

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

**CONSOLIDATED AND SEPARATE  
FINANCIAL STATEMENTS**

**31 DECEMBER 2010**

## **AUDITOR'S REPORT**

To the Shareholders of Dusit Thani Public Company Limited

I have audited the accompanying consolidated and separate balance sheets as at 31 December 2010 and 2009, and the related consolidated and separate statements of income, changes in equity, and cash flows for the years then ended of Dusit Thani Public Company Limited and its subsidiaries and of Dusit Thani Public Company Limited, respectively. The Company's management is responsible for the correctness and completeness of information in these financial statements. My responsibility is to express an opinion on these financial statements based on my audits.

I conducted my audits in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audits provide a reasonable basis for my opinion.

In my opinion, the consolidated and separate financial statements referred to above present fairly, in all material respects, the consolidated and company financial position as at 31 December 2010 and 2009, and the consolidated and company results of operations, and its cash flows for the years then ended of Dusit Thani Public Company Limited and its subsidiaries and of Dusit Thani Public Company Limited in accordance with generally accepted accounting principles.

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

Bangkok  
25 February 2011

**Dusit Thani Public Company Limited and Subsidiaries**

**Balance sheets**

**As at 31 December 2010 and 2009**

		<b>Consolidated</b>		<b>Separate</b>		<b>Baht</b>
		<b>financial statements</b>		<b>financial statements</b>		
	<b>Notes</b>	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>	
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	6.1	377,415,418	396,174,859	180,844,300	156,286,159	
Trade accounts receivable - net	7	255,388,882	167,933,727	148,002,491	99,100,769	
Inventories - net	8	69,683,855	65,189,363	25,162,132	34,593,940	
Short-term loans to related companies	27.3	11,000,330	15,000,450	23,828,900	31,800,000	
Prepaid rental of land and buildings	12	74,066,640	74,066,640	74,066,640	74,066,640	
Other current assets	9.1	241,749,892	221,364,362	288,179,987	156,080,914	
<b>Total Current Assets</b>		<b>1,029,305,017</b>	<b>939,729,401</b>	<b>740,084,450</b>	<b>551,928,422</b>	
<b>Non-Current Assets</b>						
Investment in subsidiaries	27.1	-	-	896,074,066	892,077,373	
Investment in joint ventures	27.1	-	-	23,469,945	19,999,400	
Investment in associate	27.1	1,235,075,256	-	1,228,200,000	-	
Investment property		188,415,853	188,415,853	158,181,293	158,181,293	
Other long-term investments	10	522,786,282	421,259,032	278,982,100	186,753,650	
Property, premises and equipment - net	11	2,605,241,725	3,460,425,280	1,015,317,785	1,500,748,500	
Prepaid rental of land and buildings exceeding one year - net	12	462,916,500	536,983,140	462,916,500	536,983,140	
Intangible assets - net	13	45,069,818	48,028,553	43,504,075	45,141,274	
Other non-current assets - net	14	6,670,223	12,206,972	1,315,871	71,540,209	
<b>Total Non-Current Assets</b>		<b>5,066,175,657</b>	<b>4,667,318,830</b>	<b>4,107,961,635</b>	<b>3,411,424,839</b>	
<b>Total Assets</b>		<b>6,095,480,674</b>	<b>5,607,048,231</b>	<b>4,848,046,085</b>	<b>3,963,353,261</b>	

The notes to the financial statements from pages 11 to 57 are an integral part of these financial statements.

**Dusit Thani Public Company Limited and Subsidiaries**

**Balance sheets (Continued)  
As at 31 December 2010 and 2009**

		<b>Consolidated</b>		<b>Separate</b>		<b>Baht</b>
		<b>financial statements</b>		<b>financial statements</b>		
	<b>Notes</b>	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>	
<b>LIABILITIES AND EQUITY</b>						
<b>Current Liabilities</b>						
Bank overdrafts and short-term loans						
from financial institutions	15	197,000,000	247,389,288	183,000,000	247,000,000	
Trade accounts payable		151,507,936	128,986,342	80,655,603	57,881,904	
Current portion of long-term liabilities under						
financial lease agreements	16	200,731	935,206	18,969	686,541	
Current portion of long-term loans	17	36,518,585	84,049,000	-	-	
Short-term loan from related companies	27.3	14,999,550	17,499,475	1,092,310,000	-	
Current portion of deferred rental revenue	18	25,433,333	-	-	-	
Other current liabilities						
Other payables		58,618,861	43,855,086	120,094,100	46,236,029	
Payables-Assets acquisition	6.2.1	78,466,205	28,590,662	59,428,748	16,241,174	
Accrued income tax		11,335,218	-	-	-	
Accrued expenses		253,443,939	164,915,876	109,451,184	64,811,038	
Others		186,114,321	95,813,995	74,026,087	63,780,039	
		<u>587,978,544</u>	<u>333,175,619</u>	<u>363,000,119</u>	<u>191,068,280</u>	
Total Current Liabilities		<u>1,013,638,679</u>	<u>812,034,930</u>	<u>1,718,984,691</u>	<u>496,636,725</u>	
<b>Non-Current Liabilities</b>						
Long-term liabilities under financial lease						
agreements	16	477,080	23,790	-	23,790	
Long-term loans	17	119,734,785	758,220,500	-	330,000,000	
Unrealized gain on sales of assets held						
for sale	22	6,904,215	-	6,904,215	-	
Deferred rental revenue	18	737,009,224	-	-	-	
Other non-current liabilities		<u>15,232,252</u>	<u>14,578,496</u>	<u>15,232,252</u>	<u>14,578,496</u>	
Total Non-Current Liabilities		<u>879,357,556</u>	<u>772,822,786</u>	<u>22,136,467</u>	<u>344,602,286</u>	
<b>Total Liabilities</b>		<u>1,892,996,235</u>	<u>1,584,857,716</u>	<u>1,741,121,158</u>	<u>841,239,011</u>	

The notes to the financial statements from pages 11 to 57 are an integral part of these financial statements.

**Dusit Thani Public Company Limited and Subsidiaries**

**Balance sheets (Continued)  
As at 31 December 2010 and 2009**

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2010	2009	2010	2009
<b>LIABILITIES AND EQUITY (Continued)</b>					
<b>Equity</b>					
Share capital					
Authorized share capital					
85,000,000 ordinary shares of					
Baht 10 each					
		<u>850,000,000</u>	<u>850,000,000</u>	<u>850,000,000</u>	<u>850,000,000</u>
Issued and paid-up share capital					
85,000,000 ordinary shares of					
Baht 10 each, fully paid					
		850,000,000	850,000,000	850,000,000	850,000,000
Additional paid-in capital					
Premium on ordinary shares					
		1,643,000,000	1,643,000,000	1,643,000,000	1,643,000,000
Paid-in surplus - treasury					
common shares					
	21.1	18,365,540	18,365,540	16,950,268	16,950,268
Unrealized gain					
	10	240,078,542	138,551,292	138,482,169	46,253,719
Exchange differences on the					
translation of financial					
statements of subsidiaries					
		(142,294,117)	(129,671,093)	-	-
Retained earnings					
Appropriated					
Legal reserve					
	19	85,000,000	85,000,000	85,000,000	85,000,000
Other reserves					
	20 and 21.1	15,740,202	15,740,202	-	-
Unappropriated					
		1,268,130,035	1,202,525,837	373,492,490	480,910,263
Treasury common shares					
	21.1	(15,740,202)	(15,740,202)	-	-
Total attributable to					
equity holders of the parent					
		3,962,280,000	3,807,771,576	3,106,924,927	3,122,114,250
Minority interest					
		240,204,439	214,418,939	-	-
<b>Total Equity</b>					
		<u>4,202,484,439</u>	<u>4,022,190,515</u>	<u>3,106,924,927</u>	<u>3,122,114,250</u>
<b>Total Liabilities and Equity</b>					
		<u>6,095,480,674</u>	<u>5,607,048,231</u>	<u>4,848,046,085</u>	<u>3,963,353,261</u>

The notes to the financial statements from pages 11 to 57 are an integral part of these financial statements.

**Dusit Thani Public Company Limited and Subsidiaries**  
**Statements of Income**  
**For the years ended 31 December 2010 and 2009**

				<b>Baht</b>	
		<b>Consolidated</b>		<b>Separate</b>	
		<b>financial statements</b>		<b>financial statements</b>	
Notes	2010	2009	2010	2009	
Revenue from sales and services	2,797,305,140	2,777,382,413	1,471,631,909	1,548,394,813	
Cost of sales and services					
Cost of sales and services	(1,628,644,134)	(1,527,714,398)	(834,517,977)	(788,666,331)	
Cost of services - depreciation and amortization	(476,609,952)	(516,090,397)	(281,945,441)	(315,668,545)	
Total cost of sales and services	<u>(2,105,254,086)</u>	<u>(2,043,804,795)</u>	<u>(1,116,463,418)</u>	<u>(1,104,334,876)</u>	
Gross profit	692,051,054	733,577,618	355,168,491	444,059,937	
Other incomes					
Management service income	82,033,045	87,120,378	48,384,624	46,913,284	
Interest income	2,062,881	2,245,610	2,896,988	3,780,719	
Dividend income	13,888,275	12,676,372	12,425,600	32,138,126	
Compensation from termination of lease agreement before its termination date	11	-	-	90,736,935	-
Gain on sales of property, premises and equipment	11	504,152,425	904,248	4,952,542	268,134
Net revenue from assets held for sale	22	34,801,960	-	34,801,960	-
Share of profit from investment in associate		6,875,256	-	-	-
Other income		159,194,185	169,880,039	175,554,372	179,869,805
Total other incomes		<u>803,008,027</u>	<u>272,826,647</u>	<u>369,753,021</u>	<u>262,970,068</u>
Profit before expenses		1,495,059,081	1,006,404,265	724,921,512	707,030,005
Expenses					
Selling expenses		(323,993,467)	(325,858,722)	(192,492,602)	(197,279,641)
Administrative expenses		(699,844,466)	(519,075,514)	(502,012,854)	(438,368,891)
Loss on impairment of property, premises and equipment	11	(86,287,204)	(61,603,235)	-	-
Depreciation and amortization		(44,898,310)	(58,397,286)	(22,552,293)	(25,991,102)
Management and directors' remuneration		(85,773,319)	(95,084,019)	(46,258,115)	(42,774,878)
Total expenses		<u>(1,240,796,766)</u>	<u>(1,060,018,776)</u>	<u>(763,315,864)</u>	<u>(704,414,512)</u>
Profit (loss) before financial expenses and income tax		254,262,315	(53,614,511)	(38,394,352)	2,615,493
Financial expenses		(46,360,818)	(51,769,641)	(26,523,421)	(20,423,135)
Profit (loss) before income tax		207,901,497	(105,384,152)	(64,917,773)	(17,807,642)
Income tax	23	(72,276,325)	(9,198,281)	-	-
<b>Net profit (loss)</b>		<u><u>135,625,172</u></u>	<u><u>(114,582,433)</u></u>	<u><u>(64,917,773)</u></u>	<u><u>(17,807,642)</u></u>
<b>Attributable net profit (loss) to:</b>					
- Equity holders of the parent		108,104,198	(107,967,177)	(64,917,773)	(17,807,642)
- Minority interest		27,520,974	(6,615,256)	-	-
		<u><u>135,625,172</u></u>	<u><u>(114,582,433)</u></u>	<u><u>(64,917,773)</u></u>	<u><u>(17,807,642)</u></u>
<b>Basic earnings (loss) per share</b>					
- Equity holders of the parent	Baht	1.28	(1.28)	(0.76)	(0.21)
<b>Weighted average number of ordinary shares</b>	Shares	21.2	84,528,500	84,528,500	85,000,000

The notes to the financial statements from pages 11 to 57 are an integral part of these financial statements.

**Dusit Thani Public Company Limited and Subsidiaries**  
**Statements of Changes in Equity**  
**For the years ended 31 December 2010 and 2009**

<b>Baht</b>											
<b>Consolidated financial statements</b>											
Note	<b>Equity holders of the parent</b>								<b>Minority interest</b>	<b>Total equity</b>	
	<b>Issued and paid-up share capital</b>	<b>Premium on ordinary shares</b>	<b>Paid-in surplus-treasury common shares</b>	<b>Unrealized gain</b>	<b>Exchange differences on the translation of financial statements of subsidiaries</b>	<b>Retained earnings</b>		<b>Treasury common shares</b>			
						<b>Appropriated</b>	<b>Unappropriated</b>				
						<b>Legal reserve</b>	<b>Other reserves</b>				
Beginning balance : 1 January 2009	850,000,000	1,643,000,000	18,365,540	81,528,136	(122,610,980)	85,000,000	15,740,202	1,352,993,014	(15,740,202)	227,264,363	4,135,540,073
Investment in securities available for sale											
Realized gain in equity	-	-	-	57,023,156	-	-	-	-	-	-	57,023,156
Exchange differences on the translation of financial statements	-	-	-	-	(7,060,113)	-	-	-	-	(969,785)	(8,029,898)
Total realized incomes (expenses) in equity	-	-	-	57,023,156	(7,060,113)	-	-	-	-	(969,785)	48,993,258
Net loss	-	-	-	-	-	-	-	(107,967,177)	-	(6,615,256)	(114,582,433)
Total realized incomes (expenses)	-	-	-	57,023,156	(7,060,113)	-	-	(107,967,177)	-	(7,585,041)	(65,589,175)
Dividend paid	-	-	-	-	-	-	-	(42,500,000)	-	(5,260,383)	(47,760,383)
<b>Ending balance : 31 December 2009</b>	<b>850,000,000</b>	<b>1,643,000,000</b>	<b>18,365,540</b>	<b>138,551,292</b>	<b>(129,671,093)</b>	<b>85,000,000</b>	<b>15,740,202</b>	<b>1,202,525,837</b>	<b>(15,740,202)</b>	<b>214,418,939</b>	<b>4,022,190,515</b>
Beginning balance : 1 January 2010	850,000,000	1,643,000,000	18,365,540	138,551,292	(129,671,093)	85,000,000	15,740,202	1,202,525,837	(15,740,202)	214,418,939	4,022,190,515
Investment in securities available for sale											
Realized gain in equity	-	-	-	101,527,250	-	-	-	-	-	-	101,527,250
Exchange differences on the translation of financial statements	-	-	-	-	(12,623,024)	-	-	-	-	(1,735,474)	(14,358,498)
Total realized incomes (expenses) in equity	-	-	-	101,527,250	(12,623,024)	-	-	-	-	(1,735,474)	87,168,752
Net profit	-	-	-	-	-	-	-	108,104,198	-	27,520,974	135,625,172
Total realized incomes (expenses)	-	-	-	101,527,250	(12,623,024)	-	-	108,104,198	-	25,785,500	222,793,924
Dividend paid	-	-	-	-	-	-	-	(42,500,000)	-	-	(42,500,000)
<b>Ending balance : 31 December 2010</b>	<b>850,000,000</b>	<b>1,643,000,000</b>	<b>18,365,540</b>	<b>240,078,542</b>	<b>(142,294,117)</b>	<b>85,000,000</b>	<b>15,740,202</b>	<b>1,268,130,035</b>	<b>(15,740,202)</b>	<b>240,204,439</b>	<b>4,202,484,439</b>

The notes to the financial statements from pages 11 to 57 are an integral part of these financial statements.

