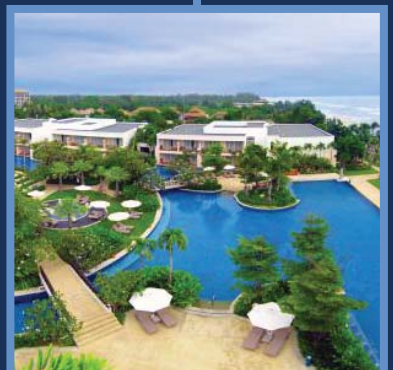
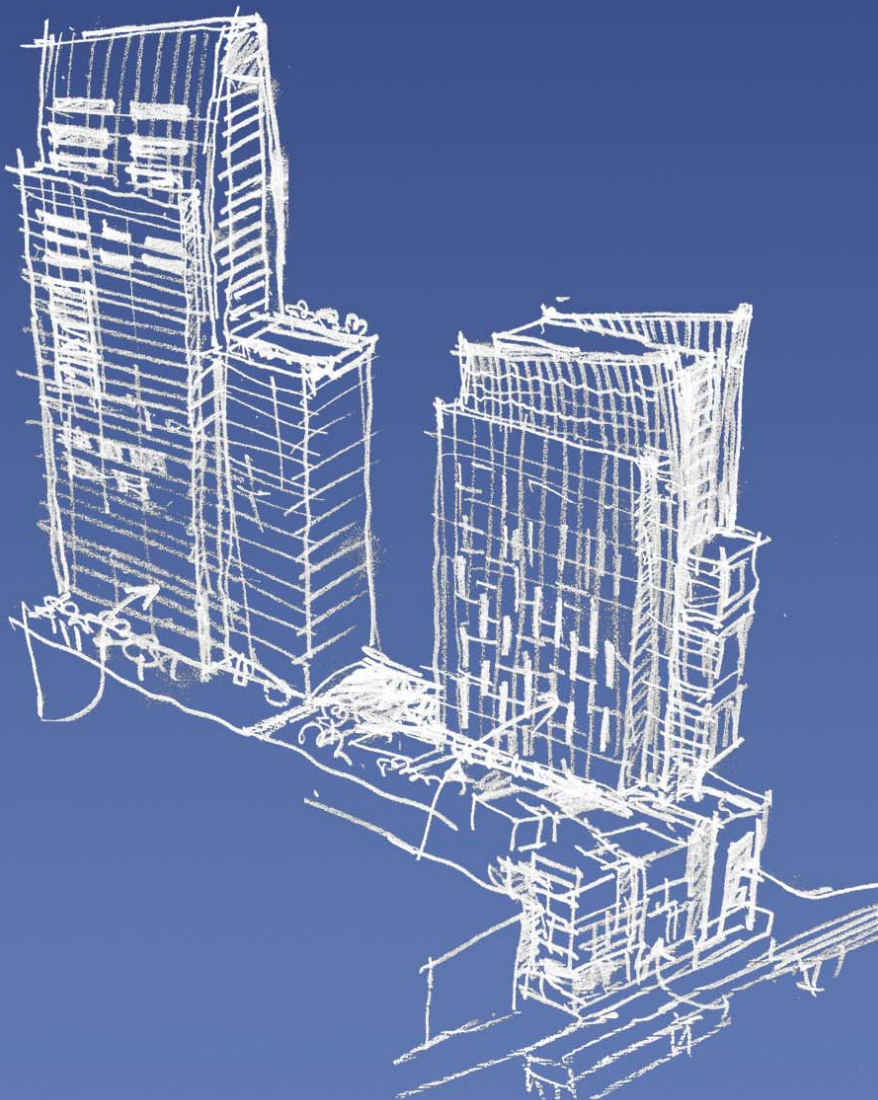
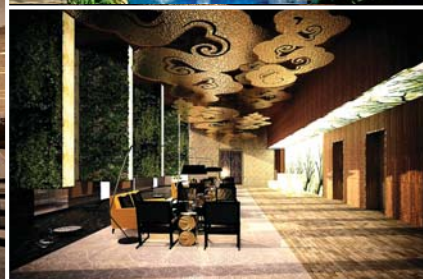


Thai Property



2011
Annual Report

รายงานประจำปี 2554



1	
2	4
3	5
	6
7	8

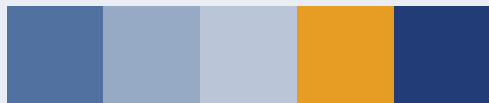
1. Hyde Sukhumvit Condominium
2. Crowne Plaza Sukhumvit Hotel
3. Westin Grande Sukhumvit Hotel
4. Sheraton Hua Hin Resort & Spa
5. Hua Hin Blue Lagoon
6. Lobby at Hyde Sukhumvit
7. Sukhumvit 13 Shopping Center
8. Pacific Place I & II

CONTENTS



Financial Highlights	2
Message from Chairman of the Board of Directors	3
Report from the Audit Committee	4
The Operation of the Company and Subsidiaries	
• Background	5
• Management Analysis	5
• Business Profile of the Subsidiaries	6
• The Business Operation of Subsidiaries	8
Risk Factors of the Company and Subsidiaries	10
Shareholders and Management Structure	11
• Organization Chart	12
• The Board of Directors	13
• Authorized Directors	16
• Functions and Responsibilities of the Board of Directors	16
• The Audit Committee	16
• Functions and Responsibilities of Audit Committee	17
• Selection of Directors	17
• Remuneration of Directors	17
Good Corporate Governance	18
Related Transactions	21
Auditor's Reports	22
Financial Statements	24
Notes to the Financial Statements	33





Financial Highlights

(Unit: Baht in millions)

As of December 31, 2011	Thai Property Public Company Limited				Consolidated	
	2008	2009	2010 (Restated)	2011	2010 (Restated)	2011
Revenue	46	23	581	83	1,127	1,093
EBITDA*	13	6	25	34	539	45
Net profit	5	1	11	3	511	335
EBITDA margin*	27.34%	25.64%	4.23%	40.70%	47.79%	4.16%
Net profit margin	10.31%	2.77%	1.87%	3.49%	45.38%	30.67%
Total Assets	1,114	1,111	1,341	1,558	8,619	8,293
Total Liabilities	125	123	343	348	6,634	4,557
Total Equity	988	989	998	1,209	1,499	1,877
Number of shares	235	2,354	2,354	2,816	2,354	2,816
Book value	4.20	0.42	0.42	0.43	0.64	0.67
Earnings per share	0.02	0.00	0.005	0.001	0.22	0.14
Net interest - bearing D/E	0.06	0.07	0.31	0.26	2.64	0.89
Return on assets (ROA)	0.43%	0.06%	0.89%	0.20%	10.51%	3.96%
Return on equity (ROE)	0.48%	0.06%	1.13%	1.10%	41.12%	19.86%

*Remark : Exclusive of profit from debt restructuring



Message from Chairman of the Board of Directors

Y2011, Strengthen the Company

At the beginning of 2011, the world economy was sparkling bright by soaring prices of natural resources, and a record-setting of gold and oil prices, so was Thailand's economy. However, when we began the second half of the year, the Thai economy took a sudden turn, with the business environment flipped on its head by turmoil of flooding and a decelerating of world economy. However, we, Thai Property Public Company Limited, have continually and steady operate our business with strong proud and confidence on our business philosophy. Moreover, the investment in Grand Asset Hotels and Property Public Company Limited and Pacific Estate Development Ltd. has been success as expected.

Y2012, Continuing to grow

The positive performance result of the Company and subsidiaries has reflected our vision that we come to the right direction and we will carry on our business with confidence and trust in investing and exploring new businesses such as Community Mall and Retail Business in central business district of Bangkok. Also, we will continue our core business i.e. office rental, hotel and condominium development. With our specialty and skill in the field together with knowledgeable, capable and professional management team and employees, we, the Board of Directors, are strongly confident that the business of the Company will be carried on as planned and we will be success for this year and so on.



(Mr. Watcharakiti Wacharothai)

Chairman

Report from the Audit Committee

The Audit Committee of Thai Property Public Company Limited has been elected and appointed by the Meeting of Shareholders whereas the present Audit Committee is comprised of 3 independent directors as follows:

- | | | |
|----------------|-----------------|--|
| 1. Mr.Surin | Pholyasrisawat | Independent Director/Chairman of Audit Committee |
| 2. Mr.Chirdsak | Kukiattinun | Independent Director/Audit Committee |
| 3. Mr.Supoj | Siripornlertkul | Independent Director/Audit Committee |

The Audit Committee has performed its duties in accordance with rules and regulations of the Stock Exchange of Thailand and as being delegated by the Board of Directors. Also, we had attended meetings with Vice President of Corporate Finance Division and the Auditor of the Company together with the explanation from the management of the Company in order to have adequate information to review quarterly and yearly financial statements ended 31 December 2011 which were reviewed and certified by the auditor of the Company. We, the Audit Committee, had already approved those financial statements and found that the Company had conducted its financial statements in line with the generally accepted accounting standards and disclosed adequate information therein whereby the Board of Directors of the Company had, also, approved those financial statements and would submit them to the Meeting of Shareholders for consideration and approval accordingly.

Moreover, the Audit Committee has given an approval for the appointment of auditors from Ernst & Young Office Ltd. to be the auditors of the Company in order to review and certify quarterly and yearly financial statements for the Year 2012. We, also, gave approval for the Company to appoint competent and experienced internal auditor to be the internal auditor of the Company in order to evaluate the adequate internal control, monitoring and risk management systems and conduct a report of the same to the Audit Committee for consideration and reporting such a report to the Meeting of Shareholders accordingly.

(Mr.Surin Pholyasrisawat)
Chairman of Audit Committee

The Operation of the Company and Subsidiaries

Background:

Thai Property Public Company Limited ("Company"), previously known as "Rattana Real Estate Public Company Limited", has been established since 1985 and become a listed company in the Stock Exchange of Thailand in 1989. Lastly, in 2005, the Company has changed its name to "Thai Property Public Company Limited".

At the beginning, the Company's main business had involved in development of residential projects and later on started to develop a huge Shopping Complex at the intersection of Pratunam namely "Pratunam Center" Project in 1993. During the economic crisis in 1997, the Company had halted the Project construction until 2002 when the Company transferred the leasehold right of land and buildings of the Project to a newly established joint venture company.

In 2010, the Company had disposed its investment in the joint venture company and utilized the proceeds to invest in Pacific Estate Development Ltd. and also Grand Asset Hotels and Property Public Co., Ltd. which both companies contributed the satisfying rate of returns to the Company.

Management Analysis:

1. Revenues :

In 2011, the Company and its subsidiaries earned Revenues from their operation of Baht 1,093.01 million, which were comprised of revenues from hotel operations of Baht 743.55 million, revenues from sales of real estate of Baht 89.46 million, rental income of Baht 214.90 million and other incomes of Baht 45.10 million. The said total revenues was decreased for Baht 34.08 million or 3.02 % compared with the same period of 2010 (restated).

2. Expenses :

For the fiscal year 2011, the Company and its subsidiaries had total costs and expenses of Baht 1,232.06 million, an increase of Baht 621.77 million or 101.88 % when compared with the same period of 2010 (restated). The costs and expenses so increased were due to the increase of cost of hotel operations for the amount of Baht 283.33 million, cost of rental and related services for the amount of Baht 64.90 million, selling and administrative expenses for the amount of Baht 515.98 million, depreciation and amortization expenses for the amount of Baht 162.69 million. Whereby the finance costs of the Company and its subsidiaries were Baht 256.94 million, increased for Baht 251.63 million or 4,740.55 % from the same period of 2010.

3. Financial status

In 2011, the Company and its subsidiaries had total assets of Baht 8,293.01 million, decreased for Baht 326.01 million or 3.78 % from the same period of 2010 (restated). Their total liabilities were Baht 4,557.35 million, decreased for Baht 2,076.93 million or 31.31 % whereby the deficit of 2011 was only Baht 253.04 million, decreased for Baht 169.54 million or 40.12 %, compared with the same period of 2010 (restated).

Business Profile of the Subsidiaries :

The Company has now 7 subsidiaries and related companies as follows:

1. Multiviews Company Limited

Core Business	Advertising on electronic board
Established	22 March 1995
Head Office	1168/43 Lumpini Tower, 17th Floor, Rama 4 Road, Kwang Tungmahamek, Khet Sathorn, Bangkok 10120
Registered Capital	Baht 15,000,000, divided into 150,000 ordinary shares with par value of Baht 100 each
Paid-up Capital	Baht 15,000,000.-
Percentage of Shareholding	28,500 shares (equivalent to 19.00% of its registered and paid-up capital)

2. Bangkok Centerpoint Company Limited

Core Business	Management of shopping plazas and building, providing public utilities therein and providing consulting service on management, marketing and selling spaces thereof for both sale and lease
Established	30 June 2010
Head Office	2922/305-306 Charn Issara Tower II, 29th Floor, New Petchburi Road, Kwang Bangkapi, Khet Huay Kwang, Bangkok 10310
Registered Capital	Baht 5,000,000, divided into 500,000 ordinary shares with par value of Baht 10 each
Paid-up Capital	Baht 5,000,000.-
Percentage of Shareholding	499,997 shares (equivalent to 100.00% of its registered and paid-up capital)

3. Scenery Peak Limited

Core Business	General Investment
Established	12 May 2010 (at British Virgin Islands)
Head Office	Quastisky Building, PO Box 4389, Road Town, Tortola, British Virgin Islands
Registered Capital	US\$ 50,000, divided into 50,000 ordinary shares with par value of US\$1 each
Paid-up Capital	US\$ 50,000.-
Percentage of Shareholding	50,000 shares (equivalent to 100.00% of its registered and paid-up capital)

4. Pacific Estate Development Limited

Core Business	Office building rental
Established	22 December 1988
Head Office	140 One Pacific Place Building, M Floor, Sukhumvit Road, Kwang Klongtoey, Khet Klongtoey, Bangkok 10110
Registered Capital	Baht 600,000,000, divided into 60,000,000 ordinary shares with par value of Baht 10 each
Paid-up Capital	Baht 600,000,000.-
Percentage of Shareholding	59,999,998 shares (equivalent to 100.00% of its registered and paid-up capital)

5. Metro Premier Holding Company Limited

Core Business	General Investment
Established	29 November 2010
Head Office	2922/305-306 Charn Issara Tower II, 29th Floor, New Petchburi Road, Kwang Bangkapi, Khet Huay Kwang, Bangkok 10310
Registered Capital	Baht 5,000,000, divided into 500,000 ordinary shares with par value of Baht 10 each
Paid-up Capital	Baht 5,000,000.-
Percentage of Shareholding	499,998 shares (equivalent to 100.00% of its registered and paid-up capital)

6. Grand Asset Hotels and Property Public Company Limited

Core Business	Hotel business, rent of Shopping Plaza and property development
Established	7 July 2003
Head Office	388 Exchange Tower, Unit No.3203-4, 32nd Floor, Sukhumvit Road, Kwang Klongtoey, Khet Klongtoey, Bangkok 10110
Registered Capital	Baht 3,001,466,667
Paid-up Capital	Baht 2,751,466,667, divided into 2,751,466,667 ordinary shares with par value of Baht 1 each
Percentage of Shareholding	977,674,912 shares (equivalent to 35.53% of its paid-up capital)

7. Yaksa Company Limited

Core Business	Serviced Apartment
Established	4 January 2010
Head Office	22 Soi Prachanukul 3 Soi 1, Ratchadapisek Road, Kwang Bangsue, Khet Bangsue, Bangkok
Registered Capital	Baht 100,000,000 divided into 10,000,000 ordinary shares with par value of Baht 10 each
Paid-up Capital	Baht 62,500,000.-
Percentage of Shareholding	6,500,000 shares (equivalent to 65.00% of its registered and paid-up capital)

Business Operation of Subsidiaries:

1. Office Building

as of 29 February 2012

Description	One Pacific Place	Two Pacific Place
LOCATION:	No.140 Sukhumvit Road, Klongtoey, Bangkok	No.142 Sukhumvit Road, Klongtoey, Bangkok
TOTAL AREA:	30,513 sq.m.	41,526 sq.m.
NET RENTAL AREA:	16,002 sq.m.	21,577 sq.m.
OCCUPANCY RATE:	67.77%	82.48%
AVERAGE RENTAL RATE:	Baht 524/sq.m.	Baht 538/sq.m.
STORIES:	19 stories	30 stories
CAR PARKING:	241 cars	368 cars
BUILDING MANAGEMENT:	Jones Lang Lasalle Management Limited	Jones Lang Lasalle Management Limited

2. Hotel Business

as of 29 February 2012

Description	The Westin Grande Sukhumvit Hotel	Sheraton Hua Hin Resort and Spa Hotel
LOCATION:	Soi Sukhumvit 19 , Bangkok	Cha-am District, Petchburi
TYPE:	5-Stars Hotel	5-Stars Hotel
STORIES:	25 stories	2 stories
ROOMS:	363	240
OCCUPANCY RATE:	70.40%	68.97%

3. The Projects Under Construction

Description	Type	Location	Storeys	Units
Hotel Soi Sukhumvit 13	4-Stars Hotel	Sukhumvit 13, Bangkok	30	327
Crowne Plaza Sukhumvit Hotel	5-Stars Hotel	Sukhumvit 27, Bangkok	32	342
HYDE Sukhumvit Condominium	Residence Condo	Sukhumvit 13 , Bangkok	37	364
MJ Community Mall	Community Mall	Huay Kwang, Bangkok	3	5,000 sq.m.

4. Completed Projects

Description	The Trendy Condominium	Hua Hin Blue Lagoon
LOCATION:	Soi Sukhumvit 13 , Bangkok	Cha-am District, Petchburi
TYPE:	<ul style="list-style-type: none"> • Residential Condominium • Office Building • Shopping Plaza 	<ul style="list-style-type: none"> • Resort Condominium • Villa
STORIES / UNIT:	<ul style="list-style-type: none"> • 18 Stories Condo; 108 units • 32 Stories Office; 29,850 sq.m. 	<ul style="list-style-type: none"> • 18 Stories Condo; 108 units • 37 units of 2- Storey Detached House
SALES PROGRESS:	99.46%	82.06%

Risk Factors of the Company and Subsidiaries

Risk factors that might affect the Company and subsidiaries are as follows:

1. World Financial Crisis

The Financial Crisis which occurred in the European Union and the United States of America has had impact on global economy and also indirect impact on office rental business of a subsidiary of the Company where some tenants were foreign companies or branches of parent companies located in countries that having been affected by the crisis. Some of those tenants had asked for down size of their rental spaces or even worst, close their businesses. Fortunately, there were a few of tenants who were affected by such crisis together with the increase of demand for office rental space in the CBD of Bangkok where located close to BTS and MRT stations. Therefore, the subsidiary of the Company could increase its occupancy rate higher than that of last year. Moreover, the impact on number of tourists or businessmen from those countries using hotel services of subsidiaries is not much and could be replaced by other foreigners.

