Grand Canal Land Public Company Limited
33/4 Rama 9 Road, Huai Khwang Bangkok 10310
Tel: 66 (0) 2 246 2323 Fax: 66 (0) 2 247 1082
www.grandcanalland.com

Grand Canal Land Public Company Limited

Annual Report 2011

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Annual Report 2011

GRAND RAMA 9

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G Land Tower GRAND RAMA 9

Message from Chairman

Dear Shareholders,

In the year 2011 Grand Canal Land Public Company Limited along with the management team with the high experience in property development business for 40 years are devote to develop the remarkable project, located on the high potential area which the managements confidently yield appropriated returns with acceptable risk to the shareholders, known as the "Grand Phra Ram 9" Project, the new CBD in Bangkok. With the approximate total area of 1.14 million square meters located at Ratchada-Rama 9 junction, above the MRT Praram 9 station. The Company prepared the project to respond for the various lifestyles, the project consists of Central Grand Phra Ram 9 Shopping Complex with the area of 220,000 square meters, Office Buildings, Hotel, Residential Condominium and Convention Center. The "Grand Phra Ram 9" Project is currently developing and consists of

1) The prime office building - "G Land Tower" has approximate area of 130,000 square meters, set to be the landmark of Bangkok, only 50 meters from MRT station and next to Central Grand Phra Ram 9 Shopping Complex. With the unique design, the project was selected to be the cover of the international magazine "Architecture@21"

2) The residential condominium building - "Belle Avenue", consists of 2,024 units in 8 buildings; 27 - 43 level-heights with approximate area of 350,000 square meters and total project value of Baht 14,000 million, expected to be transfer partly in 2012

3) The office building - "The Ninth Tower", consists of 2 buildings; 34 and 32 level heights with approximate area of 120,000 square meters. Presently the building is partly complete and been rented, the rest of the construction expected to be complete in 2013, and

4) The office building - "U - Place", is a 13 level height building with approximate area of 40,000 square meters, the building was entirely rented by Unilever and on the process of submit the government issues and pre - construction.

Moreover, there are the future projects to develop within next 2 - 3 years e.g. "Phra ram 9 Square Project Phase 2" with approximate area of 250,000 square meters and the hotel project with approximate area of 30,000 square meters.

The managements are confidence that the "Grand Phra Ram 9" Project will recieve the excellent feedback from the great location which in the middle of the city, the complete facilities and the convenient transportation such as the MRT and the Airport Link. Besides, the project is surrounding by many large office buildings such as Government Housing Bank, True Tower, MCOT Tower, and the Office of Stock Exchange of Thailand (SET).

In addition from the above mentioned projects, the Company holds the land for 35 rai at the Kampangpetch 6 Road (Local Road) which has plan to develop to be the residential condominium for sale over 3,000 units and the Company received the continuously incomes from exclusively holds sale and administrative service, marketing and construction management agreements on Grand Canal Don Muang project 1 and project 2.

On behalf of the Board of Directors, managements and staffs, we are committed to our dedicated goal to improve operational efficiency and effectiveness to build up Company's strength, especially in property development business, as the leader. And offer fairest benefits to shareholders.

On this occasion, the Board of Directors, management and all staff would like to thank all shareholders, customers, business partners, financial institutions and stakeholders for their confidence and continued support which have greatly contributed to the Company's success in its operation. The management has the intention and sincerity to manage business according to the principles of good corporate governance and adhere to excellent operations for the utmost benefits for all stakeholders.

(Yotin Boondicharern)
(Chairman of the Board of Directors)

G Land Tower GRAND RAMA 9

Summary of Important Financial Information

(Unit : Million baht)

Consolidated Financial Statements (Based on "Reserved Takeover" Basis)	2011	2010
Financial Position		
Total Assets	9,957	7,764
Total Liabilities	3,768	2,647
Shareholders' Equity	6,189	5,117
Operating Results		
Total Revenues	196	427
Profit (Loss) before Income Tax	0.16	(86)
Income Tax	6.8	0.5
Net Profit (Loss)	(0.56)	(74)
Earnings (Loss) per Share (Baht)	(0.0001)	(0.07)

(Unit : Million baht)

The Separate Financial Statements	2011	2010	2009
Financial Position			
Total Assets	7,184	5,333	5,921
Total Liabilities	820	282	824
Total Liabilities	6,364	5,051	5,097
Operating Results			
Advertising Income	-	0.2	733
Rental Services	153	108	4
Total Revenues	227	243	815
Profit before Income Tax	35	77	104
Income Tax	6.8	0.4	22
Net Profit	28	77	82
Financial Ratio			
Net Profit to Total Revenues	12.30%	31.57%	10.03%
Return on Total Assets	0.45%	1.37%	2.13%
Liquidity Ratio	1.71	12.71	2.82
Debts to Equity Ratio	0.13	0.06	0.16
Earnings per Share (Baht)	0.006	0.07	0.23
Dividend per Share (Baht)	0.03	-	0.12
Book Value per Share (Baht)	1.29	4.92	4.96

Corporate Information

Grand Canal Land Public Company Limited	
Company Registration Number	0107538000118
Location	33/4 Rama 9 Road, Huaykwang, Bangkok 10310
Business Type	Property Development
Home Page	www.grandcanalland.com
Authorized Share Capital	5,327,862,930 ordinary shares, 1.00 baht par value
	Total 5,327,862,930 Baht
Issued and Paid-up Capital	4,930,523,336 ordinary shares, 1.00 baht par value
	Total 4,930,523,336 baht
	Tel: 66 (0) 2 246 2323
	Fax: 66 (0) 2 247 1082

Other References	
Share Registrar	Thailand Securities Depository Company Limited (TSD)
	62 The Stock Exchange of Thailand Building
	Rachadapisek Road, Klongtoey,
	Bangkok 10100
	Tel : 66 (0) 2 229 2800, 66 (0) 2 654 5599
	Fax : 66 (0) 2 359 1259
Auditor	Office of DIA International Auditing
	316/32 Sukhumvit 22, Klongtoey, Bangkok 10110
	Tel : 66 (0) 2 259 5300
	Fax : 66 (0) 2 260 1553
Investor Relation	Mr. Jatesiri Boondicharern
	Mr. Surakit Thantananont
	Tel : 66 (0) 2 246 2323 Fax : 66 (0) 2 247 1082

The Ninth Tower GRAND RAMA 9

Board of Directors

1. Mr. Yotin Boondicharern

Position	Chairman and Chief Executive Officer	
Age	70	
Experience in the last 5 years		
23 Dec. 2009 - Present	Chairman and Chief Executive Officer	Grand Canal Land Plc.
2007 - Present	Executive Director	Skyway Realty Co., Ltd.
2002 - Present	Chairman	Grand Fortune Co., Ltd.
2002 - Present	Executive Director	Pattanaburi Co., Ltd.
1996 - Present	Director	Central Pattana Nine Square Co., Ltd.
1996 - Present	Executive Director	Praram 9 Square Hotel Co., Ltd.
1995 - Present	Chairman and Chairman of the Executive Directors	Praram 9 Square Ltd.
1994 - Present	Director	Belle Development Co., Ltd.
2008 - Present	Chairman	Belle Development Co., Ltd.
2009 - Present	Chairman and Chairman of the Executive Directors	Belle Development Co., Ltd.
1994 - Present	Chairman	Charernkit Enterprise Co., Ltd.

2. Assoc. Prof. Prapanpong Vejjajiva

Position	Director and Vice Chairman
	Nomination and Remuneration Committee Member
Age	76
Education	B.A. In Political Science (Second Class Honor) Chulalongkorn University
	Master of Social Science (MsSc) Stockhom University Sweden
	Diploma in Social Welfare, Stockhom University Sweden
	Certificate In Business Administration, Stanford University, USA
	National Defence College Class 28
Training Course	Director Accreditation Program (DA P)
	The Role of Chairman Program (RCP)
	Audit Committee Program (ACP)
	The Role of Compensation Committee (RCC)

Experience in the last 5 years		
14 Jan. 2010 - Present	Vice Chairman	Grand Canal Land Plc.
3 Dec. 2009 - Present	Director	Grand Canal Land Plc.
	Nomination and Remuneration Committee Member	Grand Canal Land Plc.
2007 - Present	Chairman	The Krungthep Thanakom Co., Ltd. (Bangkok Metropolitan's Enterprise)
2007 - Present	Member of The Board of Directors	SASIN International Business Graduate School of Chulalongkorn University
2007 - Present	Advisor to the President	Huachiew Chalermprakiet University
1992 - Present	Member of the University Council	Huachiew Chalermprakiet University
2006 - Present	Chairman of Remuneration Committee	G Steel Plc.
2005 - Present	Independent Director and Audit Committee Member	G Steel Plc.
2004 - Present	Director	G Steel Plc.
1986 - Present	Member of the Board of Property Management	Red Cross Society of Thailand
2004 - Present	Chairman	C & C International Venture Co., Ltd.
2004 - Present	Member of the Council	Saint Louis College
2001 - Present	Director	Belle Development Co., Ltd.
2001 - Present	Director	Charernkit Enterprise Co., Ltd.
1985 - Present	Director	Praram 9 Square Ltd.
1987 - Present	Director	The Dhamnitti Plc.

3. Mr. Yongyuth Withyawongsaruchi

Position	Independent Director and Chairman of the Audit Committee	
Age	71	
Education	Bahelor of Accounting (Honor), Thammasat University	
	Bahelor of Commerce (Honor), Thammasat University	
	Mini M.B.A. (Class 1), Thammasat University	
	Certificate of Senior Executive Program (SEP7), SASIN Chulalongkorn University	
Training Courses	Director Certification Program (DCP)	
	Audit Committee Program (ACP)	
	Board Performance Evaluation	
	Setting the CEO Performance Plan and Evaluation	
Experience in the last 5 years		
Apr. 2003 - Present	Independent Director and Chairman of the Audit Committee	Grand Canal Land Plc.
8 Dec. 2009 - 13 Jan 2010	Vice Chairman	Grand Canal Land Plc.
Apr. 2005 - Present	Independent Director and Audit Committee Member	Bank of Ayudhya Plc.
Apr. 2003 - Jan 2009	Independent Director and Audit Committee Member	Eastern Star Real Estate Plc.

4. Mr. Nipon Visityuthasart

Position	Independent Director and Audit Committee Member	
	Chairman of Nomination and Remuneration Committee	
Age	72	
Education	Bachelor of Law, Thammasart University	
	Master of Public Administration Program (NIDA)	
Training Courses	Director Accreditation Program (DAP)	
	Certificate for High Level Executive Capital Market Academy (CMA12)	
Experience in the last 5 years		
14 Jan. 2010 - Present	Independent Director and Audit Committee Member Chairman of Nomination and Remuneration Committee Member	Grand Canal Land Plc.
17 Nov.2011 - Present	Independent Director	Country Group Assets Plc.
1999 - Present	Independent Director and Chairman of the Audit Committee	Wanachai Group Plc.
Present	Party - List Representative	Democrat Party
2004 - 2006	First Vice President of the Senate	Parliament
2000 - 2006	Senator, Ang Thong Province	Parliament

5. Mr. Banphot Hongthong

Position	Independent Director and Audit Committee Member	
	Nomination and Remuneration Committee Member	
Age	64	
Education	B.A. (Economics), Northeastern University, U.S.A.	
	M.A. (Economics Development), Northeastern University, U.S.A.	
Experience in the last 5 years		
23 Mar. 2010 - Present	Nomination and Remuneration Committee Member	Grand Canal Land Plc.
14 Jan. 2010 - Present	Independent Director and Audit Committee Member	Grand Canal Land Plc.
August 2011 - Present	Chairman of the Board	Dhiphaya Life Insurance Co.,Ltd.
30 Dec. 2010 - Present	Advisor to Permanent Secretary	Ministry of Agriculture and Cooparatives
1 Dec 2010 - Present	Advisor in coordination of the Roayl Development Projects	Office of the Royal Development Project
Jan 2010 - Present	Advisor	The Queen Sirikit Department of Sericulture
Sep 2009 - Present	Sub-Committee of Ministry of Agriculture and Cooperative Civil Service Sub-Committee	Ministry of Agriculture and Cooperative
Sep 2009 - Sep 2011	Distinguished Ministry of Agriculture and Cooperative Civil Service Sub-Committee	Ministry of Agriculture and Cooperative
Jun 2009 - Present	Director	Evergreen Plus Co., Ltd.
May 2009 - Dec 2011	New Listing & Lisited Development Committee	The Stock Exchange of Thailand
Oct 2008 - Apr 2011	Independent Director and Member of the Corporate Governance Committee	Thai Oil Plc.
Sep 2008 - Present	Honorary Advisor of the Committee on Agriculture and Cooperatives	The Senate
Nov 2007 - Present	Advisor to the Administration	Land Development Department, Ministry of Agriculture and Cooperatives
Jul 2007 - Present	Honorable Committee of the Council Member	Rajamongkon University of Technology Isan
May 2005 - Present	Advisor to the Board of Directors and Chief Executive Officer	Standard Chartered Bank (Thai) Plc.
Jun 2001 - Present	Advisor	Thai National Shippers' Council
Sep 2009 - Jun 2010	Advisor to Minister	Ministry of Labour
Oct 2008 - Dec 2009	Board Member	Thai Oil Ethanol Co., Ltd.
2007	Member, National Legistative Assembly	Parliament
2009 - 2010	Permanent Secretary	Ministry of Agriculture and Cooparatives

6. Mr. Jarern Jirawisan

Position	Director	
Age	70	
Education	Bachelor Degree in Engineering, Chulalongkorn University	
	Master of Management, SASIN Graduate Institution of Business Administration	
Training Courses	Director Accreditation Program (DAP)	
Experience in the last 5 years		
23 Dec. 2009 - Present	Director	Grand Canal Land Plc.
14 Jul 2010 - Present	Director	Exclusive Senior Care International Co., Ltd.
2009 - Present	Director	T - One Capital Co., Ltd.
2008 - Present	Director	Belle Development Co., Ltd.
2008- Present	Director	Praram 9 Square Hotel Co., Ltd.
2007 - Present	Director	BBTV New Media Co., Ltd.
2006 - Present	Director	Praram 9 Square Ltd.
2006 - Present	Director	Central Pattana Nine Square Co., Ltd.
2006 - Present	Director	Yook Chuan Co., Ltd.
2006 - Present	Director	The Bangkok Lighters Co., Ltd.
2006 - Present	Director	The Thai Tapioca Flour Produce Co., Ltd.
2004 - Present	Director	Dherakupt International Law Office Co., Ltd.
2003 - Present	Director	Cyber Venture Co., Ltd.
2002 - Present	Director	Great Fortune Co., Ltd.
2002 - Present	Director	Grand Fortune Co., Ltd.
2002 - Present	Director	BBTV Satelvision Co., Ltd.
2002 - Present	Director	Tonson Ploenchit Co., Ltd.
2001 - Present	Director	BBTV Productions Co., Ltd.
2000 - Present	Director	BBTV Marketing Co., Ltd.
1999 - Present	Director	Bangkok Broadcasting & Television Co., Ltd.
1999 - Present	Director	Sunrise Equity Co., Ltd.

1998 - Present	Director	C.K.R. Co., Ltd.
1997 - Present	Director	BBTV Equity Co., Ltd.
1997 - Present	Director	Tun Rungrueng Co., Ltd.
1997 - Present	Director	GL Assets Co., Ltd.
1997 - Present	Director	Mahakij Holding Co., Ltd.
1996 - Present	Director	Super Assets Co., Ltd.
1996 - Present	Director	Sterling Equity Co., Ltd.
1996 - Present	Director	Stronghold Assets Co., Ltd.
1995 - Present	Director	BBTV Asset Management Co., Ltd.
1994 - Present	Director	Siam Puri Engineering Co., Ltd.
1992 - Present	Director	Siam Purimongkol Co., Ltd.
1990 - Present	Director	Khao Kheow Country Club Co.,Ltd.
1984 - Present	Director	Great Luck Equity Co., Ltd.
1982 - Present	Director	CKS Holding Co., Ltd.

7. Mr. Mongkol Pao-in

Position	Director	
Age	82	
Education	Bachelor of Law, Thammasat University	
	Barrister-at-Law, Thai Bar Association	
Experience in the last 5 years		
23 Dec. 2010 - Present	Director	Grand Canal Land Plc.
2001 - Present	Independent Director and Audit Committee	Thaivivat Plc.
2004 - 20 Oct. 2009	Chairman	Prinsiri Plc.
1994 - Present	Executivie Director	Charernkit Enterprise Co., Ltd.
2001 - Present	Executivie Director	Belle Development Co., Ltd.
1995 - 6 May. 2010	Executivie Director	Praram 9 Square Ltd.

8. Mr. Jatesiri Boondicharern

Position	Director and Managing Director	
Age	40	
Education	Bahelor of Landscape Architect California State Polytechnic University	
	Master of Real Estate Finance and International Business,	
	University of Southern California	
Experience in the last 5 years		
23 Dec. 2009 - Present	Director and Managing Director	Grand Canal Land Plc.
14 Jan. 2010 - 22 Mar. 2010	Nomination and Remuneration Committee Member	Grand Canal Land Plc.
2009 - Present	Executive Director	Praram 9 Square Hotel Co., Ltd.
2009 - Present	Managing Director	Belle Development Co., Ltd.
2008 - Present	Executive Director	Belle Development Co., Ltd.

2008 - Present	Director	Belle Development Co., Ltd.
2009 - Present	Managing Director	Charernkit Enterprise Co., Ltd.
2011 - Present	Executive Director	Charernkit Enterprise Co., Ltd.
2009 - Present	Managing Director	Praram 9 Square Ltd.
2007 - Present	Executive Director	Praram 9 Square Ltd.
2005 - Present	Director	Praram 9 Square Ltd.
2008 - Present	Executive Director	The Future Asset Co., Ltd.
2008 - Present	Executive Director	Belle Park Residence Co., Ltd.
2008 - Present	Executive Director	Breguet Thai Co., Ltd.
2008 - Present	Executive Director	Skyway Realty Co., Ltd.
2006 - Present	Executive Director	Central Pattana Nine Square Co., Ltd.
2004 - Present	Executive Director	G C & T Co., Ltd.
2002 - Present	Executive Director	Grand Fortune Co., Ltd.
2002 - Present	Executive Director	Pattanaburi Co., Ltd.
2003 - 17 Dec. 2009	Executive Director	Grand Canal Co., Ltd.

9. Ms. Romani Boondicharern

Position	Director,	
	Deputy Managing Director of Accounting and Finance Group and	
	Deputy Mananging Director of Purchasing and General Administration Group	
Age	25	
Education	Bachelor of Engineering (Civil Engineering), Thammasat Uninversity	
	Master of Science Degree (Finance), Chulalongkorn University	
Training Courses	Director Certification Program (DCP)	
	Director Accreditation Program (DAP)	
Experience in the last 5 years		
14 Jan 2010 - Present	Director, Deputy Managing Director of Accounting and Finance Group and Deputy Mananging Director of Purchasing and General Administration Group	Grand Canal Land Plc.
2009 - Present	Director	Charernkit Enterprise Co., Ltd.
6 May 2010 - Present	Director	Belle Development Co., Ltd.
6 May 2010 - Present	Director	Praram 9 Square Ltd.
6 May 2010 - Present	Director	Praram 9 Square Hotel Co., Ltd.
2008 - Present	Executive Director	Skyway Realty Co., Ltd.
2008 - Present	Executive Director	The Future Asset Co., Ltd.
2008 - Present	Executive Director	Breguet Thai Co., Ltd.
2008 - Present	Executive Director	Belle Park Residence Co., Ltd.
Oct. 2008 - 17 Dec. 2008	Executive Director	Grand Canal Co., Ltd.

Management Team

1. Mr. Yotin Boondicharern (Please see the profile from the Board of Directors)

2. Mr. Jatesiri Boondicharren (Please see the profile from the Board of Directors)

3. Ms. Romani Boondicharern (Please see the profile from the Board of Directors)

4. Mr. Vira Tanakornpakdi

Position	Deputy Mananging (Acting) and Assistant Managing Director, Project Management Group	
Age	67	
Education	Bachelor of Architecuture (Honor) Chulalongkorn University	
Experience in the last 5 years		
1 Jan 2010 - Present	Deputy Mananging (Acting) and Assistant Managing Director, Project Management Group	Grand Canal Land Plc.
14 Jan 2010 - 31 Dec 2010	Assistant Managing Director, Project Management Group	Grand Canal Land Plc.
1 Nov 2009 - 17 Dec 2009	Assistant Managing Director, Project Management Group	Grand Canal Co., Ltd.
14 Oct 2009 - 31 Oct 2009	Assistant Managing Director, Project Management Group	Charernkit Enterprise Co., Ltd.
1995 - 13 Oct 2009	Architecture Advisor	Charernkit Enterprise Co., Ltd.

5. Ms. Punpimol Komolpis*

Position	Assistant Mananging Director, Purchasing and General Administration Group	
Age	49	
Education	Bachelor Degree in Political Science (Public Administration), Chulalongkorn University	
	Master of Managemen Texas Woman's University, Denton, Texas, U.S.A.	
Training Courses	Director Accreditation Program (DAP)	
	Director Certification Program (DCP)	
	Thai Institution of Directors Association (IOD)	
Experience in the last 5 years		
9 Feb 2010 - 30 Nov 2011	Assistant Mananging Director, Purchasing and General Administration Group	Grand Canal Land Plc.
19 Jan 2010 - 30 Nov 2011	Audit Committee Secretary	Grand Canal Land Plc.
14 Jan 2010 - 8 Feb 2010	Assistant Managing Director, Accounting and Finance Group (Acting) and General Administration	Grand Canal Land Plc.
1 Nov 2009 - 17 Dec 2009	Assistant Managing Director, Accounting and Finance Group	Grand Canal Co., Ltd.
10 Mar 2009 - 31 Oct 2009	Assistant Managing Director, Accounting and Finance Group	Charernkit Enterprise Co., Ltd.
24 Apr 2009 - 26 Jan 2009	Independent Director and Audit Committee	Mulitbax Plc.
Mar 2008 - Sep 2008	Assistant Managing Director	Ayudhya Factoring Co., Ltd.
Aug 1999 - Feb 2008	Vice President - Corporate Lending	Ayudhya Investment and Trust Co., Ltd. (renamed to be Ayudhya Auto Lease Plc.)
2001 - 2006	Independent Director and Chairman of the Audit Committee	Diana Department Store Plc.

6. Ms. Sasithorn Chutiponglertrungsee**

Position	Assistant Managing Director, Legal Group	
Age	39	
Education	Bachelor Degree in Law, Ramkhamhaeng University	
Experience in the last 5 years		
14 Jan 2010 - Present	Assistant Managing Director, Legal Group	Grand Canal Land Plc.
1 Nov 2009 - 17 Dec 2009	Assistant Managing Director, Administrative & Legal Group	Grand Canal Co., Ltd.
14 Oct 2009 - 31 Oct 2009	Assistant Managing Director, Administrative & Legal Group	Charernkit Enterprise Co., Ltd.
2003 - 13 Oct 2009	Manager, Marketing Department	Charernkit Enterprise Co., Ltd.

7. Mr. Surakit Thantananont***

Position	Assistant Managing Director Finance and Accounting Group	
Age	50	
Education	Master Degree in Accounting (Finance), Chulalongkorn University	
	Bachelor Degree in Accounting (Accounting), Chulalongkorn University	
Experience in the last 5 years		
16 Mar. 2011 - Present	Assistant Managing Director Finance and Accounting Group	Grand Canal Land Plc.
16 Jun. 2005 - 15 Mar. 2011	Director and Deputy Managing Director	B.P. Wire Rod Co.,Ltd.
1 Sep. 2004 - 15 Jun. 2005	Deputy Vice President, Corporate Banking 3	Thai Military Bank Plc.
2 Jul. 1994 - 31 Aug. 2004	Deputy Vice President, Project Financing Department 4	Industrial Finance Corporation of Thailand

* Resigned from Management Position effective on 1 December 2011

** Resigned from Management Position effective on 10 October 2011

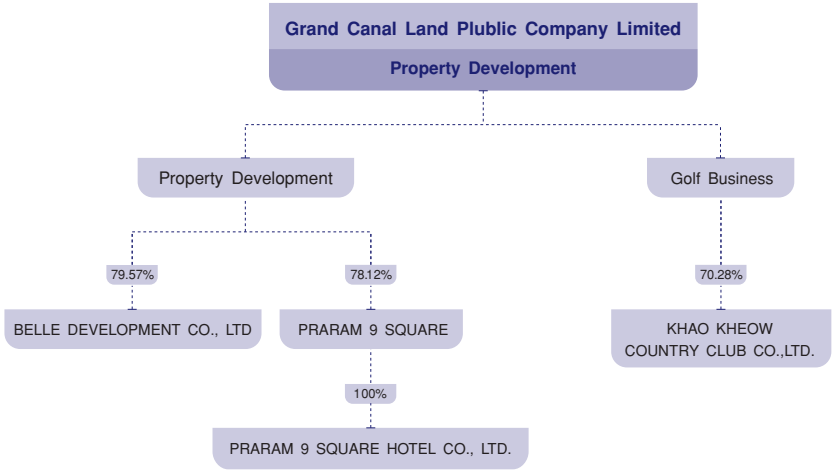
*** Appointed to Management Position on 16 March 2011

The Ninth Tower GRAND RAMA 9

Nature of Business

Overview of the Company's business

The Company and its subsidiaries operate 2 main businesses: Real estate, and golf course business as per details below:



*Remark: On April 28th, 2011 at the Board of Directors shareholders meeting No. 1/2011 there's a resolution to transfer all shares in that the Company holds in Khao Kheow Country Club Co., Ltd. to BBTV Equity Co., Ltd., a related party.

