

Image – [2007] SGHC 50

Paragraph 443

$$\text{NPV} = \sum_{t=1}^n \frac{C_t}{(1+r)^t} - C_0$$

Summary of Mahaphon's DCF Analysis under the Income Approach¹⁵⁸

Year	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Before-tax Cash Flow	110.5	209.5	244.1	290.5	294.9	305	312.7	322.6	332.5	343.3	353.4
PV of Future Income @ 2006				\$3,075.48							
Retail Subleasehold Value				255.7							
Total (after 1% transaction fee)				3,297.87							
Rounded				3,300.00							
Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Before-tax Cash Flow	364.1	375.1	387.7	398.1	410.1	422.5	436.6	217.3	461.8	475.6	491.5
Year	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Before-tax Cash Flow	504.8	520.1	535.7	553.6	568.6	585.8	603.5	623.5	640.4	659.7	679.6
Year	2036	2037	2038	2039	2040	2041	2042				
Before-tax Cash Flow	702.3	721.2	742.9	765.4	790.9	812.3	176.9				

¹⁵⁸ At page 199 of Mahaphon's affidavit.

ANNEX B(1)

Summary of Simister's DCF Analysis (1)

	Cumulative	2007	2008	2009	2010	2011	2012	2013	2014	2015	Reversion
Total Guest Room		388	388	388	388	388	388	388	388	388	388
Rooms available per year		141,620	141,620	141,620	141,620	141,620	141,620	141,620	141,620	141,620	141,620
Rooms occupied		107,631	107,631	107,631	107,631	107,631	107,631	107,631	107,631	107,631	107,631
Average Room Rate		4,680	4,797	4,917	5,040	5,166	5,295	5,427	5,563	5,702	5,702
Occupancy Rate		76%	76%	76%	76%	76%	76%	76%	76%	76%	76%
<u>REVENUE</u>											
Room	59% of total revenue	503,724,000	516,321,000	529,230,000	542,451,000	556,023,000	569,907,000	584,142,000	598,767,000	613,743,000	613,743,000
Food & Beverage	29.30% of total revenue	250,341,000	256,581,000	263,016,000	269,607,000	276,315,000	283,257,000	290,316,000	297,570,000	305,019,000	305,019,000
Telecommunication	4.80% of total revenue	40,872,000	41,886,000	42,939,000	44,031,000	45,123,000	46,254,000	47,385,000	48,594,000	49,803,000	49,803,000
Spa	3.90% of total revenue	33,189,000	34,008,000	34,866,000	35,724,000	36,621,000	37,557,000	38,493,000	39,468,000	40,443,000	40,443,000
Other Operated Department	2.50% of total revenue	20,943,000	21,450,000	21,996,000	22,542,000	23,127,000	23,712,000	24,297,000	24,882,000	25,506,000	25,506,000
Rental & Other Income	0.50% of total revenue	4,875,000	4,992,000	5,109,000	5,265,000	5,382,000	5,499,000	5,655,000	5,811,000	5,928,000	5,928,000
Total Revenue	100%	8,500,557,000	853,944,000	875,238,000	897,156,000	919,620,000	942,591,000	966,186,000	990,288,000	1,015,092,000	1,040,442,000
<u>OPERATING COSTS & EXPENSES</u>											
Room	11.60% of room revenue	58,422,000	59,904,000	61,386,000	62,946,000	64,506,000	66,105,000	67,743,000	69,459,000	71,214,000	71,214,000
Food & Beverage	61.90% of F&B revenue	154,908,000	158,808,000	162,825,000	166,881,000	171,015,000	175,344,000	179,712,000	184,197,000	188,799,000	188,799,000
Telecommunication	40% of telecome revenue	16,341,000	16,731,000	17,160,000	17,628,000	18,057,000	18,525,000	18,954,000	19,461,000	19,929,000	19,929,000
Spa	40% of spa revenue	13,260,000	13,611,000	13,962,000	14,274,000	14,625,000	15,015,000	15,405,000	15,795,000	16,185,000	16,185,000
Other Operated Department	30% of other operated department	6,279,000	6,435,000	6,591,000	6,747,000	6,942,000	7,137,000	7,293,000	7,449,000	7,644,000	7,644,000
Rental & Other Income	0% of other revenue	-	-	-	-	-	-	-	-	-	-
Total Operating Costs & Expenses		2,484,609,000	249,210,000	255,489,000	261,924,000	268,476,000	275,145,000	282,126,000	289,107,000	296,361,000	303,771,000
<u>DEPARTMENT PROFIT</u>											
Room	88.40% of room revenue	455,302,000	456,417,000	467,844,000	479,505,000	491,517,000	503,802,000	516,399,000	529,308,000	542,529,000	542,529,000
Food & Beverage	38.10% of F&B revenue	95,433,000	97,773,000	100,191,000	102,726,000	105,300,000	107,913,000	110,604,000	113,373,000	116,220,000	116,220,000
Telecommunication	60.00% of telecome revenue	24,531,000	25,155,000	25,779,000	26,403,000	27,066,000	27,729,000	28,431,000	29,133,000	29,874,000	29,874,000
Spa	60.00% of spa revenue	19,929,000	20,397,000	20,904,000	21,450,000	21,996,000	22,542,000	23,088,000	23,673,000	24,258,000	24,258,000
Other Operated Department	70.00% of other operated department	14,664,000	15,015,000	15,405,000	15,795,000	16,185,000	16,575,000	17,004,000	17,433,000	17,862,000	17,862,000
Rental & Other Income	100.00% of other revenue	4,875,000	4,992,000	5,109,000	5,265,000	5,382,000	5,499,000	5,655,000	5,811,000	5,928,000	5,928,000
Total Department Profit		6,025,948,000	614,734,000	619,749,000	635,232,000	651,144,000	667,446,000	684,060,000	701,181,000	718,731,000	736,671,000