2. The Increase of Minimum Wage and Salary

The increase of minimum wage and salary for employees held bachelor degrees which will be effective on 1 April 2012 onwards will directly affect the increase of wages and salary expenses of the Company and subsidiaries. However, from our survey, such the increase would have little impact on our expenses due to most of our employees had earned higher wages and salary than required by laws and complied with market rate.

3. The Increase of Oil and LPG Price

The increase of oil and LPG price has directly affected the energy expenses of subsidiaries' hotels. However, such the increase is accounted for a small amount when compared with the total revenues of hotels. But the indirect impact of oil and LPG price increase would be much affect to the increase of costs of raw materials, transportation and etc.

4. Natural Disaster

In 2011, the hotel business of subsidiaries had been greatly affected by the Tsunami in Japan which decreasing the number of Japanese tourists and businessmen who are regular guests of our hotels. Even worst, the flooding in Thailand deteriorated the number of regular guests both Thai and foreigners to drop sharply. Fortunately, in 2012, the number of guests in hotels of subsidiaries has increased significantly. The Company hopes that if there will not be any natural disaster happen, the performance of the Company and subsidiaries might be much better of last year.

5. Delisting from the Stock Exchange of Thailand

The Company was classified as a company being unable to rehabilitate its performance to meet the criteria of the Stock Exchange of Thailand (Non Performing Group or NPG), Tier 2. The Company would have another 2 years to improve its business performance to meet SET criteria. Otherwise, it would be delisted from SET. However, the Company expects to be able to improve its performance to reach the criteria of SET within the given time.

Shareholders and Management Structure

Top ten shareholders of the company as of 9th December 2011 are as follows:

Name	Number of Shares	% to Total Shares
1. Securities Depository (Thailand) Co., Ltd. for depositors	507,685,830	18.03
2. Ever Effort Finance Limited	451,000,000	16.01
3. Mr.Seree Tiavutrochanakul	443,250,000	15.74
4. Mr.Pornchai Poomiwat	341,500,000	12.13
5. Global Paragon Enterprises Limited	273,000,000	9.69
6. Thailand Securities Depository Co., Ltd. for depositors	205,883,650	7.31
7. Mr.Likit Somnuantad	150,000,000	5.33
8. Mrs.Sumalee Ongcharit	96,400,000	3.42
9. DBS Bank A/C DBS Nominees-PB Clients	39,600,000	1.41
10. Mr. Chainid Ngowsirimanee	29,362,500	1.04

Remark : “Securities Depository (Thailand) Co.,Ltd for depositors and Thailand Depository Co.,Ltd for depositors” are agents which holding securities on behalf of investors through Depositors who are member of Securities and Exchange Act B.E.2535

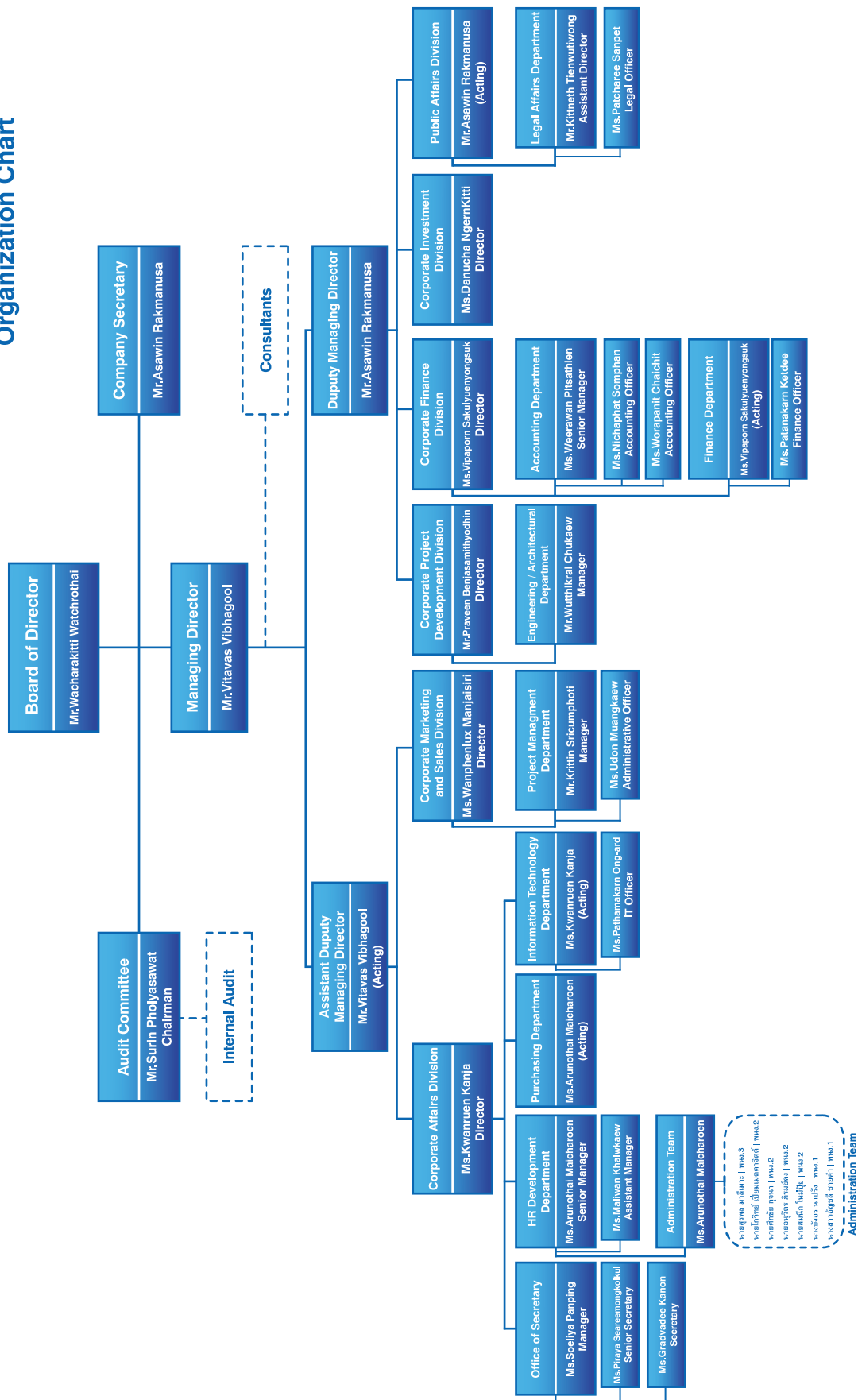
“Number of shares in Scripless Account with Securities Depository”

Is deemed as part of the System of No Share Certificates, which the owner of the share had deposited their shares with Securities Depository (Thailand) Co.,Ltd. In compliance with Clause 228 of the Securities and Exchange Act B.E.2535

*** The Company has prescribed the policy on payment of dividend at approximately 50% of net profit for each fiscal year.

Thai Property Public Company Limited

Organization Chart



The Board of Directors :

The Board of Directors of the Company consists of 7 directors as follows:

Name of Directors	Title
1. Mr.Watcharakiti Watcharothai	Chairman
2. Assoc. Prof.Dr.Seri Wongmonta	Independent Director
3. Mr.Surin Pholyasrisawat	Independent Director/ Chairman of Audit Committee
4. Mr.Chirdsak Kukiattinun	Independent Director/ Audit Committee
5. Mr.Supoj Siripornlertkul	Independent Director/ Audit Committee
6. Mr.Vitavas Vibhagool	Managing Director
7. Mr.Asawin Rakmanusa	Director/ Deputy Managing Director

1. Mr.Watcharakiti Watcharothai

Title Chairman

Education Background

- B.A. (Political Science), Kasetsart University
- M.P.A., Roosevelt University, Illinois, U.S.A.
- Certificate Degree, National Defense College of Thailand (NDC.4)
- Diploma, Capital Market Academy (CMA.9)

Work Experiences

2011 - Present	Chairman of the Board - Thai Property Public Company Limited
2007 - Present	Senior Chamberlain - Royal Household
2001 - 2007	Assistant Lord Chamberlain - Royal Household
1995 - Present	Director of the Red Cross Fair - Thai Red Cross

2. Assoc. Prof.Dr.Seri Wongmonta

Title Independent Director

Education Background

- Ph.D.(Journalism-Political Communication, Southern Illinois University, U.S.A.
- M.Sc. (Journalism-Advertising), Northwestern University, U.S.A.
- M.A. (English), University of Washington, U.S.A.
- B.A. (Hon.) in English Literature and Foreign Languages, Thammasat University

Work Experiences

2005 - Present	Independent Director - Thai Property Public Company Limited
Present	Chairman of the Board - Good Communication Ltd., Part. Director of Master Program in Communication Arts - Rajabhat Suan Dusit University Director of Doctoral Program in Management - Rajabhat Suan Dusit University
1997 – 2000	Host in several Radio and TV Programs

3. Mr. Surin Pholyasrisawat

Title	Independent Director/ Chairman of the Audit Committee
Education Background	<ul style="list-style-type: none"> • B.A. (Hon.) in Accounting, Thammasat University • M.B.A.(Finance), West Coast University, U.S.A.
Work Experiences	
2003 - Present	Independent Director/ Chairman of the Audit Committee Thai Property Public Company Limited
2002 - Present	Managing Director - UBCC Audit Public Company Limited
1999 - Present	Managing Director - Union Business Consulting Company Limited Financial Consultant - Nakornthon Hospital Co., Ltd.

4. Mr. Chirdsak Kukiattinun

Title	Independent Director / Audit Committee
Education Background	<ul style="list-style-type: none"> • M.B.A.(Hon.), University of London, England • Master in System Analysis, Aston University, England
Work Experiences	
1991 - 1993	Executive Director - Shin Corporation (formerly Shinawatra Computer)
2000 - 2003	Managing Director - Hewlett Packard (Thailand) Company Limited
2003 - 2006	Managing Director - Motorola (Thailand) Company Limited
Present	Independent Director / Audit Committee - Thai Property Public Company Limited Managing Director - Capital Management Company Limited Managing Director - 4P Alliance Company Limited Risk Management Director - Property Perfect Public Company Limited Director - MCI-Draka Cable Company Limited

5. Mr.Supoj Siripornlertkul

Title	Independent Director / Audit Committee
Education Background	• B.Arch., Chulalongkorn University
Work Experiences	
2002 - Present	Independent Director/ Audit Committee - Thai Property Public Company Limited
Present	Self Employed (Architect/ Import-export of Furniture)

6. Mr. Vitavas Vibhagool

Title	Managing Director
Education Background	• B.Arch., Chulalongkorn University • M.B.A. Tarleton State University, Texas, U.S.A.
Work Experiences	
2003 - Present	Managing Director - Thai Property Public Company Limited
2003 - 2005	Director - Krungthep Land Public Company Limited
1993 - 1998	Assistant Managing Director - Rattana Real Estate Public Company Limited

7. Mr. Asawin Rakmanusa

Title	Director / Deputy Managing Director
Education Background	• M.B.A. (Finance), U.S.A. • M.P.A., The National Institute of Development Administration (Nida)
Work Experiences	
2009 - Present	Director - Thai Property Public Company Limited
2008 - Present	Deputy Managing Director - Thai Property Public Company Limited
2004 - 2008	Managing Director - Prime Nature Group of companies
2003 - 2004	Director/ Assistant Managing Director - Prinsiri Public Company Limited

Authorized Directors:

Mr.Watcharakiti Watcharothai or Mr.Asawin Rakmanusa signs their names together with Mr.Vitavas Vibhagool and affix the Company's seal will be bound the Company.

Functions and Responsibilities of the Board of Directors:

1. To carry out activities prudently to be in compliance with related governing laws, objectives of the Company and the Articles of Association, in order to protect the Company's interest and for the benefit of shareholders;
2. To consider the policy vision, work plan and key strategies and ethical standards of business operations and to supervise and monitor the management of the Company to ensure the efficiency and compliance with the Company's policies;
3. To monitor the operational results of the Company;
4. To ensure that the financial reports are complete, accurate, reliable and timely and are prepared in compliance with the Company's policies;
5. To monitor the implementation of internal control and audit systems complying with all regulations and related governing laws and to ensure appropriate risk management;
6. To ensure that the Company perform in compliance with good corporate governance and fair treatment to all related parties and discloses all relevant information that might affect the interest of related parties and the public; and
7. To monitor and to prevent conflicts of interest of related parties to in compliance with related rules and regulations.

The Audit Committee :

Presently, the Audit Committee of the Company consists of 3 directors as follows:

Name of Audit Committee		Title
1. Mr.Surin	Pholyasrisawat	Independent Director / Chairman of the Audit Committee
2. Mr.Chirdsak	Kukiattinun	Independent Director / Audit Committee
3. Mr.Supoj	Siripornlertkul	Independent Director / Audit Committee

Function and Responsibilities of the Audit Committee :

1. To control and monitor the Company's financial reports in order to they complete, adequate and reliable;
2. To monitor the auditing process and internal control systems of the Company in order to ensure they are appropriate and efficient;
3. To select and propose the appointment of the statutory auditor of the Company
4. To supervise and ensure that the Company acts in compliance with the regulations and related governing laws;
5. To consider the disclosure of information regarding connected transaction or transaction that might have conflicts of interest to be accurate and complete;
6. To prepare the Audit Committee Report relating to corporate governance as disclosed in the Company's Annual Report. The Audit Committee Report is to be signed by the Chairman of the Audit Committee;
7. To perform any other tasks that are stipulated in the Articles of Association of the Company; and
8. To perform any other tasks that might be delegated by the Board of Directors

Selection of Directors :

The Company will select appropriate persons to propose to the Shareholders Meeting for election as Directors of the Company. The selection takes into their background, knowledge, ability, and experience in related fields of business; as well as their profiles ethical behavior and other appropriated qualifications deemed beneficial to the Company. The Shareholders Meeting will consider and elect the Directors of the Company in accordance with the Article of Association of the Company and related governing laws.

Remuneration of Directors :**1. Remuneration in Monetary Term:**

For the fiscal year 2011, Company was approved to pay remuneration to the directors in term of attendance fees and salary in total amount not exceeding Baht 3.0 million.

2. Other Remuneration:

- None -

Good Corporate Governance

The Board of Directors has realized the responsibilities to manage the business by establishing an organizational structure to balance the roles among the Board of Directors, the Management and the Shareholders to encourage compatibility of the Company for sustainable growth and trustworthiness under the principle of good corporate governance. The Company has pursued the 5 good corporate governance principles set by the Stock Exchange of Thailand. Details are as follows:

1. Shareholders' Rights

The Company shall hold the Shareholders Meeting at a place where having convenient transportation for easily accessible by Shareholders and serve invitation letters containing agendas to Shareholders at least 14 days in advance before the Meeting date. Each agenda shall be accompanied by the opinions of the Board of Directors to provide ample time and sufficient information to Shareholders for consideration and making decision for casting vote in the meeting.

The Company shall fully facilitate Shareholders in attending the Meeting and voting, refrains from doing any acts that might limit opportunity of Shareholders in attending the meeting, and provide opportunity for Shareholders to raise questions and express opinions in the Meeting independently.

After the Meeting date, the Company will prepare minutes of the Meeting in order for Shareholders to examine later and notify the Meeting's resolution to SET via internet system on the following day as the latest. Information will contain name of Directors who attend the Meeting, resolutions, voting result on each agenda, and record issues raised by Shareholders and summary of the Company's clarification.

2. Equitable Treatment to Shareholders

All Shareholders are eligible to attend the Meeting and vote equally under the Company's provisions. The Company has provided an alternative to Shareholders by preparing proxy forms to authorize other people or independent directors to attend the Meeting on behalf of Shareholders who could not attend. Moreover, the Company has the policy to hold Meeting transparency and provide equal opportunity and adequate time to Shareholders to express opinions and raise questions in the Meeting. The Company's Board of Directors and related executives are required to attend the Shareholders Meeting to answer questions in the Meeting. In addition, the Company records the important questions and suggestions in the minutes of the Meeting to allow Shareholders to examine later.

Shareholders who also serve as executive are not able to raise any additional agenda, particularly in important ones that Shareholders may need time to study before making any decision, without being informed in advance.

Moreover, the Company sets the policies and procedures in approval of transactions which might have conflict of interests or connected transactions to be compliance with SET's announcement. Also, the Audit Committee has duty to report the Board of Directors to acknowledge connected and conflict of interest transactions, which are considered prudently as appropriate, and comply with SET's principles.

3. Stakeholders' Role

The Company realizes the rights of internal and external stakeholders.

3.1 Shareholders:

The Company realizes the importance of Shareholders' rights. Hence, the Company provides transparency in information disclosure to all Shareholders accurately, completely and timely through many channels including SET's media.

3.2 Board of Directors:

The Board of Directors is fully aware of the rights of all groups of stakeholders and takes measures to ensure that their rights are protected, and the stakeholders will be treated equally and fairly.

3.3 Customers:

The Company has determined to not only quality of products but also code of conducts by taking care and responsible for customers, offering quality and standard services, and solving customers' complaints or providing advices as the earliest.

3.4 The Company's Staffs:

The Company realizes that good human resources are vital for success. Hence, the Company has considered proper remunerations to all staffs and provided development through basic and advance training.

3.5 Creditors:

The Company has complied with the terms and conditions of obligations made between the Company and creditors.

3.6 Society and Environment:

The Company is aware of quality of life and living in society, culture and environment as substantial matters for the Company's business operation.

4. Information Disclosure and Transparency

The Company has paid attention to disclosure of information which might affect investors' and stakeholders' decision making about accuracy, transparency, reliability, timely and thoroughly. Such information includes financial data, annual report, Form56-1, filing and general and important information.

The Board of Directors has considered avoiding conflict of interests with integrity, reasonably, and independently for the sake of the Company's interests. Also, the Company has pursued SET's rules and regulations governing connected transactions and prohibited all staffs and related persons from using inside information for their own interests.

