

MINOR INTERNATIONAL

MINOR INTERNATIONAL

BRAND SHOWCASE



Four Seasons Hotel Bangkok

Successfully renovated 40% and 60% of its hotel rooms in 2005 and 2006, respectively.

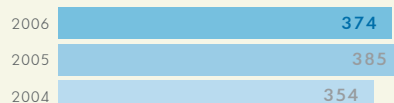
Four Seasons Hotel Bangkok Sales Baht Million



Four Seasons Resort Chiang Mai

Continues to be one of the world's premier resorts despite more competition from new resorts in Chiang Mai.

Four Seasons Resort Chiang Mai Sales Baht Million



Four Seasons Tented Camp

Successfully completed its first full year of operations in Thailand's Golden Triangle near Chiang Rai.

Four Seasons Tented Camp Sales Baht Million



Four Seasons Resort Samui

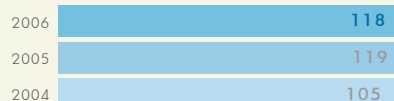
Opened in February 2007 as the leading luxury resort on Thailand's Koh Samui.



Anantara Resort and Spa Golden Triangle

Our stunning Anantara in northern Thailand continues to receive awards and industry acclaim.

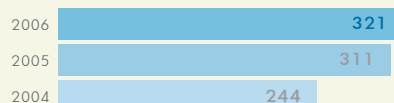
Anantara Golden Triangle Sales Baht Million



Anantara Resort and Spa Hua Hin

Our largest Anantara resort with 187 rooms holds a leadership position in the Hua Hin market.

Anantara Hua Hin Sales Baht Million



Anantara Resort and Spa Samui

In only its second full year in operation, achieved a 60% average occupancy rate and a 31% increase in total revenue.

Anantara Samui Sales Baht Million



Anantara Resort and Spa Maldives

Successfully opened in September 2006 as the first Anantara outside of Thailand.

Anantara Maldives Sales USD Million

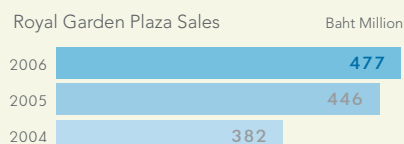


		JW Marriott Phuket Resort & Spa 8% increase in room rates drove revenue up by 9% in 2006.	JW Marriott Phuket Sales Baht Million 2006 788 2005 720 2004 711
		Bangkok Marriott Resort & Spa Our largest hotel property with 413 rooms achieved a 9% increase in revenues in 2006.	Bangkok Marriott Sales Baht Million 2006 1,036 2005 950 2004 802
		Hua Hin Marriott Resort & Spa Stronger occupancy rates and an increase in revenue per available room led to an 8% increase in 2006 revenues.	Hua Hin Marriott Sales Baht Million 2006 349 2005 325 2004 278
		Pattaya Marriott Resort & Spa Stronger occupancy rates and an increase in revenue per available room led to a 13% increase in 2006 revenues.	Pattaya Marriott Sales Baht Million 2006 496 2005 438 2004 391
		Marriott Vacation Club Phuket 144 timeshare rooms operating next to our JW Marriott in Phuket under a 50/50 joint venture with Marriott.	Marriott Vacation Club Sales Baht Million 2006 1,249 2005 909 2004 0
		Boduhuraa Maldives Opened in December 2005 and achieved average occupancy of 74% in 2006.	Boduhuraa Maldives Sales USD Million 2006 3.82 2005 0.08 2004 0
		Naladhu Maldives Opened in the Maldives in March 2007 and is one of the most luxurious in our resort portfolio.	
		Harbour View Vietnam Our sole Vietnam property continues to perform well in northern Vietnam.	Harbour View Vietnam Sales USD Million 2006 2.0 2005 1.7 2004 1.4
		MSpa International Opened 7 spas in 2006 and now operates 24 spas in 5 countries.	MSpa International Sales Baht Million 2006 380 2005 316 2004 297
		Royal Garden Entertainment Sales up 82% since opening Ripley's Haunted Adventure in Pattaya in late 2004.	Royal Garden Entertainment Sales Baht Million 2006 95 2005 88 2004 52



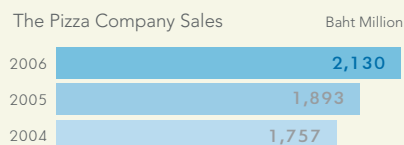
Royal Garden Plaza

Our shopping centers adjacent to our Marriott hotels in Bangkok and Pattaya combined to achieve a 7% increase in revenue in 2006.



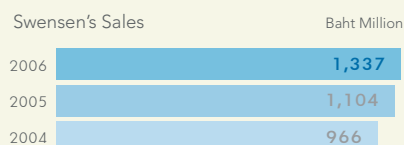
The Pizza Company

Our own brand achieved a 21% increase in revenue and continues to expand domestically and internationally with equity owned and franchised outlets.



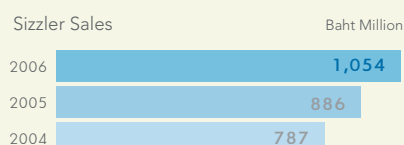
Swensen's

Currently franchising in six international markets with opportunities to expand to 33 international markets.



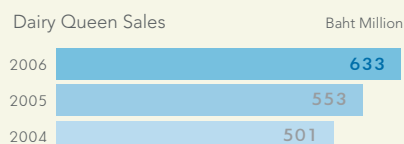
Sizzler

In 2006, we owned and operated 30 outlets in Thailand and 7 outlets in Beijing.



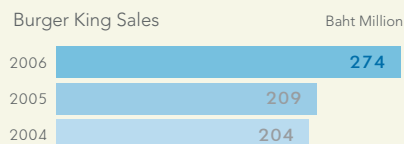
Dairy Queen

Achieved a 14% increase in sales in 2006.



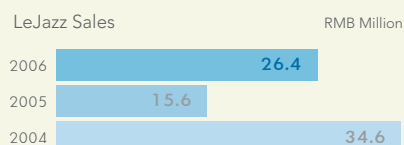
Burger King

With great locations and premium quality, BK enjoys a loyal following in Thailand.



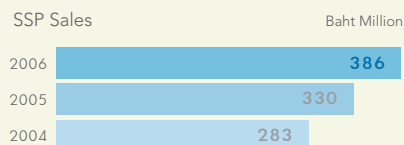
LeJazz

Consists of 18 outlets in Beijing under our own brand which we acquired in late 2005.



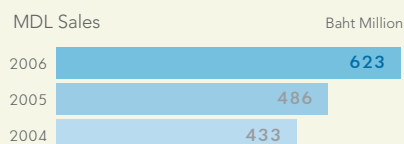
Select Service Partner (Thailand) Limited

Transferred operations to the new Suvarnbhumi airport in 2006.



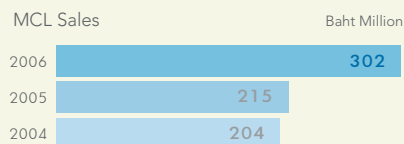
Minor Dairy Limited

Growing with the success of our Swensen's and Dairy Queen brands and beginning to supply third parties.



Minor Cheese Limited

Growing with the success of our The Pizza Company brand and beginning to supply third parties.



CORE VALUES

Customer Focus

Result Oriented

People
Development

Innovative

VISION

To be a leading international hospitality and leisure operator and a leading multiple food concept operator through the delivery of branded products and services providing **100% SATISFACTION** to all stakeholders.

Delivering premium branded hospitality services and food concepts globally

Every year, over 18,000 service professionals at 16 hotels and resorts, 24 spas and 630 restaurants have the pleasure of serving over 70 million customers the very best in dining, resort lodging and spa treatments.



MINOR

INTERNATIONAL



CONTENTS

Financial Highlights	4
Financial Status at a Glance	5
Chairman and CEO's Statement	6
Social Contribution	26
Report of the Board of Directors' Responsibilities for Financial Statements	27
Report of the Audit Committee	28
Auditor's Report	29
Financial Statements	30
Management Discussion & Analysis	92
Connected Transactions	101
Nature of Business	109
Major Events in 2006	110
Risk Factors	111
Good Corporate Governance	115
Shareholders' Structure and Management	121
Subsidiaries and Affiliates	131
Corporate Information	137

สารบัญ

จุดเด่นทางการเงิน	140
สถานะการเงินพอสังเขป	141
รายงานจากประธานกรรมการ	142
ความรับผิดชอบต่อสังคม	162
รายงานความรับผิดชอบต่อ คณะกรรมการต่อรายงานทางการเงิน	163
รายงานคณะกรรมการตรวจสอบ	164
รายงานของผู้สอบบัญชีรับอนุญาต	165
งบการเงิน	166
คำอธิบายและบทวิเคราะห์ของฝ่ายจัดการ	228
รายการระหว่างกัน	237
ลักษณะการประกอบธุรกิจ	245
เหตุการณ์สำคัญในรอบปี พ.ศ. 2549	246
ปัจจัยความเสี่ยง	247
การกำกับดูแลกิจการที่ดี	252
โครงสร้างการถือหุ้นและการจัดการ	258
บริษัทย่อยและบริษัทในเครือ	268
ข้อมูลทั่วไป	274

FINANCIAL HIGHLIGHTS

	2002	2003	2004	2005	2006
Consolidated					
	(Baht Million)				
Net Sales	2,595	4,436	7,944	10,045	11,716
Total Revenues	2,749	4,662	8,237	10,443	12,430
Gross Profit	1,779	2,934	5,219	6,702	7,631
EBITDA	1,138	1,439	2,133	2,913	3,271
EBIT	727	782	1,214	1,760	1,961
Foreign Exchange Gain (Loss)	3	15	14	(2)	24
Net Profit (Loss)	346	401	712	1,061	1,280
Total Assets	7,319	10,955	14,080	15,439	17,787
Total Liabilities	4,133	6,693	8,425	9,500	9,662
Interest Bearing Debt	3,333	5,244	6,401	7,190	7,091
Total Equity	3,186	4,262	5,656	5,939	8,124
Paid up Share Capital	1,485	2,294	2,477	2,734	2,958
Net Cash Flow from Operating Activities	777	1,119	1,798	2,290	2,321
Profitability Ratio					
	(%)				
Gross Profit Margin	68.55	66.14	65.69	66.73	65.13
Net Profit Margin	12.57	8.59	8.64	10.16	10.30
Return on Total Assets (ROA)	4.91	4.38	5.69	7.19	7.71
Return on Equity (ROE)	11.69	10.76	14.36	18.30	18.21
Debt to Equity Ratio					
	(Times)				
Interest Bearing Debt/Equity Ratio	1.05	1.23	1.13	1.21	0.87
Long Term Debt/Equity Ratio	0.96	1.10	1.07	1.02	0.83
Gearing Ratio	1.30	1.57	1.49	1.60	1.19
Per Share Data					
	(Baht)				
Earnings per Share	0.21	0.22	0.29	0.41	0.44
Book Value per Share	2.15	1.86	2.28	2.17	2.75
Dividends per Share	0.10	0.14	0.10	0.22	0.125
Dividend Payout Ratio (%)	51.90	60.19	59.56	76.23	34.63
Operating Cash Flow per Share	0.48	0.63	0.75	0.92	0.86
Share Capital					
	(Thousand Shares)				
Par Value (Baht per Share)	5	5	1	1	1
Registered Ordinary Shares	332,399	486,886	2,443,145	3,097,854	3,313,076
Registered Preferred Shares	—	40,000	200,000	200,000	63,520
Number of Ordinary Share Outstanding	297,022	450,214	2,413,258	2,670,136	2,894,584
Number of Preferred Share Outstanding	—	8,579	63,520	63,520	63,520
Number of Weighted Average Ordinary Shares Outstanding	275,232	307,673	2,175,323	2,499,430	2,687,647
Number of Weighted Average Preferred Shares Outstanding	—	8,579	63,520	63,520	63,520
Number of Warrants Outstanding					
● Offered to Existing Shareholders	13,442	12,894	—	—	258,753
● Offered per Employee Stock Option Program	4,193	2,785	2,314	1,158	77,433

Notes : 1. Earning per share, book value per share, dividends per share and operating cash flow per share for the year 2002-2004 has been restated to reflect the share split from 1 share to 5 ordinary shares during the year 2005.
2. Dividends per share for the year 2005 are consisted of cash dividend at Baht 10.12 per share and share dividend at Baht 0.10 per share.
3. Dividend payout ratio for the year 2005 are consisted of cash dividend 142.17% and share dividend 34.06%.

FINANCIAL STATUS AT A GLANCE

Consolidated Cash Flow Statements

For the Year Ending 31 December 2006

		(Baht Million)
Net Cash Inflows from Operating Activities		2,321
Net Investments / Capital Expenditures	(1)	(2,968)
Net Inflows of Cash from Financing Activities	(2)	835
Net Changes in Cash & Equivalents		188
Net Cash & Equivalents on 31 December 2005		314
Net Cash & Equivalents on 31 December 2006		502

Consolidated Balance Sheets

For the Year Ending 31 December 2005

	(Baht Million)
Assets	
Cash & Equivalents	314
Other Current Assets	1,459
Investments & Others	3,447
Fixed Assets	10,199
Total Assets	15,419
Liabilities & Equity	
Current Liabilities	3,468
Long-term Liabilities	6,013
Share Capital, Premium & Reserves	3,523
Retained Earnings - Net	1,758
Minority Interest	657
Total Liabilities & Equity	15,419

Consolidated Statements of Income

For the Year Ending 31 December 2006

	(Baht Million)
Revenues	12,430
Gross Operating Profit	8,345
S&A Expenses	5,049
EBITA	3,296
Depreciation & Amortisation	1,310
EBIT	1,986
Interest Expenses	263
Earnings Before Taxes	1,723
Corporate Taxes	378
Forex Loss (Gain)	24
Minority Interest	41
Net Profit	1,280

Consolidated Balance Sheets

For the Year Ending 31 December 2006

		(Baht Million)
Assets		
Cash & Equivalents	(4)	502
Other Current Assets		2,003
Investments & Others	(5)	4,860
Fixed Assets	(6)	10,411
Total Assets		17,776
Liabilities & Equity		
Current Liabilities		3,980
Long-term Liabilities	(7)	5,672
Share Capital, Premium & Reserves	(8)	4,949
Retained Earnings - Net	(9)	2,629
Minority Interest	(10)	546
Total Liabilities & Equity		17,776

Retained Earnings

For the Year Ending 31 December 2006

	(Baht Million)
Balance as at 31 December 2005	1,758
Total Earnings for 2006	1,280
Legal Reserve	(64)
Dividends	(345)
Balance as at 31 December 2006	2,629

Notes :

- (1) Additional investment of Baht 225 million into subsidiaries and associates and of Baht 500 million into other company, Baht 1,926 million into new PPE and Baht 317 million in others.
- (2) Net new financing of Baht 835 million including Baht 1,185 million in new common shares.
- (3) Dividends of Baht 345 million were paid in May 2006, with common shareholders receiving Baht 336 million or Baht 0.125 per share and preferred shareholders Baht 9 million.
- (4) Final cash and cash equivalents of Baht 502 million also includes a net Baht 11 million overdraft.
- (5) Investments & others reflects investment in S&P shares, project under development; Four Seasons Samui, Samui Residence, Rajadamri Residence and new project in Phuket.

- (6) Total net fixed assets increased Baht 212 million over the year through both new construction of hotel of Baht 742 million and expansion of Food Group of Baht 737 million and reduction from depreciation of Baht 1,267 million.
- (7) Long-term liabilities decreased Baht 341 million due to repayment of long term borrowing and debentures.
- (8) The Company's capital base grew Baht 1,185 million in 2006 through the offer newly issued ordinary shares to existing shareholders at the exercise ratio of 15 existing shares per 1 new ordinary share with the offering price of 5.85 per share.
- (9) Retained earnings increased through higher profits in 2006.
- (10) Minority interests decreased primarily due to the increase in investment in Four Seasons Bangkok.

CHAIRMAN AND CEO'S STATEMENT



Dear fellow stakeholders:

I am delighted to report that 2006 was another great year for our Company. In 2006, Minor International's (MINT) worldwide system of more than 630 food outlets and 16 hotels combined to achieve extraordinary results. Total revenues increased by 19% to Baht 12,430 million and net profits increased by 21% to Baht 1,280 million. Earnings per share increased by 7% to Baht 0.44 per share and returns on shareholders' equity remained in-line with last year at 18.2%.

In 2006, we invested more than Baht 4 billion to expand our businesses in Thailand and internationally. The hotel group expanded aggressively to open five new hotels including

William E. Heinecke

Chairman and Chief Executive Officer

three hotels in the Maldives and the Four Seasons resorts in Chiang Rai and Samui. We also signed a memorandum of understanding to acquire a 20% stake in one of Sri Lanka's leading resort groups and signed management contracts with hotel owners in Bali and Vietnam. The food business added more than 73 new outlets, franchised our brands internationally and acquired a 18.31% strategic stake S&P which is one of Thailand's largest food production and restaurant companies. While acquisitions and other growth initiatives made headlines, the hotel and food business groups maintained their focus on the fundamentals and continued to achieve strong comparable sales growth and deliver products and services that exceed customer expectations.

With the support of more than 18,000 employees worldwide, we continue to move "fast forward" towards being a larger, more diversified and more international company. In January 2007, MINT was recognized by Asia Money magazine as Thailand's Best Managed Small Cap Company for financial and business performance, management strategy and vision, investor relations, corporate governance, shareholder value creation and operational efficiency.

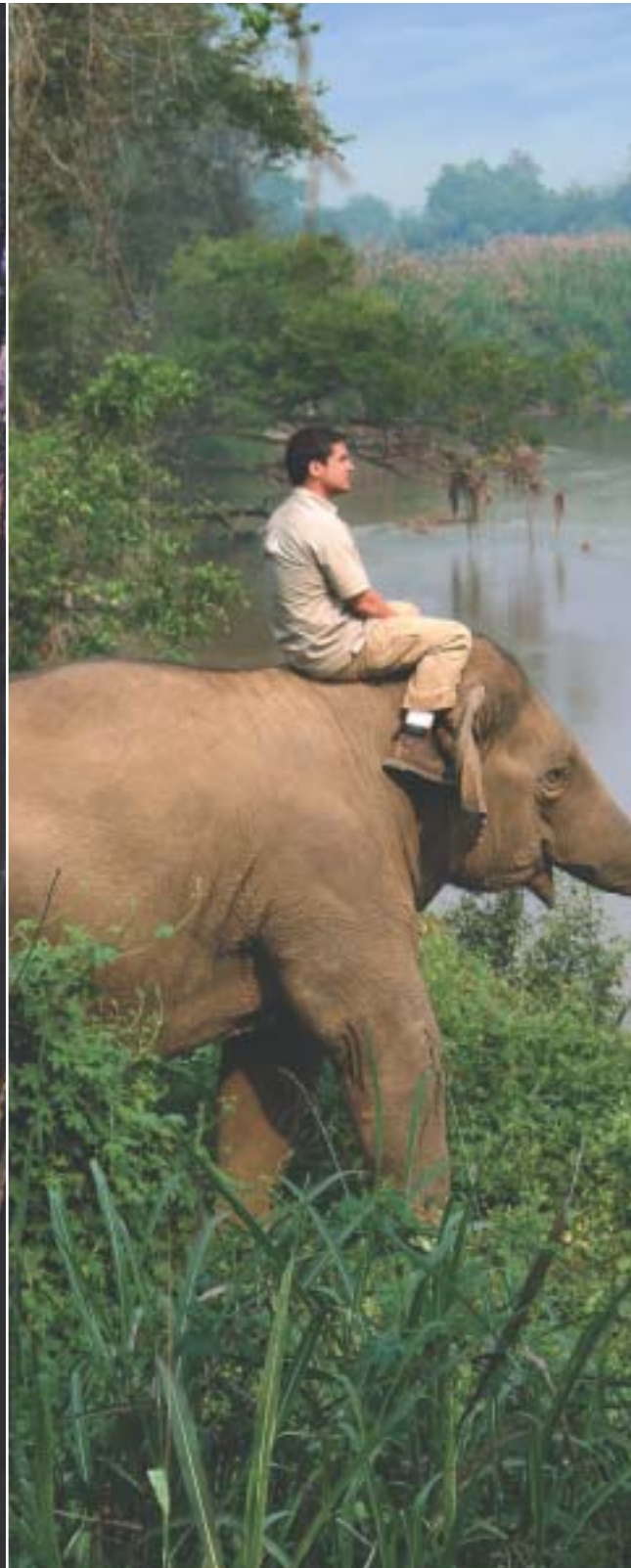
Having founded Minor more than 40 years ago, I know that many things combine together to make our Company a success. This year, I would like to share with you my thoughts on four defining characteristics of Minor International that are helping our company grow, improve and find new ways to create value for shareholders.



Guests enjoy an experience of exceptional quality at our Four Seasons Resort Samui.



In January 2006, we opened the Four Seasons Tented Camp along the Maekhong River in Thailand's Golden Triangle.





1. Diversified

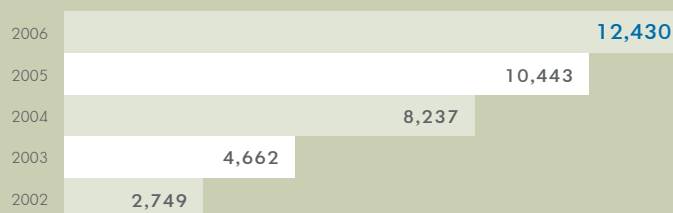
With 16 hotels and more than 630 restaurant outlets, we are diversified across two industries through the operation of multiple brands. By holding leading positions in the hospitality and food retail sectors, we enjoy diverse exposure to two of Asia's fastest growing industries.

Within the hospitality and food service businesses, we are further diversified as we operate both businesses under a range of internationally successful brands. The hotel group operates under the Four Seasons, Marriott, Anantara, and Minor International brands while the food group operates under The Pizza Company, Swensen's, Sizzler, Dairy Queen, Burger King and LeJazz brands.

Both our food and hotel groups are healthy and well positioned to take advantage of additional growth opportunities. In 2006, hotel revenues increased by 7% to Baht 4,600 million and average revpar was up 10%. Our food group also achieved strong results, posting a 24% increase in revenue to Baht 5,941 million as outlets increased from 558 to 631 and same-store sales growth was up 9%.

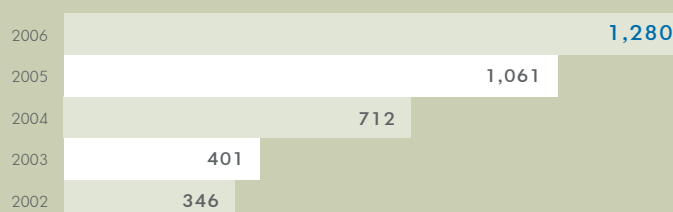
Consolidated Revenues

Baht Million



Net Profits

Baht Million



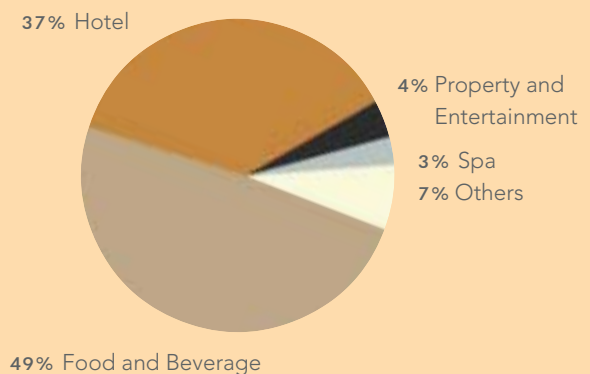


2. Dynamic

By franchising our own The Pizza Company brand, selling hotel management services and licensing the use of our Anantara hotel brand, we recently added an “asset light” dimension to our traditionally asset intensive, equity owned hotel and restaurant business model. As a result, we enjoy faster, more dynamic growth with higher profit margins and higher shareholder returns. Although food franchising and hotel management fees were Baht 199 million and accounted for only 2% of total revenues, we expect that fee revenue will be a much more significant part of our total revenues in the future.

Compared to franchising or licensing other brands, we have found that there are more opportunities for us to create value for shareholders by having our “own” brands. By franchising some of our food brands and selling hotel management services, we have been able

Revenue Share by Division



to minimize up-front investment requirements and ultimately generate higher profit margins. I am proud to report that The Pizza Company and Anantara brands, which are critical to the success of our asset light business model, continue to demonstrate that they have the capacity to be leading brands worldwide.

As Minor International continues to expand internationally through asset light business arrangements, restaurant franchisees and hotel owners are among our most important business partners and we are grateful for their energy, support and financial commitment. We currently have more than 60 restaurant franchisees who share our passion for expanding The Pizza Company and Swensen's brands and four hotel owners who are committed to working with us to expand Anantara and other Minor International hotel brands.

3. International

Over the past five years, our food and hotel groups have become more international and today international activities account for more than 5% of our total revenues. While we will always maintain our focus on helping our food and hotel businesses preserve their leading positions in Thailand, we are now operating in nine countries and opportunistically expanding to others because this is where we see tremendous growth potential.

In 2006, our hotel, food and spa businesses all made significant investments internationally. We invested to build and open three hotels including one of our own Anantara branded hotels in the Maldives and signed a memorandum of understanding to acquire a 20% stake in Serendib Hotels which is one of Sri Lanka's leading resort companies. We continued to invest in expanding our The Pizza Company brand and other brands in China and now operate more than 30 restaurant outlets in Beijing. We also expanded our portfolio of international spas from three to 10 with new spas opening in Tanzania, Jordan, the Maldives and China.



The salad bar at one of our 37 Sizzler Restaurants.

In addition to making direct investments internationally, we also expanded internationally under asset light food franchising and hotel management arrangements. In 2006, we signed contracts with a new franchisee for The Pizza Company in Northeast China and management contracts for Anantara resorts in Bali and Vietnam.

To date, we have executed restaurant franchise contracts with experienced franchisees in China, Saudi Arabia, the UAE, Oman, Qatar, Bahrain, Cambodia and the Philippines and signed contracts to manage hotels in the Middle East, the Maldives, Bali and Vietnam.

Minor International's global reach will continue to expand over the next several years as we launch our Pizza Company restaurant and Anantara hotel brands in new markets. We continue to opportunistically target new markets from Europe to Japan and we are particularly focused on potential near term opportunities in India, Australia, Bali and Vietnam. In its 40 year history, Minor International has never before had so many exciting opportunities to grow and add value for shareholders.

4. Acquisitive

While achieving healthy comparable growth and expanding our portfolio of restaurants and hotels is important, acquisitions are an equally important and integral part of our overall corporate growth strategy. Acquisitions supplement the organic growth of our core food and hotel businesses. In 2006, we signed an agreement to acquire 18.31% of S&P Syndicate (S&P). We also acquired a lease agreement for land on Rajadamri Road adjacent to the Four Seasons Hotel Bangkok and acquired land on Maikao beach adjacent to the JW Marriott Phuket which are ideal locations that will support the future development of major hotel and mixed use real estate properties.



In 2006, we expanded our own Anantara Resort and Spa brand internationally when we opened this Anantara in the Maldives in September.



The investment in S&P provides us with exposure to a large, vertically integrated food production and distribution business with 230 restaurant and bakery shops operating under its own successful S&P and other brand names. We are confident that this strategic partnership with S&P will support the longer term growth of our food business as well as S&P's. We are already exploring ways to cooperate in areas such as international franchising, home delivery, distribution, advertising, materials supply, purchasing, logistics and training.

In addition to investing in S&P, we signed a memorandum of understanding to acquire a 20% stake a leading Sri Lankan resort company (Serendib Hotels). With Serendib Hotels, we hope to gain additional exposure to another international market and explore opportunities to further expand our own Anantara hotel brand. In 2006, we also acquired land next to our Four Seasons hotel in Bangkok and our JW Marriott in Phuket. By developing new resorts with mixed-use potential (i.e. timeshares, condos, apartments, etc.) on each of these properties over the next three years, we will further strengthen our position as Thailand's leading resort company.

“Fast Forward” to 2007

In 2007, we are looking forward to realizing the full potential of the five resorts we opened in 2006 and early 2007 including the Boduhuraa, Anantara and Naladhu resorts in Maldives and the Four Seasons resorts in Chiang Rai and Koh Samui. Meanwhile, we will expand our worldwide system of restaurant outlets from 631 to 703 with a focus on expanding The Pizza Company and Swensen's brands internationally.

We will invest more than Baht 5 billion on a number of exciting new hotel projects. For example, we will strengthen our leading position among luxury hotel operators in Phuket by building an 83 room Anantara Resort next to our JW Marriott in



This Pizza Company Restaurant is one of more than 30 restaurants that we own and operate in Beijing.

Phuket and we will begin the construction of a 49 story hotel in the heart of Bangkok on Rajadamri Road which will also include apartments.

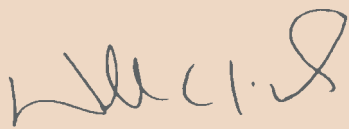
Meanwhile, we will continue to search for and identify new opportunities that enhance the position of our core businesses and create value for our shareholders. In 2006, the acquisition of S&P resulted from our continuous efforts to identify and respond to growth opportunities. In 2007, we will be looking to expand our businesses internationally through acquisitions, investments, joint ventures and/or licensing agreements. India, Bali, Vietnam and Australia are markets where we currently see exciting opportunities for Minor International.

In 2007, we will likely face new and unexpected challenges. Although our core food and hotel businesses are among the fastest growing industries in some of the world's fastest growing markets, they operate in Asian markets which tend to be extremely competitive, relatively less stable and more uncertain. Since 2000, our businesses have, however, persevered with earnings increasing at a 42% CAGR despite suffering from regional economic shocks, outbreaks of avian flu, SARS, a tsunami, a coup and other unexpected events.

Our core businesses are resilient and healthy and our debt to equity ratio is 0.87x. In February 2007, our credit rating was upgraded from A⁻ to A by the Thai Rating and Information Service (TRIS). Although we are well positioned to confront new challenges and take advantage of growth

opportunities, we will continue reevaluate our commitments, manage risks and respond to changing circumstances as required to successfully operate in extremely fragile and competitive international markets.

On behalf of our shareholders, I would like to extend our thanks to the more than 18,000 professionals who are indeed the strength behind our successful brands. Each year, our success is the result of experienced and responsible people who work with a true passion for expanding our businesses and providing services that exceed customer expectations. They help Minor International persevere in the face of significant challenges while always pushing the Company to be increasingly more diversified, dynamic, acquisitive and international. As we continue to move “fast forward”, I have great faith in their ability to take Minor International to higher levels and achieve even greater results in the future.



William E. Heinecke

Chairman and Chief Executive Officer
March 2007



Swensen's in Saudi Arabia.



Award winning franchisees.



Recognizing our top performing employees.

*Reaching to the horizon
at the Anantara Resort
and Spa Maldives.*





HOTEL BUSINESS

Sector Overview, Performance Highlights, and 2007 Development Plans

Hotel Sector Overview

2006 was a better year for Thai tourism compared to 2005 which was affected by the tsunami which devastated parts of coastal southwest Thailand on 26 December 2004. Despite months of political turmoil and a military coup in October, foreign tourist arrivals to Thailand increased by approximately 19% to 13.7 million visitors in 2006.

Phuket, which suffered from a 30-40% decrease in tourist arrivals in 2005, experienced a full recovery in 2006 as tourists realized that the entire coast of Thailand had fully recovered from the tsunami. As visitors returned to Phuket in 2006, tourists continued to visit and appreciate Thailand's other leading tourist destinations such as Koh Samui, Hua Hin, Pattaya and Chiang Mai. With 13.7 million visitors, Thailand remains as one of Asia's most popular tourist destinations.

