

Translation

January 30, 2015

Subject: Explanation for a more than 20% changes in net profit from the same period of last year (Revised)

Attention: Managing Director

The Stock Exchange of Thailand

The consolidated financial statements for the year ended December 31, 2013 compared with the year ended December 31, 2012. The Company has complied with the effective Accounting Standards for the periods beginning on or after 1 January 2013. The Accounting Standard impacted to the consolidated financial from the first quarter of 2013 was TAS 12 Income Tax, which had to retrospectively adjusted to the compare financial information for 2012 and bought forward amount of 2012. These consolidated financial statements are already adjusted according to this Accounting Standard. Moreover, in 2014, the Group revisited accounting policies as from the changes in Thai Financial Report Standards, in comparison with accounting policies of other listed companies in the Stock Exchange of Thailand. The Company considered that Dusit Thani College should be reclassified as a subsidiary of the Group. As such, the Group consolidates the financial statements of Dusit Thani College in the Group's consolidated financial statements

The Company hereby reports the net profit for the year ended December 31, 2013 that net profit attributed to equity holders of the parent was Baht 163.70 million, decreased from last year by Baht 58.85 million, or 26.44%, because last year net profit was included gain on sales of investment properties of Baht 101.11 million. By excluding this gain, the net profit attributed to equity holders of the parent would increase from last year by Baht 42.26 million, or 34.79%.

In 2013, the World economic are recovered, during the first 10 months, the Company had increment of revenues from 10 hotels in Thailand, the occupancy rate increased by 10%. As Thailand - political crisis occurred since November 2013 and trended to be continuing up to the first quarter of 2014 cause the opportunity loss in increasing the Company's revenues because of the continuing cancellation on booking for meeting and leisure of 2013 and the decline of new booking for 2014.

The results of Company's performance for the first quarter to the third quarter 2013, which Thailand's economy looked good and had no impact from any factor, as such total hotels' performance increased from the same period of last year. In addition, Dusit Thani Maldives had grand opening on September 8, 2012, so revenues from sales and services of the Company increased from the same period of last year by Baht 413.71

million and net profit attributed to equity holders of the parent increased by Baht 53.23 million.

For the fourth quarter 2013, the high season of hotel business, since the political crisis highly affected to the decline in tourism and directly impacted to hotel's revenue in Thailand, especially Dusit Thani Hotel, Bangkok, located near the political protest area has been directly affected. As such the Company's revenues from sales and services increased only Baht 31.96 million and net profit attributed to equity holders of the parent was Baht 31.87 million, decreased from the same period of last year by Baht 18.80 million (excluded gain on sales of investment properties of Baht 101.11 million).

The performance for the year ended December 31, 2013 compared with year ended December 31, 2012 is summarized as follows:

Unit: Million Baht

Description	2013	2012	Variance	%
Revenue from sales and services	5,012.96	4,528.62	484.34	10.70
Cost of sales and services and depreciation and amortization	(3,532.80)	(3,378.19)	(154.61)	(4.58)
Gross profit	1,480.16	1,150.43	329.73	28.66
%	30%	25%		
Other income from operations	282.08	255.87	26.21	10.24
Total expenses	(1,608.39)	(1,440.24)	(168.15)	(11.68)
Operating profit (loss)	153.85	(33.94)	187.80	553.33
Other income	128.79	144.47	(15.69)	(10.86)
Gain on sales of investment properties	-	101.11	(101.11)	(100.00)
Profit before interest and income tax expenses	282.64	211.64	71.00	33.55
Interest income (expense) - net	(60.66)	(67.54)	6.88	10.19
Profit (loss) before income tax expenses	221.98	144.10	77.88	54.04
Income tax expenses	(24.35)	(6.22)	(18.13)	(291.48)
Net profit (loss)	197.63	137.88	59.74	43.33
Net profit (loss) - Non-controlling interests	33.92	(84.67)	118.60	140.06
Net profit - Equity holders of the parent	163.70	222.56	(58.85)	(26.44)
<i>Earnings per share (Baht)</i>	<i>1.94</i>	<i>2.63</i>		

