

AUDITOR'S REPORT

To the Shareholders and the Board of Directors of Dusit Thani Public Company Limited

I have audited the accompanying consolidated and company financial statements of Dusit Thani Public Company Limited and its subsidiaries and of Dusit Thani Public Company Limited, which comprise the consolidated and company statements of financial position as at 31 December 2013, and the related consolidated and company statements of income, comprehensive income, changes in shareholders' equity, and cash flows for the year then ended, and a summary of significant accounting policies and other notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the consolidated and company financial statements referred to above present fairly, in all material respects, the consolidated and company financial position of Dusit Thani Public Company Limited and its subsidiaries and of Dusit Thani Public Company Limited as at 31 December 2013, and its consolidated and company results of operations and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Emphasis of Matter

I draw your attention to Note 1 to the consolidated and company financial statements. Note 1.2 states that the financial statements of Dusit Thani Public Company Limited for the year ended 31 December 2013 have been restated for the reissuance. This audit report supersedes my audit report dated 24 February 2014 on the previously issued financial statements. Nevertheless, my audit opinion is not qualified with respect to this matter.

Nattaporn Phan-Udom
Certified Public Accountant (Thailand) No. 3430
PricewaterhouseCoopers ABAS Ltd.

Bangkok
23 January 2015

**DUSIT THANI PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES**

**CONSOLIDATED AND COMPANY
FINANCIAL STATEMENTS**

31 DECEMBER 2013

Dusit Thani Public Company Limited and Subsidiaries
Statement of Financial Position
As at 31 December 2013

		Consolidated			Company			Baht
		financial statements			financial statements			
		(Restated)	(Restated)	(Restated)			(Restated)	
		31 December	31 December	1 January	31 December	31 December	1 January	
Notes		2013	2012	2012	2013	2012	2012	
Assets								
Current assets								
Cash and cash equivalents	5.1	931,234,803	780,724,482	708,753,062	161,397,713	158,817,002	126,179,211	
Short-term investments		59,139,915	72,136,206	133,391	-	-	-	
Trade and other receivables - net	6	472,338,250	431,694,926	553,096,330	209,360,839	206,594,695	244,609,447	
Inventories - net	7	89,994,372	88,039,366	76,512,383	24,776,158	27,225,622	26,873,594	
Short-term loans to related companies	34.3	-	-	6,000,180	-	-	12,000,000	
Prepaid rental of land and buildings	14	105,620,793	103,519,347	89,817,390	74,066,640	74,066,640	74,066,640	
Deposit at bank with collateral		-	-	47,252,250	-	-	-	
Other current assets - net	8	59,394,920	36,967,129	28,284,449	29,250,495	9,031,660	10,325,624	
Total current assets		1,717,723,053	1,513,081,456	1,509,849,435	498,851,845	475,735,619	494,054,516	
Non-current assets								
Restricted bank deposit	9	1,499,197	1,377,989	987,149	-	-	-	
Available-for-sale investments	10	358,584,400	299,147,850	266,293,475	322,422,400	270,993,150	243,498,500	
Investment in associate	34.1	1,310,213,660	1,309,525,818	1,302,779,562	1,229,202,500	1,229,202,500	1,229,202,500	
Investment in subsidiaries	34.1	-	-	-	944,152,676	907,109,034	899,074,034	
Investment in joint ventures	34.1	-	-	-	29,830,302	26,079,945	23,469,945	
Other long-term investments	11	-	-	-	-	-	-	
Investment properties - net	12	273,462,526	273,149,054	297,708,004	210,028,501	226,629,699	256,449,805	
Property, premises and equipment - net	13	5,080,085,331	5,067,273,967	4,834,607,091	832,658,174	847,427,664	861,136,144	
Prepaid rental of land and buildings exceeding one year - net	14	311,691,812	410,484,345	530,606,610	240,716,580	314,783,220	388,849,860	
Intangible assets - net	15	67,845,177	50,590,830	46,103,490	58,354,486	41,897,788	41,925,576	
Deferred tax assets	17	129,147,320	136,667,587	114,219,620	42,225,221	50,682,092	59,641,574	
Other non-current assets - net	16	20,633,509	19,199,529	17,279,853	3,126,794	3,255,042	1,339,043	
Total non-current assets		7,553,162,932	7,567,416,969	7,410,584,854	3,912,717,634	3,918,060,134	4,004,586,981	
Total assets		9,270,885,985	9,080,498,425	8,920,434,289	4,411,569,479	4,393,795,753	4,498,641,497	

The notes to the consolidated and company financial statements are an integral part of these financial statements.

Dusit Thani Public Company Limited and Subsidiaries
Statement of Financial Position (Continued)
As at 31 December 2013

	Consolidated			Company			Baht
	financial statements			financial statements			
	(Restated)	(Restated)	(Restated)			(Restated)	
	31 December	31 December	1 January	31 December	31 December	1 January	
Notes	2013	2012	2012	2013	2012	2012	
Liabilities and shareholders' equity							
Current liabilities							
Bank overdrafts and short-term loans							
from financial institutions	18	662,700,000	655,297,760	822,400,000	610,700,000	576,900,000	822,400,000
Trade and other payables	19	1,010,519,209	977,576,740	998,057,799	246,665,949	283,903,854	270,888,895
Current portion of long-term liabilities							
under financial lease agreements	20	772,071	488,219	449,295	699,050	279,115	254,341
Current portion of long-term loans	21	185,195,279	113,219,388	34,401,161	-	-	-
Short-term loan from related companies	34.3	13,105,780	12,232,960	5,999,820	-	-	-
Current portion of deferred rental							
revenue	22	25,433,333	25,433,333	25,433,333	-	-	-
Accrued income tax		9,370,061	11,108,026	7,541,821	-	-	-
Liabilities under rental guaranteed		74,129,009	68,454,870	87,703,789	74,129,009	68,454,870	87,703,789
Others current liabilities		50,731,167	62,062,159	55,492,303	17,690,341	24,991,695	26,226,212
Total current liabilities		2,031,955,909	1,925,873,455	2,037,479,321	949,884,349	954,529,534	1,207,473,237
Non-current liabilities							
Long-term liabilities under financial lease							
agreements	20	-	777,415	1,272,599	-	704,394	990,474
Long-term loans	21	1,091,913,364	1,225,044,223	1,046,997,552	-	-	-
Unrealized gain on sales of assets held							
for sale	23	6,904,215	6,904,215	6,904,215	6,904,215	6,904,215	6,904,215
Deferred rental revenue	22	660,709,223	686,142,556	711,575,889	-	-	-
Retirement benefit obligation	24	175,357,625	154,622,356	124,264,083	96,296,350	89,554,253	60,926,211
Deferred tax liabilities	17	13,784,454	15,037,586	16,290,718	-	-	-
Other non-current liabilities		22,388,030	20,602,675	13,921,113	19,259,110	15,592,675	13,921,113
Total non-current liabilities		1,971,056,911	2,109,131,026	1,921,226,169	122,459,675	112,755,537	82,742,013
Total liabilities		4,003,012,820	4,035,004,481	3,958,705,490	1,072,344,024	1,067,285,071	1,290,215,250

The notes to the consolidated and company financial statements are an integral part of these financial statements.

Dusit Thani Public Company Limited and Subsidiaries
Statement of Financial Position (Continued)
As at 31 December 2013

	Consolidated			Company			Baht
	financial statements			financial statements			
	(Restated)	(Restated)	(Restated)			(Restated)	
	31 December	31 December	1 January	31 December	31 December	1 January	
Notes	2013	2012	2012	2013	2012	2012	
Liabilities and shareholders' equity (Continued)							
Shareholders' equity							
Share capital							
Authorized share capital							
85,000,000 common shares of							
Baht 10 each							
	850,000,000	850,000,000	850,000,000	850,000,000	850,000,000	850,000,000	
Issued and paid-up share capital							
85,000,000 common shares of							
Baht 10 each, fully paid							
	850,000,000	850,000,000	850,000,000	850,000,000	850,000,000	850,000,000	
Additional paid-in capital							
Premium on common shares							
	1,643,000,000	1,643,000,000	1,643,000,000	1,643,000,000	1,643,000,000	1,643,000,000	
Paid-in surplus - treasury							
common shares							
28.1	18,365,540	18,365,540	18,365,540	16,950,268	16,950,268	16,950,268	
Retained earnings							
Appropriated							
Legal reserve							
25	85,000,000	85,000,000	85,000,000	85,000,000	85,000,000	85,000,000	
Dusit Thani College funds							
26	269,784,021	223,499,125	182,906,730	-	-	-	
Other reserves							
27 and 28.1	15,740,202	15,740,202	15,740,202	-	-	-	
Unappropriated							
	1,489,818,299	1,459,215,537	1,338,003,660	598,737,212	627,165,839	531,077,124	
<u>Less Treasury common shares</u>							
28.1	(15,740,202)	(15,740,202)	(15,740,202)	-	-	-	
Other components of equity							
	174,430,154	95,342,102	100,949,854	145,537,975	104,394,575	82,398,855	
Equity attributable to							
owners of the parent							
	4,530,398,014	4,374,422,304	4,218,225,784	3,339,225,455	3,326,510,682	3,208,426,247	
Non-controlling interests							
	737,475,151	671,071,640	743,503,015	-	-	-	
Total shareholders' equity							
	5,267,873,165	5,045,493,944	4,961,728,799	3,339,225,455	3,326,510,682	3,208,426,247	
Total liabilities and shareholders' equity							
	9,270,885,985	9,080,498,425	8,920,434,289	4,411,569,479	4,393,795,753	4,498,641,497	

The notes to the consolidated and company financial statements are an integral part of these financial statements.

Dusit Thani Public Company Limited and Subsidiaries
Statement of Income
For the year ended 31 December 2013

	Notes	Consolidated		Company		Baht
		financial statements		financial statements		
		(Restated) 2013	(Restated) 2012	2013	(Restated) 2012	
Revenue from sales and services		5,012,960,958	4,528,616,553	1,565,733,026	1,513,599,631	
Cost of sales and services						
Cost of sales and services		(2,967,122,769)	(2,904,669,462)	(929,753,057)	(910,326,459)	
Cost of services - depreciation and amortization		(565,677,782)	(473,517,262)	(210,665,633)	(188,556,548)	
Total cost of sales and services		(3,532,800,551)	(3,378,186,724)	(1,140,418,690)	(1,098,883,007)	
Gross profit		1,480,160,407	1,150,429,829	425,314,336	414,716,624	
Other incomes						
Management service income		65,058,775	61,035,294	64,415,042	62,092,703	
Interest income		10,273,333	12,020,427	1,649,384	1,132,936	
Dividend income		13,333,350	12,115,125	139,328,579	147,382,008	
Realized income from deferred rental revenue	22	25,433,333	25,433,333	-	-	
Gain on sales of property, premises and equipment		1,443,565	-	350,694	1,744,816	
Gain on sales of investment properties	12	-	101,110,332	-	101,110,332	
Share of profit from investment in associate	29	88,575,678	106,926,093	-	-	
Other income		217,024,079	194,832,796	271,955,336	249,153,659	
Total other incomes		421,142,113	513,473,400	477,699,035	562,616,454	
Profit before expenses		1,901,302,520	1,663,903,229	903,013,371	977,333,078	
Expenses						
Selling expenses		(390,322,421)	(364,212,645)	(231,577,963)	(201,432,794)	
Administrative expenses		(1,177,355,239)	(1,021,648,009)	(575,656,030)	(548,840,943)	
Depreciation and amortization		(40,714,334)	(52,177,399)	(21,348,488)	(34,567,335)	
Loss on sales of property, premises and equipment		-	(2,204,425)	-	-	
Financial expenses		(70,932,599)	(79,558,169)	(19,688,496)	(25,851,178)	
Total expenses		(1,679,324,593)	(1,519,800,647)	(848,270,977)	(810,692,250)	
Profit before income tax		221,977,927	144,102,582	54,742,394	166,640,828	
Income (expense) on income tax	17 and 30	(24,352,457)	(6,219,415)	1,828,979	(8,378,864)	
Net profit		197,625,470	137,883,167	56,571,373	158,261,964	
Attributable net profit (loss) to:						
- Equity holders of the parent		163,704,524	222,557,710	56,571,373	158,261,964	
- Non-controlling interests		33,920,946	(84,674,543)	-	-	
		197,625,470	137,883,167	56,571,373	158,261,964	
Basic earnings per share						
- Equity holders of the parent	Baht	1.94	2.63	0.67	1.86	
Weighted average number of ordinary shares	Shares	28.2	84,528,500	84,528,500	85,000,000	85,000,000

The notes to the consolidated and company financial statements are an integral part of these financial statements.

Dusit Thani Public Company Limited and Subsidiaries
Statement of Comprehensive Income
For the year ended 31 December 2013

	Consolidated		Company	
	financial statements		financial statements	
	(Restated)	(Restated)	(Restated)	(Restated)
	2013	2012	2013	2012
Net profit	197,625,470	137,883,167	56,571,373	158,261,964
Other comprehensive income (loss)				
Actuarial losses on define employee benefit plan	(2,938,946)	(21,399,411)	-	(24,591,561)
Exchange differences on the translation of financial statements of subsidiaries	67,035,446	(13,201,862)	-	-
Gains on remeasuring available for sale investments	59,436,550	32,854,375	51,429,250	27,494,650
Income tax relating to components of other comprehensive income	(10,663,948)	(3,912,828)	(10,285,850)	(580,618)
Other comprehensive income (loss)	112,869,102	(5,659,726)	41,143,400	2,322,471
Total comprehensive income	310,494,572	132,223,441	97,714,773	160,584,435
Total comprehensive income (loss) attributable to:				
- Owners of the parent	240,975,710	198,696,520	97,714,773	160,584,435
- Non-controlling interests	69,518,862	(66,473,079)	-	-
	310,494,572	132,223,441	97,714,773	160,584,435

The notes to the consolidated and company financial statements are an integral part of these financial statements.

Dusit Thani Public Company Limited and Subsidiaries
Statement of Changes in Shareholders' Equity
For the year ended 31 December 2013

Baht

Consolidated financial statements (Restated)															
Attributable to owners of the parent															
Notes	Retained earnings							Other components of equity			Total owners of the parent	Non-Controlling interests	Total shareholders' equity		
	Issued and paid-up share capital	Premium on common shares	Paid-in surplus-common shares	Appropriated			Unappropriated	Treasury common shares	Unrealized gain (loss)	Exchange differences on the translation of financial statements of subsidiaries				Total	
				Legal reserve	Dusit Thani College funds	Other reserves									
Beginning balance : 1 January 2012	850,000,000	1,643,000,000	18,365,540	85,000,000	-	15,740,202	1,155,434,463	(15,740,202)	201,301,617	(76,498,179)	124,803,438	3,876,603,441	696,148,468	4,572,751,909	
Restroactive adjustment	2.20	-	-	-	182,906,730	-	65,334,465	-	-	-	-	248,241,195	37,810,189	286,051,384	
Adjustment from changes in accounting policy	2.19 and 2.20	-	-	-	-	-	117,234,658	-	(24,197,913)	344,329	(23,853,584)	93,381,074	9,544,432	102,925,506	
Balance after adjustment		850,000,000	1,643,000,000	18,365,540	85,000,000	182,906,730	1,338,003,586	(15,740,202)	177,103,704	(76,153,850)	100,949,854	4,218,225,710	743,503,089	4,961,728,799	
Changes in shareholders' equity for the year															
Transfer excess of revenue over expenses to Dusit Thani College funds		-	-	-	40,592,395	-	(40,592,395)	-	-	-	-	-	-	-	
Dividends paid	31	-	-	-	-	-	(42,500,000)	-	-	-	-	(42,500,000)	(5,958,296)	(48,458,296)	
Total comprehensive income (losses) for the year		-	-	-	-	-	204,304,272	-	23,817,663	(29,425,415)	(5,607,752)	198,696,520	(66,473,079)	132,223,441	
Ending balance : 31 December 2012		<u>850,000,000</u>	<u>1,643,000,000</u>	<u>18,365,540</u>	<u>85,000,000</u>	<u>223,499,125</u>	<u>1,459,215,463</u>	<u>(15,740,202)</u>	<u>200,921,367</u>	<u>(105,579,265)</u>	<u>95,342,102</u>	<u>4,374,422,230</u>	<u>671,071,714</u>	<u>5,045,493,944</u>	
Beginning balance : 1 January 2013		850,000,000	1,643,000,000	18,365,540	85,000,000	-	15,740,202	1,235,111,689	(15,740,202)	231,073,696	(105,569,897)	125,503,799	3,956,981,028	596,156,475	4,553,137,503
Restroactive adjustment	2.20	-	-	-	-	223,499,125	-	90,435,565	-	-	-	-	313,934,690	47,770,977	361,705,667
Adjustment from changes in accounting policy	2.19 and 2.20	-	-	-	-	-	-	133,668,283	-	(30,152,329)	(9,368)	(30,161,697)	103,506,586	27,144,188	130,650,774
Balance after adjustment		850,000,000	1,643,000,000	18,365,540	85,000,000	223,499,125	1,459,215,537	(15,740,202)	200,921,367	(105,579,265)	95,342,102	4,374,422,304	671,071,640	5,045,493,944	
Changes in shareholders' equity for the year															
Transfer excess of revenue over expenses to Dusit Thani College funds		-	-	-	-	46,284,896	(46,284,896)	-	-	-	-	-	-	-	
Dividends paid	31	-	-	-	-	-	(85,000,000)	-	-	-	-	(85,000,000)	(3,115,351)	(88,115,351)	
Total comprehensive income for the year		-	-	-	-	-	161,887,658	-	46,703,906	32,384,146	79,088,052	240,975,710	69,518,862	310,494,572	
Ending balance : 31 December 2013		<u>850,000,000</u>	<u>1,643,000,000</u>	<u>18,365,540</u>	<u>85,000,000</u>	<u>269,784,021</u>	<u>1,489,818,299</u>	<u>(15,740,202)</u>	<u>247,625,273</u>	<u>(73,195,119)</u>	<u>174,430,154</u>	<u>4,530,398,014</u>	<u>737,475,151</u>	<u>5,267,873,165</u>	

The notes to the consolidated and company financial statements are an integral part of these financial statements.

Dusit Thani Public Company Limited and Subsidiaries
Statement of Changes in Shareholders' Equity (Continued)
For the year ended 31 December 2013

								Baht
Company financial statements								
						Other component of equity		
						Other comprehensive income		
						Retained earnings		
						Unrealized gain (loss)		
						Total		
						Total		Total shareholders' equity
Notes	Issued and paid-up share capital	Premium on common shares	Paid-in surplus- Treasury common shares	Appropriated Legal reserve	Unappropriated	Unrealized gain (loss)	Total	Total shareholders' equity
Beginning balance : 1 January 2012	850,000,000	1,643,000,000	16,950,268	85,000,000	450,835,836	102,998,569	102,998,569	3,148,784,673
Adjustment from changes in accounting policy	2.19	-	-	-	80,241,288	(20,599,714)	(20,599,714)	59,641,574
Balance after adjustment	850,000,000	1,643,000,000	16,950,268	85,000,000	531,077,124	82,398,855	82,398,855	3,208,426,247
Changes in shareholders' equity for the year								
Dividends paid	31	-	-	-	(42,500,000)	-	-	(42,500,000)
Total comprehensive income for the year		-	-	-	138,588,715	21,995,720	21,995,720	160,584,435
Ending balance : 31 December 2012	<u>850,000,000</u>	<u>1,643,000,000</u>	<u>16,950,268</u>	<u>85,000,000</u>	<u>627,165,839</u>	<u>104,394,575</u>	<u>104,394,575</u>	<u>3,326,510,682</u>
Beginning balance : 1 January 2013	850,000,000	1,643,000,000	16,950,268	85,000,000	550,385,103	130,493,219	130,493,219	3,275,828,590
Adjustment from changes in accounting policy	2.19	-	-	-	76,780,736	(26,098,644)	(26,098,644)	50,682,092
Balance after adjustment	850,000,000	1,643,000,000	16,950,268	85,000,000	627,165,839	104,394,575	104,394,575	3,326,510,682
Changes in shareholders' equity for the year								
Dividends paid	31	-	-	-	(85,000,000)	-	-	(85,000,000)
Total comprehensive income for the year		-	-	-	56,571,373	41,143,400	41,143,400	97,714,773
Ending balance : 31 December 2013	<u>850,000,000</u>	<u>1,643,000,000</u>	<u>16,950,268</u>	<u>85,000,000</u>	<u>598,737,212</u>	<u>145,537,975</u>	<u>145,537,975</u>	<u>3,339,225,455</u>

The notes to the consolidated and company financial statements are an integral part of these financial statements.

Dusit Thani Public Company Limited and Subsidiaries
Statement of Cash Flows
For the year ended 31 December 2013

	Notes	Consolidated		Company		Baht
		financial statements		financial statements		
		(Restated) 2013	(Restated) 2012	(Restated) 2013	(Restated) 2012	
Cash flows from operating activities						
Profit before income tax		221,977,927	144,102,582	54,742,394	166,640,828	
Items to reconcile:						
Realized income from deferred rental revenue	22	(25,433,333)	(25,433,333)	-	-	
Interest income		(10,273,333)	(12,020,427)	(1,649,384)	(1,132,936)	
Dividend income		(13,333,350)	(12,115,125)	(139,328,579)	(147,382,008)	
Bad debts and allowance for doubtful accounts (Reversal)		5,950,992	(23,829,945)	(19,260,447)	10,923,356	
Depreciation and amortization of property, premises and equipment	13	584,297,884	506,865,109	207,470,772	200,825,164	
Depreciation of investment properties	12	11,173,298	11,266,612	15,752,597	16,277,579	
Amortization of prepaid rental of land and buildings	14	103,754,564	102,188,618	74,066,640	74,066,640	
Amortization of intangible assets	15	10,920,934	7,532,187	8,790,752	6,021,140	
Amortization of other non-current assets	16	-	30,753	-	-	
Withholding tax written off		12,350,375	2,160,449	-	-	
Employee benefit obligation	24	30,424,136	25,374,160	10,402,107	12,329,519	
Share of profit from investment in associate	29	(88,575,678)	(106,926,093)	-	-	
Gain on sales of investment properties	12	-	(101,110,332)	-	(101,110,332)	
Loss (gain) on sales of property, premises and equipment		(1,443,565)	2,204,425	(350,694)	(1,744,816)	
Loss on property, premises and equipment written off	13	25,654,042	8,596,978	8,481,014	4,049,229	
Loss on intangible assets written off	15	294,131	53	294,131	2	
Gain on liquidated subsidiary		(71,298)	-	(71,298)	-	
Financial expenses		70,932,599	79,558,169	19,688,496	25,851,178	
Income from operations before changes in operating assets and liabilities		938,600,325	608,444,840	239,028,501	265,614,543	
(Increase) decrease in operating assets						
Trade and other receivables		(33,038,198)	62,391,932	26,573,650	18,398,746	
Inventories		(648,185)	(12,210,232)	2,449,464	(352,028)	
Other current assets		(22,243,322)	(8,735,280)	(20,218,835)	1,293,964	
Other non-current assets		(3,143,133)	(1,919,675)	128,248	(1,915,999)	

The notes to the consolidated and company financial statements are an integral part of these financial statements.