The political turmoil and the coup in October did affect bookings in the last quarter of 2006 as some guests rescheduled or delayed their visits to Thailand. Bombings at some of Bangkok's shopping centers on 31 December 2006 also negatively affected hotel bookings during the first quarter of 2007.

Until such political and social uncertainties can be resolved, 2007 will very likely be a year where tourists take a cautious approach to Thailand. However, while the Thai tourism industry remains as vulnerable as always to unpredictable events, it has historically persevered. The Tourism Authority of Thailand continues to forecast that tourism will grow by 8% in 2007.

Development of the Thai Tourist Market

	International Visitors		Average Expenditure	
	(million)	(growth %)	(Baht/person)	(growth %)
1999	8.58	10.5	29,489	5.1
2000	9.51	10.8	30,001	1.7
2001	10.06	5.8	29,720	(0.9)
2002	10.80	7.3	29,954	0.8
2003	10.00	(7.6)	30,913	3.2
2004	11.65	16.5	32,990	6.7
2005	12.00	3.0	31,899	(3.3)
2006*	13.70	18.8	35,238	10.5
2007**	14.80	8.4	36,993	5.0

Notes : * Preliminary
** Forecast

Source : Tourism Authority of Thailand

Hotel Performance

MINT's hotel business had an outstanding year in 2006 with total revenues up by 7% to Baht 4,600 million. In 2006, the hotel business achieved favorable fundamental growth throughout the year with the average revpar for all of our hotels increasing by 10% in 2006 compared to 2005. The Boduhuraa and Anantara resorts in the Maldives as well as the Four Seasons Tented Camp in Chiang Rai, which opened in late 2005 or during 2006, also contributed to the growth of the hotel business.

Anantara

Our efforts to expand our own premium Anantara brand resorts expanded in 2006 as we opened a 110 room Anantara in the Maldives. In addition to the Anantara Maldives, we now have Anantara resorts operating successfully in Chiang Rai, Samui and Hua Hin. Relative to our Marriott and Four Seasons resorts, the Anantara resorts posted the strongest year on year improvements in occupancies, revpar, and total revenue. In 2006, our Anantara branded resorts combined to achieve an average occupancy of 63%, a 29% increase in average revenue per available room (revpar) and a 43%

increase in total revenue. We plan to build a flagship 83 room pool villa Anantara resort in Phuket and open it by early 2008.

Anantara's success in Thailand and now in the high profile Maldives market shows that the Anantara brand has the capacity to be a globally successful hotel brand. Resort owners and investors continue to approach us in an effort to have us manage and develop Anantara resorts for them. Over the past two years, we have entered into contracts to manage Anantara brand hotels for other owners in Dubai, Bali and Vietnam. We are pleased with the international success of our own Anantara hotel brand as it not only supports our plans to expand our portfolio of equity owned resorts but it also provides us with additional revenue generating, asset light hotel management opportunities.

Marriott

Our three Marriott resorts in Bangkok, Pattaya and Hua Hin and our JW Marriott in Phuket, which account for more than 50% of total hotel revenue, performed well in 2006. Our Marriott and JW Marriott branded resorts combined to achieve an average occupancy of 83%, a 9% increase in average revenue per available room

Average Occupancy (%)

	2001	2002	2003	2004	2005	2006
Bangkok Marriott Resort & Spa	71	72	67	83	86	91
Pattaya Marriott Resort & Spa	76	78	74	74	80	86
Hua Hin Marriott Resort & Spa	77	81	71	72	81	87
JW Marriott Phuket Resort & Spa	–	46	67	77	67	63
Anantara Resort & Spa Hua Hin	65	60	53	61	76	74
Anantara Resort & Spa Golden Triangle	–	37	34	35	40	40
Anantara Resort & Spa Samui	–	–	–	–	46	60
Anantara Resort & Spa Maldives	–	–	–	–	–	70
Four Seasons Resort Chiang Mai	64	57	47	60	59	56
Four Seasons Hotel Bangkok	61	68	59	71	63	55
Four Seasons Tent Camp Chiang Rai	–	–	–	–	–	42
Boduhuraa Maldives	–	–	–	–	–	74
Royal Garden Harbour View	32	35	33	43	46	60

(revpar) and a 10% increase in total revenue. The success of our Marriott resorts is due, in large part, to our continuous efforts to manage and market these properties to achieve optimal financial results.

At our JW Marriott in Phuket, we own 100% of the 265 room JW Marriott Phuket and have a 50% stake in the 144 room Marriott Vacation Villas which is currently Marriott's only timeshare property in Asia. Since its inception in 2002, we have been pleased with the success of this Marriott branded hotel and timeshare property and it has helped us secure a leading position in the Phuket market.

Four Seasons

In January 2006, we opened the Four Seasons Tented Camp in Chiang Rai to strong reviews. With the Tented Camp and our Four Seasons in Chiang Mai, we are the leading luxury resort company in Northern Thailand despite increased competition from other five star resort operators.

Our Four Seasons in Bangkok had a good year with only a 3% decrease in revenues despite having to close 60% of its rooms between April and August for

scheduled renovations. Having now completed the renovations of all the rooms at the Four Seasons Bangkok over the past two years, we are confident that this hotel will compete favorably with other hotels in Bangkok and that it will deliver strong revenue growth and higher profitability over the next several years.

In 2006, we further expanded our relationship with Four Seasons through the development and construction of the 60 room Four Seasons resort in Koh Samui which opened in February 2007.

Hotel Development Activities and Plans

Minor International has just completed a two-year plan to significantly expand the hotel business by developing and constructing five new resort properties. In 2006 and early 2007, we opened the Boduhuraa and Anantara resorts in the Maldives and Four Seasons resorts in Koh Samui and Chiang Rai. In the first quarter 2007, we expect to open the Naladhu resort which will be a 19 room luxury resort in the Maldives. In 2007, we will focus on managing the operations of these hotels in order to meet customer needs and achieve optimal performance.

Average Room Rate (Baht per Night)

	2544	2545	2546	2547	2548	2549
Bangkok Marriott Resort & Spa	2,709	2,731	2,792	2,951	3,444	3,654
Pattaya Marriott Resort & Spa	2,132	2,273	2,569	2,798	3,101	3,360
Hua Hin Marriott Resort & Spa	2,146	2,375	2,723	3,065	3,194	3,234
JW Marriott Phuket Resort & Spa	–	3,743	4,035	4,727	5,561	6,031
Anantara Resort & Spa Hua Hin	2,741	3,295	3,494	3,669	3,814	3,945
Anantara Resort & Spa Golden Triangle	–	2,384	3,094	4,173	4,756	5,457
Anantara Resort & Spa Samui	–	–	–	–	5,639	5,578
Anantara Resort & Spa Maldives	–	–	–	–	–	11,508
Four Seasons Resort Chiang Mai	10,988	11,422	10,267	11,008	12,115	12,412
Four Seasons Hotel Bangkok	4,977	4,858	4,767	5,139	5,665	5,975
Four Seasons Tented Camp Chiang Rai	–	–	–	–	–	21,280
Boduhuraa Maldives	–	–	–	–	–	6,363
Royal Garden Harbour View	27	30	32	34	42	46



In February 2007, we opened the Four Seasons Resort Samui, giving us a total of four Four Seasons Resorts in Thailand.

Hotel Development Plan in 2003 - 2008

Country	Hotel	2003	2004	2005	2006	2007 *	2008 *
Thailand	Bangkok Marriott Resort & Spa	413	413	413	413	413	413
Thailand	Pattaya Marriott Resort & Spa	290	290	293	293	293	293
Thailand	Hua Hin Marriott Resort & Spa	216	216	216	216	230	230
Thailand	JW Marriott Phuket Resort & Spa	265	265	265	265	265	265
Thailand	Anantara Resort & Spa Hua Hin	187	187	187	187	187	187
Thailand	Anantara Resort & Spa Golden Triangle	90	90	77	77	77	77
Thailand	Anantara Resort & Spa Samui	–	106	106	106	106	120
Thailand	Anantara Resort & Spa Phuket	–	–	–	–	–	83
Thailand	Four Seasons Resort Chiang Mai	64	64	64	64	64	75
Thailand	Four Seasons Hotel Bangkok	356	356	356	356	356	356
Thailand	Four Seasons Tented Camp Chiang Rai	–	–	15	15	15	15
Thailand	Four Seasons Resort Koh Samui	–	–	–	–	60	60
Total Rooms - Own Equity		1,881	1,987	1,992	1,992	2,066	2,174
Thailand	Marriott Vacation Club Phuket	60	60	144	144	144 **	144 **
Maldives	Boduhuraa	–	–	50	50	50	50
Maldives	Naladhu Resort Maldives	–	–	–	–	19	19
Maldives	Anantara Maldives	–	–	–	110	110	110
Sri Lanka	Hotel Serendib	–	–	–	–	70	70
Sri Lanka	Club Hotel Dolphin	–	–	–	–	146	146
Sri Lanka	Hotel Sigiriya	–	–	–	–	80	80
Vietnam	Royal Garden Harbour View***	127	127	127	127	127	127
Total Rooms - Joint Venture		187	187	321	431	746	746
Bali	Anantara Seminyak***	–	–	–	–	59	59
Dubai	Anantara Resort Plam Jumeirah ***	–	–	–	–	–	375
Dubai	Anantara Hotel Jumeirah Lake ***	–	–	–	–	–	473
Dubai	Dubai Luxury Hotel & Resort ***	–	–	–	–	–	378
Vietnam	Anantara Hoi An ***	–	–	–	–	–	159
Total Rooms - Hotel Operator		–	–	–	–	59	1,444
Total Number of Rooms		2,068	2,174	2,313	2,423	2,871	4,364

Notes : * Forecast number.

** Marriott Vacation Club includes only phase I, II.

*** Managed by Minor International Hotels.

Meanwhile, we will continue to invest, build and open new resorts in 2007. We will invest to develop and construct an 83 room Anantara resort next to our JW Marriott in Phuket. We will begin the construction of a 49 story multipurpose building in the heart of Bangkok on Rajadamri Road which will also include a hotel, serviced apartments and residences. By developing and selling residential properties in association with the development of our hotels, we hope to replicate what we have done successfully in the past at our JW Marriott in Phuket.

In addition to expanding with the development of new hotel properties, we will also be working to sign additional agreements to manage hotels for other hotel developers and owners. We will also respond to opportunities to acquire hotel companies or form joint ventures and strategic alliances in order to strengthen and diversify our hospitality business.

Our The Pizza Company brand continues to be successful thanks to products like this and the people that make and serve them.

SUPER DELUXE

ซูเปอร์ดีลักซ์

เริ่มปากเค็มคำกับพิซซ่าที่เราใส่เครื่องปรุงจนหมดครึ่ง
ทั้งไส้กรอกหมู ไส้กรอกอิตาลี แฮม เบคอน
แอมเฟรม เบคอน เคียวและชิ้นปรีด ที่ยังกินเต็มหน้าพิซซ่า...ทำให้สด
PORK SAUSAGE, ITALIAN SAUSAGE, PEPPERONI,
SLICED HAM, SLICED BACON, ONION,
CAPSICUM, MUSHROOM AND PINEAPPLE





FOOD BUSINESS

Sector Overview, Performance Highlights, and 2007 Development Plans

Food Sector Overview

2006 was another outstanding year for the Thai food service industry. We estimate that it expanded by approximately 12% despite declining consumer confidence levels, political uncertainties and a military coup. In 2006, we estimate that industry wide same store sales growth was 6%.

In 2006, Thai consumers at all income levels continued to be extremely price/value sensitive as consumer confidence fell due to rising oil prices, slower economic growth and political uncertainties. As a result, industry players responded throughout the year to meet more conservative consumer requirements. As Thailand will likely experience political and economic uncertainties in 2007, Quick Serve Restaurant (QSR) operators will continue to face the challenge of offering products and promotions that meet increasingly more price and value conscious consumers.

In 2006, the light food category was again the fastest growing food segment with ice cream and coffee concepts enjoying strong growth. Our Swensen's and Dairy Queen ice cream brands enjoyed 31% and 14% increases in systemwide revenues, respectively. The chicken segment, which had fallen from 37% to 34% of the Thai QSR market due to the avian flu in 2004, achieved 32% market share. The pizza segment maintained its position as Thailand's second largest QSR category with 20% market share. The sandwich/hamburger segment fell from 14% to 13% market share in 2006. The Minor Food Group's share of the Thai QSR market was 33%.

For 2007, we expect that growth will be 8-10%, which is slightly slower than growth was in 2006. We expect Thailand to experience slightly lower same store sales and restaurant outlet growth in 2007 compared to 2006.

Food Performance

Our branded food service operations with 631 restaurants under the Minor Food Group ("MFG") recorded total revenues of Baht 6,082 million in 2006. Revenues were up by 22.5% compared to 2005 due to a 9% increase in same store sales and the addition of 73 outlets systemwide. With the exception of our food business in Beijing which expanded from 17 to 34 outlets in 2006 but has yet to achieve profitable economies of scale, all of our food brands were profitable in 2006.



MFG Systemwide Outlet Development Program

	2004	2005	2006	2007*	2008*
Equity					
The Pizza Company - Thailand	115	122	135	143	150
The Pizza Company - China	–	5	8	9	16
Swensens's	100	105	109	116	123
Sizzler - Thailand	24	27	30	30	36
Sizzler - China	–	4	7	7	9
Dairy Queen	169	176	189	203	207
Burger King	16	16	16	20	22
Others	19	19	21	23	25
LeJazz	8	8	16	14	18
Total Outlets - Equity	451	482	531	565	606
Franchise					
The Pizza Company - Local Franchise	13	28	33	38	49
The Pizza Company - International Franchise	3	11	12	23	58
Total The Pizza Company	24	39	45	61	107
Swensens's- Local Franchise	14	29	47	62	72
Swensens's- International Franchise	4	8	6	13	28
Total Swensens's	16	37	53	75	100
Sizzler - International Franchise	–	–	–	–	4
LeJazz	–	–	2	2	10
Total Outlets - Franchise	40	76	100	138	221
Total	491	558	631	703	827

Note : * Forecast number.

Our Brands

The Pizza Company achieved a 21% increase in revenues with 8% same store sales growth and the addition of 16 equity owned and six franchised outlets. In 2006, the Pizza Company added 18 new outlets in Thailand and four outlets internationally including three equity owned outlets in China. At the end of 2006, we had 188 The Pizza Company outlets operating globally with 168 in Thailand and the remainder in China and four other international markets.

Swensen's, our premium ice cream brand, also achieved great results in 2006 with its revenues increasing by 31% on the back of 15% comp growth and the addition of 20 equity owned and franchised outlets

worldwide. We opened four new equity and 16 new franchised outlets in Thailand and other international markets. With the rights to franchise and sub-franchise Swensen's in 33 countries worldwide, we continue to focus on expanding Swensen's in Thailand and in other international markets.

Sizzler, our branded steakhouse restaurant, achieved 23% growth in revenues in 2006 due to 8% comp growth and the addition of three outlets in Thailand and three in China. We expect to franchise Sizzler to other restaurant developers in other Chinese cities from 2008.

And finally, our **Dairy Queen** and **Burger King** franchises, which operate exclusively in Thailand, had same store sales growth of 7% and 5%, respectively and

combined for revenue of Baht 956 million in 2006 which was an increase of 17% compared to 2005.

Food Development Activities and Plans

In 2006, we plan to expand from 631 to 703 outlets systemwide with 55 additional outlets in Thailand and 18 new outlets internationally. 53% of these 72 new outlets will open as franchised rather than as equity owned outlets.

We will invest in strengthening our position as Thailand's largest food service operator. The success of our brands in Thailand and the cashflow that they generate provides us with the support we need to expand internationally. With the exception of Burger King, which is second only to McDonald's in Thailand, all of our brands lead their respective segments in market share and we will invest to enhance their leading positions in Thailand. We will develop our own equity outlets and support our Thai and international franchisees who share our commitment to making our brands more successful.

By the end of 2007, we target to have 16 The Pizza Company and Sizzler outlets operating in Beijing. With 33 outlets including the LeJazz brand operating in Beijing by the end of 2007, our food business in China will have

moved closer to achieving profitable economies of scale with successful brands that have the capacity to expand to other cities in China.

We will support the continued international franchising of our The Pizza Company and Swensen's brands. In 2007, our international franchisees plan to open 18 more The Pizza Company and Swensen's outlets and be operating in at least eight countries worldwide.

Meanwhile, we will enter into additional franchise development agreements with other restaurant companies in other international markets. In 2007, we will work to secure new franchisees for several cities in China and for a number of countries in the Middle East.

And finally, we will continue to pursue opportunities to acquire coffee, café/snack, ice cream, or donut/light snack concept that has strong potential applications in Thailand as well as in key international markets such as China, India and the Middle East. We will also be looking at opportunities to enter the Indian market with a strong local partner.

Comparative Market Share in Thai QSR Market

(Revenue in Baht Thousand)	2004		2005		2006 (Forecast)	
	Revenue	(%)	Revenue	(%)	Revenue	(%)
Chicken	5,701,130	33.8	6,187,660	32.7	6,741,211	31.9
Hamburger	22,518,910	14.9	2,692,022	14.2	2,828,176	13.4
Pizza	3,305,640	19.6	3,704,771	19.6	4,204,040	19.9
Ice Cream	1,866,147	11.1	2,369,834	12.5	2,910,422	13.8
Others (incl Sizzler)	3,489,783	20.7	3,945,822	20.9	4,426,700	21.0
Total Market	16,881,610	100.0	18,900,108	100.0	21,110,549	100.0
MFG Plc.	5,094,400	30.2	5,842,977	30.9	7,110,739	33.7

Note : MFG sales includes its own domestic franchisees.

Source : Ministry of Commerce and industry estimates.

SOCIAL CONTRIBUTION



▲ Elephant Polo hosted by Anantara Resort and Spa Golden Triangle.



▲ Staff participating in MINOR Charity Day.



As our businesses continue to expand, our presence and therefore our responsibility as members of the communities in which we operate become larger.

Among our more prominent community activities are the internationally renowned King's Cup Elephant Polo Tournament which was moved from Hua Hin to Chiang Rai and was organized by the Anantara Resort in Chiang Rai. Now in its sixth year and held for the first time in Chiang Rai, this event continues to expand, raising both the profile of Chiang Rai as well as over Baht 2.6 million to support research and treatment for elephants.

In addition to organizing the Elephant Polo Tournament, we also a member of the Golden Triangle Asian Elephant Foundation which helps to rescue elephants from Thai cities and provide them with homes in more suitable, upcountry, natural environments.

In Phuket, the Mai Khao Turtle Foundation joined hands with hotel guests contributed money to support research and the sea turtle hatchery near our JW Marriott Resort in Phuket.

In Bangkok, MINT continued to support "MINOR Charity Day" which takes place on June 4th every year and encourages staff from each business unit within MINT to take a day away from the office to support various charitable organizations.

In addition to MINOR Charity Day, MINT supported an educational development program at Baan Nong Kham School in Prachuap Khiri Khan Province called Lab School. MINT, Minor Corporation and the Thai Ministry of Education jointly developed three programs for the students including an English language improvement program, a computer literacy program, and a model library. The total cost of this project, which was shared by MINT and Minor Corporation, was Baht 2 million.

A host of other activities including donations to numerous local charities and organization the award of scholarships from the Roy E. Heinecke Foundation confirm the Company's position as an integral part of the life of the broader communities in which we operate.

REPORT OF THE BOARD OF DIRECTORS' RESPONSIBILITIES FOR FINANCIAL STATEMENTS

The Board of Directors of Minor International Public Company Limited is responsible for the financial statements of the Company and subsidiaries which have been prepared in accordance with generally accepted accounting standards in Thailand. The policies pursued are deemed appropriate and applied consistently with adequate disclosure of important information in the notes to the financial statements.

The Board has appointed an Audit Committee comprising independent members to provide effective oversight of finances and the internal control system to ensure that accounting records are accurate, complete and timely, to prevent fraud and materially irregular operations. The views of the Audit Committee are reported in the Committee's report in this annual report.

The Board is confident that the internal control system of Minor International Public Company Limited and subsidiaries presents the financial position, results, operations, and cash flow accurately.



William E. Heinecke

Chairman of the Board of Directors

REPORT OF THE AUDIT COMMITTEE

The Audit Committee of Minor International Public Company Limited is comprised of three independent directors. The Company's Chief Financial Officer and Internal Audit Manager serve as ex-officio members. The Audit Committee is empowered by the Board of Directors to examine all matters relating to the financial status of the Company, and its internal and external audits. The Committee pursues and promotes good corporate governance by actively creating awareness and providing advice to management on sound risk management and internal control practices.

For the year 2006, the Audit Committee held four meetings to review the Company's consolidated financial statements which had been certified by the external auditor and to discuss other related activities of the Company in compliance with the rules and regulations of the Stock Exchange of Thailand (SET) as well as good internal control practice.

In such meetings, the Audit Committee met independently with the management and the internal and external auditors of the Company, conducted reviews and evaluations of accounting policies, the procedures relative to the accounting policies, the internal control assessment, and the audit plan. The Audit Committee also verified and accepted the consolidated financial statement for every quarter-end 2006 and provided assessments and recommendations to the Board of Directors. Where weaknesses were identified in internal controls, corrective action plan has been taken to eliminate or reduce the associated risks.

The Internal Audit Department serves to identify and verify business risks and control weaknesses within the Company by carrying out audit activities systematically across the Company and its subsidiaries. The reports on compliance with good internal control practice and procedures with recommendations were discussed with the relevant management team to incorporate their agreed action plans and submitted to senior management and the Audit Committee. Furthermore, the Internal Audit Department manager has held regular meetings with the Chairman of the Audit Committee to give updates on audit results. The Audit Committee is fully committed to ensure that both corrective and preventive actions are taken in an effective and timely manner.

The Internal Audit function also serves as a facilitator and change management agent to improve Company's risk management awareness through audit projects, post-audit follow up, and implementation of a risk management self assessment system. The team also works closely with Human Resource Divisions to ensure that staff development programs include corporate culture and ethical risk management training utilizing existing Code of Conduct guidelines.

Accordingly, in our opinion, the internal controls of the Minor International Plc. operated effectively throughout the year to ensure that the Company's assets were safeguarded, proper accounting records were maintained, and resources were utilized effectively and efficiently. The Audit Committee has recommended to the Board of Directors that PricewaterhouseCoopers ABAS be reappointed as the Company's auditor for the financial year ending 31 December 2007. The re-appointment of the audit firm and acceptance of its fees will be subjected to the approval of the shareholders as the Annual General Meeting to be held on 12 April 2007.



Kenneth L. White

Chairman of the Audit Committee

AUDITOR'S REPORT

To the Shareholders of Minor International Public Company Limited

I have audited the accompanying consolidated and Company balance sheets as at 31 December 2006 and 2005, and the related consolidated and Company statements of income, changes in shareholders' equity and cash flows for the years then ended of Minor International Public Company Limited and its subsidiaries, and of Minor International Public Company Limited, respectively. The Company's management is responsible for the correctness and completeness of information in these financial statements. My responsibility is to express an opinion on these financial statements based on my audits.

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

In my opinion, the consolidated and Company financial statements referred to above present fairly, in all material respects, the consolidated and Company financial positions as at 31 December 2006 and 2005, and the consolidated and Company results of operations and cash flows for the years then ended of Minor International Public Company Limited and its subsidiaries, and of Minor International Public Company Limited, respectively, in accordance with generally accepted accounting principles.

**Kajornkiet Aroonpirodkul**

Certified Public Accountant (Thailand) No. 3445
PricewaterhouseCoopers ABAS Limited

Bangkok

15 February 2007

BALANCE SHEETS

Minor International Public Company Limited
As at 31 December 2006 and 2005

	Notes	Consolidated		Company	
		2006 Baht	2005 Baht	2006 Baht	2005 Baht
Assets					
Current Assets					
Cash and cash equivalents	4	511,893,657	333,732,061	103,471,083	9,552,286
Short-term investments	5	334,709	249,809,282	-	-
Trade accounts receivable, net	6	549,274,321	504,656,811	37,760,797	35,744,726
Amounts due from related companies	12	131,547,288	15,454,615	210,322,751	108,148,470
Inventories, net	7	418,088,183	340,124,650	3,761,045	3,345,003
Land and real estates project for sales	8	190,075,535	-	-	-
Other current assets	9	714,369,830	349,733,054	372,678,390	9,372,548
Total Current Assets		<u>2,515,583,523</u>	<u>1,793,510,473</u>	<u>727,994,066</u>	<u>166,163,033</u>
Non-current Assets					
Advance for share subscription in related companies		-	2,465,100	-	-
Long-term loans to related companies	12	444,390,000	376,248,541	3,373,115,985	2,689,398,517
Investments - equity method	10	443,805,588	301,954,123	9,004,263,779	8,088,929,262
Other long-term investments, net	11	974,828,560	295,791,554	543,332,253	40,857,300
Land held for future development and projects under development	13	1,281,326,276	858,963,315	-	-
Property, plant and equipment, net	14	10,411,476,270	10,198,990,644	444,589,110	474,115,847
Intangible assets, net	15	1,307,768,727	1,280,601,609	-	-
Other non-current assets	16	407,557,619	330,520,952	26,883,206	23,379,988
Total Non-current Assets		<u>15,271,153,040</u>	<u>13,645,535,838</u>	<u>13,392,184,333</u>	<u>11,316,680,914</u>
Total Assets		<u>17,786,736,563</u>	<u>15,439,046,311</u>	<u>14,120,178,399</u>	<u>11,482,843,947</u>

The notes to the consolidated and Company financial statements on pages 40 to 91 form an integral part of the financial statements.

BALANCE SHEETS (Cont'd)

Minor International Public Company Limited

As at 31 December 2006 and 2005

		Consolidated		Company	
	Notes	2006 Baht	2005 Baht	2006 Baht	2005 Baht
Liabilities and Shareholders' Equity					
Current Liabilities					
Bank overdrafts and short-term loans from financial institutions	17	1,266,748,841	768,582,602	907,191,956	654,792,032
Trade accounts payable		746,479,108	638,220,339	6,847,344	10,473,266
Current portion of long-term borrowings	19	330,610,000	482,900,000	60,000,000	54,040,000
Current portion of liabilities under finance lease agreements	20	-	22,381,638	-	-
Current portion of deferred income		12,329,387	22,442,387	-	-
Current portion of debentures	21	106,250,000	212,500,000	106,250,000	212,500,000
Amounts due to and advances from related companies	12	3,802,721	4,104,205	45,623,115	12,501,506
Short-term loans from related companies	12	-	-	961,654,448	1,012,043,898
Income tax payable		185,522,064	167,331,505	283,490	465,463
Accrued expenses		636,639,349	619,499,437	131,537,126	115,667,596
Other current liabilities	18	702,246,872	549,647,737	34,940,909	33,683,748
Total Current Liabilities		3,990,628,342	3,487,609,850	2,254,328,388	2,106,167,509
Non-current Liabilities					
Long-term borrowings	19	1,937,751,615	2,143,198,601	540,000,000	292,000,000
Liabilities under finance lease agreements, net	20	-	4,073,490	-	-
Debentures	21	3,450,000,000	3,556,250,000	3,450,000,000	3,556,250,000
Negative equity in investment in subsidiaries	10	-	-	65,707,505	82,351,223
Other non-current liabilities	24	284,104,065	309,363,673	8,644,512	6,714,546
Total Non-current Liabilities		5,671,855,680	6,012,885,764	4,064,352,017	3,937,315,769
Total Liabilities		9,662,484,022	9,500,495,614	6,318,680,405	6,043,483,278

The notes to the consolidated and Company financial statements on pages 40 to 91 form an integral part of the financial statements.

BALANCE SHEETS (Cont'd)

Minor International Public Company Limited

As at 31 December 2006 and 2005

	Notes	Consolidated		Company	
		2006 Baht	2005 Baht	2006 Baht	2005 Baht
Shareholders' Equity					
Share capital	22				
Authorised share capital					
Preference shares		63,520,000	200,000,000	63,520,000	200,000,000
Ordinary shares		3,313,075,595	3,097,854,371	3,313,075,595	3,097,854,371
Issued and paid-up share capital					
Preference shares		63,520,000	63,520,000	63,520,000	63,520,000
Ordinary shares		2,894,584,081	2,670,136,269	2,894,584,081	2,670,136,269
Share premium	22				
Preference shares		181,981,000	181,981,000	181,981,000	181,981,000
Ordinary shares		1,359,791,164	333,929,511	1,353,849,909	327,988,257
Treasury shares		(244,651,840)	(179,600,700)	(15,163,436)	(15,163,436)
Advance for shares subscription		77,899,700	-	77,899,700	-
Expired warrants in a subsidiary		104,788,723	104,788,723	104,788,723	104,788,723
Fair value reserves		291,944,771	155,746,107	291,944,771	155,746,107
Translation adjustment		(12,656,132)	24,534,751	(12,656,132)	24,534,751
Retained earnings					
Appropriated - legal reserve	25	231,834,113	167,829,113	231,834,113	167,829,113
Unappropriated		2,628,915,265	1,757,999,885	2,628,915,265	1,757,999,885
Total parent's shareholders' equity		7,577,950,845	5,280,864,659	7,801,497,994	5,439,360,669
Minority interests		546,301,696	657,686,038	-	-
Total Shareholders' Equity		8,124,252,541	5,938,550,697	7,801,497,994	5,439,360,669
Total Liabilities and Shareholders' Equity		17,786,736,563	15,439,046,311	14,120,178,399	11,482,843,947

The notes to the consolidated and Company financial statements on pages 40 to 91 form an integral part of the financial statements.

STATEMENTS OF INCOME

Minor International Public Company Limited

For the years ended 31 December 2006 and 2005

	Notes	Consolidated		Company	
		2006 Baht	2005 Baht	2006 Baht	2005 Baht
Revenues	12				
Revenues from hotel operations		4,599,615,770	4,298,154,940	495,612,390	438,491,794
Rental income from retail and property business		405,850,374	375,134,391	-	-
Revenues from entertainment operations		95,469,079	87,810,033	-	-
Revenues from spa services		377,696,253	316,375,506	-	-
Sales of food and beverage		5,941,125,909	4,793,158,281	-	-
Sales from real estates development operations		97,300,000	-	-	-
Revenues from hotel and entertainment management		57,646,409	17,394,778	87,848,214	81,719,438
Franchise fee income		141,186,970	156,853,728	-	-
Dividends received		68,674,171	22,769,944	425	817,555
Share of profit of investment - equity method	10	176,986,077	97,434,293	1,304,470,477	1,108,453,092
Other income		468,086,396	277,758,975	305,641,244	188,810,553
Total Revenues		<u>12,429,637,408</u>	<u>10,442,844,869</u>	<u>2,193,572,750</u>	<u>1,818,292,432</u>
Expenses	12				
Direct cost of hotel operations		1,532,890,537	1,394,824,972	147,685,827	141,434,229
Direct cost of retail and property business		109,904,263	98,061,808	-	-
Direct cost of entertainment operations		13,260,559	12,778,219	-	-
Direct cost of providing spa services		163,968,615	143,175,655	-	-
Cost of sales of food and beverage		2,211,036,120	1,693,551,155	-	-
Cost of sales of real estates		53,917,858	-	-	-
Selling and administrative expenses		5,013,995,391	4,165,489,751	345,055,428	311,011,035
Depreciation and amortisation		1,310,074,585	1,153,258,734	58,094,378	56,429,452
Loss (Gain) on foreign exchange		24,196,587	(2,490,378)	32,385,768	(1,469,087)
Share of loss of investments - equity method	10	35,134,614	24,618,795	70,456,987	26,284,795
Total Expenses		<u>10,468,379,129</u>	<u>8,683,268,711</u>	<u>653,678,388</u>	<u>533,690,424</u>
Profit Before Interest and Tax	26	1,961,258,279	1,759,576,158	1,539,894,362	1,284,602,008
Interest expense		(262,397,874)	(279,638,645)	(243,955,823)	(212,005,063)
Income tax		(378,043,989)	(356,711,159)	(15,839,119)	(11,486,647)
Profit Before Minorities		<u>1,320,816,416</u>	<u>1,123,226,354</u>	<u>1,280,099,420</u>	<u>1,061,110,298</u>
(Profit) attributable to minorities, net		(40,716,996)	(62,116,056)	-	-
Net Profit for the Year		<u>1,280,099,420</u>	<u>1,061,110,298</u>	<u>1,280,099,420</u>	<u>1,061,110,298</u>
Earnings per Share	27				
Basic earnings per share		0.4729	0.4209	0.4729	0.4209
Diluted earnings per share		0.4408	0.4134	0.4408	0.4134

The notes to the consolidated and Company financial statements on pages 40 to 91 form an integral part of the financial statements.