ANNEX B(2)

Summary of Simister's DCF Analysis (2)

	Cumulative	2007	2008	2009	2010	2011	2012	2013	2014	2015	Reversion		
UNDISTRIBUTED OPERATING EXPENSES													
Administrative & General	3.60% of total revenue	30,693,000	31,512,000	32,292,000	33,111,000	33,930,000	34,788,000	35,646,000	36,543,000	37,440,000	37,440,000		
Heat, Light and Power	5.00% of total revenue	43,797,000	44,655,000	45,747,000	46,917,000	48,087,000	49,257,000	50,505,000	51,753,000	53,079,000	53,079,000		
Credit Card Commissions	1.90% of total revenue	16,224,000	16,614,000	17,043,000	17,472,000	17,901,000	18,369,000	18,798,000	19,305,000	19,773,000	19,773,000		
Chain Marketing Fee	1.90% of total revenue	16,224,000	16,614,000	17,043,000	17,472,000	17,901,000	18,369,000	18,798,000	19,305,000	19,773,000	19,773,000		
Property Operation and Maintenan	2.30% of total revenue	19,461,000	20,124,000	20,631,000	21,138,000	21,684,000	22,230,000	22,776,000	23,361,000	23,946,000	23,946,000		
Marketing	4.10% of total revenue	35,100,000	35,880,000	36,777,000	37,713,000	38,649,000	39,624,000	40,599,000	41,613,000	42,666,000	42,666,000		
TOTAL UNDISTRIBUTED OPERATING EXPENSE	1,606,722,000	161,499,000	165,399,000	169,533,000	173,823,000	178,152,000	182,637,000	187,122,000	191,880,000	196,677,000	196,677,000		
GROSS OPERATING PROFIT (GOP)	-1,606,722,000	443,295,000	454,350,000	465,699,000	477,321,000	489,294,000	501,423,000	514,059,000	526,851,000	539,994,000	539,994,000		
MANAGEMENT FEE													
Base Fee	2.00% of total revenue	17,082,000	17,511,000	17,940,000	18,408,000	18,837,000	19,305,000	19,812,000	20,319,000	20,826,000	20,826,000		
Incentive Fee	7.50% of GOP	33,228,000	34,086,000	34,944,000	35,802,000	36,699,000	37,596,000	38,571,000	39,507,000	40,521,000	40,521,000		
TOTAL MANAGEMENT FEE	500,994,000	50,310,000	51,597,000	52,884,000	54,210,000	55,536,000	56,901,000	58,383,000	59,826,000	61,347,000	61,347,000		
OTHER DEDUCTIONS													
Reserve for FF&E	4% of total revenue	34,164,000	35,022,000	35,880,000	36,777,000	37,713,000	38,649,000	39,624,000	40,599,000	41,613,000	41,613,000		
Insurance Building	0.40% of total revenue	3,159,000	3,510,000	3,588,000	3,666,000	3,783,000	3,861,000	3,978,000	4,056,000	4,173,000	4,173,000		
Property Tax	1.00% of total revenue	8,580,000	8,736,000	8,970,000	9,204,000	9,438,000	9,672,000	9,906,000	10,140,000	10,413,000	10,413,000		
TOTAL OTHER DEDUCTIONS	459,200,000	45,903,000	47,268,000	48,438,000	49,647,000	50,934,000	52,508,000	53,508,000	54,795,000	56,199,000	56,199,000		
NET OPERATING INCOME	3,452,358,000	347,022,000	355,485,000	364,377,000	373,464,000	382,824,000	392,340,000	402,168,000	412,230,000	422,448,000	422,448,000		
NOI (1 US = 39 BAHT)		\$8,898,000	\$9,115,000	\$9,343,000	\$9,576,000	\$9,816,000	\$10,060,000	\$10,312,000	\$10,570,000	\$10,832,000			
Terminal Value: Cap income over remaining term at reversion @ 10%											Factor:	9.19	3,880,419,102
NPV of Reversion Value to as at date of valuation, discounted @ 12%											Factor:	0.36	1,399,318,029
Period		1	2	3	4	5	6	7	8	9			
PVIF @ 12%		0.89	0.80	0.71	0.64	0.57	0.51	0.45	0.40	0.36			
NPV @ 12%	2,006,679,431	309,841,071	283,390,466	259,356,351	237,343,124	217,224,619	198,771,654	181,920,379	166,492,783	152,338,984			
NPV of Terminal Value at 10.00%	1,399,318,029												
Total Capital Value of Hotel	(Baht)	3,405,997,460											
	(Baht)	3,406,000,000											
	(US\$)	\$87,333,333											