5. Board of Directors Responsibilities

The Company has required at least 3 independent Directors in the Board of Directors. At present, the Company's Board of Directors consists of 7 experienced, knowledgeable and competent members as follows:

- Authorized Signatory Directors 3 persons
- Independent Directors 4 persons

Each Director is freely to express opinions in the meeting. The Company has regarded an importance of Independent Directors' opinions. In case that they have suggestions or disagree with any matter, such the issue must be reviewed to find out the clear and transparent conclusion. The selection of Independent Directors is compliance with the minimum requirements set by SEC and SET.

5.1 Board of Directors meeting

The Board of Directors has scheduled to hold meeting on quarterly basis or as required by Chairman to consider quarterly operating performance and monitor progress of the operation. Each Director is independent to propose any agendas in the meeting.

5.2 Board of Directors self-assessment

Authorized Signatory Directors must conduct a quarterly evaluation to assess performance in part of their responsibility and the performance evaluation is presented to the Board of Directors to compare with performance in the past.

Related Transactions

The Company has related transactions disclosed in a consolidated financial statement for a period of January 1 to December 31, 2011 which included related transactions between the Company and/or subsidiaries and/or associated companies. All related transactions are normal business transactions and are disclosed in notes of financial statements ended December 31, 2011 which is audited by auditor.

Related Transactions :

Person / Juristic Person who may have conflict of interests	% of Ownership interest	Type of transactions	Year 2011 Amount (Unit: Baht '000)	Major details/ Conditions
Scenery Peak Limited	Subsidiary with 100% holding	Loan	447,705.15	Related transactions are financially support by lending with an interest rate of 3% p.a.
		Accrued interest receivable	36.80	
		Revenues: Interest income	15,533.67	
Pacific Estate Development Limited	Subsidiary with 100% holding	Accounts payable (included in transaction of "Trade and other payables")	67.90	Property management fee which is a normal business transaction.
		Revenues: Management fee	29,677.85	
Metro Premier Holding Company Limited	Subsidiary with 100% holding	Loan	634,000.00	Related transactions are financially support by lending with fixed deposit interest rate of a commercial bank.
		Accrued interest receivable	11,672.75	
		Revenues: Interest income	11,462.22	
Grande Asset Hotels and Property Public Company Limited	Associates with 39.64% indirect holding through Metro Premier Holding Company Limited	Loan	170,000.00	Related transactions are financially support by lending with an interest rate of 12% p.a.
		Accrued interest receivable	21,014.79	
		Accounts payable (included in transaction of "Trade and other payables")	21.24	
		Revenues: Interest income	21,925.48	

Report of Independent Auditor

To the Shareholders of Thai Property Public Company Limited

I have audited the accompanying consolidated statement of financial position of Thai Property Public Company Limited and its subsidiaries as at 31 December 2011, the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and the separate financial statements of Thai Property Public Company Limited for the same period. These financial statements are the responsibility of the management of the Company and its subsidiaries as to their correctness and completeness of the presentation. My responsibility is to express an opinion on these financial statements based on my audit.

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

a) As discussed in Note 36.6 a) to the financial statements, on 6 August 2010, the Phrakhanong Provincial Court announced its judgment on the lawsuit in which one of the landlords (the Plaintiff) brought a claim against a subsidiary (Grande Asset Hotels and Property Public Company Limited) for a breach of the lease agreement for the land on which the subsidiary's hotel is situated. The Court passed its judgment that the subsidiary had breached the terms of the lease agreement, entitling the Plaintiff to legally terminate the agreement, with the hotel building to become the property of the Plaintiff pursuant to the term of the lease agreement. Furthermore, the subsidiary was ordered to deregister the lease under the agreement and to release the hotel building from mortgage to a local bank. Subsequently, on 2 September 2010, the subsidiary submitted to the Court of Appeal an appeal against the said judgment of the Court of First Instance and a petition for stay of execution requesting a stay of execution in accordance with the said judgment until a final judgment of the Court of Appeal or the Supreme Court shall have been reached. Subsequently, the Plaintiff filed an answer to the appeal on 26 October 2010. In addition, on 1 October 2010 the Plaintiff also filed an appeal against the judgment of the Court of First Instance in relation to damages by asking the Court of Appeal to award damages to the Plaintiff at the rate of Baht 500,000 per day commencing from the date following the date of judgment of the Court of First Instance until the date of the subsidiary delivers the hotel building to the Plaintiff. No provision for such liability has been set aside in the accounts. Subsequently, the subsidiary filed an answer to the appeal on 15 December 2010. The appeal is currently pending the consideration of the Court of Appeal. As for the petition for stay of execution, on 21 October 2011, the Court ordered that the petition be granted and that the subsidiary be prohibited from entering into any transaction in relation to the hotel building in dispute during the appeal. The net book values of the subsidiary's hotel building on leasehold land, equipment and furniture used in operation of the hotel, investment properties and the leasehold rights as at 31 December 2011 totals approximately Baht 767 million. I was unable to apply audit procedures to satisfy myself as to the impact of this matter since the appeal is currently pending the consideration of the Court of Appeal.

In my opinion, except for the possible impact of the matter discussed in the preceding paragraph, which I am unable to assess due to a limitation imposed by circumstance, the financial statements referred to above present fairly, in all material respects, the financial position of Thai Property Public Company Limited and its subsidiaries and of Thai Property Public Company Limited as at 31 December 2011, the results of their operations and cash flows for the year then ended, in accordance with generally accepted accounting principles.

Without further qualifying my opinion on the above financial statements other than with respect to the matter discussed in paragraph a) above, I draw attention to the following:

- b) As discussed in Note 15 to the financial statements, on 24 June 2011 ("the acquisition date"), the Company has acquired a company (Yaksa Company Limited), investing in 65 percent of the registered share capital of Yaksa Company Limited. Therefore, the Company presented such investment as investment in subsidiary under the cost method in the separate financial statements. The difference between the value of the investment calculated based on the net asset value of Yaksa Company Limited as at the acquisition date and the purchase cost is approximately Baht 10 million. The Company is in the process of calculating the fair value of the identifiable assets, liabilities and contingent liabilities of Yaksa Company Limited as at the acquisition date, and this process is currently not completed. Such discrepancy was therefore recorded as non-current assets under "Estimated amount of interest in the net assets value of subsidiary that under purchase cost" in the consolidated statement of financial position.

The consolidated financial statements of Thai Property Public Company Limited and its subsidiaries and the separate financial statements of Thai Property Public Company Limited as at 31 December 2010 and for the year ended were audited in accordance with generally accepted auditing standards by another auditor of our firm who expressed a qualified opinion on those statements due to the possible effects of the matter discussed in the paragraph a), which she was unable to assess due to a limitation imposed by circumstances. She also drew attention to the matters of the fair value of the identifiable assets, liabilities and contingent liabilities of a subsidiary (Grande Asset Hotels and Property Public Company Limited), the recoverable value of the a project of another subsidiary (Grande Equity Development Company Limited), the end of uncertainties on the value of investment in the related company's preference shares and on the ability of that related company to pay overdue remuneration and liabilities to the Company, under her report dated 28 February 2011. The consolidated and separate financial statements, as presented herein for comparative purposes, formed an integral part of the financial statements which that auditor audited and reported on. As described in Note 3 and Note 5 to the financial statements, during the current year, the Company adopted a number of revised and new accounting standards as issued by the Federation of Accounting Professions, and applied them in the preparation and presentation of its financial statements. The Company has restated the financial statements as at 31 December 2010 and for the year then ended to reflect the changes in accounting policies resulting from the adoption of these new accounting standards. In addition, as described in Note 15 to the financial statements, during the current year, a subsidiary (Metro Premier Holding Company Limited) has completed the assessments of the fair values of its acquirees' identifiable assets and liabilities (Grande Asset Hotels and Property Public Company Limited). The subsidiary has restated the consolidated financial statements as at 31 December 2010 and for the year ended to reflect the fair values of these acquirees' identifiable assets and liabilities. In my opinion, the adjustments made for the preparation of the restated statements are appropriate and have been properly applied.



Supachai Phanyawattano

Certified Public Accountant (Thailand) No. 3930

Ernst & Young Office Limited

Bangkok: 27 February 2012

Statements of financial position

Thai Property Public Company Limited and its subsidiaries
As at 31 December 2011 and 2010

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
		2011	2010 (Restated)	2011	2010 (Restated)
Note					
Assets					
Current assets					
Cash and cash equivalents	9	202,216,980	103,648,473	50,154,995	8,832,885
Trade and other receivables	10	90,149,228	68,389,648	49,583,387	2,368,729
Receivable from the Revenue Department		57,561,482	67,097,364	-	-
Short-term loans and interest receivable from related parties	8	-	-	836,687,548	650,906,863
Long-term loan and interest receivable from related party -current portion	8	-	-	95,776,449	97,662,802
Inventories	11	8,485,593	7,830,197	-	-
Real estate development project	12	1,568,880,532	1,850,724,834	10,427,243	10,427,244
Others current assets		84,417,574	96,566,125	3,309,984	2,420,611
Total current assets		2,011,711,389	2,194,256,641	1,045,939,606	772,619,134
Non-current assets					
Pledged and restricted withdrawal bank deposits	13	418,639,775	198,300,936	984,928	591,284
Guarantee and deposits for share acquisition in other company	14	89,000,000	75,500,000	89,000,000	75,500,000
Investments in subsidiaries	15	-	-	59,144,405	18,519,404
Other investments	16	-	-	-	-
Long-term loan and interest receivable from releated party - net of current portion	8	-	-	351,965,496	465,965,495
Leasehold rights	17	348,577,268	336,931,543	-	-
Investment properties	18	517,382,667	580,578,657	-	-
Property, plant and equipment	19	4,755,568,205	5,082,804,001	8,247,348	6,726,338
Estimated amount of interest in the net assets value of subsidiary that under purchase cost	15	10,363,686	-	-	-
Intangible assets	20	27,105,589	27,937,785	426,427	577,726
Compensation guarantee	21	83,000,000	95,000,000	-	-
Withholding tax deducted at source		25,972,902	23,149,894	114,384	498,051
Other non-current assets		5,690,591	4,559,891	1,695,600	58,000
Total non-current assets		6,281,300,683	6,424,762,707	511,578,588	568,436,298
Total assets		8,293,012,072	8,619,019,348	1,557,518,194	1,341,055,432

The accompanying notes are an integral part of the financial statements.

Statements of financial position (continued)

Thai Property Public Company Limited and its subsidiaries
As at 31 December 2011 and 2010

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2011	2010 (Restated)	2011	2010 (Restated)
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	22	344,908,159	299,495,363	16,004,450	17,442,619
Short-term loan from financial institution	23	-	90,000,000	-	90,000,000
Short-term loans and interest payable to related parties	8	-	171,338,082	-	211,380,548
Short-term loans from other company and individual	24	500,000,000	2,469,111,881	-	5,000,000
Long-term loans from banks and financial institution - current portion	25	169,920,000	16,080,000	138,000,000	-
Liabilities under finance lease agreements - current portion	26	1,916,453	2,589,894	291,461	279,254
Deposits received		498,809,335	569,793,407	5,935,347	9,097,422
Other current liabilities		95,111,068	98,447,687	6,243,233	6,986,343
Total current liabilities		1,610,665,015	3,716,856,314	166,474,491	340,186,186
Non-current liabilities					
Liabilities under finance lease agreements - net of current portion	26	5,331,532	1,534,857	461,214	752,675
Long-term loans from banks and financial institution - net of current portion	25	2,629,281,085	2,483,920,000	177,281,085	-
Provision for long-term employee benefits	27	29,992,056	24,613,042	2,812,202	1,882,767
Unearned lease right		94,127,618	103,496,298	-	-
Deferred tax liability	15	186,848,089	303,852,873	-	-
Other non-current liabilities		1,100,000	-	1,100,000	-
Total non-current liabilities		2,946,680,380	2,917,417,070	181,654,501	2,635,442
Total liabilities		4,557,345,395	6,634,273,384	348,128,992	342,821,628

The accompanying notes are an integral part of the financial statements.

Statements of financial position (continued)

Thai Property Public Company Limited and its subsidiaries
As at 31 December 2011 and 2010

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2011	2010 (Restated)	2011	2010 (Restated)
Shareholders' equity					
Share capital					
Registered					
3,353,702,060 ordinary shares of Baht 1 each	28	3,353,702,060	3,353,702,060	3,353,702,060	3,353,702,060
Issued and fully paid-up					
2,816,465,918 ordinary shares of Baht 1 each	28	2,816,465,918	2,353,702,060	2,816,465,918	2,353,702,060
(31 December 2010: 2,353,702,060 ordinary shares of Baht 1 each)					
Share discount		(692,753,856)	(438,233,736)	(692,753,856)	(438,233,736)
Retained earnings					
Appropriated - statutory reserve	29	5,934,075	5,934,075	5,934,075	5,934,075
Unappropriated (deficit)		(253,044,780)	(422,580,401)	(920,256,935)	(923,168,595)
Equity attributable to owners of the Company					
		1,876,601,357	1,498,821,998	1,209,389,202	998,233,804
Non-controlling interests of the subsidiaries					
		1,859,065,320	485,923,966	-	-
Total shareholders' equity					
		3,735,666,677	1,984,745,964	1,209,389,202	998,233,804
Total liabilities and shareholders' equity					
		8,293,012,072	8,619,019,348	1,557,518,194	1,341,055,432

The accompanying notes are an integral part of the financial statements.

Statements of comprehensive income

Thai Property Public Company Limited and its subsidiaries
For the years ended 31 December 2011 and 2010

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2011	2010 (Restated)	2011	2010 (Restated)
Profit or loss:					
Revenues					
Revenues from hotel operations		743,551,880	-	-	-
Revenue from sales of real estate		89,455,000	520,119,468	-	520,119,468
Rental income		214,899,904	44,258,526	2,960,000	-
Excess of interest in the net assets value of subsidiary that over purchase cost	15	-	492,809,725	-	-
Interest income		2,931,185	933,284	49,404,033	5,685,648
Other income		42,168,351	68,960,732	30,980,717	55,508,429
Total revenues		1,093,006,320	1,127,081,735	83,344,750	581,313,545
Expenses					
Cost of hotel operations		283,328,021	-	-	-
Cost of sales of real estate		90,918,443	483,381,831	-	483,381,831
Cost of rental and related services		82,219,885	17,323,597	2,358,401	-
Selling expenses		147,603,433	-	-	-
Administrative expenses		443,475,767	75,095,138	47,065,186	60,708,083
Depreciation and amortisation		184,514,862	21,825,372	1,059,527	809,714
Loss from lawsuit settlement	30	-	12,662,240	-	12,662,240
Total expenses		1,232,060,411	610,288,178	50,483,114	557,561,868
Profit (loss) before finance cost, gain on debt restructuring and corporate income tax		(139,054,091)	516,793,557	32,861,636	23,751,677
Finance cost		(256,939,724)	(5,308,073)	(29,949,976)	(12,854,387)
Profit (loss) before gain on debt restructuring and corporate income tax		(395,993,815)	511,485,484	2,911,660	10,897,290
Gain on debt restructuring	24	893,084,914	-	-	-
Profit before corporate income tax		497,091,099	511,485,484	2,911,660	10,897,290
Corporate income tax		(2,000,578)	-	-	-
Profit for the year		495,090,521	511,485,484	2,911,660	10,897,290
Other comprehensive income:		-	-	-	-
Total comprehensive income for the year		495,090,521	511,485,484	2,911,660	10,897,290
Total comprehensive income attributable to:					
Equity holders of the Company		335,185,763	511,485,484	2,911,660	10,897,290
Non-controlling interests of the subsidiaries		159,904,758	-		
		495,090,521	511,485,484		
Earnings per share					
Basic earnings per share					
Profit attributable to equity holders of the Company	33	0.14	0.22	-	-

The accompanying notes are an integral part of the financial statements.

Statements of changes in shareholders' equity

Thai Property Public Company Limited and its subsidiaries For the years ended 31 December 2011 and 2010

	Consolidated financial statements						(Unit: Baht)
	Equity attributable to owners of the Company				Total equity attributable to owners of the Company		
	Issued and fully paid - up share capital	Share discount	Retained earnings		Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity	
			Appropriated statutory reserve	Unappropriated (deficit)			
Balance as at 31 December 2009	2,353,702,060	(438,233,736)	5,934,075	(932,615,680)	988,786,719	-	988,786,719
- as previously reported	-	-	-	(1,450,205)	(1,450,205)	-	(1,450,205)
Cumulative effect of changes in accounting policies due to the adoption of new accounting standards (Note 5)	2,353,702,060	(438,233,736)	5,934,075	(934,065,885)	987,336,514	-	987,336,514
Balance as at 31 December 2009 - as restated	-	-	-	511,485,484	511,485,484	-	511,485,484
Total comprehensive income for the year (restated)	-	-	-	-	-	485,923,966	485,923,966
Non-controlling interests of newly acquired subsidiary (Note 15)	2,353,702,060	(438,233,736)	5,934,075	(422,580,401)	1,498,821,998	485,923,966	1,984,745,964
Balance as at 31 December 2010 - as restated	2,353,702,060	(438,233,736)	5,934,075	(808,043,916)	1,113,358,483	322,625,946	1,435,984,429
- as previously reported	-	-	-	(1,882,767)	(1,882,767)	(7,486,651)	(9,369,418)
Cumulative effect of changes in accounting policies due to the adoption of new accounting standards (Note 5)	-	-	-	387,346,282	387,346,282	170,784,671	558,130,953
Cumulative effect of changes in fair values of the acquirees' identifiable assets and liabilities of a subsidiary (Note 15)	2,353,702,060	(438,233,736)	5,934,075	(422,580,401)	1,498,821,998	485,923,966	1,984,745,964
Balance as at 31 December 2010 - as restated	462,763,858	(254,520,120)	-	-	208,243,738	-	208,243,738
Increase share capital (Note 28)	-	-	-	335,185,763	335,185,763	159,904,758	495,090,521
Total comprehensive income for the year	-	-	-	(165,650,142)	(165,650,142)	1,196,942,042	1,031,291,900
Increased in share capital of non-controlling interests of the subsidiary (Note 15)	-	-	-	-	-	-	-
Non-controlling interests of newly acquired subsidiary (Note 15)	2,816,465,918	(692,753,856)	5,934,075	(253,044,780)	1,876,601,357	1,859,065,320	3,735,666,677
Balance as at 31 December 2011	-	-	-	-	-	16,294,554	16,294,554

The accompanying notes are an integral part of the financial statements.