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

Minor International Public Company Limited

For the years ended 31 December 2006 and 2005

Consolidated

Notes	Issued and paid-up share capital	Share premium	Treasury shares	Advance for shares subscription	Expired warrants in a subsidiary	Fair value reserves	Translation adjustment	Legal reserve	Unappropriated- retained earnings	Minority interests	Total
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Beginning Balance - 1 January 2006	2,733,656,269	515,910,511	(179,600,700)	-	104,788,723	155,746,107	24,534,751	167,829,113	1,757,999,885	657,686,038	5,938,550,697
Additional ordinary shares	224,447,812	1,025,861,653	(65,051,140)	-	-	-	-	-	-	-	1,185,258,325
Advance for shares subscription	-	-	-	77,899,700	-	-	-	-	-	-	77,899,700
Translation adjustment	-	-	-	-	-	-	(37,190,883)	-	-	-	(37,190,883)
Fair value reserves	-	-	-	-	-	136,198,664	-	-	-	366,015	136,564,679
Net profit for the year	-	-	-	-	-	-	-	-	1,280,099,420	40,716,996	1,320,816,416
Legal reserve	-	-	-	-	-	-	-	64,005,000	(64,005,000)	-	-
Cash dividends	-	-	-	-	-	-	-	-	(345,179,040)	(22,745,551)	(367,924,591)
Decrease in minority interest as a result of additional interest acquired by group	-	-	-	-	-	-	-	-	-	(129,721,802)	(129,721,802)
Ending Balance - 31 December 2006	2,958,104,081	1,541,772,164	(244,651,840)	77,899,700	104,788,723	291,944,771	(12,656,132)	231,834,113	2,628,915,265	546,301,696	8,124,252,541

The notes to the consolidated and Company financial statements on pages 40 to 91 form an integral part of the financial statements.

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (Cont'd)

Minor International Public Company Limited

For the years ended 31 December 2006 and 2005

Consolidated											
Notes	Issued and paid-up share capital	Share premium	Treasury shares	Warrants	Expired warrants in a subsidiary	Fair value reserves	Translation adjustment	Legal reserve	Unappropriated-retained earnings	Minority interests	Total
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Beginning Balance - 1 January 2005	2,476,777,641	487,212,152	(164,437,264)	19,711,121	104,788,723	57,834,482	6,134,560	79,178,505	1,307,653,533	1,280,750,385	5,655,603,838
Additional ordinary shares	22	14,390,350	-	-	-	-	-	-	-	-	23,377,588
Expired warrants	-	19,711,121	-	(19,711,121)	-	-	-	-	-	-	-
Translation adjustment	-	-	-	-	-	-	18,400,191	-	-	-	-
Fair value reserves	-	-	-	-	-	97,911,625	-	-	-	58,539	18,400,191
Net profit for the year	-	-	-	-	-	-	-	-	1,061,110,298	62,116,056	1,123,226,354
Legal reserve	25	-	-	-	-	-	-	88,650,608	(88,650,608)	-	-
Share dividends	242,488,278	-	(15,163,436)	-	-	-	-	-	(227,324,842)	-	-
Cash dividends	-	-	-	-	-	-	-	-	(282,007,019)	(25,196,643)	(307,203,662)
Decapitalization	-	-	-	-	-	-	-	-	-	(230)	(230)
Adjustment due to change in investment status of China Food Group from others to subsidiaries	10 a)	-	-	-	-	-	-	-	(12,781,477)	-	(12,781,477)
Minority interest in China Food Group as a result of additional interest acquired by group	-	-	-	-	-	-	-	-	-	9,684,408	9,684,408
Increase in minority interest as a result of increase in share capital in subsidiaries	-	-	-	-	-	-	-	-	-	8,291,672	8,291,672
Decrease in minority interest as a result of additional interest acquired by group	-	-	-	-	-	-	-	-	-	(678,018,149)	(678,018,149)
Ending Balance - 31 December 2005	2,733,656,269	515,910,511	(179,600,700)	-	104,788,723	155,746,107	24,534,751	167,829,113	1,757,999,885	657,686,038	5,938,550,697

The notes to the consolidated and Company financial statements on pages 40 to 91 form an integral part of the financial statements.

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (Cont'd)

Minor International Public Company Limited

For the years ended 31 December 2006 and 2005

	Notes	Company									
		Issued and paid-up share capital	Share premium	Treasury shares	Advance for shares subscription	Expired warrants in a subsidiary	Fair value reserves	Translation adjustment	Legal reserve	Unappropri- ated-retained earnings	Total
		Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Beginning Balance - 1 January 2006											
Additional ordinary shares	22	2,733,656,269	509,969,257	(15,163,436)	-	104,788,723	155,746,107	24,534,751	167,829,113	1,757,999,885	5,439,360,669
Advance for shares subscription		224,447,812	1,025,861,652	-	-	-	-	-	-	-	1,250,309,464
Translation adjustment		-	-	-	77,899,700	-	-	-	-	-	77,899,700
Fair value reserves		-	-	-	-	-	136,198,664	(37,190,883)	-	-	(37,190,883)
Net profit for the year		-	-	-	-	-	-	-	-	-	136,198,664
Legal reserve	25	-	-	-	-	-	-	-	64,005,000	(64,005,000)	-
Cash dividends	28	-	-	-	-	-	-	-	-	(345,179,040)	(345,179,040)
Ending Balance - 31 December 2006		2,958,104,081	1,535,830,909	(15,163,436)	77,899,700	104,788,723	291,944,771	(12,656,132)	231,834,113	2,628,915,265	7,801,497,994
Beginning Balance - 1 January 2005											
Additional ordinary shares	22	2,476,777,641	481,270,898	-	-	104,788,723	57,834,482	6,134,560	79,178,505	1,307,653,533	4,513,638,342
Expired warrants		14,390,350	8,987,238	-	-	-	-	-	-	-	23,377,588
Translation adjustment		-	19,711,121	-	-	-	-	-	-	-	19,711,121
Fair value reserves		-	-	-	-	-	-	18,400,191	-	-	18,400,191
Net profit for the year		-	-	-	-	-	97,911,625	-	-	-	97,911,625
Adjustment due to change in investment status of China Food Group from others to subsidiaries	10 a)	-	-	-	-	-	-	-	-	1,061,110,298	1,061,110,298
Legal reserve		-	-	-	-	-	-	-	-	(12,781,477)	(12,781,477)
Share dividends		-	-	-	-	-	-	-	88,650,608	(88,650,608)	-
Cash dividends		242,488,278	-	(15,163,436)	-	-	-	-	-	(227,324,842)	-
Ending Balance - 31 December 2005		2,733,656,269	509,969,257	(15,163,436)	-	104,788,723	155,746,107	24,534,751	167,829,113	1,757,999,885	5,439,360,669

The notes to the consolidated and Company financial statements on pages 40 to 91 form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS

Minor International Public Company Limited

For the years ended 31 December 2006 and 2005

		Consolidated		Company	
	Notes	2006 Baht	2005 Baht	2006 Baht	2005 Baht
Cash Flows from Operating Activities					
Net profit for the year		1,280,099,420	1,061,110,298	1,280,099,420	1,061,110,298
Adjustments:					
Depreciation and amortisation	26	1,310,074,585	1,153,258,734	58,094,378	56,429,452
Amortisation of other assets		10,830,785	20,312,455	5,323,235	10,691,197
Write-off of trade accounts receivable and allowance for doubtful accounts		3,877,897	(45,922)	480,000	280,000
Realisation of deferred income		(34,944,274)	(42,554,225)	-	-
Share of profit of investments - equity method	10	(141,851,463)	(72,815,498)	(1,234,013,490)	(1,082,168,297)
Dividend income		(68,674,171)	(22,769,944)	(425)	(817,555)
Gain on disposals of short-term and other long-term investments		(25,853,271)	(500,939)	(22,131,080)	(477)
Gain on disposals of investment in subsidiary		(13,701,430)	-	-	-
Unrealised gain from fair value reserves in short-term investment		(7,229)	(1,874,549)	-	-
Unrealised gain on exchange rate		-	(444,649)	-	-
Write-off, impairment and loss on disposals of property, plant and equipment		44,562,906	62,701,684	171,889	318,532
Allowance for inventory obsolescence		2,396,708	3,935,962	-	-
Provision for impairment and write-off of other assets and liabilities		10,091,750	28,435,196	-	-
Profit attributable to minorities, net		40,716,996	62,116,056	-	-
Changes in Operating Assets and Liabilities					
Trade accounts receivable		(48,507,965)	(60,607,566)	(2,496,070)	(4,790,358)
Inventories		(80,360,242)	(61,025,047)	(416,042)	(574,513)
Land and real estates project for sales		(158,282,178)	-	-	-
Other current assets		(48,348,643)	(53,497,819)	(4,726,505)	(4,205,577)
Trade accounts payable		140,363,240	100,468,235	(3,625,922)	(3,274,044)
Income tax payable		19,262,358	27,661,048	(181,974)	461,923
Accrued expenses		20,467,681	115,927,050	15,869,530	40,896,127
Other current liabilities		93,318,043	(65,642,943)	2,739,659	1,361,289
Translation adjustment		(34,426,815)	-	-	-
Deferred income		3,531,588	22,139,238	-	-
Other non-current liabilities		(3,987,422)	13,391,730	1,929,966	(159,843)
Cash Generated from Operating Activities		2,320,648,854	2,289,678,585	97,116,569	75,558,154

The notes to the consolidated and Company financial statements on pages 40 to 91 form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS (Cont'd)

Minor International Public Company Limited

For the years ended 31 December 2006 and 2005

		Consolidated		Company	
	Notes	2006 Baht	2005 Baht	2006 Baht	2005 Baht
Cash Flows from Investing Activities					
Increase in loans to and amounts due from related companies		(184,234,132)	(174,901,147)	(785,891,749)	(814,806,811)
Increase in loan to other company		(358,579,336)	-	(358,579,336)	-
Payment for additional investments in subsidiaries and associates		(224,543,237)	(804,331,798)	(222,919,616)	(545,520,897)
Payment for acquisition of China Food Group		-	(102,720,240)	-	-
Cash received from sales of investment in subsidiary 10 a)		-	-	44,215,171	94,535,835
Dividends received from subsidiaries and associates and others		2,913,501	22,769,944	434,186,903	358,559,101
Cash received from short-term investments		249,481,802	4,905,891	-	-
Cash received from disposals of long-term investments		49,315,904	506,434	39,209,040	-
Cash invested in long-term investments		(500,174,289)	(28,802,442)	(497,303,083)	(4,356,560)
Net cash received from sales of investment in subsidiary 10 a)	10 a)	16,536,154	-	145,550,878	-
Payments for land held for future development and project under development		(633,690,582)	(688,401,073)	-	-
Proceeds from disposals of property, plant and equipment		24,230,048	30,321,263	2,243,635	340,234
Purchases of intangible assets 15	15	(9,255,371)	(1,216,838)	-	-
Purchases of property, plant and equipment		(1,316,889,446)	(1,115,369,939)	(32,465,665)	(36,998,501)
Cash payment from other non-current assets		(83,414,233)	(109,722,517)	(8,826,453)	(6,813,130)
Net Cash (Payments) for Investing Activities		<u>(2,968,303,217)</u>	<u>(2,966,962,462)</u>	<u>(1,240,580,275)</u>	<u>(955,060,729)</u>
Cash Flows from Financing Activities					
(Decrease) increase in short-term loans, amount due to and advances from related companies		(217,503)	(1,566,942)	(17,267,840)	171,569,591
Payments for liabilities under finance lease agreement		(5,742,414)	(26,636,902)	-	-
Receipts from short-term loans		5,129,929,800	5,954,600,023	4,630,851,000	5,954,600,023
Repayments of short-term loans		(4,612,769,300)	(5,743,532,821)	(4,367,851,000)	(5,743,532,821)
Receipts from long-term borrowings 19	19	308,000,000	1,076,600,000	308,000,000	976,600,000
Repayments of long-term borrowings 19	19	(666,566,447)	(1,479,930,000)	(54,040,000)	(1,100,000,000)
Proceeds from issuance of debentures 21	21	-	1,100,000,000	-	1,100,000,000
Redemptions of debentures 21	21	(212,500,000)	(212,500,000)	(212,500,000)	(212,500,000)
Issue of ordinary shares 22	22	1,185,258,325	23,377,588	1,250,309,465	23,377,588
Advance for shares subscription		77,899,700	-	77,899,700	-
Proceeds from issuance of ordinary shares in subsidiary		-	1,480,000	-	-
Cash paid to minorities for decapitalization of a subsidiary		-	(230)	-	-
Dividends paid 28	28	(367,924,591)	(307,203,662)	(367,418,746)	(300,203,142)
Net Cash Receipts from Financing Activities		<u>835,367,570</u>	<u>384,687,054</u>	<u>1,247,982,579</u>	<u>869,911,239</u>
Net Increase (Decrease) in Cash and Cash Equivalents		187,713,207	(292,596,823)	104,518,873	(9,591,336)
Cash and cash equivalents, opening balance		313,635,209	606,232,032	(3,239,746)	6,351,590
Cash and Cash Equivalents, Closing Balance		<u>501,348,416</u>	<u>313,635,209</u>	<u>101,279,127</u>	<u>(3,239,746)</u>

The notes to the consolidated and Company financial statements on pages 40 to 91 form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS (Cont'd)

Minor International Public Company Limited

For the years ended 31 December 2006 and 2005

Cash and Cash Equivalents as at 31 December

	Notes	Consolidated		Company	
		2006 Baht	2005 Baht	2006 Baht	2005 Baht
Cash and deposit with banks		511,893,657	333,732,061	103,471,083	9,552,286
Bank overdrafts	17	(10,545,241)	(20,096,852)	(2,191,956)	(12,792,032)
		<u>501,348,416</u>	<u>313,635,209</u>	<u>101,279,127</u>	<u>(3,239,746)</u>

Supplementary Information for Cash Flows**Non-cash Transaction**

Significant non-cash transactions for the year ended 31 December 2006 and 2005 are as follows:

	Notes	Consolidated		Company	
		2006 Baht	2005 Baht	2006 Baht	2005 Baht
Net increase in accrued expenses and other current liabilities as a result of purchases of property, plant and equipment		65,592,432	63,708,646	(1,482,499)	3,716,837
Account payable arisen from purchase of investment in subsidiary		(31,696,083)	31,696,083	-	-

Interest and Income Tax

Interest and income tax paid during the years ended 31 December 2006 and 2005 are as follows:

	Notes	Consolidated		Company	
		2006 Baht	2005 Baht	2006 Baht	2005 Baht
Interest paid		318,912,468	278,921,574	231,120,949	205,939,695
Income tax paid		412,722,593	332,426,352	16,021,093	11,024,724

The notes to the consolidated and Company financial statements on pages 40 to 91 form an integral part of the financial statements.

NOTES TO THE CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS

For the years ended 31 December 2006 and 2005

1. General Information

Minor International Public Company Limited ("the Company") is a public limited company and is incorporated in Thailand. The addresses of its registered offices are as follows:

Bangkok : 16th Floor, Berli Jucker House, 99 Soi Rubia, Sukhumvit 42 Road, Prakanong, Klongtoey, Bangkok 10110, Thailand.

Pattaya : 218/2-4 Moo 10, Beach Road, Nongprue, Banglamung, Chonburi, Thailand.

The Company is incorporated as a public company under Thai law and was listed on the Stock Exchange of Thailand in October 1988. The Company and its subsidiaries ("The Group") engage in investment activities and hotel and restaurant operations carried out in Thailand.

The Group mainly operates in Thailand and employs 14,369 employees as of 31 December 2006 (31 December 2005 : 13,503 employees).

These consolidated and Company financial statements have been approved for issue by the Audit Committee on 15 February 2007.

2. Significant Accounting Policies

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

2.1 Basis for Preparation

The consolidated and Company financial statements have been prepared in accordance with Thai Generally Accepted Accounting Principles under the Accounting Act B.E. 2543 being those Thai Accounting Standards issued under the Accounting Profession Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act B.E. 2535.

The accounting principles applied may differ from generally accepted accounting principles adopted in other countries and jurisdictions. The accompanying consolidated and Company financial statements are therefore not intended to present the financial position and results of operations and cash flows in accordance with jurisdictions other than Thailand. Consequently, these consolidated and Company financial statements are not addressed to those who are not informed about Thai generally accepted accounting principles and practices.

The consolidated and Company financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with Thai generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the amounts of revenues and expenses in the reported periods. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates.

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

2.2 Amendment to Publish Standard Effective for Annual Period Beginning on 1 January 2007

TAS 44 (amendment 2006) - Consolidated Financial Statements and Accounting for Investment in Subsidiaries and TAS 45 (amendment 2006) - Accountings for Investments in Associates, are mandatory for accounting period beginning on or after 1 January 2007. This amendment requires for investments in subsidiaries and associates to be accounted for at cost (previously equity method) in the separate financial statements. Under the cost basis, income from the investment will be recorded when dividends are declared. Furthermore the Group applies similar basis relating to investment in jointly control entities in the separate financial statements. The Group will implement the new basis from 1 January 2007.

2.3 Investments in Subsidiaries

Investment in subsidiaries, which are those entities in which the Group, has an interest of more than one half of the voting rights or otherwise has power to govern the financial and operating policies are consolidated. Subsidiaries are consolidated from the date on which control is transferred to the Group and are no longer consolidated from the date that control ceases. The purchase method of accounting is used to account for the acquisition of subsidiaries. The cost of an acquisition is measured as the fair value of the assets given up, shares issued or liabilities undertaken at the date of acquisition plus costs directly attributable to the acquisition. The excess of the cost of acquisition over the fair value of the net assets of the subsidiary acquired is recorded as goodwill. See Note 2.12 for the accounting policy on goodwill. All intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated; unrealised losses are also eliminated unless cost cannot be recovered. Where necessary, accounting policies for subsidiaries have been changed to ensure consistency with the policies adopted by the Group. Separate disclosure is made for minority interest in the consolidated balance sheets and consolidated statements of income.

Investments in subsidiaries are reported using equity method of accounting in the Company's separate financial statements.

A list of the Group's principal subsidiaries and the effect of acquisitions is set out in Note 10.

Where a subsidiary is acquired and held exclusively with a view to be subsequently disposed of in the near future; or a subsidiary operates under severe long-term restrictions that significantly impair its ability to transfer funds to the Company, the interest in the subsidiary is accounted for in the consolidated and Company financial statements in accordance with the accounting policy on investments as shown in Note 2.11.

2.4 Investments in Associates

Investments in associates are accounted for by the equity method of accounting in the consolidated and Company financial statements. Under this method the Group's share of the post-acquisition profits or losses of associates is recognised in the income statement and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the cost of the investment. Associates are entities over which the Group generally has significant influence, but which it does not control. Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates; unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. The Group's investment in associates includes goodwill (net of accumulated amortisation) on acquisition. When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not to recognise further losses, unless the Group has incurred obligations or made payments on behalf of the associates.

A list of the Group's principal associated undertakings is set out in Note 10.

2.5 Foreign Currency Translation

Foreign currency transactions are accounted for at the exchange rates prevailing at the date of the transactions. Monetary assets and liabilities at the balance sheet date denominated in foreign currencies are translated into Baht at the exchange rates ruling on the balance sheet date. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of income.

Statements of income of foreign entities are translated into the Group's reporting currency at average exchange rates for the year and the balance sheets are translated at the year end exchange rates ruling on the balance sheet date. Exchange differences arising from retranslation are taken to shareholders' equity. On disposal of the foreign entity such translation differences are recognised in the income statement as part of the gain or loss on sale.

Statements of income of foreign operations that are integral to operations of the Company are translated into the Group's reporting currency at weighted average exchange rates for the year and the balance sheets are translated at the exchange rates ruling on the balance sheet date while the non-monetary items are translated at the date of the transaction. Currency translation differences are recognised in the statement of income.

2.6 Financial Instruments

Financial assets carried on the balance sheet include cash and cash equivalents, investments, trade accounts receivables and related party receivables. Financial liabilities carried on the balance sheet include trade accounts payable, related party payables, finance leases and borrowings. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

2.7 Cash and Cash Equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For the purposes, of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held at call with banks, other short-term highly liquid investments, with an original maturity not exceeding 3 months and bank overdrafts, which are shown as current liabilities in the balance sheet.

2.8 Trade Accounts Receivable

Trade accounts receivable are carried at anticipated realisable value. An estimate is made for doubtful receivables based on a review of all outstanding amounts at the year-end. Bad debts are written-off during the year in which they are identified.

2.9 Inventories

Inventories are stated at the lower of cost or net realisable value. Cost is determined by the weighted average method. The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as import duties and transportation charge, less all attributable discounts, allowances or rebates. Net realisable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses. Allowance is made, where necessary, for obsolete, slow-moving and defective inventories.

2.10 Land and Real Estates Project for Sales

Land and real estates project are stated at the lower of cost or net realisable value. The project cost consists of cost of land, development cost, construction cost, miscellaneous expenses of the project and interest expenses, which will be stop to capitalize when the construction complete.

2.11 Other Investments

Other investments other than investments in subsidiaries, associates and joint ventures are classified into the following three categories : trading, available-for-sale and general investments. Investments that are acquired principally for the purpose of generating a profit from short-term fluctuations in price are classified as trading investments and included in current assets. Investments intended to be held for an indefinite period of time, which may be sold in response to liquidity needs or changes in interest rates, are classified as available-for-sale; these are included in non-current assets unless management has expressed the intention of holding the investment for less than 12 months from the balance sheet date or unless they will need to be sold to raise operating capital, in which case they are included in current assets. Investments in non-marketable equity securities are classified as general investments.

The trading investments are traded in active markets and carried at fair value on the balance sheet date by reference to the Stock Exchange of Thailand quoted bid price. Increases/decreases in the carrying amount are credited/charged to the statement of income.

Marketable equity securities classified as available-for-sale securities are carried at fair value. Fair value of marketable equity securities is calculated by reference to Stock Exchange quoted bid prices at the close of business on the balance sheet date. Increases/decreases in the carrying amount are credited or charged to fair value reserves in shareholders' equity.

General investments are carried at cost, less impairment.

Management determines the appropriate classification of its investments at the time of the purchase and re-evaluates such designation on a regular basis.

A test for impairment is carried out when there is a factor indicating that such investment might be impaired. If the carrying value of the investment is higher than its recoverable amount, an impairment loss is charged to the statement of income.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the statement of income.

When disposing of part of the Group's holding of a particular investment in equity securities, the carrying amount of the disposed part is determined from the weighted average carrying amount of the total holding of the investment.

If an investment with fair value adjustments in equity is sold or impaired, accumulated fair value adjustments are included in the statements of income.

2.12 Intangible Assets

Franchise Development Cost

Costs incurred on development of franchises relating to the design of restaurants and the testing of new products are recognised as intangible assets to the extent that such expenditure is expected to generate future economic benefits. Other development expenditure is recognised as an expense as incurred. Development costs previously recognised as expenses are not recognised as assets in a subsequent period. Development costs that have been capitalised are amortised from the commencement of the commercial launch of the franchise on a straight-line method over the period of its expected benefit, generally over 1 - 3 years. Capitalised development cost is not revalued. Its carrying amount is reviewed annually for impairment where it is considered necessary.

Initial Franchise Fees

Expenditure on acquired patents, trademarks and licences relating to restaurant franchises is capitalised and amortised using the straight-line method over the related agreement periods, generally over 3 - 20 years. The intangible assets are not revalued. The carrying amount of intangible asset is reviewed annually and adjusted for impairment where it is considered necessary.

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net assets of the acquired subsidiary or associated undertaking at the date of acquisition. Goodwill on acquisitions is reported in the consolidated balance sheet as an intangible asset and is amortised using the straight-line method over its estimated periods expected for future economic benefits, being 20 years to 40 years.

Negative goodwill represents the excess of the fair value of the Group's share of the net assets acquired over the cost of acquisition. Negative goodwill is presented in the same balance sheet classifications as intangible assets. To the extent that negative goodwill relates to expectations of future losses and expenses that are identified in the Group's plan for the acquisition and to the extent that these can be measured reliably, but which do not represent identifiable liabilities, that portion of negative goodwill is recognised in the statement of income when the future losses and expenses are recognised. Any remaining negative goodwill, not exceeding the fair values of the non-monetary assets acquired, is recognised in the statement of income over the remaining weighted average useful life of those assets; negative goodwill in excess of the fair values of those assets is recognised in the statement of income immediately.

The carrying amount of goodwill is reviewed annually. Where an indication of impairment exists, the carrying amount of goodwill is assessed and written down immediately to its recoverable amount.

2.13 Property, Plant and Equipment

All property, plant and equipment is initially recorded at cost.

Depreciation is calculated on the straight-line method to write-off the cost of each asset, except for land as it is deemed to have an indefinite life, to their residual values over their estimated useful life as follows:

Leasehold right	lease period
Leasehold improvement	lease period
Building and fitting equipment	lease period, 10 years, 20 years, 30 years and 40 years
Building improvement	lease period and 10 years
Machinery and equipment	5 - 15 years
Furniture, fixtures and office equipment	5 years, 10 years and 15 years
Other equipment	5 years and 10 years
Motor vehicles	5 years

Hotel operating equipment acquired before the year 2000 is stated at cost less an appropriate portion of accumulated depreciation. Additions in 2000 and thereafter are recorded as hotel operating equipment and expensed on issue or use.

Operating equipment and kitchen supplies for restaurant operations are recorded at cost upon purchases and are depreciated on first issue or use. The depreciation is calculated on the straight-line method with the estimated useful life of five years. When new items are issued to replace the operating equipment, the replacement cost of operating equipment and kitchen supplies are recognised as expense when issued.

When existing outlets are re-modernised, the related expenditures will be capitalised as buildings improvements or leasehold improvements and will be depreciated using the straight-line method over the shorter of the remaining lease term and the estimated useful life of 3 - 7 years.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount. Estimated recoverable amount is the higher of the anticipated discounted cash flows from the continuing use of the asset and the amount obtainable from the sale of the asset less any costs of disposal.

Gains and losses on disposal of property, plant and equipment are determined by comparing proceeds with carrying amounts and are included in operating profit.

Borrowing costs to finance the construction of property, plant and equipment are capitalised during the period of time that is required to complete and prepare the property for its intended use as part of cost of the asset. The borrowing costs include:

- Interest on bank overdrafts and short-term and long-term borrowings, and related taxes;
- Amortisation of discounts or premiums relating to borrowings;
- Amortisation of ancillary costs incurred in connection with the arrangement of borrowings;
- Finance lease charges

The capitalisation rate used to determine the amount of borrowing costs to be capitalised is the weighted average interest rate applicable to the Group's outstanding borrowing during the year. Where funds are borrowed specifically for the acquisition, construction or production of property, plant and equipment, the amount of borrowing costs eligible for capitalisation on that asset is determined as the actual borrowing costs incurred on that borrowing during the period less any investment income on the temporary investment of those borrowings.

Repairs and maintenance are charged to the income statement during the financial period in which they are incurred. The cost of major renovations is included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Group. Major renovations are depreciated over the remaining useful life of the related asset.

2.14 Accounting for Long-term Leases

Where the Group is the Lessee

Leases of property, plant and equipment which substantially transfer all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the inception of the lease at the present value of the minimum lease payments. Each lease payment is allocated to the principal and to the finance charges so as to achieve a constant rate on the finance balance outstanding. The outstanding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance cost is charged to the statement of income over the lease period. The property, plant and equipment acquired under finance leases is depreciated over the useful life of the asset.

Leases not transferring a significant portion of the risks and rewards of ownership to the lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of income on a straight-line basis over the period of the lease.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

Where the Group is the Lessor

Operating Leases

Assets leased out under operating leases are included in property, plant and equipment in the balance sheet. They are depreciated over their expected useful lives on a basis consistent with other similar property, plant and equipment owned by the Group. Rental income (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

2.15 Provisions

Provisions, which exclude the provisions relating to employee benefits, are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Group expects a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

2.16 Provident Fund

The Group operates a provident fund that is a defined contribution plan. The assets of which are held in a separate fund which is managed by the external fund manager. The provident fund is funded by payments from employees and by the relevant Group companies. Contributions to the provident fund are charged to the statement of income in the year to which they relate.

2.17 Deferred Income Taxes

The Group does not recognise income taxes payable or receivable in future periods in respect of temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. The principal temporary differences arise from depreciation on property, plant and equipment, allowance for doubtful debts, allowance for inventory obsolescence, provision for impairment loss, tax losses carried forward and, in relation to acquisitions, on the difference between the fair values of the net assets acquired and their tax base.

2.18 Warrants

Warrants to Subscribe for Ordinary Shares Issued to Existing Shareholders

Warrants are issued to existing shareholders to subscribe for ordinary shares. Proceeds from issuing warrants are shown net of related expenses under the caption of "Warrants" in shareholders' equity when the warrants are issued.

Where the Company or its subsidiaries purchase the Company's warrants, the total par value of the warrants is deducted from total shareholders' equity under the caption of "Own warrants held" or "Own warrants held by Group", respectively. The consideration paid in excess of the warrant issue price is shown as premium under the caption of "Premium on own warrants" or "Premium on own warrants held by Group" respectively.

Warrants to Subscribe for Ordinary Shares by the Directors and Employees of the Company and/or Its Subsidiaries

Certain employees and executive management of the Group are rewarded through entitlement to receive warrants to subscribe for ordinary shares. When such warrants are granted no compensation cost is recognised in the statement of income. When the warrants are exercised the proceeds received net of any transaction costs are credited to share capital.

2.19 Revenue Recognition

Revenue from hotel operations, mainly consisting of room sales, food and beverage sales and revenue from auxiliary activities, is recognised when the service is rendered.

Revenues from sales of foods and beverages are recognised upon delivery and services rendered are presented net of sales taxes and discounts.

Rental income from retail business and property is recognised as revenue at the amount as specified under the related lease agreements. Rental received in advance is recognised as revenue evenly over the period of the lease.

Revenue from entertainment operations is recognised as revenue when the show is presented.

Revenue from hotel management and entertainment management service is recognised as revenue when the service is rendered.

Revenue from retailing operations is the invoiced value of goods supplied after deducting discounts, recognised when goods are delivered to customers.

Revenue and cost from selling of real estates are recognised as revenue and cost based on the percentage of completion method. The stage of completion is measured by referencing to the percentage of construction compared with total estimated costs. Revenue will be recognised when the payment over 20% of each contract is received.

