

MINOR

INTERNATIONAL



2009 Annual Report • Minor International Public Company Limited



Desert Islands Resort by Anantara, Abu Dhabi



Qasr Al Sarab Desert Resort by Anantara, Abu Dhabi



Anantara Maldives



Anantara Golden Triangle



Anantara Phuket



Anantara Bali

Hospitality and Resorts

Direct-Owned Managed



Anantara Dhigu Resort & Spa, Maldives

Our largest Anantara resort by revenue posted USD 18.9 million in 2009 revenues.



Anantara Veli Resort & Spa, Maldives

Rebranded in 2008, achieved revenues that were 95% higher than 2007.



Anantara Golden Triangle Resort & Spa, Chiang Rai

Our stunning Anantara in north Thailand was ranked #53 in Travel + Leisure's Top 100.



Anantara Hua Hin Resort & Spa

The spa at the Anantara Hua Hin was recognized as one of Asia's best spas by Travel + Leisure.



Anantara Bophut Resort & Spa, Koh Samui

Now in its fifth year of operation, this resort is one of the top luxury resorts in Samui.



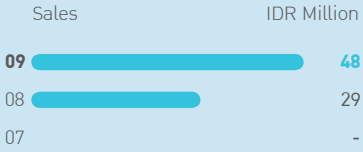
Anantara Phuket Villas

In its first full year of operation, our flagship Anantara achieved sales of Baht 208 million.



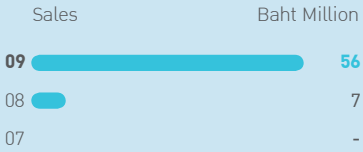
Anantara Seminyak Resort & Spa, Bali

Having opened in 2008, this managed resort achieved a 66% increase in revenues.



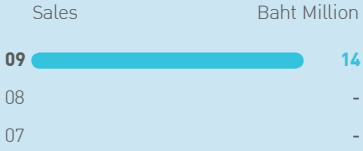
Anantara Si Kao Resort & Spa, South of Krabi

One of our most scenic managed resorts with 139 sea-view rooms completed its first full year in operation with revenues of Baht 56 million.



Anantara Lawana Resort & Spa, Koh Samui

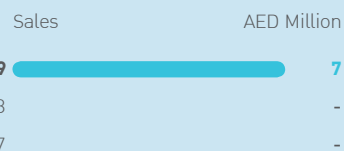
Opened as a managed Anantara resort in November 2009 and achieved sales of Baht 14 million in just two months.





Qasr Al Sarab Desert Resort by Anantara, Abu Dhabi

Achieved revenues of AED 7 million after opening as a managed Anantara resort in October 2009.



Desert Islands Resort & Spa by Anantara, Abu Dhabi

In its first full year of operation, this Anantara managed resort posted sales of AED 22 million.



Anantara Baan Rajprasong Serviced Suites, Bangkok

We applied our Anantara brand and management expertise to this serviced apartment complex in March 2009.



Four Seasons

Our award winning Four Seasons hotels in Bangkok, Chiang Mai, Samui and Chiang Rai combined to achieve revenues of Baht 1,622 million.



All of our Four Seasons resorts, have been recognized by the leading travel and hospitality magazines. Our Four Seasons Tented Camp, for example, was recognized as the #1 resort in the world by the readers of Conde Nast.



Marriott

Our Marriott / JW Marriott resorts including four that are located in Bangkok, Hua Hin, Pattaya and Phuket combined for revenues of Baht 2,149 million.



The Bangkok Marriott, which is one of our largest resorts with 413 rooms, is always one of the busiest hotels in Bangkok.



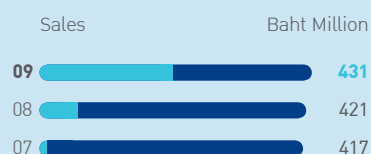
Minor International Brands

Minor International branded resorts including Naladhu in the Maldives, Elewana in East Africa and Harbour View in Vietnam had sales of USD 12.7 million in 2009.



MSPA International

14 company owned and 22 managed spas combined for total sales of Baht 431 million in 2009.



Restaurants

Direct-Owned Franchised

		The Pizza Company Our 171 company-owned and 73 franchised outlets saw system wide sales increase by 5% to Baht 4,257 million.	Sales Baht Million 09  4,257 08  4,041 07  3,657
		Swensen's With 114 company-owned and 116 franchised outlets, Swensen's posted a 9% increase in system wide sales to Baht 2,481 million.	Sales Baht Million 09  2,481 08  2,273 07  2,020
		Thai Express Thai Express and related brands such as New York New York and Xin Wan Hong Kong Café had sales that were up 54% to SGD 115 million.	Sales SGD Million 09  115 08  75 07  -
		The Coffee Club Coffee Club, which is 95% franchised, posted system wide sales that were up 17% to AUD 251 million.	Sales AUD Million 09  251 08  215 07  -
		Sizzler 42 company-owned Sizzler outlets in Thailand and China combined for sales that were up 14% to Baht 1,720 million.	Sales Baht Million 09  1,720 08  1,503 07  1,295
		Dairy Queen 233 company-owned Dairy Queen outlets in Thailand achieved sales of Baht 872 million.	Sales Baht Million 09  872 08  843 07  724
		Burger King 23 company-owned Burger King outlets combined for sales of Baht 765 million.	Sales Baht Million 09  765 08  691 07  594
		Select Service Partner (Thailand) Limited Our restaurant business in airports experienced a 26% increase in revenue.	Sales Baht Million 09  581 08  461 07  409
		Minor Dairy and Minor Cheese Limited The ice cream and cheese factory continued to grow by supplying our Pizza Company, Swensen's and Dairy Queen outlets as well as third parties.	Sales Baht Million 09  1,225 08  1,323 07  1,020

		<div>Esprit</div> <div>Our largest fashion brand had sales of Baht 477 million in 2009.</div>	<div>Sales</div> <div>Baht Million</div> <table><tr><td>09</td><td><div></div></td><td>477</td></tr><tr><td>08</td><td><div></div></td><td>594</td></tr><tr><td>07</td><td><div></div></td><td>604</td></tr></table>	09	<div></div>	477	08	<div></div>	594	07	<div></div>	604
09	<div></div>	477										
08	<div></div>	594										
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		<div>Bossini</div> <div>Sales of this leading fashion brand were Baht 238 million.</div>	<div>Sales</div> <div>Baht Million</div> <table><tr><td>09</td><td><div></div></td><td>238</td></tr><tr><td>08</td><td><div></div></td><td>264</td></tr><tr><td>07</td><td><div></div></td><td>226</td></tr></table>	09	<div></div>	238	08	<div></div>	264	07	<div></div>	226
09	<div></div>	238										
08	<div></div>	264										
07	<div></div>	226										
		<div>Charles & Keith</div> <div>Sales of Charles & Keith footwear increased by 5% to Baht 117 million.</div>	<div>Sales</div> <div>Baht Million</div> <table><tr><td>09</td><td><div></div></td><td>117</td></tr><tr><td>08</td><td><div></div></td><td>111</td></tr><tr><td>07</td><td><div></div></td><td>83</td></tr></table>	09	<div></div>	117	08	<div></div>	111	07	<div></div>	83
09	<div></div>	117										
08	<div></div>	111										
07	<div></div>	83										
<div><div>reearth</div><div>bloom</div><div>LANEIGE</div><div>smashbox</div></div>		<div>Red Earth, Bloom, Laneige, Smashbox</div> <div>Our portfolio of leading cosmetics brands combined for sales of Baht 186 million.</div>	<div>Sales</div> <div>Baht Million</div> <table><tr><td>09</td><td><div></div></td><td>186</td></tr><tr><td>08</td><td><div></div></td><td>234</td></tr><tr><td>07</td><td><div></div></td><td>210</td></tr></table>	09	<div></div>	186	08	<div></div>	234	07	<div></div>	210
09	<div></div>	186										
08	<div></div>	234										
07	<div></div>	210										
		<div>Zwilling J.A. Henckels</div> <div>Our luxury household supply and kitchenware brand posted sales of Baht 37 million in 2009.</div>	<div>Sales</div> <div>Baht Million</div> <table><tr><td>09</td><td><div></div></td><td>37</td></tr><tr><td>08</td><td><div></div></td><td>46</td></tr><tr><td>07</td><td><div></div></td><td>40</td></tr></table>	09	<div></div>	37	08	<div></div>	46	07	<div></div>	40
09	<div></div>	37										
08	<div></div>	46										
07	<div></div>	40										
		<div>Time Life</div> <div>Sales of Time Life and World Book were Baht 148 million in 2009.</div>	<div>Sales</div> <div>Baht Million</div> <table><tr><td>09</td><td><div></div></td><td>148</td></tr><tr><td>08</td><td><div></div></td><td>180</td></tr><tr><td>07</td><td><div></div></td><td>211</td></tr></table>	09	<div></div>	148	08	<div></div>	180	07	<div></div>	211
09	<div></div>	148										
08	<div></div>	180										
07	<div></div>	211										
		<div>Royal Garden Plaza (Plaza, Entertainment)</div> <div>Our three shopping centers that are located next to our hotels in Phuket, Pattaya and Bangkok had revenues of Baht 616 million.</div>	<div>Sales</div> <div>Baht Million</div> <table><tr><td>09</td><td><div></div></td><td>616</td></tr><tr><td>08</td><td><div></div></td><td>671</td></tr><tr><td>07</td><td><div></div></td><td>634</td></tr></table>	09	<div></div>	616	08	<div></div>	671	07	<div></div>	634
09	<div></div>	616										
08	<div></div>	671										
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		<div>NMT</div> <div>The contract manufacturing business which supplies global FMCG companies had sales of Baht 1,278 million in 2009.</div>	<div>Sales</div> <div>Baht Million</div> <table><tr><td>09</td><td><div></div></td><td>1,278</td></tr><tr><td>08</td><td><div></div></td><td>1,391</td></tr><tr><td>07</td><td><div></div></td><td>1,515</td></tr></table>	09	<div></div>	1,278	08	<div></div>	1,391	07	<div></div>	1,515
09	<div></div>	1,278										
08	<div></div>	1,391										
07	<div></div>	1,515										
		<div>Tumi</div> <div>The world's premier luggage and travel brand anchors our line of luxury lifestyle brands.</div>	<div>Sales</div> <div>Baht Million</div> <table><tr><td>09</td><td><div></div></td><td>32</td></tr><tr><td>08</td><td><div></div></td><td>36</td></tr><tr><td>07</td><td><div></div></td><td>35</td></tr></table>	09	<div></div>	32	08	<div></div>	36	07	<div></div>	35
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CORE VALUES



VISION

To be a leading hospitality and leisure operator, a leading multiple concept restaurant operator and a leading lifestyle brand retailer through the delivery of branded products and services that provide 100% SATISFACTION to all stakeholders.

Delivering premium branded hospitality services, restaurant concepts and lifestyle products globally

Every year, over 25,000 service professionals at 30 hotels, 1,112 restaurants and 293 retail outlets have the pleasure of serving more than 90 million customers in 20 countries.

Financial Highlights

		2005	2006	2007	2008	2009
Consolidated (Baht Million)	Net Sales	10,045	11,716	13,538	15,814	16,460
	Total Revenues	10,418	12,395	14,029	16,515	17,291
	Gross Profit	6,702	7,631	8,980	10,521	10,671
	EBITDA	2,913	3,271	3,759	4,303	3,791
	EBIT	1,760	1,961	2,463	2,924	2,230
	Foreign Exchange (Gain) Loss	(2)	24	5	(64)	(15)
	Net Profit	1,061	1,280	1,611	1,892	1,400
	Total Assets	15,439	17,787	21,280	25,064	28,271
	Total Liabilities	9,500	9,662	11,572	12,760	16,217
	Interest Bearing Debt	7,190	7,091	8,335	9,101	11,530
	Total Equity	5,939	8,124	9,708	12,304	12,054
	Net Cash Flow from Operating Activities	2,290	2,373	2,364	3,388	2,795
Profitability Ratio (Percentage)	Gross Profit Margin	66.73	65.13	66.33	66.53	64.83
	Net Profit Margin	10.19	10.33	11.48	11.46	8.10
	Return on Total Assets (ROA)	7.19	7.71	8.25	8.17	5.25
	Return on Equity (ROE)	18.30	18.21	18.07	17.19	11.50
Debt to Equity Ratio (Times)	Interest Bearing Debt/Equity Ratio	1.21	0.87	0.86	0.74	0.96
	Long Term Debt/Equity Ratio	1.02	0.83	0.73	0.69	0.72
	Gearing Ratio	1.60	1.19	1.19	1.04	1.35
Per Share Data (Baht)	Earning per Share	0.37	0.40	0.49	0.56	0.43
	Book Value per Share	2.17	2.75	3.21	3.40	3.71
	Dividend per Share	0.22	0.125	0.15	0.25	0.31
	Dividend Payout Ratio (%)	76.23	34.63	35.05	50.98	57.38
	Operating Cash Flow per Share	0.92	0.88	0.89	1.01	0.86
Share Capital (Thousand Shares)	Par Value (Baht per Share)	1	1	1	1	1
	Registered Ordinary Shares	3,097,854	3,313,076	3,275,302	3,689,623	3,351,851
	Registered Preferred Shares	200,000	63,520	63,520	-	-
	Number of Ordinary Share Outstanding	2,670,136	2,894,584	2,958,216	3,614,264	3,246,416
	Number of Preferred Share Outstanding	63,520	63,520	63,520	-	-
	Number of Weighted Average Ordinary Shares Outstanding	2,499,430	2,687,647	2,762,173	3,361,793	3,268,811
	Number of Weighted Average Preferred Shares Outstanding	63,520	63,520	63,520	-	-
	Number of Warrants Outstanding					
	• Offered to existing shareholders	-	271,704	239,140	-	-
	• Offered to Employee Stock Option Program	1,158	77,598	62,065	38,066	66,524

Note: 1. Dividend per share for the year 2005 are consisted of cash dividend at Baht 0.12 per share and share dividend at Baht 0.10 per share.
2. Dividend payout ratio for the year 2005 are consisted of cash dividend 42.17% and share dividend 34.06%.
3. Earning per share for the year 2006 - 2007 has been restated to reflect the share dividend paid to the Company's shareholders during the year 2008.
4. Dividend per share for the year 2008 are consisted of cash dividend at Baht 0.15 per share and share dividend at Baht 0.10 per share.
5. Dividend payout ratio for the year 2008 are consisted of cash dividend 30.59% and share dividend 20.39%.

Financial Status at a Glance

Consolidated Cash Flow Statements

For the Year Ended 31 December 2009

	(Baht Million)
Net Cash Inflows from Operating Activities	2,795
Net Cash Payment for Investing Activities (1)	(3,011)
Net Cash Receipts from Financing Activities (2)	(160)
Net Increase in Cash & Equivalents	(376)
Loss on exchange on Cash & Equivalents	(4)
Cash & Cash Equivalents on 31 December 2008	1,349
Cash & Cash Equivalents on 31 December 2009	969

Consolidated Balance Sheets

As at 31 December 2008

	(Baht Million)
Assets	
Cash & Cash Equivalents	1,349
Other Current Assets	3,004
Investments & Other	8,023
Property Plant and Equipment	12,688
Total Assets	25,064
Liabilities & Equity	
Current Liabilities	4,850
Non-current Liabilities	7,910
Share Capital, Premium & Reserves	6,597
Retained Earnings - net	5,084
Minority Interest	623
Total Liabilities & Equity	25,064

Consolidated Statement of Income

For the Year Ended 31 December 2009

	(Baht Million)
Revenues	17,122
Gross Operating Profit	10,509
S&A Expenses	8,447
Operating profit	2,062
Profit sharing	169
Earnings Before Financial Costs and Tax	2,231
Financial Costs	429
Earnings Before Tax	1,802
Corporate Tax	306
Minority Interest	96
Net Profit	1,400

Consolidated Balance Sheets

As at 31 December 2009

	(Baht Million)
Assets	
Cash & Cash Equivalents	969
Other Current Assets (4)	3,948
Investments & Other (5)	9,290
Property Plant and Equipment (6)	14,064
Total Assets	28,271
Liabilities & Equity	
Current Liabilities	6,677
Non-current Liabilities (7)	9,539
Share Capital, Premium & Reserves (8)	5,866
Retained Earnings - net	5,287
Minority Interest	902
Total Liabilities & Equity	28,271

Retained Earnings

As at 31 December 2009

	(Baht Million)
Balance as at 31 December 2008	5,084
Specific capital reduction	(156)
Total Earnings for 2009	1,400
Dividends (3)	(1,041)
Balance as at 31 December 2009	5,287

Notes

- (1) Additional investment of Baht 311 million into subsidiaries and associates and of Baht 65 million into other company, Baht 2,463 million into new PPE.
- (2) Net cash from financing of Baht 160 million primarily from issuance of new debentures Baht 2,000 million for redemption debenture Baht 550 million and specific capital reduction Baht 671 million.
- (3) In 2009, the Company paid dividend 2 times on February (Baht 0.23 per share) and on July (Baht 0.08 per share), total dividend payment amount Baht 1,041 million.
- (4) Other current assets increased Baht 944 million primarily due to increase in trade receivables and inventories from consolidation of Minor Corporation PCL's financial statement with MINT after business restructuring plan.
- (5) Investments & others increased from additional investment in S&P Syndicate, goodwill from additional investment in subsidiary, Thai Express and investment in new software.
- (6) Total net fixed assets increased Baht 1,376 million over the year through both new construction of hotel of Baht 1,964 million, expansion of Food Group of Baht 501 million, consolidation of Minor Corporation PCL of Baht 324 million and reduction from depreciation of Baht 1,414 million.
- (7) Long-term liabilities increased Baht 1,629 million due to issuance of new debentures for redemption debenture and for invest in new construction of hotel business.
- (8) The Company's capital decreased Baht 731 million in 2009, reflected from discount on business combination under common control from business restructuring plan between MINT and Minor Corporation PCL.

Chairman's Message



DEAR FELLOW STAKEHOLDERS:

In my annual message to you last year, I reported that the global economic crisis and political uncertainties in Thailand would likely force Minor International to overcome serious challenges in 2009. Indeed, 2009 turned out to be a more difficult year than those we previously experienced following 9/11, SARs, the Tsunami and the Coup.

In 2009, Minor International's net profit fell by 26% to Baht 1,400 million and earnings per share was down 23% to Baht 0.43 per share. If not for our acquisition of Minor Corporation, revenues would have been down by 4% instead of up by 5% to Baht 17,290 million.

Our hospitality businesses, including those related to hotel operations, hotel management, residential property sales and spas, suffered the full impact of the decline in global travel and tourism and saw profits fall

William E. Heinecke

Chairman and Chief Executive Officer



In October 2009, we opened the Anantara Qasr Al Sarab in Abu Dhabi.



- 1. William E. Heinecke**
Chairman and Chief Executive Officer
- 2. Pratana Mongkolkul**
Director and Chief Financial Officer
- 3. Paul Charles Kenny**
Director and CEO of the Minor Food Group
- 4. Patamawalai Ratanapol**
Chief People Officer and COO of the Minor Food Group
- 5. Dillip Rajakarier**
Director and COO of Minor Hotel Group
- 6. John Scott Heinecke**
Vice President of the Minor Food Group
- 7. Michael Binger**
COO of Minor Corporation



by 48%. However, our wholly owned restaurant company had one of its best years ever with profit that was up by 59%.

Despite falling short of our high performance expectations, I believe that 2009 was nevertheless one of our “finest hours.” Our Board, leadership teams, partners and more than 25,000 employees pulled together in an extremely difficult time to help our company capitalize on its diversity and realize all the benefits of a business model that again proved to be resilient.