**Dusit Thani Public Company Limited and Subsidiaries**

**Statements of Changes in Equity (Continued)**

**For the years ended 31 December 2010 and 2009**

	Note	Separate financial statements					Total equity	Baht	
		Issued and paid-up share capital	Premium on ordinary shares	Paid-in surplus-Treasury common shares	Unrealized gain (loss)	Retained earnings			
						Appropriated Legal reserve			Unappropriated
Beginning balance : 1 January 2009		850,000,000	1,643,000,000	16,950,268	(6,364,100)	85,000,000	541,217,905	3,129,804,073	
Investment in securities available for sale									
Realized gain in equity		-	-	-	52,617,819	-	-	52,617,819	
Total realized incomes in equity		-	-	-	52,617,819	-	-	52,617,819	
Net loss		-	-	-	-	-	(17,807,642)	(17,807,642)	
Total realized incomes (expenses)		-	-	-	52,617,819	-	(17,807,642)	34,810,177	
Dividend paid	24	-	-	-	-	-	(42,500,000)	(42,500,000)	
<b>Ending balance : 31 December 2009</b>		<b>850,000,000</b>	<b>1,643,000,000</b>	<b>16,950,268</b>	<b>46,253,719</b>	<b>85,000,000</b>	<b>480,910,263</b>	<b>3,122,114,250</b>	
Beginning balance : 1 January 2010		850,000,000	1,643,000,000	16,950,268	46,253,719	85,000,000	480,910,263	3,122,114,250	
Investment in securities available for sale									
Realized gain in equity		-	-	-	92,228,450	-	-	92,228,450	
Total realized incomes in equity		-	-	-	92,228,450	-	-	92,228,450	
Net loss		-	-	-	-	-	(64,917,773)	(64,917,773)	
Total realized incomes (expenses)		-	-	-	92,228,450	-	(64,917,773)	27,310,677	
Dividend paid	24	-	-	-	-	-	(42,500,000)	(42,500,000)	
<b>Ending balance : 31 December 2010</b>		<b>850,000,000</b>	<b>1,643,000,000</b>	<b>16,950,268</b>	<b>138,482,169</b>	<b>85,000,000</b>	<b>373,492,490</b>	<b>3,106,924,927</b>	

The notes to the financial statements from pages 11 to 57 are an integral part of these financial statements.



**Dusit Thani Public Company Limited and Subsidiaries**  
**Statements of Cash Flows**  
**For the years ended 31 December 2010 and 2009**

		<b>Consolidated</b>		<b>Separate</b>		<b>Baht</b>
		<b>financial statements</b>		<b>financial statements</b>		
	<b>Notes</b>	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>	
<b>Cash flows from operating activities</b>						
Profit (loss) before income tax		207,901,497	(105,384,152)	(64,917,773)	(17,807,642)	
Items to reconcile:						
Realized income from deferred rental revenue	18	(557,443)	-	-	-	
Interest income		(2,062,881)	(2,245,610)	(2,896,988)	(3,780,719)	
Dividend income		(13,888,275)	(12,676,372)	(12,425,600)	(32,138,126)	
Bad debts and allowance for doubtful accounts		14,114,714	8,004,242	9,893,314	7,722,133	
Depreciation and amortization of property, premises and equipment	11	513,261,746	565,447,451	290,968,922	327,623,964	
Amortization of prepaid rental of land and buildings	12	74,066,640	74,066,640	74,066,640	74,066,640	
Amortization of intangible assets	13	7,381,227	8,174,943	5,684,368	6,035,683	
Amortization of other non - current assets	14	865,289	865,289	7,844,444	8,000,000	
Loss on impairment of investment in subsidiary		-	-	(2,996,701)	2,996,701	
Share of profit from investment in associate		(6,875,256)	-	-	-	
Compensation from the premature termination of contract		-	-	(90,736,935)	-	
Gain on sales of property, premises and equipment		(504,152,425)	(904,248)	(4,952,542)	(268,134)	
Loss on property, premises and equipment written off	11	9,980,795	7,327,492	6,679,185	4,030,771	
Loss on impairment of property, premises and equipment	11	86,287,204	61,603,235	-	-	
Loss on intangible assets written off	13	2	71,380	-	-	
Financial expenses		46,360,818	51,769,641	26,523,421	20,423,135	
Income from operations before changes in operating assets and liabilities		432,683,652	656,119,931	242,733,755	396,904,406	
(Increase) decrease in operating assets						
Trade accounts receivable		(94,658,720)	11,200,058	(54,892,559)	3,804,208	
Inventories		273,972	3,518,019	14,707,470	954,651	
Proceeds from refund of prepaid income tax		22,058,770	11,877,842	24,933,831	-	
Other current assets		(63,387,841)	(17,037,338)	(155,831,447)	(2,833,068)	
Other non-current assets		4,491,344	(3,527,067)	224,337	235,456	
Increase (decrease) in operating liabilities						
Trade accounts payable		24,742,833	27,602,920	22,773,699	13,810,172	
Other payables		14,763,774	12,569,286	73,858,072	(27,058,599)	
Accrued expenses		92,726,102	(6,553,774)	45,512,500	(5,945,300)	
Payment for income tax		(51,263,407)	(45,825,517)	(5,146,341)	(9,928,555)	
Other current liabilities		80,343,550	3,317,789	(210,384)	(15,171,346)	
Other non-current liabilities		653,755	829,368	653,755	829,368	
Net cash provided by operating activities		463,427,784	654,091,517	209,316,688	355,601,393	

The notes to the financial statements from pages 11 to 57 are an integral part of these financial statements.

**Dusit Thani Public Company Limited and Subsidiaries**

**Statements of Cash Flows (Continued)**

**For the years ended 31 December 2010 and 2009**

	Notes	Baht			
		Consolidated		Separate	
		financial statements		financial statements	
		2010	2009	2010	2009
<b>Cash flows from investing activities</b>					
Decrease in short-term investments		-	5,000,000	-	-
Interest income		2,099,999	2,334,459	2,939,395	3,907,575
Dividend income		13,888,275	12,676,372	12,425,600	32,138,126
Proceeds from repayment of loans to related companies	27.3	4,000,120	-	9,800,000	62,700,000
Payment for loans to related companies	27.3	-	-	(1,828,900)	(31,800,000)
Payment for purchase of shares in subsidiaries		-	-	(999,993)	-
Payment for purchase of shares in a joint venture		-	-	(3,470,545)	-
Payment for purchase of shares in associate		(1,228,200,000)	-	(1,228,200,000)	-
Payment for purchase of other long-term investment	10	-	(504,944)	-	(40,754,131)
Proceeds from sales of assets held for sale	11	2,619,767,962	-	2,619,767,962	-
Proceeds from sales of property, premises and equipment		1,095,173,443	1,813,609	121,458,694	427,617
Proceeds from sales of intangible assets		583,010	-	116,035	-
Proceed from deferred rental revenue	18	763,000,000	-	-	-
Proceeds from termination of lease agreement	11	-	-	441,000,000	-
Payment for purchase of assets held for sale	11	(2,611,581,253)	-	(2,611,581,253)	-
Payment for purchase of property, premises and equipment	6.2.1	(311,104,518)	(294,091,131)	(169,745,202)	(177,365,808)
Payment for purchase of intangible assets	13	(5,005,504)	(6,883,131)	(4,163,204)	(6,085,225)
Net cash provided by (used in) investing activities		<u>342,621,534</u>	<u>(279,654,766)</u>	<u>(812,481,411)</u>	<u>(156,831,846)</u>

The notes to the financial statements from pages 11 to 57 are an integral part of these financial statements.

**Dusit Thani Public Company Limited and Subsidiaries**

**Statements of Cash Flows (Continued)**

**For the years ended 31 December 2010 and 2009**

	Notes	Baht			
		Consolidated		Separate	
		financial statements		financial statements	
		2010	2009	2010	2009
<b>Cash flows from financing activities</b>					
Decrease in bank overdrafts		(389,288)	(1,056,467)	-	(1,445,756)
Proceeds from short-term loans from financial institutions		4,229,600,000	457,000,000	4,215,600,000	457,000,000
Repayment for short-term loans from financial institutions		(4,279,600,000)	(465,500,000)	(4,279,600,000)	(447,000,000)
Proceeds from short-term loans from related companies	27.3	-	-	1,092,310,000	-
Repayment for short-term loan from related companies	27.3	(2,499,925)	(2,499,925)	-	-
Payment for long-term liabilities under finance lease agreement	6.2.1	(1,455,726)	(3,023,511)	(691,362)	(2,322,123)
Repayment of long-term loans	17	(677,151,754)	(184,708,077)	(330,000,000)	(100,000,000)
Interest paid		(46,509,637)	(53,552,680)	(27,395,774)	(20,303,117)
Dividends paid	24	(42,500,000)	(47,760,383)	(42,500,000)	(42,500,000)
Net cash provided by (used in) financing activities		(820,506,330)	(301,101,043)	627,722,864	(156,570,996)
Net increase (decrease) in cash and cash equivalents		(14,457,012)	73,335,708	24,558,141	42,198,551
Cash and cash equivalents as at 1 January		396,174,859	324,764,101	156,286,159	114,087,608
Exchange losses on cash		(4,302,429)	(1,924,950)	-	-
<b>Cash and cash equivalents as at 31 December</b>	6.1	<b>377,415,418</b>	<b>396,174,859</b>	<b>180,844,300</b>	<b>156,286,159</b>

The notes to the financial statements from pages 11 to 57 are an integral part of these financial statements.

**Dusit Thani Public Company Limited and Subsidiaries**  
**Notes to the Financial Statements**  
**For the years ended 31 December 2010 and 2009**

**1. General information**

Dusit Thani Public Company Limited is a company registered in Thailand with its head office located at 946 Dusit Thani Office Building, 5<sup>th</sup> 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. The consolidated and separate financial statements were approved for issuing by the board of directors of the Company on 25 February 2011.

**2. Basis for preparation of the consolidated and separate financial statements**

- 2.1 The accompanying consolidated and separate 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 B.E. 2535.
- 2.2 An English version of the consolidated and separate 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.
- 2.3 The consolidated and separate financial statements have been prepared by cost in valuation of financial statements, except point to explain in accounting policies.
- 2.4 The Company reclassified the following items in balance sheet to conform with changes in presentation in the current period:

<b>Old Account</b>	<b>Amount Baht</b>	<b>Reclassification</b>	<b>Amount Baht</b>
<b>Consolidated financial statements</b>			
Depreciation and amortization	516,090,397	Cost of services - depreciation and amortization	516,090,397
<b>Separate financial statements</b>			
Depreciation and amortization	315,668,545	Cost of services - depreciation and amortization	315,668,545

**2. Basis for preparation of the consolidated financial statements and separate financial statements**  
(Continued)

2.5 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:

	<b>% of shareholding</b>	
	<b>2010</b>	<b>2009</b>
Dusit Thani Properties Company Limited	99.99	99.99
Dusit Thai Properties Public Company Limited		
by the Company	2.15	2.15
by Dusit Thani Properties Company Limited	84.65	84.65
Philippine Hoteliers, Inc.		
by Dusit Thani Properties Company Limited	88.01	88.01
Dusit Enterprises Company Limited		
by Dusit Thani Properties Company Limited	100.00	100.00
Devarana Spa Company Limited	99.99	99.99
Dusit Executive Development Center		
Company Limited	99.99	99.99
Le Cordon Bleu Dusit Company Limited <sup>(1)</sup>	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 International Management Holding Company Limited		
by Dusit Worldwide Company Limited <sup>(2)</sup>	-	100.00
Dusit Bird Hotels Private Limited <sup>(3)</sup>	50.00	-
Dusit Management Company Limited <sup>(4)</sup>	99.99	-
Dusit Thani Freehold and Leasehold Property Fund <sup>(5)</sup>	30.00	-

<sup>(1)</sup> Le Cordon Bleu Dusit Company Limited is a joint venture between the Company and Le Cordon Bleu International BV.

<sup>(2)</sup> Dusit Worldwide Company Limited invested in Dusit International Management Holding Company Limited. As at 1 June 2010, such Company registered the dissolution.

<sup>(3)</sup> On 22 July 2010, the Company invested in Dusit Bird Hotels Private Limited which is a joint venture between the Company and Bird Hospitality Services Private Limited.

<sup>(4)</sup> On 15 December 2010, the Company invested in Dusit Management Company Limited.

<sup>(5)</sup> On 17 December 2010, the Company invested in Dusit Thani Freehold and Leasehold Property Fund.

All material inter-company transactions and balances have been eliminated.

## 2. Basis for preparation of the consolidated and separate financial statements (Continued)

### 2.6 New accounting standards, new financial reporting standards, amendments to accounting standards and accounting framework

#### a) Accounting framework

The amendment of accounting framework is effective on 26 May 2010.