Other revenue earned by the Group is recognised on the following bases:

Royalty, franchise fee and rental income:	on an accrual basis in accordance with the substance of the relevant agreements.
Interest income:	as it accrues unless collectibility is in doubt.
Dividend income:	when the shareholder's right to receive payment is established.
Deferred income:	on an accrual basis in accordance with substance of relevant agreements.

2.20 Related Parties

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship and not merely the legal form.

2.21 Comparatives

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

3. Segment Information

The Group and the Company operate in Thailand in several business segments. Financial information by segment for the consolidated financial statements are as follows:

For the year ended 31 December (Baht Million)																				
	Hotel operations		Retail and property business		Entertainment operations		Spa services		Food and beverage operations		Management operations		Real estates operations		Investing in other companies		Eliminated		Total	
	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
Revenues	4,660	4,358	477	446	95	88	380	316	6,084	4,951	230	171	97	-	-	-	(307)	(285)	11,716	10,045
Segment Results	3,112	2,949	354	336	56	50	161	125	3,871	3,248	230	171	34	-	-	-	(187)	(176)	7,631	6,703
Depreciation & Amortization																			(1,310)	(1,153)
Results After Depreciation & Amortization																			6,321	5,550

As at 31 December (Baht Million)

	Hotel operations		Retail and property business		Entertainment operations		Spa services		Food and beverage operations		Management operations		Real estates operations		Investing in other companies		Eliminated		Total	
	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
Land held for future development	777	230	15	15	-	-	-	-	-	-	-	-	489	738	-	-	(124)	-	1,281	859
Property, plant and equipment	7,230	7,205	604	660	57	65	79	77	2,436	2,187	4	3	-	-	1	2	-	-	10,411	10,199
Other assets	13,493	11,344	474	572	5	4	170	161	4,195	2,677	872	506	434	76	1,267	1,337	(14,815)	(12,296)	6,095	4,381
Total Assets	21,500	18,779	1,093	1,247	62	69	249	238	6,631	4,864	876	509	923	814	1,268	1,339	(14,815)	(12,420)	17,787	15,439
Trade accounts payable	183	194	2	2	-	-	4	5	483	435	1	1	73	1	-	-	-	-	746	638
Long-term borrowings	4,814	3,954	-	-	30	25	115	131	463	646	520	276	533	667	625	725	(4,898)	(3,798)	2,202	2,626
Debentures	3,556	3,769	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,556	3,769
Other liabilities	2,354	1,953	916	980	11	7	53	47	1,008	632	39	27	86	61	193	140	(1,501)	(1,379)	3,159	2,468
Total Liabilities	10,907	9,870	918	982	41	32	172	183	1,954	1,713	560	304	692	729	818	865	(6,399)	(5,177)	9,663	9,501

As at 31 December 2006 business operating in other countries are not significant to the consolidated financial statements. Therefore, the Company does not present the geographical financial segment information.

4. Cash and Cash Equivalents

	Consolidated		Company	
	2006 Baht	2005 Baht	2006 Baht	2005 Baht
Cash on hand	71,559,657	65,964,211	2,253,931	1,768,289
Deposits held at call with banks	440,334,000	267,767,850	101,217,152	7,783,997
Total Cash and Cash Equivalents	511,893,657	333,732,061	103,471,083	9,552,286

The weighted average effective interest rate of deposits with banks was 0.50% to 1.00% per annum (2005: 0.25% to 1.00% per annum).

5. Short-term Investments

	Consolidated		Company	
	2006 Baht	2005 Baht	2006 Baht	2005 Baht
Opening net book value	249,809,282	252,840,623	-	-
Disposals	(249,481,802)	(4,905,890)	-	-
Changes in the fair value of investments	7,229	1,874,549	-	-
Closing Net Book Value	334,709	249,809,282	-	-

Short-term investments as at 31 December 2006 represent investments in open-end funds.

6. Trade Accounts Receivable, Net

	Consolidated		Company	
	2006 Baht	2005 Baht	2006 Baht	2005 Baht
Trade accounts receivable	557,675,051	509,610,094	39,116,773	36,620,702
<u>Less : Allowance for doubtful accounts</u>	<u>(8,400,730)</u>	<u>(4,953,283)</u>	<u>(1,355,976)</u>	<u>(875,976)</u>
Trade Accounts Receivable, Net	549,274,321	504,656,811	37,760,797	35,744,726

Certain debtors with settlements problems are included in the above trade account receivable. The group has set up allowances to recognise these doubtful accounts. The outstanding balances can be aged as follows:

	Consolidated		Company	
	2006 Baht	2005 Baht	2006 Baht	2005 Baht
Not yet due	345,478,034	331,089,893	29,943,149	26,234,434
Overdue				
Under 90 days	173,031,261	117,567,671	7,111,084	7,894,104
91 days to 180 days	28,650,621	55,938,284	750,175	548,356
Over 181 days	10,515,135	5,014,246	1,312,365	1,943,808
Trade accounts receivable	557,675,051	509,610,094	39,116,773	36,620,702
Less : Allowance for doubtful accounts	(8,400,730)	(4,953,283)	(1,355,976)	(875,976)
Trade Accounts Receivable, Net	549,274,321	504,656,811	37,760,797	35,744,726

7. Inventories, Net

	Consolidated		Company	
	2006 Baht	2005 Baht	2006 Baht	2005 Baht
Food and beverage	39,561,788	36,087,790	1,459,314	1,432,839
Operating equipment	3,695,747	3,985,947	-	-
Finished goods	38,300,729	32,010,484	-	-
Supplies	49,127,164	53,301,369	2,301,731	1,912,164
Raw materials	286,277,871	211,982,554	-	-
Others	4,853,103	5,266,343	-	-
	421,816,402	342,634,487	3,761,045	3,345,003
Less : Allowance for obsolescence	(3,728,219)	(2,509,837)	-	-
Inventories, Net	418,088,183	340,124,650	3,761,045	3,345,003

8. Land and Real Estates Project for Sales

	Consolidated
	2006
	Baht
Land	31,633,734
Construction cost	190,565,395
Furniture and fixture	9,433,870
Interest capitalised	12,020,566
Miscellaneous expenses	339,828
	<hr/> 243,993,393
<u>Less</u> : Cost of sales - accumulated	(53,917,858)
Land and Real Estates Project for Sales, Net	<hr/> 190,075,535 <hr/>

As at 31 December 2006, Group has commitment relating to the construction contracts of real estates project for sales totalling Baht 309.6 million.

The interest capitalized during 2006 is at the average rate of 7.08% per annum.

9. Other Current Assets

	Consolidated		Company	
	2006	2005	2006	2005
	Baht	Baht	Baht	Baht
Other debtors	116,499,896	74,776,365	8,715,955	3,352,091
Prepaid expenses	71,059,285	71,400,341	4,067,293	4,697,886
Prepaid income tax	36,858,684	38,549,383	-	-
Advance for construction	26,835,525	60,105,455	-	-
Short-term loan to other company	358,579,336	-	358,579,336	-
Others	104,537,104	104,901,510	1,315,806	1,322,571
Total Other Current Assets	<hr/> 714,369,830 <hr/>	<hr/> 349,733,054 <hr/>	<hr/> 372,678,390 <hr/>	<hr/> 9,372,548 <hr/>

10. Investments - Equity Method

	Consolidated		Company	
	2006 Baht	2005 Baht	2006 Baht	2005 Baht
Subsidiaries	-	-	8,682,093,055	7,907,987,590
Associates	443,805,588	301,954,123	322,170,724	180,941,672
Total Investments - Equity Method	443,805,588	301,954,123	9,004,263,779	8,088,929,262

a) Investments in Subsidiaries

	Company	
	2006 Baht	2005 Baht
Opening net book value	7,907,987,590	6,651,381,221
Opening balance of negative equity in investment in subsidiaries	(82,351,223)	(37,654,392)
Acquisitions	222,919,616	538,235,729
Disposals	(76,427,825)	-
Decapitalize in property fund	(44,215,171)	(94,535,835)
Share of net profit in subsidiaries	1,092,784,438	999,762,963
Translation adjustment	(37,190,883)	18,400,193
Changes in fair value reserves for available-for-sale securities of a subsidiary	113,948,834	82,662,272
Dividends received	(434,186,478)	(357,741,546)
Dividend income of a subsidiary received from parent company (Note 28)	22,239,705	18,196,123
Reverse unrealized gain on sale of investment in a subsidiary to subsidiary	(69,123,053)	-
Adjustment for share of loss in a subsidiary held by subsidiary	-	(12,781,482)
Realised gain on sales of warrants by a subsidiary	-	19,711,121
Closing balance of negative equity in investment in subsidiaries	65,707,505	82,351,223
Closing Net Book Value	8,682,093,055	7,907,987,590

All holdings are in the ordinary share capital of the subsidiaries and in fund units in the Property Fund subsidiary.

a) Investments in Subsidiaries (Cont'd)

Company - 31 December 2006

	Nature of business	Country of incorporation	Nature of relationship	Paid-up capital Baht Million	Investment portion %	Cost Baht	Equity Baht	Dividend Baht
Chao Phaya Resort Limited	Hotel operation and shopping mall	Thailand	Shareholder	450	81.24	625,811,571	810,891,666	53,617,685
Hua Hin Resort Limited	Hotel operation	Thailand	Shareholder	200	100	230,967,920	593,719,528	-
Maerim Terrace Resort Limited	Hotel operation	Thailand	Shareholder	300	45.30 ⁽¹⁾	161,418,899	273,649,570	2,718,740
Royal Garden Development Limited	Hotel operation	Thailand	Shareholder	700	100	929,262,397	1,115,615,851	-
Samui Resort and Spa Limited	Hotel operation	Thailand	Shareholder	10	100	10,000,000	3,929,972	-
Royal Garden Plaza Limited	Shopping mall	Thailand	Shareholder	75	100	75,000,000	109,197,084	149,998,600
Royal Garden Entertainment Limited	Entertainment operation	Thailand	Shareholder	10	100	10,000,000	20,974,558	35,997,840
MSpa International Limited (MST)	Spa services	Thailand	Shareholder	41	51 ⁽³⁾	20,910,000	40,842,406	-
Royal Garden Hotel Management Limited	Hotel management	Thailand	Shareholder	17	100	93,500,000	60,402,726	-
RGR International Limited	Management	British Virgin Islands	Shareholder	2.6 (USD 100,000)	100	2,586,000	207,384,759	-
RNS Holding Limited	Property investment	Thailand	Shareholder	420	100	362,226,929	114,861,684	-
The Minor Food Group Public Company Limited (MFG)	Sales of food and beverage	Thailand	Shareholder	327	99.67	2,300,932,647	3,771,207,983	-
Rajadamri Hotel Public Company Limited (RHC)	Hotel operation	Thailand	Shareholder	450	54.28 ⁽⁴⁾	909,374,739	1,249,685,768	33,278,348
MI Squared Limited	Hotel operation	Thailand	Shareholder	10	100	10,000,000	9,442,039	-
Samui Beach Residence Limited	Sales of property	Thailand	Shareholder	1	100	1,000,000	30,028,861	-
Sub Thawee Property Fund	Property investment	Thailand	Shareholder	42	99.86 ⁽⁵⁾	42,205,829	42,207,767	44,343,182

a) Investments in Subsidiaries (Cont'd)

Company - 31 December 2006

	Nature of business	Country of incorporation	Nature of relationship	Paid-up capital Baht Million	Investment portion %	Cost Baht	Equity Baht	Dividend Baht
Thai Assets Management Property Fund	Property investment	Thailand	Shareholder	228 ⁽²⁾	100	228,032,259	228,050,833	114,232,083
Total Investments in Subsidiaries						<u>6,013,229,190</u>	<u>8,682,093,055</u>	<u>434,186,478</u>
Thai Project Property Fund	Property investment	Thailand	Shareholder	75	99.90	74,797,460	37,088,727	-
R.G.E. (HKG) Limited	Management	Hong Kong	Shareholder	0.5	100	542,740	22,317,878	-
				(HKD 100,000)				
M&H Management Limited	Hotel management	Mauritius	Shareholder	-	100	36,231	271,550	-
Lodging Investment (Labuan) Limited	Holding investment	Malaysia	Shareholder	-	100	36,231	163,944	-
Samui Village Limited	Hotel operation	Thailand	Shareholder	22	99.93	21,999,300	5,865,406	-
Total Negative Equity in Investments in Subsidiaries						<u>97,411,962</u>	<u>65,707,505</u>	<u>-</u>

Notes:

- (1) Investment portion of 45.30% represents direct holding in Maerim Terrace Resort Limited. Another 24.95% indirect holding is invested through subsidiary.
- (2) Paid up capital of Thai Assets Management Property Fund is investment in Class C and Class D unitholders.
- (3) Investment portion 51% represents direct holding in MST. Another 49% indirect holding is invested through subsidiary.
- (4) Investment portion 54.28% represents direct holding in RHC. Another 41.53% indirect holding is invested through subsidiary.
- (5) Investment portion of 99.86% represents direct holding in Sub Thawee Property Fund. Another 0.14% indirect holding is invested through subsidiary. Paid-up capital of Sub Thawee Property Fund is investment in Class B and Class C unitholders.

a) Investments in Subsidiaries (Cont'd)

Company - 31 December 2005

	Nature of business	Country of incorporation	Nature of relationship	Paid-up capital Baht Million	Investment portion %	Cost Baht	Equity Baht	Dividend Baht
Chao Phaya Resort Limited	Hotel operation and shopping mall	Thailand	Shareholder	450	81.24	625,811,571	727,596,211	53,617,685
Hua Hin Resort Limited	Hotel operation	Thailand	Shareholder	200	100	230,967,920	478,581,793	-
Maerim Terrace Resort Limited	Hotel operation	Thailand	Shareholder	300	45.30 ⁽¹⁾	161,418,899	261,508,559	2,718,740
Baan Boran Chiangrai Limited	Hotel operation	Thailand	Shareholder	165	100	145,550,878	119,999,310	-
Royal Garden Development Limited	Hotel operation	Thailand	Shareholder	700	100	929,262,397	1,042,688,564	-
Royal Garden Plaza Limited	Shopping mall	Thailand	Shareholder	75	100	75,000,000	203,806,630	-
Royal Garden Entertainment Limited	Entertainment operation	Thailand	Shareholder	10	100	10,000,000	37,159,568	-
MSpa International Limited (MST)	Spa services	Thailand	Shareholder	41	51 ⁽³⁾	20,910,000	27,712,810	54,054,700
Royal Garden Hotel Management Limited	Hotel management	Thailand	Shareholder	17	100	93,500,000	76,354,642	-
RGR International Limited	Management	British Virgin Islands	Shareholder	2.6	100	2,586,000	154,377,860	-
RNS Holding Limited	Property investment	Thailand	Shareholder	420	72.39	304,042,200	42,340,764	-
The Minor Food Group	Sales of food and beverage	Thailand	Shareholder	327	99.67	2,300,921,647	3,340,669,854	-
Public Company Limited (MFG)	Hotel operation	Thailand	Shareholder	450	49.30 ⁽⁴⁾	774,723,314	1,078,867,532	33,278,348
Rajadamri Hotel Public Company Limited (RHC)	Hotel operation	Thailand	Shareholder	1	100	1,000,000	913,188	-
MI Squared Limited	Sales of property	Thailand	Shareholder	1	100	1,000,000	939,930	-
Samui Beach Residence Limited	Property investment	Thailand	Shareholder	50	99.86 ⁽⁵⁾	49,930,000	49,932,274	33,969,706

(USD 100,000)

a) Investments in Subsidiaries (Cont'd)

Company - 31 December 2005

	Nature of business	Country of incorporation	Nature of relationship	Paid-up capital Baht Million	Investment portion %	Cost Baht	Equity Baht	Dividend Baht
Thai Assets Management Property Fund	Property investment	Thailand	Shareholder	265 ⁽²⁾	100	264,523,259	264,538,101	97,710,345
Total Investments in Subsidiaries						<u>5,991,148,085</u>	<u>7,907,987,590</u>	<u>275,349,524</u>
Thai Project Property Fund	Property investment	Thailand	Shareholder	75	99.90	74,797,460	(37,600,211)	83,392,022
Samui Resort and Spa Limited	Hotel operation	Thailand	Shareholder	10	100	10,000,000	(17,163,533)	-
R.G.E. (HKG) Limited	Management	Hong Kong	Shareholder	0.5	100	542,740	(24,350,250)	-
				(HKD 100,000)				
Samui Village Limited	Hotel operation	Thailand	Shareholder	1	99.93	999,300	(3,237,229)	-
Total Negative Equity in Investments in Subsidiaries						<u>86,339,500</u>	<u>(82,351,223)</u>	<u>83,392,022</u>

Notes:

- (1) Investment portion of 45.30% represents direct holding in Maerim Terrace Resort Limited. Another 23.65% indirect holding is invested through subsidiary.
- (2) Paid up capital of Thai Assets Management Property Fund is investment in Class C and Class D unitholders.
- (3) Investment portion 51% represents direct holding in MST. Another 49% indirect holding is invested through subsidiary.
- (4) Investment portion 49.3% represents direct holding in RHC. Another 41.53% indirect holding is invested through subsidiary.
- (5) Investment portion of 99.86% represents direct holding in Sub Thawee Property Fund. Another 0.14% indirect holding is invested through subsidiary. Paid-up capital of Sub Thawee Property Fund is investment in Class B and Class C unitholders.

Subsidiaries under The Minor Food Group Public Company Limited (MFG), Hua Hin Resort Limited, MSpa International Limited and Rajadamri Hotel Public Company Limited (RHC) included in the preparation of the consolidated financial statements are:

Company	Nature of business	Country of incorporation	Investment portion (%)
MFG's Subsidiaries			
Swensen's (Thai) Limited	Sales of food and beverage	Thailand	100
Minor Cheese Limited	Manufacturing and sales of cheese	Thailand	100
Minor Dairy Limited	Manufacturing and sales of ice-cream	Thailand	100
Minor DQ Limited	Sales of food and beverage	Thailand	100
R.G.R. Food Service Limited	Sales of food and beverage	Thailand	100
Catering Associates Limited	Catering service	Thailand	51
Burger (Thailand) Limited	Sales of food and beverage	Thailand	95
International Franchise Holding (Labuan) Limited	Franchise owner	Malaysia	100
The Pizza Restaurant Company Limited	Sales of food and beverage	Thailand	100
SLRT Limited	Sales of food and beverage	Thailand	100
International Franchise Holding (Labuan) Limited's Subsidiaries			
Franchise Investment Corporation of Asia Ltd.	Franchise owner	British Virgin Islands	100
Beijing LeJazz Food & Beverage Co., Ltd.	Sales of food and beverage	People's Republic of China	92.59
Hua Hin Resort Limited's Subsidiaries			
Hua Hin Village Limited	Hotel operation	Thailand	100
Baan Boran Chiangrai Limited	Hotel operation	Thailand	100
MSpa International Limited's Subsidiaries			
MSpa Ventures Limited (formerly "Mandara Spa Ventures Limited")	Spa services	British Virgin Islands	100
MSpa Enterprise Management (Shanghai) Limited (formerly "Mandara Spa Enterprise Management (Shanghai) Limited")	Spa services	People's Republic of China	100
Rajadamri Hotel Public Company Limited's Subsidiary			
Rajadamri Residence Company Limited	Project development	Thailand	100

Thai Assets Management Property Fund

On 24 December 2002, the Group invested in the Thai Assets Management Property Fund which is registered with the Securities and Exchange Commission. The Fund was established for the purpose of investment in real estate. The financial statements of the Property Fund are fully consolidated in the consolidated financial statements because the Group has influence to exercise control over the financing and operating policies of the Property Fund.

As at 31 December 2006, the Group holds 100% of the Property Fund's Class C and Class D units. The Class C and Class D unitholders have the right to receive dividends after dividends are paid to Class A and Class B unitholders. As at 31 December 2006, the Class A and Class B unitholders have investments amounting to Baht 624.9 million (31 December 2005 : Baht 724.9 million). These unitholders will receive dividends at the specified interest rates and have rights to receive dividends before other classes of unitholders. Such capital of Class A and Class B unitholders is classified as borrowings (Note 19) according to its underlying substance.

Rajadamri Hotel Public Company Limited

During the year, the Group acquired 2,238,900 additional ordinary shares in Rajadamri Hotel Public Company Limited for consideration of Baht 135 million. As a result, the Group holds 43,112,055 shares representing 95.8% in RHC's issued shares. Goodwill arising from this acquisition is amounting to Baht 28.3 million.

Baan Boran Chiangrai Limited

During the year, the Company disposed its entire investment in Baan Boran Chiangrai Limited to Hua Hin Resort Limited which is a subsidiary, for a consideration of Baht 145.6 million, resulting in a gain of Baht 69.1 million.

RNS Holding Limited

During the year, the Group acquired 1,159,811 additional ordinary shares in RNS Holding Limited for consideration of Baht 58.2 million. As a result, the Group holds 100% in the company's issued shares. Goodwill arising from this acquisition is amounting to Baht 34.8 million.

Luxury Limousine Company Limited

During the year, the Group disposed its entire investment in Luxury Limousine Company Limited for a consideration of Baht 27.3 million, resulting in a gain of Baht 13.7 million. Luxury Limousine Company Limited was a subsidiary under Rajadamri Hotel Public Company Limited.

As at the disposal date, the net assets value of Luxury Limousine Company Limited was as follows:

	Baht
Cash and cash equivalents	10,763,846
Equipment, net	23,795,653
Other assets	2,164,159
Liabilities under finance lease agreement	(21,461,582)
Other liabilities	(1,663,506)
Net assets value	13,598,570
<u>Less: Cash received from disposal of investment</u>	<u>(27,300,000)</u>
Gain on Disposal of Investment	(13,701,430)
Cash received from disposal of investment in subsidiary	27,300,000
<u>Less: Cash and cash equivalents as at the disposal date</u>	<u>(10,763,846)</u>
Net Cash Received from Disposal of Investment in Subsidiary	16,536,154

R.G.E. (HKG) Limited

The financial statements as of 31 December 2006 of R.G.E. (HKG) Limited, included in these consolidated financial statements, were prepared by the management of the subsidiary and have not been audited by its auditor. However, the financial statements of this company are not significant to the consolidated financial statements.

China Food Group Limited

Before 2005, International Franchise Holding (Labuan) Limited held 18.52% interests in China Food Group Limited (CFG). Investment in CFG was accounted in other long-term investment. In addition, International Franchise Holding (Labuan) Limited has made a deposit for share purchase right amounting to USD 1,700,000 which is an irrevocable option. The option is valid until 31 December 2007.

On 31 December 2005, International Franchise Holding (Labuan) Limited purchases additional interests of 81.48% in CFG, amounting to Baht 31.7 million. As a result, the Group holds 100% of CFG's issued shares. The investment status of CFG therefore becomes a subsidiary. Goodwill arising from the new acquisition is amounting to Baht 83.3 million. The Group has consolidated the financial statements of CFG and its subsidiaries commencing from 31 December 2005. To account for the change in the investment status, the Group has recognised the share of loss in CFG before 1 January 2005 amounting to Baht 12.8 million and adjusted to the retained earnings and recognised the share of loss for the year amounting to Baht 18.9 million in the statements of income for the year 2005.

b) Investments in Associates

	Consolidated		Company	
	2006 Baht	2005 Baht	2006 Baht	2005 Baht
Opening net book value	301,954,123	126,911,919	180,941,672	91,251,171
Acquisitions	-	83,257,936	-	7,285,167
Share of net profit in associates	141,851,465	91,784,268	141,229,052	82,405,334
Closing Net Book Value	<u>443,805,588</u>	<u>301,954,123</u>	<u>322,170,724</u>	<u>180,941,672</u>

Select Service Partner Limited

The Group has not included the financial statements of Select Service Partner Limited which is a MFG's associated company in the consolidated financial statements because it does not have control over this company although the equity interest held is 51%. The equity method of accounting is applied to this investment in both the consolidated and Company financial statements.

b) Investments in Associates (Cont'd)

Consolidated - 31 December 2006

	Nature of business	Country of incorporation	Nature of relationship	Paid-up capital Baht Million	Investment portion %	Cost Baht	Equity Baht	Dividend Baht
Maikhao Vacation Villas Limited	Sales of Right-to-Use in Time sharing resort	Thailand	Shareholder	40	50	22,999,292	260,601,565	-
Coco Palm Hotel & Resort Co., Ltd.	Hotel operation	Thailand	Shareholder	92.5	40	55,000,000	45,069,024	-
Arabian Spa (Dubai) Limited	Spa services	United Arab Emirates	Shareholder	3.4	49	1,667,936	726,876	-
Eutopia Private Holding Limited	Hotel operation	Republic of Maldives	Shareholder	163.2 (USD 4 Million)	50	81,590,000	43,154,395	-
Sizzler China Pte. Limited	Franchise owner	Singapore	Shareholder	-	50	-	4,809,382	-
Select Service Partner Limited	Sales of food and beverage	Thailand	Shareholder	45	51	22,950,000	89,444,346	-
Total Investments in Associates						<u>184,207,228</u>	<u>443,805,588</u>	<u>-</u>

b) Investments in Associates (Cont'd)

Consolidated - 31 December 2005

	Nature of business	Country of incorporation	Nature of relationship	Paid-up capital Baht Million	Investment portion %	Cost Baht	Equity Baht	Dividend Baht
Maikhao Vacation Villas Limited	Sales of Right-to-Use in Time sharing resort	Thailand	Shareholder	40	50	22,999,292	118,232,036	-
Coco Palm Hotel & Resort Co., Ltd.	Hotel operation	Thailand	Shareholder	92.5	40	55,000,000	46,209,500	-
Arabian Spa (Dubai) Limited	Spa services	United Arab Emirates	Shareholder	3.4 (Dirham 0.3 Million)	49	1,667,936	1,646,532	-
Eutopia Private Holding Limited	Hotel operation	Republic of Maldives	Shareholder	163.2 (USD 4 Million)	50	81,590,000	76,228,876	-
Sizzler China Pte Limited	Franchise owner	Singapore	Shareholder	-	50	-	2,882,800	-
Select Service Partner Limited	Sales of food and beverage	Thailand	Shareholder	45	51	22,950,000	56,754,379	-
Total Investments in Associates						<u>184,207,228</u>	<u>301,954,123</u>	<u>-</u>

b) Investments in Associates (Cont'd)

Company - 31 December 2006

Nature of business	Country of incorporation	Nature of relationship	Paid-up capital Baht Million	Investment portion %	Cost Baht	Equity Baht	Dividend Baht
Maikhao Vacation Villas Limited	Thailand	Shareholder	40	50	24,284,460	277,101,700	-
		Right-to-Use in Time sharing resort					
Coco Palm Hotel & Resort Co., Ltd.	Thailand	Shareholder	92.5	40 ⁽¹⁾	55,000,000	45,069,024	-
Total Investments in Associates					<u>79,284,460</u>	<u>322,170,724</u>	<u>-</u>

Company - 31 December 2005

Nature of business	Country of incorporation	Nature of relationship	Paid-up capital Baht Million	Investment portion %	Cost Baht	Equity Baht	Dividend Baht
Maikhao Vacation Villas Limited	Thailand	Shareholder	40	50	24,284,460	134,732,172	-
		Right-to-Use in Time sharing resort					
Coco Palm Hotel & Resort Co., Ltd.	Thailand	Shareholder	92.5	40 ⁽¹⁾	55,000,000	46,209,500	-
Total Investments in Associates					<u>79,284,460</u>	<u>180,941,672</u>	<u>-</u>

Notes:

(1) Investment portion in Coco Palm Hotel & Resort Co., Ltd. is 65.04% but the Company has voting right at 40%.

11. Other Long-term Investments, Net

	Consolidated		Company	
	2006 Baht	2005 Baht	2006 Baht	2005 Baht
Other companies, net	567,672,070	25,350,092	543,332,253	14,550
Related companies, net	407,156,490	270,441,462	-	40,842,750
Other Long-term Investments, Net	974,828,560	295,791,554	543,332,253	40,857,300

a) Investments in Other Companies

	Consolidated		Company	
	2006 Baht	2005 Baht	2006 Baht	2005 Baht
Opening net book amount	25,350,092	45,812,762	14,550	12,680
Acquisition	500,174,289	149,722	497,303,083	-
Disposals	(2,437,955)	(5,972)	-	-
Transferred investment in CFG to investment in subsidiary	-	(19,952,000)	-	-
Change in fair value of investments	44,585,644	(654,420)	46,014,620	1,870
Closing Net Book Amount	567,672,070	25,350,092	543,332,253	14,550

Investment in other companies comprises:

	Consolidated			
	Cost method		Fair value	
	2006	2005	2006	2005
	Baht	Baht	Baht	Baht
Available-for-sale Securities, Cost	520,141,081	21,917,206	565,721,720	22,912,202
Adjust : Fair value reserves	45,580,639	994,996	-	-
Available-for-sale securities, net	565,721,720	22,912,202	565,721,720	22,912,202
General Investments	1,950,350	2,437,890		
Investments in the Other Companies, Net	567,672,070	25,350,092		

	Company			
	Cost method		Fair value	
	2006	2005	2006	2005
	Baht	Baht	Baht	Baht
Available-for-sale Securities, Cost	497,308,817	5,733	543,332,253	14,550
Adjust : Fair value reserves	46,023,436	8,817	-	-
Investments in the Other Companies, Net	543,332,253	14,550	543,332,253	14,550

S&P Syndicate Public Company Limited

During the year, the Company acquired 9,710,573 ordinary shares and 8,069,627 warrants in S&P Syndicate Public Company Limited for consideration of Baht 497.3 million.

b) Investments in Related Companies

	Consolidated		Company	
	2006	2005	2006	2005
	Baht	Baht	Baht	Baht
Opening net book amount	270,441,462	142,719,030	40,842,750	21,238,230
Shares dividend received	65,760,670	-	-	-
Acquisition	-	28,652,720	-	4,356,560
Disposals	(21,024,662)	-	(17,077,960)	-
Change in fair value of investments	91,979,020	99,069,712	(23,764,790)	15,247,960
Closing Net Book Amount	407,156,490	270,441,462	-	40,842,750

b) Investments in Related Companies (Cont'd)

Consolidated - 31 December 2006

Nature of business	Country of incorporation	Nature of relationship	Paid-up capital Baht Million	Investment portion %	Cost Baht	Fair value reserves Baht	Net investment Baht
Available-for-sale Securities							
Minor Corporation Public Company Limited	Thailand	Shareholder	450	9.32	159,984,225	247,172,265	407,156,490
Total Investments in Related Companies					<u>159,984,225</u>	<u>247,172,265</u>	<u>407,156,490</u>

Consolidated - 31 December 2005

Nature of business	Country of incorporation	Nature of relationship	Paid-up capital Baht Million	Investment portion %	Cost Baht	Fair value reserves Baht	Net investment Baht
Available-for-sale Securities							
Minor Corporation Public Company Limited	Thailand	Shareholder	371	11.58	115,248,216	155,193,246	270,441,462
Total Investments in Related Companies					<u>115,248,216</u>	<u>155,193,246</u>	<u>270,441,462</u>

Company - 31 December 2005

Nature of business	Country of incorporation	Nature of relationship	Paid-up capital Baht Million	Investment portion %	Cost Baht	Fair value reserves Baht	Net investment Baht
Available-for-sale Securities							
Minor Corporation Public Company Limited	Thailand	Shareholder	371	1.76	17,077,960	23,764,790	40,842,750
Total Investments in Related Companies					<u>17,077,960</u>	<u>23,764,790</u>	<u>40,842,750</u>

12. Related Party Transactions

The Company is an associate company of Minor Corporation Public Company Limited. Therefore, Minor Corporation Public Company Limited and its subsidiaries are considered related companies of the Group.

During the year the Group and the Company have entered into transactions with its subsidiaries, associates, and related companies. The terms and basis of such transactions are negotiated between the parties in the ordinary course of business and according to normal trade conditions.