Dusit Thani Public Company Limited and Subsidiaries
Statement of Cash Flows (Continued)
For the year ended 31 December 2013

	Consolidated		Company		Baht
	financial statements		financial statements		
	(Restated)	(Restated)		(Restated)	
Notes	2013	2012	2013	2012	
Cash flows from operating activities (Continued)					
Increase (decrease) in operating liabilities					
Trade and other payables	55,317,055	64,441,723	(15,684,555)	(16,875,297)	
Liabilities under rental guaranteed	5,674,139	(19,248,919)	5,674,139	(19,248,919)	
Other current liabilities	(11,058,124)	6,609,685	(7,301,354)	(1,234,517)	
Other non-current liabilities	3,529,813	6,681,562	3,666,435	1,671,562	
Repayment for retirement benefit obligation	24 (15,095,115)	(20,393,108)	(3,660,010)	(6,680,696)	
Cash provided by operating activities before income tax paid					
	917,895,255	686,062,528	230,655,683	240,671,359	
Proceeds from refund of prepaid income tax	4,854,120	10,796,242	-	7,500,227	
Payment for income tax	(52,511,397)	(32,225,027)	(10,079,347)	(259,788)	
Net cash provided by operating activities	<u>870,237,978</u>	<u>664,633,743</u>	<u>220,576,336</u>	<u>247,911,798</u>	
Cash flows from investing activities					
Interest income	8,727,383	13,957,947	1,649,384	2,585,147	
Payment for short-term investments	12,996,292	(72,002,815)	-	-	
Restricted bank deposits increase	(121,208)	(390,840)	-	-	
Dividend income	13,333,350	12,115,125	51,440,779	47,202,208	
Dividend income received from associate	87,887,800	100,179,800	87,887,800	100,179,800	
Proceeds from repayment of loans to related companies	34.3 -	6,000,180	-	12,000,000	
Payment for purchase of shares in subsidiaries	-	-	(50,078,582)	-	
Payment for purchase of shares in joint venture	-	-	(3,750,357)	(2,610,000)	
Proceeds from a liquidated subsidiary	-	-	5,071,238	-	
Proceeds from sales of investment properties	12 -	114,720,000	-	114,720,000	
Payment for purchase of investment properties	12 (185,862)	(1,453,237)	(262,036)	(2,099,581)	
Proceeds from sales of property, premises and equipment	5,007,035	16,560,234	1,907,593	1,896,385	
Payment for purchase of property, premises and equipment	5.2.1 (545,668,061)	(777,102,100)	(233,598,996)	(174,379,004)	
Payment for purchase of intangible assets	15 (9,867,986)	(12,011,724)	(7,133,688)	(5,993,354)	
Net cash provided by (used in) investing activities	<u>(427,891,257)</u>	<u>(599,427,430)</u>	<u>(146,866,865)</u>	<u>93,501,601</u>	

The notes to the consolidated and company financial statements are an integral part of these financial statements.

Dusit Thani Public Company Limited and Subsidiaries
Statement of Cash Flows (Continued)
For the year ended 31 December 2013

	Notes	Consolidated		Company		Baht
		financial statements		financial statements		
		(Restated)	(Restated)		(Restated)	
		2013	2012	2013	2012	
Cash flows from financing activities						
Proceeds from short-term loans from financial institutions		653,989,323	996,497,760	564,200,000	918,100,000	
Repayment for short-term loans from financial institutions		(647,173,253)	(1,162,638,020)	(530,400,000)	(1,163,600,000)	
Proceeds from short-term loans from related companies	34.3	-	12,232,960	-	-	
Repayment for short-term loans from related companies	34.3	-	(5,999,820)	-	-	
Payment for long-term liabilities under finance lease agreement	5.2.1	(493,563)	(456,260)	(284,459)	(261,306)	
Proceeds from long-term loans	21	-	336,177,106	-	-	
Repayment of long-term loans	21	(150,232,715)	(50,401,160)	-	-	
Interest paid		(67,799,626)	(74,355,658)	(19,644,301)	(20,514,302)	
Dividends paid	31	(88,115,351)	(48,458,296)	(85,000,000)	(42,500,000)	
Net cash provided by (used in) financing activities		<u>(299,825,185)</u>	<u>2,598,612</u>	<u>(71,128,760)</u>	<u>(308,775,608)</u>	
Net increase in cash and cash equivalents		142,521,536	67,804,925	2,580,711	32,637,791	
Cash and cash equivalents as at 1 January		780,724,482	708,753,062	158,817,002	126,179,211	
Exchange gain on cash		7,988,785	4,166,495	-	-	
Cash and cash equivalents as at 31 December	5.1	<u><u>931,234,803</u></u>	<u><u>780,724,482</u></u>	<u><u>161,397,713</u></u>	<u><u>158,817,002</u></u>	

The notes to the consolidated and company financial statements are an integral part of these financial statements.

Dusit Thani Public Company Limited and Subsidiaries
Notes to the Consolidated and Company Financial Statements
For the year ended 31 December 2013

1. General information

- 1.1** Dusit Thani Public Company Limited is a company registered in Thailand with its head office located at 946 Dusit Thani Office Building, 5th floor, Rama IV Road, Silom, Bangrak, Bangkok. The Company's main objective is to operate hotel business and hotel management service business.

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

- 1.2** The previously issued consolidated and company financial statements for the year ended 31 December 2013 dated 24 February 2014 are superseded by this set of financial statements. The Company reissued the financial statements because the Company had revisited the accounting policy for one subsidiary for the consolidation as described in Note 2.20 b, "Reissuance of financial statements for the reclassification of investment".

The consolidated and company financial statements were approved for reissuance by the authorized directors of the Company on 23 January 2015.

2. Accounting policies

The principal accounting policies applied in the preparation of these consolidated and company financial statements are set out below:

2.1 Basis for preparation

The accompanying consolidated and company financial statements have been 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 Profession Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act.

The consolidated and company financial statements have been prepared under the historical cost convention, except those explain in accounting policies.

The preparation of financial statements in conformity with Thai generally accepted accounting principles requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated and company financial statements are disclosed in Note 3.

An English version of the consolidated and company financial statements have been prepared from the 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 financial statements shall prevail.

2. Accounting policies (Continued)

2.1 Basis for preparation (Continued)

The consolidated financial statements include all account balances of the Company, subsidiaries and the proportionate of investment in joint ventures and investment in associates are accounted for using equity method as follows:

	% of shareholding	
	2013	2012
Dusit Thani Properties Company Limited	99.99	99.99
Dusit Thai Properties Public Company Limited		
by the Company	2.75	2.75
by Dusit Thani Properties Company Limited	84.05	84.05
Philippine Hoteliers, Inc.		
by Dusit Thani Properties Company Limited	88.01	88.01
Devarana Spa Company Limited	99.99	99.99
Dusit Executive Development Center Company Limited ⁽⁶⁾	-	99.99
Le Cordon Bleu Dusit Company Limited	49.99	49.99
Dusit Worldwide Company Limited	99.99	99.99
Dusit Overseas Company Limited		
by Dusit Worldwide Company Limited	100.00	100.00
Dusit Bird Hotels Private Limited	50.00	50.00
Dusit Management Company Limited	99.99	99.99
Dusit Thani Freehold and Leasehold Property Fund	30.02	30.02
DMS Property Investment Private Limited		
by Dusit Thai Properties Public Company Limited ⁽¹⁾	55.00	55.00
Dusit USA Management Inc. ⁽²⁾	100.00	100.00
Dusit China Capital Company Limited ⁽³⁾	99.99	-
Dusit Fudu Hotel Management (Shanghai) Co., Ltd. ⁽⁴⁾		
by Dusit China Capital Company Limited	45.00	-
Dusit Thani Laguna Singapore Pte. Ltd. ⁽⁵⁾	25.01	-
Dusit Thani College		
by Dusit Thai Properties Public Company Limited	100.00	100.00

⁽¹⁾ Dusit Thai Properties Public Company Limited invested in DMS Property Investment Private Limited on 15 August 2011 and share certificates of such company are pledged as collateral of loan from financial of such company.

⁽²⁾ Dusit USA Management Inc. has registered on 14 August 2012 and the Company paid its share subscription on 17 July 2013.

⁽³⁾ Dusit China Capital Co., Ltd. has registered on 18 January 2013 and as at 31 December 2013, the Company paid its share subscription of 60.00%.

⁽⁴⁾ Dusit Fudu Hotel Management (Shanghai) Co., Ltd. is 45.00% owned by Dusit China Capital Co., Ltd. which is a subsidiary of the Company. Such company registered on 16 April 2013 and as at 31 December 2013, such company has called and received share subscription of 60.00%.

⁽⁵⁾ Dusit Thani Laguna Singapore Pte. Ltd. was registered on 6 September 2013. Such subsidiary has not called share subscription as at 31 December 2013.

⁽⁶⁾ Dusit Executive Development Center Co, Ltd. registered for liquidation with Department of Business Development on 29 June 2012 and liquidated on 20 May 2013.

2. Accounting policies (Continued)

2.2 Revised accounting standards, revised financial reporting standards, and related interpretations

1. New/revised accounting standards which are effective on 1 January 2013 and are relevant and have an impact to the Company are:

TAS 12	Income Taxes
TAS 21 (Revised 2009)	The Effects of Changes in Foreign Exchange Rates
TFRS 8	Operating Segments

TAS 12 requires tax expenses to be recognised for current and deferred tax. New accounting policy of income taxes is provided and the significant impact to the Company is described in Note 2.19.

TAS 21 (Revised 2009) requires the Company to determine the functional currency which is the currency of the primary economic environment in which the entity operates. The Company assessed and concluded that Thai Baht is the Company's functional currency. As a consequence, applying TAS 21 has no impact to assets, liabilities and retained earnings. New accounting policy is described in Note 2.4.

TFRS 8 requires the operating segment to be described in the same manner as internal reporting used by the chief operating decision-maker. New accounting policy is described in Note 2.23. The impact to the Company in applying TFRS 8 is only on a disclosure.

2. Revised accounting standards, revised financial reporting standards, and related interpretations that are not yet effective and have not been early adopted by the Group:

- a) Revised accounting standards effective for the periods beginning on or after 1 January 2014

TAS 1 (Revised 2012)	Presentation of Financial Statements
TAS 7 (Revised 2012)	Statement of Cash Flows
TAS 12 (Revised 2012)	Income Taxes
TAS 17 (Revised 2012)	Leases
TAS 18 (Revised 2012)	Revenue
TAS 19 (Revised 2012)	Employee Benefits
TAS 21 (Revised 2012)	The Effects of Changes in Foreign Exchange Rates
TAS 24 (Revised 2012)	Related Party Disclosures
TAS 28 (Revised 2012)	Investments in Associates
TAS 31 (Revised 2012)	Interest in Joint Ventures
TAS 34 (Revised 2012)	Interim Financial Reporting
TAS 36 (Revised 2012)	Impairment of Assets
TAS 38 (Revised 2012)	Intangible Assets
TFRS 2 (Revised 2012)	Share-based Payment
TFRS 3 (Revised 2012)	Business Combinations
TFRS 5 (Revised 2012)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 8 (Revised 2012)	Operating Segments

TAS 1 (revised 2012) clarifies that conversion features that are at the holder's discretion do not impact the classification of the liability component of the convertible instrument. TAS 1 also explains that, for each component of equity, an entity may present the breakdown of other comprehensive income either in the statement of changes in equity or in the notes to the financial statements. This standard has no impact to the Group.

TAS 7 (revised 2012) clarifies that only expenditures that result in a recognized asset in the statement of financial position are eligible for classification as investing activities. This standard has no impact to the Group.

TAS 12 (revised 2012) amends an exception to the existing principle for the measurement of deferred tax assets or liabilities on investment property measured at fair value. TAS 12 currently requires an entity to measure the deferred tax relating to an asset depending on whether the entity expects to recover the carrying amount of the asset through use or sale. This amendment therefore adds the rebuttable presumption that the carrying amount of an investment property measured at fair value is entirely recovered through sale. As the result of the amendment, TSIC 21 - Income tax - recovery of revalued non-depreciable assets is incorporated into TAS 12 (revised 2012). This standard has no impact to the Group.

TAS 17 (revised 2012) deletes the guidance for a lease of land with an indefinite useful life to be classified as an operating lease. The standard has been amended to clarify that when a lease includes both land and buildings, classification as a finance or operating lease is performed separately in accordance with TAS 17's general principles. This standard has no impact to the Group.

2. Accounting policies (Continued)

2.2 Revised accounting standards, revised financial reporting standards, and related interpretations (Continued)

2. Revised accounting standards, revised financial reporting standards, and related interpretations that are not yet effective and have not been early adopted by the Group: (Continued)

a) Revised accounting standards effective for the periods beginning on or after 1 January 2014 (Continued)

TAS18 (revised 2012) removes the appendix to TAS 18. This standard has no impact to the Group.

TAS 19 (revised 2012) deletes the transition provisions of the current TAS 19. This standard has no impact to the Group.

TAS 21 (revised 2012) clarifies the method of recording cumulative amount of the exchange difference relating to disposal or partial disposal of a foreign operation. This matter should be adjusted prospectively effective for the period begins on or after 1 January 2011. This standard has no impact to the Group.

TAS 24 (revised 2012) removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities. It also clarifies and simplifies the definition of related parties. This standard has no impact to the Group.

TAS 28 (revised 2012) clarifies that when an entity moves from an equity accounting to cost accounting in the separate financial statements, the standard requires this to be adjusted retrospectively. An entity loses significant influence, the remaining interest of investment should be valued at fair value. This matter should be adjusted prospectively effectively for the period begins on or after 1 January 2011. This standard has no impact to the Group.

TAS 31 (revised 2012) clarifies that when an entity moves from an equity accounting to cost accounting in the separate financial statements, the standard requires this to be adjusted retrospectively. An entity loss of joint control in its interest in joint control, the remaining interest of investment should be valued at fair value. This matter should be adjusted prospectively effectively for the period begins on or after 1 January 2011. This standard has no impact to the Group.

TAS 34 (revised 2012) emphasizes the existing disclosure principles for significant event and transactions. Additional requirements cover disclosure of changes in fair value measurements (if significant), and the need to update relevant information from the most recent annual report. This standard has no impact to the Group.

TAS 36 (revised 2012) clarifies that goodwill being allocated to cash-generating units shall not be larger than an operating segment before aggregation as defined under TFRS 8 - Operating Segments. This standard has no impact to the Group.

TAS 38 (revised 2012) clarifies that an intangible asset acquired in a business combination might be separable, but only together with a related contract, identifiable asset or liability. In such cases, intangible asset is recognized separately from goodwill, but together with related item. Intangible assets are recognized as a single asset provided the individual assets have similar useful lives. This standard has no impact to the Group.

TFRS 2 (revised 2012) expands the scope to cover classification and accounting of both cash-settled and equity-settled share-based payment transactions in group situation. This standard has no impact to the Group.

TFRS 3 (revised 2012) amends the measurement required for non-controlling interests. The choice of measuring non-controlling interests at fair value or at the proportionate share of the acquiree's net assets applies only to instruments that represent present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation. All other component of non-controlling interests is measured at fair value unless another measurement basis is required by TFRS. The application guidance in TFRS 3 (revised 2012) also applies to all share-based payment transactions that are part of a business combination, including un-replaced and voluntarily replaced share-based payment awards. This standard has no impact to the Group.

TFRS 5 (revised 2012) specifies the disclosures required for assets held for sale and discontinued operations. Disclosures in other standards do not apply, unless those TFRS requires. This standard has no impact to the Group.

TFRS 8 (revised 2012) clarifies that an entity is required to disclose a measure of segment assets only if the measure is regularly reported to the chief operating decision-maker. This standard has no impact to the Group.

2. Accounting policies (Continued)

2.2 Revised accounting standards, revised financial reporting standards, and related interpretations (Continued)

2. Revised accounting standards, revised financial reporting standards, and related interpretations that are not yet effective and have not been early adopted by the Group: (Continued)

b) Interpretations of Thai Financial Reporting Interpretations Committee (TFRIC) and Thai Standard Interpretations Committee (TSIC) effective for the periods beginning on or after 1 January 2014

TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4	Determining whether an Arrangement Contains a Lease
TFRIC 5	Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7	Applying the Restatement Approach under TAS 29 Financial Reporting in Hyperinflationary Economies
TFRIC 10	Interim Financial Reporting and Impairment
TFRIC 12	Service Concession Arrangements
TFRIC 13	Customer Loyalty Programmes
TFRIC 17	Distributions of Non-cash Assets to Owners
TFRIC 18	Transfers of Assets from Customers
TSIC 15	Operating Leases - Incentives
TSIC 27	Evaluating the Substance of Transactions in the Legal Form of a Lease
TSIC 29	Service Concession Arrangements: Disclosure
TSIC 32	Intangible Assets - Web Site Costs

TFRIC 1 provides guidance on accounting for changes in the measurement of an existing decommissioning, restoration and similar liability that results from changes in estimated timing or amount of the outflow of resources embodying economic benefits required to settle the obligation, or a change in the discount rate. This interpretation has no impact to the Group.

TFRIC 4 requires the determination of whether an arrangement is or contains a lease to be based on the substance of the arrangement. It requires an assessment of whether: (a) fulfilment of the arrangement is dependent on the use of a specific asset or assets (the asset); and (b) the arrangement conveys a right to use the asset. TFRIC 4 is not relevant to the Group's operations.

TFRIC 5 provides guidance on accounting in the financial statements of a contributor for interests arising from decommissioning funds that the assets are administered separately and a contributor's right to access the assets is restricted. TFRIC 5 is not relevant to the Group's operations.

TFRIC 7 provides guidance on how to apply the requirements of TAS 29, Financial Reporting in Hyperinflationary Economics, in a reporting period in which an entity identifies the existence of hyperinflation in the economy of its functional currency, when the economy was not hyperinflationary in the prior period. TFRIC 7 is not relevant to the Group's operations.

TFRIC 10 prohibits reversal of an impairment losses recognized in a previous interim period in respect of goodwill. This interpretation has no impact to the Group.

TFRIC 12 applies to public-to-private service concession arrangements whereby a private sector operator participates in the development, financing, operation and maintenance of infrastructure for public sector services. TFRIC12 is not relevant to the group's operations.

TFRIC 13 clarifies that where goods or services are sold together with a customer loyalty incentive (for example, loyalty points or free products), the arrangement is a multiple-element arrangement, and the consideration received or receivable from the customer is allocated between the components of the arrangement using fair values. The management is currently assessing the impact of applying this interpretation.

TFRIC 17 provides guidance on accounting for the distributions of non-cash assets to owners acting in their capacity as owners. The interpretation addresses the issues on the dividend payable recognition and measurement and the accounting for any difference between the carrying amount of the assets distributed and the carrying amount of the dividend payable when an entity settles the dividend payable. This interpretation has no impact to the Group.

2. Accounting policies (Continued)

2.2 Revised accounting standards, revised financial reporting standards, and related interpretations (Continued)

2. Revised accounting standards, revised financial reporting standards, and related interpretations that are not yet effective and have not been early adopted by the Group: (Continued)

b) Interpretations of Thai Financial Reporting Interpretations Committee (TFRIC) and Thai Standard Interpretations Committee (TSIC) effective for the periods beginning on or after 1 January 2014 (Continued)

TFRIC 18 sets out the accounting for transfers of items of property, plant and equity by entities that receive such transfers from their customers. Agreements within the scope of this interpretation are agreements in which an entity receives from a customer an item of property, plant and equipment that the entity must then use either to connect to a network or to provide the customer with ongoing access to supply of goods or services. The interpretation addresses the issues on the initial recognition and the accounting treatment of the transferred assets. This interpretation has no impact to the Group.

TSIC 15 sets out the accounting for the recognition of incentive that a lessor provides to a lessee in an operating lease. This interpretation has no impact to the Group.

TSIC 27 provides guidance on evaluating the substance of transactions in the legal form of a lease between the entity and the investor whether a series of transactions is linked and should be accounted for as one transaction and whether the arrangement meets the definition of a lease under TAS 17 “Leases”. The accounting shall reflect the substance of the arrangement. This interpretation has no impact to the Group.

TSIC 29 contains disclosure requirements in respect of public-to-private service arrangements. This interpretation has no impact to the Group.

TSIC 32 provides guidance on the internal expenditure on the development and operation of the entity web site for internal or external access. The entity shall comply with the requirements described in TAS 38 “Intangible Assets”. This interpretation has no impact to the Group.

c) New accounting standard which is effective for the periods beginning on or after 1 January 2016

IFRS 4 Insurance Contracts

IFRS 4 applies to all insurance contracts (including reinsurance contracts) that an entity issues and to reinsurance contracts that it holds. IFRS 4 is not relevant to the Group’s operations.

2.3 Group Accounting - Investments in subsidiaries and associates and interests in joint ventures

(a) Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Investments in subsidiaries are accounted for at cost less impairment.

Intercompany transactions, balances and unrealized gains or loss on transactions between the Group’s companies are eliminated. Unrealized losses are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

2. Accounting policies (Continued)

2.3 Group Accounting - Investments in subsidiaries and associates and interests in joint ventures (Continued)

(b) Transactions and non-controlling interests

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in shareholders' equity.

When the Group ceases to have control or significant influence, any retained interest in the entity is re-measured to its fair value, with the change in carrying amount recognized in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognized in other comprehensive income is reclassified to profit or loss where appropriate.

(c) Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognized at cost. The Group's investment in associates includes goodwill identified on acquisition, net of any accumulated impairment loss.

The Group's share of its associates' post-acquisition profits or losses is recognized in the profit or loss, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group. Dilution gains and losses arising in investments in associates are recognized in the profit or loss.

In the Company financial statements, investments in associates are accounted for using the cost method.

A list of the Group's associates is set out in Note 34.1.

(d) Joint Ventures

The Group's interests in jointly controlled entities are accounted for by proportionate consolidation in the consolidated financial statements. The Group combines its share of the joint ventures' individual income and expenses, assets and liabilities and cash flows on a line-by-line basis with similar items in the Group's financial statements. The Group recognizes that portion of gains or losses on the sale of assets by the Group to the joint venture that is attributable to the other ventures. The Group does not recognize its share of profits or losses from the joint venture that result from the purchase of assets by the Group from the joint venture until it resells the assets to an independent party. However, if a loss on the transaction provides evidence of a reduction in the net realizable value of current assets or an impairment loss, the loss is recognized immediately.