#### b) New accounting standards, new financial reporting standards, new interpretation and amendments to accounting standards

The following new accounting standards (TAS), new financial reporting standards (TFRS), new interpretation (TFRIC) and amendments to accounting standards are mandatory for the accounting periods beginning on or after 1 January 2011 and 1 January 2013, but the Company, subsidiaries and joint ventures have not early adopted them:

#### Effective for the periods beginning on or after 1 January 2011

TAS 1 (Revised 2009)	Presentation of Financial Statements
TAS 2 (Revised 2009)	Inventories
TAS 7 (Revised 2009)	Statement of Cash Flows
TAS 8 (Revised 2009)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (Revised 2009)	Events after the Reporting Period
TAS 11 (Revised 2009)	Construction Contracts
TAS 16 (Revised 2009)	Property, Plant and Equipment
TAS 17 (Revised 2009)	Leases
TAS 18 (Revised 2009)	Revenue
TAS 19	Employee Benefits
TAS 23 (Revised 2009)	Borrowing Costs
TAS 24 (Revised 2009)	Related Party Disclosures
TAS 26	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (Revised 2009)	Consolidated and Separate Financial Statements
TAS 28 (Revised 2009)	Investments in Associates
TAS 29	Financial Reporting in Hyperinflationary Economies
TAS 31 (Revised 2009)	Interests in Joint Ventures
TAS 33 (Revised 2009)	Earnings per Share
TAS 34 (Revised 2009)	Interim Financial Reporting
TAS 36 (Revised 2009)	Impairment of Assets
TAS 37 (Revised 2009)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (Revised 2009)	Intangible Assets
TAS 40 (Revised 2009)	Investment Property
TFRS 2	Share-based Payment
TFRS 3 (Revised 2009)	Business Combinations
TFRS 5 (Revised 2009)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6	Exploration for and Evaluation of Mineral Resources
TFRIC 15	Agreements for the Construction of Real Estate

## 2. Basis for preparation of the consolidated and separate financial statements (Continued)

### 2.6 New accounting standards, new financial reporting standards, amendments to accounting standards and accounting framework (Continued)

#### b) New accounting standards, new financial reporting standards, new interpretation and amendments to accounting standards (Continued)

##### Effective for the period beginning on or after 1 January 2013

TAS 12	Income taxes
TAS 20 (Revised 2009)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (Revised 2009)	The Effects of Changes in Foreign Exchange Rates

The Company's management has determined and assessed that the new accounting standards (TAS), new financial reporting standards (TFRS), new interpretation (TFRIC) and amendments to accounting standards and accounting framework will significantly impact the financial statements being presented:

TAS 12, Income Taxes, comprising current tax and deferred tax. Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, using tax rates and tax law that have been enacted or substantively enacted by the end of the reporting period. Deferred taxes are measured by based on the temporary difference between the tax base of an asset or liability and its carrying amount in the financial statements and using the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates and tax law that have been enacted or substantively enacted by the end of the reporting period. The Company, subsidiaries and joint ventures will apply this standard from 1 January 2013 retrospectively with an expectation to incur of deferred tax account and changes in retained earnings and income tax expense. The management of the Company, subsidiaries and joint ventures is currently assessing the impact of applying this standard.

TAS 16 (Revised 2009), Property, Plant and Equipment, requires the entity to include in cost of PPE, an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, when the entity has obligation to do. An entity requires that an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item shall be depreciated separately. The revised standard also requires the Company, subsidiaries and joint ventures to review useful life, residual value and depreciation method at least at each financial year-end. The Company, subsidiaries and joint ventures will apply this standard from 1 January 2011 by an expected no significantly impact retained earnings.

TAS 19, Employee Benefits, requires the Company, subsidiaries and joint ventures to measure the defined benefit plan and other long-term employee benefits by using the Projected Unit Credit method (PUC) and recognize any actuarial gain or loss for defined benefit plan either in other comprehensive income or profit and loss. Actuarial gain or loss for other long-term employee benefit shall recognize in profit and loss. The Company, subsidiaries and joint ventures will apply this standard from 1 January 2011. The retained earnings as at 1 January 2011 will be impact with expected amount of Baht 83.07 million.

TAS 23 (Revised 2009), Borrowing Costs, requires an entity to capitalize borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. The option of immediately expensing those borrowing costs will be removed. The Company, subsidiaries and joint ventures will apply prospectively from 1 January 2011 but it will not significantly impact the financial statements of the Company, subsidiaries and joint ventures.

## **2. Basis for preparation of the consolidated and separate financial statements (Continued)**

### **2.6 New accounting standards, new financial reporting standards, amendments to accounting standards and accounting framework (Continued)**

#### **b) New accounting standards, new financial reporting standards, new interpretation and amendments to accounting standards (Continued)**

TAS 40 (Revised 2009), Investment Property, the standard has specific presentation and measurement requirements for investment property. The Company, subsidiaries and joint ventures has to present an investment property separately in the statement of financial position. The Company, subsidiaries and joint ventures will apply the standard from 1 January 2011. The Company, subsidiaries and joint ventures will use cost model for measurement and disclose fair value in notes to financial statements. It will not impact to retained earnings.

## **3. Significant accounting policies**

### **3.1 Cash and cash equivalents**

Cash and cash equivalents consist of cash in hand and at banks and current investments which represent deposits with financial institutions with original maturities not more than of 3 months excluding cash at bank used as collateral.

### **3.2 Trade accounts receivable**

Trade accounts receivable are carried at original invoice amount or services rendered amount and subsequent measure at the remaining amount less allowance for doubtful accounts.

Bad debts are occurred during the year in which they are identified and recognized in the statement of income as administration expenses.

### **3.3 Inventories**

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

### **3.4 Investments**

#### **3.4.1 Investments in subsidiaries, associates and joint venture**

Subsidiaries are all entities over which the Company has the power to govern the financial and operating policies.

Associate is the entity over which the Company has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights.

Joint venture is jointly controlled entity.

The acquisition costs of investments in subsidiaries, associates and joint venture are initially recognized as the fair value of the assets given.

Investments in subsidiaries, associates and joint venture are presented by the cost method less provision for impairment in the separate financial statements.

The Company recorded share of profit (loss) from investments using the equity method of associated companies to the extent of the proportion investment in the consolidated financial statements.



### 3. Significant accounting policies (Continued)

#### 3.4 Investments (Continued)

##### 3.4.2 Investment property

Investment property is carried at cost.

##### 3.4.3 Other long-term investments

- a) Investment in available for sale securities are carried at fair value. Gains or losses on the change in fair value are presented as an item in equity. The fair value is based on the latest bid price of the last working day of the year as quoted on the Stock Exchange of Thailand.
- b) Investment in non-marketable equity securities, which classifies as other investments, are valued at cost.

In case of impairment in value of investment has occurred, the resultant loss for all classification of investment is recognized in the statement of income.

#### 3.5 Property, premises and equipment

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

Depreciation is computed by the straight-line method. Estimated useful lives of the assets are as follows:

Premises on leased land	Per lease agreement
Premises	20 - 33 years
Interior and renovation of buildings on leased land	5 - 50 years
Interior and renovation of buildings and leased buildings	5 - 20 years
Furniture and equipment on leased land	3 - 20 years
Furniture and equipment	3 - 20 years
Chinaware, glassware, silverware and linen	5 - 10 years
Vehicles	5 - 10 years
Building and Land right	Per lease agreement

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

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

#### 3.6 Borrowing cost

The Company records its 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 are recognized as expense for the period.

#### 3.7 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.

### 3. Significant accounting policies (Continued)

#### 3.8 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.

#### 3.9 Other non-current assets

Other non-current assets included goodwill on the acquisition of hotel business from subsidiary which is amortized over 10 years.

In case of impairment in value of other non-current assets has occurred, the resultant loss is recognized in the statement of income.

#### 3.10 Impairment of assets

The Company, subsidiaries and joint ventures assess whether there is an indication that an asset may be impaired. If any such indication exists, the companies make an estimate of the asset's recoverable amount. Where the carrying amount of the asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses are recognized in the income statement. An asset's recoverable amount is the higher of 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 are separately identifiable cash flows.

#### 3.11 Long-term lease

##### a) Operating lease

Lease in which substantially all the risks and rewards of ownership of assets remain with the lessor are accounted for as operating lease. Rentals applicable to such operating leases are charged to the statement of income over the lease term.

##### b) Finance lease

Finance lease are the leases in which substantially all the risks and rewards of ownership other than legal title are transferred to the Company and subsidiaries. At inception, the fair value of the leased assets is recorded together with the obligations after netting deferred interest. The leased assets are depreciated using the straight-line method over their estimated useful lives. Interest, finance charge, or depreciation are recognized in the statement of income.

#### 3.12 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.

#### 3.13 Translation of foreign currency transactions

3.13.1 Transactions denominated in foreign currencies are translated into Baht at the rates of exchange prevailing at the transaction dates. All monetary balances of assets and liabilities in foreign currencies at the end of the year are converted at the reference exchange rates established by The Bank of Thailand at the end of the year.

All foreign exchange gains or losses on exchange are recognized in the statement of income.

### 3. Significant accounting policies (Continued)

#### 3.13 Translation of foreign currency transactions (Continued)

3.13.2 Balance sheet and statement of income of foreign subsidiaries are translated into Baht at the exchange rates prevailing at the balance sheet date and the average exchange rates, respectively. The exchange difference on the translation is presented in the equity.

#### 3.14 Recognition of revenues and expenses

Revenues and expenses of the Company, subsidiaries and joint venture 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.

#### 3.15 Income tax

The Company, subsidiaries and joint venture recognized income tax expense based on the tax paid and accrued for the year.

#### 3.16 Provident fund

The Company, subsidiaries and joint venture totalling 6 companies, namely, Dusit Thai Properties Public Company Limited (from amalgamation of Royal Princess Public Company Limited and Dusit Hotels and Resorts Company Limited), Devarana Spa Company Limited, Dusit Executive Development Center Company Limited, Le Cordon Bleu Dusit Company Limited, Dusit Worldwide Company Limited and Dusit Management Company Limited 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 Company, subsidiaries and joint ventures recorded their contribution to provident fund for their employees as expenses when incurred.

#### 3.17 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 are weighted according to time of registration of issued and paid-up share capital.

#### 3.18 Use of accounting estimates

Preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent assets and liabilities. Actual results may differ from those estimates.

#### 4. Critical accounting estimates, assumption and judgement

Estimates, assumption 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.

##### 4.1 Impairment of receivable

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

##### 4.2 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.

##### 4.3 Depreciation and amortization

Management determines the estimated useful lives for the Company, subsidiaries and joint ventures' 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.

#### 5. Capital risk management

The Company, subsidiaries and joint ventures' objectives when managing capital are to safeguard the Company, subsidiaries and joint ventures' 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 Company, subsidiaries and joint ventures' 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.

#### 6. Supplementary disclosures of cash flow information

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

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>		<b>Baht</b>
	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>	
Cash and deposits at bank	377,415,418	390,524,859	180,844,300	156,286,159	
Deposits at financial institutions	-	5,650,000	-	-	
Total	<u>377,415,418</u>	<u>396,174,859</u>	<u>180,844,300</u>	<u>156,286,159</u>	

**6. Supplementary disclosures of cash flow information (Continued)**

6.2 Non-cash transactions are as follows:

6.2.1 In the consolidated and separate financial statements for the years ended 31 December 2010 and 2009:

Purchases of property, premises and equipment

	<b>Consolidated financial statements</b>		<b>Baht Separate financial statements</b>	
	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>
Payables-Assets acquisition				
Balance brought forward	28,590,662	64,824,664	16,241,174	38,915,216
<u>Add</u> Purchases of				
fixed assets	360,611,956	257,846,267	212,932,776	154,691,766
Exchange gain on translation	368,105	10,862	-	-
<u>Less</u> Cash payments	<u>(311,104,518)</u>	<u>(294,091,131)</u>	<u>(169,745,202)</u>	<u>(177,365,808)</u>
Balance carried forward	<u>78,466,205</u>	<u>28,590,662</u>	<u>59,428,748</u>	<u>16,241,174</u>
Long-term liabilities under finance lease agreements (including current portion)				
Balance brought forward	958,996	3,982,507	710,331	3,032,454
<u>Add</u> Purchases of				
fixed assets	1,174,541	-	-	-
<u>Less</u> Cash payments	<u>(1,455,726)</u>	<u>(3,023,511)</u>	<u>(691,362)</u>	<u>(2,322,123)</u>
Balance carried forward	<u>677,811</u>	<u>958,996</u>	<u>18,969</u>	<u>710,331</u>

6.2.2 In the consolidated financial statements for the years ended 31 December 2010 and 2009:

6.2.2.1 The recording of investments available for sale at fair value and recognizing unrealized gain on such investments of Baht 101,527,250 and Baht 57,023,156, respectively, were included in equity.

6.2.2.2 The recording of exchange differences on the translation of the subsidiary's financial statements into Baht was presented as a deduction in the shareholders' equity in the amount of Baht (12,623,024) and Baht (7,060,113), respectively.

6.2.3 In the separate financial statements for the years ended 31 December 2010 and 2009:

- The recording of investments available for sale at fair value and recognizing unrealized gain on such investments of Baht 92,228,450 and Baht 52,617,819, respectively, were included in equity.

## 7. Trade accounts receivable - net

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

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
Number of accounts receivable	1,596	1,164	620	531
	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
Outstanding amount				
Less than 3 months	251,004,857	157,008,290	151,254,534	97,812,055
3-6 months	7,917,472	10,977,626	1,051,948	3,229,557
6-12 months	5,909,044	3,279,239	4,116,119	484,943
Over 12 months	5,317,967	6,103,848	3,273,758	3,277,244
	270,149,340	177,369,003	159,696,359	104,803,799
<u>Less Allowance for doubtful accounts</u>	<u>(14,760,458)</u>	<u>(9,435,276)</u>	<u>(11,693,868)</u>	<u>(5,703,030)</u>
Trade accounts receivable-net	<u>255,388,882</u>	<u>167,933,727</u>	<u>148,002,491</u>	<u>99,100,769</u>

## 8. Inventories - net

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

	Consolidated financial statements		Separate financial statements		Baht
	2010	2009	2010	2009	
Food and beverage	37,268,980	33,900,882	14,807,187	18,023,949	
Chinaware, glassware, silverware and linen	3,399,361	1,292,729	-	-	
Mechanical supplies	2,139,209	1,985,622	940,014	1,045,852	
Other supplies	26,559,796	27,566,120	9,281,562	15,267,676	
Retail products	455,159	582,660	133,369	256,463	
	69,822,505	65,328,013	25,162,132	34,593,940	
<u>Less Allowance for obsolete inventories</u>	<u>(138,650)</u>	<u>(138,650)</u>	<u>-</u>	<u>-</u>	
Total	<u>69,683,855</u>	<u>65,189,363</u>	<u>25,162,132</u>	<u>34,593,940</u>	

## 9. Other current assets - net

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

		<b>Consolidated financial statements</b>		<b>Separate financial statements</b>		<b>Baht</b>
	<b>Note</b>	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>	
Accounts receivable						
- Management fee - net	9.2	43,385,407	50,713,503	55,812,554		55,780,622
Accounts receivable - World Intertrade Corporation Limited		40,879,585	40,879,585	40,879,585		40,879,585
<u>Less</u> Allowance for doubtful <u>Less</u> accounts		<u>(40,879,585)</u>	<u>(40,879,585)</u>	<u>(40,879,585)</u>		<u>(40,879,585)</u>
		-	-	-		-
Other receivables						
- Related companies		5,967,504	561,716	156,695,710		7,386,373
- Others companies		33,790,047	11,813,988	21,251,581		3,956,416
		<u>39,757,551</u>	<u>12,375,704</u>	<u>177,947,291</u>		<u>11,342,789</u>
<u>Less</u> Allowance for doubtful <u>Less</u> accounts		<u>(5,423,344)</u>	<u>(1,220,661)</u>	<u>(5,423,344)</u>		<u>(1,220,661)</u>
		<u>34,334,207</u>	<u>11,155,043</u>	<u>172,523,947</u>		<u>10,122,128</u>
Receivable - Sale of hotel		30,000,000	-	-		
Accrued interest receivable		88,147	125,265	177,990		220,397
Prepaid income tax		42,084,357	73,820,828	15,285,846		35,073,336
VAT refundable		31,086,604	47,331,278	9,242,740		31,754,509
Prepaid expenses		35,631,060	18,736,449	18,055,213		11,038,243
Advances		8,130,628	5,092,625	6,713,595		3,406,314
Advances - related company		-	-	-		1,074,294
Others		17,009,482	14,389,371	10,368,102		7,611,071
		<u>241,749,892</u>	<u>221,364,362</u>	<u>288,179,987</u>		<u>156,080,914</u>