ANNEX B(3)

Summary of Simister's DCF Analysis (3)

Summary of Value

		1 US = 39 Baht
Capital Value of Hotel	3,406,000,000	\$87,333,333.33
Capital Value of Department Store	317,000,000	\$8,128,205.13
Total	3,723,000,000	\$95,461,538.46
Less		
PV of Existing Land Lease	29,400,000	\$753,846.15
PV of Deposit of Land Lease another 20 years (as at date valuation)	133,800,000	\$3,430,769.23
PV of Rent for Land Lease another 20 years (as an existing contract)	11,000,000	\$282,051.28
Total Capital Value (LH 35.31 years)	3,548,800,000	\$90,994,871.79
	3,500,000,000	\$90,000,000.00

Summary of Chee's DCF Analysis (1)

Period	Projected NOI	Additional CAPEX	Adjusted NOI	Discount Rate at 12.5%	PV of NOI
2007	271,028		271,028	0.88889	240,914
2008	279,995		279,995	0.79012	221,231
2009	287,306		287,306	0.70233	201,784
2010	296,137		296,137	0.62430	184,877
2011	304,835		304,835	0.55493	169,162
2012	314,787		314,787	0.49327	155,275
2013	323,320		323,320	0.43846	141,764
2014	332,922	221,699	111,223	0.38974	43,349
2015	342,904		342,904	0.34644	118,795
2016	354,053		354,053	0.30795	109,029
2017	363,678		363,678	0.27373	99,550
2018	374,589		374,589	0.24332	91,143
2019	385,826		385,826	0.21628	83,447
2020	398,490		398,490	0.19225	76,609
2021	409,323		409,323	0.17089	69,948
2022	421,603		421,603	0.15190	64,042
2023	434,251		434,251	0.13502	58,634
2024	448,504	487,546	-39,042	0.12002	-4,686
2025	460,697		460,697	0.10668	49,149
2026	474,518		474,518	0.09483	44,999
2027	488,753		488,753	0.08429	41,199
2028	504,795		504,795	0.07493	37,823
2029	518,519		518,519	0.06660	34,535
2030	534,074		534,074	0.05920	31,618
2031	550,096		550,096	0.05262	28,948
2032	568,152		568,152	0.04678	26,577
2033	583,597		583,597	0.04158	24,266
2034	601,105	400,413	200,692	0.03696	7,418
2035	619,138		619,138	0.03285	20,341
2036	639,460		639,460	0.02920	18,674
2037	656,844		656,844	0.02596	17,050
2038	676,549		676,549	0.02307	15,611
2039	696,846		696,846	0.02051	14,292
2040	719,717		719,717	0.01823	13,121
2041	739,283		739,283	0.01621	11,980
2042	225,309		225,309	0.01440	3,246
	16,601,003	1,109,658	15,491,345		
		6.68%		Total Baht (simple summation)	2,565,713,604
		1,109,658		Rounded value	2,566,000,000

See page 56 of Chee's affidavit:

**Chee's Figures ('000)
Rounded Value**

**2,565,714
2,566,000,000**

Summary of Chee's DCF Analysis (2)

Indicative Value as at Jan 1 2007	THB
Hotel (rounded)	2,566,000,000
Retail (rounded)	293,700,000
Sub-Total (rounded)	2,860,000,000
Less:	
Total Monthly Ground Lease Payments	43,100,000
Ground Lease Renewal Fees	86,000,000
Demolition Fees	35,500,000
Total	2,695,000,000

ANNEX D(1)

Summary of Ling's DCF Analysis(1)