The Company also engages in the property development business and the golf course business a total of 5 companies, categorized into the following:

Property Development Business

1. Grand Canal Land Public Co., Ltd. enrolls in the office building project: "The 9th Tower Grand Phra Ram 9" development of condominium: "Belle Sky", hotel and service apartment projects, and the management of sales, marketing, construction and general activities.

2. Belle Development Co., Ltd. enrolls in the development of residential condominium: "Belle Grand Phra Ram 9" on Ratchada - Rama 9 Road.

3. Phra Ram 9 Square Co., Ltd. enrolls in the development of "G Land Tower Grand Phra Ram 9 Project", office building for rent.

4. Phra Ram 9 Square Hotel Co., Ltd. is a hotel and service development. At present, there are no ongoing operations.

Golf Course Business

Khao Kheow Country Club Co., Ltd. (The Company transfer all shares that holds in Khao Kheow Country Club Co., Ltd. on 29 June 2011)

Non-Operated Companies

1. M & D Entertainment Co., Ltd.
2. Iloura (Thailand) Co., Ltd. (Discontinued operation at present due to sequestration)

Revenue Structure

The Company's revenue structure, according to the consolidated financial statements for the year 2010 - 2011 based on "reversed takeover" basis, are as follow:

Business	Operated by	% Shareholding As at 31 Dec 2011	2011		2010	
			Million baht	%	Million baht	%
Property Development	Grand Canal Land Plc.		67.10	100.00%	70.21	24.16%
	Belle Development Co., Ltd.	79.57%	1/			
	Phra Ram 9 Square Co., Ltd.	78.12%	2/			
	Phra Ram 9 Square Hotel Co., Ltd.	78.12%	3/			
TV Business	Grand Canal Land Plc.	70.28%			132.84	45.70%
Golf Course	Khao Kheow Country Club Co., Ltd.	80.00%			87.59	30.14%
Others	M D & A Co., Ltd.		3/			
	Total		**67.10**	**100.00%**	**297.19**	**100.00%**

Remark: 1/ The Company has the unrecognized incomes from the installments according to the accounting standard about 80 percent of the selling units.
2/ The Company is on progress of construction the building for rent
3/ Non - operated business

Nature of each Business Line

Real Estate and Property Development

As the Company transfer all shares that holds in Khao Kheow Country Club Co., Ltd. which is a golf course business on 29 June 2011 so the Company has only one business which is property development business, details as follow;

Property development business is conducted by 4 sectors; the Company, Belle Development Co., Ltd. (the Company holds 79.57 percent directly), Phra Ram 9 Square Co., Ltd. (the Company holds 78.12 percent directly) and Phra Ram 9 Square Hotel Co., Ltd. (the Company holds 78.12 percent indirectly) details are as follow;

Grand Canal Land Public Company Limited ("The Company")

The Company engages in property development business with assets from

- The 9th Office Building Project,
- Belle Sky Condominium Project,
- The Sale and Administrative Service Agreement of Grand Canal Don Muang Project 1 and 2 and investments in 2 businesses which are 79.57 percent of Belle Development Co., Ltd. and 78.12 percent of Pha Ram 9 Square Co., Ltd respectively.

- **The 9th Tower Grand Phra Ram 9 Office Building Project**

The 9th Office Building is a Grade B+ to A- project, Total investment for this project is about 3,400 million baht, with a total leasable area of 66,000 square meters, consisting of a 8 level height podium, 1 basement, with 2 towers of Tower A 34 - level and Tower B 32 - level height building. The project is located on the Rachada - Rama 9 junction, behind the Central Plaza Grand Phra Ram 9

Good location is an important sales factor. The 9th is located on Rachada - Rama 9 junction, close to the MRT station, the express way, and the Airport Link. The Company has also set the rental prices reasonable to target middle class tenants.

At present, the building is partly completed. The podium section, consisting of a 3 level height office area and a 5 level height car park, is currently open for rental. The podium has a total area of 40,000 square meters with a rented area of 7,805 square meters. As of 31 December 2011, the rental ratio is 75 percent of the total space for rent.

The Construction of Tower A expected to completed on March 2013 and Tower B expected to completed on November 2012.

Photo: The 9th Tower Grand Phra Ram 9 Office Building

- **Belle Sky Condominium Project ("Belle Sky")**

Belle Sky is a 17 tower Condominium project with 8 floors, totaling 3,300 residential units. The project is located on Kampangpetch 6 Road (Parallel to Vibhavadi Road and the Railway station), and next to Miracle Grand Convention Hotel. This project highlights its access to prime locations like the Government agencies (Chaengwattana), access to the Vibhavadi - Rangsit Road, and the Don Muang Toll Way. It is also specially designed to fit the resident's present life style and provides full range of activities to meet the needs.

The Project targets middle class customer with an average selling price of 45,000 Baht per square meter. The smallest room size is at 27 square meters, starting at a selling price of 1.24 million baht.

The Project is effected from the great flood in 2011 so the Company decided to postpone the construction.

- **Grand Canal Don Muang Project 1and 2**

The Grand Canal Donmuang Project 1 and 2. This single - detached house project is on the Don Muang suburb, next to the Laksi railway station, Express Way 2, and the Hopewell Expressway. Project 1 consists of 194 residential units and Project 2 has a total of 199 residential units.

This project is set in a well placed community in suburbs, focusing on the romantic atmosphere of Venice, Italy, with competitive prices comparing to other high quality grade houses.

The two projects targets middle to high - end customers. The land size of each residential unit ranges from 73 - 250 square wah, with a usage area of 197 - 408 square meters per residential unit, and a selling price ranging from 6.5 - 25 million baht.

At present, there are 4 and 159 units remaining for the Grand Canal Don Muang Project 1 and 2 respectively. The Company is managing this project and holds the Sale and Administrative .

Photo: Grand Canal Don Muang Project 1 and 2

Belle Development Co., Ltd. ("Belle")

Belle was incorporated as a property developer in 1994 with a registered capital of Baht 2,064,261,300, a total of 20,642,613 registered shares with a par value of Baht 100 each (fully paid - up) as per details below:

Name	Amount of shares	%
Grand Canal Land PCL	16,425,383	79.57
Mr. Pak To Laing	2,064,261	10.00
Italian Thailand Co., Ltd.	1,352,257	6.55
Italian Development PCL	473,133	2.29
Siam Steel Syndicate Co., Ltd.	317,358	1.54
Siam Steel Syndicate Co., Ltd.	6,221	0.03
Lotus Design and Development Co., Ltd.	4,000	0.02
Total	**20,642,613**	**100.00**

- **Belle Grand Phra Ram 9 Project**

Belle Avenue is a residential condominium with the total value of 14,000 milllion baht on the Rachada - Rama 9 junction, close to the MCOT junction and 400 meters from the MRT station. It consists of 2,024 units in 8 buildings: 2 buildings of 27 - floors, 34 - floors, 36 - floors, and 43 - floors, with an underground level. The residential units are set on a 6 - level height podium; 2 floors are designated for commercial rental and 4 levels for car parks.

The project highlights on a resort - style residential with a big leisure sky - high garden. It is located on the Rachada - Rama 9 junction, the heart of Bangkok, close to the express way, the MRT, and the Airport link. This project is expected to be the new highlight of lifestyle with high standards of living surrounding the residential and commercial complexes with office buildings and a big shopping mall (Central Plaza Grand Phra Ram 9).

The project targets at middle to high - end customers. The average selling price is approximately 70,000 - 75,000 Baht per sq. meter. Unit size ranges from 43 to 107 sq. meters with a selling price ranging from 3.0 to 8.0 million baht.

This project has a total investment cost of approximately 8,000 million baht. Financial loans have already been approved by the bank at 3,819.20 million baht, accounting for 47 percent of the project investment value. The remaining amount will be financed by internal cash flow from the project's operation.

At present, the Company opened phase 1 - 4 for sales and has sold up to 80 percent of the project.

The main construction developer is Italian - Thai Development Plc. Which has progress in the construction on December 2011 as follow;

- The first four residential buildings are finish about 75 percent of the structure work, architecture work and M&E work, the project will be completely constructed within 2012
- The last four residential buildings are finish about 15 percent of the structure work, architecture work and M&E work, the project will be completely constructed within 2013

Photo: Belle Grand Phra - Ram 9 Project

Praram 9 Square Co., Ltd. ("Phra Ram 9")

Praram 9 Square Ltd. was established in 1995 as a property developer by Charernkit Group with an initial registered paid - up capital of 1 million Baht. At present, Phra Ram 9 has a total registered paid - up capital of 1,000 million baht, a registered share of 10 million shares with a par value of 100 baht each.

Name	Amount of shares	%
Grand Canal Land PCL	7,812,496	78.12
Italian Development PCL	2,000,000	20.00
City Realty Co.,Ltd.	187,500	1.88
Others	4	0.00
Total	**10,000,000**	**100.00**

The present project

G Land Tower Grand Phra Ram 9

G Land Tower Grand Phra Ram 9 Project Phase 1.2, is an A+ grade office buildings holds a 30 - year land lease agreement with a 10 - year extension right with a total of 65,000 square meters rental space. It consists of a 26 - level and 36 - level height building. This project is located on Rachada - Rama 9 junction, next to the MRT station and the Central Plaza Grand Phra Ram 9.

Targeted customers are premium office leaser. In the opening year of 2014, the rental rate will be approximately 700 - 750 Baht per square meter. The total project investment is approximately 3,000 million Baht.

78 percent of the project cost is secured by the bank, and the remaining to be financed by internal cash flow from operations and the borrowing from related companies. Presently, Phra Ram 9 holds a 30 - year land lease agreement with a 10 - year extension right, and also a short - term lease agreement for the 3 years construction period. The project is presently under an architectural design process. Construction period is expected to end in 3 years, expected to be opened in 2014. The project is expected to yield annual revenues of 470 million baht.

Photo: G Land Tower Grand Phra Ram 9 Project

The finished project.

Central Plaza Grand Phra Ram 9 Shopping Complex

Central Plaza Grand Phra Ram 9 Shopping Complex (Phra Ram 9 holds 3.27 percent, and the major shareholder is CPN Group) is completely constructed and transfer to Central Pattana Nine Square Co.,Ltd. at the end of 2011. The Project is the magnet that served and attracted for the other project of Grand Phra Ram 9 which are the Office Buildings and others to be the center of the business with more interesting.

Praram 9 Square Hotel Co., Ltd. ("Phra Ram 9 Hotel")

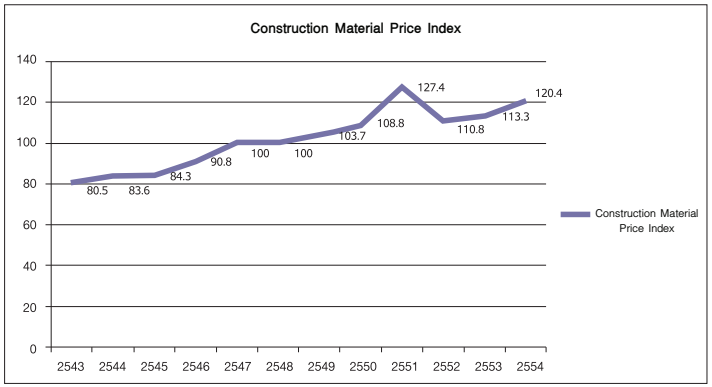
Phra Ram 9 Square Hotel was registered in 1995 by Charernkit Group in the name of CKA Co., Ltd. as a hotel and service development. The initial registered capital is 1 million baht. To date, the business has no ongoing operation yet. However, the project is located on Rachada - Rama 9 and is planned to start development with in 1 - 2 years from now.

Competition and the Property Business Overview

The economic expansion of Thailand in 2011 slowed down from last year due to supply chain disruption, among the effects from the Tsunami in Japan. The impact of the recent flood on the Thai economy was widely severe, affecting especially the central part of the country. Industrial sector suffered from activity halts from disruptions to their logistic networks. The flood caused a contraction of exports, consumption, and private investment in the last quarter. Domestic economic stability was still considered good. Unemployment ratio rate was still low. The inflation rate caught up with the increase of production costs, but it slowed down at the yearend. External stability was still in a strong position with a surplus on payment balance. All short term foreign debt ratios were reduced.

Construction material pricing index for 2011 was at the average of 120.4 times, equivalent to the increase of 6.27% from last year. It is expected that construction materials will l continue to adjust to higher pricing for the first half year of 2012. The cost of raw materials for production increased at the year end after the flood. The increased prices for construction materials will directly affect the cost of construction in the real estate development project.

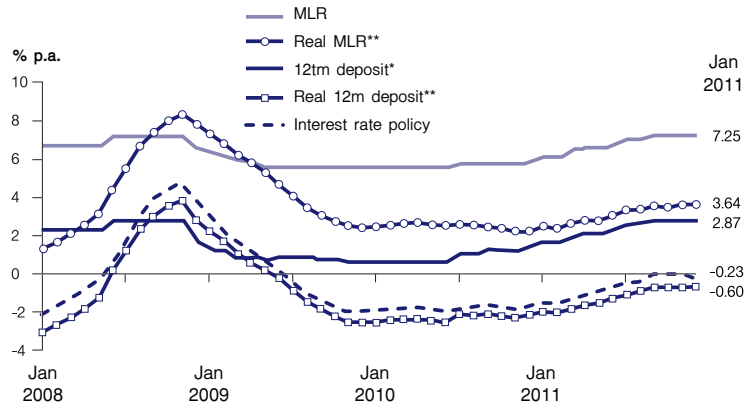
Chart 1 shows the price index of construction materials, Thailand during 2000 - 2011



Source: Trade and Economic Indices Bureau. Ministry of Commerce

In 2011, deposit and lending rates were increased continuously from 2010. However, the interest rates were stabilized in the second half of the year due to the delay in the increase of the nominal policy interest rate and the decrease of the same per last meeting of the year of the Bank of Thailand.

Chart 2 shows the average interest rate for loans and deposits for period January 2008 - December 2011



* Average interest rate of Bank BBL, KTB, and SCB

** Real MLR and deposit interest rate was adjusted to 12 months (different periods) in line with inflation.

Source: Bank of Thailand

The Thai economy will likely recover in 2012 and is expected resume to its normal pace in the 3rd quarter. Domestic demand will help cushion some weakness in exports due to weak global growth prospects. Inflation is likely to subside during the first half of this year due to delayed recovery in private demand and post - flood deceleration in fresh food prices.

Property Business overview and outlook (Residential)

In 2011, the residential sector in Bangkok and its vicinity has increased with approximately 398 projects launched, an increase of 85,800 units for sale, compared to 2010 with 116,791 units, at 27 percent. Total sales unit for 2011 is at 81,816, an decrease of 14 percent compared to 95,840 units in 2010.

On the other hand, in 2011 the average selling price of the housing market per unit is 2.984 million baht, a increase from 2.587 million baht per unit in 2010, equivalent to a increase of 15 percent, mainly due to the high competition of the middle - high range of the residential sectors. The demand in the year 2011 was at 134,266 units compared to 130,282 units in the previous year, an increase of 3 percent.

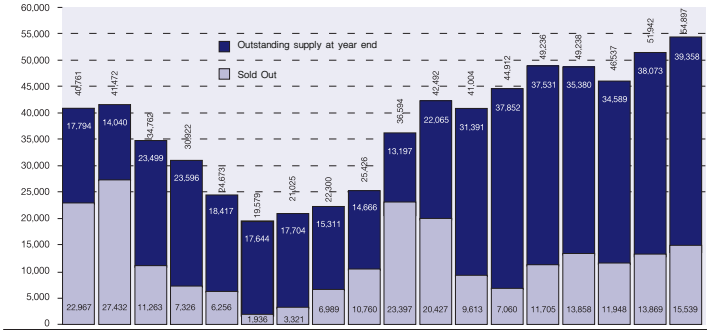
Development of the residential sector can be divided into two types: low - rise residential (single detached houses, twin houses, and town home) and high - rise residential (condominiums).

• Low rise projects (single detached houses and town home)

In 2011, the real estate development sector for low rise projects is stable. Single detached houses represent 15,539 units or 28 percent of the total number of units sold while town houses represent 23,148 units or 37 percent of the total number of units sold. The town house development sector is more common with a decresing growth of 7 percent; 62,855 units in 2011 to 67,945 units in 2010 compared to the single detached houses with a 10.6 percent growth 54,897 units to 51,942 units.

The supply and demand of single detached houses in 2011 is at 3 percent; 39,358 units, compared to the previous year of 38,073 units and the town house sector at 39,707 units to 40,983 units, an decrease of 3 percent. Where 72 percent of the purchasing demand ranges from Baht 1 - 5 million and are usually out of town.

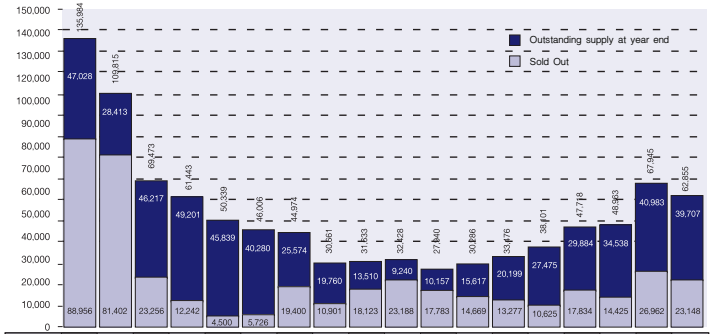
Chart 3 shows the number of units sold and sales of housing for single houses



Year	2537 1994	2538 1995	2539 1996	2540 1997	2541 1998	2542 1999	2543 2000	2544 2001	2545 2002	2546 2003	2547 2004	2548 2005	2549 2006	2550 2007	2551 2008	2552 2009	2553 2010	2554 2011
Total	40,761	41,472	34,762	30,902	24,673	19,579	21,025	22,300	25,426	36,594	42,492	41,004	44,912	49,236	49,238	46,537	51,942	54,897
Sold Out	22,967	27,432	11,263	7,326	6,256	1,935	3,321	6,989	10,760	23,397	20,427	9,613	7,060	11,705	13,858	11,948	13,869	15,539
Outstanding	17,794	14,040	23,499	23,596	18,417	17,644	17,704	15,311	14,666	13,197	22,065	31,391	37,852	37,531	35,380	34,589	38,073	39,358

Source: Agency for the Real Estate Affairs Co., Ltd

Chart 4 shows the number of units sold and sales of housing for town house.



Year	2537 1994	2538 1995	2539 1996	2540 1997	2541 1998	2542 1999	2543 2000	2544 2001	2545 2002	2546 2003	2547 2004	2548 2005	2549 2006	2550 2007	2551 2008	2552 2009	2553 2010	2554 2011
Total	135,984	109,815	69,473	61,443	50,339	46,006	44,974	30,661	31,633	32,428	27,940	30,286	33,476	38,101	47,718	48,963	67,945	62,855
Sold Out	88,956	81,402	23,256	12,242	4,500	5,726	19,400	10,901	18,123	23,188	17,783	14,669	13,277	10,626	17,834	14,425	26,962	23,148
Outstanding	47,028	28,413	46,217	49,201	45,839	40,280	25,574	19,760	13,510	9,240	10,157	15,617	20,199	27,475	29,884	34,538	40,983	39,707

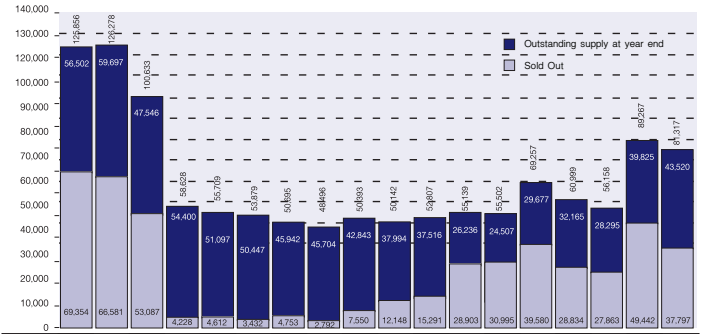
Source: Agency for the Real Estate Affairs Co., Ltd

With more available and easier access of information, consumers can compare details of the different projects easier, making it more complex to decide and purchase a property. Therefore, projects with good locations, promotions, quality and after sales services will have competitive advantage.

- High rise projects (Condominiums)

In 2010, there's a high demand of condominiums with an opening of 81,317 units for sale, and ended with 37,797 units sold or 46 percent of the total sales of all types of housing with a gross sales of 43,520 units sold, where the sales figure in 2011 is the highest in 14 years since the economic crisis in 1997.

Chart 5 shows number of units sold and the accumulated remaining units of the residential sector for condominiums.



Year	2537 1994	2538 1995	2539 1996	2540 1997	2541 1998	2542 1999	2543 2000	2544 2001	2545 2002	2546 2003	2547 2004	2548 2005	2549 2006	2550 2007	2551 2008	2552 2009	2553 2010	2554 2011
Total	125,856	126,278	100,633	58,628	55,709	53,879	50,695	48,496	50,393	50,142	52,807	55,139	55,502	69,257	60,999	56,158	89,267	81,317
Sold Out	69,354	66,581	53,087	4,228	4,612	3,432	4,753	2,792	7,550	12,148	15,291	28,903	30,995	39,580	28,834	27,863	49,442	37,797
Outstanding	56,502	59,697	47,546	54,400	51,097	50,447	45,942	45,704	42,843	37,994	37,516	26,236	24,507	29,677	32,165	28,295	39,825	43,520

Source: Agency for the Real Estate Affairs Co., Ltd

However, the real estate development in the condominium sector is still in the high demand. Due to the change of consumer's behavior in the present society, consumers seek for residents close to working location, convenience in travelling, close to business districts and in the heart of the town. If the Governments' project to construction the 3 new routes of the BTS Metro line - Red line (Bangsue - Talingchan and Bangsue - Rangsit), Purple line (Bangsue - Bangyai), and the Green line (Mochit - Saphan Mai) is approved, this will help consumers make decisions easier on purchasing projects close to the BTS routes and on the other hand, also encourage developers to develop more new projects.

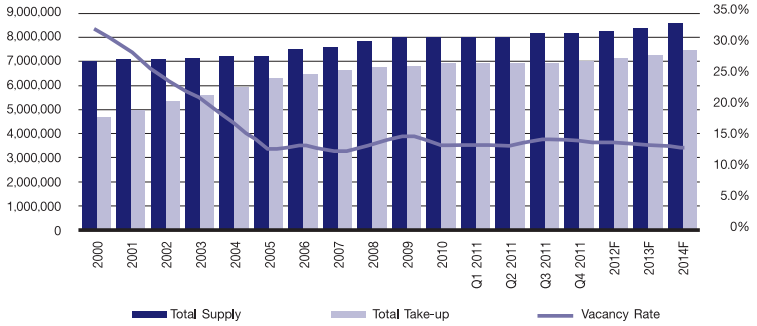
- Property Business overview and outlook - Commercial

This sector can be categorized into office and retail markets.

- Office buildings

Office rental in 2011 is in a stable stage, with Bangkok office buildings rentals at 8,119,413 sq. meters, an increase of 1.7 percent compared to year 2010 with a total rental space of 6,972,093 meters equivalent to 86 percent.

Chart 6 shows the rate of demand, supply and availability of office space in Bangkok and its vicinity.