9.2 Accounts receivable - Management fee - net as at 31 December are classified by aging as follows:

		<b>Consolidated financial statements</b>		<b>Separate financial statements</b>		<b>Baht</b>
	<b>Note</b>	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>	
Number of accounts receivable		<u>90</u>	<u>81</u>	<u>44</u>		<u>44</u>
		<b>Baht</b>	<b>Baht</b>	<b>Baht</b>		<b>Baht</b>
Outstanding amount						
Less than 3 months		30,383,182	38,330,425	46,068,851		44,729,765
3-6 months		6,723,280	7,771,567	5,012,520		6,707,424
6-12 months		19,757,176	20,891,761	12,191,939		18,957,987
Over 12 months		12,758,989	7,601,202	11,957,469		4,803,671
		<u>69,622,627</u>	<u>74,594,955</u>	<u>75,230,779</u>		<u>75,198,847</u>
<u>Less</u> Allowance for doubtful <u>Less</u> accounts		<u>(26,237,220)</u>	<u>(23,881,452)</u>	<u>(19,418,225)</u>		<u>(19,418,225)</u>
Accounts receivable <u>Less</u> - Management fee - net	9.1	<u>43,385,407</u>	<u>50,713,503</u>	<u>55,812,554</u>		<u>55,780,622</u>

## 10. Other long-term investments

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

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>		<b>Baht</b>
	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>	
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	<u>240,078,542</u>	<u>138,551,292</u>	<u>138,482,169</u>	<u>46,253,719</u>	
	<u>305,070,400</u>	<u>203,543,150</u>	<u>278,982,100</u>	<u>186,753,650</u>	
General investments					
Equity securities	221,186,732	221,186,732	-	-	
<u>Less</u> Allowance for impairment in value of securities	<u>(3,470,850)</u>	<u>(3,470,850)</u>	<u>-</u>	<u>-</u>	
	<u>217,715,882</u>	<u>217,715,882</u>	<u>-</u>	<u>-</u>	
Total	<u>552,786,282</u>	<u>421,259,032</u>	<u>278,982,100</u>	<u>186,753,650</u>	

Movements in other long-term investments for the year ended 31 December 2010 are summarized as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>		<b>Baht</b>
	<b>Available for sale</b>	<b>General investments</b>	<b>Available for sale</b>	<b>General investments</b>	
Net book value at beginning	203,543,150	217,715,882	186,753,650	-	
Change in fair value of available for sale	<u>101,527,250</u>	<u>-</u>	<u>92,228,450</u>	<u>-</u>	
Net book value at ending	<u>305,070,400</u>	<u>217,715,882</u>	<u>278,982,100</u>	<u>-</u>	



## 11. Property, premises and equipment - net

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

Consolidated financial statements as at 31 December 2009

	Balance as at 31 December 2008 Baht	Additions Baht	Disposals Baht	Amortization Baht	Written off Baht	Transfers Baht	Exchange gain (loss) on translation Baht	Balance as at 31 December 2009 Baht
<b>Cost</b>								
Land	592,815,838	-	-	-	-	-	-	592,815,838
Land improvement	9,216,437	179,300	-	-	-	-	(44,526)	9,351,211
Buildings	964,950,498	4,288,654	(289,162)	-	-	(217,549)	-	968,732,441
Buildings on leased land	1,321,044,551	4,386,912	-	-	-	2,827,170	(31,521,471)	1,296,737,162
Sub-total	<u>2,285,995,049</u>	<u>8,675,566</u>	<u>(289,162)</u>	<u>-</u>	<u>-</u>	<u>2,609,621</u>	<u>(31,521,471)</u>	<u>2,265,469,603</u>
Furniture and equipment	798,405,581	26,636,179	(12,315,282)	-	(9,988,129)	6,264,031	-	809,002,380
Furniture and equipment on leased land	1,576,556,570	26,062,017	(17,158,354)	-	(34,464,948)	28,732,978	(9,894,876)	1,569,833,387
Sub-total	<u>2,374,962,151</u>	<u>52,698,196</u>	<u>(29,473,636)</u>	<u>-</u>	<u>(44,453,077)</u>	<u>34,997,009</u>	<u>(9,894,876)</u>	<u>2,378,835,767</u>
Interior and renovation	369,424,288	44,291,557	-	-	(331,164)	4,271,670	-	417,656,351
Interior and renovation on leased land	1,477,507,340	7,185,981	(110,315)	-	(1,615,886)	103,233,097	-	1,586,200,217
Sub-total	<u>1,846,931,628</u>	<u>51,477,538</u>	<u>(110,315)</u>	<u>-</u>	<u>(1,947,050)</u>	<u>107,504,767</u>	<u>-</u>	<u>2,003,856,568</u>
Vehicles	66,909,822	102,804	(760,766)	-	-	-	(84,579)	66,167,281
Chinaware, glassware, silverware and linen	127,970,334	8,633,949	(710,115)	-	(17,077,341)	1,900	-	118,818,727
Building and land rights - net	90,715,077	-	-	(9,780,644)	-	-	-	80,934,433
Total cost	<u>7,395,516,336</u>	<u>121,767,353</u>	<u>(31,343,994)</u>	<u>(9,780,644)</u>	<u>(63,477,468)</u>	<u>145,113,297</u>	<u>(41,545,452)</u>	<u>7,516,249,428</u>

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

**Consolidated financial statements as at 31 December 2009 (Continued)**

	<b>Balance as at 31 December 2008 Baht</b>	<b>Additions Baht</b>	<b>Disposals Baht</b>	<b>Amortization Baht</b>	<b>Written off Baht</b>	<b>Transfers Baht</b>	<b>Exchange gain (loss) on translation Baht</b>	<b>Balance as at 31 December 2009 Baht</b>
<b>Accumulated Depreciation</b>								
Land improvement	(6,746,273)	(202,180)	-	-	-	-	28,311	(6,920,142)
Buildings	(566,125,677)	(41,483,678)	134,637	-	272	5,030	-	(607,469,416)
Buildings on leased land	(664,178,307)	(60,501,251)	-	-	-	-	18,040,432	(706,639,126)
Sub-total	<u>(1,230,303,984)</u>	<u>(101,984,929)</u>	<u>134,637</u>	<u>-</u>	<u>272</u>	<u>5,030</u>	<u>18,040,432</u>	<u>(1,314,108,542)</u>
Furniture and equipment	(514,000,743)	(70,804,657)	11,837,673	-	7,184,748	16,494	-	(565,766,485)
Furniture and equipment on leased land	(936,122,575)	(178,303,452)	17,109,188	-	34,367,726	688,068	5,858,851	(1,056,402,194)
Sub-total	<u>(1,450,123,318)</u>	<u>(249,108,109)</u>	<u>28,946,861</u>	<u>-</u>	<u>41,552,474</u>	<u>704,562</u>	<u>5,858,851</u>	<u>(1,622,168,679)</u>
Interior and renovation	(130,570,036)	(26,442,164)	31,787	-	1,084,665	27,028	-	(155,868,720)
Interior and renovation on leased land	(680,827,628)	(144,113,333)	-	-	1,705,999	(688,068)	-	(773,923,030)
Sub-total	<u>(761,397,664)</u>	<u>(170,555,497)</u>	<u>31,787</u>	<u>-</u>	<u>2,790,664</u>	<u>(661,040)</u>	<u>-</u>	<u>(929,791,750)</u>
Vehicles	(43,868,035)	(9,883,396)	760,763	-	-	-	63,947	(52,926,721)
Chinaware, glassware, silverware and linen	(63,669,213)	(23,932,696)	560,585	-	11,886,566	(48,552)	-	(75,203,310)
Total accumulate depreciation	<u>(3,556,108,487)</u>	<u>(555,666,807)</u>	<u>30,434,633</u>	<u>-</u>	<u>56,229,976</u>	<u>-</u>	<u>23,991,541</u>	<u>(4,001,119,144)</u>
Construction in process	16,070,434	136,078,914	-	-	(80,000)	(145,113,297)	(57,820)	6,989,231
<b>Property, premises and equipment</b>	<b>3,855,478,283</b>	<b>(297,820,540)</b>	<b>(909,361)</b>	<b>(9,780,644)</b>	<b>(7,327,492)</b>	<b>-</b>	<b>(17,611,731)</b>	<b>3,522,028,515</b>
Less Allowance for impairment	-	(61,603,235)	-	-	-	-	-	(61,603,235)
<b>Property, premises and equipment - net</b>	<b><u>3,855,478,283</u></b>	<b><u>(359,423,775)</u></b>	<b><u>(909,361)</u></b>	<b><u>(9,780,644)</u></b>	<b><u>(7,327,492)</u></b>	<b><u>-</u></b>	<b><u>(17,611,731)</u></b>	<b><u>3,460,425,280</u></b>
Depreciation	<u>582,763,106</u>							<u>555,666,807</u>
Amortization	<u>9,780,644</u>							<u>9,780,644</u>

## 11. Property, premises and equipment - net (Continued)

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

Consolidated financial statements as at 31 December 2010

	Balance as at 31 December 2009 Baht	Additions Baht	Disposals Baht	Amortization Baht	Written off Baht	Assets transfer to related Baht	Transfers Baht	Exchange gain (loss) on translation Baht	Balance as at 31 December 2010 Baht
<b>Cost</b>									
Land	592,815,838	-	(287,870,821)	-	-	-	-	-	304,945,017
Land improvement	9,351,211	209,600	-	-	(48,513)	-	-	(64,105)	9,448,193
Buildings	968,732,441	1,207,000	(77,516,324)	-	(27,185)	90,906,854	1,155,100	-	984,457,886
Buildings on leased land	1,296,737,162	8,440,852	(6,374,818)	-	-	(124,780,290)	3,045,089	(45,708,162)	1,131,359,833
Sub-total	<u>2,265,469,603</u>	<u>9,647,852</u>	<u>(83,891,142)</u>	<u>-</u>	<u>(27,185)</u>	<u>(33,873,436)</u>	<u>4,200,189</u>	<u>(45,708,162)</u>	<u>2,430,210,929</u>
Furniture and equipment	809,002,380	32,439,068	(372,987,813)	-	(135,705,189)	58,104,214	23,888,311	-	414,740,971
Furniture and equipment on leased land	1,569,833,387	53,558,015	(158,172,331)	-	(119,973,113)	(93,959,179)	34,157,640	(12,959,836)	1,272,484,583
Sub-total	<u>2,378,835,767</u>	<u>85,997,083</u>	<u>(531,160,144)</u>	<u>-</u>	<u>(255,678,302)</u>	<u>(35,854,965)</u>	<u>58,045,951</u>	<u>(12,959,836)</u>	<u>1,687,225,554</u>
Interior and renovation	417,656,351	5,030,120	(161,268,203)	-	(95,798,108)	139,096,440	25,319,049	-	330,035,649
Interior and renovation on leased land	1,586,200,217	14,699,551	(26,407,565)	-	(138,096,054)	(283,713,378)	21,131,167	-	1,173,813,938
Sub-total	<u>2,003,856,568</u>	<u>19,729,671</u>	<u>(187,678,768)</u>	<u>-</u>	<u>(233,894,162)</u>	<u>(144,616,938)</u>	<u>46,450,216</u>	<u>-</u>	<u>1,503,849,587</u>
Vehicles	66,167,281	3,779,214	(3,139,177)	-	(30,519)	-	-	(121,772)	66,655,027
Chinaware, glassware, silverware and linen	118,818,727	29,001,214	(34,937,501)	-	(27,492,782)	-	(163,708)	-	85,225,950
Building and land rights - net	80,934,433	-	-	(9,780,644)	-	-	-	-	71,153,789
Total cost	<u>7,516,249,428</u>	<u>148,364,634</u>	<u>(1,128,674,553)</u>	<u>(9,780,644)</u>	<u>(517,171,463)</u>	<u>(214,345,339)</u>	<u>108,532,648</u>	<u>(58,853,875)</u>	<u>5,844,320,836</u>