In the Company financial statements, interests in jointly controlled entities are accounted for using the cost method.

A list of the Group's principal joint ventures is set out in Note 34.1.

2. Accounting policies (Continued)

2.4 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Baht, which is the company's functional and the group's presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the profit or loss.

When a gain or loss on a non-monetary item is recognized in other comprehensive income, any exchange component of that gain or loss is recognized in other comprehensive income. Conversely, when a gain or loss on a non-monetary item is recognized in profit and loss, any exchange component of that gain or loss is recognized in profit and loss.

(c) Group companies

The results and financial position of all the group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- Income and expenses for statement of comprehensive income are translated at average exchange rates; and
- All resulting exchange differences are recognized as a separate component of equity.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

2.5 Cash and cash equivalents

In the consolidated and company statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the consolidated and company statement of financial position, bank overdrafts are shown within borrowings in current liabilities.

2.6 Trade accounts receivable

Trade accounts receivable are carried at the original invoice amount and subsequently measured at the remaining amount less any allowance for doubtful receivables based on a review of all outstanding amounts at the year-end. The amount of the allowance is the difference between the carrying amount of the receivable and the amount expected to be collectible. Bad debts are written-off during the year in which they are identified and recognized in profit or loss within administrative expenses.

2.7 Inventories

Inventories are stated at the lower of cost or net realizable value. Cost is determined on a moving weighted average basis.

Allowance is made, where necessary, for obsolete, slow-moving and defective inventories.

2. Accounting policies (Continued)

2.8 Investments

Investments other than investments in subsidiaries, associates and interests in joint ventures are classified into the following two categories: (1) available-for-sale investments; and (2) general investments. The classification is dependent on the purpose for which the investments were acquired. Management determines the appropriate classification of its investments at the time of the purchase and re-evaluates such designation on a regular basis.

Investments intended to be held for an indefinite period of time, which may be sold in response to liquidity needs or changes in interest rates, are classified as available-for-sale; and are included in non-current assets unless management has expressed the intention of holding the investment for less than 12 months from the statement of financial position date or unless they will need to be sold to raise operating capital, in which case they are included in current assets.

Investments in non-marketable equity securities, are classify as general investments.

The above 2 categories of investments are initially recognized at cost, which is equal to the fair value of consideration paid plus transaction cost.

Available-for-sale investments are subsequently measured at fair value. The fair value of investments is based on quoted bid price at the close of business on the statement of financial position date by reference to the Stock Exchange of Thailand. The unrealized gains and losses of available for sale investments are recognized in shareholders' equity.

General investments are carried at cost less impairment loss.

A test for impairment is carried out when there is a factor indicating that an investment might be impaired. If the carrying value of the investment is higher than its recoverable amount, impairment loss is charged to the statements of income.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the profit or loss. When disposing of part of the Company's holding of a particular investment in debt or equity securities, the carrying amount of the disposed part is determined by the weighted average carrying amount of the total holding of the investment.

2.9 Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the companies in the consolidated Group, is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property.

Land held under operating leases is classified and accounted for by the Group as investment property when the rest of the definition of investment property is met. The operating lease is accounted for as if it were a finance lease.

Investment property is measured initially at its cost, including related transaction costs and borrowing costs. Borrowing costs are incurred for the purpose of acquiring, constructing or producing a qualifying investment property are capitalized as part of its cost. Borrowing costs are capitalized while acquisition or construction is actively underway and cease once the asset is substantially complete, or suspended if the development of the asset is suspended.

After initial recognition, investment property is carried at cost less any accumulated depreciation and any accumulated impairment losses.

2. Accounting policies (Continued)

2.9 Investment property (Continued)

Land is not depreciated. Depreciation on other investment properties is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives as follows:

Building on leased land	Per lease agreement
Interior and renovation on leased land	5 - 30 years
Furniture and equipment on leased land	3 - 20 years

Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.

2.10 Property, premises and equipment

Land is stated at cost. Premises and equipment are stated at cost, net of accumulated depreciation and allowance for impairment.

Subsequent costs are included in the asset's carrying amount or recognized as the Group asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Land is not depreciated. Depreciation on other assets is computed by the straight-line method. Estimated useful lives of the assets are as follows:

Building on leased land	Per lease agreement
Building	20 - 50 years
Interior and renovation on leased land	5 - 50 years
Interior and renovation	5 - 20 years
Furniture and equipment on leased land	3 - 20 years
Furniture and equipment	3 - 20 years
Chinaware, glassware, silverware and linen	1 - 10 years
Vehicles	5 - 10 years
Building and land rights	Per lease agreement

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

In case an impairment of property, premises and equipment has occurred, the resultant loss is recognized in the statement of income (see Note 2.14).

The Group recognized repairs and maintenance as Interior and renovation of buildings when their future economic benefits are in excess of one fiscal year.

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized within "Other gains / (losses) - net" in profit or loss.

2.11 Borrowing cost

The Group records their borrowing cost incurred during the renovation and decoration period as cost of buildings and equipment under renovation and decoration until their completion and total costs are not over net realizable value.

Borrowing cost subsequently incurred is recognized as expense for the period.

2.12 Non-current assets held for sale

Non-current assets (or disposal groups) are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. They are stated at the lower end of the carrying amount and fair value less cost to sell if their carrying amount is to be recovered principally through a sale transaction rather than through continuing use.

2. Accounting policies (Continued)

2.13 Intangible assets

Intangible assets are computer software which is amortized over 10 years.

In case of impairment in value of intangible assets has occurred, the resultant loss is recognized in the statement of income.

2.14 Impairment of assets

Assets that have an indefinite useful life, for example goodwill, are not subject to amortization and are tested annually for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there is separately identifiable cash flows. Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2.15 Employee benefits

The Group has both defined benefit and defined contribution plans. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a Company 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.

The liability recognized in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets, together with adjustments for unrecognized past-service costs. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

When no market price is available, the fair value of plan assets is estimated by discounting expected future cash flows using a discount rate that reflects both the risk associated with the plan assets and the maturity or expected disposal date of those assets.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

- Defined benefit plans

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Retirement benefit

Under Labour Laws applicable in Thailand and the 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 50 years, 55 years or 60 years as specify in employment policy of each entities. 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.

2. Accounting policies (Continued)

2.16 Long-term lease

a) Operating lease

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

b) Finance lease

The Group leases certain property, plant and equipment. Leases of property, plant or equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the inception of the lease at the lower of the fair value of the leased property and the present value of the minimum lease payments.

Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance cost is charged to profit or loss over the lease period so as to achieve a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant or equipment acquired under finance leases is depreciated over the shorter period of the useful life of the asset and the lease term.

2.17 Treasury common shares

Treasury common shares are stated at cost. Cost is determined on a weighted average basis.

In the resale of treasury common shares, the excess or (lower) of resale prices and costs of treasury common shares are recognized as addition (reduction) in premium on treasury common shares. In case of lower than premium, the remaining reduction is deducted to retained earnings.

2.18 Recognition of revenues and expenses

Revenues and expenses of the Group are recognized on an accrual basis.

For hotel business; room, food and beverage and other income are recognized when services and goods have been rendered or transferred.

For joint venture business; revenues from training and tuition fee income are recognized according to the teaching period.

Management fees are recognized on an accrual basis.

Interest income is recognized on a time proportion basis.

Dividends are recognized when the right to receive payment is established.

2. Accounting policies (Continued)

2.19 Current and deferred income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognized in profit and loss, except to the extent that it relates to items recognized in other comprehensive income or directly in shareholders' equity. In this case the tax is also recognized in other comprehensive income or directly in shareholders' equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting period in the countries where the company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid.

Deferred income tax is recognized, using the liability method, on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit (loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. Deferred income tax is provided on temporary differences arising from investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

TAS 12 Current and deferred income tax, requires the Group to recognize income tax expense for a period comprised current income tax and deferred income tax. Tax is recognized in profit and loss, except to the extent that it relates to items recognized in other comprehensive income or directly in shareholders' equity.

The Group applied this standard from 1 January 2013. The retrospective impacts to the adoption of the above standards and presented as follows:

	Consolidated financial statements	Unit : Baht Company financial statements
Statement of financial position		
As at 1 January 2012		
Deferred tax assets - increased	114,219,620	59,641,574
Deferred tax liabilities - increased	(16,290,718)	-
Unappropriated retained earnings - increased	112,870,730	80,241,288
Other components of equity - decreased	(23,891,743)	(20,599,714)
Non-controlling interests - increased	8,949,915	-
Statement of financial position		
As at 31 December 2012		
Deferred tax assets - increased	136,667,587	50,682,092
Deferred tax liabilities - increased	(15,037,586)	-
Unappropriated retained earnings - increased	125,577,074	76,780,736
Other components of equity - decreased	(29,988,959)	(26,098,644)
Non-controlling interests - increased	26,041,886	-

2. Accounting policies (Continued)

2.19 Current and deferred income taxes (Continued)

	Consolidated financial statements	Unit : Baht Company financial statements
Statement of income		
For the year ended 31 December 2012		
Income tax - increased (decreased)	(27,071,946)	8,378,864
Net profit - increased (decreased)	27,071,946	(8,378,864)
Basic earnings per share - owners of the parent - increased (decreased) (Baht)	0.11	(0.10)
Statement of comprehensive income		
For the year ended 31 December 2012		
Net profit - increased (decreased)	27,071,946	(8,378,864)
Income tax related to components of other comprehensive income - (increased) decreased	(3,912,828)	(580,618)

2.20 Retroactive financial statements

a) Retirement benefit obligation

An oversea subsidiary had retroactively adjusted financial statements due to the adjustment of actuarial losses on defined employee benefit plan related to employee benefit. Such retrospective impacts to the consolidated financial statements are as follows:

	Unit : Baht Consolidated financial statements
Statement of financial position	
As at 1 January 2012	
Retirement benefit obligation - decreased	(4,996,604)
Unappropriated retained earnings - increased	4,363,928
Other components of equity - increased	38,159
Non-controlling interests - increased	594,517
Statement of financial position	
As at 31 December 2012	
Retirement benefit obligation - decreased	(9,020,773)
Unappropriated retained earnings - increased	8,091,209
Other components of equity - decreased	(172,738)
Non-controlling interests - increased	1,102,302
Statement of income	
For the year ended 31 December 2012	
Cost of sales and services - increased	1,664,107
Net profit - decreased	(1,664,107)
Basic earnings per share - equity holders of the parent - decreased (Baht)	(0.02)
Statement of comprehensive income	
For the year ended 31 December 2012	
Net profit - decreased	(1,664,107)
Actuarial loss on define employee benefit plan -increased	5,839,018

2. Accounting policies (Continued)

2.20 Retroactive financial statements (Continued)

b) Reissuance of financial statements for the reclassification of investment

Dusit Thani Public Company Limited indirectly invested in Dusit Thani College of 86.79% and accounted for the investment as other long-term investment at cost in the consolidated statement of financial position as at 31 December 2013 at the book value of Baht 217,715,882. The previously issued financial statements were audited and issued on 24 February 2014. However, in 2014, the Group revisited accounting policies as from the changes in Thai Financial Report Standards, in comparison with accounting policies of other listed companies in the Stock Exchange of Thailand. The Company considered that Dusit Thani College should be reclassified as a subsidiary of the Group. As such, the Group consolidates the financial statements of Dusit Thani College in the Group's consolidated financial statements.

Accordingly, the Group has restated and reissued the consolidated financial statements for the year ended 31 December 2013 to supersede the previously issued financial statements. Such retrospective impacts to the consolidated statement of financial position and statement of income are as follows.

There are no impacts on the company financial statements for the year ended 31 December 2013.

Statement of financial position As at	Unit : Baht Consolidated financial statements		
	31 December 2013	31 December 2012	1 January 2012
Increase in cash and cash equivalents	219,260,454	117,816,641	118,519,337
Increase in short-term investments	59,139,915	72,136,206	133,391
Increase in trade and other receivables	34,611,946	24,161,053	25,322,735
Increase in inventories	5,216,108	1,857,815	2,315,460
Increase in restricted bank deposits	1,499,197	1,377,989	987,149
Decrease in other long-term investments	(217,715,882)	(217,715,882)	(217,715,882)
Increase in property, premises and equipment	523,955,599	525,501,019	520,031,390
Increase in intangible assets	3,885,437	4,527,229	3,238,698
Increase in other non-current assets	12,087,001	12,097,000	12,039,600
Increase in total assets	641,939,775	541,759,070	464,871,878

2. Accounting policies (Continued)

2.20 Retroactive financial statements (Continued)

b) Reissuance of financial statements for the reclassification of investment (Continued)

Statement of financial position As at	Consolidated financial statements		Unit : Baht
	31 December 2013	31 December 2012	1 January 2012
Increase in trade and other payables	181,002,170	155,023,321	125,158,530
Increase in other current liabilities	11,344,412	9,820,443	8,661,964
Increase in current portion of long-term loans	-	15,209,639	13,790,362
Increase in long-term loans	-	-	31,209,638
Increase in retirement benefit obligations	3,222,277	-	-
Increase in total consolidated liabilities	195,568,859	180,053,403	178,820,494
Increase in retained earnings			
Appropriated - Dusit Thani College funds	269,784,021	223,499,125	182,906,730
Unappropriated	117,670,249	90,435,565	65,334,539
Increase in non-controlling interests	58,916,646	47,770,977	37,810,115
Increase in total consolidated equity	446,370,916	361,705,667	286,051,384

Statement of income For the year ended 31 December	Consolidated financial statements		Unit : Baht
	2013	2012	2012
Increase in revenue from sales and services	312,456,159		271,174,306
Increase in other income	21,109,193		22,330,633
Increase in total revenues	333,565,352		293,504,939
Increase in total cost of sales and services	147,203,395		129,703,836
Increase in administrative expenses	101,665,021		87,621,758
Increase in finance expense	31,687		525,062
Increase in total expenses	248,900,103		217,850,656
Increase in profit for the year	84,665,249		75,654,283
Increase in profit attributable to owners of the Company	73,519,580		65,693,421
Increase in earnings per share (Baht)	0.87		0.77

2. Accounting policies (Continued)

2.21 Provident fund

The Company and other 6 companies in the Group, namely Dusit Thai Properties Public Company Limited, Devarana Spa Company Limited, Le Cordon Bleu Dusit Company Limited, Dusit Worldwide Company Limited, Dusit Management Company Limited, and Dusit Thani College have set up a provident fund for their employees, for each company. Each fund has been registered in accordance with the Provident Fund Act B.E. 2530 (1987).

The Group recorded their contribution to provident fund for their employees as expenses when incurred.

2.22 Basic earnings (loss) per share - Equity holders of the parent

Basic earnings (loss) per share - equity holders of the parent are computed by dividing net profit (loss) for the year for equity holders of the parent by the weighted average number of outstanding ordinary shares during the year. In case of a capital increase, the number of shares is weighted according to time of registration of issued and paid-up share capital.

2.23 Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Group's Chief Executive Officer that makes strategic decisions.

3. Critical accounting estimates, assumptions and judgement

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates, by definition, will seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

3.1 Impairment of receivables

The determination of the allowance for doubtful accounts is considered by the management, based on the collection experience of the Group in the prior years.

3.2 Write-down of inventories

Net realizable value is the estimate of the selling price in the ordinary course of business less necessary expenses. Allowance is made, for obsolete, slow-moving and defective inventories, based on observation and judgement by the management.

3.3 Depreciation and amortization

Management determines the estimated useful lives for the Group's property, premises and equipment and other non-current assets. Management will revise the depreciation and amortization charge where useful lives are different to previously estimated, or it will write off or write down technically obsolete or assets that have been abandoned or sold.

3. Critical accounting estimates, assumption and judgement (Continued)

3.4 Retirement benefit obligation

The present value of the retirement benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for benefit include the discount rate. Any changes in these assumptions will have an impact on the carrying amount of retirement benefit obligation.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the retirement benefit obligations. In determining the appropriate discount rate, the Group considers the market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related retirement benefit liability.

Other key assumptions for pension obligations are based in part on current market conditions. Additional information is disclosed in Note 24.

4. Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group's manage, maintain and/or make adjustment to their capital structures according to the changes in economic conditions and the risk characteristics of the underlying assets. In this regard, they may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

5. Supplementary disclosures of cash flow information

5.1 Cash and cash equivalents as at 31 December are as follows:

	Consolidated		Company		Baht
	financial statements		financial statements		
	2013	2012	2013	2012	
Cash and deposits at bank	931,234,803	780,724,482	161,397,713	158,817,002	
Total	931,234,803	780,724,482	161,397,713	158,817,002	

5. Supplementary disclosures of cash flow information (Continued)

5.2 Non-cash transactions are as follows:

5.2.1 In the consolidated and Company financial statements for the years ended 31 December 2013 and 2012:

Purchases of property, premises and equipment

	Consolidated		Company		Baht
	financial statements		financial statements		
	2013	2012	2013	2012	
Payables-Assets acquisition					
Balance brought forward	78,233,685	166,758,240	42,545,076	27,639,038	
<u>Add</u> Purchases of fixed assets	513,145,146	832,461,937	220,036,452	189,285,042	
<u>Less</u> Deposit for asset acquisition	-	(115,591,825)	-	-	
Cash payments	(545,668,061)	(777,102,100)	(233,598,996)	(174,379,004)	
Exchange gain on translation	-	(28,292,567)	-	-	
Balance carried forward	<u>45,710,770</u>	<u>78,233,685</u>	<u>28,982,532</u>	<u>42,545,076</u>	
Long-term liabilities under finance lease agreements (including current portion)					
Balance brought forward	1,265,634	1,721,894	983,509	1,244,815	
<u>Add</u> Purchases of fixed assets	-	-	-	-	
<u>Less</u> Cash payments	(493,563)	(456,260)	(284,459)	(261,306)	
Balance carried forward	<u>772,071</u>	<u>1,265,634</u>	<u>699,050</u>	<u>983,509</u>	

5.2.2 In the consolidated financial statements for the years ended 31 December 2013 and 2012:

5.2.2.1 The recording of available-for-sale investments at fair value and recognizing unrealized gain on such investments of Baht 59,436,550 and Baht 32,854,375, respectively, were included in shareholders' equity.

5.2.2.2 The recording of exchange differences on the translation of the subsidiary's financial statements into Baht was presented as an addition (deduction) in the shareholders' equity in the amount of Baht 67,035,446 and Baht (13,201,862), respectively.

5.2.2.3 The recording losses on defined employee benefit plan in the amount of Baht (2,939,946) and Baht (21,399,411), respectively, were included in shareholders' equity.

5.2.3 In the company financial statements:

5.2.3.1 For the years ended 31 December 2013 and 2012, the recording of available-for-sale investments at fair value and recognizing unrealized gain on such investments of Baht 51,429,250 and Baht 27,494,650, respectively, were included in shareholders' equity.

5.2.3.2 For the year ended 31 December 2012, the recording losses on defined employee benefit plan in the amount of Baht (24,591,561), was included in shareholders' equity.

5.2.3.3 For the year ended 31 December 2012, the Company had additional invested in Dusit Thai Properties Public Co., Ltd. by purchasing of 500,000 ordinary shares, equivalent to Baht 8,035,000 from another related company. However, as at 31 December 2012, the Company has not yet paid such share purchased which presented including in current liabilities (trade and other payables).

6. Trade and other receivables - net

Trade and other receivables - net as at 31 December consisted of the following:

	Notes	Consolidated		Company		Baht
		financial statements		financial statements		
		2013	2012	2013	2012	
Trade accounts receivable - net	6.1	309,561,714	289,177,899	74,887,911	80,400,341	
Other receivables						
- Management fee and other service - net	6.2	44,522,707	47,572,459	66,282,267	71,794,294	
Accounts receivable - World Intertrade Corporation Limited		40,879,585	40,879,585	40,879,585	40,879,585	
<u>Less</u> Allowance for doubtful accounts		(40,879,585)	(40,879,585)	(40,879,585)	(40,879,585)	
		-	-	-	-	
Other receivables						
- Related companies		-	-	38,972,483	9,529,347	
- Other companies		28,538,080	16,488,051	3,235,860	27,682,587	
		28,538,080	16,488,051	42,208,343	37,211,934	
<u>Less</u> Allowance for doubtful accounts		(610,678)	(637,425)	(1,458,207)	(223,652)	
		27,927,402	15,850,626	40,750,136	36,988,282	
Accrued interest receivable		2,035,445	391,381	-	-	
Accrued income		927,510	738,379	208,000	53,200	
Prepaid expenses		46,140,117	40,046,535	7,635,511	7,693,251	
Prepaid income tax		25,411,917	18,770,503	19,381,442	9,302,094	
Advances		3,654,352	9,525,264	215,572	363,233	
Deposits		11,854,357	9,126,736	-	-	
Refundable deposits		302,729	495,144	-	-	
Trade and other receivables - net		472,338,250	431,694,926	209,360,839	206,594,695	

6.1 Trade accounts receivable - net as at 31 December are classified by aging as follows:

	Consolidated		Company		
	financial statements		financial statements		
	2013	2012	2013	2012	
Number of accounts receivable	2,382	1,579	428	407	
	Baht	Baht	Baht	Baht	
Outstanding amount					
Less than 3 months	310,382,883	279,599,843	76,077,258	81,452,725	
3-6 months	5,069,020	13,060,301	-	287,559	
6-12 months	769,784	804,651	-	-	
Over 12 months	3,053,815	12,703,130	1,192,229	8,798,029	
	319,275,502	306,167,925	77,269,487	90,538,313	
<u>Less</u> Allowance for doubtful accounts	(9,713,788)	(16,990,026)	(2,381,576)	(10,137,972)	
Trade accounts receivable - net	309,561,714	289,177,899	74,887,911	80,400,341	

6. Trade and other receivables - net (Continued)

6.2 Others receivables - Management fee and other service - net as at 31 December are classified by aging as follows:

	Consolidated financial statements		Company financial statements	
	2013	2012	2013	2012
Number of accounts	56	58	31	33
	Baht	Baht	Baht	Baht
Outstanding amount				
Less than 3 months	40,353,189	38,713,423	56,274,695	55,700,940
3-6 months	3,040,503	8,796,815	9,733,321	15,329,127
6-12 months	7,686,390	109,013	8,894,206	17,464,336
Over 12 months	7,280,635	282,865	7,233,823	11,892,275
	58,360,717	47,902,116	82,136,045	100,386,678
<u>Less</u> Allowance for doubtful accounts	(13,838,010)	(329,657)	(15,853,778)	(28,592,384)
Other receivables - Management fee and other service - net	44,522,707	47,572,459	66,282,267	71,794,294

7. Inventories - net

Inventories - net as at 31 December consisted of the following:

	Consolidated financial statements		Company financial statements		Baht
	2013	2012	2013	2012	
Food and beverage	39,623,116	35,908,472	13,883,107	15,284,349	
Chinaware, glassware, silverware and linen	1,068,469	3,364,370	-	-	
Mechanical supplies	7,817,639	2,100,410	710,999	998,802	
Other supplies	36,014,349	43,972,961	9,204,584	9,811,739	
Retail products	5,470,799	2,693,153	977,468	1,130,732	
Total	89,994,372	88,039,366	24,776,158	27,225,622	

8. Other current assets

Other current assets as at 31 December consisted of the following:

	Consolidated financial statements		Company financial statements		Baht
	2013	2012	2013	2012	
VAT refundable	33,640,465	36,601,253	3,979,680	9,031,660	
Advance payment for investment in associate (Note 42.2)	25,270,815	-	25,270,815	-	
Others	483,640	365,876	-	-	
Total	59,394,920	36,967,129	29,250,495	9,031,660	

9. Restricted bank deposits

As at 31 December 2013 and 2012, cash at bank of a subsidiary amounting to Baht 1,499,197 and Baht 1,377,989, respectively, were pledged as collateral to letters of guarantee issued by a bank (see Note 35.1).

