

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

**CONSOLIDATED AND COMPANY
FINANCIAL STATEMENTS**

31 DECEMBER 2011

AUDITOR'S REPORT

To the Shareholders of Dusit Thani Public Company Limited

I have audited the accompanying consolidated and company statements of financial position as at 31 December 2011 and 2010, and the related consolidated and company statements of income, comprehensive 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 an 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 company financial statements referred to above present fairly, in all material respects, the consolidated and company financial position as at 31 December 2011 and 2010, 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
27 February 2012

Dusit Thani Public Company Limited and Subsidiaries
Statements of Financial Position
As at 31 December 2011 and 2010

		Consolidated		Company		Baht
		financial statements		financial statements		
Notes		2011	2010	2011	2010	
			(Restated)		(Restated)	
ASSETS						
Current Assets						
Cash and cash equivalents	6.1	590,233,725	377,415,418	126,179,211	180,844,300	
Trade accounts receivable - net	7	262,622,280	255,388,882	107,813,759	148,002,491	
Inventories - net	8	73,116,136	69,683,855	25,792,807	25,162,132	
Short-term loans to related companies	30.3	6,000,180	11,000,330	12,000,000	23,828,900	
Prepaid rental of land and buildings	14	89,817,390	74,066,640	74,066,640	74,066,640	
Deposit at bank with collateral	13	47,252,250	-	-	-	
Other current assets - net	9.1	294,516,551	241,749,892	148,202,099	288,179,987	
Total Current Assets		<u>1,363,558,512</u>	<u>1,029,305,017</u>	<u>494,054,516</u>	<u>740,084,450</u>	
Non-Current Assets						
Available-for-sale investments	10	266,293,475	305,070,400	243,498,500	278,982,100	
Investment in associate	30.1	1,302,779,562	1,235,075,256	1,229,202,500	1,228,200,000	
Investment in subsidiaries	30.1	-	-	899,074,034	896,074,066	
Investment in joint ventures	30.1	-	-	23,469,945	23,469,945	
Other long-term investments	11	217,715,882	217,715,882	-	-	
Investment property - net	12	297,708,004	311,630,822	256,449,805	274,787,250	
Property, premises and equipment - net	13	4,314,575,701	2,482,026,756	861,136,144	898,711,828	
Prepaid rental of land and buildings exceeding one year - net	14	530,606,610	462,916,500	388,849,860	462,916,500	
Intangible assets - net	15	42,864,792	45,069,818	41,925,576	43,504,075	
Other non-current assets - net	16	5,240,253	6,670,223	1,339,043	1,315,871	
Total Non-Current Assets		<u>6,977,784,279</u>	<u>5,066,175,657</u>	<u>3,944,945,407</u>	<u>4,107,961,635</u>	
Total Assets		<u><u>8,341,342,791</u></u>	<u><u>6,095,480,674</u></u>	<u><u>4,438,999,923</u></u>	<u><u>4,848,046,085</u></u>	

The notes to the financial statements from pages 12 to 73 are an integral part of these financial statements.

Dusit Thani Public Company Limited and Subsidiaries

Statements of Financial Position (Continued)

As at 31 December 2011 and 2010

				Baht		
		Consolidated		Company		
		financial statements		financial statements		
Notes		2011	2010	2011	2010	
		(Restated)		(Restated)		
LIABILITIES AND EQUITY						
Current Liabilities						
Bank overdrafts and short-term loans						
	from financial institutions	17	822,400,000	197,000,000	822,400,000	183,000,000
	Trade accounts payable		153,055,507	151,507,936	51,471,237	80,655,603
Current portion of long-term liabilities under						
	financial lease agreements	18	449,295	200,731	254,341	18,969
	Current portion of long-term loans	19	20,610,799	36,518,585	-	-
	Short-term loan from related companies	30.3	5,999,820	14,999,550	-	1,092,310,000
	Current portion of deferred rental revenue	20	25,433,333	25,433,333	-	-
	Other payables		62,792,240	58,618,861	27,027,942	120,094,100
	Payables-Assets acquisition	6.2.1	166,758,240	78,466,205	27,639,038	59,428,748
	Accrued income tax		7,541,821	11,335,218	-	-
	Accrued expenses		286,049,293	253,443,939	78,764,209	109,451,184
	Liabilities under rental guaranteed		87,703,789	-	87,703,789	-
	Deposit received		97,401,552	80,508,782	40,439,330	35,365,851
	Others current liabilities		153,672,776	105,605,539	71,773,351	38,660,236
	Total Current Liabilities		<u>1,889,868,465</u>	<u>1,013,638,679</u>	<u>1,207,473,237</u>	<u>1,718,984,691</u>
Non-Current Liabilities						
Long-term liabilities under financial lease						
	agreements	18	1,272,599	477,080	990,474	-
	Long-term loans	19	1,015,787,914	119,734,785	-	-
Unrealized gain on sales of assets held						
	for sale	24	6,904,215	6,904,215	6,904,215	6,904,215
	Deferred rental revenue	20	711,575,889	737,009,224	-	-
	Retirement benefit obligation	25	129,260,687	-	60,926,211	-
	Other non-current liabilities		13,921,113	15,232,252	13,921,113	15,232,252
	Total Non-Current Liabilities		<u>1,878,722,417</u>	<u>879,357,556</u>	<u>82,742,013</u>	<u>22,136,467</u>
	Total Liabilities		<u>3,768,590,882</u>	<u>1,892,996,235</u>	<u>1,290,215,250</u>	<u>1,741,121,158</u>

The notes to the financial statements from pages 12 to 73 are an integral part of these financial statements.

Dusit Thani Public Company Limited and Subsidiaries

Statements of Financial Position (Continued)

As at 31 December 2011 and 2010

	Notes	Consolidated		Company	
		financial statements		financial statements	
		2011	2010	2011	2010
			(Restated)		(Restated)
Baht					
LIABILITIES AND EQUITY (Continued)					
Equity					
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					
		1,643,000,000	1,643,000,000	1,643,000,000	1,643,000,000
Paid-in surplus - treasury					
		common shares		23.1	
		18,365,540	18,365,540	16,950,268	16,950,268
Retained earnings					
Appropriated					
		Legal reserve		21	
		85,000,000	85,000,000	85,000,000	85,000,000
		Other reserves		22 and 23.1	
		15,740,202	15,740,202	-	-
		1,159,452,363	1,268,130,035	452,945,667	373,492,490
Unappropriated					
		Treasury common shares		21.1	
		(15,740,202)	(15,740,202)	-	-
		<u>120,785,538</u>	<u>97,784,425</u>	<u>100,888,738</u>	<u>138,482,169</u>
Equity attributable to					
		owners of the parent			
		3,876,603,441	3,962,280,000	3,148,784,673	3,106,924,927
		Non-controlling interests			
		696,148,468	240,204,439	-	-
		<u>4,572,751,909</u>	<u>4,202,484,439</u>	<u>3,148,784,673</u>	<u>3,106,924,927</u>
Total Equity					
		<u>4,572,751,909</u>	<u>4,202,484,439</u>	<u>3,148,784,673</u>	<u>3,106,924,927</u>
Total Liabilities and Equity					
		<u>8,341,342,791</u>	<u>6,095,480,674</u>	<u>4,438,999,923</u>	<u>4,848,046,085</u>

The notes to the financial statements from pages 12 to 73 are an integral part of these financial statements.

Dusit Thani Public Company Limited and Subsidiaries

Statements of Income

For the years ended 31 December 2011 and 2010

		Consolidated		Company	
		financial statements		financial statements	
	Notes	2011	2010	2011	2010
Revenue from sales and services		3,492,412,640	2,797,305,140	1,333,443,724	1,471,631,909
Cost of sales and services					
Cost of sales and services		(2,358,218,729)	(1,755,454,039)	(836,607,531)	(937,851,297)
Cost of services - depreciation and amortization		(352,455,996)	(476,609,952)	(194,521,000)	(281,945,441)
Total cost of sales and services		<u>(2,710,674,725)</u>	<u>(2,232,063,991)</u>	<u>(1,031,128,531)</u>	<u>(1,219,796,738)</u>
Gross profit		781,737,915	565,241,149	302,315,193	251,835,171
Other incomes					
Management service income		62,754,647	82,033,045	57,307,303	48,384,624
Interest income		4,071,207	2,062,881	2,356,248	2,896,988
Dividend income		24,260,400	13,888,275	313,162,851	12,425,600
Compensation from termination of lease agreement before its termination date	13	-	-	-	90,736,935
Realized income from deferred rental revenue	20	25,433,333	557,443	-	-
Gain on sales of property, premises and equipment	13	39,552,622	504,152,425	39,361,957	4,952,542
Net revenue from assets held for sale	24	-	34,801,960	-	34,801,960
Share of profit from investment in associate		111,813,445	6,875,256	-	-
Other income		162,268,900	158,636,742	209,551,760	175,554,372
Total other incomes		<u>430,154,554</u>	<u>803,008,027</u>	<u>621,740,119</u>	<u>369,753,021</u>
Profit before expenses		1,211,892,469	1,368,249,176	924,055,312	621,588,192
Expenses					
Selling expenses		(342,212,584)	(323,993,467)	(209,200,896)	(192,492,602)
Administrative expenses		(766,296,350)	(658,807,880)	(475,826,098)	(444,937,649)
Loss on impairment of property, premises and equipment	13	(1,935,286)	(86,287,204)	-	-
Depreciation and amortization		(37,064,036)	(44,898,310)	(18,980,405)	(22,552,293)
Financial expenses		(20,044,946)	(46,360,818)	(30,970,905)	(26,523,421)
Total expenses		<u>(1,167,553,202)</u>	<u>(1,160,347,679)</u>	<u>(734,978,304)</u>	<u>(686,505,965)</u>
Profit (loss) before income tax		44,339,267	207,901,497	189,077,008	(64,917,773)
Income tax	26	(37,266,352)	(72,276,325)	-	-
Net profit (loss)		<u><u>7,072,915</u></u>	<u><u>135,625,172</u></u>	<u><u>189,077,008</u></u>	<u><u>(64,917,773)</u></u>
Attributable net profit (loss) to:					
- Equity holders of the parent		31,042,398	108,104,198	189,077,008	(64,917,773)
- Non-controlling interest		(23,969,483)	27,520,974	-	-
		<u><u>7,072,915</u></u>	<u><u>135,625,172</u></u>	<u><u>189,077,008</u></u>	<u><u>(64,917,773)</u></u>
Basic earnings (loss) per share					
- Equity holders of the parent	Baht	0.37	1.28	2.22	(0.76)
Weighted average number of ordinary shares	Shares	23.2	84,528,500	85,000,000	85,000,000

The notes to the financial statements from pages 12 to 73 are an integral part of these financial statements.

Dusit Thani Public Company Limited and Subsidiaries
Statements of Comprehensive Income
For the years ended 31 December 2011 and 2010

	Consolidated		Company		Baht
	financial statements		financial statements		
	2011	2010	2011	2010	
Net profit (loss)	7,072,915	135,625,172	189,077,008	(64,917,773)	
Other comprehensive income (loss)					
Exchange differences on the translation of financial statements of subsidiaries	67,096,921	(14,358,498)	-	-	
Gains (losses) on remeasuring available for sale investments	(38,776,925)	101,527,250	(35,483,600)	92,228,450	
Actuarial gains (losses) on define employee benefit plan	(4,017,900)	-	(2,109,831)	-	
Other comprehensive income (loss)	<u>24,302,096</u>	<u>87,168,752</u>	<u>(37,593,431)</u>	<u>92,228,450</u>	
Total comprehensive income (loss)	<u>31,375,011</u>	<u>222,793,924</u>	<u>151,483,577</u>	<u>27,310,677</u>	
Total comprehensive income (loss) attributable to:					
- Owners of the parent	54,043,511	197,008,424	151,483,577	27,310,677	
- Non-controlling interests	(22,668,500)	25,785,500	-	-	
	<u>31,375,011</u>	<u>222,793,924</u>	<u>151,483,577</u>	<u>27,310,677</u>	

The notes to the financial statements from pages 12 to 73 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 2011 and 2010