We never lost focus on building for the future. Among the many things we did in 2009, we built two resorts and entered into nine new hotel management agreements. We signed two major restaurant franchise agreements and expanded all of our restaurant businesses especially the ones we acquired in 2008.

In this report, I would like to highlight what we have done and are doing to insure a better 2010 and a brighter future.



Ocean views from
the Anantara Seminyak in Bali

THE HOSPITALITY BUSINESS

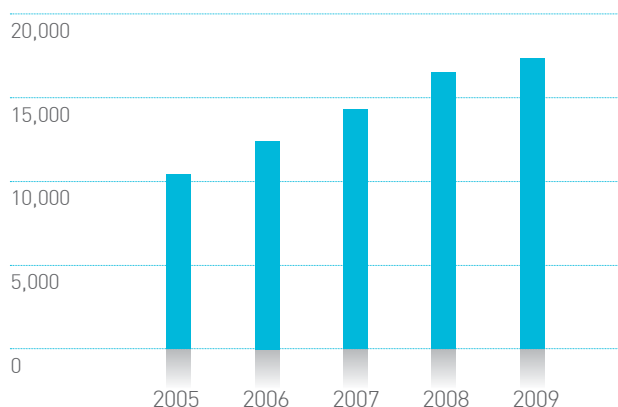
In 2009, our hotel customers were forced to deal with the uncertainties related to one of the worst financial crises the world has seen in 100 years. At the same time, they also had to react to our situation in Thailand where Bangkok's international airports closed for a week in December 2008 and riots spread to the streets of Bangkok in April 2009.

Occupancy rates fell from 65% to 52% and we were forced to cut average room rates by 7%. Our property business saw few interested buyers and we sold no residential properties. Revenues from company owned resorts, hotel management and residential properties fell by 24% to Baht 5,597 million. As a result, profit from the hospitality business was down by 48%.

As the constraints relating to the international economy and domestic security are eliminated, we believe that our a growing "system" of 30 company-owned and managed resorts is well positioned for a recovery.

CONSOLIDATED REVENUES

(in Baht million)



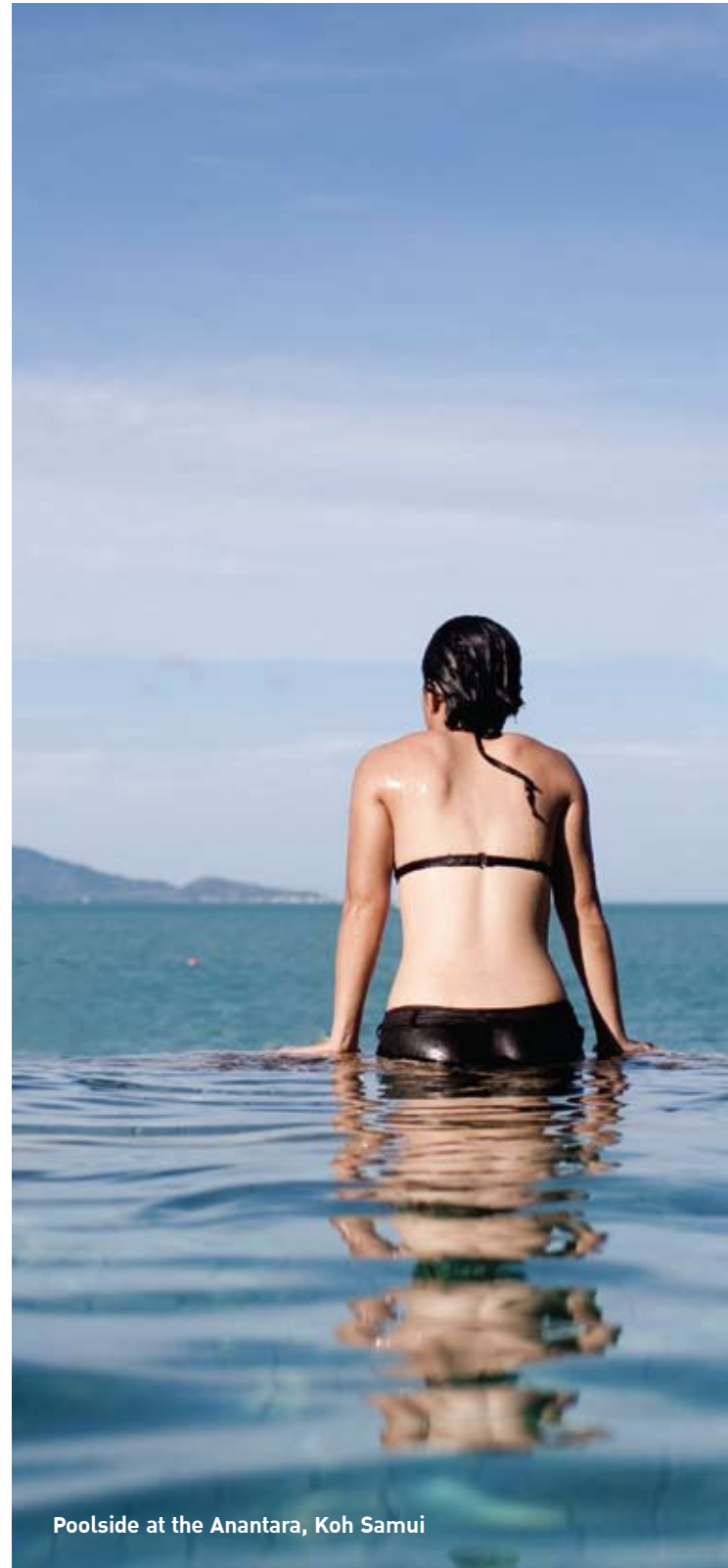
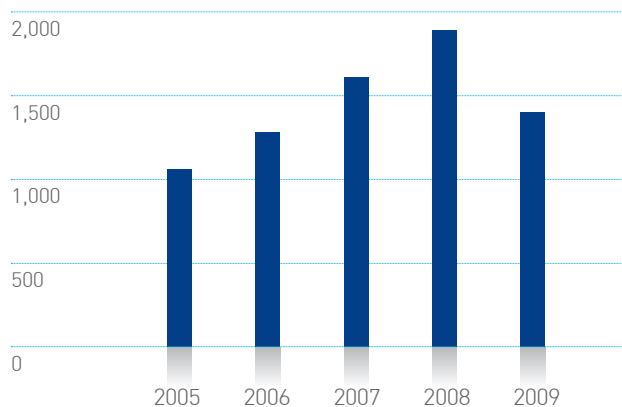
Company-Owned Resorts: In 2009, our 24 company-owned resorts had revenues that were down 17% to Baht 5,830 million. Despite the steep decline in revenue, these resorts were profitable because we responded quickly to manage costs carefully in a difficult business environment.

With less activity at the resorts, we invested in making improvements to our facilities. As guests return, they are finding that our resorts in Thailand, the Maldives, Vietnam, Sri Lanka, and Tanzania are still among the best in the world and our facilities are better than ever. Our Anantara, Four Seasons and Marriott resorts continue to receive awards from all the leading travel publications including Conde Nast Traveller and Travel + Leisure.

In 2009, we continued to invest by building an 82 room company-owned resort in the Maldives and a 227 room St. Regis Hotel in Bangkok. Both of these resorts will open in 2010.

NET PROFIT

(in Baht million)



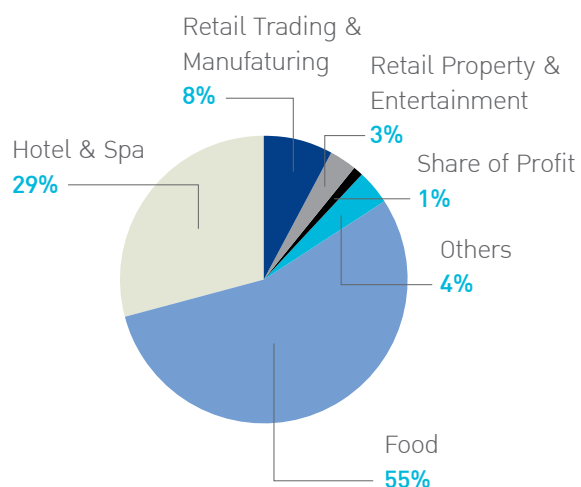
Poolside at the Anantara, Koh Samui

Hotel Management Fees: Management fees are our fastest growing source of hospitality revenue. We currently manage 12 Anantara resorts in four countries including Thailand, the Maldives, Bali and Abu Dhabi. By 2014, however, we expect to have more than 30 Anantaras in operating in 10 countries.

In 2009, we opened three new Anantara resorts under management agreements. They are located in Bangkok, Abu Dhabi and Samui. During this time, revenues from these and all of our other managed properties (excluding extraordinary revenues related to a timeshare property we previously held jointly with Marriott) increased by 7% to Baht 238 million.

We continued to market the Anantara brand and sell our skills as a manager of branded world class resorts to developers around the world. In 2009, we signed hotel contracts with different groups of hotel

2009 REVENUE BREAKDOWN



In the Maldives, we have three Anantara resorts and expect to open another in 2010.



investors who together want us to manage 15 new resorts. These resorts will be built and opened over the next five years and they will be located in China, the UAE, Cape Verde, India, Morocco, Bali and Oman.

Residential Property Sales: The revenues we receive from residential property sales can be significant. In 2008, for example, revenues from residential property sales were Baht 591 million as we sold four luxury villas adjacent to our Four Seasons resort in Samui. In 2009, however, we were unable to sell any residences as potential buyers were reluctant to invest in the relatively uncertain economic environment.

Since developing the villas next to our Four Seasons in Samui, we have sold seven of 14 residences. In the meantime, we are achieving a good return by renting the unsold properties while simultaneously showing them to potential buyers.

Our next residential project will be the St. Regis Residences in Bangkok which will have 53 condominiums. We plan sell these residences from mid-2010 and expect strong demand as they will have Bangkok's most prestigious residential address.

THE RESTAURANT BUSINESS

While many of our customers were reluctant to spend on travel in 2009, there was little change in demand at our quick-serve, fast-casual restaurants. The Minor Food Group saw revenue increase by 13% to Baht 9,483 million and net profit increase by 59%. It was one the Food Group's best years ever.

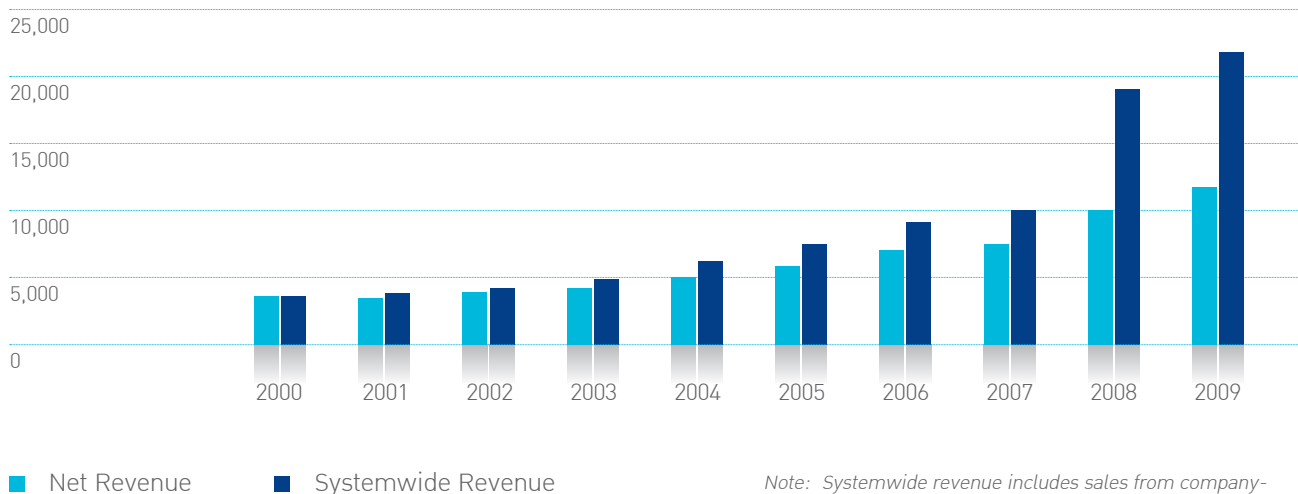


All of our restaurant brands performed well in 2009 with the strongest contributions coming from our Pizza Company brand in Thailand and our group companies in Singapore and Australia. The Pizza Company in Thailand came back after a difficult 2008 with an 81% increase in profit. At the same time, our businesses in Singapore and Australia combined to achieve a 64% increase in profit.

Today, we have 1,112 restaurants in Thailand, Singapore, Australia and 11 other countries that operate under a diverse portfolio of 10 brands. Among our brands, the Pizza Company, Swensen's, Thai Express and the Coffee Club are the ones that provide us with the most dynamic opportunities for growth. We are able to develop these brands anywhere in the world as company-owned outlets or as franchises.

MINOR FOOD GROUP REVENUES

(in Baht million)



Note: Systemwide revenue includes sales from company-owned and franchised restaurant outlets. Net revenue only includes sales from company-owned outlets.

Indeed, our restaurant system, which currently includes 682 company owned and 430 franchised outlets, continues to grow. In 2009, we added 69 new outlets and had “systemwide” sales that increased by 13% to Baht 21,879 million. Franchise fees were up 7% to Baht 287 million.

Thailand: Thailand continues to be our largest market and it grows each year. We have more than 730 restaurants operating in Thailand under the Pizza Company, Swensen’s, Sizzler, Dairy Queen, Burger King and Coffee Club brands and we maintain more than 30% market share. In 2009, we achieved a 7% increase in overall sales despite comparable same store sales growth that was down by 2%. We added 21 company-owned and 8 franchised outlets.

Singapore: Having owned Thai Express since May 2008, the company has performed far better than our expectations. Our partners, Ivan Lee and Dellen Soh, are among the best partners we have ever worked with and we support their plans to expand the business further in Singapore and new markets such as China.

In 2009, Thai Express had an outstanding year with revenues and net profit increasing by 38% and 43%, respectively. Thai Express is one of the fastest growing and most profitable fast casual restaurant operators in Asia with 78 outlets and a portfolio of great brands that includes Thai Express, Hong Kong Café, Shokudo Food Bazaar and New York New York.





Vino loves Pollo

Chicken Breast Parma

A skinless chicken breast pocketed with feta cheese, basil and pinenut pesto and semi-dried tomatoes, then wrapped in shaved prosciutto ham and grilled.



Australia: We acquired a 50% stake in The Coffee Club in early 2008 because it was one of Australia's most successful restaurant franchisors. In 2009, The Coffee Club's success continued with a 17% increase in revenues and 145% increase in net profit.

As we expand The Pizza Company and Swensen's brands internationally, we plan to expand Coffee Club and Thai Express to markets where we currently operate and expect to operate in the future. In 2009, we opened two company-owned Coffee Clubs in Thailand and are planning to open four more outlets in 2010. We also opened three Thai Express outlets in two international markets including Saudi Arabia and Vietnam.

Other Markets: With the exception of Thailand, Singapore, Australia and Beijing, where we have company-owned outlets, our strategy is to grow by franchising. Today, we have 36 Pizza Company and Swensen's outlets in five countries including Bahrain, Saudi Arabia, Jordan, the UAE and Cambodia.

In 2009, we signed additional franchise agreements with partners in India and Vietnam. These are very exciting markets with significant growth potential. We are looking forward to working with our new franchisees with a plan to develop at least 90 Pizza Company and Swensen's outlets in these two markets over the next five years.

THE RETAIL BUSINESS

In 2009, Minor International acquired 100% of Minor Corporation. Despite challenging economic and political conditions, our wholly owned retail company achieved revenue of Baht 2,791 million and net profit of Baht 98 million.

When we acquired Minor Corporation, we knew the company extremely well. Minor Corporation had long been very closely related to Minor International and, along with the Minor Food Group, had been part of what we called the Minor Group of Companies. Several of our executives, including myself, held senior positions simultaneously at both companies and the two companies even held shares in each other.

We are delighted with our acquisition of Minor Corporation as it has made the relationship between the companies more appropriate and transparent while also advancing our strategy of making Minor International a more diverse and dynamic company. Today, Minor Corporation is one of Thailand's leading lifestyle brand distributors and contract manufacturers. It sells fashion and cosmetics brands such as Esprit, Bossini, Red Earth and Bloom and makes household products for some of the world's largest fast moving consumer goods (FMCG) companies.

Fashion and Cosmetics: The lifestyle fashion and cosmetics sales and distribution business experienced a 17% decrease in sales due to declining consumer confidence and political uncertainty in Thailand. In 2009, we were delighted to announce that we will be adding Gap to our portfolio of



In March 2010, we opened our first Gap outlet in Bangkok.

fashion brands which already includes great brands like Esprit, Bossini and Charles & Keith. We expect to open our first Gap store in Thailand in March 2010.

Contract Manufacturing: Our contract manufacturing business struggled in 2009 as our fast moving consumer goods (FMCG) customers delayed or cut back production orders in response to increasingly unpredictable economic conditions and declining consumer demand. In 2009, our manufacturing business experienced an 8% decrease in sales.

LOOKING FORWARD TO 2010

I am confident that we will “bounce back” in 2010 just as we did in the years following 9/11, SARs, the Tsunami and the Coup. Having been severely tested in 2009, we and our businesses begin a new year much stronger and well positioned to make the most of growth opportunities.

In 2010, we will continue to promote and develop our Anantara resort brand while selling resort management services to hotel owners and investors worldwide. We will build on the success we had in 2009 by signing more management contracts and expanding our pipeline of managed resorts.

Our Food Group will expand by adding 80 new company-owned or franchised outlets. At the same time, we will continue to market our core Pizza Company, Swensen's, Thai Express and Coffee Club brands to potential franchisees in markets where we have not yet secured master franchisees.

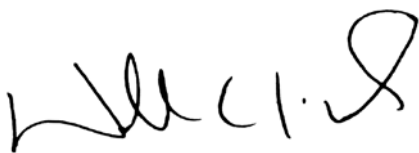


In the Maldives, we expect to open the Anantara Kihava in 2010.

We will search for and identify new opportunities that enhance the position of our core businesses and create value for our shareholders. We have been thrilled with the way our acquisitions of The Coffee Club and Thai Express have performed since we acquired them. In 2010, we will be looking to make similar acquisitions in both the hospitality and restaurant sectors.

Our core businesses are resilient and healthy and our debt to equity ratio is 0.96x. The Thai Rating and Information Service (TRIS) continues to provide us with a credit rating of A. We are well positioned to confront new challenges and take advantage of growth opportunities but, as always, we will continue to reevaluate our commitments, manage risks and respond to changing circumstances.

On behalf of our shareholders, I would like to extend our thanks to the more than 25,000 professionals who are indeed the strength behind our successful brands. They help Minor International grow in the face of significant challenges while always pushing the company to be more diversified and dynamic. As we prepare for a better 2010, I have great faith in their ability to take Minor International to higher levels and achieve greater results.



William E. Heinecke

Chairman and Chief Executive Officer
March 2010



Swensen's Franchisee of the Year,
Arunchai Chaikanarakkul.



Recognizing some of our best performing employees.
Arth Prakhunhungsit, Peangporn Suvarnpradip and
Boyd Barker received "Tiger Awards" in 2009.