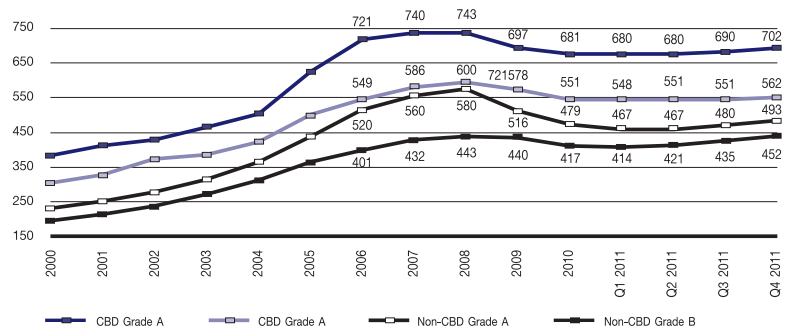


Source: Agency for the Real Estate Affairs Co., Ltd

At present, little developers invest in the construction of office complexes. Buildings expected to open during 2012 includes The Palladium (total area of 21,890 sq. meters), Olympia Thai Tower (total area of 2,443 sq. meters), and The 9th Tower Grand Phra Ram 9 (total area of 57,450 sq. meters), with a projection of an increase demand of 8,208,696 sq. meters by the end of 2012.

The office rental rates in year 2011 has dropped slightly compared to year 2010 with an average rental rate in Grade A and Grade B offices in CBD decline of 702 baht per sq. meter and 493 baht per sq. meter respectively. While in non CBD districts, Grade A and Grade B rentals have districts to 562 baht per sq. meter and 452 baht per sq. meter. The significant factor affecting the fluctuation of the rental rate is foreign investments, if Thailand can gain back the confidence of foreigners to invest, it will help gain back trust in the Thai economy as a whole and this will eventually lead to an increase in rental rates.

Chart 7 shows the rental rate of office space in Bangkok and its vicinity.



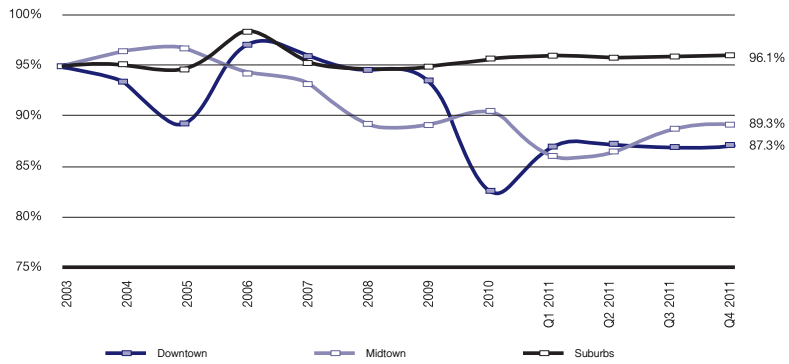
Source: CB Richard Ellis Thailand

- Retail Market

Since the beginning of the end of year 2011, there's an increase of 245,000 sq. meters in retail space area with a total retail space area of over 5.69 million sq. meters. Another 141,057 sq. meters to be ready in the last quarter of 2010, while some companies have postpone their projects due to the great flood at the end of 2011

Retail space rental area has averaged out in the past 3 - 4 years at 83 - 96 percent. In year 2011, the number of retail space usage has slightly decline in the Midtown areas while in the Downtown and Suburban area it has gone up 4.8 percent and 0.4 percent. Rental rate varies depending on the location and is relatively stable.

Chart 8 shows the occupancy rate of retail space in Bangkok and its vicinity.



Source: CB Richard Ellis Thailand

Competition in the retail market will be high as there are many choices in the market to choose from, ie., shopping complexes, mix used of space (Mix Used) between retail, residential or office buildings including the development of small retail areas close to home. Central Plaza Grand Phra Ram 9 complex, Mega Mall at Bangna and the 9th Tower Grand Phra Ram 9 are all in the development process with retail rental space. Concepts of retail rental space close to home and community malls are also in the consideration of developers as consumers prefer to shop close to home.

However in 2011, the real estate business sector faces many factors and competitions. In order to succeed in the real estate business, developers must be professional, know the demands of the market, manage cost effectively, and able to adapt to the needs of the market and consumers.

Golf course business

The golf course business is operated under the Khao Kheow Country Club Co.,Ltd. which is not the core business and the Company no longer needs to operate the business. On the Annual General Shareholders' Meeting of the year 2011 held on 28 April 2011, there's a resolution to transfer all shares that the Company held in Khao Kheow Country Club Co.,Ltd. to BBTV Equity Co.,Ltd., a related party and transfer all shares on 29 June 2011.

Risk Factors

1. Property Development Business Risks

1.1 Risk of inadequate source of financing for project developing

Property development business entails high cost of investment; land purchase, development, and construction. The main source of financing is from financial institutions. In case of insufficient financing, there will be an effect to the budget and performance.

However, the Company secures source of financing before developing the project and has always made plans ahead to support the project before construction begins. The Company has a long term relationship and received good financial support from leading financial institutions. As a listed Company in the stock exchange market, the reputation of the Management committee with long term experiences in the real estate development industry, and a surplus of cash for investment, the Company received creditability and liability which enables the Company to raise sufficient funds from various sources faster and sometimes at a lower cost to develop projects.

1.2 Risk incurred from the interest rate fluctuation and from commercial banks' policy of a credit facility

Economic issues, namely inflation; petrol and agricultural products high prices; extensive flooding during the end of 2011; an increase in wages for labor and public servants, the effects of the global economic recession and the Monetary Policy Committee's policy increasing an interest rate five times in 2011; resulted in the increase of the domestic interest rate. Pursuant to the Company's financial structure, the Company has a policy to raise funds via project finance to conform to the Company's construction policy. Moreover, due to the high potential projects which are well designed and well located and due to the past reputation of the Company and its executive team, the Company was offered by financial institutions an interest rate with good conditions.

A high interest rate reduced retail customers' purchasing power and the ability to repay loans. According to the study to compare the effect of increased interest rate with the liabilities on installment repayments of the Company's customers, it was discovered that there may not be any severe effects causing the Company's customers to have less purchasing power since the target customers are in the middle and upper classes.

In November 2011, the Bank of Thailand postponed the enforcement of Loan to Value Ratio for a detached house or a single house, a semi - detached house and a townhouse for another year. A loan can be granted for no more than 95% of the accommodation's value and a borrower must make a down payment of 5% of the accommodation's value. Said postponement shall be effective from 1 January 2013 onwards. The Bank of Thailand also relaxed several regulations in order to solve the financial problems sustained in the business sector and public sector. Moreover, the Government implemented policies promoting a real estate sector with low interest rates or interest free. This is a factor for commercial banks to compete in the interest rate market. Therefore, the Company has followed the economic situation and commercial banks' lending policies that will affect the business performance of the Company. The Company has adapted its strategies to conform to the said changes.

1.3 Risk of lacks of contractors and quality workers

The Company needs to seek for high quality contractors (including high quality and experience workers) that have experiences to complete the project construction on time with the competitive cost. The Company has a risk of finding high quality contractors during the Economic Growth Stage; there is a high demand for contractors (especially high quality and expertise workers) in this period. Without contractors, the Company won't be able to complete the projects on time and with standards. The construction cost will then exceed the Company's budget, resulting in poor performance.

To avoid this risk, the Company has a policy to build and maintain good relationships with contractors, especially high quality contractors working with the Company for a long period of time. With this policy, the Company is able to manage its high standard projects according to the time and budget set. Other than good relationship, the Company also has a contractor payment policy to prevent contractor postponing or pending the project. The contractor shall make payments for each construction cost period and can bill the Company after the completion of each construction. In case of delays or the Company projects that the project might delay, the Company will provide and support by hiring external labor force to help complete the project on time. To assure the project's quality and to avoid risking this factor, the Company will assign their project manager, project engineer, and foreman to verify contractor's work on a regular basis.

1.4 Risk of volatility of construction materials price

In the property development business, construction materials are the major cost. In the previous year, some of the main materials e.g. steel rods, increased due to the world economic world situation. With the Government's numerous projects to recover the domestic economy, there's an increase need of construction materials like steel rods, along with the increase demand of energy which leads to a rise in consumer products. This will affect developers in their budget forecast and might lead to the Company's future performance.

However, the Company has a policy to prevent the mentioned risks by securing materials on the construction contract. The Company will make big orders per time on construction materials such as steel rods and concrete in order to gain bargaining power over the seller. This will help lower the construction material cost and the ability to forecast future cost, budget and gross profit. With this policy, the Company can price the project relevant to the Company's cost.

Beside the above techniques, the Company also introduced the Value Engineering process to design the construction. This technique can reduce construction costs and at the same time maintain quality and standards. To avoid the risk of the material's price volatility, the Company will quote and specify the price in the contractor's contact.

1.5 Risk of low income recognition and poor performance in the early stage

Most of the Company's big projects (Belle Grand Phra Ram 9 Project, G Land Tower Grand Phra Ram 9 Office Building Project and The 9th Grand Phra Ram 9 Office Building Project) are in the early stage of development. Therefore, the Company needs to inject an enormous amount of capital. And as most of the Company's projects are large, the construction period tends to take a long period, With effect of year 2011, Companies listed on the stock exchange market must comply with the revenue recognition under their accounting standard instead of receiving revenue/accounting details based on the progress of construction and the receiving of income after the transfer of ownership. Therefore, the Company might face revenue shortage and poor performance in the short period.

However, to secure the revenue and performance, the Company plans to start the development of the Belle Sky project. The Belle Sky is a large project with a total of 17 buildings, a low rise condominium with only 8 levels, each building construction period can then be shorten entitling to have revenue. The construction shall start on the first quarter of 2011 and shall start receiving revenues on the fourth quarter of 2011 if the project is constructed on time. Furthermore, the Company is the Board of Directors and also the management team of housing residential projects on Donmuang - the Grand Canal Donmuang 1 & 2; enabling revenues for the Company during 2009 - 2011.

1.6 Risk of Amending the Law, Rule and Regulation of Property Development Business

Amending the Law, Rule and Regulation of Property Development Business might lead to an increase cost in the project's direct expense. For example, if the Restriction on Gross building area to land area (Floor Area Ratio: FAR) of Town council, Restriction on park or common area, and circumference of environment audit report (EIA) become tighter, resulting the Company poorer performance.

To prevent this risk, the Company regularly updates news on the Law, Rule and Regulation of Property Development Business, so the Company is prepared in advance for any changes. The Company will then be able to develop the property in accordance to the new rules, lowering the risk.

1.7 Risk of un-continuous Leasehold Right

The land for the development of the office building project "G Land Tower Grand Phra Ram 9" is operated by Phra Ram 9 Square Co., Ltd. with a 30 years lease agreement and another 10 years extension. Even though the leasehold is a long - term right, but there are conditional events of default for early termination.

1.8 Risk of land procurement for future developing policy

The Company has a policy not to hold vacant land which is not ready to develop, but targets at prime location land with high development potentials. The Company has a risk of land procurement for future developing.

However, the Company has Call Options to purchase and the Right of First Refusal land for future development from Charernkit Group and Rattanarak Group. These land are located on prime location with high development potentials. Moreover, the Company does not restrict development only to CBD area. This leads to lower risk of land procurement.

2. Investor Risk

2.1 Risks from Major Shareholders Holding More than 50 percent shares

At present, the Charernkit Group holds 60.79 percent of the Company's paid up registered capital shares. The minority shareholders shall account the risk of major shareholder controlling the Company policy, direct the Company to their direction, and face constrains of veto right or balance the major shareholder's power, since total majority votes is required to make a decision.

However, presently there are 3 audit committee members from a total of 9 Company directors, assisting the Company's transparency and efficacy of Management. Moreover, the audit committee balances director power, by acting on behalf of minority shareholders to review and verify management actions. However, the Company maintains and acts strictly in accordance to the principle of good corporate governance, and the minority shareholders can ensure from the policy and entails their rights and votes.

2.2 Risk of Liquidity in Trading and Free Float

The Company has a low turnover ratio. Investors bearing the risk of low liquidity stocks may not be able to buy stocks at fair values or trade their stocks at the expected amount and time. Moreover, according to the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Maintaining the Status of Listed Companies in the Exchange, the listed Company should maintain its shareholding distribution by having at least 150 minority shareholders holding shares of not less than 15 percent of the Company's registered and paid - up capital. After offering to purchase the securities from the shareholders of the Charernkit Enterprise Co.,Ltd., the Company

has a Free Float Rate of 3.74 percent and, in turn, has a risk of violating the fore mentioned rule. Thus, in order to solve this problem, the Company will reduce the concentration of strategic shareholdings by initiating public share offerings or private placements from 2 years (17 December 2009), depending on the Stock Exchange's climate and investors' acceptance. During such period, the Company will semiannually report the SET about the progress of the plan to finally comply with the regulation. The completion of this plan will also lead to a better liquidity of the Company's stocks.

However, the major shareholders disposed shares by private placement amounting to 43.41 million shares, representing 4.23 percent of the Company's registered and paid-up capital. This resulted in increasing of the Company free float from 3.74 percent to 7.63 percent presently.

3. The Great Flood

3.1 The effect of the 2011 year-end flooding significantly affected consideration of the Company's customers to purchase accommodations, especially factors regarding location. Real estate developers have suspended the opening of their new projects due to a recession in the real estate market. The Belle Sky Condominium Project and the land nearby The Grand Canal Donmuang Project, which will be developed in the future, was also affected. Therefore, the Company has to consider improving the project's land i.e. higher land fill, additional strengthening of land preparation, and preparation of an efficient sewage system both inside and around the project by taking into account the risk of future flooding. Grand Rama 9 Project was not affected by the flood as the project is located in a town center, thereby being suitable for every lifestyle. Both condominium and office buildings will be completely constructed within 2012 which peaked the interest of many customers and companies.

G Land Tower GRAND RAMA 9

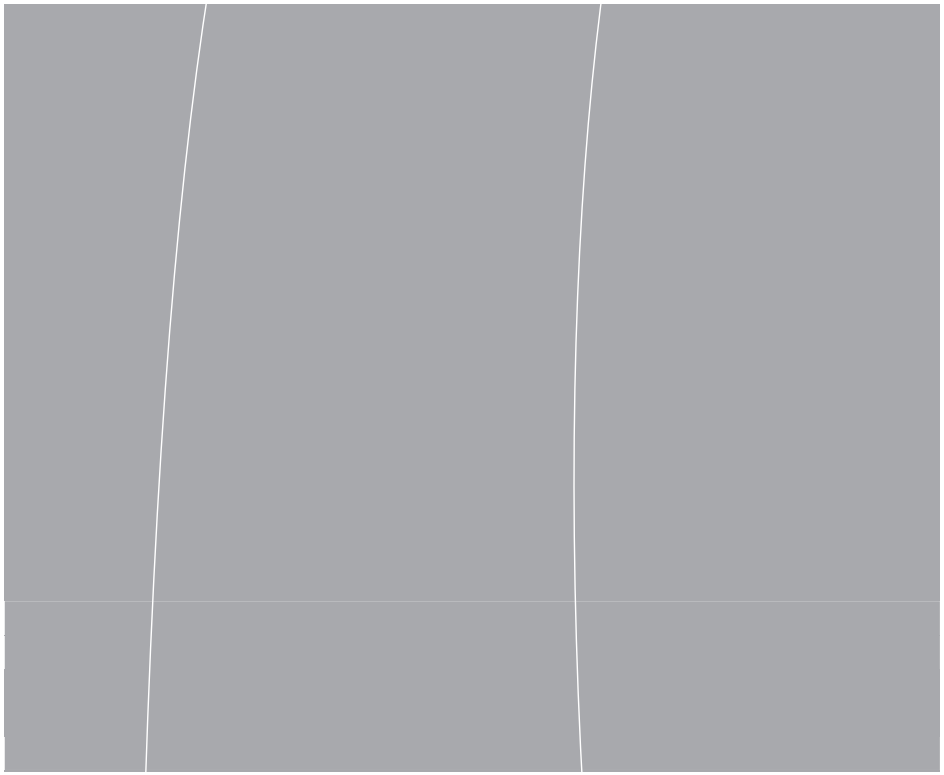
Shareholders and Management Structure

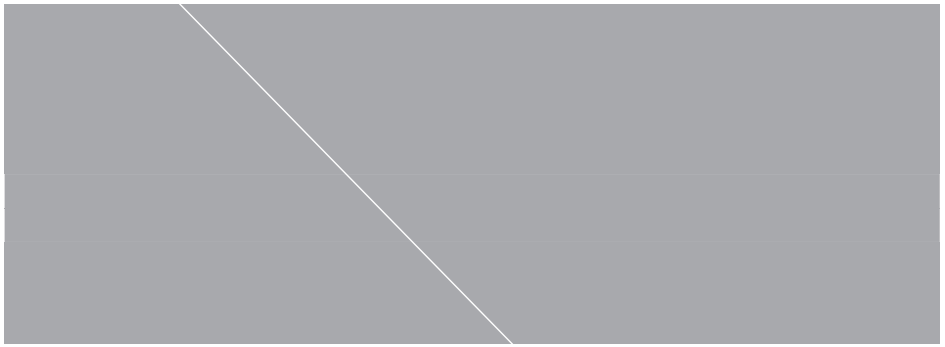
Shareholders Structure

At present, the Company has the issued and paid-up share capital of 4,930,523,336 Baht which consists of 4,930,523,336 common shares, at 1.00 Baht par value.

Shareholders

List of top 10 shareholders as at 6 February 2012, the latest date the Company closed the registration book:





GRAND RAMA 9

Resposibility of the Board of Directors for Financial Reporting

The Board of Directors is reposible for the Company's financial statements, the consolidated financial statements of the Company and its subsidiaries, and all financial information appearing in the annual report. These financial statements have been prepared in accordance with generally accepted accounting standards and practices under appropriate accounting policies applied on a consistent basis following the principles of prudence and impartially. All important financial information about the Company has been sufficiently disclosed in the notes to the financial statements.

In this regard, the Board of Directors has appointed an Audit Committee, consisting of three independent members, to be responsible for the quality of the Company's financial reporting and internal control mechanisms. The opinion of the Audit Committee with regard to these matters appears in the Audit Committee Report contained in the annual report.

.....
(Mr. Jarern Jirawisan)
Authorized Director

.....
(Mr. Jatesriri Boondicharern)
Authorized Director

Central Plaza GRAND RAMA 9

Certificating of The Accuracy of Auditor's Remuneration Details

For the fiscal year ended 31 december 2011

(Audit Fee)

NO.	Company's Name	Auditor's Name	Audit fee (Baht)
1	Grand Canal Land Plc.	Mrs. Suvimol Krittayakiern	940,000.-
2	M & D Entertainment Co.,Ltd.	Mrs. Suvimol Krittayakiern	40,000.-
3	Khao Kheow Country Club Co.,Ltd.	Mrs. Suvimol Krittayakiern	80,000.-
4	Belle Development Co., Ltd.	Mrs. Suvimol Krittayakiern	500,000.-
5	Praram 9 Square Co., Ltd.	Mrs. Suvimol Krittayakiern	235,000.-
6	Praram 9 Square Hotel Co., Ltd.	Mrs. Suvimol Krittayakiern	40,000.-
	Total audit fee		**1,835,000.-**

(Non-Audit Fee) : None

The foregoing information

! is complete and accurate, and I certify that to the best of my knowledge there is no other remuneration paid by the Company to me and related persons and to the Company I work for and its related persons.

! is not complete and not accurate in respect of .....
.....
.....

After making any necessary adjustments to the information contained in this form, I hereby certify that such inforrmation presents complete and accurate details of all Audit Fees and Non - Audit Fees paid by the Company to me and the audit firm that I work for.

.....

(Mrs. Suvimol Krittayakiern)

Office of D I A International Auditing
Auditor of Grand Canal Land Public Co., Ltd.

BELLE GRAND RAMA 9

AUDITOR'S REPORT

To Shareholders of Grand Canal Land Public Company Limited

(1) I have audited the consolidated statements of financial position of Grand Canal Land Public Company Limited and Subsidiaries and the separate statements of financial position of Grand Canal Land Public Company Limited as at December 31, 2011 and 2010, the related consolidated statements of comprehensive income and separate statements of comprehensive income, consolidated statements of changes in shareholders' equity and separate statements of changes in shareholders' equity, and consolidated statements of cash flows and separate statements of cash flows for the years then ended. These financial statements are the responsibility of the Company's management as to their correctness and completeness of the presentation. My responsibility is to express an opinion on these financial statements based on my audits.

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

(3) In my opinion, the consolidated and separate financial statements referred to above present fairly in all material respects, the consolidated financial position of Grand Canal Land Public Company Limited and Subsidiaries and the separate financial position of Grand Canal Land Public Company Limited as at December 31, 2011 and 2010, the results of consolidated and separate operations and cash flows for the years then ended in conformity with generally accepted accounting principles.

(4) As stated in note 2.1 to financial statements for the year ended December 31, 2011, the Company and subsidiaries adopted the revised financial reporting standards issued by the Federation of Accounting Professions and in accordance with the notification of the Department of Business Development regarding the condensed form should be included in the financial statements B.E. 2554, that the adoption is effective for the financial statements for the accounting periods beginning on or after January 1, 2011 onwards for preparation and presentation these financial statements. Accordingly the comparative consolidated and separate financial statements for the year ended December 31, 2010 have been presented in new format for corresponding with the consolidated and separate financial statements for the year ended December 31, 2011.

D I A International Audit Co., Ltd.

.....

(Mrs. Suvimol Krittayakiern)
C.P.A. (Thailand)
Registration No. 2982

February 28, 2012

GRAND RAMA 9

Financial Statements

GRAND CANAL LAND PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION
AS AT DECEMBER 31, 2011 AND 2010

		Consolidated financial statements (Baht)		Separate financial statements (Baht)	
Assets	**Note**	**2011**	**2010**	**2011**	**2010**
Current assets					
Cash and cash equivalents	7	137,385,772	234,563,519	50,231,931	116,127,415
Current investments	8	-	28,241,353	-	-
Trade and other receivables	9	29,529,335	18,032,385	30,631,617	20,687,668
Short-term loans to related parties		-	-	322,936,312	255,315,703
Inventories	10	5,370,162,155	4,850,568,535	774,438,055	767,602,982
Advance payment under construction contracts	11	235,884,946	253,429,579	15,535,107	-
Other current assets		16,543,305	3,476,930	161,005	104,418
Property foreclosed		1,971,263	8,094,263	1,971,263	8,094,263
Total current assets		**5,791,476,776**	**5,396,406,564**	**1,195,905,290**	**1,167,932,449**
Non-current assets					
Investments in associate	12.1	-	-	-	-
Investments in subsidiaries	12.2	-	-	2,391,119,694	2,871,119,694
Investments in related parties	12.3	104,520,000	104,520,000	-	-
Other long-term investments	12.4	-	1,587,500	-	1,587,500
Investment property	13	3,800,920,349	1,178,854,792	3,568,712,316	1,255,183,920
Property, plant and equipment	14	17,571,015	689,938,323	7,915,690	4,863,697
Prepaid for land rental to related parties	15	169,287,934	202,155,039	-	-
Deposit under agreement to buy					
or lease land from related parties	16	-	113,980,446	-	-
Intangible assets					
Computer software	17	6,957,229	908,245	6,957,229	608,286
Goodwill	3.3	-	-	-	-
Withholding and prepaid income tax		11,431,092	30,648,595	11,431,092	30,427,157
Other non-current assets		55,205,170	45,398,638	2,123,428	1,399,332
Total non-current assets		**4,165,892,789**	**2,367,991,578**	**5,988,259,449**	**4,165,189,586**
TOTAL ASSETS		**9,957,369,565**	**7,764,398,142**	**7,184,164,739**	**5,333,122,035**

Notes to the financial statements form an integral part of these statements.