10. Available-for-sale investments

Available-for-sale investments as at 31 December consisted of the following:

	Consolidated		Company		Baht
	financial statements		financial statements		
	2013	2012	2013	2012	
Available-for-sale					
Equity securities					
Cost	64,991,858	64,991,858	140,499,931	140,499,931	
<u>Add</u> Net valuation adjustment for change in fair value	293,592,542	234,155,992	181,922,469	130,493,219	
	<u>358,584,400</u>	<u>299,147,850</u>	<u>322,422,400</u>	<u>270,993,150</u>	

Movements in available-for-sale investments for the year ended 31 December 2013 are summarized as follows:

	Consolidated		Company		Baht
	financial statements		financial statements		
Available-for-sale investments					
Net book value at beginning		299,147,850		270,993,150	
Change in fair value of Available-for-sale investments		59,436,550		51,429,250	
Net book value at ending		<u>358,584,400</u>		<u>322,422,400</u>	

11. Other long-term investments

Other long-term investments as at 31 December consisted of the following:

	Consolidated		Company		Baht
	financial statements		financial statements		
	2013	2012	2013	2012	
General investments in Equity securities	23,470,850	23,470,850	20,000,000	20,000,000	
<u>Less</u> Allowance for diminution in value of securities	(23,470,850)	(23,470,850)	(20,000,000)	(20,000,000)	
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	

12. Investment properties - net

Investment properties - net consisted of the following:

Consolidated financial statements as at 31 December 2012

	Balance as at 31 December 2011	Additions	Disposal	Transfer out	Baht Balance as at 31 December 2012
Cost					
Land	228,555,029	-	(13,609,668)	-	214,945,361
Buildings on leased land	2,922,991	-	-	(48,013)	2,874,978
Interior and renovation on leased land	111,156,391	1,453,237	-	(1,825,855)	110,783,773
Furniture and equipment on leased land	6,702,497	-	-	(110,095)	6,592,402
Total cost	349,336,908	1,453,237	(13,609,668)	(1,983,963)	335,196,514
Accumulated Depreciation					
Buildings on leased land	(2,662,406)	(187,921)	-	43,732	(2,806,595)
Interior and renovation on leased land	(44,784,728)	(10,647,485)	-	735,634	(54,696,579)
Furniture and equipment on leased land	(4,181,770)	(431,206)	-	68,690	(4,544,286)
Total accumulated depreciation	(51,628,904)	(11,266,612)	-	848,056	(62,047,460)
Investment properties - net	297,708,004	(9,813,375)	(13,609,668)	(1,135,907)	273,149,054
Depreciation					<u>11,266,612</u>

Consolidated financial statements as at 31 December 2013

	Balance as at 31 December 2012	Additions	Transfer in	Baht Balance as at 31 December 2013
Cost				
Land	214,945,361	-	-	214,945,361
Buildings on leased land	2,874,978	-	688,108	3,563,086
Interior and renovation on leased land	110,783,773	-	26,515,388	137,299,161
Furniture and equipment on leased land	6,592,402	185,862	1,622,333	8,400,597
Total cost	335,196,514	185,862	28,825,829	364,208,205
Accumulated Depreciation				
Buildings on leased land	(2,806,595)	(68,327)	(688,094)	(3,563,016)
Interior and renovation on leased land	(54,696,579)	(10,705,400)	(15,653,546)	(81,055,525)
Furniture and equipment on leased land	(4,544,286)	(399,571)	(1,183,281)	(6,127,138)
Total accumulated depreciation	(62,047,460)	(11,173,298)	(17,524,921)	(90,745,679)
Investment properties - net	273,149,054	(10,987,436)	11,300,908	273,462,526
Depreciation				<u>11,173,298</u>

12. **Investment properties - net** (Continued)

Investment properties - net consisted of the following: (Continued)

Company financial statements as at 31 December 2012

	Balance as at 31 December 2011	Additions	Disposal	Transfer out	Baht Balance as at 31 December 2012
Cost					
Land	158,181,293	-	(13,609,668)	-	144,571,625
Buildings on leased land	4,153,660	-	-	(100,392)	4,053,268
Interior and renovation on leased land	157,956,665	2,099,581	-	(3,868,508)	156,187,738
Furniture and equipment on leased land	9,524,455	-	-	(230,203)	9,294,252
Total cost	<u>329,816,073</u>	<u>2,099,581</u>	<u>(13,609,668)</u>	<u>(4,199,103)</u>	<u>314,106,883</u>
Accumulated Depreciation					
Buildings on leased land	(3,783,362)	(271,502)	-	98,005	(3,956,859)
Interior and renovation on leased land	(63,640,482)	(15,383,087)	-	1,909,974	(77,113,595)
Furniture and equipment on leased land	(5,942,424)	(622,990)	-	158,684	(6,406,730)
Total accumulated depreciation	<u>(73,366,268)</u>	<u>(16,277,579)</u>	<u>-</u>	<u>2,166,663</u>	<u>(87,477,184)</u>
Investment properties - net	<u>256,449,805</u>	<u>(14,177,998)</u>	<u>(13,609,668)</u>	<u>(2,032,440)</u>	<u>226,629,699</u>
Depreciation					<u>16,277,579</u>

Company financial statements as at 31 December 2013

	Balance as at 31 December 2012	Additions	Transfer out	Baht Balance as at 31 December 2013
Cost				
Land	144,571,625	-	-	144,571,625
Buildings on leased land	4,053,268	-	(67,626)	3,985,642
Interior and renovation on leased land	156,187,738	-	(2,605,892)	153,581,846
Furniture and equipment on leased land	9,294,252	262,036	(159,441)	9,396,847
Total cost	<u>314,106,883</u>	<u>262,036</u>	<u>(2,832,959)</u>	<u>311,535,960</u>
Accumulated Depreciation				
Buildings on leased land	(3,956,859)	(96,330)	67,625	(3,985,564)
Interior and renovation on leased land	(77,113,595)	(15,092,934)	1,538,406	(90,668,123)
Furniture and equipment on leased land	(6,406,730)	(563,333)	116,291	(6,853,772)
Total accumulated depreciation	<u>(87,477,184)</u>	<u>(15,752,597)</u>	<u>1,722,322</u>	<u>(101,507,459)</u>
Investment properties - net	<u>226,629,699</u>	<u>(15,490,561)</u>	<u>(1,110,637)</u>	<u>201,028,501</u>
Depreciation				<u>15,752,597</u>

12. Investment properties - net (Continued)

On 17 October 2012, the Company had sold partially investment properties (land) to the third party in the amount of Baht 114,720,000 and had gain on sales of Baht 101,110,332.

As at 31 December 2013, the fair value of investment property which presented in the consolidated and company financial statements were Baht 764,416,821 and Baht 661,491,443, respectively.

The Group's investment properties were revalued as at 31 December 2011 by independent professionally qualified valuers who hold a recognized relevant professional qualification and have recent experience in the locations and categories of the investment properties valued.

Amounts recognised in profit and loss that are related to investment properties are as follows:

	Consolidated		Company		Baht
	financial statements		financial statements		
	2013	2012	2013	2012	
Rental income	83,682,659	78,995,041	71,737,390	68,212,595	
Operating expenses arise from investment property that generated rental income	47,027,451	37,848,418	40,693,209	38,491,180	

13. **Property, premises and equipment - net**

Property, premises and equipment - net consisted of the following:

Consolidated financial statements as at 31 December 2012

	Balance as at 31 December 2011	Additions	Disposals	Amortization	Write-offs	Transfers	Exchange gain (loss) on translation	Baht Balance as at 31 December 2012
Cost								
Land	481,558,176	-	-	-	-	-	-	481,558,176
Land improvement	8,857,084	-	-	-	-	-	64,304	8,921,388
Buildings	1,282,280,769	34,252	(407,589)	-	-	68,685,828	-	1,350,593,260
Buildings on leased land	1,168,115,042	62,409,699	(30,107,333)	-	(206,049,530)	1,774,931,275	45,148,928	2,814,448,081
Furniture and equipment	592,566,900	68,691,431	(6,958,412)	-	(6,953,472)	384,233,037	(486,648)	1,031,092,836
Furniture and equipment on leased land	1,345,884,606	54,547,588	(49,570,922)	-	(14,203,080)	49,092,821	19,718,084	1,405,469,097
Interior and renovation	375,745,647	7,096,121	-	-	(481,224)	64,751,504	-	447,112,048
Interior and renovation on leased land	1,125,144,330	11,784,332	(18,000)	-	(5,066,428)	54,751,601	21,973,248	1,208,569,083
Vehicles	76,783,924	7,756,162	(9,079,344)	-	-	13,177,475	75,943	88,714,160
Chinaware, glassware, silverware and linen	90,805,726	26,932,757	(369,329)	-	(15,896,639)	41,313,490	-	142,786,005
Building and land rights - net	61,373,145	-	-	(14,876,136)	-	-	-	46,497,009
Construction in process	2,059,436,167	593,209,595	(2,097,050)	-	(2,352,297)	(2,448,953,068)	(80,107,679)	119,135,668
Total cost	8,668,551,516	832,461,937	(98,607,979)	(14,876,136)	(251,002,670)	1,983,963	6,386,180	9,144,896,811

13. **Property, premises and equipment - net** (Continued)

Consolidated financial statements as at 31 December 2012 (Continued)

	Balance as at 31 December 2011	Additions	Disposals	Amortization	Write-offs	Transfers	Exchange gain (loss) on translation	Baht Balance as at 31 December 2012
Accumulated Depreciation								
Land improvement	(7,295,353)	(220,982)	-	-	-	-	(45,308)	(7,561,643)
Buildings	(722,411,188)	(32,111,906)	213,224	-	-	-	(586,066)	(754,895,936)
Buildings on leased land	(770,505,551)	(102,501,046)	15,761,268	-	206,219,990	(43,732)	(39,053,173)	(690,122,244)
Furniture and equipment	(365,942,009)	(52,642,561)	5,077,647	-	6,815,195	-	1,552,164	(405,139,564)
Furniture and equipment on leased land	(1,014,456,865)	(146,080,129)	49,399,627	-	9,894,074	(68,690)	(38,348,991)	(1,139,660,974)
Interior and renovation	(72,747,296)	(32,137,520)	-	-	26,497	-	1,564	(104,856,755)
Interior and renovation on leased land	(671,606,293)	(97,890,095)	17,998	-	4,045,249	(735,634)	3,332,557	(762,836,218)
Vehicles	(63,912,785)	(7,638,039)	9,079,335	-	-	-	(41,466)	(62,512,955)
Chinaware, glassware, silverware and linen	(52,678,275)	(20,766,695)	294,220	-	10,828,903	-	98,318	(62,223,529)
Total accumulated depreciation	(3,741,555,615)	(491,988,973)	79,843,319	-	237,829,908	(848,056)	(73,090,401)	(3,989,809,818)
Property, premises and equipment	4,926,995,901	340,472,964	(18,764,660)	(14,876,136)	(13,172,762)	1,135,907	(66,704,221)	5,155,086,993
<u>Less Allowance for impairment</u>	(92,388,810)	-	-	-	4,575,784	-	-	(87,813,026)
Property, premises and equipment - net	4,834,607,091	340,472,964	(18,764,660)	(14,876,136)	(8,596,978)	1,135,907	(66,704,221)	5,067,273,967
Depreciation								491,988,973
Amortization								14,876,136

13. Property, premises and equipment - net (Continued)

Consolidated financial statements as at 31 December 2013

	Balance as at 31 December 2012	Additions	Disposals	Amortization	Write-offs	Transfers	Exchange gain (loss) on translation	Baht Balance as at 31 December 2013
Cost								
Land	481,558,176	-	-	-	-	-	-	481,558,176
Land improvement	8,921,388	-	-	-	-	-	(12,324)	8,909,064
Buildings	1,350,593,260	-	(3,925,234)	-	(8,182,244)	4,308,558	19,490	1,342,813,830
Buildings on leased land	2,814,448,081	23,848,416	-	-	(2,764,016)	62,709,672	122,616,373	3,020,858,526
Furniture and equipment	1,031,092,836	55,960,357	(5,114,041)	-	(19,590,316)	70,235,033	24,210,405	1,156,794,274
Furniture and equipment on leased land	1,405,469,097	92,020,421	(41,484,141)	-	(21,751,024)	79,503,614	(1,823,045)	1,511,934,922
Interior and renovation	447,112,048	4,596,081	-	-	-	32,800,174	128,970	484,637,273
Interior and renovation on leased land	1,208,569,083	6,789,201	-	-	(28,006,576)	49,708,859	24,303	1,237,084,870
Vehicles	88,714,160	3,658,709	(2,949,000)	-	-	-	1,360,887	90,784,756
Chinaware, glassware, silverware and linen	142,786,005	20,085,769	(1,331,337)	-	(10,644,725)	-	3,461,212	154,356,924
Building and land rights - net	46,497,009	-	-	(4,685,152)	-	-	-	41,811,857
Construction in process	119,135,668	306,186,192	-	-	(544,014)	(345,653,582)	(538,396)	78,585,868
Total cost	9,144,896,811	513,145,146	(54,803,753)	(4,685,152)	(91,482,915)	(46,387,672)	149,447,875	9,610,130,340

13. Property, premises and equipment - net (Continued)

Consolidated financial statements as at 31 December 2013 (Continued)

	Balance as at 31 December 2012	Additions	Disposals	Amortization	Write-offs	Transfers	Exchange gain (loss) on translation	Baht Balance as at 31 December 2013
Accumulated Depreciation								
Land improvement	(7,561,643)	(219,927)	-	-	-	-	8,217	(7,773,353)
Buildings	(754,895,936)	(42,728,155)	2,095,500	-	3,787,373	-	-	(791,741,218)
Buildings on leased land	(690,122,244)	(136,965,224)	-	-	-	688,094	(4,445,600)	(830,844,974)
Furniture and equipment	(405,139,564)	(68,075,799)	4,976,255	-	1,984,413	(939,196)	(36,678)	(467,230,569)
Furniture and equipment on leased land	(1,139,660,974)	(162,093,234)	39,989,685	-	20,209,654	1,183,281	(384,369)	(1,240,755,957)
Interior and renovation	(104,856,755)	(37,692,201)	-	-	-	-	(25,078)	(142,574,034)
Interior and renovation on leased land	(762,836,218)	(98,725,995)	-	-	24,175,411	15,653,546	(8,191)	(821,741,447)
Vehicles	(62,512,955)	(7,500,223)	2,948,996	-	-	-	(435,867)	(67,500,049)
Chinaware, glassware, silverware and linen	(62,223,529)	(25,611,974)	1,229,846	-	11,793,048	-	(1,136,747)	(75,949,356)
Total accumulated depreciation	(3,989,809,818)	(579,612,732)	51,240,282	-	61,949,899	16,585,725	(6,464,313)	(4,446,110,957)
Property, premises and equipment	5,155,086,993	(66,467,586)	(3,563,471)	(4,685,152)	(29,533,016)	(29,801,947)	142,983,562	5,164,019,383
<u>Less Allowance for impairment</u>	(87,813,026)	-	-	-	3,878,974	-	-	(83,934,052)
Property, premises and equipment - net	<u>5,067,273,967</u>	<u>(66,467,586)</u>	<u>(3,563,471)</u>	<u>(4,685,152)</u>	<u>(25,654,042)</u>	<u>(29,801,947)</u>	<u>142,983,562</u>	<u>5,080,085,331</u>
Depreciation								<u>579,612,732</u>
Amortization								<u>4,685,152</u>

13. Property, premises and equipment - net (Continued)

Company financial statements as at 31 December 2012

	Balance as at 31 December 2011	Additions	Disposals	Amortization	Write-offs	Transfers	Baht Balance as at 31 December 2012
Cost							
Buildings on leased land	1,731,867	-	-	-	-	100,392	1,832,259
Interior and renovation on leased land	1,149,804,499	10,837,699	(18,000)	-	(5,066,428)	56,433,897	1,211,991,667
Furniture and equipment on leased land	1,167,943,276	46,273,809	(38,775,608)	-	(6,403,325)	49,212,929	1,218,251,081
Vehicles	49,344,328	1,279,906	(7,340,650)	-	-	-	43,283,584
Chinaware, glassware, silverware and linen	51,537,740	13,406,888	(68,421)	-	(9,948,567)	-	54,927,640
Building and Land rights - net	90,672,224	-	-	(14,876,136)	-	-	75,796,088
Construction in process	26,756,606	117,486,740	-	-	(66,762)	(101,548,115)	42,628,469
Total cost	<u>2,537,790,540</u>	<u>189,285,042</u>	<u>(46,202,679)</u>	<u>(14,876,136)</u>	<u>(21,485,082)</u>	<u>4,199,103</u>	<u>2,648,710,788</u>
Accumulated Depreciation							
Buildings on leased land	(1,577,472)	(113,202)	-	-	-	(98,005)	(1,788,679)
Interior and renovation on leased land	(698,419,360)	(93,332,309)	17,998	-	4,045,249	(1,909,974)	(789,598,396)
Vehicles	(900,671,367)	(83,104,712)	38,630,480	-	6,386,831	(158,684)	(938,917,452)
Chinaware, glassware, silverware and linen	(42,636,352)	(2,687,568)	7,340,643	-	-	-	(37,983,277)
	(33,349,845)	(6,711,237)	61,989	-	7,003,773	-	(32,995,320)
Total accumulated depreciation	<u>(1,676,654,396)</u>	<u>(185,949,028)</u>	<u>46,051,110</u>	<u>-</u>	<u>17,435,853</u>	<u>(2,166,663)</u>	<u>(1,801,283,124)</u>
Property, premises and equipment - net	<u>861,136,144</u>	<u>3,336,014</u>	<u>(151,569)</u>	<u>(14,876,136)</u>	<u>(4,049,229)</u>	<u>2,032,440</u>	<u>847,427,664</u>
Depreciation							<u>185,949,028</u>
Amortization							<u>14,876,136</u>

Company financial statements as at 31 December 2013

	Balance as at 31 December 2012	Additions	Disposals	Amortization	Write-offs	Transfers	Baht Balance as at 31 December 2013
Cost							
Buildings on leased land	1,832,259	-	-	-	-	67,626	1,899,885
Interior and renovation on leased land	1,211,991,667	6,789,203	-	-	(27,643,341)	78,522,138	1,269,659,667
Furniture and equipment on leased land	1,218,251,081	61,204,563	(41,484,141)	-	(21,751,024)	78,561,710	1,294,782,189
Vehicles	43,283,584	42,500	-	-	-	-	43,326,084
Chinaware, glassware, silverware and linen	54,927,640	8,894,126	(1,219,828)	-	(9,313,026)	-	53,288,912
Building and Land rights - net	75,796,088	-	-	(14,876,136)	-	-	60,919,952
Construction in process	42,628,469	143,106,060	-	-	-	(172,726,408)	13,008,121
Total cost	<u>2,648,710,788</u>	<u>220,036,452</u>	<u>(42,703,969)</u>	<u>(14,876,136)</u>	<u>(58,707,391)</u>	<u>(15,574,934)</u>	<u>2,736,884,810</u>
Accumulated Depreciation							
Buildings on leased land	(1,788,679)	(43,546)	-	-	-	(67,625)	(1,899,850)
Interior and renovation on leased land	(789,598,396)	(94,224,268)	-	-	24,175,411	(1,538,406)	(861,185,659)
Vehicles	(938,917,452)	(89,767,698)	39,989,684	-	19,528,707	(116,291)	(969,283,050)
Chinaware, glassware, silverware and linen	(37,983,277)	(1,725,224)	-	-	-	-	(39,708,501)
	(32,995,320)	(6,833,900)	1,157,385	-	6,522,259	-	(32,149,576)
Total accumulated depreciation	<u>(1,801,283,124)</u>	<u>(192,594,636)</u>	<u>41,147,069</u>	<u>-</u>	<u>50,226,377</u>	<u>(1,722,322)</u>	<u>(1,904,226,636)</u>
Property, premises and equipment - net	<u>847,427,664</u>	<u>27,441,816</u>	<u>(1,556,900)</u>	<u>(14,876,136)</u>	<u>(8,481,014)</u>	<u>(17,297,256)</u>	<u>832,658,174</u>
Depreciation							<u>192,594,636</u>
Amortization							<u>14,876,136</u>

13. Property, premises and equipment - net (Continued)

13.1 Dusit Thani Public Company Limited

Property, premises and equipment - net included building and building improvement on lease land of Dusit Thani Hotel, Pattaya at a book value as at 31 December 2013 and 2012 of Baht 60,919,952 and Baht 75,796,088, respectively. Even though the title to the building of Dusit Thani Hotel, Pattaya has not been transferred to the Company, the management believes that by the fact and law, the Company has the right to use such building for its operations, as the building is located on the land which the subsidiary is the lessee. On 21 January 2002, the Company has registered such right on land lease with the Department of Land, Pattaya. In addition, the Company has peacefully and openly possessed this property with intention to be its owner for more than 10 years, by virtue of the Civil and Commercial Code of Thailand, section 1382 (see Note 35.3).