Statements of changes in shareholders' equity (continued)

Thai Property Public Company Limited and its subsidiaries For the years ended 31 December 2011 and 2010

(Unit: Baht)

	Separate financial statements			
	Issued and fully paid - up share capital	Share discount	Retained earnings Appropriated - statutory reserve	Unappropriated (deficit) Total
Balance as at 31 December 2009 - as previously reported	2,353,702,060	(438,233,736)	5,934,075	(932,615,680)
Cumulative effect of changes in accounting policies due to the adoption of new accounting standards (Note 5)	-	-	-	(1,450,205)
Balance as at 31 December 2009 - as restated	2,353,702,060	(438,233,736)	5,934,075	(934,065,885)
Total comprehensive income for the year (restated)	-	-	-	10,897,290
Balance as at 31 December 2010 - as restated	2,353,702,060	(438,233,736)	5,934,075	(923,168,595)
Balance as at 31 December 2010 - as previously reported	2,353,702,060	(438,233,736)	5,934,075	(921,285,828)
Cumulative effect of changes in accounting policies due to the adoption of new accounting standards (Note 5)	-	-	-	(1,882,767)
Balance as at 31 December 2010 - as restated	2,353,702,060	(438,233,736)	5,934,075	(923,168,595)
Increase share capital (Note 28)	462,763,858	(254,520,120)	-	-
Total comprehensive income for the year	-	-	-	2,911,660
Balance as at 31 December 2011	2,816,465,918	(692,753,856)	5,934,075	(920,256,935)
				1,209,389,202

The accompanying notes are an integral part of the financial statements.

Cash flow statements

Thai Property Public Company Limited and its subsidiaries For the years ended 31 December 2011 and 2010

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010 (Restated)	2011	2010 (Restated)
Cash flows from operating activities				
Profit before tax	497,091,099	511,485,484	2,911,660	10,897,290
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Gain on debt restructuring	(893,084,914)	-	-	-
Impairment loss	-	2,000,000	-	-
Depreciation and amortisation	184,514,862	21,825,372	1,059,527	809,714
Increase in allowance for doubtful accounts	4,485,016	-	-	-
Deferred expenses written-off	22,493,990	-	-	-
Withholding tax deducted at source and receivable from the Revenue Department written-off	13,496,107	-	497,057	-
Intangible assets written-off	33,811	-	-	33,811
Amortisation of unearned revenue	(15,678,631)	-	-	-
Accrued expenses written-off	(3,734,230)	-	-	-
Gain on disposals of property, plant and equipment	(2,192,623)	-	-	-
Gain on sale of leasehold rights	-	(36,737,637)	-	(36,737,637)
Excess of interest in the net assets value of subsidiary that over purchase cost	-	(492,809,725)	-	-
Reversal of accrued expenses	-	(9,546,785)	-	(9,546,785)
Reversal of deposit	-	(12,221,277)	-	-
Dividend income from related party	-	(45,961,644)	-	(45,961,644)
Provision for long-term employee benefits	6,342,652	432,562	929,435	432,562
Interest income	(2,931,185)	(933,284)	(49,404,033)	(5,685,648)
Interest expenses	237,352,493	9,911,921	28,399,976	9,954,387

The accompanying notes are an integral part of the financial statements.

Cash flow statements (continued)

Thai Property Public Company Limited and its subsidiaries
For the years ended 31 December 2011 and 2010

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010 (Restated)	2011	2010 (Restated)
Profit (loss) from operating activities before changes in operating assets and liabilities	48,188,447	(52,555,013)	(15,572,567)	(75,837,761)
Operating assets (increase) decrease				
Trade and other receivables	(26,244,595)	18,051,520	(47,214,658)	16,705,069
Receivable from the Revenue Department	8,923,727	(923,545)	(734,945)	-
Remuneration receivable under reciprocal agreement - related party	-	290,724,827	-	290,724,827
Short-term loans to related parties	-	-	(154,000,000)	(650,280,603)
Inventories	(655,396)	-	-	-
Real estate development project	83,543,349	-	-	-
Compensation guarantee	12,000,000	-	-	-
Other current assets	(10,345,440)	4,854,272	(154,428)	(1,980,925)
Other non-current assets	(1,130,702)	400	(1,637,600)	400
Operating liabilities increase (decrease)				
Trade and other payables	(25,717,611)	(33,787,515)	3,423,870	(317,595)
Deposits received	(70,984,072)	(18,365,662)	(3,162,075)	(18,467,424)
Provision for long-term employee benefits	(963,638)	-	-	-
Other current liabilities	2,973,332	561,592	(743,110)	(363,050)
Other non-current liabilities	1,100,000	-	1,100,000	-
Cash flows from (used in) operating activities	20,687,401	208,560,876	(218,695,513)	(439,817,062)
Cash paid for corporate income tax	(17,707,538)	(1,702,673)	(113,390)	(806)
Net cash flows from (used in) operating activities	2,979,863	206,858,203	(218,808,903)	(439,817,868)

The accompanying notes are an integral part of the financial statements.

Cash flow statements (continued)

Thai Property Public Company Limited and its subsidiaries
For the years ended 31 December 2011 and 2010

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010 (Restated)	2011	2010 (Restated)
Cash flows from investing activities				
Increase in pledged and restricted withdrawal bank deposits	(220,338,839)	(190,686,032)	(393,644)	(7,228)
Increase in guarantee and deposits for share acquisition in other company	(13,500,000)	(75,500,000)	(13,500,000)	(75,500,000)
Decrease in other investments	-	300,000,000	-	300,000,000
Decrease in long-term loan to related party	-	-	114,260,348	162,245,164
Acquisition of investment properties	(2,266,141)	-	-	-
Acquisition of building and equipment	(89,154,179)	(3,522,580)	(2,463,049)	(1,299,045)
Acquisition of intangible assets	(2,342,728)	(516,819)	-	-
Cash paid for additional investments in subsidiaries	(39,693,266)	-	(5,000,000)	(6,603,311)
Cash paid for investment in subsidiaries	-	(891,462,922)	(40,625,000)	(730,846,149)
Proceeds from sales of leasehold rights	-	520,119,468	-	520,119,468
Proceeds from sales of property, plant and equipment	427,409,954	-	-	-
Interest income	2,931,185	933,284	19,249,352	3,115,983
Dividend received from related party	-	45,961,644	-	45,961,644
Net cash flows from (used in) investing activities	63,045,986	(294,673,957)	71,528,007	217,186,526
Cash flows from financing activities				
Cash receipt from short-term loan from financial institution	-	90,000,000	-	90,000,000
Repayment of short-term loan from financial institution	-	(6,462,114)	-	(6,462,114)
Cash receipt from short-term loans from related parties	-	267,032,510	23,090,302	307,032,510
Repayment of short-term loans from related parties	(170,000,000)	(143,347,511)	(233,090,302)	(143,347,511)
Repayment of short-term loans from other company and individual	(1,005,000,000)	(5,000,000)	(5,000,000)	(5,000,000)
Cash receipt from long-term loans from banks and financial institution	342,000,000	-	342,000,000	-
Repayment of long-term loans from banks and financial institution	(132,798,915)	-	(116,718,915)	-
Repayment of liabilities under finance lease agreements	(4,115,113)	(635,071)	(317,988)	(635,071)
Proceeds from increase in share capital	1,239,535,639	-	208,243,738	-
Interest expenses	(237,078,953)	(11,220,964)	(29,603,829)	(11,220,964)
Net cash flows from financing activities	32,542,658	190,366,850	188,603,006	230,366,850
Net increase in cash and cash equivalents	98,568,507	102,551,096	41,322,110	7,735,508
Cash and cash equivalents at beginning of year	103,648,473	1,097,377	8,832,885	1,097,377
Cash and cash equivalents at end of year	202,216,980	103,648,473	50,154,995	8,832,885
Supplemental disclosures of cash flows information				
Non-cash transactions				
Additional investments in subsidiary for which no cash has been paid	-	-	-	5,000,000
Assets acquired under hire purchase agreement	6,473,285	1,667,000	-	1,667,000

The accompanying notes are an integral part of the financial statements.

Notes to consolidated financial statements

Thai Property Public Company Limited and its subsidiaries For the years ended 31 December 2011 and 2010

1. General information

1.1 Corporate information

- a) Thai Property Public Company Limited ("the Company") is a public company incorporated and domiciled in Thailand. The Company is principally engaged in real estate development. The registered office of the Company is at 2922/305-306 Charnisara Tower 2, 29th Floor, New Phetchaburi Road, Huay-kwang, Bangkok.
- b) Because the Company had faced liquidity problems, had suffered operating losses for over 3 consecutive years, and had a significant capital deficit, the Stock Exchange of Thailand ("SET") announced the classification of the stock of the Company as a security which may be delisted from the SET, approved the trading of the Company's security under the "REHABCO" section, and ordered the Company to submit a rehabilitation plan in accordance with the SET rehabilitation criteria, to enable it to avoid delisting. Later, the SET has delisted the Company's stock from the trading board and classified it under the listed company, Non-Performing Group, effective from 3 July 2006 since the Company has been unable to take the steps required to avoid being delisted. However, the Company's status is still that of a listed company and it therefore has to comply with all SET regulations, prepare reports on the progress of its rehabilitation plan, and submit these together with its financial statements within the deadline for listed companies to submit their financial statements, until it eliminates the reasons for delisting.

1.2 Fundamental accounting assumptions

As discussed in note 36.6 a) to the financial statements, on 6 August 2010, the Phrakhanong Provincial Court announced its judgment on the lawsuit in which one of the landlords (the Plaintiff) brought a claim against a subsidiary (Grand Asset Hotels and Property Public Company Limited) for a breach of the lease agreement for the land on which a subsidiary's hotel is situated. The Court passed its judgment that the subsidiary had breached the terms of the lease agreement, entitling the Plaintiff to legally terminate the agreement, with the hotel building to become the property of the Plaintiff pursuant to the term of the lease agreement. Furthermore, the subsidiary was ordered to deregister the lease under the agreement and to release the hotel building from mortgage to a local bank. Subsequently, on 2 September 2010, the subsidiary submitted to the Court of Appeal an appeal against the said judgment of the Court of First Instance and a petition for stay of execution requesting a stay of execution in accordance with the said judgment until a final judgment of the Court of Appeal or the Supreme Court shall have been reached. Subsequently, the Plaintiff filed an answer to the appeal on 26 October 2010. In addition, on 1 October 2010 the Plaintiff also filed an appeal against the judgment of the Court of First Instance in relation to damages by asking the Court of Appeal to award damages to the Plaintiff at the rate of Baht 500,000 per day commencing from the date following the date of judgment of the Court of First Instance until the date of the subsidiary delivers the hotel building to the Plaintiff. No provision for such liability has been set aside in the accounts. Subsequently, the subsidiary filed an answer to the appeal on 15 December 2010. The appeal is currently pending the consideration of the Court of Appeal. As for the petition for stay of execution, on 21 October 2011, the Court ordered that the petition be granted and that the subsidiary be prohibited from entering into any transaction in relation to the hotel building in dispute during the appeal. The net book values of the subsidiary's hotel building on leasehold land, equipment and furniture used in operation of the hotel, investment properties and the leasehold rights as at 31 December 2011 totals approximately Baht 767 million. The subsidiary's management believes that the recoverable value of the above assets is not less than the net book value. In addition, the subsidiary is in the process of negotiating with the plaintiff and has achieved significant progress. The subsidiary expects that the negotiations to resolve the dispute resolution will be successfully concluded by the end of 2012.

2. Basis of preparation

2.1 The financial statements have been prepared in accordance with accounting standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 28 September 2011, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

a) The consolidated financial statements include the financial statements of the Thai Property Public Company Limited ("the Company") and the following subsidiary companies ("the subsidiaries"):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2011 Percent	2010 Percent
<u>Held by the Company</u>				
Bangkok Centerpoint Company Limited	Manage and provide services of public utilities and provide consulting services on management, marketing and selling spaces of shopping plazas, department stores and buildings both for sale and lease	Thailand	100	100
Pacific Estate Development Limited	Office building rental and provision for related services	Thailand	100	100
Scenery Peak Limited	Investment in other companies	British Vergin Islands	100	100
Metro Premier Holding Company Limited	Investment in other companies	Thailand	100	100
Yaksa Company Limited	Serviced apartment	Thailand	65	-
<u>Held by the subsidiaries of the Company</u>				
<u>Subsidiary held by Metro Premier Holding Company Limited</u>				
Grande Asset Hotels and Property Public Company Limited	Hotel business, rent out shopping plaza and property development	Thailand	39.64	63.43
<u>Subsidiaries hold by Grande Asset Hotels and Property Public Company Limited</u>				
Honor Business Company Limited	Hotel	Thailand	39.64	63.43
Grande Equity Development Company Limited	Hotel and property development	Thailand	39.64	63.43

- b) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- c) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- d) The assets and liabilities in the financial statements of overseas subsidiary companies are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of "Exchange differences on translation of financial statements in foreign currency" in the statements of changes in shareholders' equity.
- e) Material balances and transactions between the Company and its subsidiary companies have been eliminated from the consolidated financial statements.
- f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

2.3 The separate financial statements, which present investments in subsidiaries under the cost method, have been prepared solely for the benefit of the public.

3. Adoption of new accounting standards during the year

During the current year, the Company adopted a number of revised and new accounting standards, issued by the Federation of Accounting Professions, as listed below.

Accounting standards:

TAS 1 (revised 2009)	Presentation of Financial Statements
TAS 2 (revised 2009)	Inventories
TAS 7 (revised 2009)	Statement of Cash Flows
TAS 8 (revised 2009)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2009)	Events after the Reporting Period
TAS 11 (revised 2009)	Construction Contracts
TAS 16 (revised 2009)	Property, Plant and Equipment
TAS 17 (revised 2009)	Leases
TAS 18 (revised 2009)	Revenue
TAS 19	Employee Benefits
TAS 23 (revised 2009)	Borrowing Costs
TAS 24 (revised 2009)	Related Party Disclosures
TAS 26	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (revised 2009)	Consolidated and Separate Financial Statements
TAS 28 (revised 2009)	Investments in Associates
TAS 29	Financial Reporting in Hyperinflationary Economies
TAS 31 (revised 2009)	Interests in Joint Ventures
TAS 33 (revised 2009)	Earnings per Share
TAS 34 (revised 2009)	Interim Financial Reporting
TAS 36 (revised 2009)	Impairment of Assets
TAS 37 (revised 2009)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2009)	Intangible Assets
TAS 40 (revised 2009)	Investment Property

Financial reporting standards:

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

Financial Reporting Standard Interpretations:

TFRIC 15	Agreements for the Construction of Real Estate
----------	--

Accounting Standard Interpretations:

SIC 31	Revenue-Barter Transactions Involving Advertising Services
--------	--

These accounting standards do not have any significant impact on the financial statements, except for the following accounting standards.

TAS 19 Employee Benefits

This accounting standard requires employee benefits to be recognised as expense in the period in which the service is performed by the employee. In particular, an entity has to evaluate and make a provision for post-employment benefits using actuarial techniques. The Company and its subsidiaries previously accounted for such employee benefits when they were incurred.

The Company and its subsidiaries have changed this accounting policy in the current year and recognise the liability in the transition period retrospectively as though the Company and its subsidiaries initially recorded these employee benefit expenses. The change will have the effect of decreasing profit of the Company and its subsidiaries for the year ended 31 December 2011 by Baht 6 million (0.003 Baht per share) (Separate financial statements: decreasing profit by Baht 1 million (0.0004 Baht per share)). The cumulative effect of the changes in the accounting policy has been presented in Note 5 to the financial statements.

4. New accounting standards issued during the years not yet effective

The Federation of Accounting Professions issued the following new/revised accounting standards that are effective for fiscal years beginning on or after 1 January 2013.

Accounting standards:

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

Accounting Standard Interpretations:

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

The Company's management believes that these accounting standards will not have any significant impact on the financial statements for the year when they are initially applied, except for the following accounting standards.

TAS 12 Income Taxes

This accounting standard requires an entity to identify temporary differences, which are differences between the carrying amount of an asset or liability in the accounting records and its tax base, and to recognize deferred tax assets and liabilities under the stipulated guidelines.

At present, the management is evaluating the impact on the financial statements in the year when this standard is adopted.

5. Cumulative effect of changes in accounting policies due to the adoption of new accounting standards

During the current year, the Company made the changes to its significant accounting policies described in Note 3 to the financial statements, as a result of the adoption of revised and new accounting standards. The cumulative effect of the changes in the accounting policies has been separately presented in the statements of changes in shareholders' equity.

The cumulative effect of the changes in accounting policies due to the adoption of new accounting standards and restatement of the financial statements, on the beginning balance of retained earnings for 2011 and 2010, comprises:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Cumulative effect of changes in accounting policies:				
Employee benefits	(1,883)	(1,450)	(1,883)	(1,450)
Total	(1,883)	(1,450)	(1,883)	(1,450)

The amounts of adjustments affecting the statement of financial position as at 31 December 2010 and the income statement for the year ended 31 December 2010 are summarised below.

(Unit: Thousand Baht)		
	31 December 2010	
	Consolidated financial statements	Separate financial statements
Statements of financial position		
Increase in investment properties	580,579	-
Decrease in property, plant and equipment	580,579	-
Decrease in estimated amount of interest in the net assets value of subsidiary that over purchase cost	12,986	-
Decrease in accrued expenses	196	-
Decrease in other current liabilities	2,061	-
Increase in provision for long-term employee benefits	24,613	1,883
Decrease in non-controlling interests of the subsidiaries	7,487	-
Increase in deficit	1,883	1,883

(Unit: Thousand Baht)		
	For the year ended 31 December 2010	
	Consolidated financial statements	Separate financial statements
Income statements		
Increase in administrative expenses	433	433
Decrease in profit for the year	433	433
Decrease in profit per share (Baht)	0.0002	0.0002

6. Significant accounting policies

6.1 Revenue recognition

Revenues from hotel operations

a) Revenues from hotel and restaurant operations

Revenues from hotel and restaurant operations mainly comprise of room sales, food and beverage sales and revenues from auxiliary activities, and represent the invoiced value (excluding value added tax) of goods delivered and services rendered after deducting discounts and service charges.

b) Rental income

Rental income is monthly recognised as revenue at the amount as fixed under the related lease agreements.

Unearned lease right is recognised as revenue evenly over the period of lease.

c) Health Club Membership Fees

Annual membership fees are recognised as income based on the period of memberships.

d) Interest income

Interest income is recognised on an accrual basis based on the effective interest rate.

Revenues from sales of land and houses and units in condominiums

Revenues from sales of land and houses, and condominium units are recognised as revenues when the ownership has been transferred to the buyer.