Pricing policies for related party transactions comprise:

Pricing policies	
Sales and purchases	Market prices
Sales from real estate development operations	Market prices
Rental income	Agreed prices which approximate market prices
Franchise fee	Agreed prices which approximate market prices
Management income and other income	Agreed prices which approximate market prices
Interest income	Rate as mutually agreed by shareholders and rate determined with reference to the interest rate quoted by commercial banks
Rental expenses	Agreed prices which approximate market prices
Management expenses	Agreed prices which approximate market prices
Royalty fee	Agreed prices which approximate market prices
Interest expenses	Rate determined with reference to the interest rate quoted by commercial banks

Significant transactions with related companies for the years ended 31 December 2006 and 2005 are summarised as follows:

	Consolidated		Company	
	2006 Baht	2005 Baht	2006 Baht	2005 Baht
Sales				
Associates	24,547,194	19,046,449	-	-
Sales from Real Estate Development Operations				
Related company	97,300,000	-	-	-

	Consolidated		Company	
	2006 Baht	2005 Baht	2006 Baht	2005 Baht
Rental Income				
Subsidiaries	-	-	40,579,941	38,812,355
Related companies	21,187,756	21,278,264	-	-
Total Rental Income	<u>21,187,756</u>	<u>21,278,264</u>	<u>40,579,941</u>	<u>38,812,355</u>
Interest Income				
Subsidiaries	-	-	200,573,080	128,903,710
Associates	28,975,805	11,331,645	9,268,704	8,335,619
Related companies	221,665	202,737	-	-
Total Interest Income	<u>29,197,470</u>	<u>11,534,382</u>	<u>209,841,784</u>	<u>137,239,329</u>
Management Fee Income				
Subsidiaries	-	-	86,028,214	80,399,438
Associates	23,667,477	3,651,416	-	-
Related companies	13,449,068	13,526,460	1,820,000	1,320,000
Total Management Fee Income	<u>37,116,545</u>	<u>17,177,876</u>	<u>87,848,214</u>	<u>81,719,438</u>
Dividend Income				
Related companies	<u>67,509,624</u>	<u>5,372,385</u>	<u>-</u>	<u>816,855</u>
Other Income				
Subsidiaries	-	-	10,684,143	8,239,838
Associates	9,022,973	2,700,000	7,457,400	1,860,000
Total Other Income	<u>9,022,973</u>	<u>2,700,000</u>	<u>18,141,543</u>	<u>10,099,838</u>
Purchases				
Subsidiaries	-	-	221,495	244,860
Associates	10,231	8,970	-	-
Related companies	8,726,835	10,617,898	-	-
Total Purchases	<u>8,737,066</u>	<u>10,626,868</u>	<u>221,495</u>	<u>244,860</u>
Rental Expenses				
Subsidiaries	-	-	12,492,804	11,696,281
Associates	-	221,325	-	-
Related companies	20,315,112	17,645,650	-	-
Total Rental Expenses	<u>20,315,112</u>	<u>17,866,975</u>	<u>12,492,804</u>	<u>11,696,281</u>

	Consolidated		Company	
	2006 Baht	2005 Baht	2006 Baht	2005 Baht
Interest Expenses				
Subsidiaries	-	-	24,236,635	14,894,857
Associates	-	296	-	-
Total Interest Expenses	<u>-</u>	<u>296</u>	<u>24,236,635</u>	<u>14,894,857</u>
Management Fee Expenses				
Subsidiaries	-	-	2,583,605	-
Related companies	49,887,911	40,222,295	9,206,720	10,212,000
Total Management Fee Expenses	<u>49,887,911</u>	<u>40,222,295</u>	<u>11,790,325</u>	<u>10,212,000</u>
Royalty Fee				
Subsidiaries	-	-	754,333	10,358,835
Other Expenses				
Related companies	<u>8,062,556</u>	<u>2,984,163</u>	<u>3,151,399</u>	<u>513,349</u>
Directors' Remuneration	<u>6,350,000</u>	<u>4,629,032</u>	<u>4,010,000</u>	<u>2,130,000</u>

Directors' remuneration represents directors' fees (exclusive of salaries and related benefits payable to the executive directors) paid to the Company's directors in accordance with Section 90 of the Public Limited Company Act, and was approved by the shareholders in their Annual General Meeting.

As at 31 December 2006 and 2005, outstanding balances arising from receivable, payable, advances and loans from/to related companies are summarised as follows:

	Consolidated		Company	
	2006 Baht	2005 Baht	2006 Baht	2005 Baht
Amounts Due from Related Companies				
Subsidiaries	-	-	208,433,720	105,405,026
Associates	50,230,939	13,432,987	1,862,606	2,743,444
Related companies	81,316,349	2,021,628	26,425	-
Total Amounts Due from Related Companies	<u>131,547,288</u>	<u>15,454,615</u>	<u>210,322,751</u>	<u>108,148,470</u>

Outstanding amounts due from related companies as at 31 December 2006 and 2005 can be analysed by aging as follows:

	Consolidated		Company	
	2006 Baht	2005 Baht	2006 Baht	2005 Baht
Not Yet Due	102,912,656	8,753,330	48,001,535	37,634,590
Overdue less than 90 days	9,335,033	5,526,132	34,891,957	19,246,596
Overdue 91 - 180 days	7,780,682	826,283	26,523,221	17,448,562
Overdue 181 - 365 days	8,438,392	165,471	50,425,219	29,701,726
Overdue over 365 days	3,080,525	183,399	50,480,819	4,116,996
Total Amounts Due from Related Companies	131,547,288	15,454,615	210,322,751	108,148,470

	Consolidated		Company	
	2006 Baht	2005 Baht	2006 Baht	2005 Baht
Long-term Loans to Related Companies				
Subsidiaries	-	-	3,365,115,985	2,521,861,776
Associates	441,500,000	372,961,741	8,000,000	167,536,741
Related companies	2,890,000	3,286,800	-	-
Total Long-term Loans to Related Companies	444,390,000	376,248,541	3,373,115,985	2,689,398,517

	Consolidated		Company	
	2006 Baht	2005 Baht	2006 Baht	2005 Baht
Amounts Due to and Advances from Related Companies				
Subsidiaries	-	-	45,623,115	12,491,710
Associates	1,278,611	308,318	-	5,922
Related companies	2,524,110	3,795,887	-	3,874
Total Amounts Due to and Advances from Related Companies	3,802,721	4,104,205	45,623,115	12,501,506

	Consolidated		Company	
	2006 Baht	2005 Baht	2006 Baht	2005 Baht
Short-term Loans from Related Companies				
Subsidiaries	-	-	961,654,448	1,012,043,898

13. Land Held for Future Development and Projects under Development

Land held for future development and projects under development are stated at cost, and are held by the following subsidiaries:

	Consolidated	
	2006 Baht	2005 Baht
Thai Project Property Fund	62,468,464	62,468,464
MI Squared Limited	315,493,748	268,402,028
Samui Beach Residence Limited	-	31,793,358
Samui Village Limited	777,479,354	251,359,947
Baan Boran Chiangrai Limited	-	179,534,265
Rajadamri Residence Company Limited	110,722,338	50,341,873
Royal Garden Plaza Limited	15,162,372	15,063,380
Total Land Held for Future Development and Projects under Development	1,281,326,276	858,963,315

	Consolidated Baht Million
Capital commitments as at 31 December 2006	117.5
Capital commitments as at 31 December 2005	249.2

As at 31 December 2006, subsidiaries have commitments in respect of construction contracts and purchases of fixed assets for project under development not yet recognised as liabilities of approximately Baht 117.5 million (2005 : Baht 249.2 million).

14. Property, Plant and Equipment, Net

	Consolidated (Baht)									
	Land and land improvement	Leasehold right	Building and fitting equipment	Building and leasehold improvement	Furnitures, fixtures and office equipment	Other equipment	Motor vehicles	Operating equipment	Construction in progress	Total
At 31 December 2005										
Cost	588,092,739	3,071,609,146	7,434,583,334	2,183,013,010	3,351,958,595	1,450,604,371	238,404,431	301,115,452	207,783,172	18,827,164,250
Less: Accumulated depreciation	(102,061,919)	(1,156,472,733)	(2,773,950,742)	(1,079,249,956)	(2,255,676,195)	(951,467,046)	(169,704,426)	(127,740,179)	-	(8,616,323,196)
Provision for impairment loss	-	-	-	-	-	(11,850,410)	-	-	-	(11,850,410)
Net Book Value	486,030,820	1,915,136,413	4,660,632,592	1,103,763,054	1,096,282,400	487,286,915	68,700,005	173,375,273	207,783,172	10,198,990,644
Year Ended 31 December 2006										
Opening net book value	486,030,820	1,915,136,413	4,660,632,592	1,103,763,054	1,096,282,400	487,286,915	68,700,005	173,375,273	207,783,172	10,198,990,644
Additions	1,728,537	32,180,083	7,842,594	302,824,216	259,316,832	164,462,384	10,290,840	87,191,203	549,915,119	1,415,751,808
Reclassification	45,898,426	(18,831,521)	252,966,004	325,914,513	195,874,071	4,228,925	21,962,182	(1,738,834)	(826,273,766)	-
Write-off	-	(3,506,550)	(93,635)	(10,009,187)	(1,909,138)	(3,609,654)	-	(36,052,659)	(4,810,111)	(59,990,934)
Disposals	-	(1,541,667)	(75,188)	(3,752,438)	(7,250,962)	(3,445,280)	(2,769,375)	(9,514,520)	(28,000)	(28,377,430)
Assets decreased due to the disposal of a subsidiary (Note 10)	-	-	-	-	(122,624)	-	(23,673,029)	-	-	(23,795,653)
Transfer from other accounts	-	-	-	-	(3,372,663)	4,615,663	626,589	-	170,995,060	172,864,649
Translation adjustment	-	-	-	(8,594,321)	11,938	82,856	(66,521)	(258,540)	-	(8,824,588)
Depreciation charge	(8,464,039)	(107,673,721)	(340,301,592)	(237,436,884)	(398,710,381)	(130,727,308)	(25,617,904)	(18,060,807)	-	(1,266,992,636)
Net impairment	-	-	-	-	-	11,850,410	-	-	-	11,850,410
Closing Net Book Value	525,193,744	1,815,763,037	4,580,970,775	1,472,708,953	1,140,119,473	534,744,911	49,452,787	194,941,116	97,581,474	10,411,476,270
At 31 December 2006										
Cost	612,995,289	3,065,099,197	7,703,892,664	2,773,610,927	3,658,181,383	1,458,962,891	183,832,836	325,422,011	97,581,474	19,879,578,672
Less: Accumulated depreciation	(87,801,545)	(1,249,336,160)	(3,122,921,889)	(1,300,901,974)	(2,518,061,910)	(924,217,980)	(134,380,049)	(130,480,895)	-	(9,468,102,402)
Net Book Value	525,193,744	1,815,763,037	4,580,970,775	1,472,708,953	1,140,119,473	534,744,911	49,452,787	194,941,116	97,581,474	10,411,476,270

Company (Baht)

	Land and land improvement	Leasehold right	Building and fitting equipment	Building and leasehold improvement	Furnitures, fixtures and office equipment	Other equipment	Motor vehicles	Operating equipment	Construction in progress	Total
At 31 December 2005										
Cost	9,510,983	18,690,531	545,211,795	36,358,533	229,695,141	5,933,263	25,841,291	15,550,095	2,396,140	889,187,772
Less: Accumulated depreciation	-	(10,591,351)	(232,579,695)	(8,718,726)	(142,374,412)	(562,817)	(14,679,134)	(5,565,790)	-	(415,071,925)
Net Book Value	9,510,983	8,099,180	312,632,100	27,639,807	87,320,729	5,370,446	11,162,157	9,984,305	2,396,140	474,115,847
Year Ended 31 December 2006										
Opening net book value	9,510,983	8,099,180	312,632,100	27,639,807	87,320,729	5,370,446	11,162,157	9,984,305	2,396,140	474,115,847
Additions	-	-	3,590,651	-	5,635,175	2,083,064	2,350,000	7,354,178	9,970,097	30,983,165
Reclassification	-	-	6,510,065	-	1,236,509	4,615,663	-	-	(12,362,237)	-
Write off	-	-	-	-	-	-	-	-	(4,000)	(4,000)
Disposals	-	-	-	-	(121,163)	(85,789)	(1,560,801)	(643,771)	-	(2,411,524)
Depreciation charge	-	(622,625)	(24,483,804)	(2,110,676)	(20,764,006)	(6,029,394)	(2,312,892)	(1,770,981)	-	(58,094,378)
Closing Net Book Value	9,510,983	7,476,555	298,249,012	25,529,131	73,307,244	5,953,990	9,638,464	14,923,731	-	444,589,110
At 31 December 2006										
Cost	9,510,983	18,690,531	555,312,511	36,358,533	240,743,898	7,925,828	24,650,005	21,683,504	-	914,875,793
Less: Accumulated depreciation	-	(11,213,976)	(257,063,499)	(10,829,402)	(167,436,654)	(1,971,838)	(15,011,541)	(6,759,773)	-	(470,286,683)
Net Book Value	9,510,983	7,476,555	298,249,012	25,529,131	73,307,244	5,953,990	9,638,464	14,923,731	-	444,589,110

A subsidiary has mortgaged parts of its land and building to secure long-term loans from financial institutions (Note 19).

During 2002 to 2003, certain subsidiaries have entered into sale and leaseback agreements with the Thai Assets Management Property Fund and Sub Thawee Property Fund with the first right of repurchase. The Property Funds are consolidated in the consolidated financial statements of the Company and of MFG, respectively. The sale and leaseback transactions have been accounted for as secured borrowings (Note 19). There is no accounting entries relating to property, plant and equipment required to record in the consolidated financial statements.

As at 31 December 2006, long-term borrowings (Note 19) are secured by fixed assets of subsidiaries with book values of Baht 1,326 million.

	Consolidated ⁽¹⁾	Company ⁽²⁾
	Baht Million	Baht Million
Capital commitments as at 31 December 2006	35.6	-
Capital commitments as at 31 December 2005	37.4	0.8

Notes:

- (1) As at 31 December 2006, subsidiaries have commitments in respect of hotel construction contracts not yet recognised as liabilities of approximately Baht 35.6 million (2005 : Baht 37.4 million).
- (2) As at 31 December 2005, the Company has commitments in respect of the renovation of hotel rooms and systems contracts not yet recognised as liabilities of approximately Baht 0.8 million.

15. Intangible Assets, Net

	Consolidated (Baht)				
	Franchise development expenses	Initial franchise fee	Goodwill	Negative goodwill	Total
At 31 December 2005					
Cost	154,681,421	88,160,303	1,930,725,691	(624,681,677)	1,548,885,738
Less : Accumulated amortisation	(149,818,999)	(69,919,526)	(257,584,641)	209,039,037	(268,284,129)
Net Book Value	4,862,422	18,240,777	1,673,141,050	(415,642,640)	1,280,601,609
Transactions During the Year Ended 31 December 2006					
Opening net book value	4,862,422	18,240,777	1,673,141,050	(415,642,640)	1,280,601,609
Additions	560,000	8,695,371	63,125,350	-	72,380,721
Translation adjustment	-	(2,131,654)	-	-	(2,131,654)
Amortisation	(1,205,619)	(7,159,445)	(68,848,627)	34,131,742	(43,081,949)
Net Book Amount	4,216,803	17,645,049	1,667,417,773	(381,510,898)	1,307,768,727
At 31 December 2006					
Cost	155,241,421	94,724,020	1,993,851,042	(624,681,677)	1,619,134,806
Less : Accumulated amortisation	(151,024,618)	(77,078,971)	(326,433,269)	243,170,779	(311,366,079)
Net Book Value	4,216,803	17,645,049	1,667,417,773	(381,510,898)	1,307,768,727

16. Other Non-current Assets

	Consolidated		Company	
	2006 Baht	2005 Baht	2006 Baht	2005 Baht
Deposits	205,179,481	167,429,013	3,563,233	3,611,473
Deferred charges	153,846,949	109,452,214	17,138,780	19,768,515
Tax refundable	-	18,255,611	-	-
Others	48,531,189	35,384,114	6,181,193	-
Total Other Non-current Assets	407,557,619	330,520,952	26,883,206	23,379,988

17. Bank Overdrafts and Short-term Loans from Financial Institutions

	Consolidated		Company	
	2006 Baht	2005 Baht	2006 Baht	2005 Baht
Bank overdrafts	10,545,241	20,096,852	2,191,956	12,792,032
Short-term loans from financial institutions	1,256,203,600	748,485,750	905,000,000	642,000,000
Total Bank Overdrafts and Short-term Loans from Financial Institutions	1,266,748,841	768,582,602	907,191,956	654,792,032

The bank overdrafts and short-term loans from financial institutions are denominated in Thai Baht.

18. Other Current Liabilities

	Consolidated		Company	
	2006 Baht	2005 Baht	2006 Baht	2005 Baht
Accounts payable - construction	99,468,372	73,859,218	5,690,213	7,172,712
Accounts payable - other	309,387,370	260,451,780	14,702,795	7,834,140
Others	293,391,130	215,336,739	14,547,901	18,676,896
Total Other Current Liabilities	702,246,872	549,647,737	34,940,909	33,683,748

19. Long-term Borrowings

	Consolidated		Company	
	2006 Baht	2005 Baht	2006 Baht	2005 Baht
Current Portion				
Loans from financial institutions	330,610,000	482,900,000	60,000,000	54,040,000
Long-term Borrowings				
Loans from financial institutions	927,111,615	968,298,601	540,000,000	292,000,000
Other borrowings	1,010,640,000	1,174,900,000	-	-
	1,937,751,615	2,143,198,601	540,000,000	292,000,000
Total Long-term Borrowings	2,268,361,615	2,626,098,601	600,000,000	346,040,000

Maturity of long-term borrowings can be analysed as follows:

	Consolidated		Company	
	2006 Baht	2005 Baht	2006 Baht	2005 Baht
Next year	330,610,000	482,900,000	60,000,000	54,040,000
Between 2 and 5 years	927,111,615	968,298,601	540,000,000	292,000,000
Over 5 years	1,010,640,000	1,174,900,000	-	-
Total Long-term Borrowings	2,268,361,615	2,626,098,601	600,000,000	346,040,000

The movements in the borrowings can be analysed as follows:

	Consolidated Baht	Company Baht
For the Year Ended 31 December 2006		
Opening amount	2,626,098,601	346,040,000
Borrowings	308,000,000	308,000,000
Repayment of borrowings	(666,566,447)	(54,040,000)
Transaction costs	829,461	-
Closing Amount	2,268,361,615	600,000,000

Loans from Financial Institutions

As at 31 December 2006, loans from financial institutions in the consolidated financial statements totalling Baht 1,258 million comprise:

- The Company's outstanding loans of Baht 600 million. The loan carries 12 months fixed deposit rate plus a fixed rate of interest and is due for repayment in 10 semi-annually installments by amount of Baht 60 million each with the first redemption due in November 2007. The loan is subject to certain conditions with which the Company has to comply throughout the loan period.
- A subsidiary's outstanding loans amounting to Baht 531 million. The loans are secured against a mortgage of land and building of subsidiary (Note 14). The loans carry interest at agreed floating rate. The loans are due for repayment during 1999 to 2009.
- A subsidiary's unsecured loan of Baht 50 million. The loan carries a MLR minus a fixed rate of interest and is due for repayment in 36 monthly installments starting from 31 July 2005. The loan is subject to certain conditions with which the subsidiary has to comply with throughout the loan period.

- d) A subsidiary's unsecured loan of Baht 41 million. The loan carries a fixed rate of interest for the first 3 years and a floating rate of interest for the fourth year. The loan is to be repaid in seven semi-annually installments starting from 30 June 2004. The loan is subject to certain conditions with which the subsidiary has to comply with throughout the loan period.
- e) A subsidiary's unsecured loan of Baht 36 million. The loan carries a fixed rate of interest and is due for repayment within 4 years. The first repayment totalling Baht 26 million is due in the fourth quarter of 2004. The loan is subject to certain conditions with which the subsidiary has to comply with throughout the loan period.

Other Borrowings

Other borrowing loan amounting to Baht 1,011 million represents borrowings through the two property funds as follows:

- a) Long-term loan amounting to Baht 625 million representing Class A and B investment units in the Thai Assets Management Property Fund being units held by banks and financial institutions. These unitholders receive interest at fixed rates and MLR minus fixed rates as specified in the Unit Holders Agreement. The loans are repayable within 10 years.

Thai Assets Management Property Fund holds sub-lease rights and legal titles in the Group's property, plant and equipment with a book value of Baht 1,022 million as collateral.

- b) Long-term loan amounting to Baht 386 million representing Class A investment units in the Sub Thawee Property Fund being units held by banks and financial institutions. These unitholders receive interest at MLR minus fixed rates as specified in the Unit Holders Agreement. The loans are repayable within 10 years.

Sub Thawee Property Fund holds sub-lease rights and legal titles in the Group's property, plant and equipment with a book value of Baht 304 million as collateral.

Borrowing Facilities

The Group and the Company have the following undrawn committed long-term borrowing facilities:

	Consolidated		Company	
	2006 Baht	2005 Baht	2006 Baht	2005 Baht
Floating Interest Rate				
- expiring within one year	1,300,000,000	108,000,000	1,300,000,000	108,000,000
- expiring beyond one year	-	200,000,000	-	200,000,000
	<u>1,300,000,000</u>	<u>308,000,000</u>	<u>1,300,000,000</u>	<u>308,000,000</u>

The facilities have been arranged to refinance debentures.

On 25 September 2006, the Company signed a loan agreement with a local bank to receive a long-term loan amounting to Baht 1,300 million for the redemption of the debentures. As at 31 December 2006, the loan has not been drawn down.

The carrying amounts of long-term loans as of 31 December 2006 approximate to their fair values.

20. Liabilities under Finance Lease Agreements, Net

	Consolidated		Company	
	2006 Baht	2005 Baht	2006 Baht	2005 Baht
Liabilities under finance lease agreements	-	27,948,666	-	-
<u>Less : Deferred interest</u>	-	(1,493,538)	-	-
	-	<u>26,455,128</u>	-	-
Liabilities under finance lease agreements are due as follows:				
Due within 1 year	-	22,381,638	-	-
Later than 1 year	-	4,073,490	-	-
	-	<u>26,455,128</u>	-	-

21. Debentures

	Consolidated and Company	
	2006 Baht	2005 Baht
Current portion of debentures	106,250,000	212,500,000
Debentures due in longer term	3,450,000,000	3,556,250,000
Total Debentures	<u>3,556,250,000</u>	<u>3,768,750,000</u>

The movements in debentures can be analysed as follows:

	Consolidated and Company Baht
For the Year Ended 31 December 2006	
Opening amount	3,768,750,000
Redemption	(212,500,000)
Closing Amount	<u>3,556,250,000</u>

Debentures comprise:

- a) 1,700,000 units of debentures issued during the third quarter of 2002, (unsecured, senior and without a debenture holder's representative) with a par value of Baht 1,000 each, totalling Baht 1,700 million, to be used for the repayment of previous debentures and long-term loans before their due dates. The maturity period of the debentures is 5 years. The debentures will be due semi-annually and will be redeemed 8 times in amount of Baht 106.25 million each with the first redemption due on 23 August 2003. The last redemption amount will be Baht 850 million on 23 August 2007. The debentures holders are entitled to receive interest at a fixed rate, and the Company will pay interest semi-annually on 23 February and 23 August of each year, throughout the debentures' term. The terms and conditions of the debentures holders' rights contain certain covenants, including the maintenance of a certain debt to equity ratio, and limits on the payment of dividends and the disposal and transfer or pledge of certain operating assets of the Company which are used in its main operations.
- b) Debentures issued in January 2004 which are unsecured, senior and without a debenture holder's representatives totalling Baht 1,000 million. These debentures have a fixed rate of interest and are due for repayment within 2010.
- c) Debentures issued in December 2004 which are unsecured, senior and without a debenture holder's representatives amounting to Baht 500 million. These debentures have a fixed rate of interest and due for repayment within 2007.
- d) Debentures issued in May 2005 which are unsecured, senior and without a debenture holder's representatives amounting to Baht 1,100 million. These debentures have a fixed rate of interest and due for repayment within 2010.

As mention in Note 19, the Company signed a loan agreement with a local bank to receive a long-term loan amounting to Baht 1,300 million for the redemption of the debentures. Therefore, as at 31 December 2006, the Company has presented the debentures which will be due for redemption on 23 August 2007 and December 2007 as non-current liabilities.

At the annual general meeting of the shareholders of the Company held on 21 April 2005, the shareholders passed a resolution to approve issuance of no more than ten-year unsubordinated debentures with guarantee and/or no long-term guarantee (depending on the market at the issue date) of an amount not exceeding Baht 5,000 million, to be used for the refinance of the existing loans and working capital. As at 31 December 2006, these debentures have not yet been offered.

The Board of Directors of a subsidiary has approved the issuance of additional six-year unconvertible debentures without warrants, not exceeding Baht 2,000 million. However, as at 31 December 2006 these debentures have not yet been offered.

The carrying amounts of long-term debentures for consolidated and Company financial statement as of 31 December 2006 approximate to their fair values.

22. Share Capital and Share Premium

	Consolidated					
	Number of ordinary shares	Number of preference shares	Ordinary shares Baht	Preference shares Baht	Share premium Baht	Total Baht
31 December 2004	2,413,257,641	63,520,000	2,413,257,641	63,520,000	487,212,152	2,963,989,793
Transfer expired warrants to share premium	-	-	-	-	19,711,121	19,711,121
Share dividends (Note 28)	242,488,278	-	242,488,278	-	-	242,488,278
Issue of shares	14,390,350	-	14,390,350	-	8,987,238	23,377,588
31 December 2005	2,670,136,269	63,520,000	2,670,136,269	63,520,000	515,910,511	3,249,566,780
Issue of shares	224,447,812	-	224,447,812	-	1,025,861,653	1,250,309,465
31 December 2006	2,894,584,081	63,520,000	2,894,584,081	63,520,000	1,541,772,164	4,499,876,245

	Company					
	Number of ordinary shares	Number of preference shares	Ordinary shares Baht	Preference shares Baht	Share premium Baht	Total Baht
31 December 2004	2,413,257,641	63,520,000	2,413,257,641	63,520,000	481,270,898	2,958,048,539
Transfer expired warrants to share premium	-	-	-	-	19,711,121	19,711,121
Share dividends (Note 28)	242,488,278	-	242,488,278	-	-	242,488,278
Issue of shares	14,390,350	-	14,390,350	-	8,987,238	23,377,588
31 December 2005	2,670,136,269	63,520,000	2,670,136,269	63,520,000	509,969,257	3,243,625,526
Issue of shares	224,447,812	-	224,447,812	-	1,025,861,653	1,250,309,465
31 December 2006	2,894,584,081	63,520,000	2,894,584,081	63,520,000	1,535,830,910	4,493,934,991

As at 31 December 2006, the registered shares comprise 3,313,075,595 ordinary shares and 63,520,000 preference shares with par value of Baht 1 per share (2005 : 3,097,854,371 ordinary shares and 200,000,000 preference shares). The issued and fully paid up shares comprise 2,894,584,081 ordinary shares and 63,520,000 preference shares (2005 : 2,670,136,269 ordinary shares and 63,520,000 preference shares).

At the Extraordinary Meeting of the shareholders of the Company held on 6 January 2006, the shareholders passed a resolution to approve the following matters:

- 22.1** Decrease in the registered share capital of the Company from Baht 3,297.9 million to Baht 3,161.4 million by cancelling the 136,480,000 registered preference shares, which are not issued, at the par value of Baht 1 per share.
- 22.2** Increase in the registered share capital of the Company from Baht 3,161.4 million to 3,374.9 million, which comprises 3,311.4 million ordinary shares at the par value of Baht 1 per share and 63.5 million preference shares at the par value of Baht 1 per share for offering of newly issued ordinary shares (Note 22.3) and to be reserved for the exercise of warrants (Note 23.2).
- 22.3** Issue and offer 182,844,550 newly issued ordinary shares to the existing shareholders at the exercise ratio of 15 existing ordinary or 15 preference shares per 1 new ordinary share with the offering price of Baht 5.85 per share. The offering period is during 19 to 27 January 2006. With this offering, there were shareholders purchased the new ordinary shares totalling 182,243,289 shares amounting to Baht 1,066,123,241.

At the annual general meeting of the shareholders of the Company held on 18 April 2006, the shareholders passed a resolution to approve the following matters:

- a) Decrease in the registered share capital of the Company from Baht 3,374.9 million to Baht 3,373.8 million by cancelling the 1,082,081 registered ordinary shares with the par value of Baht 1 per share which are not issued.
- b) Increase in the registered share capital of the Company from Baht 3,373.8 million to 3,376.6 million, which comprises 3,313.1 million ordinary shares at the par value of Baht 1 per share and 63.5 million preference shares, at the par value of Baht 1 and considering to allot the additional shares to reserve for the right adjustment of warrants issued to the directors and employees of the Company and its subsidiaries.

The preference shares are convertible and cumulative preference shares with a par value of Baht 1 per share. The dividend is set at 3.75% of the offer price and can accumulate if the Company does not declare to pay the dividend. The convertible preference shares have a life of 5 years commencing on issuance date and are convertible to ordinary shares in the fourth year after issue. During 2004, the Company issued 20,625,000 preference shares amounting to Baht 82.5 million.

As at 31 December 2006 the Company has not recorded dividends for cumulative preference shares amounting to Baht 9,206,288 as liabilities in the financial statements.

23. Warrants

23.1 Warrants Issued to the Existing Shareholders

At the annual general meeting of the shareholders of the Company held on 21 April 2005 and the Extraordinary Meeting of the shareholders of the Company held on 6 January 2006, the shareholders passed resolutions to issue and offer warrants not exceeding 287,695,792 units and not exceeding 18,284,455 units respectively to the existing shareholders at no cost, at a ratio of 10 existing shares per 1 warrant. The exercise ratio is 1 warrant per 1 ordinary share at an exercise price not over Baht 6. Expiration date is 24 months from the issue date. With this offering, the Company has issued 292,403,987 warrants to the existing shareholders, including 17,791,764 units of warrants issued to a subsidiary. During the year ended 31 December 2006, 20,700,423 warrants have been exercised at the price of Baht 124,202,538, leaving 258,752,540 warrants remain unexercised.

23.2 Warrants Issued to the Directors and Employees of the Company and Its Subsidiaries

The Company has issued 5,000,000 warrants to the directors, employees of the Company and its subsidiaries at no cost. As at 31 December 2006, 3,842,437 warrants have been exercised, of which 394,668 warrants or equivalent to 5,441,800 ordinary shares at the exercise price of Baht 12,801,982 were exercised during 2006. 762,895 warrants remain unexercised. The exercise ratio is 1 warrant to 14.07522 ordinary shares and the exercise price is the market price less 5% discount. The expiration date for exercise is within 2007.

In February 2005, additional 123,800,000 warrants has been approved to be allotted to the directors, employees of the Company and its subsidiaries at no cost. The exercise ratio is 1 warrant per 1 ordinary share at an exercise price of Baht 2.98. The term is 5 years from the first issue and offering date. The Company has issued 92,670,000 warrants to the directors, employees of the Company and its subsidiaries. During 2006, 15,835,000 warrants with the exercise price of Baht 47,181,704 have been exercised, leaving 76,670,000 warrants remain unexercised.