Hotel

Business

Sector Overview and Competition, Performance Highlights, and 2010 Development Plans

THAILAND HOTEL SECTOR OVERVIEW AND COMPETITION

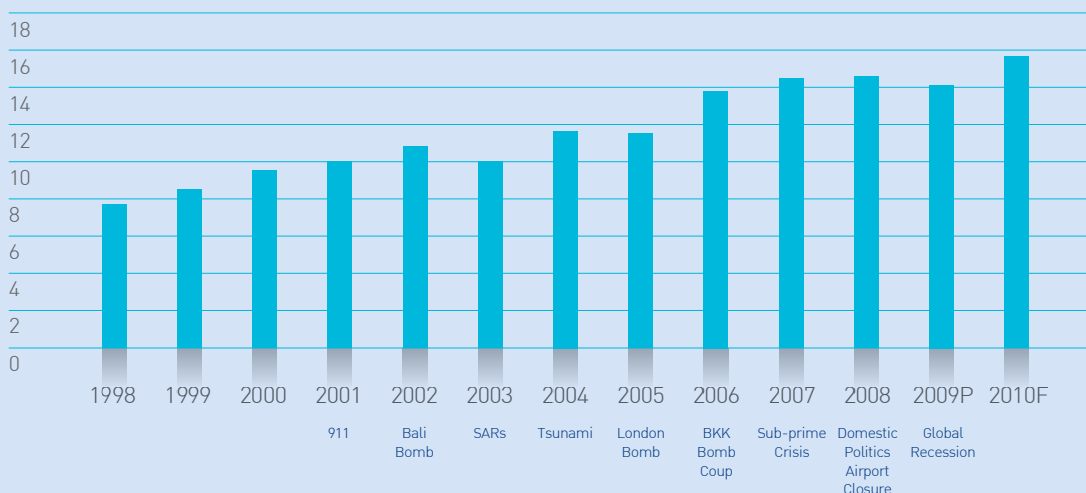
Tourist activity fell sharply in 2009 as the international economic crisis and domestic political uncertainties caused a severe decrease in visitors to Thailand. Foreign tourist arrivals were down 3% to 14.1 million visitors. As a result, the entire Thai hotel industry experienced lower occupancy rates with our own hotel business experiencing a decline from 56% to 49%.

Although the intensity of the global economic crisis remains a concern and there may be other unpredictable events that restrain Thai tourism in 2010, we are confident that the tourism sector will overcome these challenges just as it has during difficult times over the past decade. In 2010, the Tourism Authority of Thailand forecasts that tourism will increase by 11%.



DEVELOPMENT OF THE THAI TOURIST MARKET

Visitors (in million)



Note:
P = Preliminary number
F = Forecast number

Source:
Tourism Authority of
Thailand (Actual Number)
and Bank of Thailand
(Preliminary and Forecast
Number)



Desert views from a private pool at
the Anantara Qasr Al Sarab, Abu Dhabi.

With the decline in visitors and the development of new hotels, Thai hotel groups in 2009 were challenged to competitively set room rates, respond to a decrease in tourists willing to travel long distances and react to an increase in regional or in-country travel. Hotel groups were forced to restructure marketing programs and offer services that meet the needs of customers with different profiles. Hotel groups were also forced to accommodate regional travelers that generally book at the last minute. With changing consumer profiles, the industry tried to market and present themselves differently.

HOTEL PERFORMANCE

In 2009, economic and political uncertainties severely affected our hospitality business. Hospitality profits, including revenues from company-owned resorts, hotel management fees and residential properties, fell by 48%.

Anantara

Faced with a sharp decline in global travel and tourism, our Anantara branded resorts combined for an average occupancy rate of 45% and a 30% decrease in revenue per available room (RevPar). Revenues were up by 10%, however, as we added seven new company-owned or managed Anantara resorts since the beginning of 2008.

Today, we have seven Anantara resorts operating successfully in Thailand. We also have five Anantara resorts operating in the Maldives, Bali and Abu Dhabi. We are pleased with the international penetration of our Anantara hotel brand as it not only supports our plans to expand our portfolio of company-owned resorts but it also provides us with additional revenue generating, hotel management opportunities.

While we build our own Anantara resorts in locations such as Thailand and the Maldives, we continue to work with resort owners and investors who want the rights to develop Anantara branded resorts and have those resorts managed by Minor International. In 2009, we signed hotel management contracts with different groups of hotel investors who together want us to manage 15 new resorts.

Marriott

Our three Marriott resorts and one JW Marriott resort in Thailand combined to achieve an average occupancy of 63%, a 26% decrease in average RevPar and a 23% decrease in total revenue.

Four Seasons

Our Four Seasons branded resorts achieved an average occupancy rate of 48%, a 25% decrease in average RevPar and a 20% decrease in total revenue. Within our portfolio of Four Seasons resorts, we have the Four Seasons Tented Camp in Chiang Rai which was chosen #1 resort in the world by the readers of Conde Nast Traveller.



One of the 122 guest rooms at the Anantara Lawana, Samui.



Making friends at the Anantara Golden Triangle.

RECENT AWARDS FOR MINOR INTERNATIONAL HOTELS

**TRAVEL
+LEISURE**

Condé Nast
Traveller
CNTRAVELLER.COM

World's Best, 2009

- Anantara Dhigu, Maldives
- Anantara Golden Triangle, Chiang Rai
- Four Seasons, Bangkok
- Four Seasons, Chiang Mai
- Four Seasons, Chiang Rai
- JW Marriott, Phuket
- Serengeti Migration Camp, Tanzania

T+L 100, 2009

- Anantara Dhigu, Maldives, #37
- Anantara Golden Triangle, Chiang Rai, #53

IT List 2009

- Anantara, Phuket

World's Best Spas, 2009

- Anantara, Hua Hin, #5 Hotel Spa in Asia
- Anantara, Koh Samui, #1 Hotel Spa in Asia

Gold List, 2010

- Desert Islands Resort & Spa, Abu Dhabi
- Four Seasons, Chiang Mai
- JW Marriott, Phuket

Gold List, 2009

- Four Seasons, Bangkok
- Four Seasons, Chiang Mai
- Four Seasons, Chiang Rai
- Four Seasons, Koh Samui

Reader's Choice, 2009

- Four Seasons, Chiang Rai, #1 in World
- Four Seasons, Chiang Mai, #8 in Asia
- Four Seasons, Koh Samui, #17 in Asia
- Anantara, Chiang Rai, #24 in Asia
- Four Seasons, Bangkok, #41 in Asia
- JW Marriott, Phuket, #10 in Asia
- Anantara, Phuket
- Anantara, Hua Hin

Average Occupancy [%]	2004	2005	2006	2007	2008	2009
Bangkok Marriott Resort & Spa	83%	86%	91%	87%	75%	60%
Pattaya Marriott Resort & Spa	74%	80%	86%	79%	77%	68%
Hua Hin Marriott Resort & Spa	72%	81%	87%	83%	70%	65%
JW Marriott Phuket Resort & Spa	77%	67%	63%	74%	73%	60%
Anantara Hua Hin Resort & Spa	61%	76%	74%	70%	62%	46%
Anantara Golden Triangle Resort & Spa	35%	40%	40%	45%	41%	32%
Anantara Bophut Resort & Spa, Koh Samui	-	46%	60%	71%	67%	64%
Anantara Phuket Villas	-	-	-	-	30%	36%
Anantara Si Kao Resort & Spa	-	-	-	-	20%	17%
Anantara Baan Rajprasong Serviced Suites, Bangkok*	-	-	-	-	-	56%
Anantara Lawana Resort & Spa, Koh Samui*	-	-	-	-	-	25%
Anantara Veli Resort & Spa	-	-	74%	71%	83%	70%
Anantara Dhigu Resort & Spa	-	-	70%	67%	74%	61%
Anantara Seminyak Resort & Spa, Bali	-	-	-	-	63%	59%
Desert Islands Resort & Spa by Anantara, Abu Dhabi	-	-	-	-	34%	37%
Qasr Al Sarab Desert Resort by Anantara, Abu Dhabi*	-	-	-	-	-	20%
Four Seasons Resort Chiang Mai	60%	59%	56%	54%	46%	32%
Four Seasons Hotel Bangkok	71%	63%	55%	63%	57%	52%
Four Seasons Tented Camp Chiang Rai	-	-	42%	48%	38%	30%
Four Seasons Resort Koh Samui	-	-	-	64%	57%	43%
Naladhu, Maldives	-	-	-	24%	52%	47%
Harbour View Hotel, Vietnam	43%	46%	60%	63%	43%	29%
Average	67%	71%	72%	72%	65%	52%

Note: * 3 new hotels opened in 2009 including Anantara Baan Rajprasong Serviced Suites (Opened Mar-09), Qasr Al Sarab Desert Resort by Anantara, Abu Dhabi (opened Oct-09) and Anantara Lawana Resort & Spa, Koh Samui (opened Nov-09).

HOTEL DEVELOPMENT ACTIVITIES AND PLANS

In 2009, we proceeded with the construction of St. Regis in Bangkok and another Anantara resort in the Maldives. Both of these properties will open in 2010. Over the next 12 months, we expect to open four managed Anantara resorts in Abu Dhabi, Oman and China.

We will continue to aggressively promote and develop our Anantara resort brand while selling resort management services to hotel owners and investors worldwide. Our objective in 2010 will be

to build on the success we had in 2009 by signing more management contracts and expanding our pipeline of managed resorts to well beyond the 30 Anantas we expect to have by 2014.

Depending on how the global economic crisis affects Asian tourism, we expect to have more owners/investors come to us to discuss re-branding their properties as Anantara resorts. We also expect to have opportunities to make acquisitions or form strategic alliances that ultimately strengthen and expand our hospitality business.

Average Room Rate (Baht/Night)	2004	2005	2006	2007	2008	2009
Bangkok Marriott Resort & Spa	2,951	3,444	3,654	3,945	4,337	3,726
Pattaya Marriott Resort & Spa	2,798	3,101	3,360	3,704	3,832	3,403
Hua Hin Marriott Resort & Spa	3,065	3,194	3,234	3,373	3,773	3,355
JW Marriott Phuket Resort & Spa	4,727	5,561	6,031	6,015	5,925	5,135
Anantara Hua Hin Resort & Spa	3,669	3,814	3,945	4,008	4,050	3,546
Anantara Golden Triangle Resort & Spa	4,173	4,756	5,457	5,230	5,999	5,915
Anantara Bophut Resort & Spa, Koh Samui	-	5,639	5,578	5,281	5,273	4,457
Anantara Phuket Villas	-	-	-	-	12,694	12,295
Anantara Si Kao Resort & Spa	-	-	-	-	4,138	3,314
Anantara Baan Rajprasong Serviced Suites, Bangkok*	-	-	-	-	-	2,210
Anantara Lawana Resort & Spa, Koh Samui*	-	-	-	-	-	6,132
Anantara Veli Resort & Spa	-	-	6,363	6,979	10,854	12,102
Anantara Dhigu Resort & Spa	-	-	11,508	12,508	15,059	15,334
Anantara Seminyak Resort & Spa, Bali	-	-	-	-	8,449	8,319
Desert Islands Resort & Spa by Anantara, Abu Dhabi	-	-	-	-	13,038	11,900
Qasr Al Sarab Desert Resort by Anantara, Abu Dhabi*	-	-	-	-	-	14,312
Four Seasons Resort Chiang Mai	11,008	12,115	12,412	12,599	14,031	11,294
Four Seasons Hotel Bangkok	5,139	5,665	5,975	6,151	6,273	5,385
Four Seasons Tented Camp Chiang Rai	-	-	21,280	31,379	39,927	40,134
Four Seasons Resort Koh Samui	-	-	-	17,812	20,948	21,413
Naladhu, Maldives	-	-	-	27,635	34,470	31,752
Harbour View Hotel, Vietnam	1,448	1,689	1,556	1,954	2,905	2,848
Average	3,817	4,278	4,627	5,454	6,339	5,880

Note: * 3 new hotels opened in 2009 including Anantara Baan Rajprasong Serviced Suites (Opened Mar-09), Qasr Al Sarab Desert Resort by Anantara, Abu Dhabi (opened Oct-09) and Anantara Lawana Resort & Spa, Koh Samui (opened Nov-09).



Hotel Development Plan

Country	Hotel	2008	2009	2010F	2011F	2012F	2013F
Thailand	Bangkok Marriott Resort & Spa	413	413	413	413	413	413
Thailand	Pattaya Marriott Resort & Spa	296	296	296	296	296	296
Thailand	Hua Hin Marriott Resort & Spa	219	219	219	219	219	219
Thailand	JW Marriott Phuket Resort & Spa	265	265	265	265	265	265
Thailand	Anantara Hua Hin Resort & Spa	187	187	187	187	187	187
Thailand	Anantara Golden Triangle Resort & Spa, Chiang Rai	77	77	77	77	77	77
Thailand	Anantara Bophut Resort & Spa, Koh Samui	106	106	106	126	126	126
Thailand	Anantara Phuket Villas	83	83	83	83	83	83
Maldives	Anantara Kihavah Villas	-	-	82	82	82	82
Thailand	Four Seasons Resort Chiang Mai	64	76	76	76	76	76
Thailand	Four Seasons Hotel Bangkok	356	356	356	356	356	356
Thailand	Four Seasons Tented Camp	15	15	15	15	15	15
Thailand	Four Seasons Resort Koh Samui	60	60	60	60	60	60
Thailand	St. Regis Hotel Bangkok	-	-	227	227	227	227
Total Rooms - Equity Owned		2,141	2,153	2,462	2,482	2,482	2,482
Vietnam	Harbour View Hotel, Vietnam	127	127	127	127	127	127
Maldives	Anantara Veli Resort & Spa	50	50	50	50	50	50
Maldives	Anantara Dhigu Resort & Spa	110	110	110	110	110	110
Maldives	Naladhu Resort	19	19	19	19	19	19
Sri Lanka	Hotel Serendib	90	90	90	90	90	90
Sri Lanka	Club Hotel Dolphin	146	146	146	146	146	146
Sri Lanka	Hotel Sigiriya	79	79	79	79	79	79
Tanzania	Arusha Coffee Lodge	18	30	30	30	30	30
Tanzania	Serengeti Migration Camp	20	20	20	20	20	20
Tanzania	Tarangire Tree Top	20	20	20	20	20	20
Tanzania	The Manor at Ngorongoro	20	20	20	20	20	20
Kenya	Afrochic Retreat	-	10	10	10	10	10
Kenya	Masai Mara Camp	-	-	-	12	12	12
Kenya	Amboseli Camp	-	-	-	12	12	12
Kenya	Marula Manor	-	-	-	16	16	16
Tanzania	Serengeti Migration Camp Explorer	-	-	-	8	8	8
Total Rooms - Joint Venture		699	721	721	769	721	721

Note: F = Forecast number



Wildlife is one of the main attractions at the Desert Islands Resort which is managed by Anantara.

Hotel Development Plan

Country	Hotel	2008	2009	2010F	2011F	2012F	2013F
Indonesia	Anantara Seminyak Resort & Spa, Bali	60	60	60	60	60	60
Indonesia	Anantara Uluwatu Resort & Spa, Bali	-	-	-	93	93	93
Thailand	Anantara Si Kao Resort & Spa, South of Krabi	138	138	138	138	138	138
Thailand	Anantara Baan Rajprasong Serviced Suites, Bangkok	-	97	97	97	97	97
Thailand	Anantara Lawana Resort & Spa, Koh Samui	-	122	122	122	122	122
China	Anantara Sanya Resort & Spa	-	-	-	122	122	122
China	Anantara Xishuangbanna Resort & Spa	-	-	-	105	105	105
China	Anantara Chongqing Resort & Spa	-	-	-	-	120	120
UAE	Desert Islands Resort & Spa by Anantara, Abu Dhabi	64	64	64	64	64	64
UAE	Qasr Al Sarab Desert Resort by Anantara, Abu Dhabi	-	206	206	206	206	206
UAE	Anantara Flamingo Villas	-	-	30	30	30	30
UAE	Anantara Savannah Villas	-	-	30	30	30	30
UAE	Anantara Hotel Jumeirah Lake Dubai	-	-	-	-	473	473
Morocco	Anantara Marrakech Resort & Spa	-	-	-	109	109	109
Morocco	Anantara Mogador Resort & Spa	-	-	-	67	67	67
Oman	Anantara Al Madina A'Zarqa Resort & Spa	-	-	-	122	122	122
India	Anantara Mahabalipuram Resort & Spa	-	-	-	-	126	126
India	Anantara Wayanad Resort & Spa	-	-	-	-	-	95
Cape Verde	Anantara Estrella Resort & Spa	-	-	-	-	200	200
Cape Verde	Anantara Santiago Resort & Spa	-	-	-	-	200	200
Cape Verde	Aequalis Santiago Resort & Spa	-	-	-	-	60	60
Total Rooms - Hotel Manager		262	687	747	1,365	2,544	2,639
Total Number of Rooms (Equity Owned, JV and Managed)		3,102	3,561	3,930	4,616	5,747	5,842

Residential Development Plan

Country	Residential	2008	2009	2010F	2011F	2012F	2013F
Thailand	The Estate Samui	14	14	14	14	14	14
Thailand	St. Regis Residences Bangkok	-	-	53	53	53	53
Total Number of Residential Units		14	14	67	67	67	67

Note: F = Forecast number



Food

Business

Sector Overview and Competition, Performance Highlights, and 2010 Development Plans

THAILAND FOOD SECTOR OVERVIEW AND COMPETITION

2009 was a challenging year for the Thai food service industry. We estimate that industry wide same store sales growth was a negative 2% and that the addition of new restaurant outlets resulted in total sales growth of only 7%.

In 2009, the light food category was again the fastest growing food segment with ice cream and coffee concepts enjoying strong growth. The chicken segment, which had decreased from 38% to 34% of the Thai QSR market due to the avian flu in 2004, remained at 30% market share and the pizza segment maintained its position as Thailand's second largest QSR category with almost 20% market share. The sandwich/hamburger segment remained at 14% market share in 2009.



COMPARATIVE MARKET SHARE IN THAI QSR MARKET

Revenue (Baht Thousand)	2007		2008		2009	
	Revenue	(%)	Revenue	(%)	Revenue	(%)
Chicken	7,079,262	31.0%	7,793,019	30.4%	8,338,531	30.2%
Hamburger	2,915,503	12.8%	3,492,781	13.6%	3,807,131	13.8%
Pizza	4,732,298	20.8%	5,152,652	20.1%	5,461,812	19.8%
Ice Cream	3,036,609	13.3%	3,479,693	13.6%	3,827,662	13.9%
Others (incl Sizzler)	5,038,595	22.1%	5,740,727	22.4%	6,142,578	22.3%
Total Market	22,802,267	100.0%	25,658,872	100.0%	27,577,713	100.0%
MFG PCL	7,257,857	31.8%	8,547,165	33.3%	9,189,623	33.3%

Source: Ministry of Commerce and industry estimates, MFG sales includes its own domestic franchisees.



The sundae is the signature product
at our 230 Swensen's ice cream parlors.

Although the Minor Food Group has business operations in many countries, the challenges and competition we face in each country are often quite similar. In order to be competitive, food service operators manage their businesses in order to keep up with changing consumer demands. Health & Wellness, Convenience, All-Day Dining and Variety are some of the key consumer trends that are driving how food service operators in virtually every market compete.

Fast food chains are competing to find ways to best combine upmarket décor, fast service, high-quality and varied menus in order to draw higher sales. Large North American and European brands are aggressively expanding to Asia. Restaurant chains are looking to better utilize their facilities in the “off-peak” periods between breakfast, lunch and dinner. At the same time, saturation is a concern for some brands and outlet expansion is not as important as finding ways to increase sales per outlet.

In response to these trends and the competition, the Minor Food Group has diversified to 15 countries, expanded its portfolio of restaurant brands to 10 and extended its business model to include franchising. As consumer trends change and present us with new challenges, we will continue with our strategy of expanding internationally, adding new brands to our portfolio and leveraging brands that best address current customer trends.