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

**Consolidated financial statements as at 31 December 2010 (Continued)**

	<b>Balance as at 31 December 2009 Baht</b>	<b>Additions Baht</b>	<b>Disposals Baht</b>	<b>Amortization Baht</b>	<b>Written off Baht</b>	<b>Assets transfer to Related Baht</b>	<b>Transfers Baht</b>	<b>Exchange gain (loss) on translation Baht</b>	<b>Balance as at 31 December 2010 Baht</b>
<b>Accumulated Depreciation</b>									
Land improvement	(6,920,142)	(209,821)	-	-	45,008	-	-	42,751	(7,042,204)
Buildings	(607,469,416)	(30,250,411)	44,647,990	-	17,407	-	-	-	(593,054,430)
Buildings on leased land	(706,639,126)	(59,954,878)	1,742,723	-	-	33,873,436	-	29,071,926	(701,905,919)
Sub-total	<u>(1,314,108,542)</u>	<u>(90,205,289)</u>	<u>46,390,713</u>	<u>-</u>	<u>17,407</u>	<u>33,873,436</u>	<u>-</u>	<u>29,071,926</u>	<u>(1,294,960,349)</u>
Furniture and equipment	(565,766,485)	(69,128,992)	268,475,807	-	134,979,201	-	(470,725)	-	(231,911,194)
Furniture and equipment on leased land	(1,056,402,194)	(158,346,138)	109,726,175	-	118,981,127	35,854,965	31,645	9,460,751	(940,693,669)
Sub-total	<u>(1,622,168,679)</u>	<u>(227,475,130)</u>	<u>378,201,982</u>	<u>-</u>	<u>253,960,328</u>	<u>35,854,965</u>	<u>(439,080)</u>	<u>9,460,751</u>	<u>(1,172,604,863)</u>
Interior and renovation	(155,868,720)	(29,285,257)	40,255,590	-	94,815,862	-	-	-	(50,082,525)
Interior and renovation on leased land	(773,923,030)	(130,298,095)	8,659,065	-	136,041,947	144,616,938	(31,797)	-	(614,934,972)
Sub-total	<u>(929,791,750)</u>	<u>(159,583,352)</u>	<u>48,914,655</u>	<u>-</u>	<u>230,857,809</u>	<u>144,616,938</u>	<u>(31,797)</u>	<u>-</u>	<u>(665,017,497)</u>
Vehicles	(52,926,721)	(8,500,412)	3,139,159	-	30,517	-	-	104,854	(58,152,603)
Chinaware, glassware, silverware and linen	(75,203,310)	(17,507,098)	22,557,502	-	23,211,534	-	470,877	-	(46,470,495)
Total accumulate depreciation	<u>(4,001,119,144)</u>	<u>(503,481,102)</u>	<u>499,204,011</u>	<u>-</u>	<u>508,122,603</u>	<u>214,345,339</u>	<u>-</u>	<u>38,680,282</u>	<u>(3,244,248,011)</u>
Construction in process	6,898,231	217,320,140	(18,987,391)	-	(931,935)	-	(108,532,648)	(143,973)	95,622,424
<b>Property, premises and equipment</b>	3,522,028,515	(137,796,328)	(648,457,933)	(9,780,644)	(9,980,795)	-	-	(20,317,566)	2,695,695,249
Less Allowance for impairment	(61,603,235)	(86,287,204)	57,436,915	-	-	-	-	-	(90,453,524)
<b>Property, premises and equipment - net</b>	<u>3,460,425,280</u>	<u>(224,083,532)</u>	<u>(591,021,018)</u>	<u>(9,780,644)</u>	<u>(9,980,795)</u>	<u>-</u>	<u>-</u>	<u>(20,317,566)</u>	<u>2,605,241,725</u>
Depreciation	<u>555,666,807</u>								<u>513,261,746</u>
Amortization	<u>9,780,644</u>								<u>8,246,516</u>

## 11. Property, premises and equipment - net (Continued)

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

### Separate financial statements as at 31 December 2009

	Balance as at 31 December 2008	Additions	Disposals	Amortization	Written off	Transfers	Balance as at 31 December 2009
	Baht	Baht	Baht	Baht	Baht	Baht	Baht
<b>Cost</b>							
Land	3,247,665	-	-	-	-	-	3,247,665
Land improvement	640,803	-	-	-	-	-	640,803
Buildings	12,891,575	-	-	-	-	-	12,891,575
Buildings on leased land	137,040,635	-	-	-	-	-	137,040,635
Interior and renovation	4,915,608	-	-	-	-	-	4,915,608
Interior and renovation on leased land	1,526,686,535	7,185,980	(110,314)	-	(1,615,886)	103,233,097	1,635,379,412
Furniture and equipment	2,395,396	1,400	-	-	-	-	2,396,796
Furniture and equipment on leased land	1,374,492,787	21,470,319	(17,158,354)	-	(1,546,637)	28,894,739	1,406,152,854
Vehicles	43,329,661	102,804	(760,766)	-	-	-	42,671,699
Chinaware, glassware, silverware and linen	74,793,820	6,039,146	-	-	(14,325,037)	-	66,507,929
Building and Land rights - net	135,300,632	-	-	(14,876,136)	-	-	120,424,496
<b>Total cost</b>	<b>3,315,735,117</b>	<b>34,799,649</b>	<b>(18,029,434)</b>	<b>(14,876,136)</b>	<b>(17,487,560)</b>	<b>132,127,836</b>	<b>3,432,269,472</b>
<b>Accumulated Depreciation</b>							
Buildings	(9,756,792)	(234,074)	-	-	-	-	(9,990,866)
Buildings on leased land	(25,159,773)	(7,802,851)	-	-	-	-	(32,962,624)
Interior and renovation	(1,895,889)	(983,121)	-	-	-	-	(2,879,010)
Interior and renovation on leased land	(680,006,823)	(144,113,333)	-	-	1,705,999	(688,068)	(823,102,225)
Furniture and equipment	(1,628,332)	(129,835)	-	-	-	-	(1,758,167)
Furniture and equipment on leased land	(867,906,064)	(140,048,244)	17,109,188	-	1,449,415	688,068	(988,707,637)
Vehicles	(28,839,124)	(6,127,112)	760,763	-	-	-	(34,205,473)
Chinaware, glassware, silverware and linen	(36,760,076)	(13,309,258)	-	-	10,301,375	-	(39,767,959)
<b>Total accumulated depreciation</b>	<b>(1,651,952,873)</b>	<b>(312,747,828)</b>	<b>17,869,951</b>	<b>-</b>	<b>13,456,789</b>	<b>-</b>	<b>(1,933,373,961)</b>
Construction in process	14,088,708	119,892,117	-	-	-	(132,127,836)	1,852,989
<b>Property, premises and equipment - net</b>	<b>1,677,870,952</b>	<b>(158,056,062)</b>	<b>(159,483)</b>	<b>(14,876,136)</b>	<b>(4,030,771)</b>	<b>-</b>	<b>1,500,748,500</b>
Depreciation	349,773,650						312,747,828
Amortization	14,876,136						14,876,136

## 11. Property, premises and equipment - net (Continued)

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

### Separate financial statements as at 31 December 2010

	Balance as at 31 December 2009 Baht	Additions Baht	Disposals Baht	Amortization Baht	Written off Baht	Transfers Baht	Balance as at 31 December 2010 Baht
<b>Cost</b>							
Land	3,247,665	-	-	-	-	-	3,247,665
Land improvement	640,803	-	-	-	-	-	640,803
Buildings	12,891,575	-	-	-	-	-	12,891,575
Buildings on leased land	137,040,635	-	(131,155,108)	-	-	-	5,885,527
Interior and renovation	4,915,608	-	-	-	-	-	4,915,608
Interior and renovation on leased land	1,635,379,412	14,699,550	(310,120,942)	-	(138,096,054)	21,131,167	1,222,993,133
Furniture and equipment	2,396,796	30,391	-	-	-	-	2,427,187
Furniture and equipment on leased land	1,406,152,854	46,729,518	(252,131,511)	-	(119,971,139)	34,157,640	1,114,937,362
Vehicles	42,671,699	1,682,243	(44,252)	-	(30,519)	-	44,279,171
Chinaware, glassware, silverware and linen	66,507,929	15,636,909	(19,724,214)	-	(11,685,963)	162,300	50,896,961
Building and Land rights - net	120,424,496	-	-	(14,876,136)	-	-	105,548,360
Total cost	<u>3,432,269,472</u>	<u>78,778,611</u>	<u>(713,176,027)</u>	<u>(14,876,136)</u>	<u>(269,783,675)</u>	<u>55,451,107</u>	<u>2,568,663,352</u>
<b>Accumulated Depreciation</b>							
Buildings	(9,990,866)	(206,587)	-	-	-	-	(10,197,453)
Buildings on leased land	(32,962,624)	(7,410,968)	35,616,159	-	-	-	(4,757,433)
Interior and renovation	(2,879,010)	(983,121)	-	-	-	-	(3,862,131)
Interior and renovation on leased land	(823,102,225)	(130,298,095)	153,276,002	-	136,041,947	(31,797)	(664,114,168)
Furniture and equipment	(1,758,167)	(124,659)	-	-	-	-	(1,882,826)
Furniture and equipment on leased land	(988,707,637)	(122,009,640)	145,581,140	-	118,981,127	31,645	(846,123,365)
Vehicles	(34,205,473)	(5,357,165)	44,251	-	30,517	-	(39,487,870)
Chinaware, glassware, silverware and linen	(39,767,959)	(9,702,551)	9,440,026	-	8,982,834	152	(31,047,498)
Total accumulated depreciation	<u>(1,933,373,961)</u>	<u>(276,092,786)</u>	<u>343,957,578</u>	<u>-</u>	<u>264,036,425</u>	<u>-</u>	<u>(1,601,472,744)</u>
Construction in process	1,852,989	138,052,442	(35,395,212)	-	(931,935)	(55,451,107)	48,127,177
<b>Property, premises and equipment - net</b>	<u>1,500,748,500</u>	<u>(59,261,733)</u>	<u>(404,613,661)</u>	<u>(14,876,136)</u>	<u>(6,679,185)</u>	<u>-</u>	<u>1,015,317,785</u>
Depreciation	312,747,828						298,813,366
Amortization	14,876,136						5,684,368

Property, premises and equipment - net included building and building improvement on lease land of Dusit Resort Pattaya (currently, Dusit Thani Hotel, Pattaya), at a book value as at 31 December 2010 and 2009 of Baht 105,548,360 and Baht 120,424,496, respectively. Even though the title to the building of Dusit Resort Pattaya (currently, 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 28.4).

## 11. Property, premises and equipment - net (Continued)

Dusit Thai Properties Public Company Limited, a subsidiary

- On 30 November 2010, this subsidiary sold land, premises and equipment for hotel operation of Royal Princess Hotel to Grand Larn Luang Company Limited in the amount including employees' compensation totalling Baht 599,375,201 (included VAT) and had gain on sales of Baht 467,470,568 which presented by including in gain on sales of property, premises and equipment.

As at 31 December 2010, this subsidiary recorded receivable - sale of hotel of Baht 30,000,000 presented by including in other current assets (see Note 9.1).

- On 24 December 2010, this subsidiary terminated lease agreement for land and building of Dusit Thani Hua Hin with the Company before its termination date (see Notes 14 and 26.1). This subsidiary agreed to compensate the Company in the amount of Baht 441,000,000, detailed as follows:
  - Compensation for building including equipments on lease land under the Company's right and leasehold totalling Baht 350,263,065.
  - Compensation for terminated lease agreement before its termination date in the amount of Baht 90,736,935 which separately presented in the Company's statement of income.
- On 24 December 2010, this subsidiary sold its assets to Dusit Thani Freehold and Leasehold Property Fund as follows:
  - Operation assets of dusitD2 Chiangmai Hotel in the amount of Baht 362,000,000 (included VAT) and had loss on sale such assets which presented by including in gain on sales of property, premises and equipment of Baht 22,406,740.
  - Furniture, fixture and equipment of Dusit Thani Hua Hin in the amount of Baht 137,000,000 (included VAT) and had gain on sale such assets which presented by including in gain on sales of property, premises and equipment of Baht 53,556,365.

As at 31 December 2010, land, premises and equipment of Dusit Thani Hua Hin under Dusit Thai Properties Public Company Limited, as subsidiary in net book value of Baht 339,390,622 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 18).

As at 31 December 2010, hotel building and equipment and rights on lease agreement of the subsidiary in net book value of Peso 586,881,583 and Peso 680,310,945, respectively, or approximately Baht 400,311,928 and Baht 486,201,092, respectively, are used as collateral for long-term loan of this subsidiary in the amount of Peso 510.00 million (see Note 17.3).

On 24 December 2010, the Company sold furniture and equipment for operation of Dusit Thani Hua Hin to Dusit Thai Properties Public Company Limited, a subsidiary in the amount of Baht 79,694,689 (included VAT) and had gain on sales such assets which presented by including in gain on sales of property, premises and equipment of Baht 3,546,715. As at 31 December 2010, there is receivables from selling such furniture and equipment in the amount of Baht 79,694,689, which presented as other receivables - related companies and included in other current asset (see Note 9.1).

As at 31 December 2010 and 2009, building and equipment of the Company and subsidiaries amounting to Baht 1,863,686,510 and Baht 2,058,452,901, respectively, were fully depreciated but still in use.

As at 31 December 2010 and 2009, building and equipment of the Company amounting to Baht 886,892,075 and Baht 1,018,776,231, respectively, were fully depreciated but were still in use.

## 11. Property, premises and equipment - net (Continued)

During 2010, the impairment charge of Baht 86,287,204 for property, premises and equipment as a result of economic situation and hotels' performance. The Company, subsidiaries and joint ventures 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 based on the appraisal report appraised in February 2010 by independent appraiser authorized by The Stock Exchange of Thailand at 3% and 12%, respectively.

During 2009, the impairment charge of Baht 61,603,235 for property, premises and equipment was made during the year as a result of economic situation and hotels' performance. The Company, subsidiaries and joint ventures considered recoverable amount at the cash-generating unit level considering operation of each hotel. The recoverable amount was assessed by independent appraiser authorized by The Stock Exchange of Thailand. The recoverable amount was determined based on value in use calculations. These calculations used projected cash flows from operation and following assumptions in which cash-generating units operates; growth rate 3% and discount rate 12%.