Consolidated financial statements													Baht				
Attributable to owners of the parent													Non-Controlling interests	Total equity			
Notes	Issued and paid-up share capital	Premium on ordinary shares	Paid-in surplus-treasury common shares	Retained earnings			Treasury common shares	Other components of equity			Total owners of the parent						
				Legal reserve	Appropriated	Other reserves		Unappropriated	Unrealized gain	Exchange differences on the translation of financial statements of subsidiaries		Actuarial gains (losses) on defined employee benefit plan					
Beginning balance : 1 January 2010	850,000,000	1,643,000,000	18,365,540	85,000,000	15,740,202	1,202,525,837	(15,740,202)	138,551,292	(129,671,093)	-	8,880,199	3,807,771,576	214,418,939	4,022,190,515			
Changes in equity for the year																	
Dividend paid	27	-	-	-	-	(42,500,000)	-	-	-	-	-	(42,500,000)	-	(42,500,000)			
Total comprehensive income for the year		-	-	-	-	108,104,198	-	101,527,250	(12,623,024)	-	88,904,226	197,008,424	25,785,500	222,793,924			
Ending balance : 31 December 2010		<u>850,000,000</u>	<u>1,643,000,000</u>	<u>18,365,540</u>	<u>85,000,000</u>	<u>1,268,130,035</u>	<u>(15,740,202)</u>	<u>240,078,542</u>	<u>(142,294,117)</u>	<u>-</u>	<u>97,784,425</u>	<u>3,962,280,000</u>	<u>240,204,439</u>	<u>4,202,484,439</u>			
Beginning balance : 1 January 2011		850,000,000	1,643,000,000	18,365,540	85,000,000	1,268,130,035	(15,740,202)	240,078,542	(142,294,117)	-	97,784,425	3,962,280,000	240,204,439	4,202,484,439			
Adjustment from																	
changes in accounting policy	3.13	-	-	-	-	(97,220,070)	-	-	-	-	-	(97,220,070)	(3,867,863)	(101,087,933)			
Balance after adjustment		850,000,000	1,643,000,000	18,365,540	85,000,000	1,170,909,965	(15,740,202)	240,078,542	(142,294,117)	-	97,784,425	3,865,059,930	236,336,576	4,101,396,506			
Changes in equity for the year																	
Dividend paid	27	-	-	-	-	(42,500,000)	-	-	-	-	-	(42,500,000)	(37,132,595)	(79,632,595)			
Non-controlling interests - increase		-	-	-	-	-	-	-	-	-	-	-	519,612,987	519,612,987			
Total comprehensive income for the year		-	-	-	-	31,042,398	-	(38,776,925)	65,795,938	(4,017,900)	23,001,113	54,043,511	(22,668,500)	31,375,011			
Ending balance : 31 December 2011		<u>850,000,000</u>	<u>1,643,000,000</u>	<u>18,365,540</u>	<u>85,000,000</u>	<u>1,159,452,363</u>	<u>(15,740,202)</u>	<u>201,301,617</u>	<u>(76,498,179)</u>	<u>(4,017,900)</u>	<u>120,785,538</u>	<u>3,876,603,441</u>	<u>696,148,468</u>	<u>4,572,751,909</u>			

The notes to the financial statements from pages 12 to 73 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 2011 and 2010

								Baht		
Company financial statements										
	Notes	Issued and paid-up share capital	Premium on ordinary shares	Paid-in surplus-Treasury common shares	Retained earnings		Other component of equity		Total equity	
					Appropriated	Unappropriated	Other comprehensive income			Total
					Legal reserve		Unrealized gain (loss) income	Actuarial gains (losses) on defined employee benefit plan		
Beginning balance : 1 January 2010		850,000,000	1,643,000,000	16,950,268	85,000,000	480,910,263	46,253,719	-	46,253,719	3,122,114,250
Changes in equity for the period										
Dividend paid	27	-	-	-	-	(42,500,000)	-	-	-	(42,500,000)
Total comprehensive income for the year		-	-	-	-	(64,917,773)	92,228,450	-	92,228,450	27,310,677
Ending balance : 31 December 2010		<u>850,000,000</u>	<u>1,643,000,000</u>	<u>16,950,268</u>	<u>85,000,000</u>	<u>373,492,490</u>	<u>138,482,169</u>	<u>-</u>	<u>138,482,169</u>	<u>3,106,924,927</u>
Beginning balance : 1 January 2011		850,000,000	1,643,000,000	16,950,268	85,000,000	373,492,490	138,482,169	-	138,482,169	3,106,924,927
Adjustment from										
changes in accounting policy	3.13	-	-	-	-	(67,123,831)	-	-	-	(67,123,831)
Balance after adjustment		850,000,000	1,643,000,000	16,950,268	85,000,000	306,368,659	138,482,169	-	138,482,169	3,039,801,096
Changes in equity for the year										
Dividend paid	27	-	-	-	-	(42,500,000)	-	-	-	(42,500,000)
Total comprehensive income for the year		-	-	-	-	189,077,008	(35,483,600)	(2,109,831)	(37,593,431)	151,483,577
Ending balance : 31 December 2011		<u>850,000,000</u>	<u>1,643,000,000</u>	<u>16,950,268</u>	<u>85,000,000</u>	<u>452,945,667</u>	<u>102,998,569</u>	<u>(2,109,831)</u>	<u>100,888,738</u>	<u>3,148,784,673</u>

The notes to the financial statements from pages 12 to 73 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 2011 and 2010

	Notes	Baht			
		Consolidated		Company	
		financial statements		financial statements	
		2011	2010	2011	2010
Cash flows from operating activities					
Profit (loss) before income tax		44,339,267	207,901,497	189,077,008	(64,917,773)
Items to reconcile:					
Realized income from deferred rental revenue	20	(25,433,333)	(557,443)	-	-
Interest income		(4,071,207)	(2,062,881)	(2,356,248)	(2,896,988)
Dividend income		(24,260,400)	(13,888,275)	(313,162,851)	(12,425,600)
Bad debts and allowance for doubtful accounts (Reversal)		(6,904,498)	14,114,714	(8,204,578)	9,893,314
Depreciation and amortization of property, premises and equipment	13	368,520,756	501,897,853	189,591,816	275,018,457
Depreciation of investment property		13,922,818	11,363,893	18,337,445	15,950,465
Amortization of prepaid rental of land and buildings	14	74,066,640	74,066,640	74,066,640	74,066,640
Amortization of intangible assets	15	6,211,169	7,381,227	5,572,144	5,684,368
Amortization of other non-current assets	16	865,289	865,289	-	7,844,444
Employee benefit obligation		2,267,701	-	(8,307,451)	-
Loss on impairment of investment in subsidiary		-	-	-	(2,996,701)
Share of profit from investment in associate		(111,813,445)	(6,875,256)	-	-
Compensation from the premature termination of contract		-	-	-	(90,736,935)
Gain on sales of property, premises and equipment		(39,552,622)	(504,152,425)	(39,361,957)	(4,952,542)
Loss on property, premises and equipment written off	13	3,510,246	9,980,795	2,783,905	6,679,185
Loss on impairment of property, premises and equipment	13	1,935,286	86,287,204	-	-
Loss on intangible assets written off	15	2	2	-	-
Financial expenses		20,044,946	46,360,818	30,970,905	26,523,421
Income from operations before changes in operating assets and liabilities		323,648,615	432,683,652	139,006,778	242,733,755
(Increase) decrease in operating assets					
Trade accounts receivable		(5,608,138)	(94,658,720)	41,214,049	(54,892,559)
Inventories		(2,903,303)	273,972	(630,675)	14,707,470
Proceeds from refund of prepaid income tax		10,044,788	22,058,770	7,775,904	24,933,831
Other current assets		(94,414,109)	(63,387,841)	149,688,059	(155,831,447)
Other non-current assets		6,097,602	4,491,344	(23,172)	224,337
Increase (decrease) in operating liabilities					
Trade accounts payable		321,039	24,742,833	(29,184,366)	22,773,699
Other payables		4,173,381	14,763,774	(93,066,158)	73,858,072
Accrued expenses		28,620,719	92,726,102	(32,540,278)	45,512,500
Liabilities under rental guaranteed		87,703,789	-	87,703,789	-
Other current liabilities		84,955,577	80,343,550	38,186,593	(210,384)
Other non-current liabilities		(1,311,139)	653,755	(1,311,139)	653,755
Cash provided by operating activities before income tax paid		441,328,821	514,691,191	306,819,384	214,463,029
Payment for income tax		(38,554,978)	(51,263,407)	(9,032,592)	(5,146,341)
Net cash provided by operating activities		402,773,843	463,427,784	297,786,792	209,316,688

The notes to the financial statements from pages 12 to 73 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 2011 and 2010

	Notes	Baht			
		Consolidated		Company	
		financial statements		financial statements	
		2011	2010	2011	2010
Cash flows from investing activities					
Interest income		1,830,453	2,099,999	1,082,027	2,939,395
Dividend income		24,260,400	13,888,275	313,162,851	12,425,600
Dividend income received from associate		45,111,640	-	-	-
Proceeds from repayment of loans to related companies	30.3	5,000,150	4,000,120	58,428,900	9,800,000
Payment for loans to related companies	30.3	-	-	(46,600,000)	(1,828,900)
Payment for purchase of shares in associate		(1,002,500)	(1,228,200,000)	(1,002,500)	(1,228,200,000)
Payment for purchase of shares in a joint venture		-	-	-	(3,470,545)
Payment for purchase of shares in subsidiaries		-	-	(2,999,968)	(999,993)
Proceeds from sales of assets held for sale	13	-	2,619,767,962	-	2,619,767,962
Payment for purchase of assets held for sale	13	-	(2,611,581,253)	-	(2,611,581,253)
Payment for prepaid rental of land		(149,960,449)	-	-	-
Proceeds from sales of property, premises and equipment		48,461,941	1,095,173,443	48,615,182	121,458,694
Payment for purchase of property, premises and equipment	6.2.1	(2,028,688,767)	(311,104,518)	(194,300,970)	(169,745,202)
Proceed from deferred rental revenue	18	-	763,000,000	-	-
Proceeds from termination of lease agreement	13	-	-	-	441,000,000
Proceeds from sales of intangible assets		-	583,010	-	116,035
Payment for purchase of intangible assets	15	(4,006,145)	(5,005,504)	(3,993,645)	(4,163,204)
Net cash provided by (used in) investing activities		(2,058,993,277)	342,621,534	172,391,877	(812,481,411)

The notes to the financial statements from pages 12 to 73 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 2011 and 2010

	Notes	Baht			
		Consolidated		Company	
		financial statements		financial statements	
		2011	2010	2011	2010
Cash flows from financing activities					
Decrease in bank overdrafts		-	(389,288)	-	-
Proceeds from short-term loans from financial institutions		1,316,400,000	4,229,600,000	1,316,400,000	4,215,600,000
Repayment for short-term loans from financial institutions		(691,000,000)	(4,279,600,000)	(677,000,000)	(4,279,600,000)
Proceeds from short-term loans from related companies	30.3	-	-	-	1,092,310,000
Repayment for short-term loan from related companies	30.3	(8,999,730)	(2,499,925)	(1,092,310,000)	-
Payment for long-term liabilities under finance lease agreement	6.2.1	(497,917)	(1,455,726)	(316,154)	(691,362)
Proceeds from long-term loans		918,057,866			
Repayment of long-term loans	19	(88,601,226)	(677,151,754)	-	(330,000,000)
Proceed from share subscription by non-controlling interest in subsidiary		519,612,987	-	-	-
Interest paid		(20,538,512)	(46,509,637)	(29,117,602)	(27,395,774)
Dividends paid	27	(79,632,595)	(42,500,000)	(42,500,000)	(42,500,000)
Net cash provided by (used in) financing activities		<u>1,864,800,873</u>	<u>(820,506,330)</u>	<u>(524,843,756)</u>	<u>627,722,864</u>
Net increase (decrease) in cash and cash equivalents		208,581,439	(14,457,012)	(54,665,087)	24,558,141
Cash and cash equivalents as at 1 January		377,415,418	396,174,859	180,844,300	156,286,159
Exchange gains (losses) on cash		4,236,868	(4,302,429)	-	-
Cash and cash equivalents as at 31 December	6.1	<u><u>590,233,725</u></u>	<u><u>377,415,418</u></u>	<u><u>126,179,213</u></u>	<u><u>180,844,300</u></u>

The notes to the financial statements from pages 12 to 73 are an integral part of these financial statements.

Dusit Thani Public Company Limited and Subsidiaries
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2011 and 2010

1. General information

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

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

The consolidated and company financial statements were approved for issuing by the board of directors of the Company on 27 February 2012.

2. Basis for preparation of the consolidated and company financial statements

2.1 The accompanying consolidated and Company financial statements have been prepared in accordance with Thai Generally Accepted Accounting Principles under the Accounting Act B.E. 2543 being those Thai Accounting Standards issued under the Accounting Profession Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act .

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

2.3 The preparation of financial statements in conformity with Thai generally accepted accounting principles requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 4.

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

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

2.5 The Company reclassified the following items in the consolidated and company financial statement to conform with changes in presentation in the current period:

Old Account	Amount Baht	Reclassification	Amount Baht
Statement of financial position			
Consolidated financial statements			
Non-current assets			
Other long-term investments	305,070,400	Available-for-sale investments	305,070,400
Other current liabilities			
Others (Deposit received)	80,508,782	Deposit received	80,508,782
Company financial statements			
Non-current assets			
Other long-term investments	278,982,100	Available-for-sale investments	278,982,100
Other current liabilities			
Others (Deposit received)	35,365,851	Deposit received	35,365,851
Statement of income			
Consolidated financial statements			
Administrative expenses (Rental)	126,809,905	Cost of services - depreciation and amortization	126,809,905
Management and directors' remuneration	85,773,319		85,773,319
Company financial statements			
Administrative expenses (Rental)	103,333,320	Cost of services - depreciation and amortization	103,333,320
Management and directors' remuneration	46,258,115		46,258,115

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

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

	% of shareholding	
	2011	2010
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 ⁽¹⁾	49.99	49.99
Dusit Worldwide Company Limited	99.99	99.99
Dusit Overseas Company Limited		
by Dusit Worldwide Company Limited	100.00	100.00
Dusit Bird Hotels Private Limited ⁽²⁾	50.00	50.00
Dusit Management Company Limited ⁽³⁾	99.99	99.99
Dusit Thani Freehold and Leasehold Property Fund ⁽⁴⁾	30.02	30.00
DMS Property Investment Private Limited		
by Dusit Thani Properties Company Limited ⁽⁵⁾	55.00	-

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

⁽²⁾ 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.