Dividends

Dividends are recognised when the right to receive the dividends is established.

6.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

6.3 Trade accounts receivable

Trade accounts receivable are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experience and analysis of debt aging.

6.4 Inventories

Inventories are valued at the lower of cost (first-in, first-out method) and net realisable value.

6.5 Real estate development project

Real estate development project which comprises the costs of land, materials, labor costs, subcontractor charges, design, utilities system, interest expenses and other related expenses are presented at the lower of cost and net realisable value.

6.6 Investments

a) Investments in non-marketable equity securities, which the Company classifies as other investments, are stated at cost net of allowance for loss on diminution in value (if any).

b) Investments in subsidiaries are accounted for in the separate financial statements using the cost method.

The weighed average method is used for computation of the cost of investments.

On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

6.7 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over estimated useful lives of 30 years. Depreciation of the investment properties is included in determining income.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the year when the asset is derecognised.

6.8 Property, plant and equipment/Depreciation

Land is stated at cost. Building and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of buildings and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Land improvement, buildings and buildings improvements	-	Remaining period of lease and 10, 20, and 30 years
Building equipment	-	Remaining period of lease
Mock up	-	5 years
Furniture, fixtures and office equipment	-	3 - 10 years
Operating equipment	-	5 years
Motor vehicles	-	5 years

Depreciation is included in determining income.

No depreciation is provided on land and construction in progress.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

6.9 Leasehold rights

Land leasehold right is stated at cost less accumulated amortisation and allowance for loss on impairment (if any). Amortisation is calculated by reference to cost on a straight-line basis over the period of the lease and is included in determining income.

6.10 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

6.11 Intangible assets

Intangible assets consist of computer software which is initially recognised at cost. Following initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

A summary of the intangible assets with finite useful lives are as follows:

	<u>Useful lives</u>
Computer software	3 and 10 years

6.12 Business combinations

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Company. The cost of an acquisition is measured as the fair value of the assets given, and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest.

The excess of the Company's interest in the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree over cost of the business combination at the acquisition date are recognised in profit or loss immediately.

6.13 Related party transactions

Related parties comprise enterprises and individuals that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated companies and individuals which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and direction of the Company's operations.

6.14 Long-term leases

Leases of property, plant or equipment which transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in other long-term payables, while the interest element is charged to profit or loss over the lease period. The property, plant or equipment acquired under finance leases is depreciated over the useful life of the asset.

Operating lease payments are recognised as an expense in the income statement on a straight line basis over the lease term.

6.15 Foreign currencies

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

6.16 Impairment of assets

At the end of each reporting period, the Company performs impairment reviews in respect of the property, plant and equipment and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Company could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

6.17 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits

Defined contribution plans

The Company and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company. The fund's assets are held in a separate trust fund and the Company's contributions are recognised as expenses when incurred.

Defined benefit plans

The Company has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in profit or loss.

For the first-time adoption of TAS 19 Employee Benefits, the Company elected to recognise the transitional liability, which exceeds the liability that would have been recognised at the same date under the previous accounting policy, retrospectively as though the Company and its subsidiaries initially recorded these employee benefit expenses.

6.18 Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

6.19 Income tax

Income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

7. Significant accounting judgments and estimates

The preparation of financial statements in conformity with generally accepted accounting principles at times requires management to make subjective judgments and estimates regarding matters that are inherently uncertain. These judgments and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgments and estimates are as follows:

Leases

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgement regarding whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

Allowance for doubtful accounts

In determining an allowance for doubtful accounts, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

Impairment of investments in other investments and investment in subsidiaries

The Company treats investments in other investments and investment in subsidiaries as impaired when there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is “significant” or “prolonged” requires judgement of the management.

Property plant and equipment/Depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the Company’s plant and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses in the period when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

Intangible assets

The initial recognition and measurement of intangible assets and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

Litigation

The Company has contingent liabilities as a result of litigation. The Company’s management has used judgement to assess of the results of the litigation and believes that no loss will result. Therefore, no contingent liabilities are recorded as at the end of reporting period.

Investment in subsidiaries

In determining the net fair value of the identifiable assets, liabilities and contingent liabilities of the subsidiaries on the acquisition date, the Company’s management exercised a degree of judgment in establishing fair values of the identifiable assets, liabilities and contingent liabilities, using valuation techniques and models which involves certain data, assumptions and estimates. However, actual results could differ from the estimates.

8. Related party transactions

During the years, the Company and its subsidiaries had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

(Unit: Million Baht)

	Consolidated		Separate		Transfer Pricing Policy
	financial statements		financial statements		
	2011	2010	2011	2010	
<u>Transactions with subsidiary companies</u>					
(eliminated from the consolidated financial statements)					
Interest income	-	-	49	6	3% per annum, 12% per annum and fixed deposit interest rate of a commercial bank
<u>Transactions with related parties</u>					
Interest expenses	-	2	-	2	14% and 15% per annum
<u>Transactions with directors</u>					
Service income	1	-	-	-	Discount of 50% from publicly announced
Interest income	1	-	-	-	12% per annum
Interest expenses	3	1	2	1	12% per annum

As at 31 December 2011 and 2010, the balances of the accounts between the Company and those related companies are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2011	2010	2011	2010
<u>Trade and other payables - related parties (Note 10)</u>				
Related company (related by shareholder)	89	-	-	-
Directors and executive officers	148	74	-	-
Total trade and other receivables - related parties	237	74	-	-
<u>Trade and other payables - related parties (Note 22)</u>				
Subsidiaries	3,815	-	89	5,000
Total trade and other payables - related parties	3,815	-	89	5,000

Short-term loans and interest receivable from related parties

During 2011, movements of short-term loans and interest receivable from related parties are as follows:

(Unit: Thousand Baht)

	Balance as at 1 January 2011	During the year		Balance as at 31 December 2011
		Increase	Decrease	
<u>Consolidated financial statements</u>				
<u>Related company</u>				
Fairhaven Company Limited	36,540	-	-	36,540
Less: Allowance for doubtful accounts	(36,540)	-	-	(36,540)
Total	-	-	-	-
<u>Separate financial statements</u>				
<u>Subsidiaries</u>				
Metro Premier Holding Company Limited	480,292	195,462	(30,081)	645,673
Grande Asset Hotels and Property Public Company Limited	170,615	61,925	(41,525)	191,015
	650,907	257,387	(71,606)	836,688
<u>Related company</u>				
Fairhaven Company Limited	36,540	-	-	36,540
Less: Allowance for doubtful accounts	(36,540)	-	-	(36,540)
	-	-	-	-
Total	650,907	257,387	(71,606)	836,688

As at 31 December 2011, short term loan to Metro Premier Holding Company Limited comprised promissory notes of Baht 634 million repayable on 1 December 2012. This loan is unsecured and charge interest based on the 12 months fixed deposit interest rate of a commercial bank.

As at 31 December 2011, uncollateralised short term loan to Grande Asset Hotels and Property Public Company Limited of Baht 170 million were subject to the interest rate of 12% per annum and will be due on 21 March 2012.

Loan to related party are not collateralised, repayable at call and carry interest at the rates of 14.5% - 18.0% per annum. The Company ceased to recognise interest income on these loans, since it anticipated that the interest would not be collectible. On 16 May 2006, the Company entered into a compromise agreement with Fairhaven Company Limited, whereby this company agreed to pay a total of Baht 90 million in 45 monthly installments of Baht 2 million each, with the first installment to be paid in January 2007 and the remaining installments to be due and payable every month until completion. However, from 2010 up to now, the Company has not received any payment from Fairhaven Company Limited. The management of the Company has tried to contact Fairhaven Company Limited but it could not get hold of it because the office of this Company (which does not belong to Fairhaven Company Limited) is currently rented by others. Moreover, the management of the Company is of the opinion that if the Company is to request the Court to appoint an execution officer, it will incur cost for execution and gain no benefit. Thus, the case was dropped.

Long-term loan and interest receivable from related party

During 2011, the movement of long term loan and interest receivable from related party in the separate financial statements is as follows:

	(Unit: Thousand Baht)			
	Balance as at 1 January 2011	During the year		Balance as at 31 December 2011
		Increase	Decrease	
<u>Subsidiaries</u>				
Scenery Peak limited	563,628	15,534	(131,420)	447,742
	563,628	15,534	(131,420)	447,742

As at 31 December 2011, long term loan to Scenery Peak Limited was repayable monthly starting from January 2011 as determined in the agreement and expect to be complete in the year 2015. The loan carries interest at 3% per annum and is uncollateralised.

Short-term loans and interest payable to related parties

During 2011, the movement of short term loans and interest payable to related parties are as follows.

	(Unit: Thousand Baht)			
	Balance as at 1 January 2011	During the year		Balance as at 31 December 2011
		Increase	Decrease	
<u>Consolidated financial statements</u>				
Directors	171,338	2,173	(173,511)	-
Total	171,338	2,173	(173,511)	-
<u>Separate financial statements</u>				
<u>Subsidiary</u>				
Pacific Estate Development Limited	40,042	23,243	(63,285)	-
<u>Director</u>				
Director	171,338	2,173	(173,511)	-
Total	211,380	25,416	(236,796)	-

As at 31 December 2010, short-term loan from director amounting to Baht 170 million was repayable at call, non-collateralised and carries interest at a rate of 12% per annum. During the current year, the Company repaid this loan principal and accrued interest in full.

As at 31 December 2010, short-term loan from Pacific Estate Development Limited repayable at call, non-collateralised and carries interest rate of the 12 months fixed deposit interest rate of a commercial bank. During the current year, the Company repaid this loan principal and accrued interest in full.

Directors and management's benefits

During the year ended 31 December 2011 and 2010, the Company and its subsidiaries had employee benefit expenses of their directors and management as below.

		(Unit: Million Baht)	
		Consolidated financial statements	Separate financial statements
		2011	2010
Short-term employee benefits		42	8

9. Cash and cash equivalents

		(Unit: Thousand Baht)	
		Consolidated financial statements	Separate financial statements
		2011	2010
Cash		3,373	3,566
Bank deposits		198,844	90,082
Bills of exchange		-	10,000
Total		202,217	103,648

As at 31 December 2011, bank deposits in saving accounts fixed deposit and bills of exchange carried interests between 0.5 and 0.875 percent per annum (2010: between 0.125 and 1.8 percent per annum).

10. Trade and other receivables

		(Unit: Thousand Baht)	
		Consolidated financial statements	Separate financial statements
		2011	2010
<u>Trade receivables – related parties</u>			
Aged on the basis of due dates			
Not yet due		237	74
Past due			
Up to 3 months		-	-
3 – 6 months		-	-
6 – 12 months		-	-
Over 12 months		-	-
Total		237	74
Less: Allowance for doubtful debts		-	-
Total trade receivables – related parties, net		237	74

(Unit: Thousand Baht)				
	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
<u>Trade receivables – unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	34,700	33,995	-	-
Past due				
Up to 3 months	17,586	10,434	1,110	-
3 – 6 months	6,429	4,323	-	-
6 – 12 months	8,699	8,983	-	-
Over 12 months	48,111	34,829	-	-
Total	115,525	92,564	1,110	-
Less: Allowance for doubtful debts	(28,733)	(24,248)	-	-
Total trade receivables – unrelated parties, net	86,792	68,316	1,110	-
Total trade receivable – net	87,029	68,390	1,110	-
<u>Other receivables</u>				
Other receivable – related parties	3,120	-	48,473	2,369
Trade and other receivables – net	90,149	68,390	49,583	2,369

As at 31 December 2011, a subsidiary of the Company had trade accounts receivable– rental and services amounting to Baht 75 million. This includes Baht 48 million that has been outstanding for more than six months of a debtor of which the subsidiary has set aside an allowance for doubtful debts of Baht 28 million. The management believes that the remaining balance, for which allowance is not provided, will be fully recovered.

11. Inventories

(Unit: Thousand Baht)				
	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Food and beverage	6,913	6,394	-	-
Other goods and supplies	1,573	1,436	-	-
Total	8,486	7,830	-	-

12. Real estate development project

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2011	2010	2011	2010
Land	10,427	10,427	10,427	10,427
Land and construction developed	225,538	311,872	-	-
Land and construction under development	1,332,916	1,528,426	-	-
Cost of real estate development – net	1,568,881	1,850,725	10,427	10,427

The balance of the real estate development project included the cost of the unit in the subsidiary's project that was seized by the executing officer, which had a net book value of approximately Baht 16 million as at 31 December 2011, as discussed in note 36.6 b) to the financial statements.

The subsidiary has mortgaged land, including most present and future structures thereon, with two local banks to secure the subsidiary's long-term loans from banks.

In December 2011, a subsidiary sold its real estate development project which includes a hotel under construction to an investor at the price close to their net book value. The subsidiary had already transferred its real estate development project including hotel under construction to the investor.

13. Pledged and restricted withdrawal bank deposits

As at 31 December 2011, the Company and its subsidiaries have pledged their fixed deposits of approximately Baht 15 million with the banks (2010: Baht 64 million) (Separate financial statements: Baht 1 million, 2010: Baht 1 million) to secure a bank guarantee in relation to the utilities of the real estate development project of the Company and its subsidiaries and letters of guarantee issued by the banks on behalf of the subsidiaries. The remaining balance of Baht 404 million (2010: Baht 134 million) (Separate financial statements: nil, 2010: nil) are savings accounts, which has restrictions on withdrawal and is primarily used for receiving payments from customers under the agreements to sell and to purchase units and the rental agreements of the subsidiaries and for principal and interest payments under the long-term loans agreements of the Company and the subsidiary.

14. Guarantee and deposits for share acquisition in other company

On 31 May 2010 and 16 June 2010, the Company entered into an agreement to sell and to purchase shares in P.S. Real Estate Company Limited from a major shareholder. As at the agreement dates, the Company paid the guarantee for share acquisitions according to this agreement amounting to Baht 5 million and Baht 4 million, respectively. If the contractual parties could not reach the agreement to sell and purchase shares, the Company shall receive back the guarantee amount in full. As at 31 December 2011, the Company paid the guarantee for such share acquisition totaling Baht 89 million (2010: Baht 76 million).

15. Investments in subsidiaries

Details of investments in subsidiaries as presented in separate financial statements are as follows:

(Unit: Thousand Baht)

Company's name	Nature of business	Paid-up capital		Shareholding percentage		Cost	
		2011	2010	2011 (%)	2010 (%)	2011	2010
Bangkok Centerpoint Company Limited	Manage and provide services of public utilities and provide consulting services on management, marketing and selling spaces of shopping plazas, department stores and buildings both for sale and lease	5,000	5,000	100	100	5,000	5,000
Scenery Peak Limited	Investment in other companies	1,603 (USD 50,000)	1,603 (USD 50,000)	100	100	1,603	1,603
Metro Premier Holdings Company Limited	Investment in other companies	5,000	5,000	100	100	5,000	5,000
Pacific Estate Development Limited	Office building rental and provision of related services	600,000	600,000	100	100	6,916	6,916
Yaksa Company Limited	Serviced apartment	62,500	-	65	-	40,625	-
						59,144	18,519

15.1 Bangkok Centerpoint Company Limited

On 24 June 2010, the meeting No. 7/2010 of the Company's Board of Directors approved an establishment of a subsidiary, Bangkok Centerpoint Company Limited, with the registered capital of Baht 5 million. Such company was registered with the Ministry of Commerce in accordance with the Civil and Commercial Code on 30 September 2010.

15.2 Scenery Peak Limited

On 12 May 2010 the Company hired Legain Trading Limited to register the establishment of another subsidiary, Scenery Peak Limited, in the British Virgin Islands in accordance with the resolution of the Company's Board of Directors' meeting No. 8/2010. Later, on 15 July 2010, the Company acquired all of the shares of Scenery Peak Limited instead of Legain Trading Limited. Scenery Peak Limited was registered as a legal entity on 12 May 2010.

15.3 Metro Premier Holding Company Limited

On 29 November 2010, the meeting No. 15/2010 of the Company's Board of Directors approved an establishment of a subsidiary, Metro Premier Holdings Company Limited, with the registered capital of Baht 5 million. Such company was registered with the Ministry of Commerce in accordance with the Civil and Commercial Code on 29 November 2010.

15.4 Pacific Estate Development Limited

On 28 September 2010, the Extraordinary Shareholders' Meeting No. 1/2553 passed a resolution to approve the purchase of ordinary shares and rights of claim in Pacific Estate Development Limited through auction within a limit of Baht 727 million. The Extraordinary Shareholders' Meeting also approved the adjustment of the purchase price by the difference of assets (excluding land improvement, buildings and equipment, and the leasehold right of land) and liabilities (excluding loans from related parties and payable to related parties) in the financial statements as at 30 April 2010 used in the bidding and in the financial statements as at 5 October 2010 which is the closing date. Details are as follows:

1. The Company engaged in a bid for all ordinary shares in Pacific Estate Development Co., Ltd. ("PED"); and the subsidiary, Scenery Peak Limited, bought the rights of claims in principle and interest under loans and promissory notes issued by PED, in the total amount of Baht 727 million.

2. Details of the acquired assets

- 2.1 Share capital of PED with registered capital amounting to Baht 600 million, comprising Baht 60 million ordinary shares with a par value of Baht 10 each.

- 2.2 Rights of claim in principal and interest under loans and promissory notes issued by PED are as follows:

- Principal debt from Lehman Brothers Commercial Corporation Asia Limited (in liquidation process) as at 31 December 2009 in the amount of Baht 1,172,029,485.
- Accumulated interest debt from Bangkok Office 1 Holding Company Limited (which is a former shareholder of PED) as at 31 December 2009 in the amount of Baht 45,556,611.

Total principal and accumulated interest debt in the amount of Baht 1,217,586,096.

PED has the lease rights over land and is the owner of One Pacific Place Building and Two Pacific Place Building which were constructed on the leased land. The lessor is Jamchanin Company Limited. The details are as follows:

- a. Total area is 3-3-83.2 Rai. The lease agreement term is 30 years which is due on 31 January 2019. Below are conditions of the agreement.
 - Upon the expiry of the lease agreement, there is no renewal of land lease. However, according to the law, two parties could negotiate to renew the lease.
 - Upon expiry of agreement, the ownership over the building and structures will be vested in the lessor or the lessor may order to demolish the building.
- b. Appraisal price: Knight Frank Chartered (Thailand) Co., Ltd., an independent appraisal company approved by the Office of the SEC, appraised the price of the lease right and two buildings as at 24 March 2009 to be Baht 1,167 million.
- c. PED will carry out the business of lease of premises and services in One Pacific Place Building and Two Pacific Place Building further.
- d. Total value of consideration is Baht 727 million. Payment periods are as follows:
 - Deposit was paid of Baht 72.7 million, or equivalent to 10%, on the date that the Board of Directors give an approval. In case the Company cannot pay the remaining amount, the seller shall retain the deposit. However, the director and shareholder of the Company will bear responsibility and will return the deposit to the Company and the Company will not incur any damage.
 - The balance of Baht 654.3 million, or equivalent to 90%, is payable within 14 September 2010.