FOOD PERFORMANCE

Food service operations with 1,112 restaurants under the Minor Food Group recorded total revenues of Baht 9,483 million in 2009. Revenues were up by 13% compared to 2008 while net profit was up 59% on strong performance from the Pizza Company, Coffee Club, and Thai Express.



We have 244 company-owned or franchised Pizza Company restaurants operating in seven countries.

Our restaurant system, which operates in 15 countries, increased from 1,043 outlets to 1,112 outlets and had systemwide sales that were up by 13% to Baht 21,879 million.

The Pizza Company

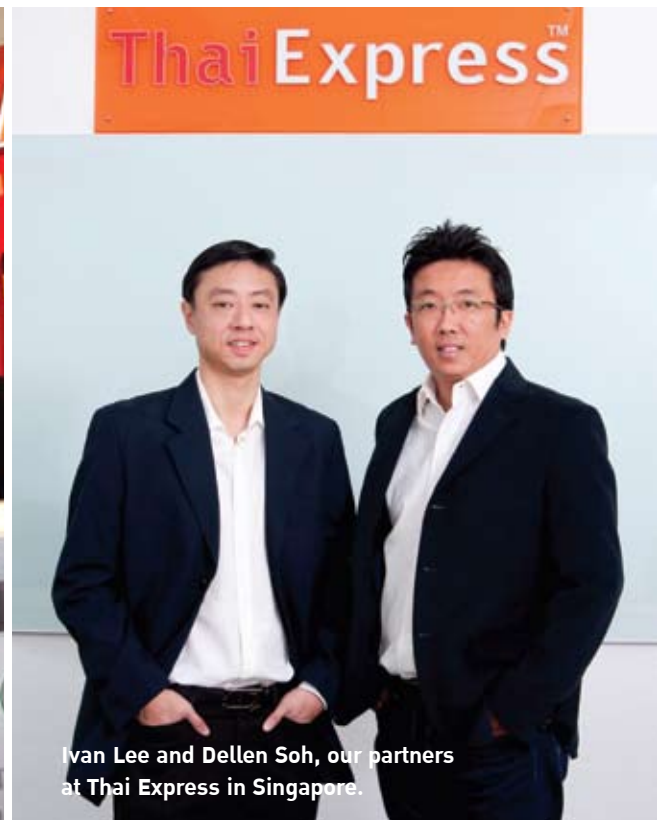
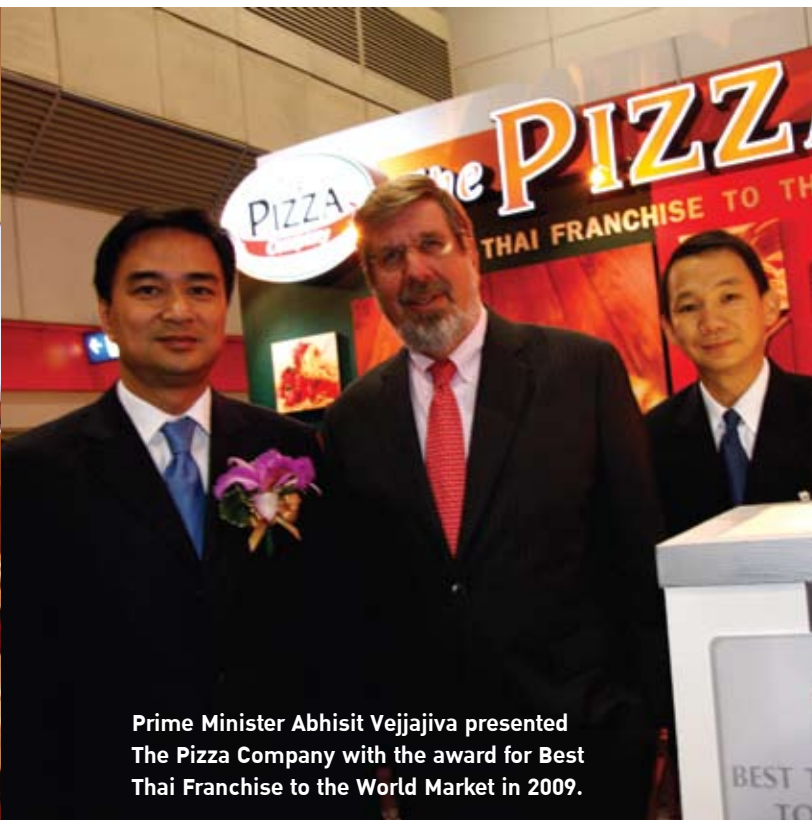
The Pizza Company achieved a 4% increase in systemwide revenues while adding 3 franchised outlets. Of these 3 new franchise outlets one opened in Thailand and 2 outlets opened internationally. At the end of 2009, we had 244 Pizza Company outlets operating globally with 205 in Thailand, 17 in China and 22 in five other international markets. The Minor Food Group owns 100% of the Pizza Company brand and continues to expand it globally through the development of both company owned and franchised outlets. In 2009, we signed a franchise agreement to open our first Pizza Company outlet in Vietnam in early 2010.

Swensen's

Swensen's, our premium ice cream brand, also achieved great results in 2009 with systemwide revenues increasing by 9% with the addition of 8 company-owned and franchised outlets worldwide. We currently have 230 Swensen's outlets and the rights to franchise and sub-franchise the brand in more than 30 countries worldwide. In 2009, we signed franchise agreements with partners in Vietnam and India.

The Thai Express Brands

At the end of 2009, Thai Express had 61 company-owned and 17 franchised outlets operating under four core brands including Thai Express, Hong Kong Café, Shokudo and New York New York. In 2009, Thai Express' revenue and net profit increased by 38% and 43%, respectively.





John Lazarou, one of our partners at The Coffee Club, serving a customer at one of our 224 outlets in Australia.

The Coffee Club

At the end of 2009, there were 224 franchised and 17 company-owned Coffee Club outlets in Australia and New Zealand as well as two outlets in Thailand. In 2009, The Coffee Club posted a 17% increase in revenues and a 145% increase in net profit.

Other Brands

In addition to the Pizza Company, Swensen's, The Coffee Club and Thai Express which are brands that we own or have significant international development rights, we also hold franchise rights

Number of Outlets	2007	2008	2009	2010F	2011F	2012F
Equity	553	645	682	717	761	793
The Pizza Company	150	173	171	176	181	185
Swensen's	113	113	114	116	121	123
Sizzler	35	36	42	41	43	45
Dairy Queen	207	219	233	247	263	274
Burger King	20	22	23	26	29	31
The Coffee Club*	-	11	17	20	21	22
Thai Express*	-	47	61	66	71	76
Others**	28	24	21	25	32	37
Franchise	123	398	430	483	555	638
The Pizza Company	51	70	73	84	102	129
Swensen's	70	109	116	129	153	180
Sizzler	-	-	-	-	1	2
The Coffee Club*	-	203	224	249	275	300
Thai Express*	-	14	17	21	24	27
Others**	2	2	-	-	-	-
Total Outlets	676	1,043	1,112	1,200	1,316	1,431

Number of Outlets	2007	2008	2009	2010F	2011F	2012F
Domestic	626	704	733	768	801	828
• Equity	525	560	581	608	640	665
• Franchise	101	144	152	160	161	163
International	50	339	379	432	515	603
• Equity	28	85	101	109	121	128
• Franchise	22	254	278	323	394	475
Total Outlets	676	1,043	1,112	1,200	1,316	1,431

Note: F = Forecast number

* In 2008, MINT acquired 50% stake of The Coffee Club and 70% stake of Thai Express.

** Other including restaurant operator at airport and LeJazz

for Dairy Queen, Burger King and Sizzler. In 2009, our Sizzler, Dairy Queen and Burger King outlets in Thailand combined for revenue of Baht 2,761 million, an increase of 7% compared to 2008.

RESTAURANT DEVELOPMENT ACTIVITIES AND PLANS

Depending on market conditions in the various markets where we have operations, we plan to expand from 1,112 to 1,200 outlets systemwide. This includes 35 additional outlets in Thailand and 53 new outlets internationally. 60% of these 88 new outlets will open as franchised rather than as company-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, all of our brands lead their respective segments in market share and we will invest to enhance their leading positions in Thailand.

In 2009, we will continue to support the international franchising of our Pizza Company, Swensen's and Coffee Club brands. We will work closely with our existing international franchisees as they develop additional outlets in their exclusive territories. We will continue to discuss opportunities with potential franchisees who have expressed an interest in developing one of our brands in markets we have yet to enter.

And finally, we will continue to pursue opportunities to acquire restaurant brands that have strong growth potential in Thailand and other key international markets. We will look to build on the equity investments we have made in China, Australia and Southeast Asia by making additional acquisitions in those markets.



Retail

Business

Sector Overview and Competition, Performance Highlights, and 2010 Development Plans

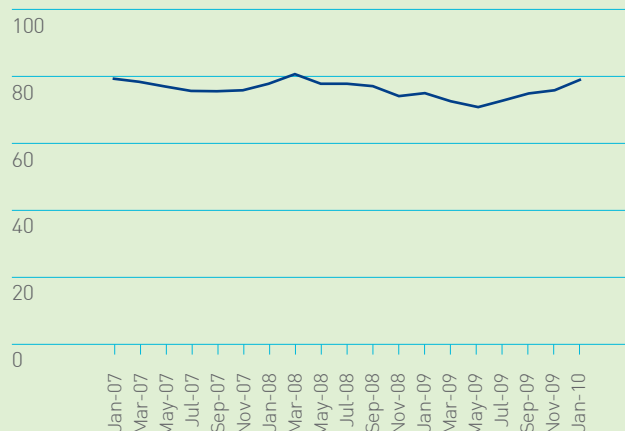
THAILAND RETAIL SECTOR OVERVIEW AND COMPETITION

2009 was an extremely challenging year for Thai retail and manufacturing. With declining consumer confidence, global economic uncertainty and continued political turmoil, Thailand's retailers and consumer goods manufacturers faced one their toughest years in memory.



CONSUMER CONFIDENCE INDEX

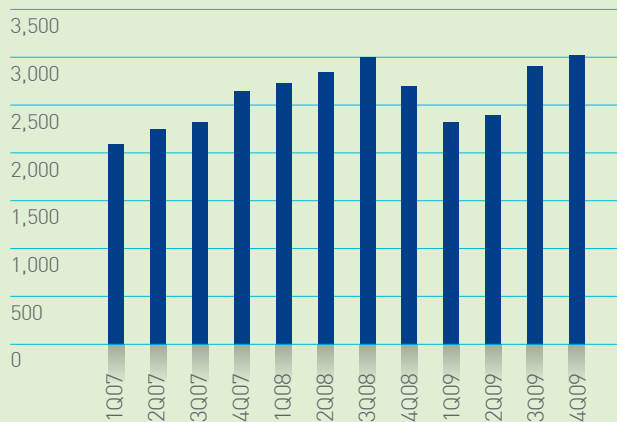
Millions of US\$



Source: CEBC, Thai Chamber of Commerce University

IMPORT OF CONSUMER GOODS AT CONSTANT PRICES

Millions of US\$



Source: Bank of Thailand

In 2009, the market became more competitive as retailers tried to reduce inventories and entice consumers with heavy promotional activities and discounts. Promotional activities at department stores were up significantly in 2009, putting pressure on branded store retailers. At the same time, luxury and upper mid-priced brands offered discounts in order to respond to more price sensitive consumers and inventory pressures. With increasing consumer confidence and signs of economic recovery in the fourth quarter of 2009, the number and intensity of promotional activities declined.

During 2009, no major new brands were introduced to the Thai market while no major brands exited. As a result, the competitive landscape remained largely unchanged. In 2010, however, we expect that some new international brands will enter the market.



All retail brands continued to expand during 2009 in order to follow the development of new shopping malls and improve their positioning in renovated malls. As such, the key competitors on both on the fashion and cosmetics side of the business continued to invest in the Thai market.

RETAIL PERFORMANCE

Excluding the share of profit from Minor International, Minor Corporation's (MINOR) full year net profit was up by 28% to Baht 98 million while total revenue was down by 13% to Baht 2,791 million. The lifestyle fashion and cosmetics business experienced a 17% decrease in sales as we closed unprofitable outlets. Our contract manufacturing business experienced an 8% decrease in sales as fast moving consumer goods (FMCG) customers delayed or cut back production orders in response to increasingly unpredictable economic conditions and declining consumer demand.

Retail Development Activities and Plans

In 2009, we were delighted to announce that we will be adding Gap to our portfolio of fashion brands which already includes great brands like Esprit, Bossini and Charles & Keith. We expect to open our first Gap store in Thailand in March 2010.

In addition, we will strengthen our existing business by focusing on comparable sales growth, reducing costs, and improving productivity at existing outlets.

We will also strengthen our manufacturing operations by focusing on reducing costs, improving productivity in order to remain competitive while focusing on expanding businesses with core customers.

And finally, we will continue to introduce new concepts to the Thai market with a continued emphasis on fashion apparel and cosmetics.

Corporate Social Responsibility



"Minor Corporate Social Responsibility is blended into all Minor business decisions and day to day activities.

Minor CSR's responsibility is to deliver 100% satisfaction to all stakeholders.

With this commitment, we believe in good corporate governance and transparency through high quality products and services.

We care for our employees and develop them as our greatest asset.

We voluntarily engage in community development at all of our business locations.

We care for our local and global environment.

Our focus is to "Develop Human Capital at all levels", because Corporate Social Responsibility is all about the quality of people.

Our employees manage our business to achieve three objectives including "Profit, People, and Planet".

We believe sustainable business development comes through our Minor CSR Philosophy"

"MY PEOPLE ... MY PLANET ... MINOR"

William E. Heinecke

Chairman and Chief Executive Officer

Our responsibilities as a corporate citizen are sincerely reflected in our actions and in everything we do. We are conscious of our responsibilities and factor them into all of our business decisions by requiring high standards, codes of conduct, monitoring systems and continuous improvement programs. In our view, corporate social responsibility extends beyond ad hoc programs and are an integral part of our corporate values and corporate culture.

Minor is a leader in corporate social responsibility (CSR). We advocate for better CSR by trying to persuade the general public as well companies like us to act more responsibly as public and corporate citizens. In partnership with the Thai Prime Minister's Office and The Moral Center, we have joined to promote national strength through strong moral ethics and values. We helped to organize a national CSR symposium called "Surviving through crisis with CSR."



In addition, we joined with other listed companies to form “The CSR Club” which is affiliated with the Stock Exchange of Thailand. The Club uses Minor’s CSR program as an example for other companies listed on the Stock Exchange. Minor is a founding member of The Club and we have an executive that serves as Vice Chairman and as an Advisory Board member.

Since the Minor Group was established, we have set high standards for our business codes of conduct and contributed to variety of social development programs that focus on education, environment, health and community involvement. Every business unit, restaurant, hotel and employee is encouraged to act and contribute as good corporate citizens.

MY PEOPLE

Supporting the development of Human Capital in local communities, schools and in the workplace is one area where the Minor Group hopes to meaningfully contribute to the communities where we work. We are focused on “Developing Human Capital” at all levels.

At the grassroots level, we help students in poor schools in remote communities develop sustainable lunch projects that not only provide food but ultimately help students help themselves. For example, our programs not only give fish to children but they also provide fishing rods and other tools

that support self-sufficiency. Once children are not hungry, real learning can begin.

At standard education level, we are committed to a variety of school improvement programs such as school renovations, computer installation and IT literacy programs, library upgrades, book donations, volunteer teaching, and etc. We also provide continuous scholarship through Roy E. Heinecke Foundation for poor children with outstanding records of performance. The Roy E. Heinecke Foundation is available to students of all ages living in all locations.

At the university level and vocational school level, we provide technical scholarships and assistance for students interested in professional degrees. Our professional employees volunteer and teach in schools and universities. We also provide on the job training and part time job opportunities.

At the business level, human capital development is a central part of our own corporate business strategy and we must be a learning organization in order to succeed. We believe that quality of our human capital will deliver 100% satisfaction to all stakeholders.

We also provide the opportunities for every employee to do social services. Every year on 4 June, Minor Charity Day, we encourage employees to take a day away from their businesses to volunteer for the charity of their own choice. We try to integrate the “Volunteer Spirit” to corporate events such as HR training, corporate outings, team building, marketing events, etc.



MY PLANET

With volunteer spirit and social concern in mind, the Minor Group cares deeply about the community and the environment. Minor's responsibility to the environment applies to operating procedures and business decisions through high standards operation, codes of conduct, monitoring systems, and continuous improvement programs. We encourage our employees and customers to be concerned about environmental protection and global warming through a reduce, reuse and recycle life style. We also continuously contribute to animal and wildlife conservation, as well as biodiversities of species in ecosystems.

Our Golden Triangle Elephant Foundation in Chiang Rai plays a major role in rescuing elephants from the city streets and relocating them to the jungles of northern Thailand where they belong. Today, we care for more than 30 elephants with professional mahouts and veterinarians. We organize "The King's Cup Elephant Polo Tournament" in Chiang Rai which raises funds that are used to support the health of elephants.

Our Mai Khao Marine Turtle Foundation in Phuket provides support for protection of sea turtles and the environment in which they live. By working closely with local communities, the foundation sponsors activities and events that increase the environmental awareness of tourists, government agencies and communities. We also support sea turtle research and a sea turtle hatchery near our hotels in Phuket.

The Minor Group also contributes to various communities and charities including the Thai Red Cross, Chai Pattana Foundation, Wat Prabat Nam Pu (HIV/AIDS), Habitat for Humanity (housing), Operation Smile (clef lip surgery), Chao Thai Mai village in Phang-nga (tsunami relief), Queen Sirikit Center for Breast Cancer (cancer research), Ramathibodi Foundation (hospital building), and etc.

Many of Minor's individual business units independently contribute to the communities where they operate. For example, The Coffee Club is a major supporter of the Children's Hospitals of Australia. Our Four Seasons in Bangkok started Bangkok's annual Terry Fox Run 14 years ago and combined with all of the other Four Seasons Resorts in Thailand to sponsor a Cancer Care Run to benefit the Queen Sirikit Center for Breast Cancer. Our Marriott Resorts incorporate our own corporate values and culture while also following Marriott's own Spirit to Serve philosophy. All of our resorts and restaurants sponsor their own events and endeavor to support the communities where they operate.

Since 2007, we appointed a Vice President of Corporate Social Responsibility and he is responsible for helping us better internalize good corporate values and enhance our abilities to support the communities where we operate. We will continue to support and participate in many of these on-going programs and events while participating in new initiatives that support the communities where we work.

FINANCIAL STATEMENTS

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 three 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 2009, 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 as well as good internal control practices.

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 statements for every quarter-end 2009 and provided assessments and recommendations to the Board of Directors. Where weaknesses were identified in internal controls, corrective action plans were established 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 Board of Directors with the Audit Committee approved the policy and reports for related party transactions in 2009 and assigned the Internal Audit Department to audit the system to report the related transactions.

The Internal Audit function 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 risk management training utilizing existing Code of Conduct guidelines.

The Audit Committee provided the following opinions:

1. The Company's financial reports are accurate, complete and reliable.
2. The Company's assets are safeguarded, proper accounting records are maintained, and resources are utilized effectively and efficiently.
3. The Company complied with the securities laws, the Exchange's regulations, and other laws relating to the Company's business.