⁽³⁾ On 15 December 2010, the Company invested in Dusit Management Company Limited.

⁽⁴⁾ On 17 December 2010, the Company invested in Dusit Thani Freehold and Leasehold Property Fund.

⁽⁵⁾ Dusit Thai Property Public Company Limited invested in DMS Property Investment Private Limited on 15 August 2011 and share certificates of such company are pledged as collateral of loan from financial institution of such company.

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

3. Accounting policies

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

3.1 New accounting standards, new financial reporting standards, amendments to accounting standards and accounting framework

- a) New accounting standards, new financial reporting standards, new interpretation and amendments to accounting standards effective for the accounting periods beginning on or after 1 January 2011 and adopted by the Group:

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 Company 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
TSIC 31	Revenue - Barter Transactions Involving Advertising Services

3. Accounting policies (Continued)

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

- a) New accounting standards, new financial reporting standards, new interpretation and amendments to accounting standards effective for the accounting periods beginning on or after 1 January 2011 and adopted by the Group: (Continued)

TAS 1 (Revised 2009), the revised standard prohibits the presentation of items of income and expenses in the statement of changes in equity. Entity chooses to present the statement of comprehensive income in two statements (the statement of income and statement of comprehensive income). Where entity restates or reclassify comparative information, they will be required to present a restated statement of financial position as at the beginning comparative period in addition to the current requirement to present statement of financial position at the end of the current period and comparative period. However, for the financial statements which period beginning on or after 1 January 2011 and are the first period apply this standard, an entity chooses to present statement of financial position only two statements without the statement of financial position as at the beginning comparative period. The Group has adopted TAS 1 (Revised 2009) with effect from 1 January 2011. The Group chooses to present two statements (the statement of income and statement of comprehensive income).

TAS 16 (Revised 2009), the revised standard requires the entity to include in cost of property, premises and equipment (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 PPE with a cost that is significant in relation to the total cost of the item shall be depreciated separately. The revised standard also requires an entity to review useful life, residual value and depreciation method at least at each financial year-end. The entity used the prospective approach to recognize effect from disaggregation of PPE components based on net book value as of 1 January 2011.

TAS 19 deal with accounting for employee benefit. The standard classifies employee benefits into 4 categories: a) short-term employee benefits b) post-employment benefits (including defined contribution plan and defined benefit plan) c) other long-term employee benefits and d) termination benefits. The standard requires the entity to measure the defined benefit plan and other long-term employee benefits by using the Projected Unit Credit method (PUC). An entity can choose to 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 entity applied this standard in the first period by adjusting with retained earnings as of 1 January 2011 (see Note 3.13).

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 Group applied prospectively from 1 January 2011, but it will not significantly impact the financial statements of the Group as there are no qualifying assets / but it is not expected to have any impact on the Group's financial statement, because the Group has already applied the capitalised model.

3. Accounting policies (Continued)

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

- a) New accounting standards, new financial reporting standards, new interpretation and amendments to accounting standards effective for the accounting periods beginning on or after 1 January 2011 and adopted by the Group: (Continued)

TAS 24 (revised 2009): The definition of 'related party' has been expanded to include parties with joint control over the entity, a joint venture in which the entity is a venture, and a post-employment benefit plan for the benefit of employees of an entity. The Group has adopted the revised standard with effect from 1 January 2011, which may have an impact only on the disclosure of related parties' information in the notes to financial statements.

TAS 40 (Revised 2009), the standard has specific presentation and measurement requirements for investment property. The entity has to present an investment property separately in the statement of financial position. The entity can choose to measure it either cost model or fair value model. Under fair value model, any changes in fair value are recognised in the statement of income. The entity chose to apply cost model for measurement and shall disclose fair value in annual financial statement. The Group has adopted the standard with effect from 1 January 2011. The Group applies the cost mode for the measurement.

The effects of the adoption of the above standards are adjusted retrospectively with impact to the statement of financial position as at 31 December 2010 are presented as follows:

	Consolidated Financial Statements Baht	Company Financial Statements Baht
Statement of financial position as of 31 December 2010		
Investment properties - net increased	123,214,969	116,605,957
Property, premises and equipment - net decreased	(123,214,969)	(116,605,957)

- b) The following new accounting standards, amendments to accounting standards and new interpretation are mandatory for the accounting periods beginning on or after 1 January 2013, but the Group have not early adopted them:

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

The management of the Group is currently assessing the impact of applying the new accounting standards, amendments to accounting standards and new interpretation.

3. Accounting policies (Continued)

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

- b) The following new accounting standards, amendments to accounting standards and new interpretation are mandatory for the accounting periods beginning on or after 1 January 2013, but the Group have not early adopted them: (Continued)

TAS 12, This deals with taxes on income, 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 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 realised 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 Group will apply this standard retrospectively with effect from 1 January 2013, with the expectation of incurring a deferred tax account and changes in retained earnings and income tax expense. The management is currently assessing the impact of applying this standard.

TAS 21 (revised 2009): The revised standard requires an entity to determine its functional currency which is the currency of the primary economic environment in which the entity operates. Foreign currency transactions are required to be translated into the functional currency using the exchange rates prevailing at the dates of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from translation at year-end exchange rate of monetary items denominated in foreign currency are recognised in profit or loss. The results and financial positions of all the Group entities that have a functional currency different from the presentation currency are translated in the presentation currency as follows: (a) assets and liabilities are translated at the closing rate at the date of that statement of financial position; (b) income and expenses are translated at the exchange rate at the date of the transactions; and (c) all resulting exchange differences are recognised in the statement of comprehensive income. The Group will apply this standard with effect from 1 January 2013. The application of the standard will be accounted for retrospectively. The management is currently assessing the impact of applying this standard.

3.2 Cash and cash equivalents

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

3. Accounting policies (Continued)

3.3 Trade accounts receivable

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

3.4 Inventories

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

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

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

3.5.1 Subsidiaries

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

Investments in subsidiaries are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

3.5.2 Transactions and non-controlling interests

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

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

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

3. Accounting policies (Continued)

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

3.5.3 Associates

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

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

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

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

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

3.5.4 Joint Ventures

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

In the Company's separate financial statements, interest in jointly controlled entities are accounted for using the cost method

3. Accounting policies (Continued)

3.6 Investment property

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

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

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

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

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

Premises on leased land	Per lease agreement
Interior and renovation of buildings on leased land	5 - 50 years
Furniture and equipment on leased land	3 - 20 years

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

3.7 Other 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. Accounting policies (Continued)

3.8 Property, premises and equipment

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

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

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

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

In case an impairment of property, premises and equipment has occurred, the resultant loss is recognized in the statement of income (see Note 3.12).

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

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

3.9 Borrowing cost

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

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

3. Accounting policies (Continued)

3.10 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.

3.11 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.

3.12 Impairment of assets

The Group assesses 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.

3.13 Employee benefits

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

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

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

3. Accounting policies (Continued)

3.13 Employee benefits (Continued)

- Defined benefit plans

Retirement benefit

Under Labour Laws applicable in Thailand and the Group' employment policy, all employees completing 120 days of service are entitled to severance pay on termination or retrenchment without cause or upon retirement age of 50 years, 55 years or 60 years as specify in employment policy of each entities. The severance pay will be at the rate according to number of years of service as stipulated in the Labor Law which is currently at a maximum rate of 300 days of final salary.

The effects of the adoption of the above standards to the financial statements are presented as follows:

	Consolidated Financial Statements	Baht Company Financial Statements
Statements of changes in equity		
As of 1 January 2011		
Unappropriated retained earnings decreased	(97,220,070)	(67,123,831)
Non-controlling interests decreased	(3,867,863)	-
Total	<u>(101,087,933)</u>	<u>(67,123,831)</u>

3.14 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

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

3. Accounting policies (Continued)

3.14 Long-term lease (Continued)

b) Finance lease (Continued)

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

3.15 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.

3.16 Translation of foreign currency transactions

3.16.1 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.

3.16.2 Statement of financial position and statement of income of foreign subsidiaries are translated into Baht at the exchange rates prevailing at the financial position date and the average exchange rates, respectively. The exchange difference on the translation is presented in the equity.

The statements of comprehensive income and cash flows of foreign entities are translated into the Group's reporting currency at the weighted average exchange rates for the year and statement of financial position are translated at the exchange rates ruling on the end of reporting period. Currency translation differences arising from the retranslation of the net investment in foreign entities are taken to shareholders' equity. On disposal of a foreign entity, accumulated exchange differences are recognized in the statement of comprehensive income as part of the gain or loss on sale.

3. Accounting policies (Continued)

3.17 Recognition of revenues and expenses

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

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

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

Management fees are recognized on an accrual basis.

Interest income is recognized on a time proportion basis.

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

3.18 Income tax

The Group recognized income tax expense based on the tax paid and accrued for the year.

3.19 Provident fund

The Company and other 6 companies in the Group, 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 Group recorded their contribution to provident fund for their employees as expenses when incurred.

3.20 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.

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 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.

4.2 Impairment of receivable

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

4.3 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.

4.4 Depreciation and amortization

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

4.5 Retirement benefit obligation

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

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

Other key assumptions for pension obligations are based in part on current market conditions. Additional information is disclosed in Note 25.

5. Capital risk management

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

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

6. Supplementary disclosures of cash flow information

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

	Consolidated		Company	
	financial statements		financial statements	
	2011	2010	2011	2010
Cash and deposits at bank	463,833,725	377,415,418	126,179,211	180,844,300
Deposits at financial institutions	126,400,000	-	-	-
Total	<u>590,233,725</u>	<u>377,415,418</u>	<u>126,179,211</u>	<u>180,844,300</u>

6.2 Non-cash transactions are as follows:

6.2.1 In the consolidated and Company financial statements for the years ended 31 December 2011 and 2010:

Purchases of property, premises and equipment

	Consolidated		Company	
	financial statements		Financial statements	
	2011	2010	2011	2010
Payables-Assets acquisition				
Balance brought forward	78,466,204	28,590,662	59,428,748	16,241,174
Add Purchases of fixed assets	2,198,265,640	360,611,956	162,511,260	212,932,776
Exchange gain on translation	(81,284,837)	368,105	-	-
Less Cash payments	<u>(2,028,688,767)</u>	<u>(311,104,518)</u>	<u>(194,300,970)</u>	<u>(169,745,202)</u>
Balance carried forward	<u>166,758,240</u>	<u>78,466,205</u>	<u>27,639,038</u>	<u>59,428,748</u>
Long-term liabilities under finance lease agreements (including current portion)				
Balance brought forward	677,811	958,996	18,969	710,331
Add Purchases of fixed assets	1,542,000	1,174,541	1,542,000	-
Less Cash payments	<u>(497,917)</u>	<u>(1,455,726)</u>	<u>(316,154)</u>	<u>(691,362)</u>
Balance carried forward	<u>1,721,894</u>	<u>677,811</u>	<u>1,244,815</u>	<u>18,969</u>

6. Supplementary disclosures of cash flow information (Continued)

6.2 Non-cash transactions are as follows: (Continued)

6.2.2 In the consolidated financial statements for the years ended 31 December 2011 and 2010:

6.2.2.1 The recording of investments available for sale at fair value and recognizing unrealized gain (loss) on such investments of Baht (38,776,925) and Baht 101,527,250, 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 67,096,921 and Baht (14,358,498), respectively.

6.2.2.3 For the year ended 31 December 2011, the recording losses on defined employee benefit plan in the amount of Baht 4,017,900 were included in equity.