GRAND CANAL LAND PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION (Cont.)
AS AT DECEMBER 31, 2011 AND 2010

		Consolidated financial statements (Baht)		Separate financial statements (Baht)	
Liabilities and shareholders' equity	**Note**	**2011**	**2010**	**2011**	**2010**
Current liabilities					
Bank overdrafts	18	-	-	-	-
Trade and other payables	19	630,766,036	271,313,045	49,756,888	13,950,866
Short-term loans from financial institutions	20	640,000,000	-	640,000,000	-
Short-term loans from related parties	21	-	-	-	-
Current portion of long-term loans	22	-	71,563,396	-	71,563,396
Accrued income tax		4,407	32,797	-	-
Unrecognized income on installment due		647,351,317	304,897,312	-	-
Retention payable		64,922,313	19,186,191	3,670,796	74,556
Other current liabilities		9,674,862	15,138,634	6,978,611	6,267,636
Total current liabilities		**1,992,718,935**	**682,131,375**	**700,406,295**	**91,856,454**
Non - current liabilities					
Deposit receive under agreement to buy					
and to sell of building	10	-	1,079,150,000	-	-
Long-term loans	22	1,767,216,039	879,401,895	-	183,478,654
Asset payable - related parties	23	-	-	113,980,446	-
Guarantee for rent		2,940,546	5,333,318	4,120,214	6,512,985
Employee benefits obligation		1,554,275	-	1,554,275	-
Provisions from litigation	34.1	3,473,597	-	-	-
Accrued administrator's remuneration plan	32.34	-	1,000,000	-	-
Total non - current liabilities		**1,775,184,457**	**1,964,885,213**	**119,654,935**	**189,991,639**
TOTAL LIABILITIES		**3,767,903,392**	**2,647,016,588**	**820,061,230**	**281,848,093**

Notes to the financial statements form an integral part of these statements.

GRAND CANAL LAND PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION (Cont.)
AS AT DECEMBER 31, 2011 AND 2010

		Consolidated financial statements (Baht)		Separate financial statements (Baht)	
Liabilities and shareholders' equity (Cont.)	Note	2011	2010	2011	2010
Shareholders' equity					
Share capital					
Authorized share capital	24				
5,327,862,930 common stocks of Baht 1 par value				5,327,862,930	-
1,027,362,270 common stocks of Baht 4 par value				-	4,109,449,080
Issued and paid - up share capital	24				
4,768,456,333 common stocks of Baht 1 par value		4,353,475,692	-	4,930,523,272	-
1,027,362,270 common stocks of Baht 4 par value		-	3,532,401,500	-	4,109,449,080
Cost of business combination	**3.3.1**	**1,386,776,603**	**1,510,556,788**	**-**	**-**
Share capital in the reverse acquisition	3.1.3	5,740,252,295	5,042,958,288	-	-
Adjustment asset to book value from asset					
acquisition under common control	3.4	(423,185,000)	(423,185,000)	-	-
Premium (discount) on common stocks		589,308,216	-	1,168,896,590	579,588,374
Warrants to purchase common stocks		64	-	64	-
Unrealized gain on changes in					
investment revaluation	12.4	-	502,500	-	877,500
Retained earnings (Deficit)					
Appropriated					
Legal reserve	25	9,400,000	8,000,000	47,100,000	45,700,000
Unappropriated		(226,887,634)	(223,773,859)	217,583,583	315,658,988
Total owners of the Company		5,688,887,941	4,404,501,929	6,364,103,509	5,051,273,942
Non - controlling interests		500,578,232	712,879,625	-	-
Total shareholders' equity		**6,189,466,173**	**5,117,381,554**	**6,364,103,509**	**5,051,273,942**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**9,957,369,565**	**7,764,398,142**	**7,184,164,739**	**5,333,122,035**

Notes to the financial statements form an integral part of these statements.

GRAND CANAL LAND PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

		Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	Note	2011	2010	2011	2010
Revenues					
Advertising income		-	129,133,945	-	174,321
Sales and manufacturing income		-	3,708,620	-	3,708,620
Golf course income		-	87,587,587	-	-
Rent and service business income		67,099,288	70,209,108	152,997,261	108,284,454
Total revenues		**67,099,288**	**290,639,260**	**152,997,261**	**112,167,395**
Cost of service					
Cost of advertising		-	91,210,408	-	410,752
Cost of sales and manufacturing		-	3,708,620	-	3,708,620
Golf course cost		-	67,663,334	-	-
Cost of rent and service business		44,795,692	36,634,283	94,867,318	47,980,093
Total cost of services		**44,795,692**	**199,216,645**	**94,867,318**	**52,099,465**
Gross profit		22,303,596	91,422,615	58,129,943	60,067,930
Other income		5,587,390	14,691,514	22,378,446	19,735,764
Gain on different of agreement to buy					
and to sell of building	27	16,367,364	-	-	-
Reversal of provision for impairment of					
investment property	13	79,420,908	-	-	-
Gain on sales of investment		17,404,992	121,473,209	41,140,000	59,191,000
Gain (loss) on sales of assets		10,205,000	-	10,205,000	52,400,889
Total other income		**128,985,654**	**136,164,723**	**73,723,446**	**131,327,653**
Gross profit before expenses		151,289,250	227,587,338	131,853,389	191,395,583
Expenses					
Selling expenses		7,806,774	22,483,644	640,524	241,857
Administrative expenses		98,725,383	129,619,930	45,840,079	63,965,939
Management benefit expenses	28	26,728,368	24,868,705	25,213,368	22,258,705
Amortized goodwill	3.6	-	103,336,808	-	-
Finance costs		16,877,434	33,052,999	25,465,546	27,643,163
Total expenses		**150,137,959**	**313,362,086**	**97,159,517**	**114,109,664**
Profit (loss) before income tax		1,151,291	(85,774,748)	34,693,872	77,285,919
Income tax		(6,814,223)	(475,860)	(6,806,601)	(404,615)
Profit (loss) for the year from continuing operations		(5,662,932)	(86,250,608)	27,887,271	76,881,304
Profit for the year from discontinuing operations	29	5,824,688	-	-	-
Profit (loss) for the year		**161,756**	**(86,250,608)**	**27,887,271**	**76,881,304**

Notes to the financial statements form an integral part of these statements.

GRAND CANAL LAND PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME (Cont.)
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

		Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	Note	2011	2010	2011	2010
Other comprehensive income (expense)					
Gain (loss) on remeasuring available for sales investment		-	357,500	-	357,500
Other comprehensive income (expense) for the year - net of tax		-	357,500	-	357,500
Total comprehensive income (expense) for the year		**161,756**	**(85,893,108)**	**27,887,271**	**77,238,804**
Profit (loss) attributable to:					
Owners of the Company		(556,284)	(73,921,823)	27,887,271	76,881,304
Non - controlling interests		718,040	(12,328,785)	-	-
		161,756	**(86,250,608)**	**27,887,271**	**76,881,304**
Total comprehensive income (expense) attributable to:					
Owners of the Company		(556,284)	(73,564,323)	27,887,271	77,238,804
Non - controlling interests		718,040	(12,328,785)	-	-
		161,756	**(85,893,108)**	**27,887,271**	**77,238,804**
Basic earnings (loss) per share					
Earnings (loss) per share - owners of the Company (Baht)		(0.0001)	(0.0175)	0.0057	0.0182
Number of common share for calculating					
basic earnings (loss) per share (share)		4,930,523,336	4,218,789,029	4,930,523,336	4,220,513,373
Diluted earnings (loss) per share					
Earnings (loss) per share - owners of the Company (Baht)		(0.0001)	(0.0175)	0.0056	0.0182
Number of common share for calculating					
basic earnings (loss) per share (share)		5,016,624,837	4,218,789,029	5,016,624,837	4,220,513,373

Notes to the financial statements form an integral part of these statements.

GRAND CANAL LAND PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

(Unit : Baht)

		Consolidated financial statements												
		Owners of the Company												
								Retained earnings (Deficit)						
	Note	Issued and paid-up share capital	Premium (discount) on common stock	Warrants to purchase common stocks	Cost of business combination	Adjustment assets to book value from assets acquisition under common control	Other components of equity Changes in net fair value of available for sales investment	Legal reserve	Unappropriated	Total owners of the Company	Non-controlling interests	Non-controlling interests included with assets classified as held for sale	Total shareholders' equity
Balance as at January 1, 2010		3,532,401,500	-	-	1,611,415,961	(423,185,000)	145,000	4,100,000	(145,559,355)	4,579,318,106	748,678,702	-	5,327,996,808
Sales of Company's shares held by subsidiaries		-	-	-	22,421,887	-	-	-	-	22,421,887	-	-	22,421,887
Purchase share capital of non-controlling interests		-	-	-	-	-	-	-	(392,681)	(392,681)	(23,470,142)	-	(23,862,823)
Share capital return to non - controlling interests		-	-	-	-	-	-	-	-	-	(150)	-	(150)
Dividend paid	26	-	-	-	(123,281,060)	-	-	-	-	(123,281,060)	-	-	(123,281,060)
Legal reserve		-	-	-	-	-	-	3,900,000	(3,900,000)	-	-	-	-
Total comprehensive income (expense) for the periods	12.4	-	-	-	-	-	357,500	-	(73,921,823)	(73,564,323)	(12,328,785)	-	(85,893,108)
Balance as at December 31, 2010		3,532,401,500	-	-	1,510,556,788	(423,185,000)	502,500	8,000,000	(223,773,859)	4,404,501,929	712,879,625	-	5,117,381,554
Shares issued for payment divident		111,064,293	-	-	-	-	-	-	-	111,064,293	-	-	111,064,293
Shares issued for payment land cost		710,009,899	589,308,216	-	-	-	-	-	-	1,299,318,115	-	-	1,299,318,115
Warrants issued to purchase common stocks		-	-	64	-	-	-	-	-	64	-	-	64
Dividend paid	26	-	-	-	(123,405,185)	-	-	-	-	(123,405,185)	-	-	(123,405,185)
Legal reserve		-	-	-	-	-	-	1,400,000	(1,400,000)	-	-	-	-
Total comprehensive income (expense)		-	-	-	-	-	-	-	(556,284)	(556,284)	718,040	-	161,756
Capital recovered to non - controlling interests		-	-	-	-	-	-	-	-	-	(18)	-	(18)
Unrealized gain on reversal	12.4	-	-	-	(375,000)	-	(502,500)	-	-	(877,500)	-	-	(877,500)
Sale of investment in subsidiary		-	-	-	-	-	-	-	-	-	(213,019,415)	-	(213,019,415)
Actuarial gain (loss) on effects of changes in accounting policy	6	-	-	-	-	-	-	-	(1,157,491)	(1,157,491)	-	-	(1,157,491)
Balance as at December 31, 2011		4,353,475,692	589,308,216	64	1,386,776,603	(423,185,000)	-	9,400,000	(226,887,634)	5,688,887,941	500,578,232	-	6,189,466,173

Notes to the financial statements form an integral part of these statements.

GRAND CANAL LAND PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

(Unit : Baht)

		Separate financial statements						
		Owners of the Company						
	Note	Issued and paid-up share capital	Premium (discount) on common stock	Warrants to purchase common stocks	Other components of equity	Retained earnings (Deficit)		Total shareholders' equity
					Changes in net fair value of available for sales investment	Legal reserve	Unappropriated	
Balance as at January 1, 2010		4,109,449,080	579,588,374	-	520,000	41,800,000	365,958,744	5,097,316,198
Dividend paid	26	-	-	-	-	-	(123,281,060)	(123,281,060)
Legal reserve		-	-	-	-	3,900,000	(3,900,000)	-
Total comprehensive income (expenses) for the year 2010		-	-	-	357,500	-	76,881,304	77,238,804
Balance as at December 31, 2010		4,109,449,080	579,588,374	-	877,500	45,700,000	315,658,988	5,051,273,942
Shares issued for payment divident		111,064,293	-	-	-	-	-	111,064,293
Shares issued for payment land cost		710,009,899	589,308,216	-	-	-	-	1,299,318,115
Warrant issued to purchase common stocks		-	-	64	-	-	-	64
Dividend paid	26	-	-	-	-	-	(123,405,185)	(123,405,185)
Legal reserve		-	-	-	-	1,400,000	(1,400,000)	-
Total comprehensive income (expenses) for the year 2011		-	-	-	-	-	27,887,271	27,887,271
Investment in available for sales securities								
Realized gain on shareholders' equity		-	-	-	262,500	-	-	262,500
Reversal of unrealized gain		-	-	-	(1,140,000)	-	-	(1,140,000)
Actuarial gain (loss) on effect from change in								
accounting policy	6	-	-	-	-	-	(1,157,491)	(1,157,491)
Balance as at December 31, 2011		**4,930,523,272**	**1,168,896,590**	**64**	**-**	**47,100,000**	**217,583,583**	**6,364,103,509**

Notes to the financial statements form an integral part of these statements.

GRAND CANAL LAND PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		2011	2010	2011	2010
Cash flows from operating activities					
Profit (loss) before income tax		1,151,291	(85,774,748)	34,693,872	77,285,919
Adjustments to reconcile net profit (loss) to net cash provided by (used in) operation					
Bad debt and doubtful accounts		(150,000)	181,900	(150,000)	181,900
Depreciation		38,422,788	46,521,542	27,071,684	28,873,056
Amortized intangible assets		575,097	119,707	552,782	74,708
Amortized goodwill		-	103,336,808	-	-
(Gain) on sales of investments in subsidiary		(16,264,992)	(121,473,209)	(40,000,000)	(59,191,000)
(Gain) Loss on disposal of fixed assets	14	(103,458)	-	-	(52,400,889)
(Gain) on disposal of property foreclosed		(10,205,000)	-	(10,205,000)	-
Gain on evaluation of securities available for sale investment		(1,140,000)	-	(1,140,000)	-
Gain on evaluation of securities for trading investment		(291,067)	(241,353)	-	-
Gain (loss) for discontinuing operations		5,824,688	-	-	-
Reversal of provisions for impairment of investment property		(79,420,908)	-	-	-
Loss on unused assets		155,540	-	13,690	-
Golf club transferred to revenue		(532,582)	-	-	-
Employee benefit obligations		396,784	-	396,784	-
Interest income		(2,442,186)	(2,773,512)	(20,462,440)	(14,023,139)
Interest expenses		**16,877,434**	**32,092,611**	**25,398,216**	**27,581,652**
Profit (loss) from operation before changes in part of					
operating assets and liabilities		(47,146,571)	(28,010,254)	16,169,588	8,382,207
(Increase) decrease in operating assets					
Trade and other receivables		(10,636,030)	24,387,284	(9,395,796)	71,201,739
Inventories		(455,206,924)	(1,181,980,775)	(6,835,073)	35,677,748
Advance payment under construction contracts		17,544,633	101,274,965	(15,535,107)	-
Other current assets		(444,372)	(27,458,228)	(56,587)	2,384,873
Other non - current assets		(9,990,918)	4,753,803	(117,247)	8,877,666

Notes to the financial statements form an integral part of these statements.

GRAND CANAL LAND PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS (Cont.)
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

		Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	Note	2011	2010	2011	2010
Increase (decrease) in operating liabilities					
Trade and other payables		363,906,697	66,369,414	34,147,638	(86,759,450)
Unrecognized income on installment due		342,454,005	221,254,299	-	-
Retention payable		45,736,122	11,555,180	3,596,240	72,381
Deposit received under agreement to buy and to sell of building		(1,079,150,000)	433,300,000	-	-
Provisions from litigation		3,473,597	-	-	-
Other current liabilities		(3,161,722)	(2,730,988)	710,975	(4,857,789)
Non-current liabilities		**(3,404,921)**	**754,784**	**(2,392,772)**	**1,038,149**
Cash generated from operation		(836,026,404)	(376,530,516)	20,291,859	36,017,524
Interest paid		(102,751,321)	(63,742,223)	(23,739,833)	(32,278,643)
Income tax paid		(26,398,485)	(13,033,890)	(10,220,194)	(13,507,241)
Income tax refunded		**22,409,658**	**452,766**	**22,409,658**	**452,766**
Net cash provided by (used in) operating activities		**(942,766,552)**	**(452,853,863)**	**8,741,490**	**(9,315,594)**
Cash flows from investing activities					
Proceeds from redemption of bonds		-	327,990,798	-	300,000,000
Proceeds from sales of securities available for sales investment		1,850,000	-	1,850,000	-
Proceeds from sales of investment in subsidiary	12.2	504,993,370	380,133,275	520,000,000	400,291,000
(Increase) decrease in investment in fixed deposit		-	180,584,586	-	180,584,586
Payments for purchase of investment		-	-	-	(364,962,824)
Payments for purchase of trading securities investment		-	(28,000,000)	-	-
Interest received		1,731,266	2,924,234	20,064,287	12,928,496
(Increase) decrease in short-term loans to related parties		-	-	(67,620,608)	(179,515,703)
Decrease in pledged bank deposit		(1,504,511)	(42,082,511)	(606,849)	(934,703)
Payments for purchase of equipment		(13,154,888)	852,919,860	(4,628,938)	(3,245,740)
Proceeds from sales of computer software		-	-	-	12,255,253
Payment for purchase of computer software		(6,901,725)	(682,994)	(6,901,725)	(682,994)
Payment for purchase of investment properties		(1,101,662,608)	(953,806,291)	(925,738,263)	-
Proceeds from disposal of property foreclosed		16,328,000	-	16,328,000	651,283
Proceeds from disposal of fixed assets		-	6,305	-	184,318,390
Net cash provided by (used in) investing activities		**(598,321,096)**	**719,987,262**	**(447,254,096)**	**541,687,044**

Notes to the financial statements form an integral part of these statements.

GRAND CANAL LAND PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS (Cont.)
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

		Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	Note	2011	2010	2011	2010
Cash flows from financing activities					
Bank overdrafts and short-term loans from financial institution		640,000,000	194,162	640,000,000	-
Increase (decrease) in short-term loans from					
related persons and companies		-	(540,900,000)	-	(376,000,000)
Long-term loans from financial institution		816,250,747	436,456,865	(255,042,050)	(65,726,388)
Dividend paid		(12,340,892)	(123,281,061)	(12,340,892)	(123,281,061)
Payments for purchase of investment from minority interest		(18)	(23,862,973)	-	-
Proceeds from sales of company's shares hold by subsidiaries		-	22,421,887	-	-
Proceeds from warrants issued to purchase common stocks		64	-	64	-
Net cash provided by (used in) financing activities		**1,443,909,901**	**(228,971,120)**	**372,617,122**	**(565,007,449)**
Net increase (decrease) in cash and cash equivalents		(97,177,747)	38,162,279	(65,895,484)	(32,635,999)
Cash and cash equivalents as at January 1,		234,563,519	196,401,240	116,127,415	148,763,414
Cash and cash equivalents as at December 31,		**137,385,772**	**234,563,519**	**50,231,931**	**116,127,415**

Notes to the financial statements form an integral part of these statements. See Note 33.2

1. General information

1.1 Grand Canal Land Public Company Limited formerly named “Media of Medias Public Company Limited” was incorporated as a public company limited under the Thai Law on March 3, 1995 with the registration no.0107538000118 which is located at 33/4 Rama IX Road, Kwaeng Huaykwang, Khet Huaykwang, Bangkok and registered the change its title name with the Ministry of Commerce on May 6, 2010."

1.2 The Company engaged in business of property development, property for rent, producing television programme and selling advertising air time. At present, the producing television programme and selling air time segments were cancelled.

2. Basis of preparation and presentation of the financial statements

2.1 Financial statements preparation

The financial statements have been prepared in conformity with generally accepted accounting principles enunciated under the Accounting Professions Act B.E. 2547 and presented in accordance with the notification of Department of Business Development by Ministry of Commerce dated September 28, 2011 regarding the condensed form should be included in the financial statements B.E. 2554 and the regulations of the Securities and Exchange Commission regarding the preparation and presentation of financial reporting under the Securities and Exchange Act B.E. 2535.

The Company and subsidiary companies' financial statements have been prepared under the historical cost convention, except as transaction disclosed in related accounting policy.

2.2 Financial statements presentation

The Company has applied TAS 1 (Revised 2009) "Presentation of Financial Statements". Under the revised TAS, a set of financial statements comprises:

- Statement of financial position
- Statement of comprehensive income
- Statement of changes in shareholders' equity
- Statement of cash flows
- Notes to the financial statements

2.3 Issued and revised financial reporting standards

The Federation of Accounting Professions issued various revised financial reporting standards which certain standards are relevant to the group of Company' operations and effective for the accounting period beginning on or after January 1, 2011. The Company applied those standards as below:

Accounting standards/Financial reporting standards	Contents
TAS 1 (Revised 2009)	Presentation of Financial Statements
TAS 2 (Revised 2009)	Inventories
TAS 7 (Revised 2009)	Statements 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 31 (Revised 2009)	Interests in Joint Venture
TAS 33 (Revised 2009)	Earnings per Share
TAS 34 (Revised 2009)	Interim Financial Reporting
TAS 36 (Revised 2009)	Impairment of Assets
TAS 37 (Revised 2009)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (Revised 2009)	Intangible Assets
TAS 40 (Revised 2009)	Investment Property
TFRS 3 (Revised 2009)	Business Combination
TFRS 5 (Revised 2009)	Non-current Assets Held for Sale and Discontinued Operations
TFRIC 15	Agreements for the Construction of Real Estate

The adoption of newly issued and revised accounting standards and financial reporting standards in these financial statements are based on the same preparation of financial statements for the year ended December 31, 2010 except the ignificant changes in accordance with the accounting standards and the financial reporting standards are as follows:

- TAS 1 (Revised 2009) "Presentation of Financial Statements", under the revised accounting standards, as a result, the Company has to prepare the new format of financial statements by chosen to present statements of comprehensive income in one statement.
- TAS 16 (Revised 2009) "Property, Plant and Equipment", required the Company to review the useful lives, residual value and depreciation method at least at each financial year end. The management assessed that this standard had no material impact on property, plant and equipment of the group of Company.
- TAS 19 (Revised 2009) "Employee Benefits", the Company and subsidiary companies had adopted this standard on the effective date which have been disclosed in note 4.23.2.
- TAS 40 (Revised 2009) "Investment Properties", the Company has previously presented as property, plant and equipment-net for lease and reclassified to present as investment properties including fair value disclosure as stated in note 13, and additionaL accounting policy disclosures as described in note 4.10 and changes in useful lives of parts of investment properties as stated in note 39.
- TFRS 5 (Revised 2009) "Non-current Assets Held for Sale and Discontinued Operations", the Company and subsidiaries adopted this standard on the effective date which have been disclosed in note 29.

The revised accounting standards and financial reporting standards are not relevant to the group of company which to be effective on January 1, 2011 as follows:

Accounting standards/Financial reporting standards	Contents
TAS 29	Financial Reporting in Hyperinflationary Economies
TFRS 2	Share Based Payment
TFRS 6	Exploration for and Evaluation of Mineral Resources
TSIC 31	Revenue - Barter Transaction Involution Advertising Services

In addition the above newly issued and revised accounting standards and financial reporting standards, the other standards are expected to be effective for the financial statements beginning on or after January 1, 2013 and have not been adopted in the preparation of these financial statements as following:

Accounting standards/Financial reporting standards	Contents
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 Rate
TSIC 10	Government Assistance - No Specific Relation to Operating Activities
TSIC 21	Income Taxes - Recovery of Revalued Non - Depreciable Assets
TSIC 25	Income Taxes - Changes in the Tax Status of an Enterprises or its Shareholders

At present, the Company is being evaluated the effects of those standards on the financial statements in the year in which they are initially applied.

2.4 According to the general shareholders' meeting no. 1/2011 held on April 28, 2011, the Company has passed the resolution and approve to sell investment in a subsidiary company and has already sold investment on June 29, 2011 as stated in note 12.2.

3. Basis for preparation of consolidated financial statements

On December 17, 2009, the Extraordinary Shareholders' of Grand Canal Land Public Company Limited Meeting has adopted a resolution of engaging asset acquisition by issuing the new ordinary shares of the Company to pre-acquisition shareholders of Charernkit group (consist of Grand Canal Co., Ltd., Belle Development Co., Ltd., Praram 9 Square Ltd. and its subsidiary company) and Ratanarak Group (see note 24) and transferred of the entire business of Grand Canal Co., Ltd. to combine with business of Grand Canal Land Public Company Limited which cause the Company's business structure to focus on property development business. The Company has completed the business combination on December 18, 2009. Charernkit Group has become a major shareholder over stake of 50% and obtains the control over the Company, hence, the reverse acquisition is arisen following Thai Accounting Standard No. 43 (Revised 2007) "Business Combination".

3.1 The Company has prepared the consolidated financial statements following a reverse acquisition and issued under the name of Grand Canal Land Public Company Limited which the legal parent, but considered to be the acquirer for accounting purposes. The Company has purchased and acceptance of the entire business transfer (assets, liabilities, right, and all obligations) from Charernkit group through Grand Canal Co., Ltd., after completion all the transfer of the entire business of Grand Canal Co., Ltd. then it has registered to dissolve and liquidate its business. The Company has

newly issued ordinary shares of Grand Canal Land Public Company Limited to Charernkit group's shareholders and purchased ordinary shares of Belle Development Co., Ltd. and ordinary shares of Praram 9 Square Ltd. from Charernkit group. Recognition the aforesaid transaction as follows:

3.1.1 The assets and liabilities of Grand Canal Co., Ltd., Belle Development Co., Ltd. and Praram 9 Square Ltd. and its subsidiary company before the business combination with the Company are recognized and measured in the consolidated financial statements by the book value.