4. PricewaterhouseCoopers ABAS, the Company's auditor, is suitable and provided appropriate services.
5. The related transactions arising in 2009 were rational and made for the optimal benefits of the Company.
6. In 2009, the number of the audit committee meetings, and the attendance of such meetings by each committee member were as follows;

	Position	Attendance/ Audit Committee Meeting
1. Mr. Kenneth L. White	Chairman	4/4
2. Mr. Michael David Selby	Member	0/4
3. Khunying Jada Wattanasiritham	Member	4/4

7. Audit Committee performed its duties in accordance with its charter, approved by the Board of Directors

Accordingly, 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 2010. The re-appointment of the audit firm and acceptance of its fees will be subjected to the approval of the shareholders at the Annual General Meeting to be held on 26 April 2010.



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 2009 and 2008, 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 2009 and 2008, 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.



Anothai Leekitwattana

Certified Public Accountant (Thailand) No. 3442

PricewaterhouseCoopers ABAS Limited

Bangkok

25 February 2010

Balance Sheets

Minor International Public Company Limited
As at 31 December 2009 and 2008

		Consolidated		Company	
		2009	2008	2009	2008
			(Restated)		(Restated)
	Notes	Baht	Baht	Baht	Baht
Assets					
Current assets					
Cash and cash equivalents	7	968,814,956	1,349,172,033	149,633,602	716,605,579
Trade accounts receivable, net	8	1,000,228,136	518,194,886	25,952,293	21,479,300
Amounts due from related companies	14	65,268,872	48,569,438	530,936,860	403,715,511
Inventories, net	9	854,148,181	606,431,096	5,324,677	5,333,478
Land and real estates project for sales, net	10	385,652,140	382,644,664	-	-
Other current assets	11	1,642,635,720	1,448,154,353	738,944,644	642,130,852
Total current assets		4,916,748,005	4,353,166,470	1,450,792,076	1,789,264,720
Non-current assets					
Long-term loans to related companies	14	445,349,753	410,031,083	8,820,858,202	7,406,141,167
Investments in subsidiaries, associates and joint venture	12	1,353,096,582	1,241,628,509	6,683,546,508	5,898,518,875
Other long-term investments, net	13	839,831,309	833,236,098	743,811,618	487,237,340
Land and projects under development	15	2,956,411,700	1,545,986,044	-	-
Property, plant and equipment, net	16	11,107,944,242	11,141,888,138	500,717,086	475,701,179
Intangible assets, net	17	3,750,179,282	2,783,772,631	11,845,154	14,822,677
Leasehold rights, net	18	1,963,581,723	2,019,403,372	5,606,990	6,229,610
Other non-current assets	19	937,677,370	735,370,548	58,040,511	35,266,234
Total non-current assets		23,354,071,961	20,711,316,423	16,824,426,069	14,323,917,082
Total assets		28,270,819,966	25,064,482,893	18,275,218,145	16,113,181,802

Balance Sheets (Continued)

Minor International Public Company Limited
As at 31 December 2009 and 2008

		Consolidated		Company	
		2009	2008	2009	2008
			(Restated)		(Restated)
	Notes	Baht	Baht	Baht	Baht
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans from financial institutions	20	683,334,700	683,380,916	-	-
Short-term loans from related companies	14	-	-	1,233,052,788	703,956,347
Trade accounts payable		1,201,366,493	849,314,869	14,655,337	8,086,620
Amounts due to and advances from related companies	14	29,170,277	2,419,109	5,542,872	13,960,075
Current portion of long-term borrowings	22	535,022,409	411,022,408	244,000,000	120,000,000
Current portion of debentures	23	1,275,000,000	550,000,000	1,275,000,000	550,000,000
Current portion of deferred income		32,184,225	27,294,507	-	-
Income tax payable		198,614,630	320,730,688	-	145,222
Accrued expenses		858,149,683	728,579,720	184,240,941	171,161,688
Other current liabilities	21	1,864,578,147	1,277,718,539	34,031,345	49,286,760
Total current liabilities		6,677,420,564	4,850,460,756	2,990,523,283	1,616,596,712
Non-current liabilities					
Long-term borrowings	22	2,136,552,759	1,281,370,070	1,396,000,000	300,000,000
Debentures	23	6,900,000,000	6,175,000,000	6,900,000,000	6,175,000,000
Provision for employee benefits	24	167,064,547	133,947,929	39,130,126	41,157,470
Other non-current liabilities	25	335,539,516	319,367,390	9,319,227	2,413,829
Total non-current liabilities		9,539,156,822	7,909,685,389	8,344,449,353	6,518,571,299
Total liabilities		16,216,577,386	12,760,146,145	11,334,972,636	8,135,168,011

Balance Sheets (Continued)

Minor International Public Company Limited
As at 31 December 2009 and 2008

		Consolidated		Company	
		2009	2008	2009	2008
	Notes	Baht	(Restated) Baht	Baht	(Restated) Baht
Liabilities and shareholders' equity (Continued)					
Shareholders' equity					
Share capital	26				
Authorised share capital					
Ordinary shares		3,351,850,736	3,689,623,229	3,351,850,736	3,689,623,229
Issued and paid-up share capital					
Ordinary shares		3,246,415,792	3,614,264,065	3,246,415,792	3,614,264,065
Share premium	26				
Ordinary shares		3,065,856,272	3,040,085,741	3,040,203,896	3,014,433,365
Shares of the Company held by a subsidiary		-	(370,978,560)	-	-
Advance for shares subscription		231,030	-	231,030	-
Expired warrants in a subsidiary		104,788,723	104,788,723	-	-
Discount on business combination					
under common control	36	(755,412,590)	-	(587,397,515)	-
Fair value reserves		83,303,224	(12,305,745)	61,074,606	(130,554,806)
Translation adjustment		(228,495,510)	(126,687,406)	-	-
Retained earnings					
Appropriated - legal reserve	28	347,774,113	347,774,113	347,774,113	347,774,113
Unappropriated		5,287,565,500	5,083,915,190	831,943,587	1,132,097,054
Total parent's shareholders' equity		11,152,026,554	11,680,856,121	6,940,245,509	7,978,013,791
Minority interests		902,216,026	623,480,627	-	-
Total shareholders' equity		12,054,242,580	12,304,336,748	6,940,245,509	7,978,013,791
Total liabilities and shareholders' equity		28,270,819,966	25,064,482,893	18,275,218,145	16,113,181,802

Statements of Income

Minor International Public Company Limited
For the years ended 31 December 2009 and 2008

	Notes	Consolidated		Company	
		2009 Baht	2008 (Restated) Baht	2009 Baht	2008 (Restated) Baht
Revenues	14				
Revenues from hotel operations		4,331,923,498	5,338,552,540	400,661,181	513,024,788
Rental income from retail and property business		426,121,406	466,061,162	-	-
Revenues from entertainment operations		93,668,896	108,484,031	93,668,896	40,504,869
Revenues from spa services		315,377,584	358,230,550	-	-
Sales of food and beverage		9,196,304,625	8,135,977,125	-	-
Sales from real estates development operations		-	591,133,964	-	-
Sales from distribution and manufacturing		1,379,177,530	-	-	-
Revenues from management service		430,182,495	547,250,296	209,040,634	180,093,745
Franchise fee income		287,249,954	268,342,559	-	-
Dividends income		47,760,815	43,551,592	812,024,457	1,098,658,033
Other income		614,365,551	541,725,494	513,074,242	541,649,324
Total revenues		17,122,132,354	16,399,309,313	2,028,469,410	2,373,930,759
Expenses	14				
Direct cost of hotel operations		2,255,942,373	2,462,650,300	169,175,215	195,132,599
Direct cost of retail and property business		207,177,576	180,210,307	-	-
Direct cost of entertainment operations		23,560,421	23,126,660	50,292,601	20,658,017
Direct cost of providing spa services		179,466,371	178,965,644	-	-
Cost of sales of food and beverage		3,075,756,278	2,990,294,007	-	-
Cost of sales of real estates		-	232,298,543	-	-
Cost of sales from distribution and manufacturing		870,829,873	-	-	-
Selling expenses		6,741,913,929	6,055,386,066	312,799,089	335,742,452
Administrative expenses		1,604,347,209	1,349,590,950	244,408,659	199,749,483
Management benefit expenses		101,521,818	118,020,058	71,912,522	88,247,957
Total expenses		15,060,515,848	13,590,542,535	848,588,086	839,530,508
Operating profit		2,061,616,506	2,808,766,778	1,179,881,324	1,534,400,251
Share of profit of investments in associates and joint venture	12 b)	168,653,858	115,649,039	-	-
Profit before financial costs and tax	29	2,230,270,364	2,924,415,817	1,179,881,324	1,534,400,251
Financial costs		(428,709,920)	(378,434,140)	(389,512,149)	(355,012,574)
Profit before income tax		1,801,560,444	2,545,981,677	790,369,175	1,179,387,677
Income tax	30	(305,772,508)	(576,915,202)	-	(16,349,211)
Net profit for the year		1,495,787,936	1,969,066,475	790,369,175	1,163,038,466
Net profit for the year attributable to:					
Equity holders of the parent		1,400,315,993	1,892,286,051	790,369,175	1,163,038,466
Minority interests		95,471,943	76,780,424	-	-
		1,495,787,936	1,969,066,475	790,369,175	1,163,038,466
	Notes	Baht	Baht (Restated)	Baht	Baht (Restated)
Earnings per share for profit attributable to the equity holders of the parent	31				
Basic earnings per share		0.4284	0.5629	0.2418	0.3460
Diluted earnings per share		0.4256	0.5583	0.2402	0.3432

The notes to the consolidated and Company financial statements on pages 55 to 128 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 2009 and 2008

Consolidated (Baht)

Notes	Issued and paid-up share capital	Share premium	Shares of the Company held by a subsidiary	Advance for shares subscription	Expired warrants in a subsidiary	Discount on business combination under common control	Fair value reserves	Translation adjustment	Legal reserve	Unappropriated - retained earnings	Total	Minority interests	Total
Beginning balance – 1 January 2009 – as previously reported	3,614,264,065	3,040,085,741	(370,978,560)	-	104,788,723	-	(12,305,745)	(126,687,406)	347,774,113	5,181,969,956	11,778,910,887	624,384,326	12,403,295,213
Retrospective adjustment	-	-	-	-	-	-	-	-	-	(98,054,766)	(98,054,766)	(903,699)	(98,958,465)
Beginning balance – 1 January 2009 – as restated	3,614,264,065	3,040,085,741	(370,978,560)	-	104,788,723	-	(12,305,745)	(126,687,406)	347,774,113	5,083,915,190	11,680,856,121	623,480,627	12,304,336,748
Reclassification	-	-	-	-	-	-	-	-	-	-	-	158,739,977	158,739,977
Translation adjustment	-	-	-	-	-	-	-	(101,808,104)	-	-	(101,808,104)	-	(101,808,104)
Fair value reserves	-	-	-	-	-	-	95,608,969	-	-	-	95,608,969	(410,524)	95,198,445
Total gain (loss) recognised in equity	-	-	-	-	-	-	95,608,969	(101,808,104)	-	-	(6,199,135)	158,329,453	152,130,318
Net profit for the year	-	-	-	-	-	-	-	-	-	1,400,315,993	1,400,315,993	95,471,943	1,495,787,936
Total gain (loss) recognised for the year	-	-	-	-	-	-	-	-	-	1,400,315,993	1,400,315,993	95,471,943	1,495,787,936
Cash dividends	32	-	-	-	-	-	-	-	-	(1,041,000,552)	(1,041,000,552)	(12,629,918)	(1,053,630,470)
Additional ordinary shares	26	518,832,430	25,770,531	-	-	-	-	-	-	-	544,602,961	-	544,602,961
Specific capital reduction	36	(886,680,703)	-	370,978,560	-	-	-	-	-	(155,665,131)	(671,367,274)	-	(671,367,274)
Advance for share subscription	-	-	-	231,030	-	-	-	-	-	-	231,030	-	231,030
Discount on business combination under common control	-	-	-	-	-	(755,412,590)	-	-	-	-	(755,412,590)	-	(755,412,590)
Minority interest	36	-	-	-	-	-	-	-	-	-	-	-	-
- Increase as a result of investment in a subsidiary	-	-	-	-	-	-	-	-	-	-	-	37,563,921	37,563,921
Ending balance – 31 December 2009	3,246,415,792	3,065,856,272	-	231,030	104,788,723	(755,412,590)	83,303,224	(228,495,510)	347,774,113	5,287,565,500	11,152,026,554	902,216,026	12,054,242,580

The notes to the consolidated and Company financial statements on pages 55 to 128 form an integral part of the financial statements.

Statements of Changes in Shareholders' Equity (Continued)

Minor International Public Company Limited
For the years ended 31 December 2009 and 2008

Consolidated (Baht)

Notes	Issued and paid-up share capital	Share premium	Shares of the Company held by a subsidiary	Advance for shares subscription	Expired warrants in a subsidiary	Fair value reserves	Translation adjustment	Legal reserve	Unappropriated - retained earnings	Total	Minority interests	Total
Beginning balance – 1 January 2008												
– as previously reported	3,021,736,453	1,782,391,579	(244,651,840)	1,802,514	104,788,723	520,515,385	(36,158,689)	289,574,113	3,760,011,730	9,200,009,968	508,040,816	9,708,050,784
Retrospective adjustment	-	-	-	-	-	-	-	-	(89,734,773)	(89,734,773)	(765,920)	(90,500,693)
Beginning balance – 1 January 2008												
– as restated	3,021,736,453	1,782,391,579	(244,651,840)	1,802,514	104,788,723	520,515,385	(36,158,689)	289,574,113	3,670,276,957	9,110,275,195	507,274,896	9,617,550,091
Adjustment due to change in accounting policy	-	-	-	-	-	-	-	-	351,802,317	351,802,317	-	351,802,317
Translation adjustment	-	-	-	-	-	-	(90,528,717)	-	-	(90,528,717)	-	(90,528,717)
Fair value reserves	-	-	-	-	-	(532,821,130)	-	-	-	(532,821,130)	(1,148,910)	(533,970,040)
Total gain (loss) recognised in equity	-	-	-	-	-	(532,821,130)	(90,528,717)	-	351,802,317	(271,547,530)	(1,148,910)	(272,696,440)
Net profit for the year - as restated	-	-	-	-	-	-	-	-	1,892,286,051	1,892,286,051	76,780,424	1,969,066,475
Total gain (loss) recognised for the year	-	-	-	-	-	-	-	-	1,892,286,051	1,892,286,051	76,780,424	1,969,066,475
Legal reserve	-	-	-	-	-	-	-	58,200,000	(58,200,000)	-	-	-
Shares dividends	328,473,697	-	(19,573,946)	-	-	-	-	-	(308,899,751)	-	-	-
Cash dividends	-	-	-	-	-	-	-	-	(463,350,384)	(463,350,384)	(16,004,853)	(479,355,237)
Additional ordinary shares	264,053,915	1,257,694,162	-	-	(1,802,514)	-	-	-	-	1,519,945,563	-	1,519,945,563
Shares of the Company held by a subsidiary	-	-	(106,752,774)	-	-	-	-	-	-	(106,752,774)	-	(106,752,774)
Minority interest	-	-	-	-	-	-	-	-	-	-	-	-
- Increase as a result of investment in a subsidiary	-	-	-	-	-	-	-	-	-	-	59,323,665	59,323,665
- Decrease as a result of additional interest acquired by group	-	-	-	-	-	-	-	-	-	-	(2,744,595)	(2,744,595)
Ending balance – 31 December 2008	3,614,264,065	3,040,085,741	(370,978,560)	-	104,788,723	(12,305,745)	(126,687,406)	347,774,113	5,083,915,190	11,680,856,121	623,480,627	12,304,336,748

The notes to the consolidated and Company financial statements on pages 55 to 128 form an integral part of the financial statements.

Statements of Changes in Shareholders' Equity (Continued)

Minor International Public Company Limited
For the years ended 31 December 2009 and 2008

Company (Baht)

	Notes	Issued and paid-up share capital	Share premium	Advance for shares subscription	Discount on business combination under common control	Fair value reserves	Legal reserve	Unappropriated- retained earnings	Total
Opening balance – 1 January 2009 – as previously reported									
Retrospective adjustment	5.1	3,614,264,065	3,014,433,365	-	-	(130,554,806)	347,774,113	1,154,388,605	8,000,305,342
Opening balance – 1 January 2009 – as restated									
Fair value reserves		3,614,264,065	3,014,433,365	-	-	(130,554,806)	347,774,113	1,132,097,054	7,978,013,791
Total gain (loss) recognised in equity		-	-	-	-	191,629,412	-	-	191,629,412
Net profit for the year		-	-	-	-	191,629,412	-	-	191,629,412
Total gain (loss) recognised for the year		-	-	-	-	-	-	790,369,175	790,369,175
Cash dividends	32	-	-	-	-	-	-	(1,090,522,642)	(1,090,522,642)
Additional ordinary shares	26	518,832,430	25,770,531	-	-	-	-	-	544,602,961
Specific capital reduction	36	(886,680,703)	-	-	-	-	-	-	(886,680,703)
Advance for shares subscription		-	-	231,030	-	-	-	-	231,030
Discount on business combination under common control	36	-	-	-	(587,397,515)	-	-	-	(587,397,515)
Ending balance – 31 December 2009		3,246,415,792	3,040,203,896	231,030	(587,397,515)	61,074,606	347,774,113	831,943,587	6,940,245,509

The notes to the consolidated and Company financial statements on pages 55 to 128 form an integral part of the financial statements.

Statements of Changes in Shareholders' Equity (Continued)

Minor International Public Company Limited
For the years ended 31 December 2009 and 2008

Company (Baht)

	Notes	Issued and paid-up share capital	Share premium	Advance for shares subscription	Fair value reserves	Legal reserve	Unappropriated- retained earnings	Total
Opening balance – 1 January 2008 – as previously reported								
Retrospective adjustment	5.1	3,021,736,453	1,756,739,203	1,802,514	55,009,370	289,574,113	871,470,744 (23,027,152)	5,996,332,397 (23,027,152)
Opening balance – 1 January 2008 – as restated								
Fair value reserves		3,021,736,453	1,756,739,203	1,802,514	55,009,370 (185,564,176)	289,574,113	848,443,592	5,973,305,245 (185,564,176)
Total gain (loss) recognised in equity		-	-	-	(185,564,176)	-	-	(185,564,176)
Net profit for the year – as restated		-	-	-	-	-	1,163,038,466	1,163,038,466
Total gain (loss) recognised for the year		-	-	-	-	-	1,163,038,466	1,163,038,466
Legal reserve	28	-	-	-	-	58,200,000	(58,200,000)	-
Shares dividends	32	328,473,697	-	-	-	-	(328,473,697)	-
Cash dividends	32	-	-	-	-	-	(492,711,307)	(492,711,307)
Additional ordinary shares	26	264,053,915	1,257,694,162	(1,802,514)	-	-	-	1,519,945,563
Ending balance – 31 December 2008 – as restated		3,614,264,065	3,014,433,365	-	(130,554,806)	347,774,113	1,132,097,054	7,978,013,791

The notes to the consolidated and Company financial statements on pages 55 to 128 form an integral part of the financial statements.