13.2 Dusit Thai Properties Public Company Limited, a subsidiary

As at 31 December 2013 and 2012, land, premises and equipment of Dusit Thani Hua Hin under Dusit Thai Properties Public Company Limited, as subsidiary in net book value of Baht 340,093,469 and Baht 353,111,598, respectively, are mortgaged as a guaranteed condition which specified in lease agreement for land and building with Dusit Thani Freehold and Leasehold Property Fund in the amount of Baht 1,300,000,000 (see Note 22).

13.3 Philippine Hoteliers, Inc., an indirect subsidiary

As at 31 December 2013 and 2012, hotel building and equipment and rights on lease agreement of the subsidiary in net book value of Peso 485,243,336 and Peso 438,262,604, respectively, or approximately Baht 355,804,676 and Baht 324,073,283, respectively, are used as collateral for long-term loan of this subsidiary in the amount of Peso 510,000,000 (see Note 21.1).

13.4 DMS Property Investment Private Limited, an indirect subsidiary

13.4.1 On 13 July 2011, Dusit Thai Properties Public Company Limited has entered into resort sale and purchase agreement with Coastline Hotels and Resort Private Limited in order to purchase assets, composed of the leasehold right from the Government of Republic of Maldives, five-star resort and construction over Mudhdhoo Island in Baa Atoll, Republic of Maldives in the total value of USD 60,000,000. The subsidiary has operated to comply with the conditions in the agreement as follows:

1. Purchase deal of USD 500,000 as specified in the Memorandum of Understanding
2. Deposit of USD 6,000,000
3. Purchase price installment of USD 9,000,000
4. First completion payment of USD 43,000,000
5. Second completion payment of USD 1,500,000

The leasehold right which Coastline Hotels and Resort Private Limited got from Government of Republic of Maldives is for 35 years, started from 8 September 2009 and included in the amount of USD 60,000,000 was prepaid rental of USD 5,000,000 which already paid to the Government of Republic of Maldives for the first 5 years period (see Note 14). In addition, such sale and purchase agreement had specific the annual rental for year one to ten from the date of commencement of operation of resort or 30 months from 8 September 2009, whichever happens earlier at USD 1,000,000. Such rental will be paid every 3 months by off-setting with the prepaid rental of USD 5,000,000.

However, the Government of Republic of Maldives issued the law to extend the leasehold right for a maximum period of 50 years which such subsidiary has to pay additional yearly rental of USD 100,000 from September 2044 onwards. As such the lease period will be due in September 2059.

13. Property, premises and equipment - net (Continued)

13.4 DMS Property Investment Private Limited, an indirect subsidiary (Continued)

- 13.4.2 On 7 August 2011, Dusit Thai Properties Public Company Limited and other 2 shareholders had established the Company, namely DMS Property Investment Private Limited, registered in Republic of Maldives with registered capital of USD 100,000, divided into 100,000 ordinary shares at USD 1 par value each. Dusit Thai Properties Public Company held at 60% of ownership. Subsequently, such company has increased its registered share capital to USD 38,500,000, divided into 38,500,000 shares at USD 1 par value each. Dusit Thai Properties Public Company held at 55% of ownership.
- 13.4.3 On 7 August 2011, Dusit Thai Properties Public Company Limited transferred right and obligation under sales and purchase agreement dated 13 July 2011 from Coastline Hotels and Resort Private Limited to DMS Property Investment Private Limited.
- 13.4.4 As at 31 December 2013 and 2012, premises and building in the consolidated financial statements, included interest expenses from loan of DMS Property Investment Private Limited, a subsidiary in Republic of Maldives, in the amount of USD 452,154 or Baht 13,827,954. The capitalized interest rate was 3.82%.

13.5 Fully depreciated premises and equipment

As at 31 December 2013 and 2012, premises and equipment of the Company and subsidiaries amounting to Baht 2,041,130,814 and Baht 1,953,316,399, respectively, were fully depreciated but still in use.

As at 31 December 2013 and 2012, premises and equipment of the Company amounting to Baht 1,155,144,577 and Baht 1,095,690,487, respectively, were fully depreciated but were still in use.

13.6 Impairment of property, premises and equipment

During the year 2011, the impairment charged of Baht 1,935,286 for property, premises and equipment as a result of economic situation and hotels' performance. The Group considered recoverable amount at the cash-generating unit level considering operation of each hotel. The recoverable amount at the cash-generating unit is determined based on value in use calculations. This calculation is determined based on discounted projected-operation cash flows reference with hotel's past performance and expected growth of each hotel business. The growth and discounted rates are determined to be 3.50% and 13.50%, respectively, based on the appraisal report appraised by independent appraiser authorized by the Stock Exchange of Thailand.

14. Prepaid rental - land and buildings - net

Prepaid rental-land and buildings - net as at 31 December consisted of the following:

	Consolidated		Company		Baht
	financial statements		financial statements		
	2013	2012	2013	2012	
Prepaid rental amount	1,257,507,500	1,257,507,500	1,100,000,000	1,100,000,000	
Other fees	11,000,000	11,000,000	11,000,000	11,000,000	
	1,268,507,500	1,268,507,500	1,111,000,000	1,111,000,000	
<u>Less</u> Accumulated amortization of prepaid rental	(854,026,707)	(750,272,118)	(796,216,780)	(722,150,140)	
	414,480,793	518,235,382	314,783,220	388,849,860	
<u>Less</u> Prepaid rental of land and buildings - due within one year	(105,620,793)	(103,519,347)	(74,066,640)	(74,066,640)	
Gain (loss) on translation adjustment	2,831,812	(4,231,690)	-	-	
Prepaid rental of land and buildings exceeding one year - net	311,691,812	410,484,345	240,716,580	314,783,220	
Amortization	103,754,564	102,188,618	74,066,640	74,066,640	

As at 31 December 2013 and 2012, prepaid rental amount included lease rental of DMS Property Investment Private Limited in the amount of USD 5,000,000 for the period of 5 years (see Note 13.4).

15. Intangible assets - net

Intangible assets - net consisted of the following:

Consolidated financial statements as at 31 December 2012

	Balance as at		Write-off	Gain on translation adjustment	Baht
	31 December 2011	Additions			Balance as at 31 December 2012
Computer software					
Cost	90,102,927	12,011,725	(3,752,941)	-	98,361,711
Accumulated amortization	(43,999,437)	(7,532,187)	3,752,888	7,855	(47,770,881)
Intangible assets - net	46,103,490	4,479,538	(53)	7,855	50,590,830
Amortization					7,532,187

Consolidated financial statements as at 31 December 2013

	Balance as at		Write-off	Transfers	Gain (loss) on translation adjustment	Baht
	31 December 2012	Additions				Balance as at 31 December 2013
Computer software						
Cost	98,361,711	9,867,985	(302,909)	18,796,942	286,148	127,009,877
Accumulated amortization	(47,770,881)	(10,920,934)	8,778	(389,033)	(92,630)	(59,164,700)
Intangible assets - net	50,590,830	1,052,949	(294,131)	18,407,909	193,518	67,845,177
Amortization						10,920,934

15. Intangible assets - net (Continued)

Company financial statements as at 31 December 2012

	Balance as at 31 December 2011	Additions	Write-offs	Baht Balance as at 31 December 2012
Computer software				
Cost	75,354,385	5,993,354	(2,231,119)	79,116,620
Accumulated amortization	(33,428,809)	(6,021,140)	2,231,117	(37,218,832)
Intangible assets - net	<u>41,925,576</u>	<u>(27,786)</u>	<u>(2)</u>	<u>41,897,788</u>
Amortization				<u>6,021,140</u>

Company financial statements as at 31 December 2013

	Balance as at 31 December 2012	Additions	Write-offs	Transfers	Baht Balance as at 31 December 2013
Computer software					
Cost	79,116,620	7,133,688	(302,909)	18,407,893	104,355,292
Accumulated amortization	(37,218,832)	(8,790,752)	8,778	-	(46,000,806)
Intangible assets - net	<u>41,897,788</u>	<u>(1,657,064)</u>	<u>(294,131)</u>	<u>18,407,893</u>	<u>58,354,486</u>
Amortization					<u>8,790,752</u>

16. Other non-current assets - net

Other non-current assets - net consisted of the following:

Consolidated financial statements as at 31 December 2012

	Balance as at 31 December 2011	Increase	Decrease	Baht Balance as at 31 December 2012
Leasehold rights				
Cost	17,305,793	-	-	17,305,793
Accumulated amortization	(17,275,040)	(30,753)	-	(17,305,793)
Leasehold rights - net	<u>30,753</u>	<u>(30,753)</u>	<u>-</u>	<u>-</u>
Deposits	15,898,191	3,301,338	-	19,199,529
Others	1,350,909	-	(1,350,909)	-
Other non-current assets - net	<u>17,279,853</u>	<u>3,301,338</u>	<u>(1,350,909)</u>	<u>19,199,529</u>
Amortization				<u>30,753</u>

16. **Other non-current assets - net** (Continued)

Consolidated financial statements as at 31 December 2013

	Balance as at 31 December 2012	Increase	Decrease	Baht Balance as at 31 December 2013
Deposits	19,199,529	1,916,535	(482,555)	20,633,509
Other non-current assets - net	19,199,529	1,916,535	(482,555)	20,633,509

Company financial statements as at 31 December 2012

	Balance as at 31 December 2011	Increase	Decrease	Baht Balance as at 31 December 2012
Deposits	1,339,043	2,033,591	(117,592)	3,255,042
	1,339,043	2,033,591	(117,592)	3,255,042

Company financial statements as at 31 December 2013

	Balance as at 31 December 2012	Increase	Decrease	Baht Balance as at 31 December 2013
Deposits	3,255,042	14,258	(142,506)	3,126,794
	3,255,042	14,258	(142,506)	3,126,794

17. **Deferred income taxes**

Deferred income tax as of 31 December consisted of the following:

	Consolidated financial statements		Baht Company financial statements	
	2013	2012	2013	2012
Deferred income tax assets	129,147,320	136,667,587	42,225,221	50,682,092
Deferred income tax liabilities	(13,784,454)	(15,037,586)	-	-
Deferred income taxes - net	115,362,866	121,630,001	42,225,221	50,682,092

17. Deferred income taxes (Continued)

The analysis of deferred tax assets and deferred tax liabilities is as follows:

	Consolidated		Company		Baht
	financial statements		financial statements		
	2013	2012	2013	2012	
Deferred tax assets:					
Deferred tax assets to be recovered within 12 months	15,562,915	3,971,136	11,411,951	3,938,673	
Deferred tax assets to be recovered after more than 12 months	157,176,394	168,302,462	68,068,128	73,076,088	
	<u>172,739,309</u>	<u>172,273,598</u>	<u>79,480,079</u>	<u>77,014,761</u>	
Deferred tax liabilities:					
Deferred tax liabilities to be settled within 12 months	935,890	4,837,222	870,364	234,025	
Deferred tax liabilities to be settled after more than 12 months	56,440,553	45,806,375	36,384,494	26,098,644	
	<u>57,376,443</u>	<u>50,643,597</u>	<u>37,254,858</u>	<u>26,332,669</u>	
Deferred income taxes - net	<u>115,362,866</u>	<u>121,630,001</u>	<u>42,225,221</u>	<u>50,682,092</u>	

The gross movement and the deferred income tax account is as follows:

	Consolidated		Company		Baht
	financial statements		financial statements		
	2013	2012	2013	2012	
At 1 January	121,630,001	97,928,902	50,682,092	59,641,574	
Charged/(credited) to profit or loss	4,738,491	26,815,154	1,828,979	(8,378,864)	
Credited directly to other comprehensive income	(11,005,626)	(3,114,055)	(10,285,850)	(580,618)	
At 31 December	<u>115,362,866</u>	<u>121,630,001</u>	<u>42,225,221</u>	<u>50,682,092</u>	

17. **Deferred income taxes** (Continued)

The movement in deferred tax assets and liabilities during the year is as follows:

17.1 **Consolidated financial statements**

					Baht
	Tax loss carried forward	Retirement benefit obligation	Unrealized gain	Others	Total
Deferred income tax assets:					
As at 1 January 2012	68,977,671	28,464,562	-	42,403,280	139,845,513
Charged (Credited) to profit and loss	29,066,711	2,306,251	-	(2,401,697)	28,971,265
Charged to other comprehensive income	-	3,456,820	-	-	3,456,820
As at 31 December 2012	<u>98,044,382</u>	<u>34,227,633</u>	<u>-</u>	<u>40,001,583</u>	<u>172,273,598</u>
Deferred income tax liabilities:					
As at 1 January 2012	-	-	24,197,914	17,718,697	41,916,611
Charged to profit and loss	-	-	-	2,156,111	2,156,111
Charged to other comprehensive income	-	-	6,570,875	-	6,570,875
As at 31 December 2012	<u>-</u>	<u>-</u>	<u>30,768,789</u>	<u>19,874,808</u>	<u>50,643,597</u>
Deferred income taxes - net	<u>98,044,382</u>	<u>34,227,633</u>	<u>(30,768,789)</u>	<u>20,126,775</u>	<u>121,630,001</u>

					Baht
	Tax loss carried forward	Retirement benefit obligation	Unrealized gain	Others	Total
Deferred income tax assets:					
As at 1 January 2013	98,044,382	34,227,633	-	40,001,583	172,273,598
Charged (Credited) to profit and loss	(3,240,699)	1,396,157	-	(1,428,569)	(415,973)
Charged to other comprehensive income	-	881,684	-	-	881,684
As at 31 December 2013	<u>94,803,683</u>	<u>36,505,474</u>	<u>-</u>	<u>41,430,152</u>	<u>172,739,309</u>
Deferred income tax liabilities:					
As at 1 January 2013	-	-	30,768,789	19,874,808	50,643,597
Credited to profit and loss	-	-	-	(5,154,464)	(5,154,464)
Credited to other comprehensive income	-	-	11,887,310	-	11,887,310
As at 31 December 2013	<u>-</u>	<u>-</u>	<u>42,656,099</u>	<u>14,720,344</u>	<u>57,376,443</u>
Deferred income taxes - net	<u>94,803,683</u>	<u>36,505,474</u>	<u>(42,656,099)</u>	<u>26,709,808</u>	<u>115,362,866</u>

17. Deferred income taxes (Continued)

The movement in deferred tax assets and liabilities during the year is as follows: (Continued)

17.2 Company financial statements

					Baht
	Tax loss carried forward	Retirement benefit obligation	Unrealized gain	Others	Total
Deferred income tax assets:					
As at 1 January 2012	54,303,038	12,385,663	-	15,068,676	81,757,377
Charged (Credited) to profit and loss	(9,536,561)	606,876	-	(731,243)	(9,660,928)
Charged to other comprehensive income	-	4,918,312	-	-	4,918,312
As at 31 December 2012	<u>44,766,477</u>	<u>17,910,851</u>	<u>-</u>	<u>14,337,433</u>	<u>77,014,761</u>
Deferred income tax liabilities:					
As at 1 January 2012	-	-	20,599,714	1,516,089	22,115,803
Credited to profit and loss	-	-	-	(1,282,064)	(1,282,064)
Credited to other comprehensive income	-	-	5,498,930	-	5,498,930
As at 31 December 2012	<u>-</u>	<u>-</u>	<u>26,098,644</u>	<u>234,025</u>	<u>26,332,669</u>
Deferred income taxes - net	<u>44,766,477</u>	<u>17,910,851</u>	<u>(26,098,644)</u>	<u>14,103,408</u>	<u>50,682,092</u>

					Baht
	Tax loss carried forward	Retirement benefit obligation	Unrealized gain	Others	Total
Deferred income tax assets:					
As at 1 January 2013	44,766,477	17,910,851	-	14,337,433	77,014,761
Charged (Credited) to profit and loss	(17,020)	1,348,419	-	1,133,919	2,465,318
As at 31 December 2013	<u>44,749,457</u>	<u>19,259,270</u>	<u>-</u>	<u>15,471,352</u>	<u>79,480,079</u>
Deferred income tax liabilities:					
As at 1 January 2013	-	-	26,098,644	234,025	26,332,669
Charged to profit and loss	-	-	-	636,339	636,339
Credited to other comprehensive income	-	-	10,285,850	-	10,285,850
As at 31 December 2013	<u>-</u>	<u>-</u>	<u>36,384,494</u>	<u>870,364</u>	<u>37,254,858</u>
Deferred income taxes - net	<u>44,749,457</u>	<u>19,259,270</u>	<u>(36,384,494)</u>	<u>14,600,988</u>	<u>42,225,221</u>

18. Bank overdrafts and short-term loans from financial institutions

Bank overdrafts and short-term loans from financial institutions as at 31 December consisted of the following:

	Consolidated		Company		Baht
	financial statements		financial statements		
	2013	2012	2013	2012	
Bank overdrafts and short-term loans from Financial institutions	662,700,000	655,297,760	610,700,000	576,900,000	
	<u>662,700,000</u>	<u>655,297,760</u>	<u>610,700,000</u>	<u>576,900,000</u>	

The Group has entered into loan agreements with financial institutions for working capital of the following:

Agreement date	Limit		Interest rate	Short-term loans		Baht
				31 December		
	2013	2012		2013	2012	
Dusit Thani Public Company Limited						
17 December 2007	450,000,000	450,000,000	MMR	260,700,000	267,000,000	
2 November 2010	150,000,000	150,000,000	MMR	-	-	
8 December 2010	250,000,000	250,000,000	be specified by bank	-	-	
15 December 2010	800,000,000	800,000,000	MMR	-	-	
1 November 2011	350,000,000	350,000,000	MMR	350,000,000	309,900,000	
Total ⁽¹⁾	<u>2,000,000,000</u>	<u>2,000,000,000</u>		<u>610,700,000</u>	<u>576,900,000</u>	
Dusit Thai Properties Public Company Limited						
24 June 2009	50,000,000	50,000,000	MMR	-	-	
15 October 2012	50,000,000	50,000,000	MMR	33,000,000	-	
6 November 2012	50,000,000	50,000,000	MMR	19,000,000	5,000,000	
Total ⁽¹⁾	<u>150,000,000</u>	<u>150,000,000</u>		<u>52,000,000</u>	<u>5,000,000</u>	
DMS Property Investment Private Limited						
3 September 2011	76,950,000	76,950,000	LIBOR plus 3.425%	-	73,397,760	
Total ⁽²⁾	<u>76,950,000</u>	<u>76,950,000</u>		<u>-</u>	<u>73,397,760</u>	
	<u>2,226,950,000</u>	<u>2,226,950,000</u>		<u>662,700,000</u>	<u>655,297,760</u>	

- MMR : Money Market Rate

⁽¹⁾ Such short-term loans have no guarantor.

⁽²⁾ As at 31 December 2013 and 2012, such short-term loans have facilities of USD 2,500,000. As at 31 December 2012, such company withdrew such short-term loan totalling USD 2,400,000. Such loan was pledged by total securities - share certificates of such subsidiary of 38,500,000 shares (see Note 34.1). As at 31 December 2013 and 2012, such loan of USD 1,000,000 was guaranteed by the Company at 60% and other 2 shareholders of such subsidiary at 40% and amount of USD 1,500,000 was guaranteed by the Company at 55% and other 3 shareholders of such subsidiary at 45%.

As at 31 December 2013 and 2012, the Group have credit lines for bank overdrafts totalling Baht 88,000,000 and Baht 89,000,000, respectively. As of 31 December 2013, such credit lines have no guarantors. As of 31 December 2012, those credit lines totalling Baht 1,000,000 were guaranteed by the Company (see Note 35.6).

As at 31 December 2013 and 2012, the Company has credit lines for bank overdrafts totalling Baht 43,000,000 with no guarantor.

19. Trade and other payables

Trade and other payables as at 31 December consisted of the following:

	Consolidated		Company		Baht
	financial statements		financial statements		
	2013	2012	2013	2012	
Trade account payables	219,219,954	234,259,175	43,886,670	54,205,293	
Other payables	53,209,042	39,078,480	28,799,303	25,915,403	
Payables - Assets acquisition	45,710,770	78,233,685	28,982,532	42,545,076	
Payables - Shares	-	-	-	8,035,000	
Accrued expenses	319,924,398	308,487,536	85,810,741	83,454,020	
Deposit received	145,246,218	114,242,182	35,623,686	34,212,151	
Unearned revenue of Dusit Thani College	160,094,752	129,924,660	-	-	
Others	67,114,075	73,351,022	23,563,017	35,536,911	
Trade and others payables	1,010,519,209	977,576,740	246,665,949	283,903,854	

20. Long-term liabilities under finance lease agreements

Long-term liabilities under finance lease agreements as at 31 December consisted of the following:

	Consolidated		Company		Baht
	financial statements		financial statements		
	2013	2012	2013	2012	
Long-term liabilities under finance lease agreements	813,859	1,396,943	739,766	1,100,569	
<u>Less</u> Deferred interest	(41,788)	(131,309)	(40,716)	(117,060)	
	772,071	1,265,634	699,050	983,509	
<u>Less</u> Current portion	(772,071)	(488,219)	(699,050)	(279,115)	
	-	777,415	-	704,394	

21. Long-term loans

Long-term loans as at 31 December consisted of the following:

	Interest rate % p.a.		Consolidated financial statements		Baht
	2013	2012	2013	2012	
Loans from financial institutions					
Repayable in semi-annual installments until 2015 by Philippine Hoteliers, Inc.	2.6348	4.3865	32,059,543	53,884,371	
Repayable in every three months from September 2013 to 2018 by DMS Property Investment Private Limited	3.8180	4.1240	1,245,049,100	1,269,169,601	
Repayable in semi-annual installments until 2015 by Dusit Thani College	-	4.1308	-	15,209,639	
			1,277,108,643	1,338,263,611	
<u>Less</u> Current portion			(185,195,279)	(113,219,388)	
			<u>1,091,913,364</u>	<u>1,225,044,223</u>	

Movements in the long-term loans account for the years ended 31 December are summarized as follows:

	Consolidated financial statements		Baht
	2013	2012	
Balance brought forward	1,338,263,611	1,081,398,713	
<u>Add</u> Additional loans	-	336,177,106	
<u>Less</u> Repayments	(150,232,715)	(50,401,160)	
Exchange (gain) loss on translation	89,077,747	(28,911,048)	
Balance carried forward	<u>1,277,108,643</u>	<u>1,338,263,611</u>	

21. Long-term loans (Continued)

The Company and subsidiaries have long-term loan agreements as follows:

21.1 On 2 February 2007, Philippine Hoteliers, Inc., an indirect subsidiary, has entered into loan agreement with a bank to renovate its hotel in the limit of Peso 510,000,000, guaranteed by mortgaged of its hotel building and equipment and rights on lease agreement (see Note 13.3). The agreement identified the terms and conditions as follows:

- Interest rate for first 6 months refer to corresponding promissory note, thereafter interest rate refer to 6-month MART1 in Philippines plus 1.70% per annum, repayment every 6 months.
- Repayment of principal in semi-annual installments through 2015 is for 13 installments. The first installment is from 24 months from the first draw down date which is 9 February 2007.