The performance for 2013, the Company had revenues from sales and services of Baht 5,012.96 million, increased from last year by Baht 484.34 million, or 10.70%, resulted from the increment of hotel revenues, especially from the opening of new hotel, Dusit Thani Maldives and also from Dusit Thani Pattaya. After deducting cost of sales and depreciation, gross profit was Baht 1,480.16 million, increased from last year by Baht 329.73 million, or 28.66%. With including other income from operations (comprised management service income and other income) of Baht 282.08 million, profit before expenses then was Baht 1,762.24 million. After deducting total expenses of Baht 1,608.39 million, increased from last year by Baht 168.15 million, comprised expense from opening sales office in Japan in July 2013 and a new joint venture company in People's Republic of China, marketing, promotion and public relations expenses, employee relations and other administrative expenses, then operating profit was Baht 153.85 million, by including other incomes of Baht 128.79 million, net interest income (expenses) of Baht 60.66 million, income tax expense of Baht 28.75 million and income

on deferred income tax of Baht 4.40 million and net profit – non-controlling interests of Baht 33.92 million, as such net profit attributed to equity holders of the parent was Baht 163.70 million, or Baht 1.94 per share. Net profit increased from last year (excluding gain on sales of investment properties) by Baht 42.26 million. The major reason resulted from increase of profit from hotel's operations, especially from Dusit Thani Maldives and Dusit Thani Pattaya.

Consolidated Operation Performance

The Company and subsidiaries had revenue from sales and services of Baht 5,012.96 million, increased from last year by Baht 484.34 million, or 10.70%. The major increases are resulted from following reasons:

- Hotels under the Company and subsidiaries had revenues increased by Baht 346.18 million from Dusit Thani Maldives increased by Baht 308.55 million.
- Hotels under DTCPF had revenues increased by Baht 77.41 million.
- Other businesses (included Dusit Thani College) had revenues increased by Baht 60.75 million.

After deducting cost of sales and services and depreciation, the Company had gross profit for 2013 of Baht 1,480.16 million, or 30% of total revenues, increased from the last year by Baht 329.73 million, or 28.66%.

Including other income from operations, comprised management service fee of Baht 65.06 million and other income of Baht 217.02 million, increased from last year by Baht 4.02 million and Baht 22.19 million, respectively. The major increased revenues are resulted from the technical service fee from various projects and other incomes from hotels and other businesses.

Total expenses were Baht 1,608.39 million, increased from last year by Baht 168.15 million, or 11.68%, represented selling and administrative expenses of hotels and headquarter, consisting of the following:

- Selling expenses decreased by Baht 26.11 million, such as marketing, promotion and public relations expenses.
- Administrative expenses increased by Baht 155.71 million, comprising the feasibility study for new investment projects, employee relations and other administrative expenses. However, the Company has policy to continue carefully spending from last year.
- Depreciation and amortization decreased by Baht 11.46 million are resulted from the fully depreciated assets of hotels.
- Loss on sale of property, premises and equipment decreased by Baht 2.20 million from the selling of unused assets in 2012.

The operation profit was Baht 153.85 million, increased from last year by Baht 187.80 million. After including other income: dividend income, realized income from deferred rental revenue, gain on sales of property, premises and equipment and share of

profit from investment in associate, gain on sales of investment properties Baht 101.11 million (only for 2012), then profit before interest and income tax was Baht 282.64 million, increased from last year by Baht 71.00 million. By deducting net interest income (expense) of Baht 60.66 million (majority from Dusit Thani Maldives), then net profit before income tax was Baht 221.98 million. After deducting income tax expense of Baht 24.35 million and non-controlling interest of Baht 33.92 million, net profit contributed to equity holders of the parent was Baht 163.70 million, increased from last year (by excluding gain on sales of investment properties) by Baht 42.26 million.

Financial Position

The consolidated statement of financial position of the Company and subsidiaries as of December 31, 2013 compared with the balance as of December 31, 2012 which already adjusted deferred income tax assets and liabilities, and also consolidated Dusit Thani College in the Group's consolidated financial Statement, consequently the shareholders' equity had higher value.