23.3 Warrants Issued by Subsidiary

Warrants Issued to the Directors and Employees of MFG and/or Its Subsidiaries

In 2002, MFG issued 1.6 million units of warrants at no cost to its directors and employees. One unit of warrants is entitled to be exercised against one ordinary share with the exercise price at Baht 10 per unit. The warrants can be exercised within the exercise period up to 2007. The warrants 420,000 units have been allocated by MFG. The first 126,000 units can be exercised starting May 2003 and 126,000 units starting May 2004 and the remaining can be exercised starting May 2005. Up to 31 December 2006, the 385,000 units of warrants have been exercised.

24. Other Non-current Liabilities

	Consolidated		Company	
	2006 Baht	2005 Baht	2006 Baht	2005 Baht
Deferred income	-	10,766,573	-	-
Unearned income	144,026,586	154,559,699	5,716,735	3,704,381
Rental deposits and other liabilities	140,077,479	144,037,401	2,927,777	3,010,165
Total Other Non-current Liabilities	284,104,065	309,363,673	8,644,512	6,714,546

25. Legal Reserve

Under the Public Limited Company Act, the Company is required to set aside as a legal reserve at least 5% of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10% of the registered capital of the Company. The reserve is non-distributable.

As at 31 December 2006, legal reserves of subsidiaries amounting to Baht 79,015,518 (2005 : Baht 67,457,626) have been included in the unappropriated retained earnings of the consolidated financial statements.

26. Operating Profit

The following expenditures, classified by nature, have been charged in arriving at operating profit:

	Consolidated		Company	
	2006 Baht	2005 Baht	2006 Baht	2005 Baht
Depreciation on property, plant and equipment and amortisation of intangible assets	1,310,074,585	1,153,258,734	58,094,378	56,429,452
Staff costs	2,472,064,923	2,114,367,654	235,773,449	208,757,447

27. Earnings per Share

Basic earnings per share is calculated by dividing the net profit attributable to shareholders for the year by the weighted average number of paid-up ordinary shares in issue during the year.

For the purpose of calculating diluted earnings per share, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares. The Company and its subsidiaries have convertible preference shares (Note 22) and warrants in issue (Note 23).

A calculation is done to determine the number of shares that could have been acquired at market price (determined as the average annual share price of the Company's shares) based on the outstanding warrants. The potential shares are added to the ordinary shares outstanding but no adjustment is made to net profit.

For the calculation of the diluted earnings per share, the weighted average number of shares assuming conversion of all dilutive potential ordinary shares as at 31 December 2006 is 216,684,140 shares (2005 : 67,449,313 shares).

Consolidated and Company
For the year ended 31 December

	2006 Shares	2005 Shares
Weighted average number of ordinary shares in issue	2,864,620,598	2,666,227,424
Adjusted for own shares held by a subsidiary	(176,973,223)	(166,797,796)
Weighted Average Number of Ordinary Shares in Issue, Net	<u>2,687,647,375</u>	<u>2,499,429,628</u>
Effect of Dilutive Potential Ordinary Shares		
Warrants	153,164,140	3,929,313
Convertible preference shares	63,520,000	63,520,000
Dilutive Potential Ordinary Shares	<u>216,684,140</u>	<u>67,449,313</u>
Weighted Average Number of Ordinary Shares for Diluted Earnings	<u>2,904,331,515</u>	<u>2,566,878,941</u>

Consolidated and Company
For the year ended 31 December

	2006 Baht	2005 Baht (Restated)
Net profit for the year	1,280,099,420	1,061,110,298
<u>Less : Accumulated dividends for preference shares</u>	<u>(9,206,288)</u>	<u>(9,206,288)</u>
Net Profit Attributable to Shareholders	<u>1,270,893,132</u>	<u>1,051,904,010</u>
Basic Earnings per Share	<u>0.4729</u>	<u>0.4209</u>
Net profit for the year	1,280,099,420	1,061,110,298
<u>Less : Accumulated dividends for preference shares</u>	<u>-</u>	<u>-</u>
Net Profits Attributable to Shareholders	<u>1,280,099,420</u>	<u>1,061,110,298</u>
Diluted Earnings per Share	<u>0.4408</u>	<u>0.4134</u>

28. Dividends

At the annual general meeting of the shareholders of the Company held on 18 April 2006, it was resolved to approve cash dividend to the holders of existing common share and exercisable warrants, not exceeding 2,880,051,838 shares of Baht 0.125 per share, in the amount not exceeding of Baht 360.0 million and to the holders of preference shares at the fixed rate of 3.75% of the offering price in the amount of Baht 9.2 million, total cash dividend not exceeding Baht 369.2 million.

The dividends totalling Baht 367.4 million included dividends paid to a subsidiary amounting to Baht 22.2 million (2005 : Baht 18.2 million in cash and 15.2 million ordinary shares), which was accounted for as an addition back to the retained earnings in consolidated and Company financial statements. The dividends were paid to the shareholders on 15 May 2006 (2005 : Baht 300.2 million in cash and 242.5 million ordinary shares).

29. Financial Instruments

Financial Risk Management and Policies

The Group is exposed to normal risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties and the tourism industry turnover. The Group does not have policy to use derivative financial instruments for speculative or trading purposes.

Interest Rate Risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cashflows. However, the loan interest rates of the Group are mainly fixed. In order to manage the risk arising from fluctuation in interest rates, the Group use the derivative financial instruments which mainly are interest rate SWAPs. Interest rate SWAPs are entered into to manage exposure to fluctuation in interest rate on specific borrowing.

As at 31 December 2006, the Company has opened interest rate SWAPs, which will be expired on 8 June 2007, with principal amount of Baht 750 million and float interest rate.

Foreign Currency Risk

The Groups' exposure to foreign currency risk relates primarily to its accounts receivable and accounts payable, certain of which are denominated in foreign currencies, and investments in foreign subsidiaries and associates. In order to manage the risk arising from fluctuations in currency exchange rates, the Group use the following derivative financial instruments:

Forward Foreign Exchange Contracts

Forward foreign exchange contracts are entered into to manage exposure to fluctuations in foreign currency exchange rates on specific transactions.

As at 31 December 2006, the settlement dates on open forward contracts ranged between 1 month and 1 year. The amounts in Baht to be paid for the outstanding contracts are Baht 200.9 million.

Credit Risk

The Group is exposed to normal credit risk primarily with respect to trade accounts receivable. However, due to the large number of entities comprising the Group's customer base, the Group does not anticipate material losses from its debt collection.

Fair Value

The fair value of the open interest rate SWAP as at 31 December 2006 is unfavourable amounting to Baht 1,083,288 (2005 : unfavourable amounting to Baht 821,918).

The fair value of the open forward foreign exchange contracts as at 31 December 2006 is unfavourable amounting to Baht 402,438 (2005 : nil).

The majority of financial assets are short-term and long-term loans were carried at interest rates closing to market rate. The subsidiaries loan carried an interest closing to market rate. The management therefore believes that, their net book values do not materially differ from their fair values.

30. Commitments

The Company

- The Company has entered into a franchise agreement with an overseas company. The Company is committed to pay a franchise fee and an international marketing fee based on a percentage of gross room revenues, as specified in the agreement. The agreement will expire in June 2013.
- The Company has entered into an agreement to lease the land on which its hotel building is built for 30 years, ending in 2018. The Company is committed to pay rental fees at a certain percentage of gross revenue (which is to be increased annually until it reaches a specified rate) or at a minimum rental fees stipulated in the agreement, whichever is higher. As at 31 December 2006, the Company's future payment commitments according to the minimal rental fees stipulated in the agreement is approximately Baht 60 million.
- The Company has entered into rental and service agreements with a subsidiary relating to its opening of restaurant and fitness centers. The Company is committed to pay rental and service fees under the agreements of approximately Baht 9.8 million. In addition, the Company is committed to pay this subsidiary fees for the area used in the sale of food and beverages, at a percentage of the Company's food and beverage revenues stipulated in the agreements, ending in 2008.
- The Company has issued corporate guarantees amounting to USD 2.4 million (2005 : USD 2.4 million) to guarantee overseas projects of a related company.
- The Company has issued corporate guarantees amounting to Baht 240 million with a bank for credit facilities of a subsidiary. However, the credit facilities have not yet been drawn down.

- The Company has entered into a trademark agreement with a subsidiary. The Company has obligation to pay trademark fee at certain percentages of revenue generated as indicated in the agreement. The agreement valid for 10 years and will be terminated in 2011.
- The Company has given guarantee for the sub-rental agreement of approximately Baht 89 million between a subsidiary and another subsidiary.

Subsidiaries and Associates

- A subsidiary has entered into a license and royalty agreement with an overseas company. The subsidiary venture is committed to pay royalty fees and management hotel fees at the rate, terms and basis as specified in the agreement for 20 years up to 2021 and can be renewed at its expiry date for 10 years.
- A subsidiary entered into service agreements with three companies with regards to the operation of the subsidiary's hotel, whereby the subsidiary has been provided services and granted the license. The Company is to comply with certain conditions stipulated in these agreements and to pay the fees following the rates, terms and bases as specified in the agreements. All agreements between the subsidiary and these companies are effective for the period as from September 2006 to June 2024.
- Four subsidiaries have entered into separate land lease agreements for periods between 30 to 42 years, effective on 1 August 1982, 8 May 1987, 23 November 1988 and 2 July 1994, respectively. The subsidiaries are committed to pay rental fees at a certain percentage of annual gross revenue (to be increased annually until it reaches a specified rate) or at a minimum rent stipulated in the agreement, whichever is higher. As at 31 December 2006, the subsidiaries' future payment commitments in accordance with the minimal rental fees stipulated in the agreements are approximately Baht 198 million (2005 : Baht 211 million).
- Under an agreement for technical assistance and the use of a trademark and trade name which a subsidiary has entered into with an overseas company, a fee is payable calculated at a percentage of gross sales as specified in the agreement. The original agreement was for a year of four years up to 1998, but is automatically renewed at its expiry date for three times, five years each.
- Under a one year licence agreement ending in 2007 to operate a theatre with an overseas company on a yearly renewal basis, a subsidiary is committed to pay certain fees as specified in the agreement. The agreement is automatically renewed at its expiry date for one year.
- Two subsidiaries have entered into a hotel management agreement with an overseas company including international management and right of trademark use. The subsidiaries are committed to pay fees at a certain percentage of total room revenue as stipulated in the agreement. The agreement will expire during 2004 - 2013.

- Under advertising, licensing and restaurant management agreements with overseas companies a subsidiary is committed to pay fees at a percentage of the gross sales of each restaurant in the hotel as stipulated in the agreements, ending in 2015.
- Under agreements to render services and rental space for operations from other companies, a subsidiary has to pay fees based on its gross sales at the rates stipulated in the agreements ending during 2004 - 2010.
- Four subsidiaries have entered into a number of franchise agreements in order to obtain rights to operate food restaurants. According to the agreements, those subsidiaries must pay franchise fees based on a percentage of sales and must comply with certain terms and conditions. The payments of franchise fees are included in selling and administrative expenses.
- A subsidiary entered into service agreements with three companies with regards to the operation of the subsidiary's hotel, whereby the subsidiary has been provided services and granted the license. The Company is to comply with certain conditions stipulated in these agreements and to pay the fees following the rates, terms and bases as specified in the agreements. All agreements between the Company and these companies are effective for the period as from 22 December 2006 to 25 June 2013 and are renewable after expiry date for another two periods. The first renewal shall automatically be executed for a period of 15 years, and those companies shall have the right to extending the agreement for the second term for another 15 years.
- A subsidiary has entered into lease agreements covering the land where the hotel is situated. Under the lease agreement, subsidiary has transferred the ownership of the hotel buildings and improvements to the landlord. Subsidiary is committed to pay rental at the rates specified in the lease agreements. The lease agreement are for a period of thirty years up to the year 2013 and are renewable after the expiry date for another two periods of fifteen years each. As at 31 December 2006, subsidiary has commitment to pay minimal rental fees as stipulated in the agreement as follows:

Year	Baht Million
2007	3.79
2008 - 2013	49.46
	<u>53.25</u>

- A subsidiary has entered into lease agreements covering the land and building from the Privy Purse Bureau for constructing residence. Under the lease agreement, subsidiary is committed to pay the monthly rental at the rate specified in the agreement. The lease agreement is for a period of fifteen months and will be ended on 1 August 2006.

During the year, the subsidiary proposed a residential building construction project to the Privy Purse Bureau, in order to request an extension of the land and building lease. The subsidiary accepted the conditions stipulated by the Privy Purse Bureau, which include that the construction permit for the building is to be in the name of the Privy Purse Bureau and that the ownership of the building and other constructions on this land are to be transferred to the landlord. In addition, the subsidiary is to pay all expenses with respect to the construction of the building until completion. During the construction process, the subsidiary is to make monthly rental payments to the Privy Purse Bureau and payment for leasehold rights is to be made on the date of the construction and lease agreement. The new lease agreement is to cover a period of 30 years from the earlier of the end of the agreed construction period or the date on which construction is completed, and will commit the subsidiary to pay a monthly rental fee. Leasehold rights and rental payable over the term of construction and until the end of the lease agreement amount to approximately Baht 635.5 million, but such obligations will only become effective when the subsidiary has obtained any necessary permits from related government agencies and has entered into agreements to commence the construction and to lease the land and building with the Privy Purse Bureau.

- As at 31 December 2006 and 2005, there were lease commitments for the lease of restaurant outlets committed by subsidiaries (agreements are for periods of 6 - 30 years) payable as follows:

	2006	2005
	Baht Million	Baht Million
Next year	226	194
Between 2 and 5 years	338	277
After 5 years	218	218
Total	782	689

In addition to these sums, restaurant rental fees are payable based on a percentage of either gross or net sales as specified in the relevant agreements.

31. Guarantees

The Group has given the following guarantees in the normal courses of business.

31 December 2006			
	Baht Million	USD Million	Yuan Million
Letters of guarantees issued by bank on behalf of the Group	130.0	-	-
Guarantee given by the Group to financial institution to guarantee for credit facilities	794.6	2.7	135

31 December 2005			
	Baht Million	USD Million	Yuan Million
Letters of guarantees issued by bank on behalf of the Group	89.4	-	-
Guarantee given by the Group to financial institution to guarantee for credit facilities	763.3	2.6	20

32. Provident Fund

The Group and permanent employees have jointly registered a provident fund scheme under the Provident Fund Act, B.E. 2530. The fund receives contributions on a monthly basis from both the employees and the Group at the rate of 5% to 7.5% and 5% to 10 % respectively of basic salaries. The fund is managed by Kasikorn Asset Management Company Limited, Bangkok Bank Public Company Limited and Tisco Asset Management Company Limited.

MANAGEMENT DISCUSSION & ANALYSIS

Economic & Industry Overview

As end of 2006, Thailand's private investment index grew only 1.3% y-y compared to the previous year of 8.5% which was mainly caused by weak domestic demand especially for imported capital goods and passenger car sales. In addition, higher oil prices, rising interest rates, and unstable politics during the first nine-months of 2006 adversely impacted the property sector and the country's infrastructure projects.

Apart from the generally weak domestic consumption, Thailand's economy in 2006 faced two key issues which were political uncertainty and government monetary policy implemented at the end of the year. After the coup in September, the nominated PM Surayud Julanon assured that the government will last only one year reiterating the government's agenda of political reform with the draft of the new constitution expected by end of 2007. In December, the Bank of Thailand (BOT) announced the 30% unremunerated reserve requirement (URR) while imposed a 10% penalty on all foreign investments into Thailand that are less than one-year duration. Foreign investors and the Thai equity market responded negatively after the announcement and the BOT had to make a quick reversal that the 30% URR will no longer apply to equities and foreign direct investment. The BOT's response did not satisfy investors and the BOT further eased its stance by easing restrictions on foreign lending to Thai corporates. The measure was firstly implemented in order to manage the strengthened baht and lessened the currency speculation activity by foreign investors and hedged funds where most analysts and fund managers predicted that the impact of reserve policy will dampen investment and economic activity well into 2007.

Thai tourism industry, on the other hand, strongly outperformed other business sectors with foreign tourists arrivals at 13.7 million - up 19% compared to the previous year. The strong increase was mainly caused by two reasons: first the recovery from the previous year post-tsunami and the opening of the new airport. Thailand's hotel occupancy rate according to BOT reported at 63% with average room rate of Baht 1,370 or increase by 7%. The country's tourism sector has positively impacted MINT's performance with the Company's 2006 occupancy rate increasing to 72% compared to the previous year of 70% where average room rate marked an increase of 8% to Baht 4,627.

For Thai QSR industry, the growth was partly affected by the reduced consumer confidence during 3Q - 4Q06. Nevertheless, MINT managed to report a 24% increase in system-wide sales and a 9% increase in same-store-sales.

Summary of Key Financial Performance

4Q06 Performance

MINT's 4Q06 hotel revenues increase 17% y-y to Baht 3,444 million and net profit was up 4% y-y to 399. Key contributors on 4Q06 revenues were food business of 44.5% and hotel business of 38.7%. Hotel occupancy rate in 4Q06 was 75.2% increased from 74.9% in 2005 where the average room rate increased by 10% to Baht 5,340 per night.

MINT's quick-service-restaurant (QSR) business also reported an extraordinary performance compared to its peers with 29 new food outlets opened in this quarter. The continued expansion and the efficient cost management were the key driven factors on MINT's food business that the growth overwhelmed the country's consumption downturn posting at 21.5% system-wide growth compared to the previous year.

2006 Performance

In 2006, MINT reported total revenues of Baht 12,430 million increased 19% y-y with net profit of Baht 1,280 million increased by 21% y-y. Contributions from food business accounted for 48.9% of total revenues where hotel business contributed at 37.0%.

For overall performance, hotel occupancy rate stood at 72.1% increased from the previous year of 70.7% where the average room rate increased by 8% to Baht 4,627. Likewise, food business performed well above competitors reporting system-wide sales growth of 23.5% with the same-store-sales growth of 9%. The growth was exceptional compared to 2005 system-wide sales growth of 14.1% and the same-store-sales growth of 5.8%.

Revenues Breakdown

		Revenues	
		4Q06	2006
		Baht Million	Baht Million
Food		1,532	6,082
Hotel		1,334	4,600
Property		97	97
Spa		101	378
Retail Property & Entertainment		127	501
Others		253	771
Total		3,444	12,430

As end of 2006, the Company reported total assets of Baht 17,787 million increased by 2,348 million compared to the previous year assets because of the increase in long-term investment, the project under-development, and MINT's tangible assets include properties and materials. The Company's 2006 total liabilities reported at Baht 9,662 million – increased by Baht 162 million mainly from the short-term facilities drawn from financial institutions. Its shareholders' fund stood at Baht 8,124 million increased by Baht 2,186 million giving the proceeds from the capital raise from recent right offering and warrant exercise at the amount of Baht 1,263 million and increase of net profits.

MINT reported the operating cash flow of Baht 2,321 million increased by Baht 31 million compared to the previous year. The Company also reported investment in subsidiaries and long-term investment together with work on progress of Baht 2,675 million. Its cash flow from financing was mainly by proceeds of Baht 1,263 million received from capital raised in 1Q06 with the offset of withdrawals and payment of short and long term loans of Baht 54 million and lastly the dividend payment of Baht 368 million. In 2006, the Company's net cash flow stood at Baht 188 million.

New Development in 2006

Hotel Business

Since the beginning of 2006, MINT opened the five-star – Four Seasons Golden Triangle in Chaing Rai and its first Maldives resort under name Boduhuraa Maldives. In 3Q06, MINT opened another resort in Maldives under its own brand - Anantara Maldives which also the 50% own equity. The Company is planning to complete and operate its third hotel in Maldives - Naladhu by 1Q07. All three hotels in Maldives are under MINT's hotel management contract which the Company is not only sharing profit from the operations, but collecting management fee from those hotels.

MINT has opened its new hotel in Samui under name the Four Seasons Samui Hotel in the beginning of February and the Company expects a strong demand from its premium customer market.

During the year, the Company also entered into an MoU with Hemas Holding Limited (Hemas) who is the operator of four hotels which are Serendib Hotel, Club Dolphin Hotel, Miami Hotel, and Sigiriya Hotel in Sri Lanka. Currently, the Company is conducting due diligence of the transaction and expects to be finalized by end of 2007.

Food Business

In 2006, MINT's total food outlets reached 631 outlets with the net opening of 73 outlets dividing into equity own of 49 outlets including 16 The Pizza Company, 4 Swensen's, 6 Sizzler, 13 Dairy Queen, 8 LeJazz and 2 SSP; and franchise of 24 outlets including 6 The Pizza Company, 16 Swensen's and 2 LeJazz. Regarding the newly opened outlets in 4Q06, MINT has opened altogether 29 outlets dividing into 16 own equity outlets and 13 franchised outlets.

In October 2006, MINT announced its investment in S&P Syndicate Plc. (S&P) at the amount of Baht 494.3 million accounting for 18.31% holding in S&P and the transaction was completed in November 2006. The investment is considered a long strategic investment aiming to strengthen its partnership and network and the potential enlargement of MINT's food brands and products.

Spa Business

MINT expanded its spa business throughout the region, Indian Ocean, Middle East, and South Africa having its core brands including Mandara Spa, and Anantara Spa to own and manage hotel spa. As end of 2006, the Company operated 24 spa in Thailand, China, Maldives, Tanzania and Jordan.

Property Business

In 4Q06, the Company expanded its residential property business by launching its Samui Beach Residence Project at Koh Samui. The project consists of pool villas adjacent to the Four Seasons Samui Hotel. The Company recorded its revenues from its first unit sales in 4Q06 of Baht 97 million.

Segmentation Performance

The major contributor to MINT's revenues is food business which accounted for 49% of the Company's 2006 total revenue. However, the major contributor on EBITDA is mainly from its hospitality business. According to the financial results 2006, MINT's EBITDA contributed from its hospitality & leisure businesses accounting for 68% where the rest of 32% was contributed by food business.

EBITDA Contribution

		EBITDA	
		4Q06	2006
		Baht Million	Baht Million
Food		261	1,025
Hospitality & Leisure		693	2,246
Total		954	3,271

Food Business Performance by Brand

Brand	4Q06 Total-system-sales (%)	2006 Total-system-sales (%)
The Pizza Company	16.5	20.9
Swensen's	23.6	30.6
Sizzler	21.3	22.8
Dairy Queen	34.2	14.4
Burger King	12.5	25.5
LeJazz	50.6	54.3
Average	21.5	23.5

Note: LeJazz restaurant started operating under Minor Food Group operation since January 2005.

Despite difficult economic conditions during the year, the performance of food business in 2006 was extraordinary. MINT's 4Q06 sales growth increased by 21.5% compared to the same period last year mainly from the strong same-store-sales growth and the new outlets expansion especially in China. Strong sales was aggressively driven by its marketing campaign and continued promotional events such as the new products launched for The Pizza Company and Swensen's and the aggressive promotion on Dairy Queen. In term of same-store-sales growth, MINT has strongly outperformed its previous year performance by having 9% same-store-sales growth due mainly for Swensen's and Sizzler's sales. The key success was mainly on marketing and the product innovation. Also, it is the first full year operations of MINT's China food business that the Company now have 34 food outlets including 9 The Pizza Company, 7 Sizzler, and 18 LeJazz. On its 2006 net expansion of 73 outlets in Thailand, China, Cambodia, Middle East and others. In total, MINT's system-wide sales growth in 2006 reached 23.5% compared to the previous year.

Hotel Business Performance by Brand

Hotel Group	4Q06		2006	
	Occupancy (%)	Average Room Rate (Baht/Night)	Occupancy (%)	Average Room Rate (Baht/Night)
Anantara	64.0	7,024	63.4	5,282
Marriott	86.2	4,410	83.0	3,893
Four Seasons	57.3	8,275	54.8	7,530
Others	77.1	2,923	63.9	3,169
Average	75.2	5,340	72.1	4,627

Note: 13 hotel properties in total including the newly opened Anantara Maldives Hotel.

Despite the consequence of political movement in Thailand during 4Q06, MINT's hotel business continues its strength having the average occupancy rate of 75% with average room rate of Baht 5,340 per night from its 13 hotels. The impressive performance is the Marriott hotels providing occupancy rate of 86.2% on average where the room rate per night increased 10%. The key drivers in Marriott group of hotels are JW Marriott Phuket and Marriott Pattaya. For Four Seasons and Anantara group of hotels, although having a lower occupancy rate compared to Marriott group, the room rate per night continued its strengths to nearly 10% growth. In 4Q06, MINT's hotel revenues reached Baht 1,333 million increased by 3% compared to 4Q05.

For its whole year operation, MINT's hotel revenues reached Baht 4,600 million compared to the previous year of Baht 4,298 million showing an increase of 7% giving the stronger performance of Anantara and Marriott group of hotels. Note that the Company does not include revenues from its hotels in Maldives as it is recorded as equity income accounting.

Spa Business Performance

In 4Q06, MINT's spa business revenues reported Baht 103 million increased by 9% compared to the same period last year. For its whole year operation, revenues from spa business reached Baht 380 million increased by 20% compared to Baht 316 million in 2005. The strong increase was mainly from the tourism recovery especially in Southern provinces and the international expansion. Note that MINT has not only expanded its spa under its own equity, but also the spa management contract in many hotels worldwide.

Retail Properties & Entertainment Businesses Performance

In 4Q06, revenues from its retail properties & entertainment business reported at Baht 127 million increased by 5.8% from the previous year of Baht 120 million. For the whole year operation, the revenues from this front reported at Baht 501 million increased by 9% compared to the previous year of Baht 463 million giving a strong improvement on its food court business in Pattaya under name "Food Wave" together with increased revenues received from tenants and QSR operators such as McDonald, KFC, and BK. In addition, the Company has continued its success in having higher numbers of tourists for its RGR Plaza Pattaya's theme park and attractions.

Financial Ratio Analysis

	31 Dec. 2006	31 Dec. 2005
Profitability Ratios		
Gross profit margin (%)	64.5	66.1
Net profit margin (%)	10.3	10.2
Return on equity (%)	18.2	18.3
Efficiency Ratios		
Return on assets (%)	7.7	7.2
Collection period (days) (4 th quarter)	15	16
Liquidity Ratios		
Current assets/Current liabilities (times)	0.63	0.51
Leverage & Financial Policy		
Total liabilities to equity (times)	1.19	1.60
Net interest bearing debt to equity (times)	0.87	1.21
Interest coverage (times)	8.9	9.9

Despite various unfavorable economic conditions, MINT's 2006 financial performance continued its strength having solid growth on both revenues and net profits. On food business, the Company has done various marketing campaign in order to increase number of traffics per outlet together with the continued expansion of food outlet both domestic and international. On hotel business, MINT has opened three new hotels during the year and pre-opening expenses were more than offset by the strong performance especially on its existing hotels. The Company reported a slightly lower gross profit margin compared to the previous year, however, thanks to the successful implementation of the asset light strategy, the net profit margin finished strongly at 10.3%. MINT's return on equity was marginally lower than the previous year due to its capital raise in early 2006.

In term of efficiency ratio, the Company's return on assets increased to 7.7% compared to previous year of 7.2% and able to decrease collection period to 15 days from the previous year of 16 days. Current ratio as end of 2006 also improved to 0.63x compared to the previous year of 0.51x. Its balance sheet strengthened significantly to 1.19x on DE and 0.87x on net-interest bearing DE compared to the previous year of 1.60x and 1.21x, respectively.

Looking ahead in 2007, Thailand's economics in 1Q07 was shaken slightly giving the bombings in Bangkok on the New Year's Eve. MINT's hotel business was impact slightly that we estimated room cancellation during 1Q07 of around 1%. The Company's QSR business was also adversely impact where we estimated same-store-sales during 1Q07 will be slightly lower than expectation. The overall sentiments trembled further as the government introduced foreign business act to discourage capital inflows which would logically help stem baht strengths.

We believe the remaining matters for Thai economy in 2007 will be the political and the government policy issues. It is clearly that the sense of public dissatisfaction on the government policy landed mainly on the Bank of Thailand where, for skeptics, the new constitution that we expect by end of 2007 will unveil underlying intention to perpetuate a less democratic regime than most are anticipating. The government agencies and analysts forecast that Thailand's 2007 GDP growth would be around 4.0 - 4.5% which will be lower than in 2006. Thai equity market is now trading amongst the region lowest valuations of less than 10x PE giving the diminishing investors' confidence. We believe 2007 will become one of the toughest years that MINT will also be challenged by key economic factors and increasing competition both domestic and international markets. However, with our continued expansion and diversified source of revenues, we are confident about our long-term growth in delivering double digits growth in this year.

CONNECTED TRANSACTIONS

Connected Persons	Relationship	Type of Business	Transaction Size (Baht Million)	Necessity and Rationale
1. Minor Corporation Plc. (MINOR)	Minor Corporation Plc. is a major shareholder of the Company. There are two common directors.	1. The 2 Company's (MINT) subsidiaries below provided retail space for Minor Corporation as an office space and space for retail shops, booked as rental income as follow: <ul style="list-style-type: none"> Royal Garden Plaza Co., Ltd. The Minor Food Group Plc. (MFG) 	6.91 7.03	The rental fees were provided at market prices and conditions. Audit Committee had an opinion that the transactions were fair and reasonable.
		2. MINT provided financial management services and received management fees from MINOR.	1.82	In order to share and maximize the usage of resource, Audit Committee had an opinion that the transaction was fair and reasonable.
		3. MFG provided management service to MINOR and received monthly management fee.	6.45	In order to share and maximize the usage of resource, Audit Committee had an opinion that the transaction was fair and reasonable.
		4. MFG invested in MINOR's securities and received dividends income.	67.51	Dividend income is normal return for holding of securities. Audit Committee has an opinion that the transaction was fair and reasonable.
		5. MSpa International - MINT's subsidiary purchased spa products "Elemis" from MINOR and recorded as expenses.	8.13	The transactions were at market prices and conditions. Audit Committee had an opinion that the transaction was fair and reasonable.
		6. MFG rent warehouse to storage its equipment from MINOR and recorded as rental expenses.	0.82	The rental fees were provided at market prices and conditions. Audit Committee had an opinion that the transaction was fair and reasonable.
		7. MINOR provided services in Human Resources Management, Legal, and Corporate Secretary. MINT and subsidiary recorded the management fee expense as follow: <ul style="list-style-type: none"> MINT MFG 	5.41 20.57	In order to share and maximize the usage of resource, Audit Committee had an opinion that the transaction was fair and reasonable.

Connected Persons	Relationship	Type of Business	Transaction Size (Baht Million)	Necessity and Rationale
		8. MINOR provided consultant and management service of Residence to Maerim Terrace Ltd. MINT recorded management fee expense.	0.21	MINOR had specialized staff in management of Residence and in order to share and maximize the usage of resource, Audit Committee had an opinion that the transaction was fair and reasonable.
		9. MINOR provided IT and computer services to MINT and subsidiaries. MINT and subsidiaries recorded management fee expense as follow:		MINOR is specialized in IT and in order to share and maximize the usage of resource, Audit Committee had an opinion that the transactions were fair and reasonable.
		• Royal Garden Hotel Mgnt. Co., Ltd.	9.22	
		• Samui Resort and Spa Ltd.	1.14	
		• Samui Village Ltd.	0.18	
		• Baan Boran Chiang Rai Ltd.	0.96	
		• MI Square Ltd.	0.25	
		10. MINOR provided retail space for MINT's subsidiaries to use as office spaces. MINT's subsidiaries recorded rental fees as follow:		In order to share and maximize the usage of resource, Audit Committee had an opinion that the transaction was fair and reasonable.
		• MSpa International Ltd.	0.35	
		• Royal Garden Hotel Mgnt Ltd.	1.87	
2. Esmido Fashion Ltd.	Common major shareholders and common directors.	MINT's subsidiary rented out retail space in Royal Garden Plaza as a space for Esmido retail shops, recorded as rental fees.	2.43	The rental fee was provided at market prices and conditions. Audit Committee had an opinion that the transaction was fair and reasonable.
3. Red Earth Thai Co., Ltd.	Common major shareholders and common directors.	MINT's subsidiary rented out retail space in Royal Garden Plaza as a space for Red Earth retail shops, recorded as rental fees.	0.66	The rental fee was provided at market prices and conditions. Audit Committee had an opinion that the transaction was fair and reasonable.
4. Minor Consultants and Services Ltd.	Common major shareholders and common directors.	Minor Consultants rent out computer to MFG. MFG recorded rental expense.	0.02	In order to share and maximize the usage of resource, Audit Committee had an opinion that the transaction was fair and reasonable.