3.1.2 Deficit and the outstanding balance of other equities in the consolidated financial statements are recognized by the last amount of deficit and outstanding balance of other equities of Belle Development Co., Ltd. and Praram 9 Square Ltd. and its subsidiary company before the business combination with the Company.

3.1.3 Value of presented equity instrument from the reverse acquisition in the consolidated financial statements is recognized by the aggregated amount between value of ordinary shares of the pre - acquisition shareholder of Belle Development Co., Ltd. and Praram 9 Square Ltd. to exchange shares with the Company and value of cost of business combination.

3.1.4 The structure of equity in the consolidated financial statements is presented by the number of ordinary shares of the Company which included the new ordinary shares issued by the Company in the business combination.

3.1.5 The non - controlling interests in the consolidated financial statements is reflected by proportion of participating profit (loss) of non - controlling interests in the book value in the pre - combination of net assets as of the date of business combination. Moreover, the result of operation consists of Belle Development Co., Ltd. and Praram 9 Square Ltd. and its subsidiary.

3.2 In preparation of the consolidated financial statements, will only take its subsidiary companies which are under the main control of Belle Development Co., Ltd. and Praram 9 Square Ltd. who is the acquirer of Grand Canal Land Public Company Limited in the reverse acquisition. Belle Development Co., Ltd. and Praram 9 Square Ltd. hold shares in subsidiary companies operated in Thailand with the percentage of shareholdings as follows:

Company name	Percentage of shareholding (%) December 31, 2011	Percentage of shareholding (%) December 31, 2010	Type of business	Relationship
Praram 9 Square Hotel Company Limited	99.99	99.99	Hotel	Subsidiary held by Pharam 9 Square Ltd.
Media Studio Company Limited	-	-	Producing television programme and selling advertising air time	Subsidiary
M&D Entertainment Company Limited	80	80	Goods distribution	Subsidiary
Khao Kheow Country Club Company Limited	-	70.28	Golf course	Subsidiary
Iloura (Thailand) Company Limited	35	35	Movies cutting	Associate

3.3 Cost of business combination and goodwill

In a reverse acquisition, calculation cost of business combination, the Company has to determine the same percentage ownership interest of the combined entity. Belle Development Co., Ltd. and Praram 9 Square Ltd. have to issue ordinary shares to exchange for shares of Grand Canal Land Public Company Limited which issued before the business combination. Since Grand Canal Land Public Company Limited has fair value of equity instruments with evident support as the listed securities on the Stock Exchange. Therefore, fair value applied for equity instruments of Grand Canal Land Public Company Limited before business combination as the base calculation cost of business combination. The excess of cost of business combination over the acquirer's interest in the net fair value presented as goodwill, the details are as follows:

3.3.1 Costs and business combination

(Unit : Baht)

Particulars	Amount
Total fair value of the Company at the acquisition date (December 18, 2009) (328,073,896 shares at Baht 4.92 per share)	1,614,123,568
Issued share capital of Grand Canal Land Public Company Limited to purchase property and plant (225,837,000 shares at Baht 4.92 per share)	1,111,118,040
Cash payment for acquisition property and plant	245,000,000
Liabilities to be transferred to Grand Canal Land Public Company Limited to exchange for property and plant	663,000,000
Financial advisor expenses for business combination	15,359,353
Total	**3,648,600,961**
Value of property and plant which the Company acquired at agreed price	(2,037,185,000)
Cost of business combination as at December 31, 2009	**1,611,415,961**
Increase from sales ordinary shares of the Company held by subsidiaries (in the 1st quarter of 2010)	22,421,887
Less Dividend paid from retained earnings before combination of business (in the 2nd quarter of 2010)	**(123,281,060)**
Cost of business combination as at December 31, 2010	1,510,556,788
Less Dividend paid from retained earnings before combination of business (in the 2nd quarter of 2011)	(123,405,185)
Less Unrealized gain on securities available for sales prior to business combination date, sold during the period	(375,000)
Cost of business combination as at December 31, 2011	**1,386,776,603**

3.3.2 Goodwill

(Unit : Baht)

Particulars	Amount
Cost of business combination as at December 31, 2009	**1,611,415,961**
Identifiable assets and liabilities at fair value at the acquisition date	
Grand Canal Land Public Company Limited and its subsidiaries companies	
Cash and cash equivalents	141,876,305
Short - term investments	780,619,09
Trade accounts receivable - net	90,520,599
Inventories - net	50,114,080
Other current assets	27,611,782
Other long - term investments	1,085,000
Property, plant and equipment - net	672,406,826
Intangible assets	15,295,565
Other non - current assets	14,958,366
Trade accounts payable	(28,066,566)
Other current liabilities	(99,967,965)
Non - current liabilities	(81,824)
Non - controlling interests	(158,292,111)
Net fair value	**1,508,079,152**
Goodwill at acquisition date	**103,336,809**

In the first quarter of 2010, subsidiary company has sold 4,495,616 ordinary shares of the Company to the external person amounting to Baht 22,421,887. In the second quarter of 2010, the Company has paid dividend from retained earnings before combination of business amount of Baht 123,281,060 (see note 26). Therefore, costs of business combination was reduced amount of Baht 1,510,556,788.

In the second quarter of 2011, the Company has paid dividend from retained earnings before combination of busines amount of Baht 123,405,185 as stated in note 26 and the Company has sold investment in securities available for sale which had unrealized from valuation of investment before combination of business amount of Baht 375,000 as stated in note 12.4. Therefore, costs of business combination was reduced to amount of Baht 1,386,776,603.

3.4 Adjustment asset to book value from asset acquisition under common control

In business combination on December 18, 2009, Grand Canal Land Public Company Limited has received land and buildings from the issued shares capital, cash payment and take over loans which the Company has recognized land and buildings at agreed price. The Company has recorded land and buildings at book value of acquirer in the consolidated financial statements because they are under common control. The excess of agreed price over the book value amount of Baht 423,185,000 was presented in shareholders' equity as "adjustment asset to book value from asset acquisition under common control".

3.5 On March 30, 2010, the Company has sold investment in total ordinary shares of Media Studio Co., Ltd. as stated in note 12.2. The Company then has not included the statement of financial position as at December 31, 2010 of Media Studio Co., Ltd. in the consolidated financial statements but already included the statements of comprehensive income for the three - month periods ended March 31, 2010 in consolidated statements of comprehensive income. The Company, therefore, present the discontinued operation segment in notes to financial statements.

3.6 Goodwill arising from business combination amount of Baht 103.34 million as stated in note 3.3.2 was amortized in total in the first quarter of 2010 since the Company has sold investment in total ordinary shares of Media Studio Co., Ltd. as stated in note 12.2. In the first quarter of 2010, Media Studio Co., Ltd. has purchased operating assets in producing television programme and selling of advertising air time from the Company and the Company has ceased to operate producing television program, therefore, such goodwill was amortized as expenses in full in the consolidated statements of comprehensive income.

3.7 The significant transactions between the Company and subsidiaries were eliminated from the consolidated financial statements.

4. Summary of significant accounting policies

4.1 Revenues and expenses recognition

Property development business

- Revenue from sales of real estate is recognized as income on the completion work of each contract and the ownership was transferred to the buyer.
- Revenue from sales of plaza is recognized as income when the ownership has been transferred to the buyer.
- Cost of rental under financial lease agreement, cost of leased land and cost of construction on leased land, under long - term ease property agreement will be recognized as cost on over the period of the lease agreement.
- Cost of property development such as cost of land, cost of development, other construction cost and interest related to the project are stated at cost.
- Cost of building construction for sales under agreement recorded as work in progress in the statements of financial position. Installment received from the buyer recorded as non - current liabilities in the statement of financial position and recognized as income and expenses in whole amount whenever the significant risk and rewards of ownership have been transferred to the buyer.

4.2 Cash and cash equivalents

Cash and cash equivalents are cash and deposit at financial institution which are due within three months (excluding pledged bank and financial institution deposit).

4.3 Current investments

Investments in available for sales securities are stated at fair value. Different from changes in investment value are recognized as gain (loss) on revaluation of investment in shareholders' equity.

4.4 Allowance for doubtful accounts

The Company and subsidiary companies provide allowance for doubtful accounts by estimating from the uncollectible accounts receivable depending on the past experience in debt collection and the current status of outstanding debtors.

4.5 Inventories

Property development business

Properties foreclosed are recorded at the lower of cost by the specific identification or net realizable value. Cost of inventories - properties foreclosed of each project consist of cost of land acquisition, and development, directly expenses related to project and loans interest in connection with land acquisition and construction will be recorded as cost of inventories when the development project is started and will be stopped to recognize when the construction is completed or the development is ceased. Cost of sales will be amortized in accordance with the size of area transferred.

Building under construction is recorded at the lower of cost or net realizable value. Cost of inventories building under construction consist of construction cost, preparation cost, equipment used, wages and directly other expenses less allowance for devaluation of inventories.

Producing television programme and selling advertising air time business.

Inventories represent the programme products, VCD, pocket books, supplies and other goods.

VCD represent costs of VCD both in process and completed VCD ready for sales. Costs of VCD consist of various expenses directly relating to VCD production. VCD are stated at the lower of cost or net realizable value. Cost is determined by the first - in, first - out method.

Pocket books, supplies and other goods are stated at the lower of cost or net realizable value. Cost is determined by the first - in, first - out method. Allowance for obsolete and deteriorated goods which expect to be unsalable is provided.

4.6 Property foreclosed

Property foreclosed are stated at cost or fair value less selling expenses whichever is lower.

4.7 Investments

Associate means the company in which the group company has shareholding between 20% to 50% of the total voting rights, or over which the Company exercises significant influence, but does not control. Investments in associate are stated by equity method in the consolidated financial statements. If the associate has capital deficiency, the Company will recognize such portion of investments only equal to zero. The investments in associate for the separate financial statements are presented by the cost method net from the allowance for diminution in investment.

Investments in related company mean the company which directly or indirectly have some common management, major shareholders or such related persons. Investments in related companies are stated at cost after deduction of provision for diminution in investment.

Subsidiaries mean companies in which the parent company in group companies, directly or indirectly, has more than one half of the total voting rights or otherwise has power to govern the financial and operating policies of the subsidiaries. The investments in subsidiaries for the separate financial statements are presented by the cost method net from the allowance for diminution in investment.

4.8 Long-term investments

Investments in marketable equity securities are recorded at cost including relative acquisition expenses. Investments in marketable equity securities which classified as available - for - sales securities are presented in the statements of financial position at fair value. Fair value of marketable equity securities is calculated by reference to the Stock Exchange of Thailand's quoted bid prices at the close of business on the statements of financial position date. The fluctuation in value of available - for - sale securities is recorded as unrealized gain (loss) from investment revaluation and recorded as gain (loss) on remeasuring investment in statements of comprehensive income (expense).

Investments in non - listed marketable equity securities are classified as general investments, shown in the statements of financial position at cost less provision for diminution in value.

4.9 Property, plant and equipment

Property, plant and equipment are recorded at cost. Cost consist of cost of acquisition, dismantlement, removal and restoration less accumulated depreciation and provision for impairment (if any).

Depreciation is determined separately for each significant part of assets.

Since January 1, 2010, the Company immediately changed the useful lives of office buildings from 20 years to 43 years as stated in note 39.1, in 2011 such assets was transferred to be investment property.

Depreciation is calculated by the straight-line method based on the estimated useful lives of the following assets:

Golf course development	10 - 50 Years
Office buildings	43 Years
Club house and structure in golf course	20 Years
Construction (Property development business)	20 Years
Building improvement	3 Years
Steel barrier fence project (Property development business)	5 Years
Golf course equipment	10 Years
Office furniture, fixtures and equipment	3 - 5 Years
Club house furnishings	10 Years
Motor vehicles	5 Years

Property, plant and equipment in the consolidated financial statements are included in assets in a subsidiary company was adjusted to fair value of acquisition which estimated by independent appraiser.

4.10 Investment properties

Since January 1, 2011, the Company and subsidiary companies adopted the Accounting Standards, TAS 40 (Revised 2009) "Investment Properties", therefore, the Company has reclassified assets for rent to be investment properties which are properties held to earn rental or for capital appreciation, is measured at cost less accumulated depreciation and provision for impairment (if any). The depreciation is computed on straight - line method as follows:

Office building	43 years
Building improvement	3 years
Building system	10 - 43 years

The Company and subsidiary companies record building under construction for rent at cost net after deduction the impairment of assets. Interest from borrowing for using in project under construction is capitalized as cost of project unde construction until they get ready for their intended use. In 2011, building under construction for rent was reclassified to be investment property.

4.11 Borrowing costs

Borrowing costs directly attributable to the acquisition and related expenses are capitalized as cost of project until the assets is already completed or for use. For the year of operation under the core objective was stopped that borrowing costs and directly expenses will be recognized as expenses in the statements of comprehensive income.

4.12 Impairment of assets

The Company and subsidiary companies have assessed the impairment of assets - property, plant and equipment, plant, land and cost of project under development and intangible assets whenever events or changes indicated that the carrying amount of an asset exceeds its recoverable amount. In case of the carrying amount of an asset exceeds its recoverable amount, the Company will recognize an impairment loss in the statements of income for the period. The Company will reverse the impairment loss whenever there is an indication that there is no longer impairment or reduction in impairment.

Recoverable amount of asset is net selling price of the asset under current operations or its utilization value whichever is higher. The Company will consider the impairment for each asset item or each asset unit generating cash flow, whichever is practical.

4.13 Prepaid for land rental

Prepaid for land rental is recognized as rental on a straight-line basis over period of the lease, rental of project under development is recognized as cost of project which presented as part of building under construction.

4.14 Intangible assets

Computer software

Computer software are stated at acquisition cost less amortization by using the straight - line method for 5 - 10 years.

4.15 Leases

Operating leases

Leases where most of substantial risks and rewards of ownership of assets remain with the leasing company are accounted for as operating leases. Rentals applicable to such operating leases are charged to expenses in the statements of comprehensive income over the lease term.

4.16 Deferred membership fees

Deferred membership fees are lifetime membership registration which will be amortized to revenues by the straight - line method for 10 years.

4.17 Income and expenses from bartering goods or service

Income and expenses from bartering goods or service arose from the exchange of different goods or service. Such income and expenses are recognized at fair value of bartering goods or service.

4.18 Foreign currency transactions

Foreign currency transactions incurred during the year are recorded in Baht at the rate ruling on the date of transactions. Outstanding foreign currency assets and liabilities at the statements of financial position date are converted to Baht at the rate of exchange in effect on that date. Gains or losses on exchange are credited or charged to operations during the year.

4.19 Corporate income tax

The Company and subsidiary companies record income taxes as expenses for each occurring period based on the condition described in the Revenue Code.

4.20 Earnings (loss) per share

4.20.1 Basis earnings (loss) per share

Basic earnings (loss) per share in statements of comprehensive income is calculated by dividing the annual net profit (loss) by the number of weighted average common shares issued and paid - up at the end of period.

The weighted average number of ordinary shares for dividing profit (loss) for the period are calculated by using the changes in par value from Baht 4 each to Baht 1 each for 4,107,143,636 shares including shares dividend 111,064,293 shares by making retroactively adjustment the weighted average of ordinary shares for the year ended December 31, 2011.

	Consolidated financial statements			
	Number of shares		Earnings (loss) per share (Baht)	
	Before changes in par value	After changes in par value	Before changes in par value	After changes in par value
As at December 31, 2011	-	4,930,523,336	-	(0.0001)
As at December 31, 2010	1,026,931,184	4,218,789,029	(0.0720)	(0.0175)

	Separate financial statements			
	Number of shares		Earnings (loss) per share (Baht)	
	Before changes in par value	After changes in par value	Before changes in par value	After changes in par value
As at December 31, 2011	-	4,930,523,336	-	0.0057
As at December 31, 2010	1,027,362,270	4,220,513,373	0.0748	0.0182

4.20.2 Diluted earnings per share

Diluted earnings per share is calculated by dividing net profit (loss) for the year by the weighted average number of ordinary share issued during the year and the diluted potential ordinary shares (warrants) conversion to ordinary shares.

	Consolidated / Separate financial statements		
	Number of shares		
	Basic earnings per share	Exercised number of shares issued	Total number of share
As at December 31, 2011	4,930,523,336	86,101,501	5,016,624,837

4.21 Accounting estimates

In preparation of financial statements in accordance with generally accepted accounting principles requires management to use various estimates and assumptions that will affect the reported amounts in the financial statements and notes related thereto. Actual results may differ from those estimates.

4.22 Provisions

The Company and subsidiaries recognize a provision when an entity has a present legal or constructive obligation as a result of a past event. It is probable that an outflow of economic benefits resources will be required to settle the obligation and reliable estimate can be made of the amount of the obligation. If some or all the expenditure is required to settle a rovision, it is expected to be reimbursed when it is virtually certain that reimbursement will be received if the Company and subsidiaries settle the obligation. The amount recognized should not exceed the amount of the provision.

4.23 Provident fund and employee benefits

4.23.1 Provident fund

The Company has established provident fund under the defined contribution plan. The fund's assets are separated entities which are administered by the outsider fund manager. The Company and employees made contribution into such provident fund. The Company's contribution payments to the provident fund were recorded as expenses in statements of comprehensive income in the period in which they are incurred.

4.23.2 Employee benefits

The Company and subsidiary companies provide for post employment benefits, payable to employees under the Thai Labor Law. The present value of employee benefit liabilities recognized in the statements of financial position is estimated on an actuarial basis using Projected Unit Credit Method. The calculation was made by utilizing various assumptions about future events. The Company is responsible for the selection of appropriate assumptions. The assumptions used in determining the net period cost for employee benefits include the discount rate, the rate of salary increment, and employee turnover. Any changes in these assumptions will impact the net periodic cost recorded for employee benefits. On an annual basis, the Company and subsidiary companies determine the appropriate discount rate, which epresents the interest rate that should be used to determine the present value of future cash flows currently expected to be required to settle the employee benefits. In determining the appropriate discount rate, the Company and subsidiary companies consider the market yield based on Thai government bonds with currency and term similar to the estimated term of benefit obligation.

The principal actuarial assumptions used were as follows;

Consolidated and Separate financial statements As at December 31, 2011 and 2010	
Discount rate	3.2 per annum
Employee turnover	Age - related scale and kind of employees and daily staff
Mortality	According to Thailand TMO97 male and female tables

On January 1, 2011, the Company and subsidiary companies adopted TAS 19 "Employee Benefits". From the changes in such accounting policy, the Company and subsidiary companies recognized the increase of liabilities and employee benefits and chosen to record obligation incurred before 2011 as an adjustment to the beginning retained earnings of 2011 in accordance with the transitional provisions of this standards as stated in note 6.

5. Changes in accounting policy for sales of real estate

On January 1, 2010, the Company and subsidiaries changed the accounting policy for sales of real estate from recognized income on percentage of completion to the completion under contract and the ownerships have been transferred to the buyer as stated in note 4.1. From the changes, there is no impact on the 2009 financial statements since there is no recognition of revenue from sales of real estate.

6. Changes in accounting policy for employee benefit provisions

The effects to the consolidated and separate financial statements from adoption of new accounting policy are as follows:

Statements of financial position as at December 31, 2011

(Unit : Baht)

	Consolidated financial statements	Separate financial statements
Retained earnings as at December 31, 2010 as previously reported	(223,773,859)	315,658,988
Increase in employee benefit obligations	(1,157,491)	(1,157,491)
Retained earnings as at January 1, 2011	(224,931,350)	314,501,497

7. Cash and cash equivalents

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	December 31, 2011	December 31, 2010	December 31, 2011	December 31, 2010
Cash	42,940	811,762	13,749	12,758
Current accounts	195,305	197,305	188,305	190,305
Savings deposit	137,147,527	182,133,393	50,029,877	115,924,352
Bills of exchange	-	50,000,000	-	-
Fixed deposit 3 months maturity	-	1,421,059	-	-
Total	**137,385,772**	**234,563,519**	**50,231,931**	**116,127,415**

8. Current investments

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	December 31, 2011	December 31, 2010	December 31, 2011	December 31, 2010
Securities for trading	-	28,241,353	-	-

As at December 31, 2010 a subsidiary invested in securities for trading of an open - ended fund on June 29, 2011. The Company as sold investment in a subsidiary company, resulted decreasing in securities for trading investment in whole amount as stated in note 12.2.

9. Trade and other receivables

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	December 31, 2011	December 31, 2010	December 31, 2011	December 31, 2010
Trade accounts receivable-other companies	65,196,926	62,141,332	65,196,926	62,138,732
Less Allowance for doubtful accounts	(59,819,039)	(59,969,039)	(59,819,039)	(59,969,039)
	5,377,887	2,172,293	5,377,887	2,169,693
Trade accounts receivable - subsidiaries	-	-	4,264,484	5,044,158
Trade accounts receivable - related companies	10,204,035	10,799,225	10,204,035	10,799,225
Less Allowance for doubtful accounts	-	-	(3,625,000)	(3,625,000)
	10,204,035	**10,799,225**	**10,843,519**	**12,218,383**
Trade accounts receivable - net	**15,581,922**	**12,971,518**	**16,221,406**	**14,388,076**
: Other receivables consist of				
Advance payment	4,265,618	3,088,280	3,215,936	2,954,880
Prepaid expenses	9,429,020	1,661,707	9,331,520	1,636,707
Accrued interest income	29,161	45,620	1,851,354	1,453,201
Others	223,614	265,260	11,401	254,804
Total other receivables	**13,947,413**	**5,060,867**	**14,410,211**	**6,299,592**
Total trade and other receivables	**29,529,335**	**18,032,385**	**30,631,617**	**20,687,668**

Trade accounts receivable - other companies separated on aging as follows:

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	December 31, 2011	December 31, 2010	December 31, 2011	December 31, 2010
Accrued income	7,964	-	7,964	-
In due	1,308,577	1,655,452	1,308,577	1,652,852
Overdue from 1 to 90 days	3,140,075	303,523	3,140,075	303,523
Overdue from 91 to 180 days	852,771	9,468	852,771	9,468
Overdue from 181 to 365 days	-	203,850	-	203,850
Overdue exceed 365 days	59,887,539	59,969,039	59,887,539	59,969,039
Total	**65,196,926**	**62,141,332**	**65,196,926**	**62,138,732**
Less Allowance for doubtful accounts	(59,819,039)	(59,969,039)	(59,819,039)	(59,969,039)
Trade accounts receivable - other companies - net	**5,377,887**	**2,172,293**	**5,377,887**	**2,169,693**

10. Inventories

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	December 31, 2011	December 31, 2010	December 31, 2011	December 31, 2010
Property development business Condominium building 1 project				
Land	1,308,313,082	1,307,272,207	-	-
Work in progress	2,661,973,177	1,290,890,106	-	-
Interest capitalized as cost	643,176,847	577,553,790	-	-
Other costs	121,962,305	77,245,897	-	-
Construction materials	49,837,689	13,706,519	-	-
Total cost of condominium building	4,785,263,100	3,266,668,519	-	-
Plaza building 1 project on leasehold right of buyer Plaza building - work in progress	-	1,004,617,355	-	-
Total cost of condominium and plaza buildings	4,785,263,100	4,271,285,874	-	-
Land project under development	584,899,055	578,063,982	774,438,055	767,602,982
Total inventories - property development business	5,370,162,155	4,849,349,856	774,438,055	767,602,982
Producing television programme and selling advertising air time business				
VCD	697,028	697,028	697,028	697,028
Other goods	14,572,033	14,572,033	14,572,033	14,572,033
Goods in golf course shop	-	540,227	-	-
Foods and beverages	-	678,452	-	-
	15,269,061	16,487,740	15,269,061	15,269,061
Less Allowance for defective and obsolete inventories	(15,269,061)	(15,269,061)	(15,269,061)	(15,269,061)
Total inventories - producing television programme	-	1,218,679	-	-
Inventories - net	**5,370,162,155**	**4,850,568,535**	**774,438,055**	**767,602,982**

As at December 31, 2011, the Company is being separated investment properties under construction which included in condominium project under construction since the Company has a policy to divide area for rent when the construction is already completed.

As at June 29, 2011, the Company has sold investment in a subsidiary company, resulted decreasing in inventories amount of Baht 1.16 million as stated in note 12.2.

As at Decmber 31, 2011 and 2010, the subsidiary capitalized interest as cost of project amount of Baht 65.26 million and Baht 21.29 million respectively.