Subsequently, the seller of shares and the transferor of the rights of claim have approved the Company's postponement of the date of repayment under the agreement to sell and purchase ordinary shares and the agreement to transfer the rights of claim from 14 September 2010 to 5 October 2010.

e. Value of assets purchased

1. Sixty million ordinary shares of PED, at a par value of Baht 10 per share, with the purchasing price of Baht 1.
2. Rights of claim of the principal of Baht 1,172,029,485 and accrued interest of Baht 45,556,611, totaling Baht 1,217,586,096 with the purchasing price of Baht 726,999,999, with discount of Baht 490,586,097 or equivalent to 40%.

In October 2010, the Company had already paid the purchase price of ordinary shares and rights of claim of the principal and accrued interest in full and has completed the process of price adjustment in accordance with the terms and conditions stipulated in the share purchase agreement.

The financial statements of Pacific Estate Development Company Limited have been included in the consolidated financial statements of the Company since Thai Property Public Company Limited gained controlling authority on 5 October 2010.

Details of the acquisition are as follows:

(Unit: Thousand Baht)

Purchase consideration:

Cash paid for shares and the rights of claim of the principal and interest	723,930
Direct costs relating to the acquisition	6,916
Total acquisition cost	730,846
Fair value of net assets acquired	836,309
Excess of net assets value that over purchase cost	(105,463)
Cash paid for acquisition	730,846
Less: Cash and cash equivalents of the subsidiary	(220,762)
Net cash paid in the acquisition-net from cash and cash equivalent received	510,084

The carrying amounts and fair values of assets and liabilities incurred from the acquisition of Pacific Estate Development Limited as at 5 October 2010 are as follows:

(Unit: Thousand Baht)

	Fair value	Acquiree's carrying amount as at 5 October 2010
Cash and cash equivalents	220,762	220,762
Trade accounts receivables	27,571	27,571
Other current assets	11,202	11,202
Land and buildings leasehold right, land improvement, buildings and equipment	715,000	460,271
Office equipment and vehicle	1,118	1,118
Other assets	20,737	20,737
Trade accounts payable	(2,425)	(2,425)
Other current liabilities	(13,117)	(13,117)
Deposit from customers	(68,120)	(68,120)
Net assets	912,728	657,999
Other costs related to acquisition of business	(6,916)	
Deferred tax liability	(76,419)	
Excess of interest in the net assets value of subsidiary that over purchase cost	(105,463)	
Cash outflow on acquisition of investment in shares and rights of claim in the principles and interest	723,930	
Rights of claim of the principal		(1,172,029)
Rights of claim of the interest		(45,557)
		(559,587)

The Company recognised an excess of interest in the net assets value of subsidiary that over purchase cost in income statements for the year 2010 and recorded deferred tax liability in the statements of financial position.

15.5 Grand Assets Hotels and Property Public Company Limited

On 21 December 2010, the meeting No. 16/2010 of the Company's Board of Directors passed a resolution to approve the purchase of ordinary shares in Grande Asset Hotels and Property Public Company Limited ("Grande") by a subsidiary (Metro Premier Holding Company Limited) as follows:

1. The subsidiary of the Company will purchase shares in Grande from
 - 1.1 Giant Mauritius Holdings of 540,873,487 shares, with a par value of Baht one per share, representing 43.23 percent of the paid-up capital of Grande with the purchase price of Baht 306,665,948.28
 - 1.2 Hotel and Property Development Company Limited of 340,987,525 shares, with a par value of Baht 1 each, representing 27.25 percent of the paid-up capital of the Grande, with the purchase price of Baht 193,334,051.72

This accounts for 881,861,012 ordinary shares in total, representing 70.48 percent of the paid-up capital of the Grande, with the total purchase price of Baht 500 million.

And after the subsidiary acquires 881,861,012 ordinary shares of Grande, it will sell 88,186,100 shares of Grande to Miss Saranya Chaichuthaporn at the par value of Baht 1 each, representing 7.05 percent of the paid-up capital of the Grande, with the total purchase price of Baht 50 million. As a result, the subsidiary will hold 793,674,912 shares of Grande, representing 63.43 percent of the paid-up capital of the Grande.

2. Total value of consideration and terms of payments.
 - 2.1 Deposit shall be paid in an amount of Baht 90 million or equivalent to 18 percent on the date of signing the Share Purchase Agreement (21 December 2010).
 - 2.2 The remaining amount of Baht 410 million or equivalent to 82 percent is payable on the date of sale share transfer (21 December 2010).

Miss Saranya Chaichuthaporn pays for the ordinary shares in the amount of Baht 50 million to the subsidiary company on the date of sale share transfer (21 December 2010).

On 21 December 2010, the subsidiary had already paid for ordinary shares specifically of the subsidiary to Giant Mauritius Holdings and Hotel and Property Development Company Limited in full (Baht 450 million).

3. As a result of the purchase of said ordinary shares, the subsidiary (Metro Premier Holdings Company Limited) holds ordinary shares more than 50 percent of the total issued shares of Grande, the subsidiary has therefore the responsibility to arrange tender offer for all the securities of Grande further. The period of the tender offer is from 7 January 2011 to 10 February 2011 for 339,167,214 shares at Baht 0.57 per share.

On 16 February 2011, the subsidiary reported the result of tender offer to SET which concludes that no person intends to sell or additionally purchase shares.

4. After the subsidiary acquires shares of Grande, the payable of Grande will restructure the debt to Grande (as describes in note 24 to financial statements).

As a result, the subsidiary has control over Grande Asset Hotels and Property Public Company Limited from 21 December 2010 (the acquisition date) onwards. However, the subsidiary's management estimated that the assets and liabilities of Grande Asset Hotels and Property Public Company Limited as at 21 December 2010 and 31 December 2010 are not materially different. In addition, the share of income/loss attributable to the subsidiary's interest in Grande Asset Hotels and Property Public Company Limited as from 21 December 2010 to 31 December 2010 is not material to the consolidated financial statements. The subsidiary has therefore assumed that the date of the share acquisition was 31 December 2010 and will recognise share of income/loss in Grande Asset Hotels and Property Public Company Limited as from 1 January 2011.

Details of the acquisition are as follows:

(Unit: Thousand Baht)
(Restated)

Purchase price	
Cash paid for shares acquisition	450,000
Direct costs relating to the acquisition	5,480
Total acquisition cost	455,480
Estimated carrying amounts of net assets acquired	842,826
Estimated amount of interest in the net assets value over purchase cost	(387,346)
Cash paid for acquisition	454,780
Less: Cash and cash equivalents of the subsidiary	(73,401)
Net cash paid in the acquisition - net from cash and cash equivalent received	381,379

The carrying amounts and fair values of assets and liabilities incurred from the acquisition of Grande Asset Hotels and Property Public Company Limited as at 31 December 2010 are as follows:

(Unit: Thousand Baht)

	Fair value	Carrying value of acquiree's as at 31 December 2010 (Restated)
Cash and cash equivalents	73,401	73,401
Trade accounts receivable	39,796	39,796
Inventories	7,830	7,830
Real estate development project	1,840,297	1,648,518
Other current assets	156,194	156,194
Pledged and restricted withdrawal bank deposits	141,060	141,060
Investment properties	68,931	68,931
Property, plant and equipment	5,073,164	4,693,119
Intangible assets	27,360	27,360
Compensation guarantee	95,000	95,000
Leasehold rights	155,651	33,033
Other non-current assets	4,473	4,473
Trade accounts payable	(45,172)	(45,172)
Loans	(5,134,727)	(5,134,727)
Other current liabilities	(338,883)	(338,883)
Deposit received	(504,695)	(504,695)
Unearned lease right	(103,496)	(103,496)
Net assets	1,556,184	861,742
Equity attributable to non-controlling interests of the subsidiary	(485,924)	(315,139)
Estimated net assets from acquisition (63.43%)	1,070,260	546,603
Acquisition cost	(455,480)	
Deferred tax liability	(227,434)	
Excess of interest in the net assets value of subsidiary that over purchase cost	387,346	

During the current year, the subsidiary completed the fair value assessment of the identifiable assets and liabilities of its acquires from the acquisition of Grande Asset Hotels and Property Public Company Limited. The subsidiary has restated the 2010 consolidated financial statements to reflect the fair values of these acquirers' identifiable assets and liabilities.

The amounts of adjustments affecting the consolidated finance statement as at 31 December 2010 and for the year ended 31 December 2010 are summarised below.

(Unit: Thousand Baht)

31 December 2010

Statements of financial position

Increase in real estate development project	191,779
Increase in property, plant and equipment	380,045
Increase in leasehold rights	122,618
Increase in deferred tax liability	227,434
Decrease in estimated amount of interest in the net assets value of subsidiary that over purchase cost	91,123
Increase in non-controlling interests of the subsidiaries	170,785
Decrease in deficit	387,346

(Unit: Thousand Baht)

For the year ended

31 December 2010

Income statements

Increase in excess of interest in the net assets value of subsidiary that over purchase cost	387,346
Increase in profit for the year	387,346
Increase in profit per share (Baht)	0.16

On 27 September 2011, Executive Board Meeting no. 40/2011 of a subsidiary (Grande Asset Hotels and Property Public Company Limited) approved the offer of additional capital of Baht 1,000 million (1,000 million shares at par of Baht 1 each) to investors by private placement. Subsequently, on 28 September 2011, the subsidiary received Baht 1,000 million of additional capital and paid short-term loan from unrelated party, as discussed in note 24 to the financial statements. Accordingly, the shareholding of another subsidiary (Metro Premier Holding Company Limited) in Grande Asset Hotels and Property Public Company Limited decreased from 63.43% to 35.25%. However, Metro Premier Holding Company Limited retains control over Grande Asset Hotels and Property Public Company Limited.

On 8 September 2011, the Board of Directors Meeting of a subsidiary (Grande Asset Hotels and Property Public Company Limited) no. 7/2011 approved the offer of additional capital of Baht 500,266,667 (500,266,667 shares at par of Baht 1 each) to the subsidiary's existing shareholders by right offering. The subsidiary was able to sell Baht 215,291,901 (215,291,901 shares at par of Baht 1 each). Accordingly, the shareholding of another subsidiary (Metro Premier Holding Company Limited) in Grande Asset Hotels and Property Public Company Limited increased from 35.25% to 39.64%. The subsidiary registered the increase in its share capital with the Ministry of Commerce on 27 December 2011.

Grande Asset Hotels and Property Public Company Limited have mortgaged all ordinary shares of Honor Business Company Limited and Grande Equity Development Company Limited with two local banks to secure the subsidiary's long-term loans from banks.

15.6 Yaksa Company Limited

On 28 February 2011, the Board of Director Meeting No. 2/2011 passed a resolution to approve the purchase of ordinary shares in Yaksa Company Limited as follows:

1. The Company is to purchase the following shares in Yaksa Company Limited from Mr. Weerawong Jitmitraphab.
 - 1.1 3,250,000 fully paid-up shares, at a par value of Baht 10 each, with the total purchase price of Baht 32,500,000
 - 1.2 3,250,000 partially paid-up shares, at a par value of Baht 10 each, with the purchase price of Baht 2.50 each and the total purchase price of Baht 8,125,000

This accounts for 6,500,000 ordinary shares in total, representing 65% of the paid-up capital of Yaksa Company Limited, with the total purchase price of Baht 40,625,000.

2. The terms of payments are as follows:
 - 2.1 A deposit of Baht 10 million shall be paid on the date of signing the Share Sell and Purchase Agreement.
 - 2.2 A deposit of Baht 10 million shall be paid within 30 days from the date of signing the Share Sell and Purchase Agreement.
 - 2.3 A deposit of Baht 10 million shall be paid within 90 days from the date of signing the Share Sell and Purchase Agreement.
 - 2.4 The remaining amount is payable on the date of the share transfer (June 2011).

On 24 June 2011, the Company made the payment in full to Mr. Weerawong Jitmitraphab for the ordinary shares of the subsidiary (totaling Baht 40,625,000).

As a result, the Company has control over Yaksa Company Limited from 24 June 2011 (the acquisition date) onwards. However, the Company's management estimated that the assets and liabilities of Yaksa Company Limited as at 24 June 2011 and 30 June 2011 are not materially different. In addition, the share of income/loss attributable to the Company's interest in Yaksa Company Limited as from 24 June 2011 to 30 June 2011 is not material to the consolidated financial statements. The Company has therefore assumed that the date of the share acquisition was 30 June 2011 and will recognise share of income/loss in Yaksa Company Limited as from 1 July 2011.

Under TFRS No.3 (revised 2009), which became effective for periods beginning on or after 1 January 2011, the Company must consider the net fair value of the identifiable assets, liabilities and contingent liabilities of Yaksa Company Limited on the acquisition date. The Company must compare the cost of acquisition with its interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of Yaksa Company Limited as of the share purchase date. The Company made preliminary assessment the difference between purchase cost (approximately of Baht 41 million) of the investment and net fair value of assets are approximately of Baht 10 million. However, the Company is in the process of assessing the fair value of the identifiable assets, liabilities and contingent liabilities of Yaksa Company Limited as of the acquisition date, and this process is currently not completed. Such discrepancy of Baht 10 million is therefore recorded as non-current assets under "Estimated amount of interest in the net assets value of subsidiary that under purchase cost" in the consolidated statements of financial position.

Details of the acquisition are as follows:

	(Unit: Thousand Baht)
Purchase price	
Cash paid for shares acquisition	40,625
Estimated carrying amounts of net assets acquired	30,261
Estimated amount of interest in the net assets value under purchase cost	10,364
Cash paid for acquisition	40,625
Less: Cash and cash equivalents of the subsidiary	(932)
Net cash paid in the acquisition - net from cash and cash equivalent received	39,693

The carrying amounts of assets and liabilities acquired from the acquisition of Yaksa Company Limited as at 30 June 2011 are as follows:

	(Unit: Thousand Baht)
	For the year ended 30 June 2011
Cash and cash equivalents	932
Leasehold rights	48,615
Other current liabilities	(2,991)
Net assets	46,556
Equity attributable to non-controlling interests of the subsidiary	(16,295)
Estimated net assets from acquisition (65%)	30,261

16. Other investments

Other investments consist of the investments in the following companies:

		(Unit: Thousand Baht)				
	Type of share	Equity interest	Consolidated financial statements		Separate financial statements	
		(%)	2011	2010	2011	2010
Investment in related company						
Multiviews Co., Ltd.	Ordinary shares	19.00	2,850	2,850	2,850	2,850
Less: Allowance for impairment loss			(2,850)	(2,850)	(2,850)	(2,850)
Net			-	-	-	-
Investment in other company						
Anoma Hotel Bangkok Company Limited	Ordinary shares	2.31	23,057	23,057	23,057	23,057
Less: Allowance for impairment loss			(23,057)	(23,057)	(23,057)	(23,057)
Net			-	-	-	-
Total other investments - net			-	-	-	-

17. Leasehold rights

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Leasehold rights	503,364	455,507	-	-
Accumulated amortisation	(154,787)	(118,575)	-	-
Leasehold rights - net	348,577	336,932	-	-
Amortisation for the year	36,212	5,568	-	-

Leasehold rights represent the rights to the leasehold land of three subsidiaries (Pacific Estate Development Limited, Grande Asset Hotels and Property Public Company Limited and Yaksa Company Limited). Three lease agreements are for the period of 30 and 33 years and the starting dates of their amortisation were 1 February 1989, 17 April 1992 and 3 August 2010, respectively. The amortisation is included in determining income.

Leasehold rights of Grande Asset Hotels and Property Public Company Limited are the rights to the leasehold land on which the hotel building is located. As discussed in notes 1.2 and 36.6 a) to the financial statements, a court has ordered the termination of the land lease agreement. The net book value of the leasehold rights as at 31 December 2011 were approximately Baht 142 million.

18. Investment properties

The net book value of investment properties as at 31 December 2011 and 2010 is presented below.

	(Unit: Thousand Baht)					
	Consolidated financial statements			Separate financial statements		
	Building space for rent	Office building for rent	Total	Building space for rent	Office building for rent	Total
31 December 2011						
Cost	197,819	1,491,937	1,689,756	-	-	-
<u>Less</u> Accumulated depreciation	(134,994)	(1,035,379)	(1,170,373)	-	-	-
<u>Less</u> Allowance for diminution in value	-	(2,000)	(2,000)	-	-	-
Net book value	62,825	456,558	517,383	-	-	-
31 December 2010						
Cost	197,819	1,485,307	1,683,126	-	-	-
<u>Less</u> Accumulated depreciation	(128,888)	(971,659)	(1,100,547)	-	-	-
<u>Less</u> Allowance for diminution in value	-	(2,000)	(2,000)	-	-	-
Net book value	68,931	511,648	580,579	-	-	-

A reconciliation of the net book value of investment properties for the years 2011 and 2010 is presented below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2011	2010	2011	2010
Net book value at beginning of year	580,579	198,652	-	-
Acquisition of assets	2,266	-	-	-
Transfers	4,364	-	-	-
Acquisition of subsidiaries during the year	-	1,484,474	-	-
Depreciation for the year	(69,826)	(15,336)	-	-
Accumulated depreciation from acquisition of subsidiaries during the year	-	(1,085,211)	-	-
Impairment loss	-	(2,000)	-	-
Net book value at end of year	517,383	580,579	-	-

The fair value of the investment properties as at 31 December 2011 and 2010 stated below:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2011	2010	2011	2010
Building space for rent	103,183	114,009	-	-
Office building for rent	454,558	511,648	-	-

Investment properties in the consolidated financial statements consist of a building of a subsidiary (Grande Asset Hotels and Property Public Company Limited) which was leased to a department store for the period of 30 years. They also comprise land improvements, building and building improvements, and fixtures of another subsidiary (Pacific Estate Development Limited) which are the component parts of the land and are to be transferred to the lessor at the end of the land lease period, unless otherwise notified by the lessor.