## 12. Prepaid rental - land and buildings - net

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

	Consolidated financial statements		Separate financial statements		Baht
	2009	2009	2010	2009	2009
Prepaid rental amount	1,100,000,000	1,100,000,000	1,100,000,000	1,100,000,000	1,100,000,000
Other fees	11,000,000	11,000,000	11,000,000	11,000,000	11,000,000
	<u>1,111,000,000</u>	<u>1,111,000,000</u>	<u>1,111,000,000</u>	<u>1,111,000,000</u>	<u>1,111,000,000</u>
<u>Less</u> Accumulated amortization of prepaid rental	<u>(574,016,860)</u>	<u>(499,950,220)</u>	<u>(574,016,860)</u>	<u>(499,950,220)</u>	<u>(499,950,220)</u>
	<u>536,983,140</u>	<u>611,049,780</u>	<u>536,983,140</u>	<u>611,049,780</u>	<u>611,049,780</u>
<u>Less</u> Prepaid rental of land and buildings	<u>(74,066,640)</u>	<u>(74,066,640)</u>	<u>(74,066,640)</u>	<u>(74,066,640)</u>	<u>(74,066,640)</u>
Prepaid rental of land and buildings exceeding one year - net	<u>462,916,500</u>	<u>536,983,140</u>	<u>462,916,500</u>	<u>536,983,140</u>	<u>536,983,140</u>
Amortization for the years	<u>74,066,640</u>	<u>74,066,640</u>	<u>74,066,640</u>	<u>74,066,640</u>	<u>74,066,640</u>



### 13. Intangible assets - net

Intangible assets - net consisted of the following:

**Consolidated financial statements as at 31 December 2009**

	<b>Balance as at 31 December 2008 Baht</b>	<b>Additions  Baht</b>	<b>Written off  Baht</b>	<b>Balance as at 31 December 2009 Baht</b>
<b>Computer software</b>				
Cost	78,647,029	6,883,131	(400,848)	85,129,312
Accumulated amortization	(29,255,284)	(8,174,943)	329,468	(37,100,759)
<b>Intangible assets - net</b>	<u>49,391,745</u>	<u>(1,291,812)</u>	<u>(71,380)</u>	<u>48,028,553</u>
Amortization for the years				
2009				8,174,943
2008				<u>8,984,240</u>

**Consolidated financial statements as at 31 December 2010**

	<b>Balance as at 31 December 2009 Baht</b>	<b>Additions  Baht</b>	<b>Disposals  Baht</b>	<b>Written off  Baht</b>	<b>Balance as at 31 December 2010 Baht</b>
<b>Computer software</b>					
Cost	85,129,312	5,005,504	(8,224,211)	(383,215)	81,527,390
Accumulated amortization	(37,100,759)	(7,381,227)	7,641,201	383,213	(36,457,572)
<b>Intangible assets - net</b>	<u>48,028,553</u>	<u>(2,375,723)</u>	<u>(583,010)</u>	<u>(2)</u>	<u>45,069,818</u>
Amortization for the years					
2010					7,381,227
2009					<u>8,174,943</u>

**Separate financial statements as at 31 December 2009**

	<b>Balance as at 31 December 2008 Baht</b>	<b>Additions  Baht</b>	<b>Balance as at 31 December 2009 Baht</b>
<b>Computer software</b>			
Cost	63,086,606	6,085,225	69,171,831
Accumulated amortization	(17,994,874)	(6,035,683)	(24,030,557)
<b>Intangible assets - net</b>	<u>45,091,732</u>	<u>49,542</u>	<u>45,141,274</u>
Amortization for the years			
2009			6,035,683
2008			<u>6,108,111</u>

**Separate financial statements as at 31 December 2010**

	<b>Balance as at 31 December 2009 Baht</b>	<b>Additions  Baht</b>	<b>Written off  Baht</b>	<b>Balance as at 31 December 2010 Baht</b>
<b>Computer software</b>				
Cost	69,171,831	4,163,204	(1,974,295)	71,360,740
Accumulated amortization	(24,030,557)	(5,684,368)	1,858,260	(27,856,665)
<b>Intangible assets - net</b>	<u>45,141,274</u>	<u>(1,521,164)</u>	<u>(116,035)</u>	<u>43,504,075</u>
Amortization for the years				
2010				5,684,368
2009				<u>6,035,683</u>

#### 14. Other non-current assets - net

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

##### Consolidated financial statements as at 31 December 2009

	<b>Balance as at 31 December 2008 Baht</b>	<b>Increase Baht</b>	<b>Decrease Baht</b>	<b>Balance as at 31 December 2009 Baht</b>
Leasehold rights				
Cost	17,305,793	-	-	17,305,793
Accumulated amortization	(14,679,164)	(865,289)	-	(15,544,453)
Leasehold rights - net	<u>2,626,629</u>	<u>(865,289)</u>	<u>-</u>	<u>1,761,340</u>
Deposits and others	7,744,545	4,258,508	(1,557,421)	10,445,632
<b>Other non-current assets - net</b>	<u>10,371,174</u>	<u>3,393,219</u>	<u>(1,557,421)</u>	<u>12,206,972</u>
Amortization for the years				
2009				865,289
2008				<u>865,289</u>

##### Consolidated financial statements as at 31 December 2010

	<b>Balance as at 31 December 2009 Baht</b>	<b>Increase Baht</b>	<b>Decrease Baht</b>	<b>Balance as at 31 December 2010 Baht</b>
Leasehold rights				
Cost	17,305,793	-	-	17,305,793
Accumulated amortization	(15,544,453)	(865,289)	-	(16,409,742)
Leasehold rights - net	<u>1,761,340</u>	<u>(865,289)</u>	<u>-</u>	<u>896,051</u>
Deposits and others	10,445,632	1,542,374	(6,213,832)	5,774,172
<b>Other non-current assets - net</b>	<u>12,206,972</u>	<u>677,083</u>	<u>(6,213,832)</u>	<u>6,670,223</u>
Amortization for the years				
2010				865,289
2009				<u>865,289</u>

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

Separate financial statements as at 31 December 2009

	<b>Balance as at 31 December 2008 Baht</b>	<b>Increase Baht</b>	<b>Decrease Baht</b>	<b>Balance as at 31 December 2009 Baht</b>
<b>Cost</b>				
Goodwill on the acquisition of hotel business from subsidiary	410,000,000	-	-	410,000,000
Leasehold rights	160,000,000	-	-	160,000,000
Total cost	<u>570,000,000</u>	<u>-</u>	<u>-</u>	<u>570,000,000</u>
<b>Accumulated amortization</b>				
Goodwill on the acquisition of hotel business from subsidiary	(410,000,000)	-	-	(410,000,000)
Leasehold rights	(82,000,000)	(8,000,000)	-	(90,000,000)
Total accumulated amortization	<u>(492,000,000)</u>	<u>(8,000,000)</u>	<u>-</u>	<u>(500,000,000)</u>
Deposits and others	1,775,665	4,950	(240,406)	1,540,209
<b>Other non-current assets - net</b>	<u>79,775,665</u>	<u>(7,995,050)</u>	<u>(240,406)</u>	<u>71,540,209</u>
Amortization for the years				
2009				8,000,000
2008				<u>38,750,000</u>

Separate financial statements as at 31 December 2010

	<b>Balance as at 31 December 2009 Baht</b>	<b>Increase Baht</b>	<b>Decrease Baht</b>	<b>Balance as at 31 December 2010 Baht</b>
<b>Cost</b>				
Goodwill on the acquisition of hotel business from subsidiary	410,000,000	-	(410,000,000)	-
Leasehold rights	160,000,000	-	(160,000,000)	-
Total cost	<u>570,000,000</u>	<u>-</u>	<u>(570,000,000)</u>	<u>-</u>
<b>Accumulated amortization</b>				
Goodwill on the acquisition of hotel business from subsidiary	(410,000,000)	-	410,000,000	-
Leasehold rights	(90,000,000)	(7,844,444)	97,844,444	-
Total accumulated amortization	<u>(500,000,000)</u>	<u>(7,844,444)</u>	<u>507,844,444</u>	<u>-</u>
Deposits and others	1,540,209	166,077	(390,415)	1,315,871
<b>Other non-current assets - net</b>	<u>71,540,209</u>	<u>(7,678,367)</u>	<u>(62,545,971)</u>	<u>1,315,871</u>
Amortization for the years				
2010				7,844,444
2009				<u>8,000,000</u>

On 24 December 2010, Dusit Thai Properties Public Company Limited, a subsidiary terminated lease agreement for land and building of Dusit Thani Hua Hin with the Company before its termination date. This subsidiary paid a compensation for the remaining lease period to the Company in the amount of Baht 62,155,556 (see Note 11).

## 15. 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		Separate		Baht
	financial statements		financial statements		
	2010	2009	2010	2009	
Bank overdrafts	-	389,288	-	-	
Short-term loans from					
Financial institutions	197,000,000	247,000,000	183,000,000	247,000,000	
	<u>197,000,000</u>	<u>247,389,288</u>	<u>183,000,000</u>	<u>247,000,000</u>	

As at 31 December 2010 and 2009, the Company and subsidiaries have credit lines for bank overdrafts totalling Baht 89,000,000 and Baht 139,000,000, respectively, which is guaranteed by the Company totalling Baht 46,000,000 (see Note 28.8).

As at 31 December 2010 and 2009, the Company has credit lines for bank overdrafts totalling Baht 43,000,000 and Baht 93,000,000, respectively, with no guarantor.

The Company has entered into loan agreement with financial institutions for working capital of the following:

Agreement date	Limit	Interest rate	Short-term loans		Baht
			as at 31 December		
			2010	2009	
17 September 2004	300,000,000	MMR	-	75,000,000	
17 December 2007	450,000,000	MMR	-	-	
2 November 2010	150,000,000	MMR	-	-	
8 December 2010	150,000,000	be specified by bank	-	-	
8 December 2010	300,000,000	be specified by bank	183,000,000	-	
15 December 2010	800,000,000	MMR	-	172,000,000	
	<u>2,150,000,000</u>		<u>183,000,000</u>	<u>247,000,000</u>	

- MMR : Money Market Rate
- Such short-term loans have no guarantor.

As at 31 December 2010 and 2009, Dusit Thai Properties Public Company Limited, a subsidiary, has short-term loans from financial institutions in the credit limit of Baht 200,000,000 for 2 years, which is guaranteed by the Company (see Note 28.8). As at 31 December 2010, such subsidiary had outstanding short-term loan of Baht 14,000,000, and interest rate at MMR (Money Market Rate).

## 16. Long-term liabilities under finance lease agreements

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

	Consolidated		Separate		Baht
	financial statements		financial statements		
	2010	2009	2010	2009	
Long-term liabilities under finance					
lease agreements	762,294	1,067,485	21,359	784,318	
<u>Less Deferred interest</u>	<u>(84,483)</u>	<u>(108,489)</u>	<u>(2,390)</u>	<u>(73,987)</u>	
	677,811	958,996	18,969	710,331	
<u>Less Current portion</u>	<u>(200,731)</u>	<u>(935,206)</u>	<u>(18,969)</u>	<u>(686,541)</u>	
	<u>477,080</u>	<u>23,790</u>	<u>-</u>	<u>23,790</u>	

## 17. Long-term loans

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

	Interest rate % p.a.		Consolidated financial statements		Separate financial statements		Baht
	2010	2009	2010	2009	2010	2009	
Loans from financial institutions							
Repayable in semi-annual installments through 2013	-	3.60	-	330,000,000	-	330,000,000	
Repayable in semi-annual installments through 2013 by Dusit Thai Properties Public Company Limited	-	3.60	-	204,000,000	-	-	
Repayable in semi-annual installments through 2015 by Philippine Hoteliers, Inc.	6.0488	5.9538	156,253,370	308,269,500	-	-	
			156,253,370	842,269,500	-	330,000,000	
<u>Less</u> Current portion			(36,518,585)	(84,049,000)	-	-	
			119,734,785	758,220,500	-	330,000,000	

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

	Consolidated financial statements		Separate financial statements		Baht
	2010	2009	2010	2009	
Balance brought forward	842,269,500	1,037,742,500	330,000,000	430,000,000	
<u>Less</u> Repayments	(677,151,754)	(184,708,077)	(330,000,000)	(100,000,000)	
Exchange gain on translation	(8,864,376)	(10,764,923)	-	-	
Balance carried forward	156,253,370	842,269,500	-	330,000,000	

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

17.1. On 17 September 2004, the Company has entered into loan agreement with a bank to renovate office building and hotels in the limit of Baht 1,000,000,000, no guarantor. The agreement identified the terms and conditions as follows:

- Interest For the 1<sup>st</sup> year period, 2.5% per annum, repayment every 3 months  
For the 2<sup>nd</sup> - 7<sup>th</sup> years, 1 year fixed deposit rate plus 2% per annum, the interest rate will be considered every 6 months and repayment interest is every 3 months
- Repayment of principal in semi-annual installments through 2011 is for 10 installments. The first installment is from 30 months from the first draw down date which is 27 September 2004. The repayment is Baht 100,000,000 each.

Such loan agreement specifies to the Company not to provide loan, lending, guarantee, be responsible or enter to be responsible to others' liabilities, except for (a) in the normal course of business of the Company (b) such loan or lending provide aggregates not excess the amount of Baht 1,000,000,000, and when aggregate with guarantee, be responsible or enter to be responsible to others' liabilities, such amount shall not be over Baht 2,000,000,000. In addition, such loan agreement also carries certain restrictive covenants pertaining to the debt to equity ratio of the Company.

## 17. Long-term loans (Continued)

On 21 October 2009, the Company has entered into the amendment agreement to change certain terms and conditions of such loan agreement by remaining the terms and conditions of the existing agreement, except details the following:

- a. Change the interest rates to the new interest rates as follows:
  - For the period from 31 August 2009 to 31 August 2010, 3.60% per annum
  - For the period from 1 September 2010 to 31 August 2011, 3.85% per annum
  - For the period from 1 September 2011 onwards up to complete the installment, prime rate less 1.85% per annum
- b. Grace the repayment of principal for 4 semi-annual installments and start the first semi-annual installment in August 2011 and every semi-annual installment. The repayment is Baht 100,000,000 each for 3 periods and the remaining principal in February 2013.

During the installment periods, the Company has to maintain its accumulated investment at a time not more than Baht 300,000,000, except as agreed by written letter from the bank.

During 2010, the Company has repaid its remaining loans before its repayment date in amount of Baht 330,000,000 and has no outstanding loan as at 31 December 2010.

- 17.2. On 25 December 2003, Dusit Hotels and Resorts Company Limited which as at 1 April 2009 was Dusit Thai Properties Public Company Limited, a subsidiary, has entered into loan agreement with a bank to acquire and renovate a hotel of such subsidiary in Chiang Mai in the limit of Baht 400,000,000. Such agreement was guaranteed by the Company (see Note 28.8). The agreement identified the terms and conditions as follows:

- Interest For the 1<sup>st</sup> year period, 2.5% per annum, repayment every 3 months  
For the 2<sup>nd</sup> - 8<sup>th</sup> years, 1 year fixed deposit rate plus 2% per annum, the interest rate will be considered every 6 months and repayment interest is every 3 months
- Repayment of principal in semi-annual installments through 2012 is for 14 installments. The first installment is from 24 months from the first draw down date which is 2 March 2004. The repayment of the 1st - 13th periods are Baht 28,000,000 each and the 14th period is Baht 36,000,000.

Such loan agreement specifies to the subsidiary not to provide loan, lending, guarantee, be responsible or enter to be responsible to others' liabilities, except for in the normal course of business of the subsidiary. In other cases, the amount shall not be over Baht 200,000,000, except for receiving the written approval letter in advance from the lender. In addition, such loan agreement also carries certain restrictive covenants pertaining to the debt to equity ratio and not reduces its share capital of such subsidiary.

On 21 October 2009, such subsidiary has entered into the amendment agreement to change certain terms and conditions of such loan agreement by remaining the terms and conditions of the existing agreement, except details the following:

- a. Started from 31 August 2009, such subsidiary agreed to change the interest rates to the new interest rates as follows:
  - For the period from 31 August 2009 to 31 August 2010, 3.60% per annum
  - For the period from 1 September 2010 to 31 August 2011, 3.85% per annum
  - For the period from 1 September 2011 onwards, prime rate less 1.85% per annum
- b. Grace the repayment of principal for the period from September 2009 to August 2010 and start the first installment in September 2010 and every semi-annual installment for 7 periods at Baht 28,000,000 each and the remaining principal in September 2013.

## 17. Long-term loans (Continued)

During the installment periods, such subsidiary has to maintain its accumulated investment at a time not more than Baht 150,000,000, except as agreed by written letter from the bank.

During 2010, subsidiary has repaid its remaining loans before its repayment date in amount of Baht 204,000,000 and has no outstanding loan as at 31 December 2010.