As at December 31, 2011 and 2010, the subsidiary used land with its construction project in whole amount to mortgageas collateral against overdrafts, long-term loans facility from financial institution and promissory notes aval line (see notes 18, 22).

In the fourth quarter of 2011 and as at December 31, 2010, the subsidiary gradually received deposit under contract to buy and to sell of building in the amount of Baht 1,635.55 million and Baht 1,079.15 million respectively in order to pay construction contractor amount of Baht 1,565.21 million and specific business tax amount of Baht 53.97 million. Building is structural on land which is leasehold right of intended buyer. Construction license belongs to subsidiary company. Therefore, the significant substance of agreement to buy and to sell stated that subsidiary company is agent for inteavaanded buyer in the construction of building. In the fourth quarter, the Company has transferred the ownership of such building, subsidiary company then recorded net amount of Baht 16.37 million as gain on different price under agreement to buy and to sell of building in the statements of comprehensive income as stated in note 27.

11. Advance payment under construction contract

	Consolidated financial statements (Baht)	
	December 31, 2011	December 31, 2010
Advance payment under construction contract - related parties (condominium)	59,620,482	52,923,315
Advance payment under construction contract - other companies (condominium)	160,729,357	56,988,131
Advance payment under construction contract - other companies (building for rent)	15,535,107	-
Advance payment for construction cost - 1st installment (under agreeemnt to buy and to sell of building)	53,500,000	53,500,000
Advance payment for construction cost - 2nd installment (under agreeemnt to buy and to sell of building)	309,636,582	309,636,582
	599,021,528	473,048,028
Less Construction cost on step of work to be paid at the rate of 10% and 30%	(363,136,582)	(219,618,449)
Advance payment under construction contract - net	235,884,946	253,429,579

Advance payment under construction contract - other companies s payment to contractor company. On May 26, 2008, the subsidiary made memorandum for construction with a employer company as stated in note 10, amount of Baht 1,815.68 million. The construction will be completed in May 2011. In 2011, the contract value is reduced to amount of Baht 1,565.00 million. The subsidiary has made advance payment in the amount of Baht 53.50 million and advance was deducted at 10% of construction expenses based on maturity under contract. On February 16, 2009, the subsidiary entered into additional contract by changing the periods of construction to be completed within June 29, 2013 and has made prepayment for construction expenses for the another Baht 309.64 million and also changed the advance deduction from at the rate of 10% to 30% of construction expenses based on maturity under contract. In the third quarter of 2011, advance payment under construction contract was fully paid in the amount of Baht 363.14 million.

12. Investment

12.1 Investment in associate

	Separate financial statements (Baht)				
	%	December 31, 2011		December 31, 2010	
	Holding	Cost	Devidend	Cost	Devidend
Iloura (Thailand) Company Limited	35	85,750,000	-	85,750,000	-
Less Provision for diminution in investment in associate		(85,750,000)	-	(85,750,000)	-
Total		**-**	**-**	**-**	**-**

The consolidated financial statements were completely recognized the loss of Iloura (Thailand) Company Limited in proportion to the investment since 1999, due to it has capital deficiency.

12.2 Investment in subsidiaries

	Separate financial statements (Baht)			
	%	December 31, 2011	December 31, 2010	
	Holding	Cost	Increase (decrease)	Cost
M&D Entertainment Company Limited	80	800,000	-	800,000
Khao Kheow Country Club Company Limited	70.28	480,000,000	(480,000,000)	-
Belle Development Company Limited	79.57	1,920,104,314	-	1,920,104,314
Rama 9 Square Limited	78.12	471,015,380	-	471,015,380
Total		**2,871,919,694**	**(480,000,000)**	**2,391,919,694**
Less Provision for devaluation of investment in subsidiaries		(800,000)	-	(800,000)
Total		**2,871,119,694**	**(480,000,000)**	**2,391,119,694**

According to minutes of General Annual Shareholders meeting no.1/ 2011 held on April 28, 2011, the Company passed the resolution to sell investment in ordinary shares of Khao Kheow Country Club Company Limited, a subsidiary which had the cost f Baht 480 million to BBTV Equity Company Limited, a related company total amount of Baht 520.00 million on June 29, 2011. At the date of investment selling, such subsidiary has assets at net value of Baht 503.74 million. In the consolidated financial statements, the Company has gain on sale of investment amount of Baht 16.26 million (Separate: Baht 40 million).

According to the minutes of the Board of directors' meeting no. 16/2010 held on December 14, 2010, the Company passed the resolution to additionally invest in Belle Development Company Limited, a parent company in the consolidated financial statements. Later on December 18, 2010, the Company has investment in ordinary shares of Belle Development Co., Ltd. by repurchasing share capital from the minor shareholders for 0.20 million shares in the price of Baht 116 per share (par value of Baht 100 each), amounting to Baht 23.86 million. Subsequent the purchasing share capital, the Company's proportion in shareholding increased from 78.57 percent to 79.57 percent of total share capital. From the changes in such percentage, resulting to the consolidated financial statements represented loss on treasury stocks repurchase shares from minor shareholders amount of Baht 0.39 million. The Company credited such transaction to unappropriated retained earnings and non - controlling interests in the consolidated financial statements would be reduced by Baht 23.47 million.

According to the minutes of the Board of directors' meeting no. 5/2010 held on February 24, 2010, the Company passed the resolution to additionally invest in a subsidiary, Media Studio Co., Ltd. and on March 4, 2010, the Company has investment in 34.11 million ordinary shares of Baht 10 each, totally amount of Baht 341.10 million, the increasing share capital in based on the same proportion. And the shareholders' extraordinary meeting no. 1/2010 held on March 26, 2010, passed the resolution to sell investment in ordinary shares of Media Studio Co., Ltd. to Strong Hold Assets Co., Ltd., a related company after increase share capital proceeding in the price of Baht 400.29 million on March 30, 2010. The Company have gain on sales of investment amount of Baht 121.47 million in the consolidated financial statements since such subsidiary had net assets value amount of Baht 278.82 million at the selling date as stated in note 32.2.2 (separate : gain on sales of investment amount of Baht 59.19 million).

12.3 Investment in related parties

	Consolidated financial statements (Baht)				
	%	December 31, 2011		December 31, 2010	
	Holding	Cost	Devidend	Cost	Devidend
Central Pattana Nine Square Co., Ltd.	3.27	104,520,000	-	104,520,000	-

12.4 Other long-term investments

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	December 31, 2011	December 31, 2010	December 31, 2011	December 31, 2010
Listed securities available for sales at cost	710,000	710,000	710,000	710,000
Add Unrealized gain	1,140,000	877,500	1,140,000	877,500
Less Disposals during the period	(1,850,000)	-	(1,850,000)	-
Total	-	1,587,500	-	1,587,500
Non-listed securities	11,250,000	11,250,000	11,250,000	11,250,000
Less Provision for devaluation	(11,250,000)	(11,250,000)	(11,250,000)	(11,250,000)
Total non - listed securities	-	-	-	-
Total other long-term investment - net	-	1,587,500	-	1,587,500
Unrealized gain in shareholders' equity	375,000	877,500	-	877,500
Less Realized gain before business combination	(375,000)	(375,000)	-	-
Net	-	502,500	-	877,500

As at December 31, 2011, the Company sold total investment in other companies, resulted gain on sale amount of Baht 1.14 million.

As at December 31, 2010, the Company has securities available for sale amount of Baht 0.71 million and unrealized gain on securities available for sale shown in shareholders' equity amount of Baht 0.88 million, some portion amount of Baht 0.37 million is unrealized gain before business combination and was taken to include in cost of business combination. As at December 31, 2010, the Company and subsidiary have remaining unrealized gain on securities available for sale in shareholders' equity amount of Baht 0.50 million. In 2011, securities available for sale were totally sold, thus, unrealized gain on securities is transferred out in whole amount.

13. Investment properties

13.1 Investment properties

As at December 31, 2011 and 2010 consist of :

	Consolidated financial statements (Baht)			
	December 31, 2010	Increase	Transsfer in (out)	December 31, 2011
Cost				
Land - cost	328,000,000	2,256,119,101	-	2,584,119,101
Building - cost	579,184,080	-	(92,170,152)	487,013,928
Building system - cost	-	-	92,170,152	92,170,152
Area for rent improvement	2,239,447	-	-	2,239,447
Work in progress	-	15,156,346	-	15,156,346
Building improvement	-	67,761,378	-	67,761,378
Total	**909,423,527**	**2,339,036,825**	**-**	**3,248,460,352**
Accumulated depreciation				
Building - cost	23,927,201	17,656,876	-	41,584,077
Building system - cost	-	7,105,145	-	7,105,145
Area for rent improvement	774,326	746,408	-	1,520,734
Total	**24,701,527**	**25,508,429**	**-**	**50,209,956**
Total investment properties	**884,722,000**			**3,198,250,396**

13.2 Building under construction for rent

	Consolidated financial statements (Baht)			
	December 31, 2010	Increase	Transsfer in (out)	December 31, 2011
Construction - foundation	115,407,991	138,437,574	-	253,845,565
Design expenses	161,915,520	8,451,974	(18,443,782)	151,923,712
Management and operation expenses	103,964,924	18,719,910	(28,193,551)	94,491,283
Interest expenses	5,203,891	27,199,242	-	32,403,133
Land rental amortized as cost of project	20,284,961	35,747,105	-	56,032,066
Other expenses in project	27,420,767	560,448	(199,277)	27,781,938
Total	**434,198,054**	**229,116,253**	**(46,836,610)**	**616,477,697**
Less Provision for devaluation	(140,065,262)	-	126,257,518	(13,807,744)
Total building under construction for rent	**294,132,792**			**602,669,953**
Total investment properties - net	1,178,854,792			3,800,920,349
Depreciation for the year				25,508,429

	Separate financial statements (Baht)			
	December 31, 2010	Increase	Transsfer in (out)	December 31, 2011
Cost				
Land - cost	328,000,000	2,256,119,101	-	2,584,119,101
Building - cost	949,646,000	-	(92,170,152)	857,475,848
Building system- cost	-		92,170,152	92,170,152
Area for rent improvement	2,239,447	-	-	2,239,447
Work in progress	-	15,156,346	-	15,156,346
Building improvement	-	67,761,378	-	67,761,378
Total	**1,279,885,447**	**2,339,036,825**	**-**	**3,618,922,272**
Accumulated depreciation				
Building - cost	23,927,201	19,979,187	(2,322,311)	41,584,077
Building system - cost	-	4,782,834	2,322,311	7,105,145
Area for rent improvement	774,326	746,408	-	1,520,734
Total	**24,701,527**	**25,508,429**	**-**	**50,209,956**
Investment properties - net	1,255,183,920			3,568,712,316
Depreciation for the year	-			25,508,429

As at December 31, 2011, the Company has purchased land from a related company in the agreed price of Baht 2,256.12 million. Such price referred to the appraisal value of 2 independent appraisers with the making payment for land by 710.01 million ordinary shares at par value of Baht 1.83 each, resulted premium on ordinary shares amount of Baht 589.31 million the remaining amount of Baht 956.80 million will be paid by cash. The Company has paid for such land by issuing newly ordinary shares in full amount and by cash amount of Baht 842.82 million, the remaining amount of Baht 113.98 million will record as assets payable-related party as stated in note 23.

Two subsidiaries have building construction projects for rent under development amount of Baht 126.26 million and Baht 13.81 million, totaling Baht 140.07 million. Both project have ceased their development since 1998,therefore, the provision for impairment is provided in full. Later in the third quarter of 2011, a subsidiary has started to develop the ceased project and already obtained the credit line from financial institution. The management assess the expected benefits by discounts estimated future cash receipts. As a result, the Company has reversed provision for impairment of amount of Baht 79.42 million, the remaining amount of Baht 46.84 million was written off the account in full since such cost is not relevant to the currently project development.

As at December 31, 2011 and 2010, the Company and subsidiary have transferred land, building for rent and building under construction amount of Baht 1,264.52 million and Baht 1,158.57 million (separate : Baht 1,257 million and Baht 1,255.18 million respectively) to be investment properties. Land and building for rent in the consolidated and separate financial statements had fair value of Baht 1,445.63 million, evaluated by the independent appraiser, building under construction for rent is being appraised fair value.

Building under construction for rent of the subsidiary is a project for building construction on land leased from two related companies as stated in note 15.

As at December 31, 2011 and 2010, the subsidiary capitalized interest expenses as cost of building under construction for rent amount of Baht 32.40 million and amount of Baht 5.20 million respectively.

As at December 31, 2011 and 2010, the Company and subsidiary used land with its part of construction to mortgage with elated commercial bank as collateral against overdrafts line, short - term loans from financial institution (promissory notes line) and long - term loans from financial institution of the Company as stated in note 18, 20 and 22 respectively.

As at December 31, 2011, the Company had investment properties at cost of Baht 1.67 millon were fully depreciated but are still in use.

14. Property, plant and equipment

Consolidated financial statements (Baht)					
	December 31, 2010	Increase	(Decrease)	Decrease from sale of subsidiary	December 31, 2011
Cost					
Mock-up room - building on rental	14,002,109	784,562	-	-	14,786,671
Office equipment and computer accessories	193,534	23,299	-	-	216,833
Temporary structure	103,582	-	-	-	103,582
Office furniture and equipment	60,626	5,992	-	-	66,618
Steel barrier fence project lands	1,603,149	-	-	-	1,603,149
Work in progress	-	72,023	-	-	72,023
Land	447,401,250	-	-	(447,401,250)	-
Golf course development	217,513,596	545,000	-	(218,058,596)	-
Club house and buildings in golf course	54,689,135	9,146,970	-	(63,836,105)	-
Golf course equipment	89,985,550	4,843,067	(289,636)	(94,538,981)	-
Office furniture and equipment	23,774,274	5,180,387	(462,899)	(17,888,314)	10,603,448
Club house furnishing	13,478,149	-	-	(13,478,149)	-
Motor vehicles	40,714,865	-	(2,990,755)	(37,724,110)	-
Production equipment under installation	7,764,939	-	(7,343,737)	(421,202)	-
Total	**911,284,758**	**20,601,300**	**(11,087,027)**	**(893,346,707)**	**27,452,324**
Accumulated depreciation					
Mock-up room - building on rental	3,740,028	2,888,061	-	-	6,628,089
Office equipment and computer accessories	75,243	42,367	-	-	117,610
Temporary structure	11,541	5,179	-	-	16,720
Office furniture and equipment	21,668	13,006	-	-	34,674
Steel barrier fence project lands	307,449	320,628	-	-	628,077
Golf course development	62,117,144	2,478,182	-	(64,595,326)	-
Club house and buildings in golf course	23,290,566	1,368,398	-	(24,658,964)	-
Golf course equipment	77,655,851	1,217,782	(150,113)	(78,723,520)	-
Office furniture and equipment	15,765,318	2,056,041	(447,664)	(14,917,556)	2,456,139
Club house furnishing	13,450,585	61,458	-	(13,512,043)	-
Motor vehicles	24,911,042	2,463,258	(2,990,756)	(24,383,544)	-
Total	**221,346,435**	**12,914,360**	**(3,588,533)**	**(220,790,953)**	**9,881,309**
Total property, plant and equipment - net	689,938,323				17,571,015
Depreciation for the year	22,839,620				12,914,360

In the second quarter of 2011, the Company has sold total investment in a subsidiary to a related company as stated in note 12.2 In the consolidated financial statements, the Company has transferred assets at net book value total amount of Baht 672.55 million from selling such subsidiary.

As at December 31, 2010, the subsidiary has fixed assets at cost amount of Baht 122.17 million which were fully depreciated but are still in use.

Separate financial statements (Baht)				
	December 31, 2010	Increase	Decrease	December 31, 2011
Cost				
Office furniture and equipment	5,732,792	4,556,916	(16,542)	10,273,166
Asset under constructions	-	72,023	-	72,023
Total	5,732,792	4,628,939	(16,542)	10,345,189
Accumulated depreciation				
Office furniture and equipmen	869,095	1,563,256	(2,852)	2,429,499
Total office furniture and equipment - net	4,863,697	3,065,683	(13,690)	7,915,690
Depreciation for the year	869,095			1,563,256

15. Prepaid land rental to related parties

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	December 31, 2011	December 31, 2010	December 31, 2011	December 31, 2010
Prepaid land rental agreement	221,000,000	221,000,000	-	-
Less Accumulated amortization for rental	(51,712,066)	(18,844,961)	-	-
Prepaid for land rental to related parties - net	169,287,934	202,155,039	-	-

As at December 31, 2011 and 2010, a subsidiary used leasehold right on leased land as guarantee against long term loans from financial institution as stated in note 22.

Subsidiary entered into lease land for development and lease land agreements with two related companies who held the ownership of land under such lease agreement in order to construct commercial building project as below:

The rental for lease land for development agreement is payable for the period in which subsidiary operated the commercial building construction. The agreement period is 3 years, commencing on July 1, 2007 to June 30, 2010 and can be extended for the the next 10 years, commencing on July 1, 2040 to June 30, 2050, total agreement period is 43 years and total agreement value amounted to Baht 221.00 million. Subsidiary has made prepayment for land rental in whole amount.

16. Deposit under agreement to buy or to lease land from related parties

On July 2, 2007, subsidiary has noticed to cancel lease land for building construction agreement dated June 26, 1995 including amended lease agreement for the year 1998 with a related company which required the lessee to refund the advance payment for rental in the form of promissory notes due on January 2, 2010 in the amount of Baht 177.73 million which was paid as at December 31, 2008. Subsequently on September 30, 2009, subsidiary entered into agreement to buy and to lease of land with such related company and transferred promissory notes to offset accrued management expenses net of taxation amount of Baht 63.75 million, remaining amount of Baht 113.98 million is recorded as deposit under agreement to buy and to lease. In the third quarter of 2011, related company has sold such land to Grand Canal Land Public Company Limited and entered into agreement for tranferring debt obligation to Grand Canal Land Public Company Limited which the Company has to make payment for such liabilities in full amount to subsidiary on behalf of related company. Therefore, the Company has recorded such liabilities as assets payable in full amount in the separate financial statements (note 23) and written off the inter-company transaction in full amount in the consolidated financial statements.

17. Intangible assets

Computer software

Consolidated financial statements (Baht)				
	December 31, 2010	Increase	Decrease from sale of subsidiary	December 31, 2011
Computer software - cost	1,132,994	3,473,225	(450,000)	4,156,219
Assets under installation - software	-	3,428,500	-	3,428,500
Less: Accumulated amortization	(224,749)	(575,097)	172,356	(627,490)
Computer software - net	**908,245**	**6,326,628**	**(277,644)**	**6,957,229**
Amortization for the year	**224,749**			**575,097**

Separate financial statements (Baht)				
	December 31, 2010	Increase	Sell / transfer	December 31, 2011
Computer software - cost	682,994	3,473,225	-	4,156,219
Assets under installation - software	-	3,428,500	-	3,428,500
Less: Accumulated amortization	(74,708)	(552,782)	-	(627,490)
Computer software - net	**608,286**	**6,348,943**	**-**	**6,957,229**
Amortization for the year	**74,708**			**552,782**

18. Bank overdrafts

As at December 31, 2011 and 2010, the subsidiary has overdrafts line with a commercial bank for total amount of Baht 10 million, guaranteed by land with its construction of the project and the Company's director guarantee as stated in note 10 and 32.34.2 respectively.

19. Trade and other payables

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	December 31, 2011	December 31, 2010	December 31, 2011	December 31, 2010
Trade accounts payable - third parties	452,933,631	161,824,664	25,603,235	642,702
Trade accounts payable - related companies	149,425,181	96,518,518	5,466,302	3,049,560
Notes payable in transit - third parties	1,388,588	397,804	719,319	397,804
Notes payable in transit - related companies	-	-	-	-
Total trade accounts and notes payable	**603,747,400**	**258,740,986**	**31,788,856**	**4,090,066**
: Other payables consist of				
Unearned revenue	2,915,924	1,579,907	2,915,924	1,579,908
Accrued expenses	16,609,909	9,252,503	8,113,126	6,975,490
Accrued interest expenses	2,252,876	477,918	1,702,055	43,671
Others	5,239,927	1,261,731	5,236,927	1,261,731
Total other payables	**27,018,636**	**12,572,059**	**17,968,032**	**9,860,800**
Total trade and other payables	**630,766,036**	**271,313,045**	**49,756,888**	**13,950,866**

20. Short - term loans from financial institutions

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	December 31, 2011	December 31, 2010	December 31, 2011	December 31, 2010
Short - term loans from financial institutions				
Beginning balances	-	-	-	-
Add Increase during the period	930,000,000	-	930,000,000	-
Less Decrease during the period	(290,000,000)	-	(290,000,000)	-
Ending balances	640,000,000	-	640,000,000	-
Interest rate of MLR - 1% per annum				

As at December 31, 2011, the Company has short-term loans with a commercial bank from sale of promissory notesin the amount of Baht 900.00 million at the interest rate of MLR - 1% per annum. The interest is payable in the end of each month and the principal is repayable within 36 months from the dateof issuing the first issue of promissory notes. The period of each issue is not exceed 6 months and can be extended of period not exceed 6 month each. Such loans are guaranteed by the Company's land (part) as stated in note 13.

21. Short - term loans from related parties

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	December 31, 2011	December 31, 2010	December 31, 2011	December 31, 2010
Charernkit Enterprise Co., Ltd.				
Beginning balances	-	413,900,000	-	349,000,000
Add Increase during the period	-	-	-	-
Less Decrease during the period	-	(413,900,000)	-	(349,000,000)
Ending balances	-	-	-	-
Interest rate of MLR + 0.25% per annum				
Skyway Realty Co., Ltd.				
Beginning balances	-	27,000,000	-	27,000,000
Increase during the period	-	-	-	-
Repayment during the period	-	(27,000,000)	-	(27,000,000)
Ending balances	-	-	-	-
Interest rate of MLR + 0.25% per annum				
Great Fortune Equity Co., Ltd.				
Beginning balances	-	100,000,000	-	-
Increase during the period	-	-	-	-
Less Transfer to be long - term loans	-	(100,000,000)	-	-
Ending balances	-	-	-	-
Interest rate of 4% per annum				
Total short - term loans from related parties	-	-	-	-

Short - term loans from related parties have maturity at call.

22. Long - term loans

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	December 31, 2011	December 31, 2010	December 31, 2011	December 31, 2010
Long-term loans from financial institutions	850,965,292	514,508,426	255,042,050	320,768,438
Increase during the period	1,071,292,797	502,183,253	-	-
Less Decrease during the period	(255,042,050)	(65,726,388)	(255,042,050)	(65,726,388)
Current portion of long - term loans	-	(71,563,396)	-	(71,563,396)
Total	1,667,216,039	879,401,895	-	183,478,654
Long-term loans from related parties	100,000,000	-	-	-
Long-term loans - net	1,767,216,039	879,401,895	-	183,478,654

As at December 31, 2011 and 2010, the Company has long - term loans from related commercial bank at the interest rate of MLR - 0.25% per annum, the principal and interest is repayable on a monthly basis. The Company has to repay loans in full amount within 2013. Such loans are guaranteed by mortgaging part of land with construction as stated in note 13. In the third quarter of 2011, the Company has repaid such loans in full amount that the obligation was expired.

As at December 31, 2011 and 2010, subsidiary has loans from a commercial bank with credit line of Baht 3,759.20 million at the interest rate of MLR per annum, the interest is payable on a monthly basis and the principal is repayable based on the redemption of properties foreclosed at the rate of 70% of selling price. Subsidiary has to repay loans in full in 2013. Such loans are guaranteed by mortgaging land with its construction of subsidiary's project and two directors of subsidiary as stated in note 10 and 32.34.2 respectively.

As at December 31, 2011, a subsidiary has credit line in form of loans from a commercial bank for total credit line amount of Baht 2,350 million at the interest rate of MLR - 1% for the 1st - 3rd year, MLR - 0.5% for the 4th - 6th year and MLR per annum for the 7th - 10th year. The interest is payable in the end of each month, the principal repayment commenced in the last working day of the 39th month from the first withdrawal and making through quarterly installment on the last day of each installment, guaranteed by leasehold land on leased land and building under construction for rent as stated in note 13 and 15.

As at December 31, 2011 and 2010, a subsidiary obtained loans from related companies by issuing promissory notes amount of Baht 100 million at the interest rate of MLR - 1% per annum, due payment on June 29, 2012.

23. Assets payable - related party

As at December 31, 2011, the Company has assets payable amount of Baht 113.98 million from purchasing land from a related company. Such company has the outstanding debt payment to a subsidiary by the same amount, therefore, such liabilities were transferred to the Company as stated in note 13 and 16.