(THB '000)	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015										
No of Rooms	364	364	364	364	364	364	364	364	364	364										
Occupied Rooms	106,288	104,959	96,988	98,316	98,316	98,316	98,316	98,316	98,316	98,316										
Occupancy	80%	79%	73%	74%	74%	74%	74%	74%	74%	74%										
Average Rate	4,628	4,746	2.55%	4,750	0.08%	4,879	2.72%	5,001	2.50%	5,126	2.50%	5,255	2.52%	5,386	2.49%	5,521	2.51%	5,659	2.50%	
REVENUE																				
Rooms	491,901	71.2%	498,137	71.3%	460,692	70.0%	479,686	70.2%	491,680	70.2%	503,970	70.2%	516,653	70.2%	529,532	70.2%	542,805	70.2%	556,373	70.2%
Food & Beverage	155,446	22.5%	157,196	22.5%	154,661	23.5%	159,212	23.3%	163,193	23.3%	167,272	23.3%	171,482	23.3%	175,756	23.3%	180,162	23.3%	184,665	23.3%
Telephone	8,981	1.3%	9,082	1.3%	9,214	1.4%	9,566	1.4%	9,806	1.4%	10,051	1.4%	10,304	1.4%	10,560	1.4%	10,825	1.4%	11,096	1.4%
Rental and Other Income	17,963	2.6%	18,165	2.6%	18,428	2.8%	19,133	2.8%	19,611	2.8%	20,101	2.8%	20,607	2.8%	21,121	2.8%	21,650	2.8%	22,191	2.8%
Other Operated Departments	15,890	2.3%	16,069	2.3%	15,137	2.3%	15,716	2.3%	16,109	2.3%	16,512	2.3%	16,927	2.3%	17,349	2.3%	17,784	2.3%	18,229	2.3%
Total Revenue	690,181	100.0%	698,650	100.0%	658,132	100.0%	683,313	100.0%	700,399	100.0%	717,906	100.0%	735,972	100.0%	754,319	100.0%	773,226	100.0%	792,553	100.0%
DEPARTMENTAL EXPENSES																				
Rooms	58,044	11.8%	59,278	11.9%	59,429	12.9%	60,920	12.7%	62,443	12.7%	64,004	12.7%	65,615	12.7%	67,251	12.7%	68,936	12.7%	70,659	12.7%
Food & Beverage	100,574	64.7%	102,964	65.5%	103,468	66.9%	106,035	66.6%	108,687	66.6%	111,403	66.6%	114,207	66.6%	117,054	66.6%	119,988	66.6%	122,987	66.6%
Telephone	3,799	42.3%	3,851	42.4%	3,962	43.0%	4,104	42.9%	4,207	42.9%	4,312	42.9%	4,420	42.9%	4,530	42.9%	4,644	42.9%	4,760	42.9%
Rental and Other Income	3,413	19.0%	3,506	19.3%	3,575	19.4%	3,712	19.4%	3,805	19.4%	3,900	19.4%	3,998	19.4%	4,097	19.4%	4,200	19.4%	4,305	19.4%
Other Operated Departments	4,116	25.9%	4,178	26.0%	4,102	27.1%	4,228	26.9%	4,333	26.9%	4,442	26.9%	4,553	26.9%	4,667	26.9%	4,784	26.9%	4,904	26.9%
Total Departmental Expenses	169,785	24.6%	173,964	24.9%	174,405	26.5%	179,028	26.2%	183,505	26.2%	188,091	26.2%	192,825	26.2%	197,632	26.2%	202,585	26.2%	207,649	26.2%
DEPARTMENTAL INCOME	520,396	75.4%	524,686	75.1%	483,727	73.5%	504,285	73.8%	516,894	73.8%	529,815	73.8%	543,147	73.8%	556,687	73.8%	570,641	73.8%	584,904	73.8%
OPERATING EXPENSES																				
Administrative & General	48,313	7.0%	46,810	6.7%	46,727	7.1%	48,515	7.1%	49,728	7.1%	50,971	7.1%	52,254	7.1%	53,557	7.1%	54,899	7.1%	56,271	7.1%
Marketing	53,144	7.7%	51,700	7.4%	51,992	7.9%	53,298	7.8%	54,631	7.8%	55,997	7.8%	57,406	7.8%	58,837	7.8%	60,312	7.8%	61,819	7.8%
Prop. Operations & Maint.	17,255	2.5%	17,466	2.5%	17,770	2.7%	17,766	2.6%	18,210	2.6%	18,666	2.6%	19,135	2.6%	19,612	2.6%	20,104	2.6%	20,606	2.6%
Energy	31,748	4.6%	32,138	4.6%	31,590	4.8%	32,116	4.7%	32,919	4.7%	33,742	4.7%	34,591	4.7%	35,453	4.7%	36,342	4.7%	37,250	4.7%
Total Operating Expenses	150,460	21.8%	148,114	21.2%	148,079	22.5%	151,695	22.2%	155,488	22.2%	159,376	22.2%	163,386	22.2%	167,459	22.2%	171,657	22.2%	175,946	22.2%
HOUSE PROFIT	369,936	53.6%	376,572	53.9%	335,648	51.0%	352,590	51.6%	361,406	51.6%	370,439	51.6%	379,761	51.6%	389,228	51.6%	398,984	51.6%	408,958	51.6%
Management Fee	13,804	2.0%	13,973	2.0%	13,163	2.0%	13,666	2.0%	14,008	2.0%	14,358	2.0%	14,719	2.0%	15,086	2.0%	15,465	2.0%	15,851	2.0%
INCOME BEFORE FIXED CHARGES	356,132	51.6%	362,599	51.9%	322,485	49.0%	338,924	49.6%	347,398	49.6%	356,081	49.6%	365,042	49.6%	374,142	49.6%	383,519	49.6%	393,107	49.6%
FIXED EXPENSES																				
Property Taxes	6,902	1.0%	7,685	1.1%	7,239	1.1%	7,516	1.1%	7,704	1.1%	7,897	1.1%	8,096	1.1%	8,298	1.1%	8,505	1.1%	8,718	1.1%
Insurance	2,071	0.3%	2,096	0.3%	2,633	0.4%	2,733	0.4%	2,802	0.4%	2,872	0.4%	2,944	0.4%	3,017	0.4%	3,093	0.4%	3,170	0.4%
Incentive Management Fee	27,607	4.0%	27,946	4.0%	25,009	3.8%	26,649	3.9%	27,316	3.9%	27,998	3.9%	28,703	3.9%	29,418	3.9%	30,156	3.9%	30,910	3.9%
Land Lease	3,451	0.5%	3,493	0.5%	3,291	0.5%	3,417	0.5%	3,502	0.5%	3,590	0.5%	3,680	0.5%	3,772	0.5%	3,866	0.5%	3,963	0.5%
Office Lease	690	0.1%	699	0.1%	658	0.1%	683	0.1%	700	0.1%	718	0.1%	736	0.1%	754	0.1%	773	0.1%	793	0.1%
Reserve for Replacement	20,705	3.0%	20,959	3.0%	19,744	3.0%	20,499	3.0%	21,012	3.0%	21,537	3.0%	22,079	3.0%	22,630	3.0%	23,197	3.0%	23,777	3.0%
Total Fixed Expenses	61,426	8.9%	62,878	9.0%	58,574	8.9%	61,498	9.0%	63,036	9.0%	64,612	9.0%	66,238	9.0%	67,889	9.0%	69,590	9.0%	71,330	9.0%
NET INCOME (A)	294,918		299,819		263,511		276,849		283,882		291,006		298,210		305,733		313,399		321,286	