6.2.3 In the Company financial statements:

- For the years ended 31 December 2011 and 2010, the recording of investments available for sale at fair value and recognizing unrealized gain on such investments of Baht (35,483,600) and Baht 92,228,450, respectively, were included in equity.
- For the year ended 31 December 2011, the recording losses on defined employee benefit plan in the amount of Baht 2,109,831 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		Company financial statements	
	2011	2010	2011	2010
Number of accounts receivable	1,181	1,596	444	620
	Baht	Baht	Baht	Baht
Outstanding amount				
Less than 3 months	256,712,597	251,004,857	106,089,311	151,254,534
3-6 months	5,650,236	7,917,472	2,023,554	1,051,948
6-12 months	1,026,938	5,909,044	102,679	4,116,119
Over 12 months	13,464,654	5,317,967	10,266,767	3,273,758
	<u>276,854,425</u>	<u>270,149,340</u>	<u>118,482,311</u>	<u>159,696,359</u>
<u>Less</u> Allowance for doubtful accounts	<u>(14,232,145)</u>	<u>(14,760,458)</u>	<u>(10,668,552)</u>	<u>(11,693,868)</u>
Trade accounts receivable-net	<u>262,622,280</u>	<u>255,388,882</u>	<u>107,813,759</u>	<u>148,002,491</u>

8. Inventories - net

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

	Consolidated		Company	
	financial statements		financial statements	
	2011	2010	2011	2010
Food and beverage	37,444,217	37,268,980	15,575,446	14,807,187
Chinaware, glassware, silverware and linen	1,337,550	3,399,361	-	-
Mechanical supplies	1,706,424	2,139,209	894,751	940,014
Other supplies	32,173,932	26,559,796	9,187,992	9,281,562
Retail products	454,013	455,159	134,618	133,369
	<u>73,116,136</u>	<u>69,822,505</u>	<u>25,792,807</u>	<u>25,162,132</u>
<u>Less</u> Allowance for obsolete inventories	-	(138,650)	-	-
Total	<u>73,116,136</u>	<u>69,683,855</u>	<u>25,792,807</u>	<u>25,162,132</u>

9. Other current assets - net

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

	Note	Consolidated		Company	
		financial statements		financial statements	
		2010	2010	2010	2010
Accounts receivable					
- Management fee - net	9.2	26,234,033	43,385,407	58,406,672	55,812,554
Accounts receivable - World Intertrade Corporation Limited		40,879,585	40,879,585	40,879,585	40,879,585
<u>Less</u> Allowance for doubtful accounts		<u>(40,879,585)</u>	<u>(40,879,585)</u>	<u>(40,879,585)</u>	<u>(40,879,585)</u>
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other receivables					
- Related companies		13,009,693	5,967,504	13,009,693	156,695,710
- Others companies		29,267,212	33,790,047	29,385,214	21,251,581
		<u>42,276,905</u>	<u>39,757,551</u>	<u>42,394,907</u>	<u>177,947,291</u>
<u>Less</u> Allowance for doubtful accounts		<u>(2,242,645)</u>	<u>(5,423,344)</u>	<u>(2,242,645)</u>	<u>(5,423,344)</u>
		<u>40,034,260</u>	<u>34,334,207</u>	<u>40,152,262</u>	<u>172,523,947</u>
Receivable - Sale of hotel		-	30,000,000	-	-
Accrued interest receivable		2,328,901	88,147	1,452,211	177,990
Prepaid income tax		29,534,800	42,084,357	16,542,533	15,285,846
VAT refundable		19,123,548	31,086,604	8,309,315	9,242,740
Prepaid expenses		38,998,047	35,631,060	19,665,080	18,055,213
Prepaid for assets		115,591,825	-	-	-
Advances		8,425,991	8,130,628	576,930	6,713,595
Others		14,245,146	17,009,482	3,097,096	10,368,102
		<u>294,516,551</u>	<u>241,749,892</u>	<u>148,202,099</u>	<u>288,179,987</u>

9. Other current assets - net (Continued)

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

	Note	Consolidated financial statements		Company financial statements	
		2011	2010	2011	2010
Number of accounts receivable		61	90	37	44
		Baht	Baht	Baht	Baht
Outstanding amount					
Less than 3 months		13,284,419	30,383,182	46,719,108	46,068,851
3-6 months		10,427,466	6,723,280	9,652,542	5,012,520
6-12 months		13,555,901	19,757,176	10,352,731	12,191,939
Over 12 months		14,239,063	12,758,989	6,801,746	11,957,469
		<u>51,506,849</u>	<u>69,622,627</u>	<u>73,526,127</u>	<u>75,230,779</u>
<u>Less</u> Allowance for doubtful accounts		<u>(25,272,816)</u>	<u>(26,237,220)</u>	<u>(15,119,455)</u>	<u>(19,418,225)</u>
Accounts receivable - Management fee - net	9.1	<u>26,234,033</u>	<u>43,385,407</u>	<u>58,406,672</u>	<u>55,812,554</u>

10. Available-for-sale investments

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

	Consolidated financial statements		Company financial statements	
	2011	2010	2011	2010
Available-for-sale				Baht
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>201,301,617</u>	<u>240,078,542</u>	<u>102,998,569</u>	<u>138,482,169</u>
Total	<u>266,293,475</u>	<u>305,070,400</u>	<u>243,498,500</u>	<u>278,982,100</u>

Movements in available-for-sale investments for the year ended 31 December 2011 are summarized as follows:

	Consolidated financial statements	Company financial statements
Net book value at beginning	305,070,400	278,982,100
Change in fair value of Available-for-sale investments	<u>(38,776,925)</u>	<u>(35,483,600)</u>
Net book value at ending	<u>266,293,475</u>	<u>243,498,500</u>

11. Other long-term investments

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

	Consolidated		Company	
	financial statements		financial statements	
	2011	2010	2011	2010
General investments in				Baht
Equity securities	241,186,732	241,186,732	20,000,000	20,000,000
<u>Less</u> Allowance for impairment in value of securities	<u>(23,470,850)</u>	<u>(23,470,850)</u>	<u>(20,000,000)</u>	<u>(20,000,000)</u>
General investments in				
Equity securities - net	<u>217,715,882</u>	<u>217,715,882</u>	<u>-</u>	<u>-</u>

12. Investment property - net

Consolidated financial statements as at 31 December 2010

	Balance as at 31 December 2009 Baht	Additions Baht	Written off Baht	Balance as at 31 December 2010 Baht
Cost				
Land	228,555,029	-	-	228,555,029
Buildings on leased land	3,033,754	-	-	3,033,754
Interior and renovation on leased land	113,141,566	1,717,378	-	114,858,944
Furniture and equipment on leased land	6,966,788	-	(10,309)	6,956,479
Total cost	<u>351,697,137</u>	<u>1,717,378</u>	<u>(10,309)</u>	<u>353,404,206</u>
Accumulated Depreciation				
Buildings on leased land	(1,943,433)	(508,832)	-	(2,452,265)
Interior and renovation on leased land	(25,064,224)	(10,384,829)	-	(35,449,053)
Furniture and equipment on leased land	(3,412,143)	(470,232)	10,309	(3,872,066)
Total accumulated depreciation	<u>(30,419,800)</u>	<u>(11,363,893)</u>	<u>10,309</u>	<u>(41,773,384)</u>
Investment properties - net	<u>321,277,337</u>	<u>(9,646,515)</u>	<u>-</u>	<u>311,630,822</u>
Depreciation				<u>11,363,893</u>

12. Investment property - net (Continued)

Consolidated financial statements as at 31 December 2011

	Balance as at 31 December 2010 Baht	Additions Baht	Written off Baht	Balance as at 31 December 2011 Baht
Cost				
Land	228,555,029	-	-	228,555,029
Buildings on leased land	3,033,754	-	(110,763)	2,922,991
Interior and renovation on leased land	114,858,944	-	(3,702,553)	111,156,391
Furniture and equipment on leased land	6,956,479	-	(253,982)	6,702,497
Total cost	<u>353,404,206</u>	<u>-</u>	<u>(4,067,298)</u>	<u>349,336,908</u>
Accumulated Depreciation				
Buildings on leased land	(2,452,265)	(320,904)	110,763	(2,662,406)
Interior and renovation on leased land	(35,449,053)	(13,038,228)	3,702,553	(44,784,728)
Furniture and equipment on leased land	(3,872,066)	(563,686)	253,982	(4,181,770)
Total accumulated depreciation	<u>(41,773,384)</u>	<u>(13,922,818)</u>	<u>4,067,298</u>	<u>(51,628,904)</u>
Investment properties - net	<u>311,630,822</u>	<u>(13,922,818)</u>	<u>-</u>	<u>297,708,004</u>
Depreciation				<u>13,922,818</u>

Company financial statements as at 31 December 2010

	Balance as at 31 December 2009 Baht	Additions Baht	Written off Baht	Balance as at 31 December 2010 Baht
Cost				
Land	158,181,293	-	-	158,181,293
Buildings on leased land	4,258,205	-	-	4,258,205
Interior and renovation on leased land	158,806,556	2,410,528	-	161,217,084
Furniture and equipment on leased land	9,778,648	-	(14,470)	9,764,178
Total cost	<u>331,024,702</u>	<u>2,410,528</u>	<u>(14,470)</u>	<u>333,420,760</u>
Accumulated Depreciation				
Buildings on leased land	(2,727,821)	(714,202)	-	(3,442,023)
Interior and renovation on leased land	(35,180,379)	(14,576,241)	-	(49,756,620)
Furniture and equipment on leased land	(4,789,315)	(660,022)	14,470	(5,434,867)
Total accumulated depreciation	<u>(42,697,515)</u>	<u>(15,950,465)</u>	<u>14,470</u>	<u>(58,633,510)</u>
Investment properties - net	<u>288,327,187</u>	<u>(13,539,937)</u>	<u>-</u>	<u>274,787,250</u>
Depreciation				<u>15,950,465</u>

12. Investment property - net (Continued)

Company financial statements as at 31 December 2011

	Balance as at 31 December 2010 Baht	Additions Baht	Written off Baht	Balance as at 31 December 2011 Baht
Cost				
Land	158,181,293	-	-	158,181,293
Buildings on leased land	4,258,205	-	(104,545)	4,153,660
Interior and renovation on leased land	161,217,084	-	(3,260,419)	157,956,665
Furniture and equipment on leased land	9,764,178	-	(239,723)	9,524,455
Total cost	<u>333,420,760</u>	<u>-</u>	<u>(3,604,687)</u>	<u>329,816,073</u>
Accumulated Depreciation				
Buildings on leased land	(3,442,023)	(445,884)	104,545	(3,783,362)
Interior and renovation on leased land	(49,756,620)	(17,144,281)	3,260,419	(63,640,482)
Furniture and equipment on leased land	(5,434,867)	(747,280)	239,723	(5,942,424)
Total accumulated depreciation	<u>(58,633,510)</u>	<u>(18,337,445)</u>	<u>3,604,687</u>	<u>(73,366,268)</u>
Investment properties - net	<u>274,787,250</u>	<u>(18,337,445)</u>	<u>-</u>	<u>256,449,805</u>
Depreciation				<u>18,337,445</u>

As at 31 December 2011, the fair value of investment property which presented in the consolidated and company financial statements were Baht 771.48 million and Baht 701.09 million, respectively.

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

13. Property, premises and equipment - net

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
Cost									
Land	552,676,662	-	(287,870,821)	-	-	-	-	-	264,805,841
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	1,293,703,408	8,440,852	(6,374,818)	-	-	(124,780,290)	3,045,089	(45,708,162)	1,128,326,079
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	1,562,866,599	53,558,015	(158,172,331)	-	(119,973,113)	(93,948,870)	34,157,640	(12,959,836)	1,265,528,104
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	1,473,058,651	12,982,173	(26,407,565)	-	(138,096,054)	(283,713,378)	21,131,167	-	1,058,954,994
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
Construction in process	6,898,231	217,320,140	(18,987,391)	-	(931,935)	-	(108,532,648)	(143,973)	95,622,424
Total cost	<u>7,359,866,375</u>	<u>363,967,396</u>	<u>(1,147,661,944)</u>	<u>(9,780,644)</u>	<u>(518,103,398)</u>	<u>(214,335,030)</u>	<u>-</u>	<u>(58,997,848)</u>	<u>5,774,954,907</u>

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

Consolidated financial statements as at 31 December 2010 (Continued)

	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
Accumulated Depreciation									
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	(704,695,693)	(59,446,046)	1,742,723	-	-	33,873,436	-	29,071,926	(699,453,654)
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	(1,052,990,051)	(157,875,906)	109,726,175	-	118,981,127	35,844,656	31,645	9,460,751	(936,821,603)
Interior and renovation	(155,868,720)	(29,285,257)	40,255,590	-	94,815,862	-	-	-	(50,082,525)
Interior and renovation on leased land	(748,858,806)	(119,913,266)	8,659,065	-	136,041,947	144,616,938	(31,797)	-	(579,485,919)
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>(3,970,699,344)</u>	<u>(492,117,209)</u>	<u>499,204,011</u>	<u>-</u>	<u>508,122,603</u>	<u>214,335,030</u>	<u>-</u>	<u>38,680,282</u>	<u>(3,202,474,627)</u>
Property, premises and equipment	<u>3,389,167,031</u>	<u>(128,149,813)</u>	<u>(648,457,933)</u>	<u>(9,780,644)</u>	<u>(9,980,795)</u>	<u>-</u>	<u>-</u>	<u>(20,317,566)</u>	<u>2,572,480,280</u>
Less Allowance for impairment	<u>(61,603,235)</u>	<u>(86,287,204)</u>	<u>57,436,915</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(90,453,524)</u>
Property, premises and equipment - net	<u><u>3,327,563,796</u></u>	<u><u>(214,437,017)</u></u>	<u><u>(591,021,018)</u></u>	<u><u>(9,780,644)</u></u>	<u><u>(9,980,795)</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>(20,317,566)</u></u>	<u><u>2,482,026,756</u></u>
Depreciation									<u>492,117,209</u>
Amortization									<u>9,780,644</u>

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

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

Consolidated financial statements as at 31 December 2011

	Balance as at 31 December 2010 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 2011 Baht
Cost									
Land	264,805,841	-	(3,247,665)	-	-	-	-	-	261,558,176
Land improvement	9,448,193	-	(640,803)	-	-	-	-	49,694	8,857,084
Buildings	984,457,886	559,240	(13,341,424)	(3,109,872)	-	-	745,947	-	969,311,777
Buildings on leased land	1,128,326,079	3,631,157	-	-	-	-	304,145	35,853,661	1,168,115,042
Furniture and equipment	414,740,971	19,229,076	(2,892,163)	-	3,199,971	-	15,837,986	-	450,115,841
Furniture and equipment on leased land	1,265,528,104	56,727,336	(26,058,205)	-	(1,160,486)	-	40,551,270	10,296,587	1,345,884,606
Interior and renovation	330,035,649	7,008,126	(4,915,608)	-	540,902	-	43,076,578	-	375,745,647
Interior and renovation on leased land	1,058,954,994	13,125,690	-	(15,344,167)	-	-	68,407,813	-	1,125,144,338
Vehicles	66,655,027	6,177,306	(1,009,109)	-	-	-	-	93,540	71,916,764
Chinaware, glassware, silverware and linen	85,225,950	15,970,948	(11,340)	-	(10,488,171)	-	108,339	-	90,805,726
Building and land rights - net	71,153,789	-	-	(9,780,644)	-	-	-	-	61,373,145
Construction in process	95,622,424	2,077,378,758	(1,052,407)	-	(4,797,703)	-	(173,099,379)	14,670	1,994,066,363
Total cost	5,774,954,907	2,199,807,637	(53,168,724)	(28,234,683)	(12,705,487)	-	(4,067,301)	46,308,152	7,922,894,501