24. Share capital

24.1 According to the general shareholders' meeting no.1/ 2011 held on April 28, 2011, passed to approve the resolution as follow:

24.1.1 Change the value of share capital from Baht 4 per share to Baht 1 per share and from 1,027,362,270 shares to 4,109,449,080 which was registered this resolution on May 2, 2011.

24.1.2 Purchase land of Grand Praram 9 for the 2nd phase from Charernkit Enterprises Co., Ltd., a related person for total 21 plots total areas of 14 - 1 - 13.2 rais or 5,732.2 square wah which is located at Rama IX Road, Huaykwoang, Bangkok (Land of Grand Praram 9 Phase 2) in the agreed price of Baht 1,930,036,064.00. The price referred to the appraisal value of two independent appraisers as stated in note 13.

24.1.3 Purchase land of Grand Fortune Co., Ltd., a related company for 3 plot total areas of 31 - 2 - 99.5 rais or 12,699.5 square wah which is located at Kumpangphet 6, Sikan, Donmeung, Bangkok at the agreed price of Baht 296,582,500, reference to the appraisal value of the two independent appraisers as stated in note 13.

24.1.4 Increase 985,454,053 ordinary shares from 4,109,449,080 shares to 5,094,903,133 shares for the objectives as below:

	Number of shares	
Common stocks brought forward as at January 1, 2011		4,109,449,080
1. Pay dividend by share capital	111,066,191	
2. Issue of warrants (Allocated to the existing shareholders at 25 ordinary shares to 1 unit of warrant, exercise period begins from September 30, 2011 to May 26, 2014)	164,377,963	
3. Offer to related company for assets acquisition in related company	710,009,899	
Total increase share capital as at September 30, 2011	985,454,053	985,454,053
4. Offer to related company		232,964,000
5. Decrease share capital		(4,203)
Total increase share capital as at December 31, 2011		**5,327,862,930**

- In the second quarter of 2011, the Company has paid dividend by share dividend of 111,064,293.00 shares on May 27, 2011 as stated in note 26, resulting to the Company has registered 4,220,513,373 shares capital, totaling amount of Baht 4,220,513,373. The remaining 1,898 shares was registered to cancel on November 7, 2011.

- On July 7, 2011, the Company has purchased such land (no. 24.1.2) and made cash payment amount of Baht 927,300,447 and ordinary share payment 547,942,960 shares amounting to Baht 547,942,960, resulted premium on ordinary shares amount of Baht 454,792,657 and the Company has registered share capital form 4,220,513,373 to Baht 4,768,456,333.

- On October 21, 2011, the Company has purchase such land (no. 24.1.3) in the amount of Baht 296,582,500 by making ordinary shares payment 162,066,939 shares amount of Baht 162,066,939, resulted premium on ordinary shares amount of Baht 134,515,559.37 and the Company has the registered share capital from 4,768,456,333 to Baht 5,094,903,133.

- As at December 31, 2011, there is 2 persons exercise right of warrants for total 64 shares of Baht 1 each, amounting to Baht 64, the remaining shares were not exercised right for 164,375,594 shares (net of cancelled shares).

24.2 The meeting of shareholders' extraordinary no. 1/2011 held on November 3, 2011, passed the resolution as follows :

24.2.1 To decrease ordinary shares for 4,203 shares of Baht 1 each by cancel unissued ordinary shares. The Company has registered the decrease share capital on November 7, 2011.

24.2.2 To increase ordinary shares for 232,964,000 shares from 5,094,903,133 shares to 5,327,862,930 shares for offering o Bangkok Broad costing and Television Co., Ltd. (BBTV), related company at the offering price of Baht 2.56 each. The Company has registered the increase share capital on November 8, 2011.

24.3 Issued share capital consolidated financial statements

Share capital issued and recognized in the consolidated financial statements of subsidiaries shown as at December 31, 2011 and 2010 as below:

(Unit : Baht)

Transactions	Grand Canal Land Plc.	Belle Development Co., Ltd.	Praram 9 Square Ltd.	Total
Share issued for exchange with non - controlling	-	2,064,261,300	1,000,000,000	3,064,261,300
Add Share issued for purchase assets	-	(442,294,400)	(218,750,400)	(661,044,800)
Share issued for exchange with ordinary shares - net	-	1,621,966,900	781,249,600	2,403,216,500
Add Share issued for purchase assets	-	-	-	1,129,185,000
Total share capital as at December 31, 2010	-	-	-	3,532,401,500
Ordinary shares increase in 2011				
Share issued for dividend payment	111,064,293	-	-	111,064,293
Share issued for assets acquisition	710,009,899	-	-	710,009,899
Total share capital				**4,353,475,692**

As at December 31, 2009, the Company has 4,495,616 ordinary shares held by subsidiary and in the first quarter of 2010, subsidiary sold ordinary shares to the third parties in total.

25. Legal reserve

Under the provision of the Public Company Limited Act B.E. 2535, the Company is required to set aside a legal reserve at least 5% of annual net profit after deduction with deficit brought forwards (if any) until the reserve reach an amount of 10% of authorized share capital. This reserve is not available for dividend distribution.

As at December 31, 2011 and 2010, legal reserve in the consolidated financial statements amounted to Baht 9.40 million and Baht 8.00 million respectively (Separate : Baht 47.10 million and Baht 45.70 million respectively).

26. Dividend payment

According to the minutes of General Annual Shareholders meeting no.1/2011 held on April 28, 2011, passed the resolution to pay dividend to the shareholders at Baht 0.03 per share, amounting to Baht 123.41 million, by paying cash dividend at Baht 0.003 per share, amounting to Baht 12.34 million and shares dividend at Baht 0.027 per share or 37 shares for 1 share dividend, amounting to Baht 111.06 million. The Company has paid dividend to shareholders on May 27, 2011. The dividend payment from retained earnings before business combination was taken to reduce cost of combination as stated in note 3.3.1.

According to the minutes of shareholders' general meeting held on April 29, 2010, the Company passed the resolution to pay dividend to the shareholders for 1,027,342,170 shares at Baht 0.12 each amounting to Baht 123.28 million. The payment of dividend is matured on May 10, 2010 by paying from retained earning before combination of business, thus, such amount was taken to reduce cost of combination as stated in note 3.3.1.

27. Gain on difference under agreement to buy and to sell of building

In 2011, a subsidiary has transferred building under agreement to buy and to sell to customers Subsidiary is agent for construction such building on behalf of intended buyer as stated in note 10. Subsidiary has recorded difference from advance received from customer and the amount paid to construction contractor and specific business tax by net amount in the statements of comprehensive income as follows:

	Consolidated financial statements (Baht) December 31, 2011
Revenues under agreement to buy and to sell of building	1,635,550,000
Less Costs under agreement to buy and to sell of building	(1,565,209,486)
Specific business tax	(53,973,150)
Gain on difference under agreement to buy and to sell of building	**16,367,364**

28. Directors remuneration and management benefit expenses

Management benefit expenses

Management benefit expenses paid to management includes a chief executive officer, the next four executive levels immediately below that chief officer and all persons in positions comparable to those fourth executive levels comprises the salaries, special rewards, living expenses, position expenses and remuneration.

Directors' remuneration

According to the minutes of general shareholders' meeting held on April 28, 2011 and April 29, 2010, the Company passed the resolution to pay directors remuneration in the form of transportation expenses of directors as determined.

29. Financial information by segment

The Company and subsidiaries engage in the business of property development, and golf course business.

The information related to the Company's operation for the year ended December 31, 2011 and 2010 can be classified by business segment as follows:

(Unit : Million Baht)

	Consolidated financial statements For the year ended December 31, 2011						
	Property development	Television advertisement	Sales and production	Rent and service income	Discontinued operation - golf course	Others	Total
Revenues	-	-	-	67.10	49.86	-	116.96
Costs	-	-	-	(44.77)	(32.88)	-	(77.65)
Gross profit (loss)	-	-	-	22.33	16.98	-	39.31
Other income	2.97	-	-	2.61	1.78	-	7.36
Gain on difference under agreement to buy and to sell of building	16.37	-	-	-	-	-	16.37
Reversal of provision for impairment of investment properties	79.42	-	-	-	-	-	79.42
Gain on sales of investment	-	-	-	-	-	17.40	17.40
Gain on sales of assets	-	-	-	-	-	10.19	10.19
The non - allocation of selling and administrative expenses	(85.53)	-	-	(17.43)	(11.87)	(3.57)	(118.40)
Management benefit expenses	(1.52)	-	-	(25.21)	(0.54)	-	(27.27)
Finance costs	(5.88)	-	-	(11.00)	(0.53)	-	(17.41)
Income tax	(0.01)	-	-	(6.80)	-	-	(6.81)
Profit (loss) for the year	5.82	-	-	(35.50)	5.82	24.02	0.16

(Unit : Million Baht)

	Consolidated financial statements For the year ended December 31, 2011						
	Property development	Television advertisement	Sales and production	Rent and service income	Discontinued operation - golf course	Others	Total
Attributable to							
Owners of the Company							(0.56)
Non-controlling interests							0.72
Property, plant and equipment - net	9.65					7.92	17.57
Total assets							**9,957.37**

(Unit : Million Baht)

	Consolidated financial statements For the year ended December 31, 2010						
	Property development	Television advertisement	Sales and production	Rent and service income	Golf course	Others	Total
Revenues	-	129.13	3.71	70.21	87.59	-	290.64
Costs	-	(91.21)	(3.71)	(36.64)	(67.66)	-	(199.22)
Gross profit (loss)	-	37.92	-	33.57	19.93	-	91.42
Other income	1.49	-	-	-	-	13.20	14.69
Gain on sales of investment						121.47	121.47
The non - allocation of selling and administrative expenses	(15.84)	-	-	-	-	(136.26)	(152.10)
Management benefit expenses	(1.15)	-	-	-	-	(23.72)	(24.87)
Amortized goodwill	-	-	-	-	-	(103.34)	(103.34)
Finance costs	(7.58)	-	-	-	-	(25.47)	(33.05)
Income tax	-	-	-	-	-	(0.47)	(0.47)
Profit (loss) for the year	(23.08)	37.92	-	33.57	19.93	(154.59)	(86.25)
Attributable to							
Owners of the Company						(73.92)	
Non-controlling interests							(12.33)
Property, plant and equipment - net	12.11					677.83	689.94
Total assets							**7,764.40**

30. Provident fund

The Company has set up and registered provident fund in accordance with the Provident Fund Act B.E. 2530 (1987) in order to be the savings and welfare promotion, as well as the fringe benefits upon resignation or retirement to its employees according to the Company's regulation, with one part of contribution from the employees and another part from the Company at the rate of 3% on their basic salaries. The Company has appointed the Ayudhaya Master Fund Asset Management Company Limited to be the fund manager.

31. Expenses analized by nature

For the year ended December 31, 2011 and 2010

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	December 31, 2011	December 31, 2010	December 31, 2011	December 31, 2010
(Increase) decrease in the changes of finished goods and work in progress	(519,594)	(1,177,487)	(6,835)	35,676
Gain on sales of assets	10,205	-	10,205	52,401
Gain on sales of investment	17,405	121,473	41,140	59,191
Management benefit expenses	20,653	22,645	20,653	17,699
Directors' remuneration	6,455	7,170	4,560	4,560
Salaries, wages and other benefit expenses	67,649	99,794	67,649	72,442
Depreciation and amortization	38,998	46,641	27,624	28,948

32. Transactions with related parties

The Company has certain business transactions with its related parties. The aforesaid transactions are in normal course of business and general trading conditions other than the normal business transaction incurred in the first quarter of 2010, Media of Medias Public Company Limited had sold its assets as follows:

32.1 Sell land with its building and assets use in producing television programme and advertising media to Media Studio Co., Ltd., at the selling price which closed to the appraisal value of the independent appraiser. Other assets were sold by the carrying value.

32.2 The Company has sold investment in total common shares of Media Studio Co., Ltd. to Strong Hold Assets Co., Ltd., a related company by way of the Company's director and shareholder. The selling price is estimated by using present value of future cash inflow to be generated in the future which was approved by the financial advisor.

Related parties are as follows :

Company/Persons	Relationship	Transactions	Pricing policy
Media Studio Co., Ltd.	Subsidiary in 2009	- Rental income, other income	Base on normal course of business
	(Sale investment in 2010)	- Gain on sale of investment	Base on normal course of business
M&D Entertainment Co., Ltd.	Subsidiary	- Accrued income media on TV	Base on normal course of business
"Belle Development Co., Ltd	Subsidiary	- Office building for rental and service	Base on normal course of business
		- Project management, accrued	Base on normal course of business
		interest income, short - term loans,	Due at call at interest rate of
		interest income, accrued interest	MLR + 0.25% per annum
Praram 9 Square Ltd.	Subsidiary	- Short - term loans	Due at call at interest rate of
			MLR + 0.25% per annum
		- Assets payable - Related Party	At agreed price (note 16, 23)
		- Interest received	MLR + 0.25% per annum
		- Rental income	Base on normal course of business
		- Project management income	Base on normal course of business
Praram 9 Hotel Ltd.	Subsidiary	- Other receivables	Base on normal course of business
		- Other income	Base on normal course of business
Khao Kheow Country Club	Subsidiary	- Gain on sale of investment	Base on normal course of business
Co., Ltd.	(Sale investment in 2011)		
Iloura (Thailand) Co., Ltd.	Associate	- Trade accounts receivable/payable	Base on normal course of business
The Ayudhya Insurance Plc.	Common directors/shareholders	- Insurance premium,	Base on normal course of business
		administrative expenses	
Bank of Ayudhya Plc.	Common shareholders	- Bank deposit	Base on normal course of business
		- Trade accounts receivable, rental deposit	Base on normal course of business
		- Long — term loans	At the interest rate of MLR - 0.25%
			per annum with monthly payment
		- Area rental income	Base on normal course of business
		- Interest income, interest expenses	Base on normal course of business
BBTV Equity Co., Ltd.	Common directors	- Administrative expenses	Base on normal course of business
		- Gain on sales of investment	Base on normal course of business
BBTV New Media Co., Ltd	Common directors	- Trade accounts receivable, other income	Base on normal course of business
Charernkit Enterprise Co., Ltd.	Common management	- Interest expenses, area service income,	Interest rate of MLR + 0.25%
			per annum
	directors/ shareholders	- Trade and other receivable, inventories,	Base on normal course of business
		service deposit, unrealized installment	
		income, accrued income	
		- Land trading	At agreed price

Company/Persons	Relationship	Transactions	Pricing policy
Central Pattana Nine Square	Common executive directors/	- Deposit received, long-term investments	Base on normal course of business
Co., Ltd.	Shareholders	- Gain on diference under agreement	At agreed price
		to buy and to sell of building	
C. K. S. Holding Co., Ltd.	Common director	- Land rental	In 2010, rental of Baht 240,000 per month
and Super Assets Co., Ltd.			and additional charge at 15% every
			3 year until agreement terminate in 2040
		- Prepaid land rental	Base on normal course of business
Great Fortune Equity Co., Ltd.	Common executive directors/	- Long - term loans, interest expenses,	At the interest of MLR - 1%
	shareholders	accrued interest expenses	per annum
Strong Hold Assets Co., Ltd.	Common directors	- Gain on sales of investment	Base on normal course of business
Belle Park Residence Co., Ltd.	Common executive directors/	- Inventories	Base on normal course of business
	shareholders		
Breguet Thai Co., Ltd.	Common executive directors/	- Trade accounts receivable	Base on normal course of business
	shareholders		
Italian - Thai Development Plc.	Common executive directors/	- Construction contractual service,	Base on normal course of business
	shareholders	- Trade accounts receivable/payable, inventories	Base on normal course of business
		- Rental deposit, retention payable	Base on normal course of business
		- Accrued service income, administrative expense	Base on normal course of business
Grand Fortune Co., Ltd.	Common executive directors/	- Project management, trade accounts	Base on normal course of business
	shareholders	receivable	
		- Sales of property foreclosed	Exceed than appraisal value of
			independent appraiser
		- Gain on sales of assets	At agreed price
Krungthep Thanakom Co., Ltd.	Common executive directors	- Office area rental and service income	Base on normal course of business
		- Trade accounts receivable - agreement	
Skyway Realty Co., Ltd.	Common director/shareholders	- Interest expenses	Base on agreed under contract
Ploenchit Capital Limited.	Common director	- Financial advisor fee	Base on normal course of business
Mr. Yothin Boondicharoen	Company and subsidiary's director	- Guarantee loans from banks	Non-remuneration
		- Accrued plan administrator remuneration	Base on agreed under contract
Mr. Jetesiri Boondicharoen	Company and subsidiary's director	- Guarantee loans from bank	Non - remuneration
Mr. Chumpol Surintraboon	Subsidiary's director	- Accrued plan administrator	Base on agreed under contract

The significant transactions with related parties are as follows:

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	December 31, 2011	December 31, 2010	December 31, 2011	December 31, 2010
32.3 Cash at bank				
Related company				
Bank of Ayudhya Plc.	35,695	194,032	28,801	116,115
32.4 Trade and other receivables - related companies				
32.4.1 Trade account receivables				
Subsidiary companies				
Pharam 9 Square Ltd.	-	-	2	344
Belle Development Co., Ltd.	-	-	638	1,075
M&D Entertainment Co., Ltd.	-	-	3,625	3,625
Less Allowance for doubtful accounts	-	-	(3,625)	(3,625)
Total trade account receivable - subsidiaries	**-**	**-**	**640**	**1,419**
Related companies				
Breguest Thai Co., Ltd.	85	646	85	646
Charernkit Enterprise Co., Ltd.	-	880	-	880
Italian-Thai Development Plc.	111	122	111	122
Grand Fortune Co., Ltd.	10,002	8,563	10,002	8,563
Bank of Ayudhya Plc.	6	5	6	5
BBTV New Media Co., Ltd.	-	29	-	29
Krungthep Thanakom Co., Ltd.	-	554	-	554
Total	**10,204**	**10,799**	**10,204**	**10,799**
Total trade accounts and notes receivable	**10,204**	**10,799**	**10,844**	**12,218**
related companies				
32.4.2 Other receivables - advance payment				
Associate				
Iloura (Thailand) Co., Ltd.	2,360	2,360	2,360	2,360
Less Allowance for doubtful accounts	(2,360)	(2,360)	(2,360)	(2,360)
Total other receivables - associate	**-**	**-**	**-**	**-**
Related companies				
Krungthep Thanakom Co., Ltd.	2,940	2,940	2,940	2,940
Total other advance payment receivables - net	**2,940**	**2,940**	**2,940**	**2,940**
32.4.3 Other receivables				
Charernkit Enterprise Co., Ltd.	-	240	-	240
Super Assets Co., Ltd.	6	-	6	-
Total other receivables	**6**	**240**	**6**	**240**

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	December 31, 2011	December 31, 2010	December 31, 2011	December 31, 2010
32.4.4 Other receivables - accrued interest income				
Subsidiary companies				
Pharam 9 Square Ltd.	-	-	1,565	1,453
Belle Development Co., Ltd.	-	-	287	-
Total other receivables - accrued interest income	**-**	**-**	**1,852**	**1,453**
32.4.5 Other receivables - prepaid insurance premium				
Related company				
Bank of Ayudhya Plc.	-	443	-	443
Total trade and other receivables	**13,150**	**14,422**	**15,642**	**17,294**
32.5 Short-term loans				
Media Studio Co., Ltd.				
Beginning balances	-	-	-	71,800
Increase during the period	-	-	-	25,000
Repayment during the period	-	-	-	(96,800)
Ending balances	**-**	**-**	**-**	**-**
Praram 9 Square Ltd.				
Beginning balances	-	-	255,316	4,000
Increase during the period	-	-	26,403	251,316
Repayment during the period	-	-	(8,783)	-
Ending balances	**-**	**-**	**272,936**	**255,316**
Belle Development Co., Ltd.				
Beginning balances	-	-	-	-
Increase during the period	-	-	50,000	48,113
Repayment during the period	-	-	-	(48,113)
Ending balances	**-**	**-**	**50,000**	**-**
Total short-term loans to-related companies	**-**	**-**	**322,936**	**255,316**
32.6 Inventories				
Related companies				
Charernkit Enterprise Co., Ltd.	46,586	46,586	-	-
Belle Park Residence Co., Ltd.	6,420	6,420	-	-
Italian -Thai Development Plc.	866,382	330,910	-	-
Total Inventories	**919,388**	**383,916**	**-**	**-**
32.7 Advance payment under construction contract				
Related company				
Italian - Thai Development Plc.	59,620	52,923	-	-

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	December 31, 2011	December 31, 2010	December 31, 2011	December 31, 2010
32.8 Long - term investment				
Related company				
Central Pattana Nine Square Co., Ltd.	104,520	104,520	-	-
32.9 Investment properties - land and building under construction for rent				
Related companies				
Charernkit Enterprise Co., Ltd.	2,000,300	70,264	1,930,036	-
Great Fortune Equity Co., Ltd.	1,030	1,030	-	-
Super Assets Co., Ltd.	2,366	857	-	-
C.K.S. Holding Co., Ltd.	53,666	19,428	-	-
Ploenchit Capital Limited.	12,573	-	-	-
Grand Fortune Co., Ltd.	317,476	-	317,476	-
Total	**2,387,411**	**91,579**	**2,247,512**	**-**
32.10 Prepaid for land rental				
Related companies				
Super Assets Co., Ltd.	7,148	8,536	-	-
C.K.S. Holding Co., Ltd.	162,140	193,619	-	-
Total prepaid for land rental	**169,288**	**202,155**	**-**	**-**
32.11 Deposit under contract to buy or to lease of land				
Related company				
Charernkit Enterprise Co., Ltd.	-	113,980	-	-
32.12 Pledged banks deposit				
Related company				
Bank of Ayudhya Plc.	-	1,111	-	-
32.13 Trade and other payables				
32.13.1 Trade account payables				
Associate				
Iloura (Thailand) Co., Ltd.	313	313	313	313
Related companies				
Italian - Thai Development Plc.	149,115	96,205	5,153	2,736
Total trade accounts and notes payable	**149,428**	**96,518**	**5,466**	**3,049**
32.13.2 Other payables - accrued interest expenses				
Related companies				
Bank of Ayudhya Plc.	-	44	-	44
Great Fortune Equity Co., Ltd.	531	434	-	-
Total other payables - accrued interest expenses	**531**	**478**	**-**	**44**

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	December 31, 2011	December 31, 2010	December 31, 2011	December 31, 2010
32.13.3 Other payables				
Related companies				
Bank of Ayudhya Plc.	-	357	-	357
Italian - Thai Development Plc.	141	-	141	-
Total other payables	**141**	**357**	**141**	**357**
Total trade and other payables	**150,100**	**97,353**	**5,607**	**3,450**
32.14 Unrecognized income on installments due				
Related company				
Charernkit Enterprise Co., Ltd.	9,154	9,154	-	-
32.15 Retention payable				
Related company				
Italian - Thai Development Plc.	44,147	17,571	-	-
32.16 Assets payable - Related Party				
Subsidiary				
Pharam 9 Square Ltd.	-	-	113,980	-
32.17 Deposit received under agreement to buy and to sell of building				
Related company				
Central Pattana Nine Square Co., Ltd.	-	1,079,150	-	-
32.18 Long - term loans				
Related company				
Great Fortune Equity Co., Ltd.	100,000	100,000	-	-
32.19 Long - term loans from financial institutions - net				
Bank of Ayudhya Plc.				
Beginning balances	255,042	320,768	255,042	320,768
Increase during the period	-	-	-	-
Repayment during the period	(255,042)	(65,726)	(255,042)	(65,726)
Total	**-**	**255,042**	**-**	**255,042**
32.20 Rental guarantee payment / services				
Subsidiary				
Belle Development Co., Ltd.	-	-	1,180	1,180
Related companies				
Bank of Ayudhya Plc.	10	10	10	10
Italian-Thai Development Plc.	-	50	-	50
Krungthep Thanakom Co., Ltd.	-	2,074	-	2,074
Charernkit Enterprises Co., Ltd.	240	240	240	240
Total	**250**	**2,374**	**250**	**2,374**
Total rental guarantee payment / services	**250**	**2,374**	**1,430**	**3,554**