17.3. On 2 February 2007, Philippine Hoteliers, Inc., a 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 11). The agreement identified the terms and conditions as follows:

- Interest First 6 months interest rate reference to corresponding promissory note, thereafter interest rate reference 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 2010 and 2009, this subsidiary had outstanding long-term loan of Peso 229,076,923 and Peso 431,538,462, 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.

## 18. 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 11).

## 19. Legal reserve

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.

## 20. Other reserves

Other reserves as at 31 December consisted of the following:

	Consolidated financial statements		Separate financial statements		Baht
	2010	2009	2010	2009	
Reserve for treasury common shares	15,740,202	15,740,202	-	-	
Total	<u>15,740,202</u>	<u>15,740,202</u>	<u>-</u>	<u>-</u>	

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 21.1).

## 21. Treasury common shares and weighted average number of ordinary shares

### 21.1 Treasury common shares

#### 21.1.1 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.

#### 21.1.2 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 balance sheets.

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 2010 and 2009, 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 balance sheets.

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 2010 and 2009, the Company has appropriated its retained earnings to treasury common shares reserve in the amount of Baht 15,740,202 which has been included in other reserves (see Note 20).

### 21.2 Weighted average number ordinary shares

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

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>
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				
<u>Less</u> Dusit Thani Properties				
<u>Less</u> 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>



## 22. 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.

Net revenue from assets held for sale amount of Baht 34,801,960 resulted from the operation of Dusit Thani Laguna Phuket after the purchasing date and before selling date of such hotel assets to DTCPF.

## 23. Income tax

For the years ended 31 December 2010 and 2009, income tax of the Company, subsidiaries and joint venture have 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 for the years ended 31 December can summarized as follows:

	Consolidated		Separate		Baht
	financial statements		financial statements		
	2010	2009	2010	2009	
Income tax of the Company	-	-	-	-	
<u>Add</u> Income tax of subsidiaries:					
Dusit Thai Properties Public Company Limited	59,565,070	5,127,019	-	-	
Philippine Hoteliers, Inc.	11,267,136	-	-	-	
Dusit Worldwide Company Limited	760,094	4,071,262	-	-	
Dusit Management Company Limited	684,025	-	-	-	
	<u>72,276,325</u>	<u>9,198,281</u>	<u>-</u>	<u>-</u>	

## 24. Dividend paid

On 30 April 2010, the shareholders' meeting of the Company passed a resolution to approve and appropriate retained earnings as dividend payment for the year 2009 for 85,000,000 ordinary shares at Baht 0.50 per share, totalling Baht 42,500,000 was paid on 14 May 2010.

On 27 April 2009, the shareholders' meeting of the Company passed a resolution to pay dividend for the fiscal year 2008 for 85,000,000 ordinary shares at Baht 1.00 per share, totalling Baht 85,000,000 as follows:

- The interim dividend from the operation of the first half year of Baht 0.50 per share, totalling Baht 42,500,000 was paid on 9 September 2008.
- The dividend from the operation of the second half year of Baht 0.50 per share, totalling Baht 42,500,000 was paid on 21 May 2009.

## 25. Revenues arising from exchanges of goods or services

The Company and subsidiaries have revenues arising from exchange of goods or services with the outside parties. The Company and subsidiaries 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 2010 and 2009, revenues arising from exchange of goods or services included in revenues from sales and services are as follows:

	<b>Consolidated</b>		<b>Separate</b>		<b>Baht</b>
	<b>financial statements</b>		<b>financial statements</b>		
	<b>2010</b>	<b>2009</b>	<b>2009</b>	<b>2009</b>	
Revenues arising from exchanges of goods or services	20,000,406	18,366,905	19,522,019	17,123,299	

## 26. Long-term leases

### 26.1 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, included monthly rental.

- 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 the commercial bank 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.
- On 1 October 1998, the Company entered into a land and hotel building lease agreement with one subsidiary, namely Dusit Hotels and Resorts Company Limited, as of 1 April 2009 was Dusit Thai Properties Public Company Limited, for a period of 3 years commencing on 1 October 1998, with the condition that the lease can be extended for another 6 periods, consisting of 5 periods of 3 years each and the last period of 2 years. The rental payment is Baht 900,000 per month.

On 1 January 2008, the Company entered into a supplementary agreement with such subsidiary for the period from 1 January 2008 to 30 September 2010. The rental payment for such period is Baht 1,100,000 per month. On 1 October 2010, such agreement has been renewed and on 24 December 2010, such subsidiary terminated this lease agreement before its termination date, and agreed to pay compensation to the Company in the amount of Baht 441,000,000 (see Note 11).

## 26. Long-term leases (Continued)

### 26.2 Dusit Thai Properties Public Company Limited

Type of lease	Remaining Period	Baht Rental Expenses for the Remaining Lease Period
<b>2010</b>		
Building	2011 - 2011	656,062
		<u>656,062</u>
<b>2009</b>		
Building	2010 - 2011	1,404,924
		<u>1,404,924</u>

### 26.3 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.

### 26.4 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 28.9). The rental amount detailed as follows:

26.4.1 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.

26.4.2 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%.

## 27. Transactions between related companies

Transactions between related companies are as follows:

### 27.1 Investment in subsidiaries and a joint venture

As at 31 December 2010

Company's name	Country of incorporation	Type of business	Relationship	Issued and paid-up (ordinary shares)	% of shareholding	Investment		Baht
						Separate financial statement Cost	Consolidated financial statement Equity	
<b>Subsidiaries</b>								
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 Management	Subsidiary (Indirect holding)	825,000,000	84.64	.*	-	
- Philippine Hoteliers, Inc.	Philippines	Hotel	Subsidiary (Indirect holding)	PESO 364,870,100	88.00	.*	-	
- Dusit Enterprises Co., Ltd.	Republic of Mauritius	Management	Subsidiary (Indirect holding)	USD 27,500	99.99	.*	-	
						<u>799,999,300</u>	<u>-</u>	
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	4,999,940	-	
5. Dusit Thai Properties Public Co., Ltd.	Thailand	Hotel and Management	Subsidiary	825,000,000	2.15	32,074,974	-	
6. 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	.**	-	
						<u>49,999,930</u>	<u>-</u>	
7. Dusit Management Co., Ltd.	Thailand	Hotel	Subsidiary	1,000,000	99.99	999,992	-	
						<u>906,062,066</u>	<u>-</u>	
						<u>(9,988,000)</u>	<u>-</u>	
						<u>896,074,066</u>	<u>-</u>	
<b>Less Allowance for impairment</b>								
<b>Joint ventures</b>								
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	Management	Joint venture	INR 5,000,000	50.00	3,470,545	-	
						<u>23,469,945</u>	<u>-</u>	
<b>Associate</b>								
1. Dusit Thani Freehold & Leasehold Property Fund	Thailand	Leasing	Associate	4,094,000,000	30.00	1,228,200,000	1,235,075,256	
						<u>1,228,200,000</u>	<u>1,235,075,256</u>	

\* Dusit Thani Properties Company Limited holds 84.65% in Dusit Thai Properties Public Company Limited, 88.01% in Philippine Hoteliers, Inc. and 100.00% in Dusit Enterprises Company Limited.

\*\* Dusit Worldwide Company Limited holds 100.00% in Dusit Overseas Company Limited.

## 27. Transactions between related companies (Continued)

### 27.1 Investment in subsidiaries and a joint venture (Continued)

As at 31 December 2009

Company's name	Country of incorporation	Type of business	Relationship	Issued and paid-up (ordinary shares)	% of shareholding	Investment		Baht
						Separate financial statement Cost	Consolidated financial statement Equity	
<b>Subsidiaries</b>								
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 Management	Subsidiary (Indirect holding)	825,000,000	84.64	-*		-
- Philippine Hoteliers, Inc.	Philippines	Hotel	Subsidiary (Indirect holding)	PESO 364,870,100	88.00	-*		-
- Dusit Enterprises Co., Ltd.	Republic of Mauritius	Management	Subsidiary (Indirect holding)	USD 27,500	99.99	-*		-
						<u>799,999,300</u>		-
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	4,999,940		-
5. Dusit Thai Properties Public Co., Ltd.	Thailand	Hotel and Management	Subsidiary	825,000,000	2.15	32,074,974		-
6. 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	-**		-
- Dusit International Management Holding Co., Ltd.	Republic of Mauritius	Management	Subsidiary (Indirect holding)	USD 10,000	99.99	-**		-
						<u>49,999,930</u>		-
						<u>905,062,074</u>		-
						<u>(12,984,701)</u>		-
						<u>892,077,373</u>		-
Less Allowance for impairment								
<b>Joint venture</b>								
1. Le Cordon Bleu Dusit Co., Ltd.	Thailand	Cooking School	Joint venture	40,000,000	49.99	19,999,400		-
						<u>19,999,400</u>		-

\* Dusit Thani Properties Company Limited holds 84.65% in Dusit Thai Properties Public Company Limited, 88.01% in Philippine Hoteliers, Inc. and 100.00% in Dusit Enterprises Company Limited.

\*\* Dusit Worldwide Company Limited holds 100.00% in Dusit Overseas Company Limited and 100.00% in Dusit International Management Holding Company Limited. As at 1 June 2010, the Company registered the dissolution.

## 27. Transactions between related companies (Continued)

### 27.2 Relationship with related companies

As at 31 December 2010

	Country of incorporation	Type of business	Relationship
<b>Related companies</b>			
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 holds 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

**27. Transactions between related companies (Continued)**

27.2 Relationship with related companies (Continued)

**As at 31 December 2009**

	<b>Country of incorporation</b>	<b>Type of business</b>	<b>Relationship</b>
<b>Related companies</b>			
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 holds 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

**27. Transactions between related companies (Continued)**

**27.3 Short-term loans to and from related companies**

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

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2009</b>	<b>2009</b>	<b>2010</b>	<b>Baht 2009</b>
Loan to joint venture				
Le Cordon Bleu Dusit Company Limited	11,000,330	15,000,450	22,000,000	30,000,000
	<u>11,000,330</u>	<u>15,000,450</u>	<u>22,000,000</u>	<u>30,000,000</u>
Loan to subsidiaries				
Devarana Spa Company Limited	-	-	500,000	1,800,000
Dusit Management Company Limited	-	-	1,328,900	-
	<u>-</u>	<u>-</u>	<u>1,828,900</u>	<u>1,800,000</u>
Total	<u>11,000,330</u>	<u>15,000,450</u>	<u>23,828,900</u>	<u>31,800,000</u>
Loan from subsidiaries				
Dusit Thani Properties Company Limited	-	-	1,092,310,000	-
	<u>-</u>	<u>-</u>	<u>1,092,310,000</u>	<u>-</u>
Loan from related company				
Le Cordon Bleu International BV	14,999,550	17,499,475	-	-
	<u>14,999,550</u>	<u>17,499,475</u>	<u>-</u>	<u>-</u>
Total	<u>14,999,550</u>	<u>17,499,475</u>	<u>1,092,310,000</u>	<u>-</u>

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.
- Loan to subsidiaries - not less than interest loan rate or 3 - year fixed deposit rate of commercial bank plus 0.50 - 1.50% p.a.
- Loan from subsidiaries - not lower than 3 - month fixed deposit rate of commercial bank and deposit rate of financial institutions plus 0.60% p.a.
- Loan from related company - minimum loan rate of commercial banks or not lower than 8.50% p.a.
- All inter - company borrowings are unsecured.

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

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>Baht 2009</b>
Loan to related companies				
Balance brought forward	15,000,450	15,000,450	31,800,000	62,700,000
Add Additional loans	-	-	1,828,900	31,800,000
Less Repayments	(4,000,120)	-	(9,800,000)	(62,700,000)
Balance carried forward	<u>11,000,330</u>	<u>15,000,450</u>	<u>23,828,900</u>	<u>31,800,000</u>
Loan from related companies				
Balance brought forward	17,499,475	19,999,400	-	-
Add Additional loans	-	-	1,092,310,000	-
Less Repayments	(2,499,925)	(2,499,925)	-	-
Balance carried forward	<u>14,999,550</u>	<u>17,499,475</u>	<u>1,092,310,000</u>	<u>-</u>



27. Transactions between related companies (Continued)

27.4 Significant related business transactions

Related balances

Separate financial statements

Company	As at 31 December 2010				As at 31 December 2009						Baht
	Trade accounts receivable	Other current assets	Accrued expenses	Other current liabilities	Trade accounts receivable	Other current assets	Leasehold - net	Trade accounts payable	Accrued expenses	Other current liabilities	
Dusit Thai Properties Public Co., Ltd.	60,537	133,341,490	866	4,812,361	180,484	12,954,498	70,000,000	4,000	42,440	1,913,130	
Dusit Thani Properties Co., Ltd.	-	101,650	966,049	-	-	99,478	-	-	-	-	
Philippine Hoteliers, Inc.	4,446	150,117	-	-	20,617	284,230	-	-	-	-	
Dusit Enterprises Co., Ltd.	-	1,375	-	-	-	1,522	-	-	-	-	
Devarana Spa Co., Ltd.	529,661	479,008	161,643	822,701	149,385	280,624	-	-	115,648	1,044,586	
Dusit Executive Development Center Co., Ltd.	100,079	489,760	-	224,518	145,509	473,931	-	-	-	140,577	
Dusit Worldwide Co., Ltd.	612,358	4,069,407	644,440	17,285,343	449,254	2,967,559	-	-	3,002,876	15,401,314	
Dusit Overseas Co., Ltd.	-	3,166,888	-	-	-	1,603,195	-	-	-	-	
Dusit Management Co., Ltd.	38,972	28,906,421	-	59,963,331	-	-	-	-	-	-	
Le Cordon Bleu Dusit Co., Ltd.	474,774	176,288	-	-	1,462,107	306,575	-	-	-	-	
Dusit Thani Freehold and Leasehold Property Fund	-	5,840,455	-	-	-	-	-	-	-	-	
Acme Printing Co., Ltd.	-	-	-	1,934,560	-	-	-	-	-	1,737,136	
MBK Public Co., Ltd.	-	54,510	-	61,300	-	462,130	-	-	-	26,100	
Laguna Resorts & Hotels Public Co., Ltd.	-	1,412,028	-	-	82,074	10,793,443	-	-	4,112	90,425	
Piyasiri Co., Ltd.	-	-	-	40,318	-	-	-	-	-	26,616	
	<u>1,820,827</u>	<u>178,189,397</u>	<u>1,772,998</u>	<u>85,144,432</u>	<u>2,489,430</u>	<u>30,227,185</u>	<u>70,000,000</u>	<u>4,000</u>	<u>3,165,076</u>	<u>20,379,884</u>	