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

Consolidated financial statements as at 31 December 2011 (Continued)

	Balance as at 31 December 2010 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 2011 Baht
Accumulated Depreciation									
Land improvement	(7,042,204)	(219,212)	-	-	-	-	-	(33,937)	(7,295,353)
Buildings	(593,054,430)	(19,150,787)	10,434,777	-	570,526	-	52,658	-	(601,147,256)
Buildings on leased land	(699,453,654)	(47,364,678)	-	-	-	-	110,763	(23,797,982)	(770,505,551)
Furniture and equipment	(231,911,194)	(33,660,813)	2,351,573	-	871,264	-	(1,189,613)	-	(263,538,783)
Furniture and equipment on leased land	(936,821,603)	(96,352,886)	26,636,754	-	1,160,080	-	(743,198)	(8,336,012)	(1,014,456,865)
Interior and renovation	(50,082,525)	(27,735,214)	3,933,487	-	-	-	1,136,956	-	(72,747,296)
Interior and renovation on leased land	(579,485,919)	(98,776,542)	1,562,773	-	393,660	-	4,699,735	-	(671,606,293)
Vehicles	(58,152,603)	(4,607,764)	892,136	-	-	-	-	(86,087)	(61,954,318)
Chinaware, glassware, silverware and linen	(46,470,495)	(12,418,177)	10,686	-	6,199,711	-	-	-	(52,678,275)
Total accumulate depreciation	(3,202,474,627)	(340,286,073)	45,822,185	-	9,195,241	-	4,067,301	(32,254,018)	(3,515,929,990)
Property, premises and equipment	2,572,480,280	1,859,521,564	(7,346,539)	(28,234,683)	(3,510,246)	-	-	14,054,136	4,406,964,511
Less Allowance for impairment	(90,453,524)	(86,287,204)	-	-	-	-	-	-	(92,388,810)
Property, premises and equipment - net	<u>2,482,026,756</u>	<u>1,857,586,278</u>	<u>(7,346,539)</u>	<u>(28,234,683)</u>	<u>(3,510,246)</u>	<u>-</u>	<u>-</u>	<u>14,054,136</u>	<u>4,314,575,701</u>
Depreciation									340,286,073
Amortization									28,234,683

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

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

Company 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
Cost							
Land	3,247,665	-	-	-	-	-	3,247,665
Land improvement	640,803	-	-	-	-	-	640,803
Buildings	12,891,575	-	-	-	-	-	12,891,575
Buildings on leased land	132,782,430	-	(131,155,108)	-	-	-	1,627,322
Interior and renovation	4,915,608	-	-	-	-	-	4,915,608
Interior and renovation on leased land	1,476,572,856	12,289,022	(310,120,942)	-	(138,096,054)	21,131,167	1,061,776,049
Furniture and equipment	2,396,796	30,391	-	-	-	-	2,427,187
Furniture and equipment on leased land	1,396,374,206	46,729,518	(252,131,511)	-	(119,956,669)	34,157,640	1,105,173,184
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
Construction in process	1,852,989	138,052,442	(35,395,212)	-	(931,935)	(55,451,107)	48,127,177
Total cost	3,261,279,052	214,420,525	(748,571,324)	(14,876,136)	210,701,140	-	2,441,551,062
Accumulated Depreciation							
Buildings	(9,990,866)	(206,587)	-	-	-	-	(10,197,453)
Buildings on leased land	(30,324,803)	(6,696,766)	35,616,159	-	-	-	(1,315,410)
Interior and renovation	(2,879,010)	(983,121)	-	-	-	-	(3,862,131)
Interior and renovation on leased land	(787,921,846)	(115,721,854)	153,276,002	-	136,041,947	(31,797)	(614,357,548)
Furniture and equipment	(1,758,167)	(124,659)	-	-	-	-	(1,882,826)
Furniture and equipment on leased land	(983,918,322)	(121,349,618)	145,581,140	-	118,966,657	31,645	(840,688,498)
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	(1,890,676,446)	(260,142,321)	343,957,578	-	264,021,955	-	(1,542,839,234)
Property, premises and equipment - net	1,370,602,606	(45,721,796)	(404,613,661)	(14,876,136)	(6,679,185)	-	898,711,828
Depreciation							260,142,321
Amortization							14,876,136

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

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

Company financial statements as at 31 December 2011

	Balance as at 31 December 2010 Baht	Additions Baht	Disposals Baht	Amortization Baht	Written off Baht	Transfers Baht	Balance as at 31 December 2011 Baht
Cost							
Land	3,247,665	-	(3,247,665)	-	-	-	-
Land improvement	640,803	-	(640,803)	-	-	-	-
Buildings	12,891,575	-	(12,891,575)	-	-	-	-
Buildings on leased land	1,627,322	-	-	-	-	104,545	1,731,867
Interior and renovation	4,915,608	-	(4,915,608)	-	-	-	-
Interior and renovation on leased land	1,061,776,049	13,125,690	-	-	(468,023)	75,370,783	1,149,804,499
Furniture and equipment	2,427,187	-	(2,427,187)	-	-	-	-
Furniture and equipment on leased land	1,105,173,184	45,514,827	(22,629,224)	-	(1,160,487)	41,044,976	1,167,943,276
Vehicles	44,279,171	5,065,157	-	-	-	-	49,344,328
Chinaware, glassware, silverware and linen	50,896,961	7,684,998	-	-	(7,109,354)	65,135	51,537,740
Building and Land rights - net	105,548,360	-	-	(14,876,136)	-	-	90,672,224
Construction in process	48,127,177	92,662,589	(1,052,408)	-	-	(112,980,752)	26,756,606
Total cost	2,441,551,062	164,053,261	(47,804,470)	(14,876,136)	(8,737,864)	3,604,687	2,537,790,540
Accumulated Depreciation							
Buildings	(10,197,453)	(14,994)	10,212,447	-	-	-	-
Buildings on leased land	(1,315,410)	(157,517)	-	-	-	(104,545)	(1,577,472)
Interior and renovation	(3,862,131)	(71,356)	3,933,487	-	-	-	-
Interior and renovation on leased land	(614,357,548)	(82,192,234)	-	-	393,660	(2,263,238)	(698,419,360)
Furniture and equipment	(1,882,826)	(6,766)	1,889,592	-	-	-	-
Furniture and equipment on leased land	(840,688,498)	(82,421,764)	22,515,720	-	1,160,079	(1,236,904)	(900,671,367)
Vehicles	(39,487,870)	(3,148,482)	-	-	-	-	(42,636,352)
Chinaware, glassware, silverware and linen	(31,047,498)	(6,702,567)	-	-	4,400,220	-	(33,349,845)
Total accumulated Depreciation	(1,542,839,234)	(174,715,680)	38,551,246	-	5,953,959	(3,604,687)	(1,676,653,396)
Property, premises and equipment - net	898,711,828	(10,662,419)	(9,253,224)	(14,876,136)	(2,783,905)	-	861,136,144
Depreciation							174,715,680
Amortization							14,876,136

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

13.1 Property, premises and equipment - net

- 13.1.1 Property, premises and equipment - net included building and building improvement on lease land of Dusit Thani Hotel, Pattaya at a book value as at 31 December 2011 and 2010 of Baht 90,672,224 and Baht 105,548,360, respectively. Even though the title to the building of Dusit Thani Hotel, Pattaya has not been transferred to the company, the management believes that by the fact and law, the company has the right to use such building for its operations, as the building is located on the land which the subsidiary is the lessee. On 21 January 2002, the company has registered such right on land lease with the Department of Land, Pattaya. In addition, the company has peacefully and openly possessed this property with intention to be its owner for more than 10 years, by virtue of the Civil and Commercial Code of Thailand, section 1382 (see Note 31.3).
- 13.1.2 On 28 January 2011, the company sold its certain part of land and premises to the third party in the amount of Baht 47,300,000 and had gain on such sales in the amount of Baht 39,173,005.
- 13.1.3 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).

13.2 Dusit Thai Properties Public Company Limited, a subsidiary

- 13.2.1 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).

- 13.2.2 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 16 and 29.1). 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.

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

13.2 Dusit Thai Properties Public Company Limited, a subsidiary (Continued)

13.2.3 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.

13.2.4 As at 31 December 2011 and 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 363,674,731 and 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 20).

13.3 Philippine Hoteliers, Inc., an indirect subsidiary

As at 31 December 2011 and 2010, hotel building and equipment and rights on lease agreement of the subsidiary in net book value of Peso 490,026,957 and Peso 586,881,583, respectively, or approximately Baht 346,498,062 and Baht 400,311,928, respectively, are used as collateral for long-term loan of this subsidiary in the amount of Peso 510.00 million (see Note 19.2).

13.4 DMS Property Investment Private Limited, an indirect subsidiary

13.4.1. On 13 July 2011, Dusit Thai Properties Public Company Limited has entered into a resort sale and purchase agreement with Coastline Hotels and Resort Private Limited in order to purchase assets, composed of the leasehold right from the Government of Republic of Maldives, five-star resort and construction over Mudhdhoo Island in Baa Atoll, Republic of Maldives in the total value of USD 60.00 million. The subsidiary has operated to comply with the conditions in the agreement as follows;

1. Purchase deal of USD 0.5 million as specified in the Memorandum of Understanding
2. Deposit of USD 6 million
3. Purchase price installment of USD 9 million
4. First completion payment of USD 43 million
5. Second completion payment of USD 1.5 million

The leasehold right which Coastline Hotels and Resort Private Limited got from Government of Republic of Maldives is for 35 years, started from 8 September 2009 and included in the amount of USD 60 million was prepaid rental of USD 5 million which already paid to the Government of Republic of Maldives for the first 10 years period (see Note 14). In addition, such sale and purchase agreement had specific the annual rental for year one to ten from the date of commencement of operation of resort or 30 months from 8 September 2009, whichever happens earlier at USD 1 million. Such rental will be paid every 3 months by off-setting with the prepaid rental of USD 5 million.

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

- 13.4.2 On 7 August 2011, Dusit Thai Properties Public Company Limited and other 2 shareholders had established the company, namely DMS Property Investment Private Limited, registered in Republic of Maldives with registered capital of USD 100,000, divided to 100,000 ordinary shares at USD 1 par value each. Dusit Thai Properties Public Company held at 60% of ownership. Subsequently, such company has increased its registered share capital to USD 38,500,000, divided to 38,500,000 shares at USD 1 par value each. Dusit Thai Properties Public Company held at 55 of ownership.
- 13.4.3 On 7 August 2011, Dusit Thai Properties Public Company Limited transferred right and obligation under sale and purchase agreement dated 13 July 2011 from Coastline Hotels and Resort Private Limited to DMS Property Investment Private Limited.
- 13.4.4 During year 2011, Dusit Thai Properties Public Company Limited and DMS Property Investment Private Limited made the payment as the mentioned in sale and purchase agreement dated 13 July 2011 to Coastline Hotels and Resort Private Limited totaling USD 57 million.
- 13.4.5 As at 31 December 2011, DMS Property Investment Private Limited recorded payable for the second completion payment of USD 1.5 million and retention of USD 1.5 million which deposit at bank under Escrow account. This retention will transfer to the seller when the seller has worked to complied with the conditions as specify in the agreement.
- 13.4.6 As at 31 December 2011, renovation and construction in progress in the consolidated financial statements, included interest expenses from loan of DMS Property Investment Private Limited, a subsidiary in Republic in Maldives, in the amount of USD 315,260 or Baht 9,931,188.

13.5 Fully depreciated building and equipment

- As at 31 December 2011 and 2010, building and equipment of the company and subsidiaries amounting to Baht 2,027,342,391 and Baht 1,863,686,510, respectively, were fully depreciated but still in use.
- As at 31 December 2011 and 2010, building and equipment of the company amounting to Baht 1,013,917,834 and Baht 886,892,075, respectively, were fully depreciated but were still in use.