As at 31 December 2013 and 2012, this subsidiary had outstanding long-term loan of Peso 43,722,527 and Peso 72,870,878, respectively.

Such loan agreement specifies to declare dividends, carries certain restrictive covenants pertaining to the debt to equity ratio and current ratio of such subsidiary.

21.2 On 3 September 2011, DMS Property Investment Private Limited, an indirect subsidiary in Republic of Maldives has entered into a long-term loan agreement with a financial institution in Thailand for payment of operating assets and equipment, furniture, fixture and equipment installation, preopening expenses and others totalling USD 38,500,000. Such loan was pledged by total securities - share certificates of such subsidiary of 38,500,000 shares (see Note 34.1) and guaranteed by the Company by 55% and other 3 shareholders of such subsidiary by 45%.

On 14 May 2012, such subsidiary had amended such agreement to borrow additional long-term loan amounting of USD 3,000,000, as such totalling long-term loan are USD 41,500,000. Such loan was pledged by total securities - share certificates of such subsidiary of 38,500,000 shares (see Note 34.1) and guaranteed by the Company by 60% and other 2 shareholders of such subsidiary by 40%.

As at 31 December 2013 and 2012, the subsidiary had outstanding long-term loan in the amount of USD 38,000,000 and USD 41,500,000, respectively.

Such loan agreement specifies to declare dividends, carries certain restrictive covenants pertaining to the debt to equity ratio and current ratio of such subsidiary.

21.3 On 23 August 2011, Dusit Thani College, an indirect subsidiary has entered into a long-term loan agreement with a financial institution for totalling Baht 80,000,000. Such loan had no guarantor. The agreement identified the terms and conditions as follows:

- Interest rate corresponds to Bangkok-Interbank Offered interest rate of 3-month loans (BOT BIBOR 3 months) plus 1.00% per annum, repayment every 3 months
- Repayment of principal in semi-annual installments for 5 years until June 2015.

As at 31 December 2013, such subsidiary had no outstanding long-term loan balance. As at 31 December 2012, such subsidiary had an outstanding long-term loan of Baht 15,209,639.

Such loan agreement specifies to carries certain restrictive covenants pertaining to the debt to equity ratio and shareholding percentage of Dusit Thai Properties Public Company Limited, another subsidiary, is not less than 51%.

22. Deferred rental revenue

On 24 December 2010, Dusit Thai Properties Public Company Limited, a subsidiary, entered into lease agreement for land, premises and utility systems of Dusit Thani Hua Hin with Dusit Thani Freehold and Leasehold Property Fund (DTCPF) for a period of 30 years with rental of Baht 763,000,000, covered lease period. This subsidiary has committed itself to comply with lease condition as specified in lease agreement for land and building with DTCPF by mortgaged such land and building with DTCPF in the amount of Baht 1,300,000,000 (see Note 13.2).

Deferred rental revenue consisted of the following:

	Baht	
	Consolidated	
	financial statements	
	2013	2012
Total deferred rental received	763,000,000	763,000,000
<u>Less</u> Accumulated realized income from deferred rental revenue	<u>(76,857,444)</u>	<u>(51,424,111)</u>
	686,142,556	711,575,889
<u>Less</u> Current portion	<u>(25,433,333)</u>	<u>(25,433,333)</u>
Deferred rental revenue	<u>660,709,223</u>	<u>686,142,556</u>
Realized income from deferred rental revenue	<u>25,433,333</u>	<u>25,433,333</u>

23. Net revenue from assets held for sale and net revenue from assets held for sale

On 12 October 2010, the Company purchased operations assets of Dusit Thani Laguna Phuket from Laguna Resorts and Hotels Public Company Limited, Phuket Resort Development Limited and Laguna Grande Limited in amount of including inventories and operating equipment for hotel operation totalling Baht 2,620,000,000 (included VAT). On 24 December 2010, the Company sold these assets to Dusit Thani Freehold and Leasehold Property Fund (DTCPF) in the amount of Baht 2,715,000,000 (included VAT) and had gain on sales of such assets, net of related transferring expenses, of Baht 6,904,215. This gain is separately presented as unrealized gain on sales of assets held for sale, under non-current liabilities because the Company provided a guarantee for lease and/or sublease payment (in a such case) that Dusit Management Company Limited, a subsidiary, has to pay to DTCPF for a period of 4 years.

24. Retirement benefit obligation

	Consolidated		Company		Baht
	financial statements		financial statements		
	2013	2012	2013	2012	
Present value of funded obligations	221,149,174	206,643,409	96,296,350	89,554,253	
Fair value of plan assets	(45,791,549)	(51,947,516)	-	-	
Present value of unfunded obligation	175,357,625	154,695,893	96,296,350	89,554,253	
Unrecognized past service cost	-	(73,537)	-	-	
Liability in the statement of financial position	<u>175,357,625</u>	<u>154,622,356</u>	<u>96,296,350</u>	<u>89,554,253</u>	

The movement in the defined benefit obligation over the year is as follows:

	Consolidated		Company		Baht
	financial statements		financial statements		
	2013	2012	2013	2012	
As at 1 January	154,622,356	124,264,083	89,554,253	60,926,211	
Current service cost	25,663,454	20,294,208	7,636,617	8,573,779	
Interest cost	7,211,892	7,204,535	2,765,490	2,143,399	
Actuarial losses	2,938,946	21,399,411	-	24,591,560	
Exchange differences	16,092	1,853,227	-	-	
Benefits paid	(15,095,115)	(20,393,108)	(3,660,010)	(6,680,696)	
As at 31 December	<u>175,357,625</u>	<u>154,622,356</u>	<u>96,296,350</u>	<u>89,554,253</u>	

The movement in the fair value of plan assets over the year is as follows:

	Consolidated		Company		Baht
	financial statements		financial statements		
	2013	2012	2013	2012	
As at 1 January	51,947,516	46,000,270	-	-	
Expected return on plan assets	2,451,210	4,038,864	-	-	
Actuarial gains	-	3,039,354	-	-	
Exchange difference	(556,970)	2,151,554	-	-	
Actual contributions	5,177,972	7,304,000	-	-	
Benefits paid	(13,228,179)	(10,586,526)	-	-	
As at 31 December	<u>45,791,549</u>	<u>51,947,516</u>	<u>-</u>	<u>-</u>	

24. Retirement benefit obligation (Continued)

The amounts recognized in the statement of income are as follows:

	Consolidated		Company		Baht
	financial statements		financial statements		
	2013	2012	2013	2012	
Current service cost	25,663,454	20,294,108	7,636,617	8,573,778	
Interest cost	7,211,892	7,204,535	2,765,490	2,143,399	
Expected return on plan assets	(2,451,210)	(4,038,864)	-	-	
Past service cost	-	1,914,281	-	1,612,342	
Total, included in staff costs	<u>30,424,136</u>	<u>25,374,160</u>	<u>10,402,107</u>	<u>12,329,519</u>	

The principal actuarial assumptions used were as follows:

	Consolidated		Company	
	financial statements		financial statements	
	2013	2012	2013	2012
Discount rate	3.7% - 5.4%	3.7% - 5.4%	3.7%	3.7%
Inflation rate	3.0%	3.0%	3.0%	3.0%
Expected return rate on plan assets	8.5%	8.5%	-	-
Future salary increases rate	4.0% - 9.0%	4.0% - 9.0%	4.0% - 9.0%	4.0% - 9.0%

25. Legal reserve

	Consolidated		Company		Baht
	financial statements		financial statements		
	2013	2012	2013	2012	
As at 1 January	85,000,000	85,000,000	85,000,000	85,000,000	
Appropriated during the year	-	-	-	-	
As at 31 December	<u>85,000,000</u>	<u>85,000,000</u>	<u>85,000,000</u>	<u>85,000,000</u>	

Pursuant to the Public Companies Act B.E. 2535 (1992), the Company must allocate to a reserve fund not less than five percent of the annual net income, after deduction of the total accumulated loss brought forward (if any) until the reserve fund reaches an amount of not less than ten percent of the registered capital, unless the Company has a regulation or other law which prescribes for a higher amount of such reserve. Such reserve is not available for distribution as dividend.

26. Dusit Thani College funds

Dusit Thani College funds are cumulative fund balances of Dusit Thani College in accordance with Private Higher Education Institutions Act B.E. 2546 Amendment (No. 2) B.E. 2550.

The Private Higher Education Institutions Act B.E. 2546 Amendment (No.2) B.E. 2550 requires that a private higher education institution firstly allocate its annual excess revenues over expenses in general fund to compensate other negative balance funds. Then, at least 60% of the remaining excess revenues over expenses shall be allocated to other funds, not over 30% shall be allocated as benefit to the licensor and not less than 10% shall be reserved as working capital in the general fund.

27. Other reserves

Other reserves as at 31 December consisted of the following:

	Consolidated		Company		Baht
	financial statements		financial statements		
	2013	2012	2013	2012	
Reserve for treasury common shares	15,740,202	15,740,202	-	-	
Total	15,740,202	15,740,202	-	-	

The Company has complied with the letter from The Securities and Exchange Commission No. Kor Lor Tor Chor Sor (Vor) 2/2548 dated 14 February 2005, regarding comment on information disclosure of appropriation of treasury common shares reserve. The Board of Directors appropriated its retained earnings to treasury common shares reserve (see Note 28.1).

28. Treasury common shares and weighted average number of ordinary shares

28.1 Treasury common shares

28.1.1 Dusit Thani Public Company Limited

On 13 November 2003, the Board of Directors of the Company passed a resolution to repurchase 2,779,500 ordinary shares or 3.27% of the Company's paid-up share capital. The purpose is for financial management because the Company has excess liquidity. The resale period of such repurchase share was from 1 July 2004 to 29 December 2006.

The 2,760,500 shares or 3.25% of the Company's paid-up capital has been repurchased, totalling Baht 115,818,208.

During 2006, the Company sold 2,760,500 treasury common shares and gain on sales in the amount of Baht 16,950,268 has been presented as paid-in surplus - treasury common shares.

28.1.2 Dusit Thani Properties Company Limited

Dusit Thani Properties Company Limited, a subsidiary, held 606,300 ordinary shares of the Company with the acquisition cost of Baht 20,240,264. Such shares were presented as treasury common shares in the consolidated statements of financial position.

During 2006, Dusit Thani Properties Company Limited sold 134,800 ordinary shares of the Company to third parties totalling Baht 5,915,334 and gain on sales in the amount of Baht 1,415,272 has been presented as paid-in surplus - treasury common shares. As at 31 December 2013 and 2012, Dusit Thani Properties Company Limited held 471,500 ordinary shares of the Company with the carrying value of Baht 15,740,202. Such shares were presented as treasury common shares in the consolidated statements of financial position.

The Company has complied with the letter from The Securities and Exchange Commission No. Kor Lor Tor Chor Sor (Vor) 2/2548 dated 14 February 2005, regarding comment on information disclosure of appropriation of treasury common shares reserve. As at 31 December 2013 and 2012, the Company has appropriately retained earnings to treasury common shares reserve in the amount of Baht 15,740,202 which has been included in other reserves (see Note 27).

28. Treasury common shares and weighted average number of ordinary shares (Continued)

28.2 Weighted average number ordinary shares

Weighted average number of ordinary shares for the years ended 31 December calculated as follows:

	Consolidated		Company		Baht
	financial statements		financial statements		
	2013	2012	2013	2012	
Number of issued and paid-up ordinary shares	85,000,000	85,000,000	85,000,000	85,000,000	
<u>Less</u> Repurchased ordinary shares by Dusit Thani Properties Company Limited	(471,500)	(471,500)	-	-	
Weighted average number of ordinary shares	<u>84,528,500</u>	<u>84,528,500</u>	<u>85,000,000</u>	<u>85,000,000</u>	

29. Share of profit from investment in associate

For the year ended 31 December 2013, share of profit from investment in associate is included unrealized gain from investment property revaluation of Dusit Thani Freehold and Leasehold Property Fund (DTCPF) of Baht 7,505,000 (for the year ended 31 December 2012 of Baht 8,718,373), according to the investment percentage by the Company. The fair value of investments in properties has assessed by independent appraisers who are authorized by the Securities and Exchange Commission, by using the income approach per their following reports date, with discount rates approximately 10% - 14%.

	The appraisal reporting date	
	2013	2012
For the years ended 31 December		
Projects:		
Dusit Thani Laguna Phuket Hotel,	29 July 2013	3 August 2012
Dusit Thani Hua Hin Hotel	29 July 2013	15 August 2012
dusitD2 Chiang Mai Hotel	1 August 2013	6 September 2012

In addition, the management of the Company had received the confirmation letter from DTCPF's manager that DTCPF has already considered and agreed the reasonable of the assumption information, discounted rate and the revalued of assets, together with the actual performance and types of right on such assets of DTCPF which also agreed by the management of the Company.

30. Income tax expense

For the years ended 31 December 2013 and 2012, income tax of the Group has been calculated on the net profit after deduction of revenue which is not subjected to tax calculation and adding back certain expenses which are disallowance for tax computation purposes.

Income tax expense for the years ended 31 December summarized as follows:

	Consolidated		Company		Baht
	financial statements		financial statements		
	2013	2012	2013	2012	
Current income tax:					
Current income tax on profits for the year	28,749,270	33,291,361	-	-	
Total current tax	28,749,270	33,291,361	-	-	
Deferred income tax:					
Origination and reversal of temporary differences	(4,396,813)	(27,071,946)	(1,828,979)	8,378,864	
Total deferred income tax	(4,396,813)	(27,071,946)	(1,828,979)	8,378,864	
Total (income) expense on income tax	24,352,457	6,219,415	(1,828,979)	8,378,864	

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the basic tax rate of the home country as follows:

	Consolidated		Company		Baht
	financial statements		financial statements		
	2013	2012	2013	2012	
Profit before tax	137,312,678	68,448,299	54,742,394	166,640,828	
Tax calculated at a tax rate	48,917,938	39,489,051	10,948,479	33,328,166	
Tax effect of:					
Revenues/expenses not deductible for tax purpose	(35,519,852)	(33,954,685)	(26,020,917)	(26,137,334)	
Tax loss for tax purpose	7,451,644	1,371,103	13,243,459	1,188,032	
Exchange on translation	3,502,727	(686,054)	-	-	
Tax charge	24,352,457	6,219,415	(1,828,979)	8,378,864	

The weighted average applicable tax rate was 17.74% for the year ended 31 December 2013 (2012: 9.09%). The decrease is caused by a change in corporate income tax rate announced by the Government.

30. Income tax expense (Continued)

The tax (credit)/charge relating to component of other comprehensive income is as follows:

	Consolidated financial statements						Baht
	2013			2012			
	Before tax	Tax (credit)/ charge	After tax	Before tax	Tax (credit)/ charge	After tax	
Fair value gains:							
Available-for-sale financial asset	59,436,550	11,887,310	47,549,240	32,854,375	6,570,875	26,283,500	
Actuarial loss on retirement benefit obligations	(2,938,946)	(1,223,362)	(1,715,584)	(21,399,411)	(2,658,047)	(18,741,364)	
Exchange on translation	67,035,446	-	67,035,446	(13,201,862)	-	(13,201,862)	
Other comprehensive income	<u>123,533,050</u>	<u>10,663,948</u>	<u>112,869,102</u>	<u>(1,746,898)</u>	<u>3,912,828</u>	<u>(5,659,726)</u>	
Current income tax		-			-		
Deferred income tax		10,663,948			3,912,828		
		<u>10,663,948</u>			<u>3,912,828</u>		

	Company financial statements						Baht
	2013			2012			
	Before tax	Tax charge	After tax	Before tax	Tax (credit)/ charge	After tax	
Fair value gains:							
Available-for-sale financial asset	51,429,250	10,285,850	41,143,400	27,494,650	5,498,930	21,995,720	
Actuarial loss on retirement benefit obligations	-	-	-	(24,591,561)	(4,918,312)	(19,673,249)	
Other comprehensive income	<u>51,429,250</u>	<u>10,285,850</u>	<u>41,143,400</u>	<u>2,903,089</u>	<u>580,618</u>	<u>2,322,471</u>	
Current income tax		-			-		
Deferred income tax		10,285,850			580,618		
		<u>10,285,850</u>			<u>580,618</u>		

31. Dividends paid

On 29 April 2013, the shareholders' meeting of the Company passed a resolution to approve and appropriate retained earnings as dividend payment for the year 2012 for 85,000,000 ordinary shares at Baht 1.00 per share, totalling Baht 85,000,000 which was paid on 13 May 2013.

On 27 April 2012, the shareholders' meeting of the Company passed a resolution to approve and appropriate retained earnings as dividend payment for the year 2011 for 85,000,000 ordinary shares at Baht 0.50 per share, totalling Baht 42,500,000 was paid on 11 May 2012.

32. Revenues arising from exchanges of goods or services

The Group have revenues arising from exchange of goods or services with the outside parties. The Company recognized revenues from such parties when the goods or services are rendered from the Company and subsidiaries. Such revenues are charged at the arm-length prices that charged to the other customers or at the agreed price to exchange according to each agreement.

For the years ended 31 December 2013 and 2012, revenues arising from exchange of goods or services included in revenues from sales and services are as follows:

	Consolidated		Company		Baht
	financial statements		financial statements		
	2013	2012	2013	2012	
Revenues arising from exchanges of goods or services	50,212,859	19,035,910	43,514,097	12,673,789	

33. Long-term leases

33.1 Dusit Thani Public Company Limited

The land lease agreement of Dusit Thani Hotel and Dusit Thani Office Building dated 16 March 1966 between The Crown Property Bureau and the Company scheduled to expire on 31 March 2003 which the right on building transferred to the lessor since the date of construction completion. However, under the condition of the lease, the Company can extend the lease period twice for a period of 15 years each with related lease payments to be renegotiated by the parties.

On 26 August 2002, the Company signed the first extension of the above land lease agreements for period from 1 April 2003 to 31 March 2018. The prepaid rental for the period of 15 years is Baht 1,100,000,000.

On 27 January 2006, the Company entered into the land lease agreement with Siri Pattaya Company Limited for rental period 22 years started from 1 January 2006 to 31 December 2027. Currently, Dusit Thani Hotel, Pattaya (formerly Dusit Resort Pattaya) is now located on such land. Total rental thorough the lease agreement is totalling of Baht 1,002,000,000. The rental payment may vary in accordance with fluctuation in the Swiss Franc exchange rate. During the lease period, if the Swiss Franc is cancelled, the exchange rate between Baht and US dollar will be used instead. In this case, the rate to be used is the average exchange rate for US dollars on the date of the original agreement, which is a commercial bank's selling rate announced by The Bank of Thailand, one US dollar for Baht 39.14. When the lease agreement is expired, the Company can extend the lease period twice for a period of 10 years each with related lease payments to be renegotiated by the parties.

33. Long-term leases (Continued)

33.2 Philippine Hoteliers, Inc.

Philippine Hoteliers, Inc., a subsidiary, has a lease agreement for the land on which the hotel building is situated with a specified rental payable quarterly at a rate of 5% of the annual gross income. The term of the lease is up to 31 December 2002 and is renewable for another period of 25 years at the option of the subsidiary. Upon termination of the lease, the subsidiary shall return and surrender to the lessor the leased property together with the building constructed thereon, and with all the permanent fixtures therein.

On 17 May 2001, the term of the lease was renewed for an additional period of 25 years from 1 January 2003 to 31 December 2027, under the same terms and conditions.

33.3 Dusit Management Company Limited

On 24 December 2010, Dusit Management Company Limited, a subsidiary entered the lease agreements for operating assets of Dusit Thani Laguna Phuket, dusitD2 Chiang Mai and sublease agreement for operating assets of Dusit Thani Hua Hin from Dusit Thani Freehold and Leasehold Property Fund (DTCPPF) for a period of 3 years and has rights to renew such lease and sublease agreements for 6 times with 3 years period each. The Company guaranteed the minimum lease and/or sublease payment by this subsidiary to DTCPPF (see Note 35.7). The rental amount detailed as follows:

33.3.1 Fixed rental of Baht 205,000,000 per year, monthly payment amount was specified in the lease agreement. Rental amount during 24 December 2010 to 31 December 2010 was calculated by days in proportion of such rental amount.

33.3.2 Variable rental is paid on a quarterly basis which is calculated based on percentage of hotel operating profit before interest, income tax and depreciation and amortization (EBITDA). Such percentage specified as follows:

Years 2011 - 2016	90%
Years 2017 - 2022	85%
Years 2023 onwards	80%

Rental amount during 24 December 2010 to 31 December 2010 was calculated by days, using 90%.

33.4 DMS Property Investment Private Limited

Reference from Dusit Thai Properties Public Company Limited and/or DMS Property Investment Private Limited have right on leasehold land from the Government of Republic of Maldives, resort and construction on Mudhdhoo Island, Baa Atoll, Republic of Maldives as mentioned in Note 12.4, as at 31 December 2013, the rental for remaining lease period is as follows:

Due period		Amount
Not over 1 year	USD	1,000,000
Over 1 year but not over 5 years	USD	4,000,000
Over 5 years	USD	42,182,787

However, prepaid rental amounting to USD 5,000,000 of DMS Property Investment Private Limited is amortized as expense of USD 1,000,000 per year for the period of 5 years.