ANNEX D(2)

Summary of Ling's DCF Analysis(2)

	Year	Net Income Before Land Lease	Land Lease	CAPEX Deduction	Net Income After Lease & CAPEX	Cost of Lease Renewal	Net Cashflow discount @ 12%	Discounted Net Cashflow	
2007	1	303,256	3,437		299,819		299,819	0.892857	267,696
2008	2	266,996	3,485		263,511		263,511	0.797194	210,069
2009	3	280,334	3,485		276,849		276,849	0.711780	197,056
2010	4	287,367	3,485		283,882		283,882	0.635518	180,412
2011	5	294,491	3,485		291,006		291,006	0.567427	165,125
2012	6	301,818	3,608		298,210		298,210	0.506631	151,082
2013	7	309,392	3,659		305,733		305,733	0.452349	138,298
2014	8	317,058	3,659	90,528	313,399		313,399	0.403883	126,577
2015	9	324,945	3,659		321,286		321,286	0.360610	115,859
2016	10	333,069	3,659		329,410		329,410	0.321973	106,061
2017	11	341,395	3,788		337,607		337,607	0.287476	97,054
2018	12	349,930	3,841		346,089		346,089	0.256675	88,832
2019	13	358,678	3,841		354,837		354,837	0.229174	81,319
2020	14	367,645	3,841		363,804		363,804	0.204620	74,442
2021	15	376,836	3,841		372,995		372,995	0.182696	68,145
2022	16	275,958	4,113	110,300	271,845	201,317	70,528	0.163122	11,505
2023	17	395,914	4,224		391,690		391,690	0.145644	57,047
2024	18	405,811	4,224		401,587		401,587	0.130040	52,222
2025	19	415,957	4,224		411,733		411,733	0.116107	47,805
2026	20	426,356	4,224		422,132		422,132	0.103667	43,761
2027	21	437,014	4,373		432,641		432,641	0.092560	40,045
2028	22	447,939	4,434		443,505		443,505	0.082643	36,652
2029	23	459,138	4,434		454,704		454,704	0.073788	33,552
2030	24	336,227	4,434	134,389	331,793		331,793	0.065882	21,859
2031	25	482,382	4,434		477,948		477,948	0.058823	28,114
2032	26	494,441	4,591		489,850		489,850	0.052521	25,727
2033	27	506,802	4,655		502,147		502,147	0.046894	23,547
2034	28	519,472	4,655		514,817		514,817	0.041869	21,555
2035	29	532,459	4,655		527,804		527,804	0.037383	19,731
2036	30	518,770	4,655		514,115		514,115	0.033378	17,160
2037	31	559,415	4,820		554,595		554,595	0.029802	16,528
2038	32	573,401	4,888		568,513		568,513	0.026609	15,127
2039	33	587,736	4,888		582,848		582,848	0.023758	13,847
2040	34	602,429	4,888		597,541		597,541	0.021212	12,675
2041	35	617,490	4,888		612,602		612,602	0.018940	11,602
2042	36	183,809	1,419		182,390		182,390	0.016910	3,084