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

13.6 Impairment of property, premises and equipment

During the year 2011 and the year 2010, the impairment charge of Baht 1,935,286 and Baht 86,287,204, respectively 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 as following:

	Consolidated financial statements		Company financial statements	
	2011	2010	2011	2010
Growth rate	3.5%	3.0%	-	-
Discounted rate	13.5%	12.0%	-	-

14. Prepaid rental - land and buildings - net

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

	Consolidated financial statements		Company financial statements		Baht
	2011	2010	2011	2010	
Prepaid rental amount	1,257,500,000	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	
	<u>1,268,507,500</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>(648,083,500)</u>	<u>(574,016,860)</u>	<u>(648,083,500)</u>	<u>(574,016,860)</u>	
	<u>620,424,000</u>	<u>536,983,140</u>	<u>462,916,500</u>	<u>536,983,140</u>	
<u>Less</u> Prepaid rental of land and buildings	<u>(89,817,390)</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>530,606,610</u>	<u>462,916,500</u>	<u>388,849,860</u>	<u>462,916,500</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>	

As at 31 December 2011, prepaid rental amount included lease rental of DMS Property Investment Private Limited in the amount of USD 5 million for the period of 10 years (see Note 13).

15. **Intangible assets - net**

Intangible assets - net consisted of the following:

Consolidated financial statements as at 31 December 2010

	Balance as at 31 December 2009 Baht	Additions Baht	Disposals Baht	Written off Baht	Balance as at 31 December 2010 Baht
Computer software					
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)
Intangible assets - net	<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					<u>7,381,227</u>

Consolidated financial statements as at 31 December 2011

	Balance as at 31 December 2010 Baht	Additions Baht	Disposals Baht	Written off Baht	Balance as at 31 December 2011 Baht
Computer software					
Cost	81,527,390	4,006,145	-	(82,619)	85,450,916
Accumulated amortization	(36,457,572)	(6,211,169)	-	82,617	(42,586,124)
Intangible assets - net	<u>45,069,818</u>	<u>(2,205,024)</u>	<u>-</u>	<u>(2)</u>	<u>42,864,792</u>
Amortization for the years 2011					<u>6,211,169</u>

Company financial statements as at 31 December 2010

	Balance as at 31 December 2009 Baht	Additions Baht	Disposals Baht	Balance as at 31 December 2010 Baht
Computer software				
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)
Intangible assets - net	<u>45,141,274</u>	<u>(1,521,164)</u>	<u>(116,035)</u>	<u>43,504,075</u>
Amortization for the years 2010				<u>5,684,368</u>

Company financial statements as at 31 December 2011

	Balance as at 31 December 2010 Baht	Additions Baht	Disposals Baht	Balance as at 31 December 2011 Baht
Computer software				
Cost	71,360,740	3,993,645	-	75,354,385
Accumulated amortization	(27,856,665)	(5,572,144)	-	(33,428,809)
Intangible assets - net	<u>43,504,075</u>	<u>(1,578,499)</u>	<u>-</u>	<u>41,925,576</u>
Amortization for the years 2011				<u>5,572,144</u>

16. **Other non-current assets - net**

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

Consolidated financial statements as at 31 December 2010

	Balance as at 31 December 2009 Baht	Increase Baht	Decrease Baht	Balance as at 31 December 2010 Baht
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>896,051</u>
Deposits	4,267,880	-	(188,987)	4,078,893
Others	6,177,752	1,542,372	(6,024,845)	1,695,279
Other non-current assets - net	<u>12,206,972</u>	<u>677,083</u>	<u>(6,213,832)</u>	<u>6,670,223</u>
Amortization for the years 2010				<u>865,289</u>

Consolidated financial statements as at 31 December 2011

	Balance as at 31 December 2010 Baht	Increase Baht	Decrease Baht	Balance as at 31 December 2011 Baht
Leasehold rights				
Cost	17,305,793	-	-	17,305,793
Accumulated amortization	(16,409,742)	(865,298)	-	(17,275,040)
Leasehold rights - net	<u>896,051</u>	<u>(865,298)</u>	-	<u>30,753</u>
Deposits	4,078,893		(220,302)	3,858,591
Others	1,695,279	-	(344,370)	1,350,909
Other non-current assets - net	<u>6,670,223</u>	<u>(865,298)</u>	<u>(564,672)</u>	<u>5,240,253</u>
Amortization for the years 2011				<u>865,298</u>

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

Company financial statements as at 31 December 2010

	Balance as at 31 December 2009 Baht	Increase Baht	Decrease Baht	Balance as at 31 December 2010 Baht
Cost				
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>
Accumulated amortization				
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	1,540,209	166,077	(390,415)	1,315,871
Other non-current assets - net	<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				<u>7,844,444</u>

Company financial statements as at 31 December 2011

	Balance as at 31 December 2009 Baht	Increase Baht	Decrease Baht	Balance as at 31 December 2010 Baht
Cost				
Deposits	1,315,871	23,172	-	1,339,043
Other non-current assets - net	<u>1,315,871</u>	<u>23,172</u>	<u>-</u>	<u>1,339,043</u>
Amortization for the years 2011				<u>-</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 13).

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

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

	Consolidated		Company	
	financial statements		financial statements	
	2011	2010	2011	2010
Bank overdrafts	-	-	-	-
Short-term loans from				
Financial institutions	822,400,000	197,000,000	822,400,000	183,000,000
	<u>822,400,000</u>	<u>197,000,000</u>	<u>822,400,000</u>	<u>183,000,000</u>

As at 31 December 2011 and 2010, the company and subsidiaries have credit lines for bank overdrafts totalling Baht 89,000,000, which is guaranteed by the company totalling Baht 46,000,000 (see Note 31.6).

As at 31 December 2011 and 2010, the company has credit lines for bank overdrafts totalling Baht 43,000,000, 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	
			31 December 2011	2010
Dusit Thani Public Company Limited				
17 September 2004	300,000,000	be specified by bank	-	-
17 December 2007	450,000,000	MMR	-	-
2 November 2010	150,000,000	MMR	-	-
8 December 2010	300,000,000	be specified by bank	116,000,000	183,000,000
15 December 2010	800,000,000	MMR	534,000,000	-
1 November 2010	350,000,000	MMR	172,400,000	-
Total ⁽¹⁾	<u>2,350,000,000</u>		<u>822,400,000</u>	<u>183,000,000</u>
Dusit Thai Properties Public Company Limited				
24 June 2009	<u>200,000,000</u>	MMR	-	14,000,000
Total ⁽²⁾	<u>200,000,000</u>		-	14,000,000
	<u>2,550,000,000</u>		<u>822,400,000</u>	<u>197,000,000</u>

- MMR : Money Market Rate

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

⁽²⁾ Such short-term loans has repayment period for 2 years, which is guaranteed by the company.

In addition, on 3 September 2011, DMS Property Investment Private Limited, an indirect subsidiary in Republic of Maldives has entered into short-term loan with financial institutions in Thailand for working capital in the amount of USD 1.5 million, interest rate at LIBOR plus 3.425% p.a. Such loan is pledged by total securities - share certificates of such subsidiary of 38.5 million shares and guaranteed by the company (see Note 30.1) and other 3 shareholders of such subsidiary. As at 31 December 2011, such subsidiary has not withdrawn such short-term loan.

18. Long-term liabilities under finance lease agreements

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

	Consolidated		Company		Baht
	financial statements		financial statements		
	2011	2010	2011	2010	
Long-term liabilities under finance lease agreements	1,980,028	762,294	1,461,374		21,359
<u>Less</u> Deferred interest	(258,134)	(84,483)	(216,559)		(2,390)
	<u>1,721,894</u>	<u>677,811</u>	<u>1,244,815</u>		<u>18,969</u>
<u>Less</u> Current portion	(449,295)	(200,731)	(254,341)		(18,969)
	<u>1,272,599</u>	<u>477,080</u>	<u>990,474</u>		<u>-</u>

19. Long-term loans

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

	Interest rate % p.a.		Consolidated		Company		Baht
			financial statements		financial statements		
	2011	2010	2011	2010	2011	2010	
Loans from financial institutions							
Repayable in semi-annual installments through 2015 by Philippine Hoteliers, Inc.	4.1615	6.0488	72,137,798	156,253,370	-	-	
Repayable in every three months From September 2013 through 2018 by DMS Property Investment Private Limited	4.0740	-	964,260,915	-	-	-	
			<u>1,036,398,713</u>	<u>156,253,370</u>	<u>-</u>	<u>-</u>	
<u>Less</u> Current portion			(20,610,799)	(36,518,585)	-	-	
			<u>1,015,787,914</u>	<u>119,734,785</u>	<u>-</u>	<u>-</u>	

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

	Consolidated		Company		Baht
	financial statements		financial statements		
	2011	2010	2011	2010	
Balance brought forward	156,253,370	842,269,500	-	330,000,000	
<u>Add</u> Additional loans	964,260,915	-	-	-	
<u>Less</u> Repayments	(88,601,226)	(677,151,754)		(330,000,000)	
Exchange (gain) loss on translation	4,485,654	(8,864,376)	-	-	
Balance carried forward	<u>1,036,398,713</u>	<u>156,253,370</u>	<u>-</u>	<u>-</u>	

19. Long-term loans (Continued)

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

19.1 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 31.6). The agreement identified the terms and conditions as follows:

- Interest For the 1st year period, 2.5% per annum, repayment every 3 months

For the 2nd - 8th years, 1 year fixed deposit rate plus 2% per annum, the interest rate will be considered every 6 months and repayment of 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.

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.

19. Long-term loans (Continued)

19.2 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 13). 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 2011 and 2010, this subsidiary had outstanding long-term loan of Peso 102,019,231 and Peso 229,076,923, 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.

19.3 On 3 September 2011, DMS Property Investment Private Limited, a subsidiary in Republic of Maldives has entered into a long-term loan agreement with a financial institution in Thailand for payment of operating assets and equipment, furniture, fixture and equipment installation, preopening expenses and others totalling USD 38.50 million, at the interest rate of LIBOR plus 3.425% p.a. The loan is guaranteed by the Company (see Notes 30.1 and 31.8) with the pledge of its total securities - share certificates of the subsidiary and guaranteed by other 3 shareholders of the subsidiary. As at 31 December 2011, the subsidiary has withdrawn such long-term loan in the amount of USD 30.61 million.

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

20. 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 (DTCPPF) 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 DTCPPF by mortgaged such land and building with DTCPPF in the amount of Baht 1,300,000,000 (see Note 13).

Deferred rental revenue consisted of the following:

	Consolidated		Company	
	financial statements		financial statements	
	2011	2010	2011	2010
Total deferred rental received	763,000,000	763,000,000	-	-
<u>Less</u> Accumulated realized income from deferred rental revenue	(25,990,778)	(557,443)	-	-
	<u>737,009,222</u>	<u>762,442,557</u>	-	-
<u>Less</u> Current portion	(25,433,333)	(25,433,333)	-	-
Deferred rental revenue	<u>711,575,889</u>	<u>737,009,224</u>	-	-
Realized income from deferred deferred rental revenue	<u>25,433,333</u>	<u>557,443</u>	-	-

21. 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.

22. Other reserves

Other reserves as at 31 December consisted of the following:

	Consolidated		Company		Baht
	financial statements	financial statements	financial statements	financial statements	
	2011	2010	2011	2010	
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 23.1).

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

23.1 Treasury common shares

23.1.1 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.

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

23.1 Treasury common shares

23.1.2 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 2011 and 2010, 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 2011 and 2010, 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 22).

23.2 Weighted average number ordinary shares

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

	Consolidated financial statements		Company financial statements	
	2011	2010	2011	2010
Number of issued and paid-up ordinary shares	85,000,000	85,000,000	85,000,000	85,000,000
<u>Less</u> Repurchased ordinary shares by Dusit Thani Properties Company Limited	<u>(471,500)</u>	<u>(471,500)</u>	<u>-</u>	<u>-</u>
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>

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

On 12 October 2010, the company purchased operations assets of Dusit Thani Laguna Phuket from Laguna Resorts and Hotels Public Company Limited, Phuket Resort development Limited and Laguna Grande Limited in amount of including inventories and operating equipment for hotel operation totalling Baht 2,620,000,000 (included VAT). On 24 December 2010, the company sold these assets to Dusit Thani Freehold and Leasehold Property Fund (DTCPPF) 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 DTCPPF 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 DTCPPF.

25. Retirement benefit obligation

	Consolidated		Company		Baht
	financial statements		financial statements		
	2011	2010	2011	2010	
Present value of funded obligations	170,264,353	-	60,926,211	-	
Fair value of plan assets	(46,002,270)	-	-	-	
Present value of unfunded obligation	124,264,083	-	60,926,211	-	
Unrecognized past service cost	(140,853)	-	-	-	
Unrecognized actuarial gain/loss	5,137,457	-	-	-	
Liability in the statement of financial position	129,260,687	-	60,926,211	-	

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

	Consolidated		Company		
	financial statements		financial statements		
	2011	2010	2011	2010	
At 1 January	173,972,235	-	67,123,831	-	
Current service cost	16,914,709	-	6,285,015	-	
Interest cost	8,374,080	-	2,241,954	-	
Actuarial gains/(losses)	1,452,710	-	2,109,831	-	
Exchange differences	2,509,726	-	-	-	
Benefits paid	(32,959,106)	-	(16,834,420)	-	
At 31 December	170,264,354	-	60,926,211	-	

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

	Consolidated		Company		Baht
	financial statements		financial statements		
	2011	2010	2011	2010	
At 1 January	55,225,257	-	-	-	
Expected return on plan assets	6,808,033	-	-	-	
Actuarial gains / (losses)	(3,778,702)	-	-	-	
Exchange difference	1,922,751	-	-	-	
Benefits paid	(14,177,069)	-	-	-	
At 31 December	46,000,270	-	-	-	

25. Retirement benefit obligation (Continued)

The amounts recognized in the income statement are as follows:

	Consolidated		Company		Baht
	financial statements		financial statements		
	2011	2010	2011	2010	
Current service cost	16,914,709	-	6,285,015	-	
Interest cost	8,374,080	-	2,241,954	-	
Expected return on plan assets	(6,808,033)	-	-	-	
Past service cost	69,687	-	-	-	
Total, included in staff costs	<u>18,550,443</u>	<u>-</u>	<u>8,526,969</u>	<u>-</u>	

The principal actuarial assumptions used were as follows:

	Consolidated		Company	
	financial statements		financial statements	
	2011	2010	2011	2010
Discount rate	3.7%, 5.4%	3.7%	3.5%	3.7%
Inflation rate	3.0%	3.0%	3.0%	3.0%
Expected return on plan assets	8.5%	12.0%	-	-
Future salary increases	4.0% - 9.0%	4.0% - 9.0%	4.0% - 9.0%	4.0% - 9.0%

26. Income tax

For the years ended 31 December 2011 and 2010, income tax of the Group has been calculated on the net profit after deduction of revenue which is not subjected to tax calculation and adding back certain expenses which are disallowance for tax computation purposes.