34. Transactions between related companies

Transactions between related companies are as follows:

34.1 Investment in subsidiaries, associates and joint ventures

As at 31 December 2013

Company's name	Country of incorporation	Type of business	Relationship	Issued and paid-up (ordinary shares)	% of shareholding	Investment		Baht
						Company financial statements Cost	Consolidated financial statements Equity	
Subsidiaries								
1. Dusit Thani Properties Co., Ltd.	Thailand	Holding	Subsidiary	800,000,000	99.99	799,999,300	-	
- Dusit Thai Properties Public Co., Ltd.	Thailand	Hotel and Hotel management	Subsidiary (Indirect holding)	825,000,000	84.04 ⁽¹⁾	-	-	
- Philippine Hoteliers, Inc.	Philippines	Hotel	Subsidiary (Indirect holding)	PESO 364,870,100	88.00 ⁽¹⁾	-	-	
						799,999,300	-	
2. Landmark Hotel Co., Ltd.	Thailand	Hotel	Subsidiary	10,000,000	99.88	9,988,000	-	
3. Devarana Spa Co., Ltd.	Thailand	Spa	Subsidiary	8,000,000	99.99	7,999,930	-	
4. Dusit Thai Properties Public Co., Ltd.	Thailand	Hotel and Hotel management	Subsidiary	825,000,000	2.75	40,109,974	-	
- DMS Property Investment Private Limited	Republic of Maldives	Hotel	Subsidiary (Indirect holding)	USD 38,500,000	47.72 ⁽³⁾	-	-	
- Dusit Thani College	Thailand	Education	Subsidiary (Indirect holding)	217,715,882	86.79 ⁽³⁾	-	-	
						40,109,974	-	
5. Dusit Worldwide Co., Ltd.	Thailand	Management	Subsidiary	50,000,000	99.99	49,999,930	-	
- Dusit Overseas Co., Ltd.	Hong Kong	Management	Subsidiary (Indirect holding)	HKD 33,000	99.99 ⁽²⁾	-	-	
						49,999,930	-	
6. Dusit Management Co., Ltd.	Thailand	Hotel	Subsidiary	1,000,000	99.99	3,999,960	-	
7. Dusit USA Management Inc.	United State of America	Hotel management	Subsidiary	USD 40,000	100.00 ⁽⁴⁾	1,243,600	-	
8. Dusit China Capital Co., Ltd.	Thailand	Holding	Subsidiary	68,000,000	99.99 ⁽⁵⁾	40,799,982	-	
						954,140,676	-	
						(9,988,000)	-	
						944,152,676	-	
<u>Less</u> Allowance for impairment								

34. Transactions between related companies (Continued)

34.1 Investment in subsidiaries, associates and joint ventures (Continued)

As at 31 December 2013

Company's name	Country of incorporation	Type of business	Relationship	Issued and paid-up (ordinary shares)	% of shareholding	Investment		Baht
						Company financial statements Cost	Consolidated financial statements Equity	
Joint ventures								
1. Le Cordon Bleu Dusit Co., Ltd.	Thailand	Cooking School	Joint venture	40,000,000	49.99	19,999,400	-	
2. Dusit Bird Hotels Private Limited	India	Hotel management	Joint venture	INR 28,600,000	50.00 ⁽⁸⁾	9,830,902	-	
3. Dusit Fudu Hotel Management (Shanghai) Co., Ltd.	People's Republic of China	Hotel management	Joint venture	Yuan 18,072,574	44.99 ⁽⁶⁾	-	-	
						29,830,302	-	
Associates								
1. Dusit Thani Freehold and Leasehold Property Fund	Thailand	Leasing	Associate	4,094,000,000	30.02	1,229,202,500	1,310,213,660	
2. Dusit Thani Laguna Singapore Pte. Ltd.	Singapore	Hotel	Associate	SGD 1,000,000	25.01 ⁽⁷⁾	-	-	
						1,229,202,500	1,310,213,660	

⁽¹⁾ Dusit Thani Properties Company Limited holds 84.05% in Dusit Thai Properties Public Company Limited and 88.01% in Philippine Hoteliers, Inc.

⁽²⁾ Dusit Worldwide Company Limited holds 100.00% in Dusit Overseas Company Limited.

⁽³⁾ Dusit Thai Properties Public Company Limited holds 55.00% in DMS Property Investment Private Limited and share certificates of such company are pledged as collateral of loan from financial institution of such company (see Notes 18 and 21.2) and holds 100.00% in Dusit Thani College.

⁽⁴⁾ Dusit USA Management Inc. has registered on 14 August 2012 and the Company paid its share subscription on 17 July 2013.

⁽⁵⁾ Dusit China Capital Co., Ltd. has registered on 18 January 2013 and as at 31 December 2013, the Company has paid its share subscription of 60.00%.

⁽⁶⁾ Dusit Fudu Hotel Management (Shanghai) Co., Ltd. is 45.00% owned by Dusit China Capital Co., Ltd. which is a subsidiary of the Company. Such company registered on 16 April 2013 and as at 31 December 2013, such subsidiary has called and received paid-up capital of 60.00%.

⁽⁷⁾ Dusit Thani Laguna Singapore Pte. Ltd. has registered on 6 September 2013 and as at 31 December 2013, such company has not called its share subscription.

⁽⁸⁾ Dusit Bird Hotels Private Limited called the additional issued and paid-up share capital 1,460,000 shares from the existing shareholders. The Company paid such share subscription for the Company's proportion in October 2013.

34. Transactions between related companies (Continued)

34.1 Investment in subsidiaries, associates and joint ventures (Continued)

As at 31 December 2012

Company's name	Country of incorporation	Type of business	Relationship	Issued and paid-up (ordinary shares)	% of shareholding	Investment		Baht
						Company financial statements Cost	Consolidated financial statements Equity	
Subsidiaries								
1. Dusit Thani Properties Co., Ltd.	Thailand	Holding	Subsidiary	800,000,000	99.99	799,999,300	-	
- Dusit Thai Properties Public Co., Ltd.	Thailand	Hotel and Hotel management	Subsidiary (Indirect holding)	825,000,000	84.04 ⁽¹⁾	-	-	
- Philippine Hoteliers, Inc.	Philippines	Hotel	Subsidiary (Indirect holding)	PESO 364,870,100	88.00 ⁽¹⁾	-	-	
						799,999,300	-	
2. Landmark Hotel Co., Ltd.	Thailand	Hotel	Subsidiary	10,000,000	99.88	9,988,000	-	
3. Devarana Spa Co., Ltd.	Thailand	Spa	Subsidiary	8,000,000	99.99	7,999,930	-	
4. Dusit Executive Development Center Co., Ltd.	Thailand	Training	Subsidiary	5,000,000	99.99 ⁽⁴⁾	4,999,940	-	
5. Dusit Thai Properties Public Co., Ltd.	Thailand	Hotel and Hotel management	Subsidiary	825,000,000	2.75 ⁽⁷⁾	40,109,974	-	
- DMS Property Investment Private Limited	Republic of Maldives	Hotel	Subsidiary (Indirect holding)	USD 38,500,000	47.72 ⁽³⁾	-	-	
- Dusit Thani College	Thailand	Education	Subsidiary (Indirect holding)	217,715,882	86.79 ⁽³⁾	-	-	
						40,109,974	-	
6. Dusit Worldwide Co., Ltd.	Thailand	Hotel management	Subsidiary	50,000,000	99.99	49,999,930	-	
- Dusit Overseas Co., Ltd.	Hong Kong	Hotel management	Subsidiary (Indirect holding)	HKD 33,000	99.99 ⁽²⁾	-	-	
						49,999,930	-	
7. Dusit Management Co., Ltd.	Thailand	Hotel	Subsidiary	1,000,000	99.99	3,999,960	-	
8. Dusit USA Management Inc.	United State of America	Hotel Hotel management	Subsidiary	USD 40,000	100.00 ⁽⁶⁾	-	-	
						917,097,034	-	
<u>Less</u> Allowance for impairment						(9,988,000)	-	
						907,109,034	-	

34. Transactions between related companies (Continued)

34.1 Investment in subsidiaries, associates and a joint ventures (Continued)

As at 31 December 2012

Company's name	Country of incorporation	Type of business	Relationship	Issued and paid-up (ordinary shares)	% of shareholding	Investment		Baht
						Company financial statements Cost	Consolidated financial statements Equity	
Joint ventures								
1. Le Cordon Bleu Dusit Co., Ltd.	Thailand	Cooking School	Joint venture	40,000,000	49.99	19,999,400		-
2. Dusit Bird Hotels Private Limited	India	Hotel management	Joint venture	INR 5,000,000	50.00 ⁽⁵⁾	6,080,545		-
						26,079,945		-
Associate								
1. Dusit Thani Freehold and Leasehold Property Fund	Thailand	Leasing	Associate	4,094,000,000	30.02	1,229,202,500	1,309,525,818	
						1,229,202,500	1,309,525,818	

⁽¹⁾ Dusit Thani Properties Company Limited holds 84.05% in Dusit Thai Properties Public Company Limited and 88.01% in Philippine Hoteliers, Inc.

⁽²⁾ Dusit Worldwide Company Limited holds 100.00% in Dusit Overseas Company Limited.

⁽³⁾ Dusit Thai Properties Public Company Limited holds 55.00% in DMS Property Investment Private Limited and share certificates of such company are pledged as collateral of loan from financial institution of such company (see Notes 18 and 21.2) and holds 100.00% in Dusit Thani College.

⁽⁴⁾ Dusit Executive Development Center Co, Ltd. registered for liquidation with Department of Business Development on 29 June 2012 and liquidated on 20 May 2013.

⁽⁵⁾ Dusit Bird Hotels Private Limited called the issued and paid-up share capital 900,000 shares, at par value 10.00 Indian Rupees each from the existing shareholders. The Company paid such share subscription for the Company's proportion of 450,000 shares, totalling 4,500,000 Indian Rupees, equivalent to Baht 2,610,000 on 30 October 2012.

⁽⁶⁾ Dusit USA Management Inc. has registered on 14 August 2012 and as at 31 December 2012, as at 31 December 2013, such company has not called its share subscription.

⁽⁷⁾ The Company had additional invested in Dusit Thai Properties Public Co., Ltd. from another related company.

34. Transactions between related companies (Continued)

34.1 Investment in subsidiaries, associates and a joint ventures (Continued)

Total assets, liabilities, revenue and net increase in net assets from operations of associate of the Group are presented as follows:

Name	Assets	Liabilities	Revenues	Baht Net increase in net assets from operations
2013				
Associate				
Dusit Thani Freehold and Leasehold Property Fund	4,392,868,483	29,034,163	388,336,559	295,011,463
2012				
Associate				
Dusit Thani Freehold and Leasehold Property Fund	4,390,179,219	28,635,362	386,947,572	356,129,624

34. Transactions between related companies (Continued)

34.2 Relationship with related companies

As at 31 December 2013

	<u>Country of incorporation</u>	<u>Type of business</u>	<u>Relationship</u>
Related companies			
1. Acme Printing Co., Ltd.	Thailand	Printing house	Director holds the shares
2. The Peninsula Travel Service Co., Ltd.	Thailand	Sale air ticket	Director holds the shares
3. MBK Public Co., Ltd.	Thailand	Property development	Company and director hold the shares
4. Laguna Resorts & Hotels Public Co., Ltd.	Thailand	Hotel	Company holds the shares and director is director
5. Piyasiri Co., Ltd.	Thailand	Hospital	Director holds the shares
6. Bangkok Bank Public Co., Ltd.	Thailand	Bank	Company and director hold the shares
7. Thai Life Insurance Co., Ltd.	Thailand	Life insurance	Director is director
8. The Navakij Insurance Public Co., Ltd.	Thailand	Non-life insurance	Director is director
9. New Atlantic Co., Ltd.	Thailand	Department store	Director holds the shares
10. Thana-jirang Co., Ltd.	Thailand	Office rental	Director holds the shares
11. JTB (Thailand) Co., Ltd.	Thailand	Sale package tour and hotel reservation, air ticket	Director holds the shares

34. Transactions between related companies (Continued)

34.2 Relationship with related companies

As at 31 December 2012

	<u>Country of incorporation</u>	<u>Type of business</u>	<u>Relationship</u>
Related companies			
1. Acme Printing Co., Ltd.	Thailand	Printing house	Director holds the shares
2. The Peninsula Travel Service Co., Ltd.	Thailand	Sale air ticket	Director holds the shares
3. MBK Public Co., Ltd.	Thailand	Property development	Company and director hold the shares
4. Laguna Resorts & Hotels Public Co., Ltd.	Thailand	Hotel	Company holds the shares and director is director
5. Piyasiri Co., Ltd.	Thailand	Hospital	Director holds the shares
6. Bangkok Bank Public Co., Ltd.	Thailand	Bank	Company and director hold the shares
7. Thai Life Insurance Co., Ltd.	Thailand	Life insurance	Director is director
8. The Navakij Insurance Public Co., Ltd.	Thailand	Non-life insurance	Director is director
9. New Atlantic Co., Ltd.	Thailand	Department store	Director holds the shares
10. Thana-jirang Co., Ltd.	Thailand	Office rental	Director holds the shares
11. JTB (Thailand) Co., Ltd.	Thailand	Sale package tour and hotel reservation, air ticket	Director holds the shares

34. Transactions between related companies (Continued)

34.3 Short-term loans to and from related companies

Short-term loans to and from related companies as at 31 December consisted of the following:

	Consolidated		Company		Baht
	financial statements		financial statements		
	2013	2012	2013	2012	
Short-term loan from related company					
MBK Hotels and Resorts Co., Ltd.	13,105,780	12,232,960	-	-	
Total	13,105,780	12,232,960	-	-	

The costs of borrowing are as follows:

- Loan to joint venture - minimum loan rate of commercial banks or not lower than 8.50% p.a.
- Loans from related companies - interest rate LIBOR plus 3.425% per annum or not less than those pays to the financial institution.
- All inter - company borrowings are unsecured.

Movements in the short-term loans to and from related companies account are summarized as follows:

	Consolidated		Company		Baht
	financial statements		financial statements		
	2013	2012	2013	2012	
Loan to related companies					
Balance brought forward	-	6,000,180	-	12,000,000	
<u>Less Repayments</u>	-	(6,00,180)	-	(12,000,000)	
Balance carried forward	-	-	-	-	
Loan from related company					
Balance brought forward	12,232,960	5,999,820	-	-	
<u>Add Additional loans</u>	-	13,231,275	-	-	
<u>Less Repayments</u>	-	(5,999,820)	-	-	
Exchange translation	872,820	(998,315)	-	-	
Balance carried forward	13,105,780	12,232,960	-	-	

34. Transactions between related companies (Continued)

34.4 Significant related business transactions

Related balances

Company financial statements

Company	As at 31 December 2013				As at 31 December 2012					Baht
	Trade	Other	Accrued	Other	Trade	Other	Accrued	Payable -	Other	
	accounts	receivables	expenses	payables	accounts	receivables	expenses	shares	payables	
Dusit Thai Properties Public Co., Ltd.	24,614	16,243,027	-	39,222	63,908	1,901,976	-	-	248,317	
Dusit Thani Properties Co., Ltd.	-	228,584	-	-	-	101,650	-	8,035,000	-	
Philippine Hoteliers, Inc.	11,743	104,785	-	-	-	32,414	-	-	-	
Devarana Spa Co., Ltd.	1,459	207,752	-	721,169	148,536	88,960	-	-	1,019,148	
Dusit Worldwide Co., Ltd.	215,575	16,847,390	-	5,637,330	314,417	37,830,571	-	-	5,919,515	
Dusit Overseas Co., Ltd.	-	2,094,555	1,544,618	59,239	-	4,650,938	-	-	-	
Dusit Management Co., Ltd.	161,258	39,860,593	-	1,548,746	488,086	25,633,824	-	-	-	
Le Cordon Bleu Dusit Co., Ltd.	273,496	-	-	-	156,210	-	-	-	384,834	
Dusit Thani Freehold and Leasehold Property Fund	-	-	74,129,010	-	-	978,799	68,454,870	-	-	
Acme Printing Co., Ltd.	-	-	-	1,904,814	-	-	46,224	-	-	
Laguna Resorts & Hotels Public Co., Ltd.	-	-	-	-	-	1,565,573	-	-	-	
Dusit Bird Hotels Private Limited	36,878	68,524	-	-	-	-	-	-	-	
DMS Property Investment Private Limited	-	914,624	-	-	738,684	2,746,968	-	-	-	
Dusit USA Management Inc	-	281,687	-	-	-	-	-	-	-	
Dusit China Capital Co., Ltd.	-	282,802	-	-	-	-	-	-	-	
Dusit Fudu Hotel Management (Shanghai) Co., Ltd.	-	877,772	919,349	-	-	-	-	-	-	
Bangkok Bank Public Co., Ltd.	-	-	-	139,641	-	-	-	-	-	
JTB (Thailand) Co., Ltd.	1,535,207	-	-	-	1,710,820	-	-	-	-	
Dusit Thani College	-	182,078	2,850,000	215,783	-	-	-	-	831,322	
	<u>2,260,230</u>	<u>78,012,095</u>	<u>79,442,977</u>	<u>10,265,944</u>	<u>3,620,661</u>	<u>75,531,673</u>	<u>68,501,094</u>	<u>8,035,000</u>	<u>8,403,136</u>	

34. Transactions between related companies (Continued)

34.4 Significant related business transactions (Continued)

Related transactions

Company financial statements

Company	For the year ended 31 December 2013									Baht
	Revenue from sales and services	Management service income	Interest income	Dividend income	Other income	Cost of sales	Selling expenses	Administrative expenses	Financial expenses	
Dusit Thai Properties Public Co., Ltd.	996,652	14,145,252	-	-	29,261,285	-	-	23,123,896	-	
Dusit Thani Properties Co., Ltd.	64,380	-	-	23,999,979	1,140,000	-	-	1,204,380	-	
Philippine Hoteliers, Inc.	-	-	-	-	1,351,872	-	-	-	-	
Devarana Spa Co., Ltd.	2,394,843	-	-	-	6,632,602	311,304	6,931	1,287,883	-	
Dusit Worldwide Co., Ltd.	4,672,623	-	-	-	25,851,387	-	74,278,807	17,275,687	-	
Dusit Overseas Co., Ltd.	-	-	-	-	9,905,102	-	-	24,477,217	-	
Dusit Management Co., Ltd.	2,655,527	43,588,327	-	3,999,960	49,585,956	-	-	234,509	-	
Le Cordon Bleu Dusit Co., Ltd.	7,981,948	-	-	11,999,640	157,831	-	-	-	-	
DMS Property Investment Private Limited	-	-	-	-	10,127,068	-	-	-	-	
Dusit Fudu Hotel Management (Shanghai) Co., Ltd.	-	-	-	-	836,134	-	-	-	-	
Dusit Thani Freehold and Leasehold Property Fund	-	-	-	87,887,800	-	-	-	76,592,977	-	
Acme Printing Co., Ltd.	-	-	-	-	-	-	-	2,128,890	-	
MBK Public Co., Ltd.	-	-	-	10,873,500	-	-	-	-	-	
Piyasiri Co., Ltd.	-	-	-	-	-	-	-	340,982	-	
Bangkok Bank Public Co., Ltd.	-	-	139,043	411,450	-	-	-	-	27,664	
Laguna Resorts & Hotels Public Co., Ltd.	-	-	-	156,250	-	-	-	-	-	
The Navakij Insurance Public Co., Ltd.	-	-	-	-	-	-	-	434,008	-	
JTB (Thailand) Co., Ltd.	12,541,318	-	-	-	-	-	-	-	-	
Dusit Thani College	-	-	-	-	-	-	-	3,365,258	-	
	<u>31,307,291</u>	<u>57,733,579</u>	<u>139,043</u>	<u>139,328,579</u>	<u>134,849,237</u>	<u>311,304</u>	<u>74,285,738</u>	<u>150,465,687</u>	<u>27,664</u>	

34. Transactions between related companies (Continued)

34.4 Significant related business transactions (Continued)

Related transactions (Continued)

Company financial statements

Company	For the year ended 31 December 2012									Baht
	Revenue from sales and services	Management service income	Interest income	Dividend income	Other income	Cost of sales	Selling expenses	Administrative expenses	Financial expenses	
Dusit Thai Properties Public Co., Ltd.	231,660	12,327,027	-	443,189	16,861,126	-	-	28,561,912	-	
Dusit Thani Properties Co., Ltd.	96,570	-	-	35,999,969	2,105,839	-	-	-	-	
Philippine Hoteliers, Inc.	-	-	-	-	200,482	-	-	-	-	
Devarana Spa Co., Ltd.	2,525,436	-	-	-	6,523,563	346,350	-	1,228,590	-	
Dusit Executive Development Center Co., Ltd.	1,325,176	-	-	-	720,302	-	-	-	-	
Dusit Worldwide Co., Ltd.	5,896,799	-	-	-	22,793,239	-	68,334,438	8,234,320	-	
Dusit Overseas Co., Ltd.	-	-	-	-	7,760,613	-	-	23,635,229	-	
Dusit Management Co., Ltd.	1,027,875	41,661,127	-	-	17,263,383	-	-	-	-	
Le Cordon Bleu Dusit Co., Ltd.	7,592,241	-	213,774	-	360,370	-	-	-	-	
DMS Property Investment Private Limited	-	-	-	-	4,056,762	-	-	366,857	-	
Dusit Thani Freehold and Leasehold Property Fund	-	-	-	100,179,800	-	-	-	68,454,670	-	
Acme Printing Co., Ltd.	-	-	-	-	-	-	-	352,324	-	
MBK Public Co., Ltd.	-	-	-	10,379,250	-	-	-	-	-	
Piyasiri Co., Ltd.	-	-	-	-	-	-	-	284,734	-	
Bangkok Bank Public Co., Ltd.	-	-	-	379,800	-	-	-	566,994	9,197,351	
The Navakij Insurance Public Co., Ltd.	-	-	-	-	-	-	-	479,771	-	
JTB (Thailand) Co., Ltd.	7,303,801	-	-	-	-	-	-	-	-	
Dusit Thani College	-	-	-	-	-	-	-	5,257,562	-	
	<u>25,999,558</u>	<u>53,988,154</u>	<u>213,774</u>	<u>147,382,008</u>	<u>78,645,679</u>	<u>346,350</u>	<u>68,334,438</u>	<u>137,422,963</u>	<u>9,197,351</u>	

34. Transactions between related companies (Continued)

34.4 Significant related business transactions (Continued)

Prices and terms are as follows:

Management fees are similar to the fee charged to other hotels which were managed by the Company.

Other income is calculated based on actual expenses incurred and the price agreed upon by the Company and the subsidiaries according to the agreement.

The interest income sees Note 34.3.

Other expenses are based on the price agreed upon by the Company and the subsidiaries according to the agreement.

The remuneration received for transferring of rights and obligations of the Hotels Management Agreement to the subsidiary is equivalent to 1.50% of total revenue or gross operation profit, depending on the condition of each agreement which is used as the base for computation of management fee or licensing fee charged from each hotel.

Sales and purchase of equipment by the Company and the subsidiary are based on book value plus margin as agreed.

Other sales and purchase transactions are in the normal prices transacted with third parties and discount policies.

34.5 Key management compensation

Key management includes directors (executive and non-executive), members of the Executive Committee, the Company Secretary and the Head of Internal Audit. The compensation paid or payable to key management for employee services is shown below:

	Consolidated		Company		Baht
	financial statements		financial statements		
	2013	2012	2013	2012	
Salaries and other					
short-term employee benefits	105,677,617	86,219,757	63,315,957	55,679,824	
	<u>105,677,617</u>	<u>86,219,757</u>	<u>63,315,957</u>	<u>55,679,824</u>	

35. Commitments and contingent liabilities

35.1 As at 31 December 2013 and 2012, the Company and subsidiaries had letter of guarantees issued by banks totalling Baht 146,970,900 and Baht 149,561,600, respectively (see Note 35.7).