PV of cashflow (THB '000) 2,585,513

	THB		THB
PV from Year 17 to 30 of Retail Lease	14,028,993	Hotel	2,585,513,459
Projected Value of Additional 22-year Lease	269,071,319	Retail	283,100,312
Potential Realisation Price in 2007	283,100,312		
		Hotel + Retail Component	2,868,613,771
		Less	
		Estimated Demolition costs (THB/m ²)	210
		Gross Floor Area of Hotel (m ²)	73,000
		Demolition Costs (THB)	15,330,000
		Potential Realisation Price	2,853,283,771
		Say (rounded to nearest THB 0.01bn)	2,850,000,000

ANNEX E

Hecker's Discounted Cash Flow Analysis based on 100% of Cash Flow - Appendix 3 (Version 3)

S/N	Property Cash Flow (based on 100%)	Year 0 1/06/2002	Year 1 31/12/2002	Year 2 31/12/2003	Year 3 31/12/2004	Year 4 31/12/2005	Year 5 31/12/2006
1	Senior Debt Origination Fee						
2	Cash in excess of working capital requirements	24,381,561					
3	Property NOI (including retail)		79,964,250	91,773,696	184,250,478	245,173,393	295,976,734
4	Renovation Cost		(106,815,795)	(167,604,781)	(96,067,616)		
5	Mezzanine Loan Proceeds		106,815,795	148,184,205	-		
6	Senior Debt Service		(64,316,907)	(90,546,280)	(81,925,563)	(72,506,683)	(62,993,828)
7	Principal Repayment to meet DSCR shortfall			(498,322,291)			
8	Transfer from / (to) Debt Service Reserve	(22,750,000)	142,123	6,084,816	(2,669,275)	6,751,795	12,440,541
9	Mezzanin Loan Debt Service		(27,270,833)	(46,750,000)	(60,916,667)	(68,000,000)	(107,666,667)
10	Senior Loan Cashflow Sweep/Principal Repayment		-	-	-	(55,709,252)	(68,878,390)
11	Sales Proceeds at YE 2006						1,919,393,967
12	Total Property Cash Flow	1,631,561	(11,481,367)	(557,180,635)	(57,328,643)	55,709,253	1,988,272,357

ANNEX F

Hecker's Discounted Cash Flow Analysis based on 54.2% and taking into account WACC - Appendix 3 (Version 3)

AHIL Cash Flow (54.2%)	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
	01/06/2002	31/12/2002	31/12/2003	31/12/2004	31/12/2005	31/12/2006
AHIL Acquisition Cost	(100,000,000)					
Total Property Cash Flow (at 100%) (cross-reference with Annex A)	1,631,561	(11,481,367)	(557,180,635)	(57,328,643)	55,709,253	1,988,272,357
54.2% of Total Property Cash Flows (i.e. 54.2% of above line)	884,306	(6,222,901)	(301,991,904)	(31,072,125)	30,194,415	1,077,643,617
Total AHIL Cash Flow (54.2% cash flow - AHIL acquisition cost)	(99,115,694)	(6,222,901)	(301,991,904)	(31,072,125)	30,194,415	1,077,643,617

Total of all AHIL cash flow from Year 0 to Year 5 = THB 1,419,622,526

ANNEX G

Comparison of Hecker's NPV (Version 3) against the NPV Formula

	A	B	C	D	E	F	G
		Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
		1/06/2002	31/12/2002	31/12/2003	31/12/2004	31/12/2005	31/12/2006
3	AHIL Acquisition Cost	(100,000,000)					
4	Total Property Cash Flow (at 100%) (cross-reference with Annex A)	1,631,561	(11,481,367)	(557,180,635)	(57,328,643)	55,709,253	1,988,272,357
5	54.2% of Total Property Cash Flows (i.e. 54.2% of Row 4 above)	884,306	(6,222,901)	(301,991,904)	(31,072,125)	30,194,415	1,077,643,617
6	Total AHIL Cash Flow (54.2% cash flow - AHIL acquisition cost)	(99,115,694)	(6,222,901)	(301,991,904)	(31,072,125)	30,194,415	1,077,643,617
7							
8	Discount Rate (13.37%)	0.1337					
9				Difference from Hecker's figure			
10	Hecker's NPV Value	250,404,959					
11	Calculations using Excel's NPV Formula:	232,805,688		(17,599,271)			
12							
13	Present Value (where $t=1, 2, 3$, etc.)	(99,115,694)	(5,489,019)	(234,962,745)	(21,324,385)	18,278,226	575,419,305
14	(formula for the figures seen in Row 8)	=B6	=C6/(1+0.1337)^1	=D6/(1+0.1337)^2	=E6/(1+0.1337)^3	=F6/(1+0.1337)^4	=G6/(1+0.1337)^5
15	Net Present Value (where $t=1, 2, 3$ etc)	232,805,688		(17,599,271)			
16							
17	Present Value (where $t=7/12, 1+(7/12), 2+(7/12)$, etc.)	(99,115,694)	(5,783,654)	(247,574,875)	(22,469,017)	19,259,349	606,306,172
18	(formula for the figures seen in Row 17)	=B6	=C6/(1+0.1337)^(7/12)				
19	Net Present Value (where $t=7/12, 1+(7/12), 2+(7/12)$, etc.)	250,622,281		217,322			
20							
21	Present Value (where $t=213/365, 1+(213/365), 2+(213/365)$, etc.)	(99,115,694)	(5,783,488)	(247,567,782)	(22,468,373)	19,258,797	606,288,801
22	(formula for the figures seen in Row 17)	=B6	=C6/(1+0.1337)^(213/365)				
23	Net Present Value (where $t=213/365, 1+(213/365), 2+(213/365)$, etc.)	250,612,261		207,302			
24	Note = "^" in formula denotes "to the power of"						