Income tax for the years ended 31 December 2011 and 2010 can summarized as follows:

	Consolidated		Company		Baht
	financial statements		financial statements		
	2011	2010	2011	2010	
Income tax of the Company	-	-	-	-	
<u>Add</u> Income tax of subsidiaries:					
- Dusit Thai Properties Public					
- Company Limited	10,527,806	59,565,070	-	-	
- Philippine Hoteliers, Inc.	26,698,469	11,267,136	-	-	
- Dusit Worldwide Company Limited	-	760,094	-	-	
- Dusit Management Company Limited	40,077	684,025	-	-	
	<u>37,266,352</u>	<u>72,276,325</u>	<u>-</u>	<u>-</u>	

27. Dividend paid

On 29 April 2011, the shareholders' meeting of the company passed a resolution to approve and appropriate profit as dividend payment for the year 2010 for 85,000,000 ordinary shares at Baht 0.50 per share, totalling Baht 42,500,000 was paid on 13 May 2011.

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.

28. 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 2011 and 2010, revenues arising from exchange of goods or services included in revenues from sales and services are as follows:

	Consolidated		Company	
	financial statements		financial statements	
	2011	2010	2011	2010
Revenues arising from exchanges of goods or services	16,164,444	20,000,406	14,355,762	19,522,019

29. Long-term leases

29.1 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.

29. Long-term leases (Continued)

29.1 Dusit Thani Public Company Limited (Continued)

- 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 13).

29.2 Dusit Thai Properties Public Company Limited

Type of lease	Remaining Period	Baht Rental Expenses for the Remaining Lease Period
2010		
Building	2011	656,062
		<u>656,062</u>

29.3 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.

29. Long-term leases (Continued)

29.4 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 (DTCPF) 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 DTCPF (see Note 31.7). The rental amount detailed as follows:

29.4.1 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.

29.4.2 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%.

29.5 DMS Property Investment Private Limited

Reference from Dusit Thai Properties Public Company Limited and/or DMS Property Investment Private Limited have right on leasehold land from the Government of Republic of Maldives, resort and construction on Mudhdhoo Island, Baa Atoll, Republic of Maldives as mentioned in Note 13, as of 31 December 2011, the rental for remaining lease period is as follows:

Due period		Amount
Not over 1 year	USD	1,000,000
Over 1 year but not over 5 years	USD	4,000,000
Over 5 years	USD	27,026,027

DMS Property Investment Private Limited can off-set the prepaid lease rental in the amount of USD 5 million, by USD 500,000 each year for the period of 10 years.

30. Transactions between related companies

Transactions between related companies are as follows:

30.1 Investment in subsidiaries and a joint venture

As at 31 December 2011

Company's name	Country of incorporation	Type of business	Relationship	Issued and paid-up (ordinary shares)	% of shareholding	Investment	
						Company financial statement Cost	Consolidated financial statement Equity
Subsidiaries							
1. Dusit Thani Properties Co., Ltd.	Thailand	Holding	Subsidiary	800,000,000	99.99	799,999,300	-
- Dusit Thai Properties Public Co., Ltd.	Thailand	Hotel and Management	Subsidiary				
- Philippine Hoteliers, Inc.	Philippines	Hotel	(Indirect holding) Subsidiary	825,000,000	84.64 ⁽¹⁾	-	-
- Dusit Enterprises Co., Ltd.	Republic of Mauritius	Management	(Indirect holding) Subsidiary	PESO 364,870,100	88.00 ⁽¹⁾	-	-
			(Indirect holding)	USD 27,500	99.99 ⁽¹⁾	-	-
						799,999,300	-
2. Landmark Hotel Co., Ltd.	Thailand	Hotel	Subsidiary	10,000,000	99.88	9,988,000	-
3. Devarana Spa Co., Ltd.	Thailand	Spa	Subsidiary	8,000,000	99.99	7,999,930	-
4. Dusit Executive Development Center Co., Ltd.	Thailand	Training	Subsidiary	5,000,000	99.99	4,999,940	-
5. Dusit Thai Properties Public Co., Ltd.	Thailand	Hotel and Management	Subsidiary	825,000,000	2.15	32,074,974	-
- DMS Property Investment Private Limited	Republic of Maldives	Hotel	Subsidiary				
			(Indirect holding)	USD 38,500,000	47.72 ⁽³⁾	-	-
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 ⁽²⁾	-	-
						49,999,930	-
7. Dusit Management Co., Ltd.	Thailand	Hotel	Subsidiary	1,000,000	99.99	3,999,960	-
						909,062,034	-
						(9,988,000)	-
						899,074,034	-
Joint ventures							
1. Le Cordon Bleu Dusit Co., Ltd.	Thailand	Cooking School	Joint venture	40,000,000	49.99	19,999,400	-
2. Dusit Bird Hotels Private Limited	India	Management	Joint venture	INR 5,000,000	50.00	3,470,545	-
						23,469,945	-
Associate							
1. Dusit Thani Freehold & Leasehold Property Fund	Thailand	Leasing	Associate	4,094,000,000	30.00	1,229,202,500	1,302,779,562
						1,229,202,500	1,302,779,562

30. Transactions between related companies (Continued)

Transactions between related companies are as follows: (Continued)

30.1 Investment in subsidiaries and a joint venture (Continued)

- ⁽¹⁾ 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.
- ⁽²⁾ Dusit Worldwide Company Limited holds 100.00% in Dusit Overseas Company Limited.
- ⁽³⁾ Dusit Thai Properties Public Company Limited holds 55.00% in DMS Property Investment Private Limited and share certificates of such company are pledged as collateral for loan from financial institution of such company (see Notes 17 and 19.3).

30. Transactions between related companies (Continued)

30.1 Investment in subsidiaries and a joint venture (Continued)

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
						Company financial statement Cost	Consolidated financial statement Equity	
Subsidiaries								
1. Dusit Thani Properties Co., Ltd.	Thailand	Holding	Subsidiary	800,000,000	99.99	799,999,300	-	
- Dusit Thai Properties Public Co., Ltd.	Thailand	Hotel and Management	Subsidiary (Indirect holding)	825,000,000	84.64 ⁽¹⁾	-	-	
- Philippine Hoteliers, Inc.	Philippines	Hotel	Subsidiary (Indirect holding)	PESO 364,870,100	88.00 ⁽¹⁾	-	-	
- Dusit Enterprises Co., Ltd.	Republic of Mauritius	Management	Subsidiary (Indirect holding)	USD 27,500	99.99 ⁽¹⁾	-	-	
						799,999,300	-	
2. Landmark Hotel Co., Ltd.	Thailand	Hotel	Subsidiary	10,000,000	99.88	9,988,000	-	
3. Devarana Spa Co., Ltd.	Thailand	Spa	Subsidiary	8,000,000	99.99	7,999,930	-	
4. Dusit Executive Development Center Co., Ltd.	Thailand	Training	Subsidiary	5,000,000	99.99	4,999,940	-	
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 ⁽²⁾	-	-	
						49,999,930	-	
7. Dusit Management Co., Ltd.	Thailand	Hotel	Subsidiary	1,000,000	99.99	999,992	-	
						906,062,066	-	
						(9,988,000)	-	
Less Allowance for impairment						896,074,066	-	
Joint ventures								
1. Le Cordon Bleu Dusit Co., Ltd.	Thailand	Cooking School	Joint venture	40,000,000	49.99	19,999,400	-	
2. Dusit Bird Hotels Private Limited	India	Management	Joint venture	INR 5,000,000	50.00	3,470,545	-	
						23,469,945	-	
Associate								
1. Dusit Thani Freehold & Leasehold Property Fund	Thailand	Leasing	Associate	4,094,000,000	30.00	1,228,200,000	1,235,075,256	
						1,228,200,000	1,235,075,256	

⁽¹⁾ 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.

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

30. Transactions between related companies (Continued)

30.2 Relationship with related companies

As at 31 December 2011

	Country of incorporation	Type of business	Relationship
Related companies			
1. Acme Printing Co., Ltd.	Thailand	Printing house	Director holds the shares
2. The Peninsula Travel Service Co., Ltd.	Thailand	Sale air ticket	Director holds the shares
3. MBK Public Co., Ltd.	Thailand	Property development	Company and director hold the shares
4. Laguna Resorts & Hotels Public Co., Ltd.	Thailand	Hotel	Company holds the shares and director is director
5. Piyasiri Co., Ltd.	Thailand	Hospital	Director holds the shares
6. Bangkok Bank Public Co., Ltd.	Thailand	Bank	Company and director 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

As at 31 December 2010

	Country of incorporation	Type of business	Relationship
Related companies			
1. Acme Printing Co., Ltd.	Thailand	Printing house	Director holds the shares
2. The Peninsula Travel Service Co., Ltd.	Thailand	Sale air ticket	Director holds the shares
3. MBK Public Co., Ltd.	Thailand	Property development	Company and director hold the shares
4. Laguna Resorts & Hotels Public Co., Ltd.	Thailand	Hotel	Company holds the shares and director is director
5. Piyasiri Co., Ltd.	Thailand	Hospital	Director holds the shares
6. Bangkok Bank Public Co., Ltd.	Thailand	Bank	Company and director 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

30. Transactions between related companies (Continued)

30.3 Short-term loans to and from related companies

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

	Consolidated financial statements		Company financial statements	
	2011	2010	2011	2010
Loan to joint venture				
Le Cordon Bleu Dusit Company Limited	6,000,180	11,000,330	12,000,000	22,000,000
	<u>6,000,180</u>	<u>11,000,330</u>	<u>12,000,000</u>	<u>22,000,000</u>
Loan to subsidiaries				
Devarana Spa Company Limited	-	-	-	500,000
Dusit Management Company Limited	-	-	-	1,328,900
	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,828,900</u>
Total	<u>6,000,180</u>	<u>11,000,330</u>	<u>12,000,000</u>	<u>23,828,900</u>
Loan from subsidiaries				
Dusit Thani Properties Company Limited	-	-	-	1,092,310,000
	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,092,310,000</u>
Loan from related company				
Le Cordon Bleu International BV	5,999,820	14,999,550	-	-
	<u>5,999,820</u>	<u>14,999,550</u>	<u>-</u>	<u>-</u>
Total	<u>5,999,820</u>	<u>14,999,550</u>	<u>-</u>	<u>1,092,310,000</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:

	Consolidated financial statements		Company financial statements	
	2011	2010	2011	2010
Loan to related companies				
Balance brought forward	11,000,330	15,000,450	23,828,900	31,800,000
<u>Add</u> Additional loans	-	-	46,600,000	1,828,900
<u>Less</u> Repayments	(5,000,150)	(4,000,120)	(58,428,900)	(9,800,000)
Balance carried forward	<u>6,000,180</u>	<u>11,000,330</u>	<u>12,000,000</u>	<u>23,828,900</u>
Loan from related companies				
Balance brought forward	14,999,550	17,499,475	1,092,310,000	-
<u>Add</u> Additional loans	-	-	-	1,092,310,000
<u>Less</u> Repayments	(8,999,730)	(2,499,925)	(1,092,310,000)	-
Balance carried forward	<u>5,999,820</u>	<u>14,999,550</u>	<u>-</u>	<u>1,092,310,000</u>