Statements of Cash Flows

Minor International Public Company Limited
For the years ended 31 December 2009 and 2008

		Consolidated		Company	
		2009	2008	2009	2008
	Notes	Baht	(Restated) Baht	Baht	(Restated) Baht
Cash flows from operating activities					
Net profit before income tax		1,801,560,444	2,545,981,677	790,369,175	1,179,387,677
Adjustments:					
Depreciation and amortisation	29	1,565,461,619	1,378,407,132	78,045,700	72,967,958
Amortisation of other assets		9,736,047	10,001,291	4,831,627	5,265,834
Write-off of trade accounts receivable and allowance for doubtful accounts (reversal)		6,286,302	(6,782,492)	(22,393)	164,530
Realisation of deferred income		(47,689,790)	(38,643,673)	-	-
Share of profit of investments in associates and joint venture	12 b)	(168,653,858)	(115,649,039)	-	-
Interest expense		428,709,920	378,434,140	389,512,149	355,012,574
Interest income		(61,261,904)	(81,121,137)	(441,752,799)	(413,597,985)
Dividends income		(47,760,815)	(43,551,592)	(812,024,457)	(1,098,658,033)
Gain on sale of investment in subsidiary		-	-	(5,487,722)	-
Gain on capital reduction of investment in subsidiary		-	-	-	(44,686,093)
Unrealised gain from fair value reserves in short-term investment		-	(10,056)	-	-
Unrealised (gain) loss on exchange rate		5,432,706	(77,439,775)	-	-
Write-off, impairment and loss on disposals of property, plant and equipment		96,519,972	104,151,759	2,714,759	3,863,544
Write-off and allowance for inventory obsolescence	9	(553,091)	10,361,000	-	-
Reversal of provision for impairment and write-off of other assets		(1,149,315)	(1,008,097)	-	-
Provision for employee benefits	24	19,368,465	20,403,953	3,369,252	6,487,128
Changes in operating assets and liabilities					
Trade accounts receivable		(175,482,020)	177,730,184	(4,450,600)	9,042,658
Inventories		87,536,168	(94,267,092)	8,801	(105,756)
Land and real estates project for sales		(2,911,820)	235,647,123	-	-
Other current assets		(101,149,591)	40,409,243	(5,078,045)	(10,255,141)
Trade accounts payable		114,384,853	(7,838,498)	6,568,717	1,948,488
Accrued expenses		(13,628,986)	(15,130,822)	(46,793,579)	24,269,644
Other current liabilities		66,812,849	(148,894,902)	(1,473,266)	(1,845,275)
Deferred income		49,937,760	44,026,493	-	-
Other non-current liabilities		(4,279,982)	6,350,417	6,905,398	(79,975)
Cash generated from (used in) operating activities		3,627,225,933	4,321,567,237	(34,757,283)	89,181,777
Interest paid		(366,689,439)	(384,603,668)	(329,639,318)	(378,418,054)
Income tax paid		(458,160,217)	(539,700,376)	(12,662,961)	(16,203,211)
Employee benefits paid		(7,239,112)	(8,855,277)	(5,396,596)	(2,707,028)
Cash generated from operating activities		2,795,137,165	3,388,407,916	(382,456,158)	(308,146,516)

The notes to the consolidated and Company financial statements on pages 55 to 128 form an integral part of the financial statements.

Statements of Cash Flows (Continued)

Minor International Public Company Limited
For the years ended 31 December 2009 and 2008

		Consolidated		Company	
		2009	2008	2009	2008
		(Restated)	(Restated)		
Notes		Baht	Baht	Baht	Baht
Cash flows from investing activities					
(Increase) decrease in loans to and amounts due from related companies		(64,165,778)	66,209,282	(1,458,886,633)	(2,603,961,394)
(Increase) decrease in loan to other company		(39,351,444)	179,376,213	(39,351,444)	179,376,213
Payments for additional investments in subsidiaries and associates		(310,891,584)	(313,609,872)	(916,004,850)	(10,540,000)
Cash received from acquisition of investment in subsidiaries		10,979,788	-	-	-
Cash received from disposal of investment in subsidiaries		-	-	15,494,850	-
Cash received from decrease in share capital of a subsidiary		12 a) -	-	43,622,004	437,474,550
Interest received		20,149,232	105,015,718	401,886,236	412,996,664
Dividends received from subsidiaries, associates, related companies and others		122,870,045	155,461,518	728,972,707	1,098,658,033
Cash invested in other long-term investments		13 (64,944,865)	(55,760,666)	(64,944,865)	(55,760,666)
Net cash payment for acquisition of investment in subsidiary		-	(837,430,557)	-	-
Net cash payment for acquisition of investment in joint venture		-	(597,704,766)	-	-
Payments for land and project under development		(1,134,897,733)	(1,967,881,773)	-	-
Proceeds from disposals of property, plant and equipment		11,855,982	24,576,100	3,139,102	799,393
Purchases of intangible assets		(61,905,813)	(43,415,829)	(3,360,451)	(6,661,697)
Purchases of property, plant and equipment		(1,340,020,341)	(1,427,044,895)	(115,737,025)	(49,610,777)
Net cash payment for entire business transfer from a subsidiary		-	-	-	(24,608,409)
Cash payment for other non-current assets		(160,199,319)	(187,354,086)	(27,605,904)	(8,984,081)
Net cash payments for investing activities		(3,010,521,830)	(4,899,563,613)	(1,432,776,273)	(630,822,171)
Cash flows from financing activities					
(Decrease) increase in short-term loans, amount due to and advances from related companies		(30,714,440)	2,845,607	520,679,238	(758,118,130)
Receipts from short-term loans		3,512,367,200	2,731,660,400	-	-
Repayments of short-term loans		(4,381,087,914)	(2,670,044,000)	-	-
Receipts from long-term borrowings		22 2,370,452,391	654,400,000	2,320,217,391	-
Repayments of long-term borrowings		22 (1,391,269,701)	(673,859,459)	(1,100,217,391)	(120,000,000)
Proceeds from issuance of debentures		23 2,000,000,000	1,000,000,000	2,000,000,000	1,000,000,000
Redemptions of debentures		23 (550,000,000)	(275,000,000)	(550,000,000)	(275,000,000)
Issue of ordinary shares		26 34,553,531	1,413,192,789	34,553,531	1,519,945,563
Cash paid for capital reduction		26 (671,367,274)	-	(886,680,703)	-
Advance for shares subscription		231,030	-	231,030	-
Dividends paid		32 (1,053,630,470)	(479,355,237)	(1,090,522,642)	(492,711,307)
Net cash receipts (payments) from financing activities		(160,465,647)	1,703,840,100	1,248,260,454	874,116,126

The notes to the consolidated and Company financial statements on pages 55 to 128 form an integral part of the financial statements.

Statements of Cash Flows (Continued)

Minor International Public Company Limited
For the years ended 31 December 2009 and 2008

	Consolidated		Company	
	2009	2008	2009	2008
	Baht	(Restated) Baht	Baht	(Restated) Baht
Net increase (decrease) in cash and cash equivalents	(375,850,312)	192,684,403	(566,971,977)	(64,852,561)
Cash and cash equivalents, opening balance	1,348,706,217	1,146,785,767	716,605,579	781,458,140
Gain (loss) on exchange rate	(4,040,949)	9,236,047	-	-
Cash and cash equivalents, closing balance	968,814,956	1,348,706,217	149,633,602	716,605,579

Cash and cash equivalents as at 31 December

		Consolidated		Company	
	Notes	2009	2008	2009	2008
		Baht	Baht	Baht	Baht
Cash and cash equivalents	7	968,814,956	1,349,172,033	149,633,602	716,605,579
Bank overdrafts	20	-	(465,816)	-	-
		968,814,956	1,348,706,217	149,633,602	716,605,579

Supplementary information for cash flows

Non-cash transaction

Significant non-cash transactions for the years ended 31 December 2009 and 2008 are as follows:

	Consolidated		Company	
	2009	2008	2009	2008
	Baht	Baht	Baht	Baht
Acquisition of property, plant and equipment, and land and projects under development by payable	310,222,363	316,326,595	1,553,660	15,335,809
Account payable arisen from purchase of investment in subsidiary and associates	744,442,500	294,090,330	-	-

Notes to the Consolidated and Company Financial Statements

Minor International Public Company Limited
For the years ended 31 December 2009 and 2008

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, 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, hotel, restaurant operations, and distribution and manufacturing. The Group mainly operates in Thailand and also has operations in other countries such as Singapore, People’s Republic of China, Republic of Maldives, United Arab Emirates, etc.

These consolidated and Company financial statements have been approved for issue by the Board of Directors on 25 February 2010.

2. 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 consolidated and Company financial statements have been prepared under the historical cost convention except some investments which are carried at fair value 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.

Comparative figures have been adjusted to conform with changes in presentation in the current year.

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 New accounting standard, new financial reporting standards and amendments to accounting standards

Thai Accounting Standards were renumbered with effect from 26 June 2009 following an announcement by the Federation of Accounting Professions in order to conform with the numbers used in the International Financial Reporting Standards.

Revised standards that are effective for the period beginning on or after 1 January 2009 and revised accounting framework.

- TAS 36 (revised 2007) Impairment of Assets
- TFRS 5 (revised 2007) Non-current Assets Held for Sale and Discontinued Operations (formerly TAS 54)
- Accounting Framework (revised 2007) (effective 26 June 2009)

These two standards and accounting framework do not have a material impact on the financial statements being presented.

The revised accounting standards and new accounting standards which are effective for the period beginning on or after 1 January 2011 and 1 January 2012 and which were not early adopted by the Company are as follows:

Effective for the period beginning on or after 1 January 2011

- TAS 24 (revised 2007) Related Party Disclosure (formerly TAS 47)
- TAS 40 Investment Property

Effective for the period beginning on or after 1 January 2012

- TAS 20 Accounting for Government Grants and Disclosure for Government Assistance

The Company's management has determined that the revised standard and the new standards will not significantly impact the financial statements being presented.

2.3 Investments in subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible, including potential voting rights held by another entity, are considered when assessing whether the Group controls another entity. 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 by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest.

The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the income statement.

See Note 2.12 for the accounting policy on goodwill. Inter-company 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 of subsidiaries have been changed to ensure consistency with the policies adopted by the Group.

In the Company's separate financial statements, investments in subsidiaries are reported by using the cost method.

A list of the Group's principal subsidiaries is set out in Note 12 a).

2.4 Investments in associates and joint venture

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Joint venture is an entity which the Group has interest in jointly control.

In the consolidated financial statement, investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. The Group's investment in associates and joint venture includes goodwill identified on acquisition, net of any accumulated impairment loss.

The Group's share of its associates and joint venture's post-acquisition profits or losses 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 carrying amount of the investment. When the Group's share of losses in an associate and joint venture equals or exceeds its interest in the associate and joint venture, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate and joint venture.

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

Accounting policies of associates and joint venture have been changed where necessary to ensure consistency with the policies adopted by the Group.

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

A list of the Group's principal associates and joint venture is set out in Note 12 b).

2.5 Foreign currency translation

Items included in the financial statements of each entity in the Group are measured using its local currency. The consolidated and Company financial statements are presented in Thai Baht.

Foreign currency transactions are translated into Thai Baht using the exchange rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated to Thai Baht at the exchange rate prevailing at the balance sheet date. Gains and losses resulting from the settlement of foreign currency 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 the weighted average exchange rates for the year and balance sheets are translated at the exchange rates ruling on the balance sheet date. Currency translation differences arising from the retranslation of the net investment in foreign entities are taken to shareholders' equity. On disposal of a foreign entity, accumulated currency translation differences are recognised in the statement of income as part of the gain or loss on sale.

2.6 Segment reporting

Segment information is presented by geographical areas of the Group's operations.

2.7 Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. Cash and cash equivalents comprise cash on hand, deposits held at call with banks and other short-term highly liquid investments with maturities of three months or less from the date of acquisition. Bank overdrafts are included in current liabilities on the balance sheet.

2.8 Trade accounts receivable

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

2.9 Inventories

Inventories are stated at the lower of cost or net realisable value. Cost is determined by the moving 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. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads, the latter being allocated on the basis of normal operating activities. 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. Capitalisation of interest will be discontinued when the construction completes.

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 identifiable assets of the acquired subsidiary, associates and joint venture undertaking at the date of acquisition. Goodwill on acquisitions of subsidiaries is reported in the consolidated balance sheet as an intangible asset. Goodwill on acquisitions of associates and joint venture is included in investments in associates and joint venture and is tested for impairment as part of the overall balance.

Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash generating units or group of cash generating units that are expected to benefit from the business combination in which the goodwill arose.

Computer software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives (3 - 5 years).

Costs associated with developing or maintaining computer software programmes are recognised as an expense as incurred. Costs that are directly associated with identifiable and unique software products controlled by the Group and will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Direct costs include staff costs of the software development team and an appropriate portion of relevant overheads.

Expenditure which enhances or extends the performance of computer software programmes beyond their original specifications is recognised as a capital improvement and added to the original cost of the software. Computer software development costs are recognised as assets are amortised using the straight-line method over their useful lives, not exceeding a period of 3 - 5 years.

2.13 Property, plant and equipment

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

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 improvement	lease period, 5 years and 20 years
• Building and fitting equipment	lease period, 5 years, 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

Residual value and the estimated useful life of the assets are revised in every reporting balance sheet date.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Hotel operating equipment is stated at cost less accumulated depreciation. Additions 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 5 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.

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.

Gains and losses on disposals are determined by comparing proceeds with carrying amounts and are included in operating profit.

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

- Interest on bank overdrafts and short-term and long-term borrowings;
- 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.

2.14 Leasehold right

Leasehold right is capitalised and amortised using the straight-line method over the lease period. Leasehold right is not revalued. The carrying amount of leasehold right is reviewed annually for impairment where it is considered necessary.

2.15 Impairment of assets

Assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount which is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2.16 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 shorter period of the useful life of the asset or lease period.

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

When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method, which reflects a constant periodic rate of return.

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.

2.17 Borrowings

Borrowings are recognised initially at the proceeds received net of transaction costs incurred. In subsequent periods, borrowings are stated at amortised cost using the effective yield method. Any difference between proceeds (net of transaction costs) and the redemption value is recognised in the statement of income over the period of the borrowings.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

2.18 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, if 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.

2.19 Employee benefits

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.

The Group provides for post employment benefits to employees under the labour laws applicable in Thailand. With effective 1 January 2009, the Group has recorded the liabilities in respect of employee benefits which are the present value of the defined benefit obligations calculated by an independent actuary in accordance with the actuarial technique. The present value of the defined benefit obligations are determined by discounting estimated future cash flows using yields on the government bonds which have terms to maturity approximating the terms of related liability. The estimated future cash flows shall reflect employee salaries, turnover rate, mortality, length of service and other. The costs associated with providing these benefits are charged to the statements of income so as to spread the cost over the employment period during which the entitlement to benefits is earned. The effect of the application of this new accounting policy is presented in Note 5.1.

2.20 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 plant and equipment, allowance for doubtful debts, allowance for inventory obsolescence, provision for impairment loss, provision for employee

benefits, tax losses carried forward and the difference between the fair values of the net assets acquired and their tax base.

2.21 Share capital

Ordinary shares and non-redeemable preference shares with discretionary dividends are classified as equity.

Incremental external costs directly attributable to the issue of new shares, other than in connection with business combination, are shown in equity as a deduction, net of tax, from the proceeds. Share issue costs incurred directly in connection with a business combination are included in the cost of acquisition.

Where the Company or its subsidiaries purchases the Company's equity share capital, the consideration paid including any attributable incremental external costs net of income taxes is deducted from total shareholders' equity as treasury shares until they are cancelled. Where such shares are subsequently sold or reissued, any consideration received is included in shareholders' equity.

2.22 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.

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.

2.23 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, and 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.

Revenues from distribution and manufacturing are recognised as revenue when the goods are delivered to customers. Sales of goods to department stores are recognised as revenue only when the goods are sold to end customers. All revenues are shown net of sales taxes and discounts.

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

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

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 (based on actual costs). Revenue will be recognised when the payment over 20% of each contract is received, pursuant to the percentage of completion method by which the completed percentage is assessed by the engineers.

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 and commission income | - as it accrues unless collectibility is in doubt. |
| • Dividend income | - when the shareholder's right to receive payment is established. |
-

2.24 Dividends

Annual dividends are recorded in the consolidated and Company financial statements in the period in which they are approved by the shareholders meetings of the Company and subsidiaries.

Interim dividends are recorded in consolidated and Company financial statements in the period in which they are approved by the board of directors meetings of the Company and subsidiaries.

3. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3.1 Impairment of receivable

The Group maintains an allowance for doubtful accounts to reflect impairment of trade receivables relating to estimated losses resulting from the inability of customers to make required payments. The allowance for doubtful accounts is significantly impacted by the Group's assessment of future cash flows, such assessment being based on consideration of historical collection experience, known and identified instances of default and consideration of market trends.

3.2 Impairment of goodwill

The Group tests annually whether goodwill has suffered any impairment in accordance with the accounting policy stated in Note 2.12. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of estimates by management.

3.3 Plant and equipment and intangible assets

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

3.4 Provision for employee benefits

The present value of the provision for employee benefits depends on a number of assumptions. The assumptions used in determining the net cost (income) for employee benefits include the discount rate. Any changes in these assumptions will impact the carrying amount of the provision for employee benefits.

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

Other key assumptions for the provision for employee benefits are based in part on current market conditions.

4. Risk management

4.1 Financial risk management

The Group's business activities maybe exposed it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rates. The Group's overall risk management programme focuses on minimising potential adverse effects on the financial performance of the Group. The Group uses derivative financial instruments such as cross currency swap contracts and forward foreign exchange to hedge certain exposures.

Financial risk management for the Group is carried out by a central group treasury department. The central group treasury department identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The Group follows written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, use of derivative financial instruments. The Group does not have policy to use financial instruments for speculative or trading purposes.

4.1.1 Cross currency swap contracts

Cross currency swap contracts are recognised at the inception date.

In cross currency swap contracts, the Group agrees with a counterparty to exchange their respective currency and interest rate positions between an agreed pair of currencies. An exchange of principal in the different currencies occurs at the inception of the cross currency swap contracts at a predetermined exchange rate, with an equal but opposite exchange of principal during interim periods and at the maturity of the contracts. The cross currency receivable/payable under these contracts is translated at the period-end exchange rate and the unrealised gains or losses are recognised in the statement of income. Each party also pays and receives interest on a predetermined amount of principal in different currencies over the contract periods. Any differential to be paid or received on the cross currency swap contracts is recognised as a component of interest income or expenses over the period of the contracts.

4.1.2 Forward foreign exchange contracts

Forward foreign exchange contracts are recognised at the inception date.

Forward foreign exchange contracts protect the Group from movements in exchange rates by establishing the rate at which a foreign currency asset will be realised or a foreign currency liability settled. Any increase or decrease in the amount required to realise the asset or settle the liability is offset by a corresponding movement in the value of the forward foreign exchange contract. The gains and losses on the derivative instruments and the underlying financial asset or liability are therefore offset for financial reporting purposes. The fee incurred in establishing each agreement is amortised over the contract period, if any.

4.1.3 Interest rate swap contracts

Interest rate swap contracts protect the Group from movements in interest rates. Any differential to be paid or received on an interest rate swap agreement is recognised as a component of interest expense over the period of the agreement.

4.2 Capital risk management

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

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

4.3 The seasonality of the tourism industry risk management

Hotel business has unpredictable and uncontrollable risks on tourism industry such as political situation, terrorism, epidemic concern, natural disaster including unrest situation in the country. The Group has strategy in coping with seasonality of tourism industry by the geographical diversification of its hotels throughout the country, the policy in optimising revenues between the hotel room and hotel food and beverages, the policy to increase number of domestic customers and expand foreign customer base to cover more countries. Moreover, the Group has a strategy to expand the food business to reduce the risk of seasonality of hotel business which is generally more certainty and less seasonality than hotel business.