Connected Persons	Relationship	Type of Business	Transaction Size (Baht Million)	Necessity and Rationale
5. Armin Systems Ltd.	Common major shareholders and common directors.	MINT's subsidiary rented out retail space in Royal Garden Plaza as a space for Armin System retail shops, recorded as rental fees.	4.17	The rents were provided at market prices and conditions. Audit Committee had an opinion that the transaction was fair and reasonable.
6. Navasri Manufacturing Co., Ltd.	Common major shareholders and common directors.	MINT's subsidiaries purchased cleaning products from Navasri - producer. The subsidiaries recorded expenses as follow: <ul style="list-style-type: none"> Minor DQ Ltd. Minor Dairy Ltd. 	0.21 0.30	The products were sold at market prices and conditions. Audit Committee had an opinion that the transactions were fair and reasonable.
7. Minor Aviation Ltd.	Common major shareholders and common directors.	Minor Aviation provided air chartered flight services to MINT and subsidiaries, recorded as other expenses by companies as follow: <ul style="list-style-type: none"> Royal Garden Development Ltd. MINT Hua Hin Village Ltd. Hua Hin Resort Ltd. Maerim Terrace Ltd. Baan Boran Chiang Rai Ltd. Samui Village Ltd. Royal Garden Plaza Ltd. Royal Garden Entertainment Ltd. RGR International Ltd. MI Square Ltd. MFG 	0.49 3.15 0.11 0.06 0.21 0.05 0.55 0.04 0.02 1.89 0.11 1.37	MINT and subsidiaries used air chartered flights for management to visit their project sites. The services were provided at market rates and conditions. Audit Committee had an opinion that the transactions were fair and reasonable.
8. Maikhao Vacation Villas Ltd. (MVVL)	A joint venture held 50% by MINT and common directors.	1. MINT received interest income from loan to MVVL for investment in new project under joint venture negotiation. 2. Royal Garden Hotel Management Ltd. (RGHM) provided accounting, tax management, and financial services to MVVL and recorded management fees income.	8.79 0.60	MINT provided loan to MVVL for investment in new project under joint venture negotiation. The interest rate was referred to market rate. Audit Committee had an opinion that the transaction was fair and reasonable. RGHM had specialized staff in the services mentioned and in order to maximize the usage of resources, Audit Committee had an opinion that the transaction was fair and reasonable.

Connected Persons	Relationship	Type of Business	Transaction Size (Baht Million)	Necessity and Rationale
9. Select Service Partner Ltd. (SSP)	MFG holds 51% stake and common directors.	1. MINT's subsidiaries sold their respective products to SSP and recorded sales as follow:		The products were sold at market prices and conditions. Audit Committee had an opinion that the transactions were fair and reasonable.
		• MFG	5.30	
		• Minor DQ Ltd.	7.03	
		• Minor Dairy Ltd.	0.37	
		• Burger (Thailand) Ltd.	11.85	
		2. MFG provided management and financial services to SSP and recorded management fees income.	1.48	In order to share and maximize the usage of resource, Audit Committee had an opinion that the transaction was fair and reasonable.
		3. Burger (Thailand) rented out utensils and other equipments to SSP and recorded other income.	0.84	Due to procurement of utensils and equipment of Burger Thailand for many outlets was cost benefit, Audit Committee had an opinion that the transaction was fair and reasonable.
		4. Minor Dairy provided lab service for bacteria checking to SSP and recorded other income.	0.01	Minor Dairy has lab equipment and specialized staff and for sharing the usage of resource, Audit Committee had an opinion that the transaction was fair and reasonable.
		5. Minor DQ rented out utensils and other equipments to SSP and recorded other income.	0.71	Due to procurement of utensils and equipment of Minor DQ for many outlets was cost benefit, Audit Committee had an opinion that the transaction was fair and reasonable.
		6. MFG purchased packaging from SSP and recorded in purchase of goods.	0.01	Due to procurement of packaging of SSP has more cost benefit, Audit Committee had an opinion that the transaction was fair and reasonable.

Connected Persons	Relationship	Type of Business	Transaction Size (Baht Million)	Necessity and Rationale
10. Coco Palm Hotel and Resort Ltd. (COCO)	MINT holds 65.04% shareholding and common directors.	1. MINT provided long-term loan to COCO proportionately to shareholding. The loan agreement has definite interest rate, terms and conditions agreed by both parties where the interest rate was determined base on market rate.	8.00	The loan was provided proportionately to percentage of shareholding. Audit Committee had an opinion that the transaction was reasonable.
		2. MINT recorded interest income received from COCO proportionately to shareholding according to joint venture/loan agreements.	0.48	The loan was provided proportionately to percentage of shareholding. Audit Committee had an opinion that the transaction was reasonable.
11. Eutopia Private Holding Limited (Eutopia)	MINT holds indirectly 50% shareholding and common directors.	1. MINT's subsidiary - RGR International provided long-term loan to Eutopia according to joint venture agreement. The loan has interest rate as agreed by both parties which was determined base on market rate.	433.50	The loan was provided according to joint venture agreement and interest was determined base on market rate. Audit Committee had an opinion that the transaction was reasonable.
		2. RGR International recorded interest income received from Eutopia according to joint venture agreements.	19.71	The loan was provided according to joint venture agreement and interest was determined base on market rate. Audit Committee had an opinion that the transaction was reasonable.
		3. RGR International (RGI) provided hotel management service to Eutopia and recorded management fees income.	20.98	RGI had specialized staff in hotel management and for sharing the usage of resources, Audit Committee had an opinion that the transaction was fair and reasonable.
		4. MINT arranged sources of fund services to Eutopia and recorded other income for service charge.	7.46	The arranging sources of fund to Eutopia was according to joint venture agreement. Audit Committee had an opinion that the transaction was reasonable.

Connected Persons	Relationship	Type of Business	Transaction Size (Baht Million)	Necessity and Rationale
12. Harbour View Ltd.	MINT holds indirectly 19.98% shareholding and common directors.	1. MINT's subsidiary - RGR International provided long-term loan to Harbour View proportionately to shareholding. The loan agreement has definite interest rate, terms and conditions agreed by both parties where the interest rate was determined base on market rate.	2.89	The loan was provided proportionately to percentage of shareholding. Audit Committee had an opinion that the transaction was reasonable.
		2. RGR International recorded interest income received from Harbour View according to joint venture agreements.	0.22	The loan was provided proportionately to percentage of shareholding. Audit Committee had an opinion that the transaction was reasonable.
		3. Royal Garden Hotel Management Ltd. (RGHM) provided hotel management service to Harbour View and recorded management fees income.	3.97	RGHM had specialized staff in hotel management and for sharing the usage of resources, Audit Committee had an opinion that the transaction was fair and reasonable.
13. Arabian Spa (Dubai) Limited	MINT indirectly holds 49% shareholding and common directors.	MSpa Venture Ltd. - MINT's subsidiary provided spa management to Arabian Spa (Dubai) Limited and recorded management fees income.	0.61	MSpa Venture is specialized in spa management and for sharing the usage of resources, Audit Committee had an opinion that the transaction was fair and reasonable.
14. Sribhathanahana Garden Ltd.	Common major shareholders (Minor Holdings Thai) and common directors.	1. Royal Garden Hotel Management Ltd. (RGHM) provided accounting, tax management, financial services and sales to Sribhathana Garden and recorded management fees income.	1.20	RGHM is specialized in the services mentioned. The resources were shared and utilized to realize maximum benefit. Audit Committee had an opinion that the transaction was fair and reasonable.
		2. Maerim Terrace leased Sribhathana Garden's land as a site to operate Four Seasons Resort Hotel Chiang Mai and recorded rental expenses.	17.26	The Land lease for hotel operation was normal business transaction. Audit Committee had an opinion that the transaction was fair and reasonable.

Connected Persons	Relationship	Type of Business	Transaction Size (Baht Million)	Necessity and Rationale
15. Pluluang Company Limited	Common shareholder and director.	MINT's subsidiary, Samui Beach Residence, real estate developer, sold a residence to Pluluang and record in sales income.	97.30	The sales transaction is normal business of MINT's subsidiary and sales price was market price (same as other customers). Audit Committee had an opinion that the transaction was fair and reasonable.
16. Minor Holdings (Thai) Ltd. (MHT)	Major shareholder of MINT holding 16.91% and common directors.	1. MHT provided consultant services on business development, finance, investment and capital market to MINT and its subsidiary. MINT and subsidiary recorded management fee expenses as follow: • MINT • MFG	3.79	MHT had specialized staff in the services mentioned and in order to maximize the usage of resources, Audit Committee had an opinion that the transaction was fair and reasonable.
			5.76	
		2. MHT provided internal audit services to MINT and its subsidiaries. MINT and its subsidiaries recorded expenses as follow: • Royal Garden Hotel Mgnt. Ltd. • Hua Hin Resort Ltd. • Hua Hin Village Ltd. • Rajadamri Hotel Ltd. • Minor Dairy Ltd. • Minor Cheese Ltd. • Chao Phaya Resort Ltd. • International Franchise Holding (Labuan) Limited	0.25	MHT had specialized staff in the services mentioned and in order to maximize the usage of resources, Audit Committee had an opinion that the transaction was fair and reasonable.
			0.25	
			0.25	
			0.41	
			0.37	
			0.37	
			0.25	
			0.25	

Notes:

- Minor Corporation Plc. is a major shareholder of MINT, holding 18.72% shareholding which includes 1.70% indirectly holding through Marvelous Wealth Ltd.
- MINT holds 70.25% stake in Maerim Terrace Ltd. divided into 45.31% direct holding and 24.95% indirect holding through Rajadamri Hotel Plc.
- MINT holds 95.8% stake in Rajadamri Hotel Plc. divided into 54.28% direct holding and 41.53% indirect holding through Hua Hin Resort Ltd.

Connected Transaction Approval Procedure

All connected transactions are evaluated by the relevant work units in two respects; firstly, their benefit contribution to the Company, and secondly, they being done on a fair price basis. If necessary, external advisors or experts shall be engaged in order to provide independent opinion on the transactions. The Company then proposes the transactions for internal approval process where directors or employees possess conflict of interest must not participate in approval process. The Company also has its Audit Committee certify the fair value of the connected transactions.

In case the transactions fall under the relevant rules and regulations of the Stock Exchange of Thailand, the Company observes that all relevant rules and regulations are being adhered to strictly by the Company as well as its subsidiaries.

Future Policy on Connected Transactions

The Audit Committee and the Company will jointly consider and review any connected transactions that may arise in the future to ensure their necessity and fair price basis.

NATURE OF BUSINESS

Minor International (MINT) is Thailand's largest food service operator with 631 outlets system wide under The Pizza Company, Swensen's, Sizzler, Dairy Queen, Burger King and LeJazz brands. It is one of Thailand's leading hotel operators with a portfolio of 15 hotels and over 2,300 rooms under the Marriott, Four Seasons, Anantara, and Minor International brands in Thailand, Maldives and Vietnam. Through a joint venture with Marriott International, it has developed the 144 room Marriott Vacation Club Time Share in Phuket. MINT is also one of the largest spa operators in the Asia Pacific region with more than 20 spas in Thailand, China and the Middle East under the Mandara, the Spa and Anantara brands.

Revenue Structure

In the year 2006, the Company and its subsidiaries operated in five main business segments: (1) Food and Beverage 49% (2) Hotel operation 37% (3) Retail property 3% (4) Spa 3% and (5) Real estate development and other 8%.

MAJOR EVENTS IN 2006

January

- Opened Four Seasons Tented Camp in Chiang Rai.
- Selected by The Stock Exchange of Thailand to join SET 100 index starting from 1 January 2006.

February

- Increased capital by raising 182.24 million shares worth Baht 1,066 million through 15 : 1 rights offering at Baht 5.85 per share. The proceeds were used primarily for investment in hotel and food businesses.
- Issued 2 years free warrants of 292.4 million units to the existing shareholders at the ratio of 10 for 1 with the exercised price of Baht 6 per share monthly exercisable with 2 year maturity.
- Through International Franchise Holding (Labuan) which is a wholly-owned subsidiary, increased stake in China Food Group Ltd., the company holding Beijing LeJazz Food & Beverages Co., Ltd.'s stake which invested in food business in China from 18.5% to 100% in value of Baht 31.7 million.

June

- Signed Memorandum of Understanding with Hemas Holdings Limited (Hemas) – a company listed in the Colombo Stock Exchange – for investment in Serendib Hotel Limited (SHOT – a subsidiary of Hemas where Hemas hold 63% stake).

July

- Restructured investment of food business in China by dissolving China Food Group Ltd. in order to simplify the investment structure.
- Selected by The Stock Exchange of Thailand to join SET 50 index starting from 1 July 2006.

August

- Opened Anantara Resort and Spa Maldives.

November

- Acquired equity of S&P Syndicate Plc. of 9,710,573 shares and 9,710,573 units of warrants with the value of Baht 494.3 million equivalent 18.31% of the paid up capital of 89,021,700 shares.
- Acquired 2,237,500 shares of Rajadamri Hotel Plc. at total consideration of Baht 134.3 million, making the total shareholding of 43,112,055 shares or 95.80% of the paid up capital.

RISK FACTORS

The Company's operating performance, by nature, may subject to significant risks, uncertainties, and assumptions, some of which are beyond its control. The stated risks may consequently affect the Company's revenues, profit, assets value, cash flow, and share price.

In addition to the stated risks, there may be other factors that have a significant impact on the Company's operation and financial performances, prospective investors should be aware and carefully consider all other factors not limited to the general and specific risks contained in this document.

1. Risk from the Seasonality of the Tourism Industry

As hotel business is the Company's core business, the related risk on this front is the seasonality of tourism industry such as the number of tourists both international and domestic. The unpredictable and uncontrollable risks on tourism industry such as terrorism, epidemic concern, and natural disaster may directly affect to a number of tourists and overall industry sentiments. The stated risk may also impact the tourism industry in other countries of Southeast Asia.

The Company's strategy in coping with seasonality of tourism industry is the geographical diversification of its hotels throughout the country, the policy in optimizing revenues from hotel room and hotel food and beverages, the policy to increase numbers of target customers and tourist atonalities.

The Company has also diversified its investment into the food business as another strategy to mitigate seasonality risk of hotel business. By nature, operation of food business is more stable and less sensitive to the stated uncontrollable risks. This has made the Company's revenues more resilient than other hotel operators.

In 2006, the Company accounted the revenues from food business 49%, hotel business 37%, property and entertainment business 3%, spa business 3%, developed real estate and others 8%.

2. Risk from the Competition in Hotel Business

The hotel business is a highly competitive industry that the Company considers this another risk factor.

The Company together with its long experience managements is however confident in its well-established hotel brand under Anantara, Marriott, Four Seasons, and JW Marriott. While "Anantara" is the Company's own established brand, "Marriott" is the international franchised brand that managed by the Company. "Four Seasons" is the world class hotel brand which managed by Four Seasons Hotels & Resorts Asia Pacific Pte. Ltd. and another world class brand "JW Marriott" is managed under the Hotel Licensing Corporation under the Marriott Hotel.

Besides the Company's confidence in a highly competitive industry giving its world class reputation in hotel management, the Company has also invested in other hospitality business such as the food and beverage, spa, retail properties and entertainment in or close to the hotel properties in order to provide the full functional services to customers.

As a result, the Company can fulfill the consumer needs and continue its superlative performance compared to its competitors.

3. Risk from the Competition in Food and Beverage Business

The competition in food and beverage is also a highly competitive market with less barrier of entry compared to hotel business. However, in order to be in the market, the operator is required to have a strong and well-established brand, the high capability and well-known management, together with the extensive coverage throughout the country.

4. Risk from New Project Initiation

According to the Company's Vision in continuing expansion in the high potential projects, the investment of new project may subject to the risks of investment costs such as construction materials or other factors including regulations on environments and other infrastructure. Therefore, it is important for the Company to mitigate the stated risks by entering into the contract agreement with the contractors and concretely investigated all relevant issues regarding environment and infrastructure.

5. Risk from Not Owning Land

The Company has operated hotels on lands that some are not belonged to the Company. It therefore can be a risk that the Company cannot extend the land leasing from the owners. Currently, the Company has the land leasing agreement of 16 years in average; the Company has rights to renew the contract with the owner's consent. Giving the Company's good long term relationship with the land owners and the promising rental fees provided by the strong hotel operations, the Company is confident that the land leasing contract renewal shall be preceded accordingly.

6. Risk from the Franchise Renewal

Renewal of brands franchising which mostly are international brands can be a risk to the Company. The stated risk can also be in the amendment of the franchising contract. The Company foresee the possible risk and has mitigated by extended the contract prior the expiration in order to ensure the long term operation and to strengthen confidence to shareholders.

7. Risk from the Renewal Contract with Restaurant Landlord

A location of restaurant can be a risk factor if the Company cannot renew the contract or there is any change in detail of new contracts. However, the well-recognized brands owning by the Company together with the strong operations can assure the landlord the stable rental fees. The Company's long-term rental policy in the prime restaurants location has also mitigated the risk from this front.

8. Risk from the Technology

Beside people, the information technology and its platforms become a significant part of the Company's operations. It is therefore important that the risks from this front shall not occur at any time. Having the business highly relies on the technology, the Company has to be aware of the changes and implement them functionally and appropriately. The contingency plan is also important to eliminate the risk from the technology.

9. Financial Risk

9.1 Risk from the Exchange Rate

Albeit small amount, parts of the Company's revenues are in foreign currencies which can be fluctuated and uncontrollable. The Company can however natural hedge the fluctuation of its foreign currencies by offsetting with some expenses in hotel management business and the franchising fee in food business. Giving the natural hedging position, the risk from this issue remains insignificance.

9.2 Risk from Debt Collection

The Company and its subsidiaries may have a risk in debt collection from its tour agencies and other major customers. Although there was not any significant damage from the Company's debt collection, the Company has applied a stringent policy to the new customers in terms of credit lines and payment terms.

At 31 December 2006, the Company and its subsidiaries have the outstanding account receivables of Baht 549 million accounting 5% of its revenues. From the total outstanding amounts, about 94.4% are the account receivables with less than 90 days accrual. The Company has also set the provision of 1.53% in order to mitigate the risk.

9.3 Risk from Interest Rate

A risk from interest rate relates to the market interest rate. This can affect to the company cash flow and operation due to most loans are fix interest rate. The amount with floated rate accounted for 36%.

Under our sensitivity analysis, the impact on 1% increase of interest rate will adversely cause the Company's revenues by 0.17%.

9.4 Risk from the Compliance of the Debenture Governance

As the Company complies with the debenture governance, it must holds the Interest Bearing Debt (IBD) to Shareholder Equity at no more than 1.75 : 1 at end of each quarter accounting period calculating from the financial statements which is reviewed by a certified auditor. At 31 December 2006, the IBD/E of the Company is equal to 0.87 : 1.

GOOD CORPORATE GOVERNANCE

The 15 Principles of Good Corporate Governance

1. Policy on Corporate Governance

Minor International Public Company Limited (the Company) takes a serious interest and fully supports the corporate governance principles and practices through written guidelines in all operations within the Company and its affiliated companies. The guidelines define vision, mission, and principal responsibilities of the board of directors, business principles, integrity and business control, conflict of interest, policies toward various groups of stakeholders including customers, competitors, community, health, safety and environment. The Company also issued the policy on business ethics for the Board of Directors, management and employees to be a guideline to adhere to on operating routine tasks.

2. Shareholders : Right and Equitable Treatment

The Company values the rights of the shareholders and treats all shareholders equitably in their basic rights which are the right to attend shareholders meetings and to vote at these meetings, to share in profits of the Company, to transfer shares, to receive adequate information in a timely fashion and in a form appropriate for making decisions.

The Shareholders' Meeting is held at least once a year. To focus on fairness practice to all shareholders, the Chairman provides the attendees with all agenda details of the agenda to be considered and also provides an opportunity for shareholders to review the Company's performance, ask questions, gives opinions and comments which are all included the minutes of the meeting.

3. Various Groups of Stakeholders

The Company operates business with the emphasis on the responsibilities that would most benefit the Company and various stakeholders. These responsibilities are carried out in line of the rule and regulations of the Stock Exchange of Thailand, the Securities and Exchange Commission as well as the law of the land.

Shareholders	The Company is committed to create long-term growth and return to the shareholders with transparency in conducting the business.
Customers	The Company is committed to continuously develop better quality of goods and services to the satisfaction of the customers.
Partners	The Company treats all partners fairly for mutual benefits.
Creditors	The Company observes all of its obligations to creditors.
Competitors	The Company abides by the framework of fair competition and will not destroy the reputation of competitors through false accusations.
Employees	The Company considers its employees a valuable assets and treats them fairly on work opportunity, remuneration, provident fund, and quality of working environment. The Company also provides employees professional training and career development in every level.
Society and environment	The Company is committed to conduct business that benefits the economy and society and is responsible for the quality of environment.

4. Shareholders' Meeting

Call for AGM Agenda

The Company facilitates minority shareholders to propose, in advance of the meeting date, any issues for consideration in shareholders meetings. The criteria for proposing the agenda are being provided through the Company's website as well as through the channel of SET. The Company wishes that, through the channel, all shareholders have the equal opportunity to propose the agenda, voice their opinion, and/or raise their concerns.

Notice of the AGM

The Company discloses, through SET and its website, board resolution regarding calling for AGM and Notice of AGM identifying date, time and location of the meeting, detailed information of each agenda, board opinion, proxy forms, as well as explanation of what types of document that shareholders or proxies need well in advance in order to provide easy access and sufficient time to shareholders to study the matters and to prepare proxy-voting document, besides sending the Notice of AGM directly to shareholders.

The Meeting

The shareholder meeting is held on date, time and location that is convenience to shareholders. The Company allows no less than 1 hour prior to the meeting for registration. Before the meeting starts, the Company explains the voting procedure and vote-counting procedure to shareholders. For the shareholders who are not able to attend the meeting, the Company allows proxies providing alternative choice for shareholders to assign independent director as proxy.

Chairman and Audit Committee Chairman attended all the meetings where the chairman acted as chairman of the meeting.

The meeting was conducted by the Chairman and carried out according to the listed of agenda specified in the Notice.

Minutes of the Meetings

Minutes of the Meeting was recorded according to the list of agenda with voting results of each agenda specifying voting for, voting against, and abstaining plus details of important matters discussed. The minutes of the meetings was disclosed in the Company's website and SET within 14 days of AGM date.

Meetings in 2006

In 2006, the Company held 2 shareholder meetings. The Extra General Meeting of the Shareholders was held on 6 January 2006 and the Annual General Meeting of Shareholders for the year 2006 was held on 18 April 2006 respectively.

5. Leadership and Vision

Directors that made up the Company Board of Directors possessed leadership skills.

They participate in defining goal, vision, strategies, and business targets. With the Board of Director's skills and precision, the shareholders are assured that the Company objectives could be reached and maintained effectively.

6. Conflict of Interest

In order to avoid any conflict of interest, the management and the Board of Directors has to carefully consider any and all transactions that may cause a potential conflict by setting up a written policy and approval process for any connected transactions.

Upon any and all transactions that are related to any director of the Company, that particular director does not have the right to vote on such transactions. The Board of Directors also has set up a policy which would enable to avoid management and staff from utilizing the Company's information for personal use.

7. Business Ethics

The Company issued the policy on business ethics for the Board of Directors, management and employees to be a guideline to adhere to on operating routine tasks. The Company considers the importance of business ethics as one of priority principle which mainly focused on responsibilities and transparency.

8. Balance of Power for Non-Executive Directors

The Company Board of Directors comprise of 9 persons including:

Board of directors that are also executive	4	persons
Board of directors that are non-executive	1	person
Independent directors	4	persons

9. Aggregation or Segregation of Positions

The Chairman of the Board of Directors and the Chief Executive Officer is the same person. In order to create a check and balance system, the composition of the Board of Directors composed of non-executive directors and independent directors which totaling more than half of the total directors.

10. Remuneration of Directors and the Management

The remuneration basis of directors and management is based primarily on the practice of industry in order to attract and retain competitive personnel. The remuneration is also taken into consideration the responsibilities, annual performance, and long-term strategic performance. For management, the Company also provides Employee Stock Option Program – ESOP which has exercise period of 5 years to be a variable long-term incentive for management to help maximize long-term growth and value to the Company.

The year 2006 remuneration that the Company has paid to the directors and management is as follows:

	Attendance/ Meetings	Board of Directors (Baht)	Audit Committee (Baht)	Compensation Committee (Baht)	Nomination Committee (Baht)	Total (Baht)
1. Mr. William E. Heinecke	15/16	200,000	-	50,000	50,000	300,000
2. Mr. Paul C. Kenny	16/16	200,000	-	-	-	200,000
3. Mrs. Pratana Manomaiphiboon	16/16	200,000	-	-	-	200,000
4. Mr. Michael Sagild	9/16	200,000	-	-	-	200,000
5. Mr. Kenneth L. White	12/16	580,000	160,000	50,000	50,000	840,000
6. Mr. Michael D. Selby	11/16	455,000	60,000	-	-	515,000
7. Mr. Kittipol Pramoj Na Ayudhya	16/16	620,000	80,000	-	-	700,000
8. Mr. Anil Thadani	4/16	385,000	-	50,000	50,000	485,000
9. Mr. Yos Euarchukiati	8/16	425,000	-	-	-	425,000
10. Mr. Jayavadh Bunnag	7/16	185,000	-	-	-	185,000

Notes:

1. Mr. Michael Sagild and Mr. Yos Euarchukiati have been appointed since 19 April 2006.
2. Mr. Anil Thadani lives aboard.
3. Mr. Jayavadh Bunnag resigned on 18 April 2006.

	Persons	Remuneration/Bonus (Baht Million)	Total (Baht Million)
Management of the Company	6	75.4	75.4

Other Remuneration

None

11. Board of Directors' Meeting

The Company's secretary issues the invitation letter with the agenda at least 7 days in advance for the Board of Directors to have sufficient time to review information before the meeting. For the year 2006, there were a total of 16 Board of Director meetings. There were also written minutes all of which has been adopted by the Board of Directors, is kept and made available for verification.

12. Committees

The Board of Directors has set and appointed members of the Audit Committee, the Compensation Committee and the Nomination Committee. Compositions of each committee are laid out in the shareholders' structure and management section of this annual report.

13. Controlling System and Internal Audit

The Company stresses the importance of strong internal control at both management and staff level in order to be immune from any major impact. A written responsibility, authority and management controls were adopted to create transparency on using the Company's resources and to distinguish the duties of staff and controllers as well as to balance and verify each other when necessary.

The Company has an Internal Audit Department to fully verify and balance the management control process. Internal Audit Department reports directly to the Audit Committee in order to ensure tasks and financial activities are performed according to the guidelines and that they efficiently follow all regulations.

14. Report of the Board of Directors

The Board of Directors is responsible for the consolidated financial statements of the Company and its Subsidiaries, and the financial information shown in the annual report. The financial statement is prepared under the accounting standards in Thailand by selecting the appropriate accounting policy and using the careful judgment including discloses sufficient information to the public. The Board of Directors maintains an efficient internal control system in order to ensure the accounting records are correct and sufficient.

The Board of Directors has appointed members the Audit Committee comprising of Directors whom of which are independent to be responsible for financial reports and internal control system. The report on the opinion of the Audit Committee is shown in the annual report.

15. Relations with Investors

The Board of Directors stresses for an importance to disclose sufficient, accurate and timely on both financial and non-financial information. Reported to the Chief Financial Officer, the Investor Relations manager has developed and created an efficient communication include critical messaging areas such as the Company's vision and mission statement together with the financial and operational metrics to shareholders, equity analysts, and target investors. During the past years, the Company was successfully delivered the Company's messages and positioning using a wide range of tools including News release, Conference call, Quarterly presentation, local and international non-deal roadshow, IR website, Annual reports, Fact sheets and IR collateral materials and SET channel.

The Company provides point of investor contact which is Ms. Prapharat Tangkawattana – Senior Finance Director, Investor Relations Office.

Board of Director Annual Self Assessment

Every year the Board of Directors conducts Board of Directors' self evaluation to explore how well the board performs its duties and looks for areas of improvement. The considerations of the assessment cover the board structure and composition, duties, responsibilities, strategies and planning, monitoring, supervision, control, corporate governance, meetings, board committees, assessment of CEO performance, etc.

Orientation of New Directors

The Company encourages and facilitates trainings and self development for all directors in related to the Company business and corporate governance. New directors were provided with orientation program as well as handbook for directors which covered roles, authorities, and responsibilities of directors, corporate governance policy, memorandum of association, articles of association, the Company's vision, mission, framework of business operation. New directors also attended meeting in regards of strategic plan formulation.

Inside Information

The Company laid out an explicit policy to prevent all directors and management from using inside information for their own interest. Directors and top management are to notify the Corporate Secretary of every transaction they make regards to trading the Company's securities. The Company also prohibits all directors and top management from trading the Company's securities in case involving material information or information that would impact the Company's security price at least 30 days before the information is released to SET and SEC.

SHAREHOLDERS' STRUCTURE AND MANAGEMENT

The Board consists of the Board of Directors, the Audit Committee, the Compensation Committee and the Nomination Committee.

Board of Director

1. Mr. William Ellwood Heinecke

Positions • Chairman (Elected in 1979)
• Chief Executive Officer

Age 58 years (Born in 1949)

Education • Honorable Doctoral Degree of Business Administration in Management, Yonok University of Lumpang
• International School of Bangkok
• Director Certification Program (DCP), Thai Institute of Directors Association

Other Current Positions • Chairman, Minor International Plc.'s Subsidiaries
• Chairman, Minor Corporation Plc. and Subsidiaries
• Chairman, The Minor Food Group Plc. and Subsidiaries
• Director, Rajadamri Hotel Plc. and Subsidiaries
• Director, Sermisuk Plc.
• Director, Everest Worldwide Ltd.