30. Transactions between related companies (Continued)

30.4 Significant related business transactions

Related balances

Company financial statements

Company	As at 31 December 2011				As at 31 December 2010				Baht
	Trade accounts receivable	Other current assets	Accrued expenses	Other current liabilities	Trade accounts receivable	Other current assets	Accrued expenses	Other current liabilities	
Dusit Thai Properties Public Co., Ltd.	35,297	8,589,401	-	132,002	60,537	133,341,490	866	4,812,361	
Dusit Thani Properties Co., Ltd.	-	101,650	-	-	-	101,650	966,049	-	
Philippine Hoteliers, Inc.	39,547	-	-	-	4,446	150,117	-	-	
Dusit Enterprises Co., Ltd.	-	1,381	-	-	-	1,375	-	-	
Devarana Spa Co., Ltd.	124,083	89,338	-	588,564	529,661	479,008	161,643	822,701	
Dusit Executive Development Center Co., Ltd.	174,106	125,217	-	427,395	100,079	489,760	-	224,518	
Dusit Worldwide Co., Ltd.	520,444	17,897,762	-	4,327,241	612,358	4,069,407	644,440	17,285,343	
Dusit Overseas Co., Ltd.	-	8,522,459	-	-	-	3,166,888	-	-	
Dusit Management Co., Ltd.	237,997	17,552,370	-	1,931,055	38,972	28,906,421	-	59,963,331	
Le Cordon Bleu Dusit Co., Ltd.	158,079	-	-	-	474,774	176,288	-	-	
Dusit Thani Freehold and Leasehold Property Fund	-	-	87,703,789	-	-	5,840,455	-	-	
Acme Printing Co., Ltd.	-	-	-	-	-	-	-	1,934,560	
MBK Public Co., Ltd.	-	-	-	-	-	54,510	-	61,300	
Laguna Resorts & Hotels Public Co., Ltd.	33,752,739	-	2,470,317	-	-	1,412,028	-	-	
Piyasiri Co., Ltd.	-	-	-	-	-	-	-	40,318	
DMS Property Investment Private Limited	504,708	10,817,971	-	-	-	-	-	-	
	<u>35,547,000</u>	<u>63,697,549</u>	<u>90,174,106</u>	<u>7,406,257</u>	<u>1,820,827</u>	<u>178,189,397</u>	<u>1,772,998</u>	<u>85,144,432</u>	

30. Transactions between related companies (Continued)

30.4 Significant related business transactions (Continued)

Related transactions

Company financial statements

Company	For the year ended 31 December 2011									Baht
	Revenue From sales and services	Management service income	Interest income	Dividend income	Other income	Cost of sales	Selling expenses	Administrative expenses	Financial expenses	
Dusit Thai Properties Public Co., Ltd.	229,987	12,016,284	-	5,318,271	29,949,668	-	36,563	22,599,165	-	-
Dusit Thani Properties Co., Ltd.	64,380	-	-	239,999,790	1,146,250	-	-	-	16,263,226	-
Philippine Hoteliers, Inc.	-	-	-	-	362,184	-	-	-	-	-
Devarana Spa Co., Ltd.	2,322,135	-	1,986	-	6,507,026	359,938	-	1,774,699	-	-
Dusit Executive Development Center Co., Ltd.	1,358,556	-	-	-	1,736,628	-	-	4,511,725	-	-
Dusit Worldwide Co., Ltd.	4,024,462	-	-	-	21,234,857	-	63,934,703	10,110,673	-	-
Dusit Overseas Co., Ltd.	-	-	-	-	6,644,445	-	-	13,257,943	-	-
Dusit Management Co., Ltd.	822,300	38,457,430	129,024	-	30,050,768	-	824,365	989,823	-	-
Le Cordon Bleu Dusit Co., Ltd.	7,558,732	-	787,100	-	136,920	-	-	-	-	-
Dusit Thani Freehold and Leasehold Property Fund	-	-	-	45,111,640	-	-	-	-	-	-
Acme Printing Co., Ltd.	-	-	-	-	-	-	-	2,480,521	-	-
The Peninsula Travel Service Co., Ltd.	-	-	-	-	-	-	-	67,000	-	-
MBK Public Co., Ltd.	-	-	-	9,885,000	42,633	-	-	139,832	-	-
Laguna Resorts & Hotels Public Co., Ltd.	-	-	-	12,500,000	-	-	-	-	-	-
Piyasiri Co., Ltd.	-	-	-	-	-	-	-	230,503	-	-
Bangkok Bank Public Co., Ltd.	-	-	-	348,150	-	-	-	75,877	5,777,933	-
Thai Life Insurance Co., Ltd.	-	-	-	-	-	-	-	3,000	-	-
The Navakij Insurance Public Co., Ltd.	-	-	-	-	-	-	-	264,170	-	-
	<u>16,380,552</u>	<u>50,473,714</u>	<u>918,110</u>	<u>313,162,851</u>	<u>97,811,379</u>	<u>359,938</u>	<u>64,795,631</u>	<u>56,504,931</u>	<u>22,041,159</u>	

30. Transactions between related companies (Continued)

30.4 Significant related business transactions (Continued)

Related transactions (Continued)

Company financial statements

Company	For the year ended 31 December 2010									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	
Dusit Thai Properties Public Co., Ltd.	430,094	13,460,014	-	-	32,405,595	-	33,091,129	7,844,444	-	-
Dusit Thani Properties Co., Ltd.	57,942	-	-	-	1,151,500	-	-	-	993,401	-
Philippine Hoteliers, Inc.	-	-	-	-	494,344	-	-	-	-	-
Devarana Spa Co., Ltd.	1,988,564	-	9,253	-	5,606,266	688,076	2,399,295	-	-	-
Dusit Executive Development Center Co., Ltd.	3,672,856	-	-	-	837,111	-	7,403,892	-	-	-
Dusit Worldwide Co., Ltd.	4,435,652	-	-	-	17,118,925	-	87,907,630	-	-	-
Dusit Overseas Co., Ltd.	-	-	-	-	3,505,978	-	-	-	-	-
Dusit Management Co., Ltd.	-	2,011,047	641	-	123,955	-	-	-	-	-
Le Cordon Bleu Dusit Co., Ltd.	13,668,592	-	2,488,753	-	297,000	-	-	-	-	-
Acme Printing Co., Ltd.	-	-	-	-	-	-	2,206,425	-	-	-
The Peninsula Travel Service Co., Ltd.	-	-	-	-	-	-	320,285	-	-	-
MBK Public Co., Ltd.	-	-	-	9,390,750	433,700	-	417,290	-	-	-
Laguna Resorts & Hotels Public Co., Ltd.	151,459	14,179,471	-	2,750,000	1,505,431	-	1,218,375	-	-	-
Piyasiri Co., Ltd.	-	-	-	-	-	-	728,233	-	-	-
Bangkok Bank Public Co., Ltd.	-	-	288,712	284,850	466,308	-	578,197	-	-	-
Thai Life Insurance Co., Ltd.	-	-	-	-	-	-	5,000	-	-	-
The Navakij Insurance Public Co., Ltd.	-	-	-	-	-	-	277,172	-	-	-
	<u>24,405,159</u>	<u>29,650,532</u>	<u>2,787,359</u>	<u>12,425,600</u>	<u>63,946,113</u>	<u>688,076</u>	<u>136,552,923</u>	<u>7,844,444</u>	<u>993,401</u>	

30. Transactions between related companies (Continued)

30.4 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 30.3.

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.

30.5 Key management compensation

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

	Consolidated		Company		Baht
	financial statements		financial statements		
	2011	2010	2011	2010	
Salaries and other					
short-term employee benefits	78,915,948	85,773,319	46,736,171	46,258,115	
	<u>78,915,948</u>	<u>85,773,319</u>	<u>46,736,171</u>	<u>46,258,115</u>	

31. Guarantees, commitments and contingent liabilities

31.1 As at 31 December 2011 and 2010, the company and a subsidiary, namely, Dusit Thai Properties Public Company Limited had letter of guarantees issued by banks totalling Baht 148,097,100 and Baht 147,533,500, respectively (see Note 31.7).

31.2 As at 31 December 2011 and 2010, the company had letter of guarantees issued by banks totalling Baht 139,158,600 and Baht 141,451,600, respectively (see Note 31.7).

31. Guarantees, commitments and contingent liabilities (Continued)

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

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

On 29 July 2002, the Southern Bangkok Civil Court ordered to tie conjointly the following cases, the case under which World Intertrade Corporation Limited sue the company calling for its assets (Dusit Thani Hotel, Pattaya) and claiming for compensation on ground of wrongful act of the company and the case under which the company 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 Thani Hotel, Pattaya) by virtue of the law found in the Civil and Commercial Code of Thailand, sections 1382 and 1385 without doubt and the Court has given the verdict that World Intertrade Corporation Limited must pay compensation amounting to Baht 45,782,488 with 7.5% interest per annum of the principal amount of Baht 44,246,000 starting from 20 December 2001 until the entire amount has been fully paid.

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

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

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

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

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

31. Guarantees, commitments and contingent liabilities (Continued)

31.4 For Philippine Hoteliers, Inc., an indirect subsidiary, as at 31 December 2011 and 2010, 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.

31.5 As at 31 December 2011 and 2010, the Group has commitments for renovation contracts totalling Baht 62,612,572 and Baht 70,313,184, respectively.

As at 31 December 2011 and 2010, the company has commitments for renovation contracts totalling Baht 45,932,077 and Baht 50,727,556, respectively.

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

	Notes	2011	Baht 2010
Bank overdrafts	17	46,000,000	46,000,000
Short-term loans from financial institutions	17	200,000,000	200,000,000
Long-term loans	19	-	400,000,000
Total		<u>246,000,000</u>	<u>646,000,000</u>

31.7 The company has contingent liabilities, as guarantor, the minimum lease and/or sublease payment by Dusit Management Company Limited, a subsidiary to Dusit Thani Freehold and Leasehold Property Fund (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 29.4, 31.1 and 31.2) and will pledge new bank guarantee each year during such guarantee period.

31.8 The company has contingent liabilities from guarantee to DMS Property Investment Private Limited, an indirect subsidiary in Republic of Maldives at 55% for short-term and long-term loan not excess USD 22 million.

31.9 As at 31 December 2011, DMS Property Investment Private Limited, an indirect subsidiary in Republic of Maldives has liabilities under letter of credit issuing by Bank as follows:

Currency	Amount
Baht	15,226,088
US dollars	82,960
Euro	3,079
Hong Kong dollars	929,887

32. 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. In addition, the joint venture also obtained exemption from company income tax for human resources development activity for 8 years from the date of receiving income from such activity. Shareholders of this joint venture will also benefit from exemption of tax on dividends from human resources development activity during the period in which this joint venture receives exemption from company income tax.

The aforementioned joint venture thus has to comply with certain term and conditions required of promoted activities.

33. Revenues from promoted activities

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

	Promoted activities	Non-promoted activities	Baht Total amount
For the year ended 31 December 2011			
Revenue from sales and services	93,708,719	-	93,708,719
Interest income	-	90,037	90,037
Other income	-	288,641	288,641
Total	<u>93,708,719</u>	<u>378,678</u>	<u>94,087,397</u>
For the year ended 31 December 2010			
Revenue from sales and services	74,331,130	-	74,331,130
Interest income	-	36,020	36,020
Other income	-	215,689	215,689
Total	<u>74,331,130</u>	<u>251,709</u>	<u>74,582,839</u>

34. Provident fund

For the years ended 31 December 2011 and 2010, the contributions of the Group to the provident fund recorded as expenses were Baht 25,783,027 and Baht 25,465,297, respectively.

For the years ended 31 December 2011 and 2010, the contributions of the company to the provident fund recorded as expenses were Baht 15,626,508 and Baht 18,924,789, respectively.

35. Expense by nature

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

	Consolidate		Baht	
	Financial statement		Company	
	2011	2010	2011	2010
For the year ended 31 December				
Salary and other benefits	1,009,170,710	854,699,547	463,596,209	487,493,444
Rental expenses	158,799,450	170,260,601	110,066,640	122,982,769
Repair and maintenance expenses	93,814,232	77,414,686	33,277,062	36,796,316
Utility expenses	251,154,530	232,251,144	79,584,697	107,011,144

36. Business segment information

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

	Million Baht		
	Revenues	Net Profit (Loss)	Assets Employed
For the year ended 31 December 2011			
Bangkok	2,103.84	130.38	5,707.81
Other provinces	1,680.92	42.03	1,184.16
Overseas	825.43	8.77	2,374.36
Total	4,610.19	181.18	9,266.33
<u>Less</u> Inter-company transactions	(687.63)	(174.11)	(924.99)
Total	<u>3,922.56</u>	<u>7.07</u>	<u>8,341.34</u>
<u>Less</u> Net loss of non-controlling interests		23.97	
Consolidated net profit - equity holders of the parent		<u>31.04</u>	
Consolidated assets			<u>8,341.34</u>

36. Business segment information (Continued)

	Million Baht		
	Revenues	Net Profit (Loss)	Assets Employed
For the year ended 31 December 2010			
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	4,120.74	124.24	9,441.58
<u>Less</u> Inter-company transactions	(520.43)	11.38	(3,346.10)
Total	3,600.31	135.62	6,095.48
<u>Add</u> Net loss (gain) of non-controlling interests		(27.52)	
Consolidated net profit - equity holders of the parent		108.10	
Consolidated assets			6,095.48

37. Disclosure of financial instruments

37.1 Accounting policies

Financial assets carried on the statements of financial position 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 statements of financial position 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.

37.2 Credit risk

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

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

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

37.3 Foreign exchange risk

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

37. Disclosure of financial instruments (Continued)

37.4 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 Group in the current reporting period and in future years.

Information regarding interest rates and term of payments of loan are disclosed in Note 19 to the financial statements.

37.5 Fair value of financial instruments

The following methods and assumptions were used by the Group 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 2011 and 2010, 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.

38. 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.

39. Event occurring after the financial position date

On 27 February 2012, the Board of Directors' meeting of the company considered to propose dividend payment for the year 2011 to shareholders for 85,000,000 ordinary shares at Baht 0.50 per share, totalling Baht 42,500,000. The Board of Directors will propose such dividend payment to the shareholders at the meeting.