Unit: Million Baht

Description	As of December 31, 2013	As of December 31, 2012	Variance	%
Total current assets	1,717.73	1,513.08	204.64	13.52
Total non-current assets	7,553.16	7,567.42	(14.25)	(0.19)
Total assets	9,270.89	9,080.50	190.39	2.10
Total current liabilities	2,031.96	1,925.87	106.08	5.51
Total non-current liabilities	1,971.06	2,109.13	(138.07)	(6.55)
Total liabilities	4,003.01	4,035.00	(31.99)	(0.79)
Equity attributable to owners of the parent	4,530.40	4,374.42	155.98	3.57
Total shareholders' equity	5,267.87	5,045.49	222.38	4.41
Total liabilities and shareholders' equity	9,270.89	9,080.50	190.39	2.10

Total assets were Baht 9,270.89 million, increased by Baht 190.39 million, resulted from key factors as follows:

- Current assets increased by Baht 204.64 million, mostly from cash and cash equivalents from operations increased by Baht 150.51 million (from operating), trade and other receivables-net increased by Baht 40.64 million (resulted from trade accounts receivable, other receivables, prepaid income tax and prepaid expenses), inventories increased by Baht 1.96 million, prepaid rental of land and buildings increased by Baht 2.10 million, and other current assets increased by Baht 22.43 million (VAT refundable and advance payment for investment in associate). Whereas, short-term investment decreased by Baht 13.00 million.

- Non-current assets decreased by Baht 14.25 million. The major reasons are resulted from prepaid rental of land and buildings exceeding one year-net by Baht 98.79 million because of amortization according to the lease period, deferred income tax assets by Baht 7.52 million from tax-loss carried forward. Whereas the increase of available-for-sale investments increased by Baht 59.44 million (increased in fair value or market value), investments in associate – DTCPF by Baht 0.68 million (from share of profit from investment and dividend income during the year), property, premises and equipment-net

and investment properties – net increased by Baht 13.12 million (majority were from renovation and depreciation during the year), intangible assets – net increased by Baht 17.26 million (computer software), and other non-current asset increased by Baht 1.43 million.

Total liabilities were Baht 4,003.01 million, decreased by Baht 31.99 million, from following reason:

- Current liabilities increased by Baht 106.08 million. The main increases are resulted from current portion of long-term loans by Baht 71.98 million, short-term loans from financial institutions by Baht 7.40 million, trade and other payables by Baht 32.94 million, liabilities under rental guaranteed to DTCPF by Baht 5.67 million, whereas accrued income tax and other current liabilities decreased by Baht 11.91 million.

- Non-current liabilities decreased by Baht 138.07 million from repayment of long-term loans Baht 133.13 million and deferred rental revenue from DTCPF decreased by Baht 25.43 million resulted from the realized as revenue during the period and others by Baht 2.03 million, but retirement benefit obligation increased by Baht 20.74 million (according to the calculation by Actuarial), and other non-current liabilities increased by Baht 1.78 million.

Shareholders' equity was Baht 5,267.87 million, increased by Baht 222.38 million, majority resulted from net profit of Baht 197.63 million, gain on re-measuring available-for-sale investments (from market value) by Baht 59.44 million, exchange differences on the translation of financial statements of subsidiaries by Baht 67.03 million, actuarial losses on define employee benefit plan by Baht 2.94 million and income tax relating to components of other comprehensive income by Baht 10.66 million and deducted dividend of Baht 85.00 million and for non-controlling interest by Baht 3.11 million.

Moreover, Equity attributable to owners of the parent was Baht 4,530.40 million. It's included that Dusit Thani College funds are cumulative fund balances amounting to Baht 269.78 million in accordance with The Private Higher Education Institutions Act B.E. 2546 Amendment (No.2) B.E. 2550 requires that a private higher education institution firstly allocate its annual excess revenues over expenses in general fund to compensate other negative balance funds. Then, at least 60% of the remaining excess revenues over expenses shall be allocated to other funds, not over 30% shall be allocated as benefit to the licensor and not less than 10% shall be reserved as working capital in the general fund.

The effects of deferred income tax assets were more than deferred income tax liabilities, impacted to shareholders' equity as of December 31, 2012 by Baht 121.63 million and as of December 31, 2013 by Baht 115.36 million. As a result, as of December 31, 2013, debt (excluding deferred rental revenue) to equity ratio was 0.66:1, and debt (only interest bearing debts) to equity ratio was 0.40:1 and book value of Baht 51.75 per share.