Experiences • Director, Saatchi & Saatchi (Thailand) Limited
• MD/Chairman, Ogilvy & Mather (Thailand) Limited

2. Mr. Paul Charles Kenny

Positions Director (Elected in 1997)

Age 58 years (Born in 1949)

Education • General Management Program, Ashridge Management College, England
• Director Certificate Program, Thai Institute of Directors Association

Other Current Positions • Chief Executive Officer, The Minor Food Group Plc.
• Director, The Minor Food Group Plc. and Subsidiaries

3. Mrs. Pratana Manomaiphiboon

Positions • Director (Elected in 1998)

- Chief Financial Officer

Age 43 years (Born in 1964)

Education

- Master of Business Administration, Thammasat University
- Director Diploma Examination, The Australian Institute of Directors Association, Australia
- Director Certificate Program, Thai Institute of Directors Association
- Director Accreditation Program (DAP), Thai Institute of Directors Association
- Chief Financial Officer Certification Program 1, The Institute of Certified Accounting and Auditors of Thailand

Other Current Positions

- Director, Minor International Plc.'s Subsidiaries
- Director, Minor Corporation Plc. and Subsidiaries
- Director, The Minor Food Group Plc. and Subsidiaries
- Director, Rajadamri Hotel Plc. and Subsidiaries

Experiences

- Senior Vice President, Central Pattana Plc.
- Vice President, Finance and Accounting, Central Pattana Plc.
- Finance and Accounting Manager, Thai Airport Ground Service Company Limited
- Chief Finance Section, USAID / Thailand

4. Mr. Michael Sagild

Positions • Director (Elected in 2006)

- Chief Operating Officer

Age 50 years (Born in 1957)

Education

- Bachelor's Degree in Hotel Management, Ecole Hoteliere de Lausanne, Switzerland
- Diploma Advanced Management Program, Cornell University, USA.
- Director Certification Program (DCP), Thai Institute of Director's Association

Other Current Positions

- Director, Minor International Plc.'s Subsidiaries
- Director, Rajadamri Hotel Plc. and Subsidiaries

Experiences

- Managing Director - Asia Pacific, Le Meridien Hotels and Resorts, Hong Kong
- Area Director, Century International Hotels, Hong Kong
- Hotel Manager, Grand Hyatt Singapore, Singapore
- General Manager, Hyatt Regency Kinabalu, Kota Kinabalu, Malaysia
- Executive Assistant Manager, Shangri-La Tanjung Aru Resort, Kota Kinabalu, Malaysia
- Executive Assistant Manager Food & Beverage, Shangri-La Bangkok, Thailand
- Director of Food & Beverage, Hyatt Regency Riyadh, Saudi Arabia

5. Mr. Kenneth Lee White

- Positions**
- Independent Director (Elected in 1998)
 - Chairman of the Audit Committee
 - Chairman of the Compensation Committee
 - Chairman of the Nomination Committee
- Age** 61 years (Born in 1946)
- Education**
- Master of Business Administration, University of Puget Sound Tacoma, W.A., USA.
 - Director Certification Program & Chairman 2000, Thai Institute of Directors Association
- Other Current Positions**
- Executive Director, Finansia Plc.
 - Director, Finansia Life Assurance
 - Director, Loxbit Plc.
 - Board of Governors, American Chamber of Commerce
 - Director and Audit Committee Member, Goodyear Plc.
- Experiences**
- Managing Director, Pacific Siam Strategic Consulting Co., Ltd.
 - General Manager, The Chase Manhattan Bank N.A.

6. Mr. Michael David Selby

- Positions**
- Independent Director (Elected in 2004)
 - Member of the Audit Committee
 - Member of the Compensation Committee
 - Member of the Nomination Committee
- Age** 53 years (Born in 1954)
- Education**
- MA. International Law & Finance, George Washington University - National Law Center, USA.
 - BA., George Washington University, USA.
 - Associate Electrical Engineering, Cornell University, USA.
- Other Current Positions**
- Director, Rajadamri Hotel Plc.
 - Chairman, Ocean Beauty Seafoods Inc., USA.
 - Executive Director, AEA-SOS International
 - Chairman, Kempinski AG
 - Managing Director, CPB Equity Co., Ltd.
 - Managing Director, CPB Property Co., Ltd.
 - Director, PTT Natural Gas Distribution Co., Ltd.

7. Mr. Kittipol Pramroj Na Ayudhya

Positions • Independent Director (Elected in 2000)

- Member of the Audit Committee

Age 35 years (Born in 1972)

Education

- MBA in Finance, Sasin Graduate Institute of Business Administration of Chulalongkorn University
- Director Certification Program (DCP), Thai Institute of Directors Association
- Audit Committee Program (ACP), Thai Institute of Directors Association

Other Current Positions

- Managing Director, Sammakorn Plc.
- Director, Sribathana Co., Ltd.
- Director, Sribathana Garden Co., Ltd.
- Director, Maerim Terrace Resort Ltd.
- Director, Royal Garden Development Ltd.
- Director, RNS Holding Ltd.
- Director, Hua Hin Village Ltd.
- Director, Hua Hin Resort Ltd.
- Director, Hua Hin Condominium Ltd.
- Director, Chao Phaya Resort Ltd.
- Vice President & Secretariate, The Thai Real Estate Association

8. Mr. Anil Thadani

Positions • Director (Elected in 1998)

- Member of the Compensation Committee
- Member of the Nomination Committee

Age 61 years (Born in 1946)

Education

- Master of Business Administration, University of California, Berkeley, USA.
- Master of Science, University of Wisconsin, Madison, USA.

Other Current Positions

- Founder and Chairman, Symphony International Holdings Ltd. and Symphony Capital Partners Ltd.
- Chairman, Twinwood Engineering Ltd.
- Director, Rajadamri Hotel Plc.
- Director, Orchid Pharmaceuticals, India
- Director, DSG International Ltd., BVI (listed company in the USA.)
- Trustee and Member of Investment Committee, Board of Trustees, Singapore Management University
- Member, International Institute for Strategic Studies

9. Mr. Yos Euarchukiati

Position Director (Elected in 2006)

Age 65 years (Born in 1942)

Education

- B.Sc. (Eng.), University College London, London University, UK.
- Chairman 2000 Program 1/2000, Thai Institute of Directors Association
- The Board's Role in Setting Effective Compensation Policy, Thai Institute of Directors Association

Other Current Positions

- Chairman, Thai Plastic and Chemicals Public Company Limited
- Advisor - Financial and Investment, Bureau of the Crown Property
- Director, National Petrochemical Public Company Limited
- Chairman, CPB Equity Co., Ltd.
- Chairman, CPB Property Co., Ltd.

Experiences

- Chairman, Thai Industrial Gas Public Company Limited
- Advisor to the Board of Directors and the Executive Committee, The Siam Cement Public Company Limited
- Advisor, Bureau of the Crown Property
- Vice Chairman of the Board of Directors, Bank of Asia Public Company Limited
- President and Director, Bank of Asia Limited
- Senior Executive Vice President, Bank of Asia for Industrial & Commercial Co., Ltd.
- Managing Director, Thai Plastic and Chemicals Co., Ltd.
- Managing Director, Thai Chipboard Co., Ltd.

The Board of Directors is responsible for setting policy, planning, controlling, and making decision about the Company's operation and new business investment except those required by law to pass by resolution from a shareholders meeting.

Audit Committee

Formed on 23 June 1998 comprising of 3 directors as follows;

- | | |
|------------------------------------|-----------------------------|
| 1. Mr. Kenneth Lee White | Chairman |
| 2. Mr. Michael David Selby | Director |
| 3. Mr. Kittipol Pramroj Na Ayudhya | Director |
| 4. Mrs. Pratana Manomaiphiboon | Audit Committee's Secretary |

Audit Committee Scope of Responsibilities

1. Review the Company's financial statement
2. Review the Company's internal control to ensure that they are appropriate
3. Consider and appoint the Company's external auditor
4. Review for the Company to ensure its compliance with all relevant laws and acts
5. Review all potential on conflict of interest
6. Prepare report on the Audit Committee's Good Corporate Governance by disclosing in the annual report
7. Follow the assignment from the Company's Board of Directors

Compensation Committee

Formed on 22 November 2002 comprising of 3 directors as follows;

- | | |
|----------------------------|----------|
| 1. Mr. Kenneth Lee White | Chairman |
| 2. Mr. Anil Thadani | Member |
| 3. Mr. Michael David Selby | Member |

Compensation Committee Scope of Responsibilities

To consider remuneration of the Chairman and other Executive Directors.

Nomination Committee

Formed on 22 November 2004 comprising of 3 directors as follows;

- | | |
|----------------------------|----------|
| 1. Mr. Kenneth Lee White | Chairman |
| 2. Mr. Anil Thadani | Member |
| 3. Mr. Michael David Selby | Member |

Nomination Committee Scope of Responsibilities

To consider and select qualified persons to fill the vacant position of Company's director.

Executive Management

As of 31 December 2006, there were 6 Managements as follows;

- | | |
|--------------------------------|--|
| 1. Mr. William E. Heinecke | Chief Executive Officer |
| 2. Mrs. Pratana Manomaiphiboon | Chief Financial Officer |
| 3. Mr. Michael Sagild | Chief Operating Officer |
| 4. Mr. Michel Van der Hoeven | Vice President - Project Development |
| 5. Mr. Tanapot Parksuan | Vice President - Investment and Strategic Plan |
| 6. Mr. John Westoby | Vice President - Technical Services |

Corporate Secretary

Mrs. Duangkamon Phisarn

Investor Relation

Mrs. Prapharat Tangkawattan

Definition of Independent Directors

The Board of Directors has determined the definition of "Independent Director" as follows:

1. Holding shares not more than 5% of paid-up capital of the Company, affiliated company, associated company or related company, which shall be inclusive of the shares held by related persons.
2. Being a director who does not take part in the management of the Company, affiliated company, associated company, related company or majority shareholder of the Company.
3. Not being an employee, staff member or advisor who receives a regular salary from the Company, affiliated company, associated company, related company or majority shareholder of the Company.
4. Being a director who has no direct or indirect benefit or interest in finance and management of the Company, affiliated company, associated company or majority shareholder of the Company.
5. Being a director who has no benefit or interest of the same nature during the period of 1 year before his appointment as a member of the Board of Directors except where the Board of Directors has carefully considered that such previous benefit or interest does not affect the performance of duties and the giving of independent opinions.
6. Being a director who is not a related person or close relative of any management member or majority shareholder of the Company.
7. Being a director whom is not appointed as a representative to safeguard interests of the Company's directors, majority shareholders or shareholders who are related to the Company's majority shareholders.
8. Being capable of performing duties, giving opinions or reporting the results of performance of work according to the duties delegated by the Board of Directors free and clear of the control of the management or the majority shareholders of the Company including related persons or close relatives of the said persons.

Number of Corporate Securities Held by Directors and Executive Management

No.	Name	Title	No. of Securities Held (as of 31 December 2006)			No. of Increase (Decrease)		
			Ordinary Share	Warrant*	ESOP**	Ordinary Share	Warrant*	ESOP**
1.	William E. Heinecke	Chairman and CEO	209,541,330	21,606,232	5,250,000	15,121,220	21,606,232	5,250,000
2.	Mr. Paul C. Kenny	Director	3,263,892	306,168	4,900,000	393,555	306,168	4,900,000
3.	Mrs. Pratana Manomaiphiboon	Director and CFO	6,531,754	953,175	4,010,000	(2,396,242)	953,175	4,000,000
4.	Mr. Michael Sagild	Director and COO	766,000	-	1,750,000	766,000	-	1,750,000
5.	Mr. Kenneth L. White	Director	57,111	5,711	-	3,569	5,711	-
6.	Mr. Michael David Selby	Director	-	-	-	-	-	-
7.	Mr. Kittipol Pramoj Na Ayudhya	Director	-	-	-	-	-	-
8.	Mr. Anil Thadani	Director	37,495,609	3,749,560	-	2,343,475	3,749,560	-
9.	Mr. Yos Euarchukiati	Director	-	-	-	-	-	-
10.	Mr. Michel Van de Hoeven	Vice President Project Development	-	-	1,700,000	-	-	1,700,000
11.	Mr. Tanapot Parksuan	Vice President Investment and Strategic Plan	-	-	1,550,000	-	-	1,550,000
12.	Mr. John Westoby	Vice President Technical services	-	-	1,085,000	-	-	1,085,000

Notes:

* Warrants (MINT-W3) were allotted to existing shareholders at 10 existing shares : 1 warrant at Baht zero per warrant.

** ESOP: Warrants allotted to Employees and Directors of the Company and/or its subsidiaries.

Top 10 Major Shareholders as of 25 April 2006

Name of Shareholders	No. of Shares	%
1. Minor Group		
1.1 Minor Corporation Plc.	502,013,032	17.14
1.2 Marvelous Wealth Ltd.	52,749,344	1.80
1.3 Minor Holdings (Thai) Ltd.	498,609,521	17.02
1.4 Mr. William E. Heinecke	208,398,099	7.12
1.5 The Minor Food Group Plc.	177,917,649	6.07
1.6 Mr. John Scott Heinecke	95,163,042	3.25
1.7 Mr. David William Heinecke	1,941,735	0.06
1.8 Mrs. Kathleen Ann Heinecke	3,231	0.00
2. Mr. Nithi Osathanugrah	182,610,125	6.23
3. Somers (U.K.) Limited	161,251,213	5.50
4. HSBC (Singapore) Nominees Pte. Ltd.	62,329,585	2.13
5. His Majesty the King Bhumibol Adulyadej	59,884,074	2.04
6. Thai Trust Fund for RGR	58,616,010	2.00
7. Chase C.S. Central Nominees Limited 35	55,227,294	1.89
8. State Street Bank and Trust Company For Australia	51,432,480	1.76
9. Thai NVDR Ltd.	49,537,873	1.69
10. CPB Equity Company Limited	42,895,000	1.46

SUBSIDIARIES AND AFFILIATES

	Core Business	Number of Ordinary Shares		Equity Interest (%)
		Outstanding	Held	
Rajadamri Hotel Plc. 155 Rajadamri Road, Bangkok 10330 Tel. : +66 (0) 2250 0754 Fax: +66 (0) 2253 9195	Four Seasons Hotel Bangkok	45,000,000	24,424,465	95.8 (% included owned by Hua Hin Resort Ltd. 18,687,590 shares)
• Rajadamri Residence Ltd. 155 Rajadamri Road, Bangkok 10330 Tel. : +66 (0) 2250 0754 Fax: +66 (0) 2253 9195	Project development	5,000,000	4,999,993	100.0 (100% held by Rajadamri Hotel Plc.)
Chao Phaya Resort Ltd. 99 Berli Jucker House, 16 th Floor, Soi Rubia, Sukhumvit 42 Road, Prakanong, Klongtoey, Bangkok 10110 Tel. : +66 (0) 2381 5151 Fax: +66 (0) 2381 5777-8	Bangkok Marriott Resort and Spa, A Royal Garden Resort, Hotel Royal Garden Plaza - Bangkok	12,000,000	9,748,670	81.2
Maerim Terrace Resort Ltd. 99 Berli Jucker House, 16 th Floor, Soi Rubia, Sukhumvit 42 Road, Prakanong, Klongtoey, Bangkok 10110 Tel. : +66 (0) 2381 5151 Fax: +66 (0) 2381 5777-8	Four Seasons Resort Chiang Mai Hotel	3,000,000	1,359,370	71.4 (% included owned by Rajadamri Hotel Plc. 781,250 shares)
Royal Garden Development Ltd. 99 Berli Jucker House, 16 th Floor, Soi Rubia, Sukhumvit 42 Road, Prakanong, Klongtoey, Bangkok 10110 Tel. : +66 (0) 2381 5151 Fax: +66 (0) 2381 5777-8	JW Marriott Phuket Resort and Spa	7,000,000	6,999,994	100.0
Royal Garden Plaza Ltd. 99 Berli Jucker House, 16 th Floor, Soi Rubia, Sukhumvit 42 Road, Prakanong, Klongtoey, Bangkok 10110 Tel. : +66 (0) 2381 5151 Fax: +66 (0) 2381 5777-8	Shopping Mall - Pattaya	750,000	749,993	100.0
Royal Garden Entertainment Ltd. 99 Berli Jucker House, 16 th Floor, Soi Rubia, Sukhumvit 42 Road, Prakanong, Klongtoey, Bangkok 10110 Tel. : +66 (0) 2381 5151 Fax: +66 (0) 2381 5777-8	Motion Master Theater and Ripley's "Believe it or Not!" Museum	100,000	99,994	100.0

	Core Business	Number of Ordinary Shares		Equity Interest (%)
		Outstanding	Held	
Royal Garden Hotel Management Ltd. 99 Berli Jucker House, 16 th Floor, Soi Rubia, Sukhumvit 42 Road, Prakanong, Klongtoey, Bangkok 10110 Tel.: +66 (0) 2381 5151 Fax: +66 (0) 2381 5777-8	Hotel management	170,000	169,993	100.0
Hua Hin Resort Ltd. 99 Berli Jucker House, 16 th Floor, Soi Rubia, Sukhumvit 42 Road, Prakanong, Klongtoey, Bangkok 10110 Tel.: +66 (0) 2381 5151 Fax: +66 (0) 2381 5777-8	Hua Hin Marriott Resort and Spa, A Royal Garden Resort	2,000,000	1,999,994	100.0
<ul style="list-style-type: none"> • Hua Hin Village Ltd. 99 Berli Jucker House, 16th Floor, Soi Rubia, Sukhumvit 42 Road, Prakanong, Klongtoey, Bangkok 10110 Tel.: +66 (0) 2381 5151 Fax: +66 (0) 2381 5777-8 	Anantara Resort and Spa Hau Hin	500,000 (100% owned by Hua Hin Resort Ltd.)	499,994	100.0
<ul style="list-style-type: none"> • Baan Boran Chiangrai Ltd. 99 Berli Jucker House, 16th Floor, Soi Rubia, Sukhumvit 42 Road, Prakanong, Klongtoey, Bangkok 10110 Tel.: +66 (0) 2381 5151 Fax: +66 (0) 2381 5777-8 	Anantara Resort & Spa Golden Triangle & Four Season Tented Camp	1,650,000 (100% owned by Hua Hin Resort Ltd.)	1,649,994	100.0
Samui Resort and Spa Limited 99 Berli Jucker House, 16 th Floor, Soi Rubia, Sukhumvit 42 Road, Prakanong, Klongtoey, Bangkok 10110 Tel.: +66 (0) 2381 5151 Fax: +66 (0) 2381 5777-8	Anantara Resort and Spa Samui	100,000	99,994	100.0
Samui Village Ltd. 99 Berli Jucker House, 16 th Floor, Soi Rubia, Sukhumvit 42 Road, Prakanong, Klongtoey, Bangkok 10110 Tel.: +66 (0) 2381 5151 Fax: +66 (0) 2381 5777-8	New Hotel in Koh Samui	220,000	219,982	100.0
Samui Beach Residence Ltd. 99 Berli Jucker House, 16 th Floor, Soi Rubia, Sukhumvit 42 Road, Prakanong, Klongtoey, Bangkok 10110 Tel.: +66 (0) 2381 5151 Fax: +66 (0) 2381 5777-8	Property development in Koh Samui	10,000	9,993	100.0

	Core Business	Number of Ordinary Shares		Equity Interest (%)
		Outstanding	Held	
RNS Holdings Ltd. 99 Berli Jucker House, 16 th Floor, Soi Rubia, Sukhumvit 42 Road, Prakanong, Klongtoey, Bangkok 10110 Tel. : +66 (0) 2381 5151 Fax : +66 (0) 2381 5777-8	Property investment	4,200,237	4,200,231	100.0
MI Square Ltd. 99 Berli Jucker House, 16 th Floor, Soi Rubia, Sukhumvit 42 Road, Prakanong, Klongtoey, Bangkok 10110 Tel. : +66 (0) 2381 5151 Fax : +66 (0) 2381 5777-8	Property development	100,000	99,993	100.0
RGR International Ltd. Omar Hodge Bldg., Wickham Cay I, Road Town, British Virgin Islands	Investments	100,000	100,000	100.0
<ul style="list-style-type: none"> • Eutopia Holdings Private Ltd. 39 Orchid Magu, Maafannu, Male, Maldives 	Investments	1,000,000 (Owned by RGR International Ltd.)	499,998	50.0
<ul style="list-style-type: none"> • Harbour View Ltd. 4 Tran Phu Street, Hai Phong, Vietnam 	Harbour View Hotel & Office Tower Haiphong - Vietnam, A Royal Garden Resort	6,848,743 (Owned by RGR International Ltd.)	1,368,998	20.0
MSpa International Ltd. 99 Berli Jucker House, 16 th Floor, Soi Rubia, Sukhumvit 42 Road, Prakanong, Klongtoey, Bangkok 10110 Tel. : +66 (0) 2381 5151 Fax : +66 (0) 2381 5777-8	Spa business	410,000 (% included owned by RGR International Ltd. 200,900 shares)	209,095	100.0
<ul style="list-style-type: none"> • MSpa Ventures Limited Pasea Estate, Road Town, Tortola, British Virgin Islands 	Spa business in Eastern Asia	50,000 (100% owned by MSpa International Ltd.)	50,000	100.0
<ul style="list-style-type: none"> • MSpa Enterprise Management (Shanghai) Ltd. Suite 03, 12/F, Block A, 18 Tao Lin Road, Pudong New Area, Shanghai, China 	Spa business in China	140,000 (100% owned by MSpa Ventures Ltd.)	140,000	100.0
<ul style="list-style-type: none"> • Arabian Spas (Dubai) Limited P.O. Box 88, Dubai, UAE 	Spa business in UAE	300 (49% owned by MSpa Ventures Ltd.)	147	49.0
R.G.E. (H.K.) Limited 5/F Wing On Center, 111 Cannaught Road, Central, Hong Kong	Management	100,000	99,999	100.0

	Core Business	Number of Ordinary Shares		Equity Interest (%)
		Outstanding	Held	
Maikhao Vacation Villas Ltd. 99 Berli Jucker House, 16 th Floor, Soi Rubia, Sukhumvit 42 Road, Prakanong, Klongtoey, Bangkok 10110 Tel.: +66 (0) 2381 5151 Fax: +66 (0) 2381 5777-8	Timeshare-Phuket Marriott Vacation Club Phuket	400,000	199,998	50.0
Coco Palm Hotel and Resort Ltd. 392/12 Sukhumvit Road, Klongtoey, Bangkok 10110 Tel.: +66 (0) 2381 5151 Fax: +66 (0) 2381 5777-8	Anantara Resort & Spa Khao Lak	925,490	601,903	65.0 (Including Preferred Shares amount 129,906 Shares, with ratio 5:1, resulted in Company's interest of 40%)
Thai Project Property Fund C/O The Mutual Fund Public Company Limited 30 th -32 nd Floor, Lake Rajada Building, 193-195 Ratchadaphisek Road, Klongtoey, Bangkok 10110	Property investment	7,486,874	7,479,746	100.0
Thai Asset Management Property Fund 11 Q House, Sathorn Building, M Floor, South Sathon Road, Thungmahamek, Bangkok 10120 Tel.: +66 (0) 2670 4900 Fax: +66 (0) 2670 1820	Property investment	136,500,000	36,491,000	26.7
Sub Thawee Property Fund 11 Q House, Sathorn Building, M Floor, South Sathon Road, Thungmahamek, Bangkok 10110 Tel.: +66 (0) 2670 4900 Fax: +66 (0) 2670 1820	Property investment	50,000,000	4,993,000	10.0
The Minor Food Group Plc. (MFG) 99 Berli Jucker House, 15 th -16 th Floor, Soi Rubia, Sukhumvit 42 Road, Prakanong, Klongtoey, Bangkok 10110 Tel.: +66 (0) 2381 5151 Fax: +66 (0) 2381 5777-8	Quick service restaurant	32,730,684	32,623,477	99.67
<ul style="list-style-type: none"> • Swensen's (Thai) Limited 99 Berli Jucker House, 15th-16th Floor, Soi Rubia, Sukhumvit 42 Road, Prakanong, Klongtoey, Bangkok 10110 Tel.: +66 (0) 2381 5123-32 Fax: +66 (0) 2381 5118-9 	Ice cream parlour - Swensen's	1,000,000	999,994	100.0 (100% held by MFG)

	Core Business	Number of Ordinary Shares		Equity Interest (%)
		Outstanding	Held	
<ul style="list-style-type: none"> Minor DQ Limited 99 Berli Jucker House, 15th Floor, Soi Rubia, Sukhumvit 42 Road, Prakanong, Klongtoey, Bangkok 10110 Tel.: +66 (0) 2381 5123-32 Fax: +66 (0) 2381 5118-9 	Kiosk - Dairy Queen	160,000 (100% held by MFG)	159,994	100.0
<ul style="list-style-type: none"> Minor Cheese Limited 99 Berli Jucker House, 16th Floor, Soi Rubia, Sukhumvit 42 Road, Prakanong, Klongtoey, Bangkok 10110 Tel.: +66 (0) 2381 5123-32 Fax: +66 (0) 2381 5118-9 	Cheese manufacturing	600,000 (100% held by MFG)	599,993	100.0
<ul style="list-style-type: none"> Minor Dairy Limited 99 Berli Jucker House, 16th Floor, Soi Rubia, Sukhumvit 42 Road, Prakanong, Klongtoey, Bangkok 10110 Tel.: +66 (0) 2381 5123-32 Fax: +66 (0) 2381 5118-9 	Ice cream manufacturing	600,000 (100% held by MFG)	599,993	100.0
<ul style="list-style-type: none"> R.G.R. Food Service Limited 99 Berli Jucker House, 16th Floor, Soi Rubia, Sukhumvit 42 Road, Prakanong, Klongtoey, Bangkok 10110 Tel.: +66 (0) 2381 5123-32 Fax: +66 (0) 2381 5118-9 	Restaurant	10,000 (100% held by MFG)	9,994	100.0
<ul style="list-style-type: none"> SLRT Limited 99 Berli Jucker House, 16th Floor, Soi Rubia, Sukhumvit 42 Road, Prakanong, Klongtoey, Bangkok 10110 Tel.: +66 (0) 2381 5123-32 Fax: +66 (0) 2381 5118-9 	Restaurant - Sizzler	4,000,000 (100% held by MFG)	3,999,993	100.0
<ul style="list-style-type: none"> The Pizza Restaurants Limited 99 Berli Jucker House, 16th Floor, Soi Rubia, Sukhumvit 42 Road, Prakanong, Klongtoey, Bangkok 10110 Tel.: +66 (0) 2381 5123-32 Fax: +66 (0) 2381 5118-9 	Restaurant (Not yet commence its operation)	100,000 (100% held by MFG)	99,993	100.0
<ul style="list-style-type: none"> Burger (Thailand) Limited 99 Berli Jucker House, 16th Floor, Soi Rubia, Sukhumvit 42 Road, Prakanong, Klongtoey, Bangkok 10110 Tel.: +66 (0) 2381 5123-32 Fax: +66 (0) 2381 5118-9 	Restaurants - Burger King	1,000,000 (95% held by MFG)	949,994	95.0

	Core Business	Number of Ordinary Shares		Equity Interest (%)
		Outstanding	Held	
<ul style="list-style-type: none"> • Select Service Partner Limited 99 Berli Jucker House, 16th Floor, Soi Rubia, Sukhumvit 42 Road, Prakanong, Klongtoey, Bangkok 10110 Tel.: +66 (0) 2381 5123-32 Fax: +66 (0) 2381 5118-9 	Restaurants - Bangkok, Chiang Mai, Phuket, Had Yai Airports	450,000 (51% held by MFG)	229,494	51.0
<ul style="list-style-type: none"> • Select Service Partner (Cambodia) Limited Phnom Penh International Airport, National Road No. 4, Sangkat Kakap, Khan Dangkor, Phnom Penh, Kingdom of Cambodia 	Restaurants - Cambodia	1,000 (100% held by Select Service Partner Co., Ltd.)	1,000	100.0
<ul style="list-style-type: none"> • Catering Associates Limited 99 Berli Jucker House, 16th Floor, Soi Rubia, Sukhumvit 42 Road, Prakanong, Klongtoey, Bangkok 10110 Tel.: +66 (0) 2381 5123-32 Fax: +66 (0) 2381 5118-9 	Catering services	50,000 (51% held by MFG)	25,495	51.0
<ul style="list-style-type: none"> • International Franchise Holding (Labuan) Ltd. Level 7(E), Main Office Tower, Financial Park Labuan, Jalan Merdeka, 87000 Labuan, F.T. Labuan, Malaysia Tel.: (087) 443 118/188 Fax: (087) 441 288 	Franchisor and Master Franchisee	1,800,000 (100% held by MFG)	1,800,000	100.0
<ul style="list-style-type: none"> • Franchise Investment Corporation of Asia Ltd. Citco Building, Wickhams Cay, P.O. Box 662, Road Town, Tortola, BVI 	Franchisor and Master Franchisee	16,000,000 (100% held by Labuan)	16,000,000	100.0
<ul style="list-style-type: none"> • Beijing LeJazz Food & Beverage Co., Ltd. 4/F, Sichuan Building Annex, Beilishi Road, Xicheng, Beijing, China 	Franchisor and Master Franchisee LeJazz, Pizza and Sizzler in Beijing	RMB 50 million (100% held by FICA)	RMB 46.3 million	92.59

CORPORATE INFORMATION

Principal Activities

Food and Beverages, Hotelier and retail property owner, developer, operator and investments in related fields.

Registered Office

99 Berli Jucker House, 16th Floor, Soi Rubia, Sukhumvit 42 Road, Bangkok 10110, Thailand

Company Register Number : 0107536000919 (Previous number : Bor Mor Jor 165)

Tel. : +66 (0) 2381 5151 Fax : +66 (0) 2381 5777-8

Home Page : <http://www.minornet.com>

Share Capital as of 31 December 2006

Registered: Baht 3,376,595,595 divided to 3,313,075,595 ordinary shares and 63,520,000 preferred share at par value of Baht 1 each.

Issued and fully paid: Baht 2,958,104,081 divided to 2,894,584,081 ordinary shares and 63,520,000 preferred shares at par value of Baht 1 each.

Company Registrar

Share Capital and Warrant

Thailand Securities Depository Co., Ltd.

The Stock Exchange of Thailand Building

62 Ratchadapisek Road, Klongtoey, Bangkok 10110

Tel. : +66 (0) 2229 2800 Fax : +66 (0) 2359 1259

Debenture

(RGR No. 1/2545, No. 1/2547, No. 2/2547 and MINT 1/2548)

Thai Military Bank Public Company Limited

3000 Phaholyothin Road, Ladyao, Chatuchak, Bangkok 10900

Auditors

PricewaterhouseCoopers ABAS Limited

By Mr. Boonmee Ngotngamwong and/or Mr. Kajornkiet Aroonpirodkul and/or Ms. Nattaporn Phan-Udom

Certified Public Accountant (Thailand) 3673 , 3445 and 3430, respectively.

179/74-80 Bangkok City Tower, 15th Floor, South Sathon Road, Bangkok 10120

Tel. : +66 (0) 2286 9999 Fax : +66 (0) 2286 5050

Solicitors

International Legal Counselors Thailand Limited

175 Sathorn City, South Sathon Road,

Tungmahamek, Sathon, Bangkok 10120

Tel. : +66 (0) 2679 6005 Fax : +66 (0) 2679 6041

Siam Premier International Law Office Limited

999/9 The Offices at Central World Bldg., 26th Floor,

Rama I Road, Pathumwan,

Pathumwan, Bangkok 10330

Tel. : +66 (0) 2646 1888 Fax : +66 (0) 2646 1919

Dulayapab Law Office

560/72 Din Daeng Road, Samsaen Nai,

Phaya Thai, Bangkok 10400

Tel. : +66 (0) 2245 5815-9

Hunton & Williams (Thailand) Limited

1 Q House Lumpinee Bldg., 34th Floor,

South Sathon Road, Thungmahamek,

Sathon, Bangkok 10120

Tel. : +66 (0) 2645 8800 Fax : +66 (0) 2645 8880

Minor International Public Company Limited

99 Berli Jucker House, 16th Fl., Soi Rubia,
Sukhumvit 42 Rd., Bangkok 10110, Thailand
Tel. : +66 (0) 2381 5151
Fax : +66 (0) 2381 5777-8

บริษัท ไมเนอร์ อินเตอร์เนชั่นแนล จำกัด (มหาชน)

เลขที่ 99 อาคารเบอร์ลิคเกอร์ ชั้น 16
ซอยรู่เบีย ถนนสุขุมวิท 42 กรุงเทพฯ 10110
โทรศัพท์ : +66 (0) 2381 5151
โทรสาร : +66 (0) 2381 5777-8

www.minornet.com