ANNEX H

Hecker's Discounted Cash Flow Analysis based on 100% of Cash Flow - Appendix 3 (Version 4)

S/N	Property Cash Flow	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
	(based on 100%)	01/06/2002	31/12/2002	31/12/2003	31/12/2004	31/12/2005	31/12/2006
1	Senior Debt Origination Fee						
2	Cash in excess of working capital requirements	1,631,561					
3	Property NOI (including retail)		72,616,626	90,099,618	181,860,640	242,340,736	292,558,827
4	Renovation Cost		(106,815,795)	(167,604,781)	(96,067,616)		
5	Mezzanine Loan Proceeds		106,815,795	148,184,205	-		
6	Senior Debt Service		(64,316,907)	(89,735,675)	(80,436,753)	(71,184,953)	(61,842,053)
7	Principal Repayment to meet DSCR shortfall			(508,079,712)			
8	Transfer from / to Debt Service Reserve		195,655	6,331,552	(2,620,768)	6,631,997	12,211,563
9	Mezzanine Loan Debt Service		-	(46,750,000)	(46,750,000)	(68,000,000)	(68,000,000)
10	Senior Loan Cashflow Sweep/Principal Repayment		(4,247,687)	-	-	(54,893,890)	(87,464,168)
11	Sales Proceeds at YE 2006 (cross-ref other table)						1,850,710,145
12	Total Property Cash Flow	1,631,561	4,247,687	(567,554,793)	(44,014,497)	54,893,890	1,938,174,314

Note: For "Total Property Cash Flow" for Year 5 (31/12/2006), Hecker's Version 4 reflects as 1,938,174,313. A summation of the various figures for that year should be 1,938,174,314.

ANNEX I

Hecker's Discounted Cash Flow Analysis based on 54.2% and taking into account WACC - Appendix 3 (Version 4)

AHIL Cash Flow (54.2%)	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
	01/06/2002	31/12/2002	31/12/2003	31/12/2004	31/12/2005	31/12/2006
AHIL Acquisition Cost	(100,000,000)					
Total Property Cash Flow (at 100%) (cross-reference with Annex A)	1,631,561	4,247,687	(567,554,793)	(44,014,497)	54,893,890	1,938,174,314
54.2% of Total Property Cash Flows (54.2% of above line)	884,306	2,302,246	(307,614,698)	(23,855,857)	29,752,488	1,050,490,478
Total AHIL Cash Flow (54.2% cash flow - AHIL acquisition cost)	(99,115,694)	2,302,246	(307,614,698)	(23,855,857)	29,752,488	1,050,490,478

ANNEX J

Comparison of Hecker's NPV (Version 4) against the NPV Formula

	A	B	C	D	E	F	G
		Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
		1/06/2002	31/12/2002	31/12/2003	31/12/2004	31/12/2005	31/12/2006
3	AHIL Acquisition Cost	(100,000,000)					
4	Total Property Cash Flow (at 100%) (cross-reference with Annex A)	1,631,561	4,247,687	(567,554,793)	(44,014,497)	54,893,890	1,938,174,314
5	54.2% of Total Property Cash Flows (i.e. 54.2% of Row 4 above)	884,306	2,302,246	(307,614,698)	(23,855,857)	29,752,488	1,050,490,478
6	Total AHIL Cash Flow (54.2% cash flow - AHIL acquisition cost)	(99,115,694)	2,302,246	(307,614,698)	(23,855,857)	29,752,488	1,050,490,478
7							
8	Discount Rate (13.37%)	0.1337					
9				Difference from Hecker's figure			
10	Hecker's NPV Value	243,381,930					
11	Calculations using Excel's NPV Formula:	226,136,866		(17,245,064)			
12							
13	Present Value (where $t=1, 2, 3$, etc.)	(99,115,694)	2,030,737	(239,337,521)	(16,371,957)	18,010,705	560,920,596
14	(formula for the figures seen in Row 8)	=B6	=C6/(1+0.1337)^1	=D6/(1+0.1337)^2	=E6/(1+0.1337)^3	=F6/(1+0.1337)^4	=G6/(1+0.1337)^5
15	Net Present Value (where $t=1, 2, 3$ etc)	226,136,866		(17,245,064)			
16							
17	Present Value (where $t=7/12, 1+(7/12), 2+(7/12)$, etc.)	(99,115,694)	2,139,741	(252,184,477)	(17,250,757)	18,977,468	591,029,214
18	(formula for the figures seen in Row 17)	=B6	=C6/(1+0.1337)^(7/12)				
19	Net Present Value (where $t=7/12, 1+(7/12), 2+(7/12)$, etc.)	243,595,496		213,566			
20							
21	Present Value (where $t=213/365, 1+(213/365), 2+(213/365)$, etc.)	(99,115,694)	2,139,680	(252,177,252)	(17,250,263)	18,976,924	591,012,281
22	(formula for the figures seen in Row 17)	=B6	=C6/(1+0.1337)^(213/365)				
23	Net Present Value (where $t=213/365, 1+(213/365), 2+(213/365)$, etc.)	243,585,677		203,747			
24	Note = "^" in formula denotes "to the power of"						