The fair values of the above investment properties have been determined based on valuations performed by an accredited independent valuer. The fair value of the office building for rent and the office building for rent has been determined using the income approach. The main assumptions used in the valuation are yield rate, inflation rate, long-term vacancy rate and long-term growth in real rental rates.

Investment properties of Grande Asset Hotels and Property Public Company Limited are located on leasehold land. As discussed in note 1.2 and 36.6 a) to the financial statements, the court ordered the termination of the land lease agreement.

19. Property, plant and equipment

	Consolidated financial statements								(Unit: Thousand Baht)	
	Land	Land improvements	Buildings	Building improvements	Mock up	Furniture, fixtures and office equipment	Operating equipment	Motor vehicles	Construction in progress	Total
Cost										
1 January 2010	-	-	3,816	11,413	13,183	14,404	10,735	203	-	53,754
Additions	-	-	-	-	-	430	-	1,667	1,484	3,581
Disposals	-	-	-	-	(13,183)	-	-	-	-	(13,183)
Acquisition of subsidiaries during the year	1,334,669	9,313	2,201,761	5,243	32,950	610,368	270,816	31,282	2,088,328	6,584,730
31 December 2010	1,334,669	9,313	2,205,577	16,656	32,950	625,202	281,551	33,152	2,089,812	6,628,882
Accumulated depreciation										
1 January 2010	-	-	720	9,663	13,183	14,198	10,733	203	-	48,700
Depreciation for the year	-	-	191	293	-	249	2	149	-	884
Depreciation on disposals	-	-	-	-	(13,183)	-	-	-	-	(13,183)
Acquisition of subsidiaries during the year	-	4,061	754,417	1,339	31,388	499,642	192,333	26,497	-	1,509,677
31 December 2010	-	4,061	755,328	11,295	31,388	514,089	203,068	26,849	-	1,546,078
Net book value										
1 January 2010	-	-	3,096	1,750	-	206	2	-	-	5,054
31 December 2010	1,334,669	5,252	1,450,249	5,361	1,562	111,113	78,483	6,303	2,089,812	5,082,804
Depreciation for the year										
2009										718
2010										884

	(Unit: Thousand Baht)									
	Consolidated financial statements									
	Land	Land improvements	Buildings	Building improvements	Mock up	Furniture, fixtures and office equipment	Operating equipment	Motor vehicles	Construction in progress	Total
Cost										
1 January 2011	1,334,669	9,313	2,205,577	16,656	32,950	625,202	281,551	33,152	2,089,812	6,628,882
Additions	-	-	-	677	-	7,731	7,659	6,200	73,320	95,587
Disposals	-	-	-	-	(20,539)	(5,543)	(1,920)	(4,500)	(224,104)	(256,606)
Transfer	-	-	-	1,535	-	11,046	6,493	-	(23,475)	(4,401)
31 December 2011	1,334,669	9,313	2,205,577	18,868	12,411	638,436	293,783	34,852	1,915,533	6,463,462
Accumulated depreciation										
1 January 2011	-	4,061	755,328	11,295	31,388	514,089	203,068	26,849	-	1,546,078
Depreciation for the year	-	1,863	81,297	1,417	1,563	62,044	40,029	3,370	-	191,583
Depreciation on disposals	-	-	-	-	(20,540)	(3,812)	(1,901)	(3,514)	-	(29,767)
31 December 2011	-	5,924	836,625	12,712	12,411	572,321	241,196	26,705	-	1,707,894
Net book value										
1 January 2011	1,334,669	5,252	1,450,249	5,361	1,562	111,113	78,483	6,303	2,089,812	5,082,804
31 December 2011	1,334,669	3,389	1,368,952	6,156	-	66,115	52,587	8,147	1,915,553	4,755,568
Depreciation for the year										
2010										884
2011										191,583

(Unit: Thousand Baht)

	Separate financial statements						
	Building improvement	Mock up	Furniture, fixtures and office equipment	Operating equipment	Motor vehicles	Construction in progress	Total
Cost:							
1 January 2010	3,816	11,413	13,183	14,404	10,735	203	53,754
Additions	-	-	-	178	-	1,666	2,449
Disposals	-	-	(13,183)	-	-	-	(13,183)
31 December 2010	3,816	11,413	-	14,582	10,735	1,869	43,020
Additions	-	-	-	554	-	-	2,463
31 December 2011	3,816	11,413	-	15,136	10,735	1,869	45,483
Accumulated depreciation:							
1 January 2010	720	9,664	13,183	14,198	10,733	202	48,700
Depreciation for the year	191	293	-	142	2	149	777
Depreciation on disposals	-	-	(13,183)	-	-	-	(13,183)
31 December 2010	911	9,957	-	14,340	10,735	351	36,294
Depreciation for the year	191	293	-	125	-	333	942
31 December 2011	1,102	10,250	-	14,465	10,735	684	37,236
Net book value:							
31 December 2010	2,905	1,456	-	242	-	1,518	6,726
31 December 2011	2,714	1,163	-	671	-	1,185	8,247
Depreciation for the year:							
2010							777
2011							942

As at 31 December 2011, the Company and its subsidiary have outstanding balances of vehicle and equipment under financial lease agreements with net book values amounting to Baht 7 million (2010: Baht 5 million) (Separate financial statements: Baht 1 million, 2010: Baht 2 million).

As at 31 December 2011, certain equipment items have been fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 471 million (2010: Baht 459 million) (Separate financial statements: Baht 34 million, 2010: Baht 47 million).

The subsidiaries have mortgaged land with structures thereon with a total net book value as at 31 December 2011 of Baht 4,096 million as collateral for the subsidiary's long-term loans from banks (2010: Baht 4,346 million).

A subsidiary (Grande Asset Hotels and Property Public Company Limited) has mortgaged its land, land with existing and/or future buildings owned by the subsidiary and, after settlement with the landlords, will mortgage building and assets held for lease and assign leasehold rights to two local banks to secure the subsidiary's long-term loans from the banks, as discussed in Note 25 to the financial statements.

A subsidiary (Honor Business Company Limited) has mortgaged their land, existing buildings and/or in the future which are the ownership of the subsidiary to two local banks to secure against the subsidiary's long-term loans from banks, as discussed in Note 25 to the financial statements.

A hotel building of a subsidiary (Grande Asset Hotels and Property Public Company Limited) are located on leasehold land under a thirty-year lease agreement, which commenced on 17 April 1992, and is renewable for a further period of twenty years under certain conditions as specified in the agreement. However, as discussed in note 1.2 and 36.6 a) to the financial statements, the court ordered the termination of this agreement, with the hotel building to become the property of the landlords. The net book value of the hotel building on leasehold land and furniture and fixtures used in the operations of such hotel as at 31 December 2011 were approximately Baht 563 million.

20. Intangible assets

The net book value of intangible assets as at 31 December 2011 and 2010 is presented below.

	(Unit: Thousand Baht)	
	Computer software	
	Consolidated financial statements	Separate financial statements
As at 31 December 2011		
Cost	45,166	582
<u>Less</u> Accumulated amortisation	(18,060)	(156)
Net book value	27,106	426
As at 31 December 2010		
Cost	42,857	617
<u>Less</u> Accumulated amortisation	(14,919)	(39)
Net book value	27,938	578

A reconciliation of the net book value of intangible assets for the years 2011 and 2010 is presented below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2011	2010	2011	2010
Net book value at beginning of year	27,938	94	578	94
Acquisition of computer software	2,343	517	-	517
Acquisition of subsidiaries during the year	-	42,240	-	-
Disposal	(34)	-	(34)	-
Accumulated amortisation from acquisition of subsidiaries during the year	-	(14,880)	-	-
Amortisation	(3,141)	(33)	(118)	(33)
Net book value at end of year	27,106	27,938	426	578

21. Compensation guarantee

In October 2004, a subsidiary (Grande Asset Hotels and Property Public Company Limited) entered into an agreement guaranteeing compensation of up to Baht 170 million for any damage to the hotel buildings of an unrelated party as a result of construction of a project of the subsidiary and has already paid this compensation guarantee to such company. As at 31 December 2011, the subsidiary received part of this compensation guarantee amounting to Baht 87 million back from such company (2010: Baht 75 million).

22. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2011	2010	2011	2010
Trade payables - related parties	3,815	-	89	5,000
Trade payables - unrelated parties	47,205	49,480	-	-
Construction payable	59,027	57,728	5,331	5,331
Accrued interest expenses	138	12,178	138	-
Accrued expenses	162,224	126,658	10,446	7,112
Other payables - unrelated parties	72,499	53,451	-	-
Total trade and other payables	344,908	299,495	16,004	17,443

23. Short-term loan from financial institution

As at 31 December 2010, short-term loan from financial institution, by issuing promissory notes, carrying interest at the rate of minimum loan rate (MLR) plus 1% per annum. Principal and interest are payable at call. This loan is secured by Baht 38 million ordinary shares of a company, which is listed on the SET, held by another company. The loan agreement contains covenants as specified in the agreements that, in case, at the end of trading securities in the Stock Exchange of Thailand, the remaining loan is higher than 70% of secured stock value that calculated from the last bidding price of that day, the Company shall secure the addition of such related company's share capital or repay the loan in full within 5 working days or the day determined by lender. Subsequently, on 5 January 2011, the Company entered into a memorandum to change conditions of principal and interest payments, from payment at call to payment in 42 monthly installments of Baht 2 million each, starting from July 2011 until full repayment is made within December 2014. Therefore, as at 31 December 2011, the Company reclassified this short-term loan as long-term loan from financial institution, as discussed in note 25 to the financial statements.

24. Short-term loans from other company and individual

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2011	2010	2011	2010
Short-term loans from other companies	500,000	2,464,112	-	-
Short-term loans from individual	-	5,000	-	5,000
Total	500,000	2,469,112	-	5,000

Short-term loans from other companies

On 21 December 2010, a subsidiary (Grande Asset Hotels and Property Public Company Limited) entered into a debt restructuring agreement with an overseas company, which is a holder of the subsidiary's debentures. The overseas company received Baht 5,407 million of debentures from Lehman Brothers Commercial Corporation Asia Limited, a former holder of the subsidiary's debentures, and with outstanding interest amounting to Baht 957 million, total debt is Baht 6,364 million. The debt restructuring agreement between the subsidiary and the overseas company replaces the original debenture agreement.

On the date of the debt restructuring agreement, the subsidiary paid debt amounting to Baht 2,500 million to the overseas company and endorsed a promissory note of Baht 470 million, issued to the subsidiary by Honor Business Company Limited, in favor of the overseas company. The overseas company then forgave this debt of Honor Business Company Limited. In addition, the overseas company forgave a further Baht 930 million of debt of the subsidiary. The overseas company also released all collateral that the subsidiaries had pledged as security for the debentures.

The remaining amount of Baht 2,464 million is subject to interest at a rate of 3% per annum and uncollateralised. Payment is scheduled as follows:

- Within 31 December 2011, the subsidiary will pay Baht 1,000 million of debt to the overseas company by using the proceeds from the issue of new shares.
- The overseas company will forgive principal amounting to Baht 964 million of the subsidiary after the payment of the above debt has been completed.
- The remaining amount of Baht 500 million will be due at call.

Subsequently, on 13 July 2011, the overseas company transferred the debt to an unrelated company. The debt restructuring agreement remains in effect.

As discussed in Note 15 to the financial statements, on 28 September 2011, the subsidiary offered additional capital to the investors through private placement. The subsidiary received Baht 1,000 million of additional capital and paid debt to the unrelated company as stipulated in the debt restructuring agreement. The unrelated company then forgave Baht 204 million of the debt of the subsidiary. In, addition, the subsidiary endorsed promissory notes of Baht 400 million and Baht 360 million, issued to the subsidiary by Honor Business Company Limited and Grande Equity Development Company Limited, respectively, in favor of the unrelated company. The unrelated company then forgave these debts of the subsidiaries. The subsidiaries have recorded gains on the debt restructuring after deducting related expenses, amounting to Baht 893 million (Baht 0.38 per share) as separate items in the consolidated statements of comprehensive income.

Short-term loans from individual

As at 31 December 2010, the Company had a loan of Baht 5 million from an individual, which carried interest at the rate of 15% per annum. The loan was due and payable in December 2010 and was secured by a part of the Company's land. In February 2011, the Company repaid the entire loan amount to the individual, who then released all collateral that the Company had pledged as security for such loan.

25. Long-term loans from banks and financial institution

		(Unit: Thousand Baht)			
		Consolidated financial statements		Separate financial statements	
Loan	Repayment schedule	2011	2010	2011	2010
<u>Long-term loans from banks</u>					
1	Monthly installments as from January 2011 to April 2014	254,000	-	254,000	-
2	Each time a condominium unit is redeemed from mortgage, at 65 percent of selling price and in any case not less than the amount stipulated by the bank (repayment within June 2013)	700,000	700,000	-	-
3	Each time a condominium unit is redeemed from mortgage, at 65 percent of selling price and in any case not less than the amount stipulated by the bank (repayment within December 2013)	800,000	800,000	-	-
4	Each time a condominium unit is redeemed from mortgage, at 65 percent of selling price and in any case not less than the amount stipulated by the bank (repayment within June 2013)	200,000	200,000	-	-
5	Monthly installments as from January 2011 to December 2020	783,920	800,000	-	-
<u>Long-term loan from financial institution</u>					
6	42 monthly installments of Baht 2 million each, starting from July 2011 until full payment is made within December 2014	61,281	-	61,281	-
Total		2,799,201	2,500,000	315,281	-
Less: Current portion		(169,920)	(16,080)	(138,000)	-
Long-term loans, net of current portion		2,629,281	2,483,920	177,281	-

Long-term loans from banks

On 26 January 2011, the Company entered into a loan agreement with a commercial bank, for the credit limits of Baht 350 million. The loan carries interest at a rate of MLR of a commercial bank plus 0.25% per annum. The principal and interest payment is to be made on a monthly basis. The entire loan amount is secured by two subsidiaries and the directors of the Company, transfer in right of claim in receiving rental and service income from lessee of a subsidiary, transfer in the subsidiary's right of claim in debt and interest from promissory note of a subsidiary, the pledge of all of the subsidiary shares and the Company and the subsidiary's savings account.

According to this loan agreement, the Company must comply with certain financial conditions as stipulated in the covenants, such as the requirement to maintain certain debt to equity ratios, etc.

As at 31 December 2011, long-term loans of subsidiary consisted of loans from two commercial banks, providing credit lines totaling Baht 4,400 million to repayment short-term loan from other company of Baht 2,500 million and construction of the subsidiary's projects of Baht 1,900 million. The loans carry interest at a rate of MLR of a commercial bank plus 1.5% per annum. After the subsidiary starts drawing down the loan facilities to construction of the subsidiary's projects, the interest rate is the MLR of a commercial bank plus 0.75% per annum. Interest payment is to be made monthly.

As at 31 December 2011, the long-term credit facilities of the subsidiary which have not yet been drawn down amounted to Baht 1,900 million.

These subsidiary's loans are secured by two subsidiaries and an overseas unrelated company, most of the subsidiaries' land and structures thereon and the pledge of the subsidiary shares held by Metro Premier Holding Company Limited and another shareholder, all of the two subsidiaries' shares and the subsidiary's savings account.

The loan agreements contain covenants as specified in the agreements that, among other things, require the subsidiary to maintain certain debt to equity ratios and the stated conditions etc. As at 31 December 2011, the Company was not in compliance with all covenants specified in the loan agreements. However, the subsidiary received a letter from the bank giving a confirmation that the bank will not call default from such breach.

Long-term loan from financial institution

As at 31 December 2011, long-term loan from financial institution consisted of promissory notes, carrying interest at the rate of minimum loan rate (MLR) plus 1% per annum. Principal and interest are payable in 42 monthly installments of Baht 2 million each, starting from July 2011 until full payment is made within December 2014. This loan is secured by Baht 225 million ordinary shares of a company, which is listed on the SET, held by another company. The loan agreement contains covenants which stipulate that, at the end of securities trading in the Stock Exchange of Thailand, if the remaining loan is higher than 70% of secured stock value calculated from the last bidding price of that day, the Company shall secure additional share capital of such related party or repay the loan in full within five working days or within the date determined by the lender.

26. Liabilities under finance lease agreements

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2011	2010	2011	2010
Liabilities under finance lease agreements	8,741	4,518	795	1,113
Less: Deferred interest expenses	(1,493)	(393)	(43)	(81)
Total	7,248	4,125	752	1,032
Less: Current portion	(1,916)	(2,590)	(291)	(279)
Liabilities under finance lease agreements - net of current portion	5,332	1,535	461	753

The Company and its subsidiary has entered into the finance lease agreements with leasing companies for rental of the motor vehicles and office equipment and committed to pay rental fee on a monthly basis. The terms of the agreements are generally between 3 and 4 years.

As at 31 December 2011, future minimum lease payments required under the finance lease agreements of the Company and subsidiary were as follows:

	(Unit: Million Baht)		
	Less than 1 year	1-4 years	Total
Future minimum lease payments	3	6	9
Deferred interest expenses	(1)	(1)	(2)
Present value of future minimum lease payments as agreement	2	5	7

27. Provision for long-term employee benefits

Provision for long-term employee benefits as at 31 December 2011 and 2010, which is compensations on employees' retirement, was as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2011	2010	2011	2010
Balance at beginning of year	24,613	18,168	1,883	-
Current service cost	5,401	5,718	845	1,883
Interest cost	942	727	84	-
Benefits paid during the year	(964)	-	-	-
Balance at end of year	29,992	24,613	2,812	1,883

Long-term employee benefit expenses included in the profit or loss for the year ended 31 December 2011 amounted to Baht 6 million (2010: Baht 1 million).

Principal actuarial assumptions at the valuation date were as follows:

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	(% per annum)		(% per annum)	
Discount rate	4.0 - 4.5	4.0 - 4.5	4.5	4.5
Future salary increase rate	4.5 - 5.0	4.5 - 5.0	4.5	4.5

28. Share capital

On 30 September 2011, the Board of Directors Meeting of the Company no. 7/2011 approved the offer of additional capital of Baht 208,243,736 (208,243,736 shares at par of Baht 1 each) to the Company's existing shareholders by right offering. The Company received proceeds of the additional capital.

29. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

30. Loss from lawsuit settlement

On 5 March 2010, the Company entered into an agreement to compromise debt and settle dispute with a group of people ("the employees") whereby the employees will enter into a negotiation to compromise debt and settle the indebtedness arising from a breach of a computer rental agreement with another company ("the plaintiff") within the limit of Baht 16 million plus other fees and operating expenses of Baht 1 million. This is because on 18 February 2010, the Company received the Department of Legal Execution's announcement for seizure of two plots of land and structures thereon for auction sales according to the Civil Court's judgment. (The Company made an agreement with other parties to exchange the rights of ownership over these two land plots). The Appeal Court ordered the Company to pay damages for agreement violation amounting to Baht 7 million plus management fee at the rate of 15 percent per year of the principal of Baht 7 million from 14 May 1993, and of the principal of Baht 5,000 from 21 July 1993 until complete repayment (if calculated up to the end of March 2010, the payment amounts to Baht 23 million).

The Company paid the damages to the plaintiff and wages to the employees in April 2010 totaling Baht 17 million. The Company has set aside reserve for such expenses in the accounts at the amount of Baht 4 million, therefore, the Company has incurred loss from lawsuit settlement in the income statements for the year ended 2010 of Baht 13 million. The plaintiff had already informed the Court to dismiss this case and revoke relevant legal execution and agreed not to make any claims against the Company in this matter.

31. Expenses by nature

Significant expenses by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2011	2010	2011	2010
Salary and wages and other employee benefits	303,059	10,922	19,316	10,922
Depreciation and amortisation	184,515	21,825	1,060	810
Impairment loss	-	2,000	-	-
Fees and expenses regarding Stock Exchange	2,421	2,677	2,421	2,677
Interest expenses	237,352	9,912	28,400	9,954
Discount on sales of promissory note	-	38,361	-	38,361
Changes in inventories	(656)	(598)	-	-

32. Corporate income tax

The Company is not liable to corporate income tax for the year 2010 and 2011 due to tax loss brought forward.

The subsidiaries are not liable to corporate income tax for the year 2010 due to tax loss brought forward.

33. Earnings per share

Basic earnings per share is calculated by dividing profit for the year (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

The following table sets forth the computation of basic earnings per share:

	Consolidated		Separate	
	financial statements		financial statements	
	2011	2010 (Restated)	2011	2010 (Restated)
Profit for the year (Thousand Baht)	335,186	511,485	2,912	10,897
Weighted average number of ordinary shares (Thousand shares)	2,376,523	2,353,702	2,376,523	2,353,702
Profit per share (Baht/share)	0.14	0.22	-	-

34. Segment information

The Company and its subsidiaries' business operations involve four principal segments: (1) hotel and serviced apartment operation (2) rent out office and shopping plaza space (3) property development and (4) other segments. These operations have been carried out in Thailand. The hotel operations are business segment of the subsidiaries and were included in the consolidated financial statements as from 31 December 2010. Therefore, no revenues from the hotel operations are included in the consolidated financial statements for the year 2010. Below is the consolidated financial information of the Company and its subsidiaries for the years ended 31 December 2011 and 2010 by segment.

(Unit: Million Baht)

	Hotel and serviced apartment operation		Rent out office and shopping plaza operation		Property development operation		Other segments		Total	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Revenues	744	-	215	56	89	520	-	-	1,048	576
Segment income (loss)	1	-	57	6	(202)	(25)	(6)	(3)	(150)	(22)
Unallocated income and expenses:										
Other income									45	551
Administrative expenses									(36)	-
Loss from lawsuit settlement									-	(13)
Finance cost									(257)	(5)
Gain on debt restructuring									893	-
Profit for the year									495	511

(Unit: Million Baht)

	Hotel and serviced apartment operation		Rent out office and shopping plaza operation		Property development operation		Other segments		Total	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Property, plant and equipment	4,743	5,073	3	2	8	7	2	1	4,756	5,083
Investment property	-	-	517	581	-	-	-	-	517	581
Real estate development project	-	-	-	-	1,569	1,851	-	-	1,569	1,851
Unallocated assets									1,451	1,104
Total assets									8,293	8,619

Transfer prices between business segments are as set out in Note 8 to the consolidated financial statements.

35. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Company contribute to the fund monthly at the rates of 5 percent of basic salary. The fund, which is managed by TISCO Asset Management Company Limited, will be paid to employees upon termination in accordance with the fund rules.

36. Commitments and contingent liabilities

36.1 Capital commitments and commitments for real estate development

As at 31 December 2011, the Company and its subsidiaries had capital commitments and commitments for real estate development of approximately Baht 329 million (2010: Baht 353 million) relating to real estate development projects, leasehold rights of land, projects under construction, hotel buildings and the purchase of operating equipment, and for the separate financial statements Baht 5 million (2010: Baht 1 million), relating to real estate development projects, leasehold rights of land, projects under construction and office building improvement.

36.2 Operating lease commitments

The Company entered into an agreement to lease land and office building for a period of three years, renewable for a further thirteen years under certain conditions as specified in the agreement.

A subsidiary (Grand Asset Hotels and Property Public Company Limited) entered into an agreement to lease land for a period of thirty years for the purpose of constructing a hotel and business plaza, renewable for a further twenty years under certain conditions as specified in the agreement. However, as discussed in Note 36.6 a) to the financial statements, on 2 September 2010, the subsidiary submitted to the Court of Appeal an appeal against the judgment of the Court of First Instance that the land lease agreement was legally terminated, and a petition for stay of execution of the said judgment until a final judgment of the Court of Appeal or the Supreme Court is made. Subsequently, on 21 October 2011, the Court granted the petition. The commitments under such agreement depend on the outcome of the appeal.

The subsidiary entered into an agreement to lease office space for a period of three years as from March 2008. Subsequently, the subsidiary renewed the agreement for an additional period of three years, from March 2011.

As at 31 December 2011, future minimum lease payments required under operating lease contracts (including the subsidiary's land lease agreement) were as follow:

	(Unit: Million Baht)	
	Consolidated financial statements	Separate financial statements
Payable within:		
1 year	17	6
2 to 5 years	33	6
More than 5 years	29	-

As at 31 December 2011, future minimum sublease payments expected to be received under non-cancellable leases were as follow:

	(Unit: Million Baht)	
	Consolidated financial statements	Separate financial statements
Payable within:		
1 year	152	4
2 to 5 years	130	4

36.3 Long-term service commitments

- a) In May 2002, the subsidiary entered into management and license agreements with overseas companies. The subsidiary is committed to pay fees at certain percentage based on gross revenue from hotel operations and to the terms specified in the agreements. The agreements are for a period of fifteen years, expiring in 2018, with an option of the overseas hotel operator to renew for a period of five years. The agreements are cancelable under certain conditions as specified in the agreements.
- b) In April 2003, the subsidiary has entered into a hotel management agreement with an overseas company in which the subsidiary is committed to pay fees from hotel operations at certain percentage based on gross revenues and gross revenues deducted with certain expenses as specified in the agreement and other fees stipulated in the agreement. The subsidiary has to comply with certain conditions as specified in the agreement. The agreement is for a period of fifteen years, with an option to renew for two additional periods of five years each upon mutual agreement.
- c) In February 2004, the subsidiary has entered into a hotel management agreement with an overseas company in which the subsidiary is committed to pay fees from hotel operations at certain percentage based on gross revenues and gross revenues deducted with certain expenses as specified in the agreement and other fees stipulated in the agreement. The subsidiary has to comply with certain conditions as specified in the agreement. The agreement is for a period of ten years, with an option to renew for two additional periods of five years each upon mutual agreement.
- d) The subsidiary entered into an agreement with a company to purchase petroleum product. Under this agreement, which will expire in May 2016, the subsidiary is committed to pay fees at the rates stipulated in the agreement.
- e) The subsidiaries have entered into several service agreements in respect of elevator maintenance, consultancy services, and other services with other companies.

As at 31 December 2011, future minimum service payments required under these service contracts were as follow.

	(Unit: Million Baht)
	<u>Consolidated</u>
	<u>financial statements</u>
Payable within:	
1 year	32
2 to 5 years	16

36.4 Guarantees

- a) The Company has guarantee commitments to a number of its property development project customers and has been sued as the guarantor of certain customers, with claims totaling Baht 3 million. The Court ordered the Company and the customers to pay Baht 3 million, but the Company has not set aside any provision for these cases since it believes no material loss will result.
- b) As at 31 December 2011, there were outstanding bank guarantees of approximately Baht 14 million (2010: Baht 7 million) issued by the banks on behalf of the Company and its subsidiaries in respect of certain performance bonds as required in the normal course of business (Separate financial statements: Baht 1 million, 2010: Baht 1 million).

36.5 Contingent liability

As at 31 December 2011, the following lawsuits seeking damages had been filed against the Company and its subsidiaries:

- a) A lawsuit was filed against the Company and its subsidiary (Metro Premier Holding Company Limited), as joint defendants (defendants 3 and 4, respectively), principally relating to the breach of a joint agreement to purchase debentures and share capital of Grand Asset Hotels and Property Public Company Limited. The plaintiff has claimed damages in the amount of Baht 1,031 million. The case is currently being considered by the courts. The Company's management believes that the Company and the subsidiary have no material obligation to compensate the plaintiff in this case, and so no provision for such liability has been set aside in the accounts.
- b) Two lawsuits have been filed against a subsidiary (Grand Asset Hotels and Property Public Company Limited), with the plaintiffs claiming damages totaling Baht 20 million. The cases are currently being heard by the courts. The subsidiary's management believes that the subsidiary has no material obligation to compensate the plaintiffs in these cases, and so no provision for such liability has been set aside in the accounts.

36.6 Litigation

- a) In October 2008, one of the landlords filed a complaint against the subsidiary (Grand Asset Hotels and Property Public Company Limited), claiming that the subsidiary had breached the land lease agreement made with the plaintiff, resulting in damage to the plaintiff. Under this lawsuit, the plaintiff petitioned for termination of the land lease agreement and sued for total compensation of Baht 79 million. On 6 August 2010, the Phrakhanong Provincial Court announced its judgment on the lawsuit, holding that the subsidiary had breached the terms of the land lease agreement, thereby entitling the plaintiff to legally terminate the land lease agreement, with the hotel building to become the property of the plaintiff pursuant to the agreement. However, the Court found that the subsidiary was not obliged to pay compensation of Baht 79 million to the plaintiff. Furthermore, the subsidiary was ordered to deregister the land lease under the agreement and to release the hotel building from mortgage with a local bank. Subsequently, on 2 September 2010, the subsidiary submitted to the Court of Appeal an appeal against the said judgment of the Court of First Instance and a petition for stay of execution requesting a stay of execution in accordance with the said judgment until a final judgment of the Court of Appeal or the Supreme Court shall have been reached. Subsequently, the plaintiff filed an answer to the appeal on 26 October 2010. In addition, on 1 October 2010, the plaintiff also filed an appeal against the judgment of the Court of First Instance in relation to damages by asking the Court of Appeal to award damages to the plaintiff at the rate of Baht 500,000 per day commencing from the date following the date of judgment of the Court of First Instance until the date of the subsidiary delivers the hotel building to the plaintiff. No provision for such liability has been set aside in the accounts. Subsequently, the subsidiary filed an answer to the appeal on 15 December 2010. The appeal is currently pending the consideration of the Court of Appeal. As for the petition for stay of execution, on 21 October 2011, the Court ordered that the petition be granted and that the subsidiary be prohibited from entering into any transaction in relation to the hotel building in dispute during the appeal. In addition, the subsidiary is in the process of negotiating with the plaintiff to resolve the dispute resolution.

- b) In June 2005, a lawsuit was filed against the subsidiary (Grand Asset Hotels and Property Public Company Limited), the construction company and the construction supervision company of the subsidiary's project as defendants 1 to 3, respectively. The plaintiffs allege that the plaintiffs' house had collapsed and was uninhabitable as a result of damage caused by construction of the subsidiary's project, and claim damages in the amount of Baht 13 million. Subsequently, on 19 November 2007, the Court announced its judgment on the lawsuit, holding that the defendants were obliged to pay compensation of Baht 7 million to the plaintiffs plus interest at a rate of 7.5% per annum commencing from the date following the filing date until payment to the plaintiffs is complete. On 28 December 2007, the plaintiffs filed an appeal with the court, petitioning for a judgment awarding damages to the plaintiff in the amount per the plaint, and on 15 January 2008, the three defendants submitted an appeal against the judgment with the Court of Appeal. The cases are currently being heard by the Court of Appeal. In addition, on 2 February 2010, the executing officer seized one unit in the above project because the defendants refused to pay the compensation to the plaintiffs. The subsidiary is currently coordinating with the construction company to force the insurance company to accept responsibility for the damages incurred. The subsidiary's management believes that the subsidiary has no significant liability in respect of the payment of compensation. Therefore, no provision for liability has been set aside in the accounts.
- c) In March 2009, a lawsuit was filed against the subsidiary (Grand Asset Hotels and Property Public Company Limited). The plaintiffs claimed damages in the amount of Baht 69 million relating to an alleged default by the subsidiary of its obligations under a hire-of-work contract. Subsequently, on 29 August 2011, the subsidiary and the plaintiffs entered into a settlement agreement before the Court, and the case is thus completed.

37. Financial instruments

37.1 Financial risk management

The Company's and its subsidiaries' financial instruments, as defined under Thai Accounting Standard No.107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, trade accounts receivable, loans, investments, and short-term and long-term loans. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Company and its subsidiaries are exposed to credit risk primarily with respect to trade accounts receivable, loans and other receivable. The Company and its subsidiaries manage the risk by adopting appropriate credit control policies and procedures and therefore do not expect to incur material financial losses. In addition, the Company and its subsidiaries do not have high concentrations of credit risk since it has a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of receivables, loans and other receivables as stated in the statement of financial position.

Interest rate risk

The Company's and its subsidiaries' exposure to interest rate risk relates primarily to its cash at banks, loans, short-term and long-term loans. However, since most of the Company's and its subsidiaries' financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.

Significant financial assets and liabilities as at 31 December 2011 classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Million Baht)

	Consolidated financial statements						Effective interest Rate (% p.a.)
	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	
	Within 1 year	1-5 Years	Over 5 years				
Financial Assets							
Cash and cash equivalents	-	-	-	162	40	202	0.5 – 0.875
Trade and other receivables	-	-	-	-	90	90	
Pledged and restricted withdrawal bank deposits	7	-	-	412	-	419	0.75 – 3.0
	7	-	-	574	130	711	
Financial liabilities							
Trade and other payables	-	-	-	-	345	345	
Short-term loans from other company and individual	500	-	-	-	-	500	3.0
Long-term loans from banks and financial institution	-	-	-	2,799	-	2,799	Note 25
	500	-	-	2,799	345	3,644	

(Million Baht)

	Separate financial statements						Effective interest Rate (% p.a.)
	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	
	Within 1 year	1-5 Years	Over 5 years				
Financial Assets							
Cash and cash equivalents	-	-	-	14	36	50	0.5 – 0.875
Trade and other receivables	-	-	-	-	50	50	
Short-term loans and interest receivable from related parties	837	-	-	-	-	837	Note 8
Pledged and restricted withdrawal bank deposits	-	-	-	1	-	1	0.75
Long-term loans and interest receivable from related parties	-	448	-	-	-	448	3.0
	837	448	-	15	86	1,386	
Financial liabilities							
Trade and other payables	-	-	-	-	16	16	
Long-term loans from banks and financial institution	-	-	-	315	-	315	Note 25
	-	-	-	315	16	331	

Foreign currency risk

The Company and its subsidiaries do not have significant exposure to foreign currency risk.

The balances of unhedged financial liabilities denominated in foreign currency as at 31 December 2011 are summarised below.

Foreign currency	Financial liabilities	Exchange rate as at 31 December 2011
	(Million)	(Baht per 1 foreign currency unit)
US dollar	0.4	31.8319

37.2 Fair value of financial instruments

Since the majority of the Company's financial instruments are short-term in nature or bear floating interest rates, their fair value is not expected to be materially different from the amounts presented in statements of financial position.

A fair value is the amount for which an asset can be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction. The fair value is determined by reference to the market price of the financial instruments or by using an appropriate valuation technique, depending on the nature of the instrument.

38. Capital management

The primary objective of the Company's capital management is to ensure that it has an appropriate financial structure and preserves the ability to continue its business as a going concern.

The Group manages its capital position with reference to its debt-to-equity ratio. As at 31 December 2011, the Group's debt-to-equity ratio was 1.2:1 (2010: 3.3:1) and the Company's was 0.3:1 (2010: 0.3:1).

39. Reclassification

To comply with the Notification of the Department of Business Development relating to the financial statement presentation as described in Note 2 and as the result of the adoption of revised and new accounting standards as described in Note 3, certain amounts in the financial statements for the year ended 31 December 2010 have been reclassified to conform to the current year's classification, without any effect to the previously reported profit or shareholder's equity.

40. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 27 February 2012.

Group Activities:



Reference :

Share Registrar

Thailand Securities Depository Co.,Ltd.
62 Stock Exchange of Thailand, Floor 4, 6 and 7
Ratchadapisek Rd., Klongtoey, Bangkok 10110
Tel: 0-2229-2800

Auditor

Mr.Supachai Panyawattano
Certied Public Accountant(Thailand) No.3930
Ernst & Young Ofce Limited
33rd Floor, Lake Rajada Ofce Complex
193/136-137 Rajadapisek Road, Klongtoey, Bangkok 10110
Tel: 0-2264-0777, 0-2661-9190

Legal Advisor

Bunchong and Vidhya Law Ofce Limited
9th Floor, Wall Street Tower Building,
33/35 Surawongse Road, Suriyawongse,
Bangrak, Bangkok 10500
Tel: 0-2236-2334 (7 Lines)

Company :

Name

Thai Property Public Company Limited (TPROP)

Business

Real Estate Developer

Head Ofce

2922/305-306 Charn Issara Tower II, 29th Floor, New Petchburi Road, Kwaeng Bangkapi,
Khet Huay Kwang, Bangkok 10310 THAILAND

Telephone

+662-308-2708-10

Fax

+662-308-2719

Fiscal Year

1 January – 31 December

Registered Capital

Baht 3,353,702,060

Paid-up Capital

Baht 2,816,465,918, divided into 2,816,465,918 ordinary shares with par value of Baht 1 each

Web Site

<http://www.thaiproperty.co.th>

Thai Property

บริษัท ไทย พร็อพเพอร์ตี้ จำกัด (มหาชน)
Thai Property Public Company Limited

Thai Property Public Company Limited

2922/305-306 Charnisara Tower 2, 29th Floor
New Phetchaburi Road, Huay-kwang, Bangkok 10310

Tel : 02 308 2049 , 02 308 2708 Fax : 02 308 2719

<http://www.thaiproperty.co.th>