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	December 31, 2011	December 31, 2010	December 31, 2011	December 31, 2010
32.21 Gain on sales of assets				
Media Studio Co., Ltd.	-	-	-	52,401
Grand Fortune Co., Ltd.	10,205	-	10,205	-
Total	**10,205**	**-**	**10,205**	**52,401**
32.22 Gain on sales of investment				
Related companies				
Strong Hold Assets Co., Ltd.	-	121,473	-	59,151
BBTV Equity Co., Ltd.	40,000	-	40,000	-
Total	**40,000**	**121,473**	**40,000**	**59,151**
32.23 Gain on different under agreement to buy and to sell of building				
Related company				
Central Pattana Nine Square Co., Ltd.	16,367	-	-	-
32.24 Services income				
Subsidiary				
Belle Development Co., Ltd.	-	-	1,724	1,561
Related companies				
Krungthep Thanakom Co., Ltd.	3,254	3,836	3,254	3,836
Charernkit Enterprises Co., Ltd.	960	880	960	880
Italian - Thai Development Plc.	84	272	84	272
Bank of Ayudhya Plc.	2	2	2	2
Total	**4,300**	**4,990**	**4,300**	**4,990**
Total services income	**4,300**	**4,990**	**6,024**	**6,551**
32.25 Rental income				
Subsidiaries				
Belle Development Co., Ltd.	-	-	2,994	2,652
Pharam 9 Square Ltd.	-	-	12	12
Total	**-**	**-**	**3,006**	**2,664**
Related companies				
Krungthep Thanakom Co., Ltd.	3,659	4,274	3,659	4,274
Bank of Ayudhya Plc.	48	44	48	44
Media Studio Co., Ltd.	-	-	-	756
Total	**3,707**	**4,318**	**3,707**	**5,074**
Total rental income	**3,707**	**4,318**	**6,713**	**7,738**
32.26 Interest income				
Subsidiaries				
Belle Development Co., Ltd.	-	-	361	572
Pharam 9 Square Ltd.	-	-	19,077	10,635
Total	**-**	**-**	**19,438**	**11,207**

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	December 31, 2011	December 31, 2010	December 31, 2011	December 31, 2010
Related company				
Bank of Ayudhya Plc.	944	1,876	944	1,876
Media Studio Co., Ltd.	-	-	-	916
Total	**944**	**1,876**	**944**	**2,792**
Total interest income	**944**	**1,876**	**20,382**	**13,999**
32.27 Other income				
Related companies				
Media Studio Co., Ltd.	-	-	-	1,536
BBTV News Medias Co., Ltd.	-	29	-	29
Bank of Ayudhya Plc.	-	7	-	7
Total other income	**-**	**36**	**-**	**1,572**
32.28 Property tax income				
Subsidiaries				
Belle Development Co., Ltd.	-	-	374	331
Pharam 9 Square Ltd.	-	-	2	2
Total	**-**	**-**	**376**	**333**
Related companies				
Krungthep Thanakom Co., Ltd.	456	540	456	540
Bank of Ayudhya Plc.	6	5	6	5
Total	**462**	**545**	**462**	**545**
Total property tax income	**462**	**545**	**838**	**878**
32.29 Infrastructure income				
Subsidiary				
Belle Development Co., Ltd.	-	-	420	279
Related companies				
Bank of Ayudhya Plc.	12	11	12	11
Krungthep Thanakom Co., Ltd.	207	266	207	266
Total	**219**	**277**	**219**	**277**
Total infrastructure income	**219**	**277**	**639**	**556**
32.30 Project management income				
Subsidiary				
Belle Development Co., Ltd.	-	-	67,290	25,800
Pharam 9 Square Ltd.	-	-	13,458	6,750
Total	**-**	**-**	**80,748**	**32,550**

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	December 31, 2011	December 31, 2010	December 31, 2011	December 31, 2010
Related company				
Grand Fortune Co., Ltd.	31,179	29,798	31,179	29,798
Breguet Thai Co., Ltd.	2,284	3,678	2,284	3,678
Total	**33,463**	**33,476**	**33,463**	**33,476**
Total project management income	**33,463**	**33,476**	**114,211**	**66,026**
32.31 Selling management income				
Related company				
Grand Fortune Co., Ltd.	3,595	5,370	3,595	5,370
Breguet Thai Co., Ltd.	1,781	80	1,781	80
Total selling management income	**5,376**	**5,450**	**5,376**	**5,450**
32.32 Interest expenses				
Related company				
Charernkit Enterprises Co., Ltd.	-	9,854	-	9,854
Bank of Ayudhya Plc.	10,400	17,580	10,400	17,580
Skyway Realty Co., Ltd.	-	149	-	149
Great Fortune Equity Co., Ltd.	5,884	4,511	-	-
Total interest expenses	**16,284**	**32,094**	**10,400**	**27,583**
32.33 Administrative expenses				
Related company				
The Ayudhya Insurance Plc.	443	557	443	557
Italian - Thai Development Plc.	141	-	141	-
BBTV Equity Co., Ltd.	-	667	-	-
Total	584	1,224	584	557
32.34 Related persons				
32.34.1 Accrued plan administrator's remuneration				
Mr. Yothin Boondeechareon	-	500	-	-
Mr. Chumpol Surintraboon	-	500	-	-
Total	**-**	**1,000**	**-**	**-**

In the second quarter of 2011, subsidiary has cancelled the accrued plan administrator's remuneration in total, then, such obligation is finished.

32.34.2 Guarantee

As at December 30, 2011 and 2010, two directors of the Company got in the guarantee overdraft line, loans from bank and promissory notes aval line of subsidiary amount of Baht 3,819.20 million as stated in note 18 and 22.

33. Supplemaental disclosure of cash flows information

33.1 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and the bank balance in the statements of financial position as follows

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	December 31, 2011	December 31, 2010	December 31, 2011	December 31, 2010
Cash	42,940	811,762	13,749	12,758
Current accounts	195,305	197,305	188,305	190,305
Saving deposit	137,147,527	182,133,393	50,029,877	115,924,352
Fixed deposits	-	1,421,059	-	-
Bills of exchange	-	50,000,000	-	-
Total	137,385,772	234,563,519	50,231,931	116,127,415

33.2 Non - cash transaction

33.2.1 In the second quarter of 2011, the Company has sold investment in subsidiary - Khao Kheow Country Club Company Limited to a related company as stated in note 12.2.

(Unit : Baht)

	Consolidated financial statements
Assets	
Cash	15,006,630
Short - term investments	28,532,420
Inventories	1,162,387
Other current assets	3,741,713
Property, plant and equipment	672,555,755
Intangible assets	277,644
Pledged bank deposit	1,164,000
Other non - current assets	524,897
Liabilities	
Trade accounts payable	(938,480)
Accrued expenses	(3,515,225)
Other current liabilities	(1,731,129)
Other non - current liabilities	(26,190)
Non - controlling interests	(213,019,414)
Net assets at the disposal date	503,735,008
Add Gain on sales of investment in subsidiary	16,264,992
Net cash received from sales of investment in subsidiary in the separate financial statements	520,000,000
Less Cash and cash equivalents of subsidiary	(15,006,630)
Net cash received from sales of investment in subsidiary in the consolidated financial statements	504,993,370

33.2.2 In the first quarter of 2010, the Company has sold investment in subsidiary - Media Studio Co., Ltd. to a related company as stated in note 12.2.

(Unit : Baht)

	Consolidated financial statements
Assets	
Cash and cash equivalents	20,157,724
Trade accounts receivable	88,949,222
Inventories	28,996,020
Other current assets	46,270,024
Property, plant and equipment	134,515,460
Intangible assets	12,183,684
Non - current assets	759,256
Liabilities	
Bank overdrafts	(2,355,746)
Trade accounts payable	(27,877,367)
Accrued expenses	(10,383,020)
Other current liabilities	(12,397,467)
Total net assets	278,817,790
Gain on sales of investment in subsidiary	121,473,209
Net cash received from sales of investment in subsidiary in the separate financial statements	400,290,999
Less Cash and cash equivalents of subsidiary	(20,157,724)
Net cash received from sales of investment in subsidiary in the consolidated financial statements	380,133,275

33.2.3 As at December 31, 2011, the Company has paid dividend by ordinary shares amount of Baht 111.06 million.

33.2.4 As at December 31, 2011, the Company has assets payable arising from purchase of land amount of Baht 113.98 million.

33.2.5 As at December 31, 2011, the Company issued ordinary shares amount of Baht 710.01 million in order to pay for assets, resulted premium on share capital issuance amount of Baht 589.31 million.

33.2.6 As at December 31, 2011 and 2010, subsidiary capitalized interest expenses as cost of building construction for rent amount of Baht 65.26 million and Baht 21.29 million respectively.

33.2.7 As at December 31, 2011 and 2010, subsidiary amortized prepaid land rental as investment property amount of Baht 32.87 million and Baht 5.98 million respectively.

33.2.8 As at December 31, 2011 and 2010, subsidiary records interest expenses as investment property amount of Baht 20.32 million and Baht 0.77 million respectively.

33.2.9 As at December 31, 2010, subsidiary purchased ordinary shares of another subsidiary by repurchasing from minor shareholders. As a result, unappropriated retained earnings in the consolidated financial statements decreased by the amount of Baht 0.39 million derived from loss on changes in percentage of investment in subsidiary.

34. Litigation

34.1 A trade accounts payable of the M&D Entertainment Company Limited has filed a lawsuit with the Civil Court against the M&D Entertainment Company Limited for payment of debt in the amount of Baht 4.45 million (including VAT). Later on August 3, 2005, the Civil Court rendered its judgment ordering the M&D Entertainment Company Limited to pay the creditor as claimed in the amount of Baht 5.26 million (its principal amount of Baht 4.07 million, value added tax amount of Baht 0.38 million and fine amount of Baht 0.81 million with the interest on principal at 7.5% per annum counting from September 1, 2000 onwards). This claim and value added tax amount of Baht 4.45 million was recorded as liabilities. The M&D Entertainment Company Limited has submitted an appeal on October 31, 2005. Later in 2011, the Appeal Court has affimed the judgment of the Court of First Instance. The Company has recorded fines including interest and official fee total amount of Baht 3.47 million in the finanical statements.

34.2 One company filed a lawsuit against the Company demanding to pay for hiring fee of Baht 5.91 million but the Company efused to pay because no hiring was made. Later on September 15, 2008, the Court of First Instance rendered its judgment to dismiss the case. At present, the case is still pending the consideration of the Appeal Court.

35. Commitments

(Unit : Million Baht)

		Consolidated financial statements		Separate financial statements	
		December 31, 2011	December 31, 2010	December 31, 2011	December 31, 2010
35.1	Design expenses	59.59	16.91	17.03	0.14
35.2	Architecture design contract	3.96	3.21	1.73	-
35.3	Building value engineering systems contract	8.52	-	1.91	-
35.4	Building construction contract	826.46	995.74	168.67	-
35.5	Plaza building construction contract	-	736.53	-	-
35.6	Construction soils diaphragm walls contract	2.48	9.82	-	-
35.7	Building construction work service and control contract	119.03	17.18	5.83	-
35.8	Electricity system, fire extinguishment and air-conditioned contract	847.74	1,061.80	-	-
35.9	Hire of study and report of environmental impact assessment contract	-	0.09	-	0.09
35.10	Engineering system design for study and report of environmental impact assessment contract	-	0.07	-	0.07
35.11	Advisory and design for monorail transit system contract (Monorail)	26.81	25.06	26.81	25.06
35.12	Mock-up room rental and services contract	-	5.08	-	-
35.13	Rental, service and document keeping contract	0.07	0.24	0.07	-
35.14	Monthly rental contract at additional rate every 3 years of Baht 240,000 to Baht 843,900	281.51	173.94	-	-
35.15	Advertising contract	2.24	3.16	-	-
35.16	Hire of work and service	5.39	1.71	2.30	1.56
35.17	Financial advisory contract	-	0.21	-	0.21
35.18	Aluminum glass	108.48	-	-	-
35.19	Lift and escalator work agreement	126.94	-	-	-
35.20	Furniture and decoration work	100.37	-	-	-
35.21	Land cost under agreement to buy and to sell for electricity sub - station construction	68.65	-	-	-

35.22 Commitment from project development on hand

	Consolidated financial statements (Million Baht)	
	December 31, 2011	December 31, 2010
Number of project on hand beginning of the period	1	1
Number of opened project	1	1
Number of new project	-	-
Number of project on hand, ending of the period	1	1
Valuation of project on hand	13,132.88	13,078.06
Valuation of opened project	6,326.31	6,271.49
Contract sales value	3,763.72	2,347.64
Sales value of project on hand (%)	28.66	17.95
Sales value of project opened to subscribe (%)	59.49	37.43

36. Contingent liabilities

36.1 On July 1, 2011, the Company entered into agreement with a company that the Company will construct the building to be completed within January 1, 2014 for such company renting. If the Company could not comply with agreement that the fine will be charged at (i) the amount of Baht 100,000.00 per day for overdue not exceeds 100 days (ii) the amount of Baht 200,000.00 per day for overdue exceeds 100 days, thus total fine will not exceed amount of Baht 30 million.

36.2 A subsidiary has commitment under the agreement to buy and to sell of condominium units, if such subsidiary could not transfer the ownership of such condominium to the buyer in time as indicated in agreement. The buyer can claim at the rate indicated in agreement as following: (i) if the buyer use the exercise right to cancel agreement that the payment amount by the buyer including interest at the rate of 0.01% per day (3.65% per annum) will return to the buyer (ii) if the buyer did not cancel agreement that the Company allowed to pay daily fine at the rate of 0.01 per day (3.65% per annum) of the unit price, thus the total fine from (i) and (ii) not exceeded 10% of unit price. As at December 31, 2011, the Company has recorded estimates of defaulted interest in the amount of Baht 2.34 million.

36.3 As at December 31, 2011 and 2010, the Company and its subsidiaries have commitment under letters of guarantee issued by commercial banks amount of Baht 65.74 million and Baht 3.48 million respectively (Separate : Baht 1.53 million and Baht 0.93 million respectively).

36.4 As at December 31, 2011 and 2010, subsidiary has contingent liabilities for guarantee the payment to a related company amount of Baht 0.49 million.

37. Events after the reporting period

On January 17, 2012, the Company has purchase land of other personals for 3 plots total areas 2 - 0 - 69 rais or 869 square wah which is located at Bangkapi, Hwaykhoang, Bangkok in the purchasing price total amount of Baht 102,976,500.00 for transferring to the Metropolitan Electricity Authority purposes to construct the power station. The Metropolitan Electricity Authority has to sign reciprocal contract with the Company by distributing electricity current to the Company's project in compliance with the minutes of Board of directors' meeting no. 3/2011 dated June 28, 2011.

38. Financial instruments

The Company and its subsidiary companies are exposed to risk from changes in market interest rates and from non - performance of contractual obligations by counterparties. The Company and its subsidiary companies do not hold or issue derivative instruments for speculative or trading purposes.

38.1 Accounting policies

Details of significant accounting policies, recognition of measurement in respect of each class of financial assets or financial liabilities are disclosed in note 4.

38.2 Interest rate risk

Risk from interest rates incurred from the change of interest rates in the future which will have affect on the result of operation and the Company cash flow. The Company constitutes assets and liabilities which hold risk from interest rates in the consolidated financial statements as follows :

Consolidated financial statements as at December 31, 2011 (Million Baht)						
	Fixed interest rates					
	Within one year and at call	1 - 5 years	Floating interest rate	Non-interest bearing	Total	Interest rate (% p.a.)
Financial assets						
Cash and cash equivalents	-	-	137.15	0.24	137.39	0.25
	-	-	137.15	0.24	137.39	
Financial liabilities						
Short - term loans from financial institutions	-	-	640.00	-	640.00	MLR - 1
Long - term loans from related parties	-	100.00	-	-	100.00	MLR - 1
Long - term loans from financial institutions	-	-	1,667.22	-	1,667.22	MLR - 1
	-	100.00	2,307.22	-	2,407.22	

Consolidated financial statements as at December 31, 2010 (Million Baht)						
	Fixed interest rates					
	Within one year and at call	1 - 5 years	Floating interest rate	Non-interest bearing	Total	Interest rate (% p.a.)
Financial assets						
Cash and cash equivalents	-	-	182.13	1.01	183.14	0.25 - 0.75
Fixed deposit	1.42	-	-	-	1.42	0.75 - 2.25
Securities for trading	-	-	-	28.24	28.24	
Temporary bills of exchange	50.00	-	-	-	50.00	1.78
	51.42	-	182.13	29.25	262.80	
Financial liabilities						
Long - term loans from related parties	-	100.00	-	-	100.00	MLR - 1
Long - term loans from financial institutions	71.56	-	779.40	-	850.96	MLR - 0.25
	71.56	100.00	779.40	-	950.96	

Separate financial statements as at December 31, 2011 (Million Baht)						
	Fixed interest rates					
	Within one year and at call	1 - 5 years	Floating interest rate	Non-interest bearing	Total	Interest rate (% p.a.)
Financial assets						
Cash and cash equivalents	-	-	50.03	0.20	50.23	0.25 - 0.75
	-	-	50.03	0.20	50.23	
Financial liabilities						
Short - term loans from financial institutions	-	-	640.00	-	640.00	MLR - 1
	-	-	640.00	-	640.00	

Separate financial statements as at December 31, 2010 (Million Baht)						
	Fixed interest rates					
	Within one year and at call	1 - 5 years	Floating interest rate	Non-interest bearing	Total	Interest rate (% p.a.)
Financial assets						
Cash and cash equivalents	-	-	115.92	0.20	116.12	0.25 - 0.75
	-	-	115.92	0.20	116.12	
Financial liabilities						
Long - term loans from financial institutions	71.56	-	183.48	-	255.04	MLR - 0.25
	71.56	-	183.48	-	255.04	

38.3 Credit risk

The Company and its subsidiaries are exposed to credit risk primarily with respect to customers unable payment or default terim and condition due. The Company and its subsidiaries manage the risk by adopting appropriate credit control policies. The Company and its subsidiaries do not have high concentration of credit risk since it has a large customer base. In addition, ownership of inventory not transfer to customer. The maximum exposure depend on diminution in value of inventory which was not transferred.

38.4 Liquidity risk

Liquidity risk of fund mobilization arises from the difficulty to mobilize funds timely and to adequately accommodate commitments under the financial instruments. The Company and its subsidiary companies have liquidity risk from short - term loans and loans from person and related companies, which is due on demand at large number. In addition, the Company and its subsidiaries also have liquidity risks arising from the customers who can not pay debts when due on transferring title deeds according to the contract.

38.5 Fair value of financial instruments

Financial assets and financial liabilities presented in the statements of financial position shown at book value which are nearly to estimated fair value. As majority financial assets and financial liabilities are classified in short - term. Loans carrying fixed interest rate mostly due at call and long - term loans carrying interest at float rate.

39. Changes in accounting estimates

39.1 Since January 1, 2011, the Company has changed the estimated useful life of component of investment properties office building for rent - net. Such change has been immediately applied in accordance with the transitional of accounting standards and has resulted in decreasing depreciable amount per year. The consolidated and separate financial statements for the year ended December 31, 2011, therefore, presented the increase in investment properties in form of office building for rent - net and net profit at the same amount of Baht 22.89 million.

39.2 Since January 1, 2010, the Company has changed the estimated useful life of building from 10 - 20 years to 10 - 43 years, the Company's management has reviewed and changed the estimated useful life of assets to conform to the expected economic benefits generated from such assets.

The changes in estimated accounting as above mentioned, the Company used immediately change resulted the decreasing in depreciation. As a result, the consolidated and separate financial statements for the year ended December 31, 2010, presented the increase in land, building and equipment and increase in net profit by the same amount of Baht 25.38 million.

40. Reclassification of accounts

The certain accounts in 2010 have been reclassified to conformity with the presentation with the financial statements by following significant reclassification.

40.1 In the consolidated financial statements, the Company has transferred land, building and equipment - net (portion) and building under construction for rent amount of Baht 1,158.57 million to be investment properties.

40.2 In the separate financial statements, the Company has transferred land, building and equipment - net (portion) and office building for rent amount of Baht 1,255.18 million to be investment properties.

40.3 The presentation inthese financial statements have been prepared in compliance with the regulations in the notification of Department of Business Development dated September 28, 2011 regarding the condensed form should be included in the financial statements B. E. 2554, the certain accounts in comparative financial statements have been prepared for corresponding with the reclassification of currently accounts which have no impacts on statements of comprehensive income or shareholders' equity as previously reported.

The reclassification in the 2010 financial statements for corresponding with the 2011 financial statements are as follows:

	Consolidated financial statements (Baht)		
	Before reclassify	Reclassify	After reclassify
Statements of financial position as at December 31, 2010			
Assets			
Trade and other receivables	-	18,032,385	18,032,385
Trade accounts receivable	12,971,518	(12,971,518)	-
Other current assets - value added tax	106,927	(106,927)	-
Other current assets - others	8,430,870	(8,430,870)	-
Other current assets	-	3,476,930	3,476,930
Other non - current assets			
Pledged bank deposits	44,034,500	(44,034,500)	-
Others	1,364,139	(1,364,139)	-
Other non - current assets	-	45,398,638	45,398,638
Liabilities			
Trade and other payables	-	271,313,045	271,313,045
Trade accounts payable	258,740,986	(258,740,986)	-
Retention payable	19,111,635	74,556	19,186,191
Accrued commission expenses	76,152	(76,152)	-
Accrued expenses	14,932,878	(14,932,878)	-
Unearned revenue	1,579,908	(1,579,908)	-
Accrued interest expenses	477,918	(477,918)	-
Other current liabilities - others	10,680,054	(10,680,054)	-
Other current liabilities	-	15,138,634	15,138,634
Other non-current liabilities - deferred membership fee	38,339	(38,339)	-

	Separate financial statements (Baht)		
	Before reclassify	Reclassify	After reclassify
Statements of financial position as at December 31, 2010			
Assets			
Trade and other receivables	-	20,687,668	20,687,668
Trade accounts receivable	14,388,076	(14,388,076)	-
Other current assets - value added tax	104,418	(104,418)	-
Other current assets - others	6,299,592	(6,299,592)	-
Other current assets	-	104,418	104,418
Other non - current assets			
Pledged bank deposits	934,703	(934,703)	-
Others	464,629	(464,629)	-
Other non - current assets	-	1,399,332	1,399,332
Liabilities			
Trade and other payables	-	13,950,866	13,950,866
Trade accounts payable	4,090,066	(4,090,066)	-
Retention payable	-	74,556	74,556
Accrued commission expenses	76,152	(76,152)	-
Accrued expenses	6,975,490	(6,975,490)	-
Unearned revenue	1,579,908	(1,579,908)	-
Accrued interest expenses	43,672	(43,672)	-
Other current liabilities - others	7,527,770	(7,527,770)	-
Other current liabilities	-	6,267,636	6,267,636

	Consolidated financial statements (Baht)		
	Before reclassify	Reclassify	After reclassify
Statements of cash flows for the year ended December 31, 2010			
Cash flows from operation			
(Increase) Decrease in operating assets			
Trade and other receivables	-	24,387,284	24,387,284
Trade accounts receivable	13,271,316	(13,271,316)	-
Advances receivable and short-term loans			
to related parties	16,027,965	(16,027,965)	-
Other current assets	(32,370,200)	4,911,972	(27,458,228)
Other non - current assets	4,753,779	24	4,753,803
(Increase) Decrease in operating liabilities			
Trade and other payables	-	66,369,414	66,369,414
Trade accounts payable	123,739,273	(123,739,273)	-
Retention payable	11,480,624	74,556	11,555,180
Unearned revenue	(13,426,091)	13,426,091	-
Accrued expenses	(9,464,621)	9,464,621	-
Other current liabilities	(37,149,981)	34,418,993	(2,730,988)
Non - current liabilities	769,184	(14,400)	754,784

	Separate financial statements (Baht)		
	Before reclassify	Reclassify	After reclassify
Statements of cash flows for the year ended December 31, 2010			
Cash flows from operation			
(Increase) Decrease in operating assets			
Trade and other receivables	-	71,201,739	71,201,739
Trade accounts receivable	69,083,697	(69,083,697)	-
Other current assets	13,845,210	(11,460,337)	2,384,873
Other non - current assets	(464,629)	9,342,295	8,877,666
(Increase) Decrease in operating liabilities			
Trade and other payables	-	(86,759,450)	(86,759,450)
Trade accounts payable	(17,611,182)	17,611,182	-
Retention payable	-	72,381	72,381
Unearned revenue	(13,426,091)	13,426,091	-
Accrued expenses	(37,933,601)	37,933,601	-
Other current liabilities	(22,573,984)	17,716,195	(4,857,789)

41. Financial statements approval

These financial statements were approved and authorized for issue by the Company's Board of directors on February 28, 2012.