## 27. Transactions between related companies (Continued)

### 27.4 Significant related business transactions (Continued)

#### Related transactions

#### Separate financial statements

Company	For the year ended 31 December 2010									For the year ended 31 December 2009							Baht
	Revenue from sales and services	Management service income	Interest income	Dividend income	Other income	Cost of sales	Selling and administrative expenses	Depreciation and amortization	Financial expenses	Revenue from sales and services	Management service income	Interest income	Dividend income	Other income	Cost of sales	Selling and administrative expenses	
Royal Princess Public Co., Ltd.	-	-	-	-	-	-	-	-	-	-	5,081,467	-	795,994	6,982,846	-	-	-
Dusit Hotels and Resorts Co., Ltd.	-	-	-	-	-	-	-	-	-	-	864,106	445,479	-	1,491,261	-	13,410,000	2,000,000
Dusit Thai Properties Public Co., Ltd.	430,094	13,460,014	-	-	32,405,595	-	33,091,129	7,844,444	-	619,974	12,416,563	266,534	-	21,140,434	-	24,662,890	6,000,000
Dusit Thani Properties Co., Ltd.	57,942	-	-	-	1,151,500	-	-	-	993,401	-	-	-	19,999,983	1,088,297	-	-	-
Philippine Hoteliers, Inc.	-	-	-	-	494,344	-	-	-	-	-	3,081,810	-	-	2,673,037	-	-	-
Devarana Spa Co., Ltd.	1,988,564	-	9,253	-	5,606,266	688,076	2,399,295	-	-	2,026,900	-	12,417	-	6,767,819	831,288	2,354,761	-
Dusit Executive Development Center Co., Ltd.	3,672,856	-	-	-	837,111	-	7,403,892	-	-	2,759,255	-	1,740	-	374,823	-	5,060,217	-
Dusit Worldwide Co., Ltd.	4,435,652	-	-	-	17,118,925	-	87,907,630	-	-	5,278,868	-	-	-	16,260,580	-	121,738,196	-
Dusit Overseas Co., Ltd.	-	-	-	-	3,505,978	-	-	-	-	-	-	-	-	449,872	-	-	-
Dusit Management Co., Ltd.	-	2,011,047	641	-	123,955	-	-	-	-	-	-	-	-	-	-	-	-
Le Cordon Bleu Dusit Co., Ltd.	13,668,592	-	2,488,753	-	297,000	-	-	-	-	9,871,624	-	2,550,000	-	380,200	-	-	-

27. Transactions between related companies (Continued)

27.4 Significant related business transactions (Continued)

Related transactions (Continued)

Separate financial statements

Company	For the year ended 31 December 2010									For the year ended 31 December 2009									Baht
	Revenue from sales and services	Management service income	Interest income	Dividend income	Other income	Cost of sales	Selling and administrative expenses	Depreciation and amortization	Financial expenses	Revenue from sales and services	Management service income	Interest income	Dividend income	Other income	Cost of sales	Selling and administrative expenses	Depreciation and amortization		
	Acme Printing Co., Ltd.	-	-	-	-	-	-	2,206,425	-	-	-	-	-	-	-	-	1,809,392	-	
The Peninsula Travel Service Co., Ltd.	-	-	-	-	-	-	320,285	-	-	-	-	-	-	-	-	1,354,470	-		
MBK Public Co., Ltd.	-	-	-	9,390,750	433,700	-	417,290	-	-	-	-	-	8,402,250	1,449,836	-	301,659	-		
Laguna Resorts & Hotels Public Co., Ltd.	151,459	14,179,471	-	2,750,000	1,505,431	-	1,218,375	-	-	514,601	18,956,281	-	2,750,000	3,090,799	-	1,572,680	-		
Piyasiri Co., Ltd.	-	-	-	-	-	-	728,233	-	-	-	-	-	-	-	-	226,111	-		
Bangkok Bank Public Co., Ltd.	-	-	288,712	284,850	466,308	-	578,197	-	-	-	-	367,817	189,900	33,575	-	163,899	-		
Thai Life Insurance Co., Ltd.	-	-	-	-	-	-	5,000	-	-	-	-	-	-	-	-	-	-		
The Navakij Insurance Public Co., Ltd.	-	-	-	-	-	-	277,172	-	-	-	-	-	-	-	-	294,351	-		
	24,405,159	29,650,532	2,787,359	12,425,600	63,946,113	688,076	136,552,923	7,844,444	993,401	21,071,222	40,400,227	3,643,987	32,138,127	62,183,379	831,288	172,948,626	8,000,000		

## **27. Transactions between related companies (Continued)**

### **27.4 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 subsidiary according to the agreement.

The interest income see Note 27.3.

Prepaid rental of land and buildings, goodwill on the acquisition of hotel business from the subsidiary and other expenses are based on the price agreed upon by the Company and the subsidiary 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 contract which is used as the base for computation of management fee or licensing fee charged from each hotel.

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

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

## **28. Guarantees, commitments and contingent liabilities**

28.1 As at 31 December 2010 and 2009, the Company and a subsidiary, namely, Dusit Thai Properties Public Company Limited had letter of guarantees issued by banks totalling Baht 147,533,500 and Baht 22,625,100, respectively (see Note 28.9).

28.2 As at 31 December 2010 and 2009, the Company had letter of guarantees issued by banks totalling Baht 141,451,600 and Baht 16,451,600, respectively (see Note 28.9).

28.3 On 3 November 1999, the Company submitted the dispute to the arbitration for claiming the management fee and incentive fee from a contracting company, totalling Baht 50,049,539, included claim for damage of failing to perform according to the agreement of Baht 27,574,308. On 28 December 1999, the contracting company rejected to all claims and filed a counter claim against the Company totalling Baht 42,218,005.

On 26 June 2003, the arbitrator had a verdict that the contracting company had to pay the Company Baht 2,740,750 with 7.5% interest per annum as from the date of filing the dispute until tender complete performance. The Company had to pay the contracting company Baht 623,920 together with 7.5% interest per annum as from the date of filing the challenge/cross-complaint until such amount has been paid. However, the Company disagrees with verdict of arbitrator. On 26 September 2003, the Company has laid request to arbitrator and has disputed verdict of arbitrator to the Civil Court. On 12 April 2005, the Court designed to dismiss the notion.

On 10 June 2005, the Company has appealed the case to the Supreme Court. On 10 June 2010, the Supreme Court judged to revoke the Company's petition. The case came to the end.

## **28. Guarantees, commitments and contingent liabilities (Continued)**

28.4 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 (the Dusit Resort Pattaya Building currently, 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 sue the Company calling for its assets (the Dusit Resort Pattaya Building currently, Dusit Thani Hotel, Pattaya) and claiming for compensation on ground of wrongful act of the Company and the case under which the Company sue 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 Resort Pattaya Building (currently, 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 (the Dusit Resort Pattaya Building currently, 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 (the Dusit Resort Pattaya Building currently, 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.

## 28. Guarantees, commitments and contingent liabilities (Continued)

28.5 For Philippine Hoteliers, Inc., an indirect subsidiary, as at 31 December 2010 and 2009, 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. In addition, this subsidiary is currently contesting certain tax assessment amounting to Peso 21,817,405 issued by the Bureau of Internal Revenue (BIR) against it for the calendar year ending 1998. 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.

28.6 On 4 November 2009, Dusit Thai Properties Public Company Limited, a subsidiary, was filed a lawsuit on unfair dismissal by its employee with the claim of severance pay in amount of Baht 3,675,325. On 28 April 2010, the Central Labour Court ruled under the Compromise Agreement to enforce this subsidiary to pay subsidy after the deduction of withholding tax of Baht 783,000 to this employee on 14 May 2010.

28.7 As at 31 December 2010 and 2009, the Company, subsidiaries and joint venture have commitments for renovation contracts totalling Baht 70,313,184 and Baht 19,746,439, respectively.

As at 31 December 2010 and 2009, the Company has commitments for renovation contracts totalling Baht 50,727,556 and Baht 15,257,325, respectively.

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

	Notes	2010	Baht 2009
Bank overdrafts	15	46,000,000	46,000,000
Short-term loans from financial institutions	15	200,000,000	200,000,000
Long-term loans	17	400,000,000	400,000,000
Total		<u>646,000,000</u>	<u>646,000,000</u>

28.9 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 (DTCPPF) 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 DTCPPF (see Notes 28.1 and 28.2) and will pledge new bank guarantee each year during such guarantee period.

## 29. Investment Promotion Privileges

On 28 February 2007, joint venture, namely, Le Cordon Bleu Dusit Company Limited 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. 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 thus has to comply with certain term and conditions required of promoted activities.

### 30. Revenues from promoted activities

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

	<b>Promoted activities</b>	<b>Non-promoted activities</b>	<b>Baht Total amount</b>
<b>For the year ended 31 December 2010</b>			
Revenue from sales and services	74,331,130	-	74,331,130
Interest income	-	36,020	36,020
Other income	-	215,689	215,689
<b>Total</b>	<u>74,331,130</u>	<u>251,709</u>	<u>74,582,839</u>
<b>For the year ended 31 December 2009</b>			
Revenue from sales and services	57,964,526	-	57,964,526
Interest income	-	40,367	40,367
Other income	-	142,564	142,564
<b>Total</b>	<u>57,964,526</u>	<u>182,931</u>	<u>58,147,457</u>

### 31. Provident fund

For the years ended 31 December 2010 and 2009, the contributions of the Company, subsidiaries and joint venture to the provident fund recorded as expenses were Baht 25,465,297 and Baht 24,807,336, respectively.

For the years ended 31 December 2010 and 2009, the contributions of the Company to the provident fund recorded as expenses were Baht 18,924,789 and Baht 18,068,886, respectively.

### 32. Business segment information

Business segment information of the Company subsidiaries and joint venture classified by geographical segment are as follows:

	<b>Million Baht</b>		
	<b>Revenues</b>	<b>Net Profit (Loss)</b>	<b>Assets Employed</b>
<b>For the year ended 31 December 2010</b>			
Bangkok	2,265.69	102.65	7,527.74
Other provinces	1,049.73	(59.03)	1,178.55
Overseas	805.32	80.62	735.29
Total	<u>4,120.74</u>	<u>124.24</u>	<u>9,441.58</u>
Less Inter-company transactions	(520.43)	11.38	(3,346.10)
Total	<u>3,600.31</u>	<u>135.62</u>	<u>6,095.48</u>
Less Net profit of minority interest		<u>(27.52)</u>	
Consolidated net profit - equity holders of the parent		<u>108.10</u>	
Consolidated assets			<u>6,095.48</u>

### 32. Business segment information (Continued)

	Million Baht		
	Revenues	Net Profit (Loss)	Assets Employed
<b>For the year ended 31 December 2009</b>			
Bangkok	1,881.87	38.19	3,833.35
Other provinces	968.48	(130.86)	2,053.45
Overseas	701.78	20.58	830.68
Total	<u>3,552.13</u>	<u>(72.09)</u>	<u>6,717.48</u>
<u>Less</u> Inter-company transactions	<u>(501.50)</u>	<u>(42.49)</u>	<u>(1,110.43)</u>
Total	<u>3,050.63</u>	<u>(114.58)</u>	<u>5,607.05</u>
<u>Add</u> Net loss of minority interest		<u>6.61</u>	
Consolidated net loss - equity holders of the parent		<u>(107.97)</u>	
Consolidated assets			<u>5,607.05</u>

### 33. Disclosure of financial instruments

#### 33.1 Accounting policies

Financial assets carried on the balance sheets consisted of cash and cash equivalents, short-term investments, trade accounts receivable, accounts receivable - management fee, other receivables, short-term loans to related companies and other long-term investments. Financial liabilities carried on the balance sheets consisted of bank overdrafts and short-term loans from financial institutions, trade accounts payable, short-term loan from related company, other payables, payables-asset acquisition, accrued expenses, long-term liabilities under financial lease agreements and long-term loans.

Details of significant accounting policies are disclosed in Note 3 to the financial statements.

#### 33.2 Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in a financial loss to the Company, subsidiaries and joint venture.

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 balance sheet, net of a portion of allowance for doubtful debts, represents the Company, subsidiaries and joint venture's maximum exposure to credit risk.

#### 33.3 Foreign exchange risk

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



### **33. Disclosure of financial instruments (Continued)**

#### **33.4 Interest rate risk**

Interest rate risk in the balance sheet arises from the potential for a change in interest rates to have an adverse effect on the Company, subsidiaries and joint venture in the current reporting period and in future years.

Information regarding interest rates and term of payments of loan are disclosed in Note 17 to the financial statements.

#### **33.5 Fair value of financial instruments**

The following methods and assumptions were used by the Company, subsidiaries and joint venture in estimating fair value of financial instruments as disclosed herein:

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 investments and the presentation of such items are described in Note 10 to the financial statements.

As at 31 December 2010 and 2009, there is no information on fair value of investment in Dusit Thani College due to cost constraint.

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.

### **34. Others**

#### **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 debentureholders' representative, redeemable or non-redeemable prior to the term. The total debentures is not exceeding Baht 5,000 million 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.

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

### **35. Event occurring after balance sheet date**

- 35.1 On 28 January 2011, the Company sold land, premises and equipment for operation of partial business to outside party in the amount of Baht 47,300,000.
- 35.2 On 4 February 2011, the Board of Directors' meeting of Philippine Hoteliers, Inc., a subsidiary, considered to propose dividend payment for the year 2010 to shareholders for 3,648,701 ordinary shares at Peso 15 per share, totalling Peso 54,730,515. The Board of Directors will propose such dividend payment to the shareholders at the meeting.
- 35.3 On 25 February 2011, the Board of Directors' meeting of the Company considered to propose dividend payment for the year 2010 to shareholders for 85,000,000 ordinary shares at Baht 0.50 per share, totalling Baht 42,500,000, and extend the issuance and offering debentures of another 5 years commencing 29 April 2011. The Board of Directors will propose such dividend payment and extend the issuance and offering debenture to the shareholders at the meeting.
- 35.4 On 25 February 2011, the Board of Directors' meeting of Dusit Thani Properties Company Limited, a subsidiary, considered to propose dividend payment for the year 2010 to shareholders for 80,000,000 ordinary shares at Baht 1.66 per share, totalling Baht 132,800,000. The Board of Directors will propose such dividend payment to the shareholders at the meeting.
- 35.5 On 25 February 2011, the Board of Directors' meeting of Dusit Thai Properties Public Company Limited, a subsidiary, considered to propose dividend payment for the year 2010 to shareholders for 82,500,000 ordinary shares at Baht 1.50 per share, totalling Baht 123,750,000. The Board of Directors will propose such dividend payment to the shareholders at the meeting.