ANNEX K

Court's Evaluation of Net Sale Proceeds

S/N	Description	THB	US\$
1	Sale Proceeds	3,049,795,097	76,244,877
2	Less : 3% transaction cost (3% x [1])	(91,493,853)	(2,287,346)
3	Outstanding debts:		
4	(a) Outstanding Senior debt Principal	581,719,928	14,542,998
5	(b) Outstanding Senior debt 10% interest fee	130,000,000	3,250,000
6	(c) Outstanding Mezzanine Loan Principal	126,894,927	3,172,373
7	Total Outstanding Debts [4]+[5]+[6]	838,614,855	20,965,371
8	Net Sale Proceeds [1]+[2]-[7]	2,119,686,389	52,992,160

(at exchange rate of US\$1 = THB 40)

ANNEX L

Court's Evaluation of Property Cash Flow (at 100%)

S/N	Property Cash Flow (based on 100%)	Year 0 01/06/2002	Year 1 31/12/2002	Year 2 31/12/2003	Year 3 31/12/2004	Year 4 31/12/2005	Year 5 31/12/2006
1	Senior Debt Origination Fee						
2	Cash in excess of working capital requirements	1,631,561					
3	Property NOI (including retail)		72,616,626	90,099,618	181,860,640	242,340,736	292,558,827
4	Renovation Cost		(106,815,795)	(167,604,781)	(96,067,616)		
5	Mezzanine Loan Proceeds		106,815,795	148,184,205	-		
6	Senior Debt Service		(64,316,907)	(89,735,675)	(80,436,753)	(71,184,953)	(61,842,053)
7	Principal Repayment to meet DSCR shortfall			(508,079,712)			
8	Transfer from / (to) Debt Service Reserve		195,655	6,331,552	(2,620,768)	6,631,997	12,211,563
9	Mezzanin Loan Debt Service		-	(46,750,000)	(46,750,000)	(68,000,000)	(68,000,000)
10	Senior Loan Cashflow Sweep/Principal Repayment		(4,247,687)	-	-	(54,893,890)	(87,464,168)
11	Sales Proceeds at YE 2006 (cross-reference Annex G)						2,119,686,389
12	Total Property Cash Flow	1,631,561	4,247,687	(567,554,793)	(44,014,497)	54,893,890	2,207,150,558

ANNEX M

Court's Evaluation of the Plaintiff's Net Present Value

	A	B	C	D	E	F	G
1		Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
2		01/06/2002	31/12/2002	31/12/2003	31/12/2004	31/12/2005	31/12/2006
3	AHIL Acquisition Cost	(100,000,000)					
4	Total Property Cash Flow (at 100%) (cross-reference with Annex H)	1,631,561	4,247,687	(567,554,793)	(44,014,497)	54,893,890	2,207,150,558
5	54.25% of Total Property Cash Flows (i.e. 54.25% of Row 4 above)	885,122	2,304,370	(307,898,475)	(23,877,865)	29,779,935	1,197,379,178
6	Total AHIL Cash Flow (54.2% cash flow - AHIL acquisition cost)	(99,114,878)	2,304,370	(307,898,475)	(23,877,865)	29,779,935	1,197,379,178
7							
8	Discount Rate (13.37%)	0.1337					
9							
21	Present Value (where $t=213/365, 1+(213/365), 2+(213/365),$ etc.)	(99,115,694)	2,141,654	(252,409,888)	(17,266,176)	18,994,431	673,652,750
22	(formula for the figures seen in Row 17)	=B6	see text box below				
23	Net Present Value (where $t=213/365, 1+(213/365), 2+(213/365),$ etc.)	325,997,077					
24	Note = "^" in formula denotes "to the power of"						

<p>Formula for C21 = $C6/(1+0.1337)^{(213/365)}$ Formula for D21 = $D6/(1+0.1337)^{(1+(213/365))}$ Formula for E21 = $E6/(1+0.1337)^{(2+(213/365))}$ Formula for F21 = $D6/(1+0.1337)^{(3+(213/365))}$ Formula for G21 = $D6/(1+0.1337)^{(4+(213/365))}$</p>