5. Changes in accounting policy

5.1 Employee benefits

In 2009, the Group has chosen to early adopt accounting standard regarding accounting for employee benefits and has accounted for the adoption retrospectively in accordance with the accounting standard. The comparative financial statements have been restated accordingly. The effect of the changes on the financial statements for the year ended 31 December 2008 are summarised as follows:

	Consolidated Baht	Company Baht
Balance sheet at 31 December 2008		
Increase in provision for employee benefits	98,958,465	22,291,551
Shareholders' equity		
Decrease in retained earnings at 1 January 2008	(90,500,693)	(23,027,152)
Decrease in retained earnings at 31 December 2008	(98,958,465)	(22,291,551)
Income statement for the year ended 31 December 2008		
Increase/(decrease) in administrative expenses	8,457,772	(735,601)
(Decrease)/increase in net profit for the year	(8,457,772)	735,601
(Decrease)/increase in basic earnings per share	(0.0025)	0.0002
(Decrease)/increase in diluted earnings per share	(0.0025)	0.0002

5.2 Adjusting of negative goodwill

Based on the amendment TAS 43 (before renumbering) during 2008, no amortisation of indefinite useful lives intangible assets is required. The Group was required to reassess the measurement of assets, liabilities and identifiable contingent liabilities of acquires regarding to its negative goodwill and recognised the resulting gains or losses from such reassessment in profit or loss. The Group had adjusted the brought forward balance of negative goodwill as at 1 January 2008 amounting to Baht 351.8 million to the beginning balance of retained earnings as at 1 January 2008 in accordance with the accounting standard.

6. Segment information

6.1 Financial information by business segments

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

For the years ended 31 December (Baht Million)

	2009	2008	Hotel operation	Retails and property business	Entertainment operations	Spa services	Food and beverage operations	Real estates operations	Distribution	Manufacturing	Management operations	Investing in other companies	Eliminated	2009	2008	2009	2008	Total						
Revenues	4,377	5,404	502	537	94	108	319	358	9,485	8,407	-	591	723	-	656	-	976	1,092	-	-	(672)	(683)	16,460	15,814
Segment results	2,102	2,922	280	340	43	57	106	124	6,404	5,413	-	319	434	-	74	-	976	1,092	-	-	(572)	(521)	9,847	9,746

As at 31 December (Baht Million)

	2009	2008	Hotel operation	Retails and property business	Entertainment operations	Spa services	Food and beverage operations	Real estates operations	Distribution	Manufacturing	Management operations	Investing in other companies	Eliminated	2009	2008	2009	2008	Total			
Projects under development	855	371	-	-	-	-	-	2,069	1,175	33	-	-	-	-	-	-	-	2,957	1,546		
Property, plant and equipment	7,690	7,941	712	675	104	46	54	2,273	2,384	-	159	10	12	20	30	-	-	11,108	11,142		
Other assets	5,130	3,827	371	417	6	5	257	235	5,707	6,533	-	320	-	2,794	2,062	20,007	17,621	(22,898)	(19,040)	14,206	12,376
Total assets	13,675	12,139	1,083	1,092	110	51	299	289	7,980	8,917	-	479	-	2,804	2,074	20,027	17,651	(22,898)	(19,040)	28,271	25,064
Trade accounts Payable	198	150	3	4	-	2	2	7	651	647	-	1	-	32	38	1	1	-	-	1,201	849
Borrowings	8,503	5,288	29	-	72	32	58	79	1,484	1,983	-	543	1,176	816	921	4,403	2,564	(14,413)	(10,351)	2,672	1,692
Debentures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8,175	6,725	-	-	8,175	6,725
Other liabilities	2,181	1,903	730	808	17	9	67	65	2,465	1,869	-	177	-	578	341	662	563	(3,606)	(2,306)	4,169	3,494
Total liabilities	10,882	7,341	762	812	89	43	127	151	4,600	4,499	-	443	-	1,787	1,300	13,241	9,853	(18,019)	(12,657)	16,217	12,760

6.2 Financial information by geographical segments

Although the Group's business segments are managed on a worldwide basis, they operate in main geographical areas:

	Sales		Segment result		Total assets	
	2009 Baht Million	2008 Baht Million	2009 Baht Million	2008 Baht Million	2009 Baht Million	2008 Baht Million
Thailand	14,156	14,525	8,170	8,802	43,707	39,150
Singapore	2,135	1,184	1,642	900	751	620
People's Republic of China	459	482	296	316	406	477
Republic of Maldives	157	180	113	132	1,101	609
The United Arab Emirates	92	57	90	54	16	3
Others	133	69	108	63	5,188	3,245
Eliminated	(672)	(683)	(572)	(521)	(22,898)	(19,040)
Total	16,460	15,814	9,847	9,746	28,271	25,064

7. Cash and cash equivalents

	Consolidated		Company	
	2009 Baht	2008 Baht	2009 Baht	2008 Baht
Cash on hand	84,588,896	102,285,675	5,779,260	7,031,337
Deposits held at call with banks	884,226,060	1,246,886,358	143,854,342	709,574,242
Total cash and cash equivalents	968,814,956	1,349,172,033	149,633,602	716,605,579

The weighted average effective interest rate of deposits with banks was 0.125% to 2% per annum (2008: 0.125% to 3.54% per annum).

8. Trade accounts receivable, net

	Consolidated		Company	
	2009 Baht	2008 Baht	2009 Baht	2008 Baht
Trade accounts receivable	1,020,330,653	521,949,684	26,170,115	21,719,515
<u>Less</u> Allowance for doubtful accounts	(20,102,517)	(3,754,798)	(217,822)	(240,215)
Trade accounts receivable, net	1,000,228,136	518,194,886	25,952,293	21,479,300

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	
	2009 Baht	2008 Baht	2009 Baht	2008 Baht
Not yet due	884,866,254	452,413,672	21,267,544	18,879,750
Overdue				
Under 90 days	101,240,128	53,225,853	4,417,805	2,363,029
91 days to 180 days	21,439,182	6,222,459	221,506	282,768
Over 181 days	12,785,089	10,087,700	263,260	193,968
Trade accounts receivable	1,020,330,653	521,949,684	26,170,115	21,719,515
<u>Less</u> Allowance for doubtful accounts	(20,102,517)	(3,754,798)	(217,822)	(240,215)
Trade accounts receivable, net	1,000,228,136	518,194,886	25,952,293	21,479,300

9. Inventories, net

	Consolidated		Company	
	2009 Baht	2008 Baht	2009 Baht	2008 Baht
Food and beverage	48,252,841	42,798,912	2,495,984	2,284,350
Operating equipment	943,383	699,382	-	-
Finished goods (net with allowance)	278,699,112	105,765,737	-	-
Raw materials (net with allowance)	458,737,078	382,838,960	-	-
Work in process	9,032,989	-	-	-
Supplies and others	58,482,778	74,328,105	2,828,693	3,049,128
Inventories, net	854,148,181	606,431,096	5,324,677	5,333,478

During 2009, Baht 553,091 was charged to the income statement for obsolete inventories.

10. Land and real estates project for sales, net

	Consolidated	
	2009 Baht	2008 Baht
Land	31,633,734	31,633,734
Construction cost	630,727,301	630,612,152
Furniture and fixtures	93,601,984	91,446,609
Interest capitalised	28,959,286	28,959,286
Others	7,530,165	6,793,213
	792,452,470	789,444,994
<u>Less</u> Cost of sales - accumulated	(406,800,330)	(406,800,330)
Land and real estates project for sales, net	385,652,140	382,644,664

As at 31 December 2009, Group has no commitment relating to the construction contracts of real estates project for sales (2008: Baht 2 million).

11. Other current assets

	Consolidated		Company	
	2009 Baht	2008 Baht	2009 Baht	2008 Baht
Other receivables	505,020,639	222,840,994	53,507,245	16,583,298
Prepaid expenses	135,420,670	139,109,234	7,503,241	6,343,078
Prepaid income tax	85,299,408	34,359,451	12,517,739	-
Advance for construction	201,463,786	278,017,264	-	2,897,160
Short-term loan to other company	644,920,374	605,568,930	644,920,374	605,568,930
Others	70,510,843	168,258,480	20,496,045	10,738,386
Total other current assets	1,642,635,720	1,448,154,353	738,944,644	642,130,852

Short-term loan to other company carries interest at the fixed rate as stipulated in the agreement and due for repayment in 2010.

12. Investments in subsidiaries, associates and joint venture

	Consolidated		Company	
	2009 Baht	2008 Baht	2009 Baht	2008 Baht
Subsidiaries	-	-	6,659,262,048	5,874,234,415
Associates and joint venture	1,353,096,582	1,241,628,509	24,284,460	24,284,460
Total investments in subsidiaries, associates and joint venture	1,353,096,582	1,241,628,509	6,683,546,508	5,898,518,875

a) Investments in subsidiaries

	Company	
	2009 Baht	2008 Baht
Opening net book value	5,874,234,415	6,256,471,076
Acquisitions	838,656,765	10,540,000
Entire business transfer from a subsidiary	-	11,796
Decrease in share capital of subsidiaries	-	(349,086,107)
Decapitalise in property fund	(43,622,004)	(43,702,350)
Share redemption of a liquidated subsidiary	(10,000,000)	-
Disposal	(7,128)	-
Closing net book value	6,659,262,048	5,874,234,415

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

a) Investments in subsidiaries (Continued)

Company - 31 December 2009

	Nature of business	Country of incorporation	Nature of relationship	Paid-up capital (Baht Million)	Investment portion (%)	Cost (Baht)	Dividend (Baht)
Chao Phaya Resort Limited	Hotel operation and shopping mall	Thailand	Shareholder	450	81.24	625,811,571	53,617,685
Hua Hin Resort Limited	Hotel operation	Thailand	Shareholder	200	100	230,967,920	-
Maerim Terrace Resort Limited	Hotel operation	Thailand	Shareholder	300	45.30 ⁽¹⁾	161,418,899	-
Royal Garden Development Limited	Hotel operation	Thailand	Shareholder	700	100	929,262,396	74,999,998
Samui Resort and Spa Limited	Hotel operation	Thailand	Shareholder	10	100	10,000,000	11,999,976
Rajadamri Hotel Public Company Limited	Hotel operation	Thailand	Shareholder	450	98.91	1,608,379,789	-
MI Squared Limited	Hotel operation	Thailand	Shareholder	10	100	10,000,000	-
Hua Hin Village Limited	Hotel operation	Thailand	Shareholder	50	100	50,000,000	-
Baan Boran Chiangrai Limited	Hotel operation	Thailand	Shareholder	165	100	164,999,800	-
Samui Village Limited	Hotel operation	Thailand	Shareholder	37.5	100	37,499,300	-
Coco Palm Hotel & Resort Limited	Hotel operation	Thailand	Shareholder	113	100	177,477,165	-
Coco Recreation Limited	Hotel operation	Thailand	Shareholder	0.25	100	250,000	-
Samui Beach Club Owner Limited	Hotel operation	Thailand	Shareholder	0.25	100	250,000	-
(formerly "Phuket Beach Residence Limited")							
Mai Faad Beach Resort Limited	Hotel operation	Thailand	Shareholder	0.25	100	250,000	-
The Minor Food Group Public Company Limited ("MFG")	Sales of food and beverage	Thailand	Shareholder	327	99.72	2,302,662,067	89,751,955
Royal Garden Plaza Limited	Shopping mall	Thailand	Shareholder	75	100	75,000,000	21,999,991
M Spa International Limited ("MST")	Spa services	Thailand	Shareholder	41	51 ⁽²⁾	20,910,000	-
Samui Beach Residence Limited	Sales of property	Thailand	Shareholder	1	100	1,000,000	59,998,800
Coco Residence Limited	Sales of property	Thailand	Shareholder	0.25	100	250,000	-
Minor Hotel Group Limited	Hotel management	Thailand	Shareholder	17	100	93,500,000	99,999,824
RNS Holding Limited	Management	Thailand	Shareholder	26	100	13,140,822	-
Minor Information Technology Limited	Management	Thailand	Shareholder	6	100	6,000,000	6,999,977
Chao Phaya Resort and Residence Limited	Hotel operation & Sales of property	Thailand	Shareholder	0.25	100	250,000	-

a) Investments in subsidiaries (Continued)

Company - 31 December 2009

	Nature of business	Country of incorporation	Nature of relationship	Paid-up capital (Baht Million)	Investment portion (%)	Cost (Baht)	Dividend (Baht)
Minor Corporation Public Company Limited ("MINOR")	Distribution	Thailand	Shareholder	490	91.35 ⁽³⁾	(77,348,085)	-
RGR International Limited	Management	British Virgin Islands	Shareholder	2.6 (USD 100,000)	100	2,586,000	-
R.G.E. (HKG) Limited	Management	Hong Kong	Shareholder	0.5 (HKD 100,000)	100	542,740	-
M&H Management Limited	Management	Mauritius	Shareholder	0.04 (USD 1,000)	100	36,231	83,051,750
Lodging Investment (Labuan) Limited	Holding investment	Malaysia	Shareholder	0.04 (USD 1,000)	100	36,231	-
Minor International (Labuan) Limited	Hotel operation	Malaysia	Shareholder	0.03 (USD 1,000)	100	34,344	-
Thai Project Property Fund	Property investment	Thailand	Shareholder	75	99.90	74,797,460	37,964,070
Sub Thawee Property Fund	Property investment	Thailand	Shareholder	21	99.86 ⁽⁴⁾	20,734,890	69,597,574
Thai Assets Management Property Fund	Property investment	Thailand	Shareholder	119 ⁽⁵⁾	100	118,562,508	155,138,782
Total investments in subsidiaries						6,659,262,048	765,120,382

(1) Investment portion of 45.30% represents direct holding in Maerim Terrace Resort Limited. Another 25.74% indirect holding is invested through subsidiary.

(2) Investment portion of 51% represents direct holding in MST. Another 49% indirect holding is invested through subsidiary.

(3) Investment portion of 91.35% represents direct holding in MINOR. Another 8.57% indirect holding is invested through subsidiary.

(4) 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.

(5) Paid-up capital of Thai Assets Management Property Fund is investment in Class C and Class D unitholders.

a) Investments in subsidiaries (Continued)

Company - 31 December 2008

	Nature of business	Country of incorporation	Nature of relationship	Paid-up capital (Baht Million)	Investment portion (%)	Cost (Baht)	Dividend (Baht)
Chao Phaya Resort Limited	Hotel operation and shopping mall	Thailand	Shareholder	450	81.24	625,811,571	53,617,685
Hua Hin Resort Limited	Hotel operation	Thailand	Shareholder	200	100	230,967,920	29,999,991
Maerim Terrace Resort Limited	Hotel operation	Thailand	Shareholder	300	45.30 ⁽¹⁾	161,418,899	-
Royal Garden Development Limited	Hotel operation	Thailand	Shareholder	700	100	929,262,396	174,999,985
Samui Resort and Spa Limited	Hotel operation	Thailand	Shareholder	10	100	10,000,000	9,999,940
Rajadamri Hotel Public Company Limited ("RHC")	Hotel operation	Thailand	Shareholder	450	54.28 ⁽²⁾	909,374,739	-
MI Squared Limited	Hotel operation	Thailand	Shareholder	10	100	10,000,000	-
Samui Village Limited	Hotel operation	Thailand	Shareholder	37.5	100	37,499,300	-
Coco Palm Hotel & Resort Limited	Hotel operation	Thailand	Shareholder	113	100	177,477,165	-
Coco Recreation Limited	Hotel operation	Thailand	Shareholder	0.25	100	250,000	-
Phuket Beach Residence Limited	Management	Thailand	Shareholder	0.25	100	250,000	-
Mai Faad Beach Resort Limited	Hotel operation	Thailand	Shareholder	0.25	100	250,000	-
The Minor Food Group Public Company Limited ("MFG")	Sales of food and beverage	Thailand	Shareholder	327	99.72	2,302,662,067	69,785,665
Royal Garden Plaza Limited	Shopping mall	Thailand	Shareholder	75	100	75,000,000	56,249,948
M Spa International Limited ("MST")	Spa services	Thailand	Shareholder	41	51 ⁽³⁾	20,910,000	-
Samui Beach Residence Limited	Sales of property	Thailand	Shareholder	1	100	1,000,000	199,986,000
Coco Residence Limited	Sales of property	Thailand	Shareholder	0.25	100	250,000	-
Minor Hotel Group Limited	Hotel management	Thailand	Shareholder	17	100	93,500,000	101,999,580
RNS Holding Limited	Management	Thailand	Shareholder	26	100	13,140,822	-
Minor Information Technology Limited	Management	Thailand	Shareholder	4	100	4,000,000	-
Chao Phaya Resort and Residence Limited	Hotel operation & Sales of property	Thailand	Shareholder	0.25	100	250,000	-
Royal Garden Entertainment Limited	In liquidation process	Thailand	Shareholder	10	100	10,000,000	16,499,010
RGR International Limited	Management	British Virgin Islands	Shareholder	2.6	100	2,586,000	-
				(USD 100,000)			

a) Investments in subsidiaries (Continued)

Company - 31 December 2008

	Nature of business	Country of incorporation	Nature of relationship	Paid-up capital (Baht Million)	Investment portion (%)	Cost (Baht)	Dividend (Baht)
R.G.E. (HKG) Limited	Management	Hong Kong	Shareholder	0.5 (HKD 100,000)	100	542,740	-
M&H Management Limited	Management	Mauritius	Shareholder	0.04 (USD 1,000)	100	36,231	-
Lodging Investment (Labuan) Limited	Holding investment	Malaysia	Shareholder	0.04 (USD 1,000)	100	36,231	-
Minor International (Labuan) Limited	Hotel operation	Malaysia	Shareholder	0.03 (USD 1,000)	100	34,344	-
Thai Project Property Fund	Property investment	Thailand	Shareholder	75	99.90	74,804,587	24,978,745
Sub Thawee Property Fund	Property investment	Thailand	Shareholder	28	99.86 ⁽⁴⁾	27,864,895	55,984,032
Thai Assets Management Property Fund	Property investment	Thailand	Shareholder	155 ⁽⁵⁾	100	155,054,508	163,330,183
Total investments in subsidiaries						5,874,234,415	957,430,764

(1) Investment portion of 45.30% represents direct holding in Maerim Terrace Resort Limited. Another 25.74% indirect holding is invested through subsidiary.

(2) Investment portion of 54.28% represents direct holding in RHC. Another 44.64% indirect holding is invested through subsidiary.

(3) Investment portion of 51% represents direct holding in MST. Another 49% indirect holding is invested through subsidiary.

(4) 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.

