000
Loans repaid during the year	<u>(325,663)</u>	<u>(394,474)</u>
Closing balance	<u>114,464</u>	<u>114,464</u>

The loans from subsidiaries and an associate carry interest at the rates ranging from 4.00% to 6.12% per annum, and 6.375% to 7.25% per annum, respectively, and there is no specific repayment date.

22 Post balance sheet events

Selling of treasury shares

On 25 February 2009, at the Board of Directors Meeting, the directors approved to repurchase the treasury shares as mentioned in Note 14. In accordance with the Security and Exchange Act B.E. 2535, the Company can sell the treasury shares within three years from the repurchased date. In April 2011, the Company sold all treasury shares for the considerations of Baht 556.34 million.