As at 31 December 2013 and 2012, the above bank guarantees included bank guarantees of a subsidiary of Baht 1,390,700 and Baht 1,175,800, respectively, which were pledged by cash at bank of the subsidiary (see Note 9).

35.2 As at 31 December 2013 and 2012, the Company had letter of guarantees issued by banks totalling Baht 135,173,000 and Baht 139,158,600, respectively (see Note 35.7).

35. Commitments and contingent liabilities (Continued)

35.3 On 26 June 2001, the Company paid Baht 44,246,000 to the Official Receiver on behalf of World Intertrade Corporation Limited. Subsequently, the Company submitted a notice to World Intertrade Corporation Limited requesting for the repayment of debt to the Company. However, the Company did not receive any repayment from World Intertrade Corporation Limited. Therefore, on 19 December 2001, the Company filed a claim with The Southern Bangkok Civil Court against World Intertrade Corporation Limited for demanding the repayment of Baht 45,782,488 which the Company has a lawful right to claim.

On 7 December 2001, World Intertrade Corporation Limited filed a claim with The Southern Bangkok Civil Court against the Company. The claim demands the return of property (Dusit Thani Hotel, Pattaya) and damages. The amount claimed for damages is Baht 2,760,000,000. The Company has already filed an answer to the claim on such issue with The Southern Bangkok Civil Court on 16 January 2002 due to the reason that the Company has peacefully and openly possessed the property with intention to be its owner for more than 10 years and has obtained the Building by operation of law.

On 29 July 2002, the Southern Bangkok Civil Court ordered to tie conjointly the following cases, the case under which World Intertrade Corporation Limited sued the Company calling for its assets (Dusit Thani Hotel, Pattaya) and claiming for compensation on ground of wrongful act of the Company and the case under which the Company sued World Intertrade Corporation Limited.

On 26 March 2004, the Court has declared the case filed by World Intertrade Corporation Limited has been dismissed with the verdict that the Company is the owner of the property (Dusit Thani Hotel, Pattaya) by virtue of the law found in the Civil and Commercial Code of Thailand, sections 1382 and 1385 without doubt and the Court has given the verdict that World Intertrade Corporation Limited must pay compensation amounting to Baht 45,782,488 with 7.5% interest per annum of the principal amount of Baht 44,246,000 starting from 20 December 2001 until the entire amount has been fully paid.

On 26 April 2004, World Intertrade Corporation Limited filed the appeal with the Appeal Court. On 7 July 2004, the Company then filed the appeal answer and filed the objection against petition requesting the Court to delay the execution.

On 31 January 2005, the Company filed a bankruptcy case against World Intertrade Corporation Limited with the Central Bankruptcy Court. Thereafter, on 11 July 2005, the Central Bankruptcy Court granted the receivership order. Then, on 9 August 2005, World Intertrade Corporation Limited filed the appeal against the receivership order and the Company then filed the appeal answer against the said appeal. On 21 October 2008, the Bankruptcy department of the Supreme Court has considered by sustaining result of the Court of First Instance to the receiving order of World Intertrade Corporation Limited. Currently, the case is under the calling for creditors' meeting by the Enforcement Officer.

On 30 January 2006, the Official Receiver of World Intertrade Corporation Limited carried out the case to the Southern Bangkok Civil Court against the Company to claim for returning of the assets (Dusit Thani Hotel, Pattaya).

On 3 April 2007, the Southern Bangkok Civil Court made an appointment with litigant the result of case of the Appeal Court of World Intertrade Corporation Limited filed the Company to the Southern Bangkok Civil Court to claim for returning of the assets (Dusit Thani Hotel, Pattaya) by standing the result of the Court of First Instance to dispose such case of World Intertrade Corporation Limited out of the case list.

On 3 May 2007, World Intertrade Corporation Limited filed the Company to the supreme case with the Southern Bangkok Civil Court against the result of the Court of First Instance and Appeal Court. However, on 26 July 2007, the Company filed the case against such Supreme Court. Currently, the case is under the consideration of the Supreme Court.

On 31 July 2013, the Southern Bangkok Civil Court appointed to listen to the result of the Supreme Court and considered to agree with the result of the First Instance and Appeal Court. Therefore, such case is finally ended.

35. Commitments and contingent liabilities (Continued)

35.4 For Philippine Hoteliers, Inc., an indirect subsidiary, as at 31 December 2013 and 2012, there are pending litigations, unasserted claims, and contingent liabilities that may arise in the normal course of operations of the subsidiary which are not reflected in the accompanying financial statements such as pending labor dispute cases filed with the NLRC-NCR. The subsidiary's management is of the opinion that expenses, if any, from these contingencies, are not significant and will not have material adverse effects and no provision has been made on subsidiary's financial statements.

35.5 As at 31 December 2013 and 2012, the Group has commitments for renovation contracts totalling Baht 55,727,588 and Baht 139,026,222, respectively.

As at 31 December 2013 and 2012, the Company has commitments for renovation contracts totalling Baht 22,915,417 and Baht 75,974,909, respectively.

35.6 The Company has contingent liabilities for the guarantee of credit facilities granted to the subsidiaries as at 31 December consisted of the following:

	<u>Note</u>	<u>2013</u>	<u>Baht 2012</u>
Bank overdraft and short-term loans from financial institution	18	-	1,000,000
Total		-	1,000,000

35.7 The Company has contingent liabilities, as guarantor, the minimum lease and/or sublease payment by Dusit Management Company Limited, a subsidiary, to Dusit Thani Freehold and Leasehold Property Fund (DTCPF) for the lease period 1st - 4th years. The minimum lease and/or sublease payment are as follows:

1st year	Baht 381,342,000
2nd year	Baht 382,741,000
3rd year	Baht 384,649,000
4th year	Baht 386,144,000

The Company has pledged the 1 year bank guarantee in the amount of Baht 125,000,000 to DTCPF (see Notes 33.3, 35.1 and 35.2) and will pledge new bank guarantee every year during such guarantee period.

35.8 As at 31 December 2013 and 2012, the Company has contingent liabilities from guarantee to DMS Property Investment Private Limited, an indirect subsidiary in Republic of Maldives for short-term and long-term loans not excess USD 24,400,000.

36. Investment Promotion Privileges

On 28 February 2007, Le Cordon Bleu Dusit Company Limited, joint venture, was granted investment promotion privileges for human resources development activity by virtue of the provisions of the Investment Promotion Act B.E. 2520 (1977), amendment by the Investment Promotion Act (No. 3) B.E. 2544 (2001) such as exemption from payment of import duties on machinery, etc. In addition, the joint venture also obtained exemption from company income tax for human resources development activity for 8 years from the date of receiving income from such activity. Shareholders of this joint venture will also benefit from exemption of tax on dividends from human resources development activity during the period in which this joint venture receives exemption from company income tax.

The aforementioned joint venture has to comply with certain terms and conditions required under investment promotion privileges as follows:

1. Authorized and paid-up share capital is not less than Baht 40,000,000.
2. Investing capacity (excluding land and working capital) is not less than Baht 1,000,000.

37. Revenues from promoted activities

Revenues from joint venture which is promoted activities included in the consolidated financial statements consist of the following:

	Promoted activities	Non-promoted activities	Baht Total
For the year ended 31 December 2013			
Revenue from sales and services	111,236,710	-	111,236,710
Interest income	-	879,339	879,339
Other income	-	287,207	287,207
Total	<u>111,236,710</u>	<u>1,166,546</u>	<u>112,403,256</u>
For the year ended 31 December 2012			
Revenue from sales and services	96,833,099	-	96,833,099
Interest income	-	291,596	291,596
Other income	-	247,498	247,498
Total	<u>96,833,099</u>	<u>539,094</u>	<u>97,372,193</u>

38. Provident fund

For the years ended 31 December 2013 and 2012, the contributions of the Group to the provident fund recorded as expenses were Baht 30,776,459 and Baht 28,015,710, respectively.

For the years ended 31 December 2013 and 2012, the contributions of the Company to the provident fund recorded as expenses were Baht 14,923,601 and Baht 13,833,235, respectively.

39. Expense by nature

The following expenditure items, classified by nature, have been charged in arriving at the operating profit:

	Consolidated financial statements		Company financial statements		Baht
	2013	2012	2013	2012	
For the years ended 31 December					
Salary and other benefits	1,580,405,591	1,326,874,163	615,947,026	523,133,653	
Rental expenses	590,569,352	611,220,724	204,700,979	197,511,719	
Repair and maintenance expenses	121,163,924	151,762,055	40,821,526	38,869,642	
Utility expenses	309,470,465	310,054,032	107,620,709	104,380,716	

40. Business segment information

Business segment information of the Group classified by business segments are as follows:

	Revenues	Net profit (loss)	Million Baht Assets employed
For the year ended 31 December 2013			
Hotels business	3,379.19	191.67	5,258.67
Hotels business under DTCPF	1,164.93	(71.29)	285.83
Education	448.85	109.04	955.06
Other businesses	1,072.74	(64.62)	5,581.26
Total	6,065.71	164.80	12,080.82
<u>Add (Less)</u> Inter-company transactions	(631.61)	32.83	(2,809.94)
Total	5,434.10	197.63	9,270.88
<u>Less</u> Net profit of non-controlling interests		(33.92)	
Consolidated net profit - owners of the parent		163.71	
Consolidated assets			9,270.88
For the year ended 31 December 2012			
Hotels business	3,012.02	(33.90)	5,275.59
Hotels business under DTCPF	1,081.89	(58.05)	269.24
Education	401.34	94.51	835.73
Other businesses	1,160.32	128.24	5,506.53
Total	5,655.57	130.80	11,887.09
<u>Add (Less)</u> Inter-company transactions	(613.48)	7.08	(2,806.59)
Total	5,042.09	137.88	9,080.50
<u>Add</u> Net loss of non-controlling interests		84.67	
Consolidated net profit - owners of the parent		222.55	
Consolidated assets			9,080.50

41. Disclosure of financial instruments

41.1 Accounting policies

Financial assets carried on the statements of financial position consisted of cash and cash equivalents, trade and other receivables, short-term loans to related companies and other long-term investments. Financial liabilities carried on the statements of financial position consisted of bank overdrafts and short-term loans from financial institutions, trade and other payables, short-term loans from related companies, long-term liabilities under financial lease agreements and long-term loans.

Details of significant accounting policies are disclosed in Note 2 to the financial statements.

41.2 Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in a financial loss to the Group.

Concentrations of the credit risk with respect to trade receivables are limited due to the large number of customers comprising the customer base, and dispersion across different geographic regions in Thailand and overseas.

In the case of recognized financial assets, the carrying amount of the assets recorded in the statements of financial position, net of a portion of allowance for doubtful debts, represents the Group's maximum exposure to credit risk.

41.3 Foreign exchange risk

Foreign exchange risk arises from the change in foreign currency exchange rates to have an adverse effect on the Group in the current reporting period and in future years. The Group expects that there may be an effect from changes in exchange rates resulted from investment in foreign currencies which has not been hedged. The Group expect that the effect from foreign exchange risk on its financial statements will not be material.

41.4 Interest rate risk

Interest rate risk in the statements of financial position arises from the potential for a change in interest rates to have an adverse effect on the Group in the current reporting period and in future years.

Information regarding interest rates and term of payments of loan are disclosed in Note 21 to the financial statements.

41.5 Fair value of financial instruments

The Group used the methods and assumptions to estimate fair value of financial instruments as follows:

- Cash in hand and at banks, current investments whose maturity is less than 90 days and trade accounts receivable; the carrying values approximate their fair values.
- The determination of fair value of available-for-sales and other long-term investments and the presentation of such items are described in Notes 10 and 11 to the financial statements.
- Bank overdrafts and short-term loans from financial institutions, carrying variable rates of interest and trade accounts payable; the carrying amounts of these financial liabilities approximate their fair values.
- Short-term and long-term loans carrying variable rates of interest; the carrying values approximate their fair values.

42. Others

42.1 The issue and offer of debentures

On 17 December 2007, the Extraordinary Shareholders meeting of the Company passed a resolution to issue and offer of debentures for the Company's business operation and expansion and/or for partial debt repayment. Such debenture is specific or non-specific name of holder, subordinated or unsubordinated, secured or unsecured, with or without debenture holders' representative, redeemable or non-redeemable prior to the term. The total debentures did not exceed Baht 5,000,000,000 with face value of Baht 1,000 per unit. The maturity of this debenture is not over 7 years from the issue date. The debenture's interest rate depends on the market situation at the time of debenture issue and offering. This debenture will domestically and/or internationally offer to public and/or institutional investor high net-worth investors, and/or specific investors. The Board of Directors of the Company or the person assigned by Board of Directors is authorized to determine conditions and other necessary details relating to the issuance and offering of debentures and other matters.

On 29 April 2011, the Shareholders' meeting of the Company passed a resolution to approve the extension the issuance and offering debentures of another 5 years commencing 29 April 2011.

The Board of Directors of the Company will carry out this resolution later.

42.2 Investment in joint venture

On 20 June 2013, the Board of Directors meeting of the Company passed a resolution to approve to establish a joint venture company in Singapore, namely Dusit Thani Laguna Golf Resort Pte. Ltd. This company has objective to expand the Company's portfolio of hotels and resorts into Singapore. This company will be invested by Dusit Thani Properties Co., Ltd., a subsidiary, at 25.01%, with investment fund of SGD 28,810,000 (approximately Baht 713,050,000).

On 6 September 2013, such joint venture company is established, namely "Dusit Thani Laguna Singapore Pte. Ltd." with initial registered capital of SGD 1,000,000.

On 6 November 2013, Dusit Thani Properties Co., Ltd., a subsidiary, has paid shareholder - advance payment to Dusit Thani Laguna Singapore Pte. Ltd. according to its proportion of investment in the amount of SGD 1,000,400, equivalent to Baht 25,270,815, which was presented as other current assets - advance payment for investment in associate (see Note 8).

On 19 December 2013, the Board of Directors' meeting of the Company passed a resolution to change the investment in Dusit Thani Laguna Singapore Pte. Ltd. from Dusit Thani Properties Co., Ltd. to the Company as for the benefit of operation.

As at 31 December 2013, such company has not called its share subscription.

43. Events after the reporting period

43.1 On 12 March 2014, the shareholders' meeting of Philippine Hoteliers, Inc., a subsidiary, passed a resolution to pay dividend for the year 2013 for 3,648,701 ordinary shares at Peso 10.00 per share, totalling Peso 36,487,010 or approximately Baht 26,124,699. The dividends were paid to the shareholders on 30 May 2014.

43.2 On 11 April 2014, Dusit China Capital Co., Ltd., a subsidiary, has addition called share capital of 22.50%, totalling Baht 15,300,000. On 16 October 2014, such subsidiary had additionally called its paid-up capital of 17.50%, totalling Baht 11,900,000. As of 16 October 2014, this subsidiary has fully called paid-up capital of 100.00%, or Baht 68,000,000.

43.3 On 11 April 2014, Dusit Fudu Hotel Management (Shanghai) Co., Ltd., a joint venture in People's Republic of China, had additionally called share capital from Dusit China Capital Co., Ltd., a subsidiary, of 20.73%, totalling CNY 2,700,000 or approximately Baht 14,080,789. On 16 October 2014, such joint venture had additionally called its capital of 20.00%, totalling CNY 2,700,000 or approximately Baht 14,289,257. As such, as of 16 October 2014, the subsidiary had fully paid its investment amounting to CNY 13,500,000, or approximately Baht 68,878,078.

43. Events after the reporting period (Continued)

- 43.4 On 25 April 2014, the general shareholders' meeting of the Company passed a resolution to approve and appropriate retained earnings as dividend payment for the year 2013 for 85,000,000 ordinary shares at Baht 1.00 per share, totalling Baht 85,000,000 which was paid to the shareholders on 9 May 2014.
- 43.5 On 25 April 2014, the general shareholders' meeting of Dusit Thai Properties Public Company Limited, a subsidiary, passed a resolution to approve and appropriate retained earnings as dividend payment for the year 2013 to shareholders for 82,500,000 ordinary shares at Baht 0.25 per share, totalling Baht 20,625,000 which was paid to the shareholders on 8 May 2014.
- 43.6 On 28 April 2014, the general shareholders' meeting of Dusit Management Company Limited, a subsidiary, passed a resolution to approve and appropriate the profit for the year 2013 as dividend payment for the year 2013 to shareholders for 400,000 ordinary shares at Baht 2.50 per share, totalling Baht 1,000,000 which was paid to the shareholders on 9 May 2014.
- 43.7 On 28 April 2014, the general shareholders' meeting of Dusit Thani Properties Company Limited, a subsidiary, passed a resolution to approve and appropriate the net profit and retained earnings as dividend payment for the year 2013 to shareholders for 80,000,000 ordinary shares at Baht 0.45 per share, totalling Baht 36,000,000 which was paid to the shareholders on 3 June 2014.
- 43.8 On 28 April 2014, the general shareholders' meeting of Le Cordon Bleu Dusit Company Limited, a joint venture, passed a resolution to approve and appropriate retained earnings as dividend payment for the year 2013 to shareholders for 1 preferred share and 399,999 ordinary shares at Baht 125.00 per share, totalling Baht 49,999,875 which was paid to the shareholders on 13 June 2014.
- 43.9 On 26 May 2014, the short-term loan facility of DMS Property Investment Pvt. Ltd. , a subsidiary, was increased by USD 1,000,000 and was guaranteed by the Company at 60% and other 2 shareholders of the subsidiary at 40%.
- 43.10 On 3 June 2014, Philippine Hoteliers, Inc., a subsidiary, had entered into another loan agreement with another bank to finance the renovation of its hotel in the limit of Peso 991,675,000 with maturity date of 10 years with a 24-month grace period from the initial borrowing (19 September 2014). The agreement specified the terms and conditions as follows:

- (1) The interest payment is on a quarterly basis with interest rate options as follows:
- Quarterly repricing at 3 months Philippine Dealing System Treasury - Fixing plus 1.50% spread or BSP* Overnight Borrowing rate plus 0.125% spread, whichever is higher at the time of interest setting and repricing;
 - Semi-annual repricing at 6 month Philippine Dealing System Treasury - Fixing plus 1.50% spread or BSP* Overnight Borrowing rate plus 0.25% spread, whichever is higher at the time of interest setting and repricing;
 - Yearly repricing at 1 year Philippine Dealing System Treasury - Fixing plus 1.50% spread or BSP* Overnight Borrowing rate plus 0.475% spread, whichever is higher at the time of interest setting and repricing;

The subsidiary has to choose 1 option to set the interest rate.

* BSP or Bangko Sentral ng Pilipinas

- (2) Repayment of principal shall be semi-annually after a 2-year grace period from each drawdown date and subject to the following conditions:
- 10% of the principal to be repaid semi-annually in the 3rd year.
 - The remaining 90% of the principal to be repaid semi-annually within the remaining 7 years, from the date of borrowing until the maturity date, with the remaining principal to be fully repaid in last installment.

The loan agreement restricts the declaration of dividends, carries certain restrictive covenants pertaining to the debt to equity ratio and current ratio of the subsidiary.

43. Events after the reporting period (Continued)

- 43.11 On 13 August 2014, the Board of Directors of the Company had passed a resolution to terminate the joint venture agreement in Dusit Thani Laguna Singapore Pte. Ltd., an associate. The Company shall instead conduct hotel management for the hotel. The Company's investment in shares of the joint venture shall be transferred to Laguna Hotel Holdings Pte. Ltd. or company or person assigned by Laguna Hotel Holdings Pte. Ltd. The joint venture shall no longer use the word "Dusit Thani" in its name.

The Company has terminated the joint venture agreement in Dusit Thani Laguna Singapore Pte. Ltd. on 21 August 2014.

On 21 August 2014, the Company has entered into a memorandum with Laguna Hotel Holdings Pte. Ltd., to provide deposits totalling SGD 4,000,000 to Laguna Hotel Holdings Pte. Ltd., or its affiliate to be assigned by Laguna Hotel Holdings Pte. Ltd. for hotel management right for the benefits to manage hotels of that company. The Company also agreed to transfer the advance payment to Dusit Thani Laguna Singapore Pte. Ltd. of SGD 1,000,000, equivalent to Baht 25,270,815 million, (see Note 8) as partial payment of the deposits. The remaining amount of SGD 3,000,000 will be paid in two installments according to the progress of the construction of the hotel. The deposit will be refunded to the Company under conditions specified in the memorandum.

- 43.12 On 29 September 2014, the Board of Directors of the Company passed a resolution to accept the entire business transfer from Devarana Spa Co., Ltd., a subsidiary which 99.99% owned by the Company.

The Company has already received the entire business transfer from the subsidiary from 1 November 2014 onwards.

- 43.13 On 9 October 2014, the Company, as guarantor has guaranteed to the hotel's owner in overseas that Dusit Overseas Co., Ltd., a subsidiary in Hong Kong to provide technical service, management service and others according to the technical services agreement for management system. The guarantee condition and terms are as agreed in the technical services agreement for management system.

- 43.14 On 11 November 2014, the Board of Directors of the Company approved Philippine Hoteliers, Inc., a subsidiary (indirect holding) to sign a memorandum of understanding to lease an area to develop a new project in Philippines and to pay deposit amounting to Peso 13,020,000, or approximately Baht 9,420,621 within 30 days from the signing date of the memorandum of understanding.

- 43.15 On 18 December 2014, The Group has set up a new company, namely Dusit Thani Hotel Co., Ltd. which held by the Company at 99.99% of shareholding. This subsidiary has objectives to operate the Dusit Thani Hotel School which its registered capital of Baht 120,000,000, consisted of 1,200,000 ordinary shares, par value Baht 100.00 each. The Company has 25% payment of such investment to this subsidiary on 17 December 2014. On 19 December 2014, the subsidiary has entered to the sublease land and building agreement from an education institution to renovate the building to a vocational school for a period of 30 years from 1 January 2016 to 31 December 2045 and has solely right to extend the lease agreement for another 10 years from the expiry date of the sublease agreement.

- 43.16 On 12 January 2015, Dusit China Capital Co., Ltd., a subsidiary has entered to a shareholder loan agreement to Dusit Fudu Hotel Management (Shanghai) Co., Ltd., a joint venture company in People's Republic of China, totalling CNY 13,500,000, for its working capital. The lending period is 5 years, and interest rate shall be floated on the benchmark lending rate (BLR) for 1-5 year loan of the People's Bank of China.

- 43.17 On 20 January 2015, the Company as guarantor has extended the guarantee period of minimum lease and/or sublease payment by Dusit Management Co., Ltd., a subsidiary, to Dusit Thani Freehold and Leasehold Property Fund which expired on 31 December 2014 for another guarantee period from 1 January 2015 to 31 March 2015, and reduced the guaranteed limit from Baht 125,000,000 to Baht 97,000,000.