(5) Paid-up capital of Thai Assets Management Property Fund is investment in Class C and Class D unitholders.

a) Investments in subsidiaries (Continued)

Companies under subsidiaries included in the preparation of the consolidated financial statements are:

Company - 31 December				
			Investment portion (%)	
	Nature of business	Country of incorporation	2009	2008
MFG's subsidiaries				
Swensen's (Thai) Limited	Sales of food and beverage	Thailand	100	100
Minor Cheese Limited	Manufacturing and sales of cheese	Thailand	100	100
Minor Dairy Limited	Manufacturing and sales of ice-cream	Thailand	100	100
Minor DQ Limited	Sales of food and beverage	Thailand	100	100
R.G.R. Food Service Limited	In liquidation process	Thailand	100	100
Catering Associates Limited	Catering service	Thailand	51	51
Burger (Thailand) Limited	Sales of food and beverage	Thailand	95	95
International Franchise Holding (Labuan) Limited	Franchise owner	Malaysia	100	100
The Pizza Restaurant Company Limited	In liquidation process	Thailand	100	100
SLRT Limited	Sales of food and beverage	Thailand	100	100
Primacy Investment Limited	Holding investment	Republic of Mauritius	100	100
The Coffee Club (Thailand) Limited	Sales of food and beverage	Thailand	100	100
International Franchise Holding (Labuan) Limited's subsidiaries				
Franchise Investment Corporation of Asia Ltd.	Franchise owner	British Virgin Islands	100	100
The Minor Food Group (China) Limited (formerly "Beijing LeJazz Food & Beverage Co., Ltd.")	Sales of food and beverage	People's Republic of China	100	100
Primacy Investment Limited's subsidiaries				
Delicious Foodstuff (Labuan) Limited	Holding investment	Malaysia	100	100
Delicious Beverage (Labuan) Limited	Holding investment	Malaysia	100	100
Delicious Food Holding (Singapore) Pte. Ltd.	Holding investment	Singapore	100	100
ThaiExpress Concepts Pte. Ltd.	Holding investment	Singapore	70	70
Delicious Food Holding (Singapore) Pte. Ltd.'s subsidiary				
Delicious Food Holding (Australia) Pte. Ltd.	Holding investment	Australia	100	100
Hua Hin Resort Limited's subsidiaries				
Hua Hin Village Limited	Hotel operation	Thailand	-	100
Baan Boran Chiangrai Limited	Hotel operation	Thailand	-	100
M Spa International Limited's subsidiaries				
M Spa Ventures Limited	Spa services	British Virgin Islands	100	100
M Spa Enterprise Management (Shanghai) Limited	Spa services	People's Republic of China	100	100

a) Investments in subsidiaries (Continued)

Company - 31 December				
			Investment portion (%)	
	Nature of business	Country of incorporation	2009	2008
Minor Hotel Group Limited's subsidiary				
Hospitality Investment International Limited	Holding investment	British Virgin Islands	100	100
Hospitality Investment International Limited's subsidiaries				
Lodging Management (Labuan) Limited	Hotel management	Malaysia	100	100
Lodging Management (Mauritius) Limited	Hotel management	Republic of Mauritius	100	100
PT Lodging Management (Indonesia)	Hotel management	Indonesia	93.3	93.3
Royal Garden Development Limited				
Rajadamri Residence Limited	Hotel and sales of property	Thailand	100	-
Rajadamri Hotel Public Company Limited's subsidiary				
Rajadamri Residence Limited	Hotel and sales of property	Thailand	-	100
ThaiExpress Concepts Pte. Ltd.'s subsidiaries				
The ThaiExpress Restaurant Pte. Ltd.	Sales of food and beverage	Singapore	100	100
BBZ Design International Pte. Ltd.	Sales of food and beverage	Singapore	100	100
NYS Pte. Ltd.	Sales of food and beverage	Singapore	100	100
PS07 Pte. Ltd.	Sales of food and beverage	Singapore	100	100
TES07 Pte. Ltd.	Sales of food and beverage	Singapore	100	100
XWS Pte. Ltd.	Sales of food and beverage	Singapore	100	100
Shokudo Concepts Pte. Ltd.	Sales of food and beverage	Singapore	100	100
Shokudo Heeren Pte. Ltd.	Sales of food and beverage	Singapore	100	100
The Bund Pte. Ltd.	Sales of food and beverage	Singapore	100	100
Lotus Sky Sdn Bhd	Sales of food and beverage	Malaysia	100	100
ThaiExpress Concepts Sdn Bhd	Sales of food and beverage	Malaysia	100	100
MINOR's subsidiaries				
Armin Systems Limited	Distribution - kitchen utensils, garment and shoes	Thailand	100	-
NMT Limited	Manufacturing services - consumer products	Thailand	100	-
Minor Development Limited	Property development	Thailand	100	-
Minor Consultants & Services Limited	Distribution - cosmetics and luggage	Thailand	100	-
Red Earth Thai Limited	Distribution - cosmetics and perfume	Thailand	100	-
Esmido Fashions Limited	Distribution - garments	Thailand	90.8	-
Amore Pacific (Thailand) Limited	Distribution - cosmetics and perfume	Thailand	70	-
Marvelous Wealth Limited	Holding investment	British Virgin Islands	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 power to exercise control over the financing and operating policies of the Property Fund.

As at 31 December 2009, 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 2009, the Class A and Class B unitholders have investments amounting to Baht 325 million (2008: Baht 425 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 22) according to its underlying substance.

Changes in investments in subsidiaries for the year ended 31 December 2009 comprise:

Rajadamri Residence Limited

During the first quarter of 2009, Rajadamri Hotel Public Company Limited disposed its entire investment in Rajadamri Residence Limited to Royal Garden Development Limited which is a subsidiary of the Company at net book value of Baht 26.0 million.

ThaiExpress Concepts Pte. Ltd. ("ThaiExpress")

During the second quarter of 2009, the Group has completed a calculation of the value of brands by external specialist, which was previously included in goodwill from investment, amounting to Baht 560 million.

From the actual ThaiExpress's operation result for the year ended 31 December 2009, the Group can estimate provision for additional investment amounting to 30 million Singapore Dollars (or equivalent Baht 719 million). Consequently, the Group recognised investment in ThaiExpress totalling Baht 1,910 million, and goodwill from investment amounting to Baht 1,401 million.

Details of the acquisition as at 31 December 2009 are as follows:

	Consolidated Baht
Total purchase consideration (including estimated provision of Baht 719 million)	1,910,302,148
<u>Less</u> Fair value of net assets under interest acquired (including value of brand)	(508,815,463)
Goodwill	1,401,486,685
Fair value of net assets acquired (excluding value of brand)	166,849,000
Brand value	560,030,234
	726,879,234
Interest acquired	70%
Fair value of net assets under interest acquired (including value of brand)	508,815,463

Minor Corporation Public Company Limited (“MINOR”)

On 12 June 2009, the Company completed the Business Restructuring Plan with MINOR (Note 36). As a result, the Company has directly and indirectly owned 99.9% of MINOR's equity interest. Regarding this restructuring, both companies are the business under the common control which have significant influence in equity interest. As a result of business combination, the Company has control over MINOR. The Company recognised MINOR's assets and liabilities acquired at the book value as at the date of business combination under common control which has net liabilities of Baht 77.3 million. The Company accounted for MINOR as a subsidiary and has fully consolidated its financial statements since 12 June 2009.

MINOR was delisted from the Stock Exchange of Thailand on 22 June 2009.

Major components of MINOR's financial statements as at 31 December 2009, which are included in these financial statements comprise:

	Baht
Balance sheet	
Assets	
Cash and cash equivalents	8,875,666
Trade account receivable, net	403,288,166
Inventories, net	330,737,742
Other current assets and other assets	220,899,037
Property, plant and equipment, net	257,393,011
Intangible assets, net	47,519,805
Leasehold rights, net	65,365,795
Liabilities	
Short-term loans from financial institutions	7,500,000
Trade account payable	313,784,335
Other current liabilities and other non-current liabilities	164,688,788

	For the period from 12 June 2009 to 31 December 2009 Baht
Statement of income	
Revenue from distribution and manufacturing	1,379,826,730
Cost of distribution and manufacturing	870,829,873
Selling and administrative expenses	437,727,074
Income tax	1,816,961
Net profit for the period	65,821,127
Net profit for the period attributable to:	
Equity holders of the parent	64,745,199
Minority interests	1,075,927

Rajadamri Hotel Public Company Limited, Hua Hin Village Limited and Baan Boran Chiangrai Limited

During the third quarter of 2009, Hua Hin Resort Limited, a subsidiary of the Company, disposed its investments in Rajadamri Hotel Public Company Limited (in the holding portion of 44.58%), Hua Hin Village Limited (in the holding portion of 100%) and Baan Boran Chiangrai Limited (in the holding portion of 100%) at net book value of Baht 699 million, Baht 50 million and Baht 165 million, respectively.

Minor Information Technology Limited

During the third quarter of 2009, Minor Information Technology Limited, a subsidiary of the Company, increased its registered share capital of 20,000 shares with par value of Baht 100 per share or totalling Baht 2 million. The Company purchased all those shares amounting to Baht 2 million.

R.G.R. Food Service Limited

At the Extraordinary Shareholders' Meeting of R.G.R. Food Service Limited on 30 October 2009, it was resolved that this subsidiary be dissolved and registered with the Ministry of Commerce on 30 October 2009.

The Pizza Restaurant Company Limited

At the Extraordinary Shareholders' Meeting of The Pizza Restaurant Company Limited on 30 October 2009, it was resolved that this subsidiary be dissolved and registered with the Ministry of Commerce on 30 October 2009.

Royal Garden Entertainment Limited

On 23 December 2009, Royal Garden Entertainment Limited has completed the liquidation and redeemed its shares to the Company amounting to Baht 10 million.

b) Investments in associates and joint venture

	Consolidated		Company	
	2009 Baht	2008 Baht	2009 Baht	2008 Baht
Opening net book value	1,241,628,509	191,046,198	24,284,460	24,284,460
Acquisitions	-	1,046,843,198	-	-
Provision for additional payment of investment	24,600,250	-	-	-
Share of profit of investments in associates and joint venture	168,653,858	115,649,039	-	-
Dividend income	(83,518,098)	(111,909,926)	-	-
Elimination of profit in intangible assets	1,732,063	-	-	-
Closing net book value	1,353,096,582	1,241,628,509	24,284,460	24,284,460

b) Investments in associates and joint venture (Continued)

Consolidated - 31 December 2009

	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	14,100,483	-
Arabian Spa (Dubai) (LLC)	Spa services	United Arab Emirates	Shareholder	3.4 (Dirham 0.3 Million)	49	1,667,936	5,219,100	8,408,866
Eutopia Private Holding Limited	Hotel operation	Republic of Maldives	Shareholder	163.2 (USD 4 Million)	50	81,590,000	84,848,597	-
Tanzania Tourism and Hospitality Investment Limited	Holding investment	British Virgin Islands	Shareholder	- (USD 2)	50	310,681,994	330,210,521	-
Zanzibar Tourism and Hospitality Investment Limited	Holding investment	British Virgin Islands	Shareholder	- (USD 2)	50	71,508,389	62,693,305	-
Harbour View Corporation Limited	Hotel operation	Vietnam	Shareholder	209 (Dong 84 Billion)	30.39 ⁽¹⁾	60,566,572	-	-
The Coffee Club Holdings Pty. Ltd.	Holding investment	Australia	Shareholder	1,332 (AUD 46 Million)	50	689,253,066	763,697,399	34,310,300
Sizzler China Pte. Limited	Franchise owner	Singapore	Shareholder	-	50	-	6,618,670	-
Select Service Partner Limited	Sales of food and beverage	Thailand	Shareholder	45	51	22,950,000	85,708,507	40,798,932
Investments in associates and joint venture						1,261,217,249	1,353,096,582	83,518,098

(1) Changes in the portion of investment in Harbour View Corporation Limited made this investment change from general investment to investment in an associate.

b) Investments in associates and joint venture (Continued)

Consolidated - 31 December 2008

	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	5,939,990	105,000,000
Arabian Spa (Dubai) (LLC)	Spa services	United Arab Emirates	Shareholder	3.4 (Dirham 0.3 Million)	49	1,667,936	10,198,945	-
Eutopia Private Holding Limited	Hotel operation	Republic of Maldives	Shareholder	163.2 (USD 4 Million)	50	81,590,000	33,768,361	-
Tanzania Tourism and Hospitality Investment Limited	Holding investment	British Virgin Islands	Shareholder	- (USD 2)	50	290,684,487	306,396,553	-
Zanzibar Tourism and Hospitality Investment Limited	Holding investment	British Virgin Islands	Shareholder	- (USD 2)	50	66,905,646	66,255,961	-
The Coffee Club Holdings Pty. Ltd.	Holding investment	Australia	Shareholder	1,332 (AUD 46 Million)	50	689,253,066	725,273,435	6,909,926
Sizzler China Pte. Limited	Franchise owner	Singapore	Shareholder	-	50	-	5,193,268	-
Select Service Partner Limited	Sales of food and beverage	Thailand	Shareholder	45	51	22,950,000	88,601,996	-
Investments in associates and joint venture						1,176,050,427	1,241,628,509	111,909,926

b) Investments in associates and joint venture (Continued)

Consolidated - 31 December				
			Investment portion (%)	
	Nature of business	Country of incorporation	2009	2008
Tanzania Tourism and Hospitality Investment Limited's subsidiary				
Elewana Afrika (T) Limited	Hotel operation	United Republic of Tanzania	100	100
Zanzibar Tourism and Hospitality Investment Limited's subsidiary				
Elewana Afrika (Z) Limited	Hotel operation	United Republic of Tanzania	100	100
Select Service Partner Limited's subsidiary				
Select Service Partner (Cambodia) Limited	Sale of food and beverage	The Kingdom of Cambodia	100	100
The Coffee Club Holdings Pty. Ltd.'s subsidiaries				
Espresso Pty. Ltd.	Property investment	Australia	100	100
The Coffee Club Investment Pty. Ltd.	Franchise owner	Australia	100	100
The Coffee Club Franchising Company Pty. Ltd.	Franchise business	Australia	100	100
The Coffee Club (NSW) Pty. Ltd.	Property investment	Australia	100	100
The Coffee Club (Vic) Pty. Ltd.	Property investment	Australia	100	100
The Coffee Club (Properties) Pty. Ltd.	Property investment	Australia	100	100
The Coffee Club Properties (NSW) Pty. Ltd.	Property investment	Australia	100	100
The Coffee Club Pty. Ltd. (as trustee for The Coffee Club Unit Trust)	Franchise owner	Australia	100	100
The Coffee Club (International) Pty. Ltd.	Franchise owner	Australia	100	100
The Coffee Club (Korea) Pty. Ltd.	Franchise owner	Australia	100	100
The Coffee Club (Mena) Pty. Ltd.	Franchise owner	Australia	100	100
The Coffee Club (NZ) Pty. Ltd.	Franchise owner	Australia	100	100
First Avenue Company Pty. Ltd.	Sale of food and beverage	Australia	100	-

b) Investments in associates and joint venture (Continued)

Company - 31 December 2009

	Nature of business	Country of incorporation	Nature of relationship	Paid-up capital Baht Million	Investment portion (%)	Cost Baht	Dividend Baht
Maikhao Vacation Villas Limited	Sales of Right-to-Use in Time sharing resort	Thailand	Shareholder	40	50	24,284,460	-
Total investments in associates and joint venture						24,284,460	-

Company - 31 December 2008

	Nature of business	Country of incorporation	Nature of relationship	Paid-up capital Baht Million	Investment portion (%)	Cost Baht	Dividend Baht
Maikhao Vacation Villas Limited	Sales of Right-to-Use in Time sharing resort	Thailand	Shareholder	40	50	24,284,460	105,000,000
Total investments in associates and joint venture						24,284,460	105,000,000

b) Investments in associates and joint venture (Continued)

The Group's share of the results of its principal associates and joint venture, all of which are unlisted, and its share of the assets and liabilities are as follows:

	Country of incorporation	Assets Baht	Liabilities Baht	Revenues Baht	Profit/(loss) Baht	% interest held
Year ended 31 December 2009						
Maikhao Vacation Villas Limited	Thailand	43,095,791	32,302,246	21,038,584	8,160,493	50
Arabian Spa (Dubai) (LLC)	United Arab Emirates	16,027,650	13,715,904	10,197,480	3,429,021	49
Eutopia Private Holding Limited	Republic of Maldives	857,375,342	781,096,865	542,150,346	51,080,236	50
Tanzania Tourism and Hospitality Investment Limited	British Virgin Islands	230,862,976	198,261,038	81,450,944	3,816,461	50
Zanzibar Tourism and Hospitality Investment Limited	British Virgin Islands	20,038,290	39,921,752	-	(8,165,399)	50
The Coffee Club Holdings Pty. Ltd.	Australia	242,994,482	170,817,007	401,584,288	70,950,811	50
Sizzler China Pte. Limited	Singapore	6,765,980	568,045	5,257,858	1,425,401	50
Select Service Partner Limited	Thailand	134,623,649	55,949,086	277,226,310	37,905,444	51
Harbour View Corporation Limited	Vietnam	63,710,966	117,318,476	24,515,227	3,035,014	30.4
		1,615,495,126	1,409,950,419	1,363,421,037	171,637,482	
Year ended 31 December 2008						
Maikhao Vacation Villas Limited	Thailand	47,434,096	44,464,101	15,846,757	(36,712,068)	50
Arabian Spa (Dubai) (LLC)	United Arab Emirates	11,199,671	2,621,978	7,868,285	5,428,472	49
Eutopia Private Holding Limited	Republic of Maldives	948,923,758	921,665,976	627,009,499	83,121,515	50
Tanzania Tourism and Hospitality Investment Limited	British Virgin Islands	191,427,924	159,882,030	83,018,291	15,712,066	50
Zanzibar Tourism and Hospitality Investment Limited	British Virgin Islands	25,193,276	35,904,323	-	(649,684)	50
The Coffee Club Holdings Pty. Ltd.	Australia	163,425,955	135,094,567	351,828,670	42,930,295	50
Sizzler China Pte. Limited	Singapore	5,527,299	523,821	4,541,234	432,057	50
Select Service Partner Limited	Thailand	110,408,294	22,667,639	185,907,929	5,386,386	51
		1,503,540,273	1,322,824,435	1,276,020,665	115,649,039	

Select Service Partner Limited

Investment in Select Service Partner Limited is classified as associated company in the consolidated financial statements because the Group does not have control over this company although the Group holds equity interest of 51%. The equity method of accounting is applied to this investment in the consolidated financial statements.

Changes in investments in associates and joint venture for the year ended 31 December 2009 comprise:

Tanzania Tourism and Hospitality Investment Limited ("TTHIL") and Zanzibar Tourism and Hospitality Investment Limited ("ZTHIL")

During the second quarter of 2009, the Group can estimate additional provision from last year for investments in TTHIL and ZTHIL amounting to Baht 25 million. Consequently, the Group had investments in TTHIL and ZTHIL amounting to Baht 382 million.

The Group has completed calculating net asset fair value of TTHIL and ZTHIL. In consideration of fair value of asset, the Company determines the measurement of the asset and considers the possibility that the Company receives economic benefit reasonably. The detail of goodwill including in investment in TTHIL and ZTHIL are as follows:

	Baht
Purchase consideration	382,190,383
<u>Less</u> Fair value of net assets under interest acquired	(6,425,115)
Goodwill	375,765,268

On the acquisition date, the fair value at 50% interest of assets and liabilities acquired in TTHIL and ZTHIL are as follows:

	Baht
Property, plant and equipment	165,693,087
Project in progress	10,660,690
Other assets	5,076,175
Loan from financial institution	(114,352,643)
Other liabilities	(54,227,079)
Fair value of net assets	12,850,230
Interest acquired	50%
Fair value of net assets acquired (Baht)	6,425,115

Harbour View Corporation Limited

In May 2009, a subsidiary of the Company additionally invested in Harbour View Corporation Limited located in Vietnam, changing from 19.98% to 30.39% of paid-up shares. This investment has been changed from a general investment to an investment in associate. In this respect, the Group reversed the allowance for impairment recorded in the past and recognised the share of loss from investment in associate in the beginning retained earnings in the same amount. Therefore, there was no impact to the financial statements.

The Group is in the process of calculating fair value of net asset of Harbour View Corporation Limited, and the difference between the net fair value and purchase consideration price will be considered as goodwill.

c) Provisions for investments in subsidiary and associate

As at 31 December 2009, the Company had provisions for investments in subsidiary and associate amounting to Singapore Dollars 30 million and US\$ 0.75 million (or equivalent Baht 744 million).

13. Other long-term investments, net

	Consolidated		Company	
	2009 Baht	2008 Baht	2009 Baht	2008 Baht
Other companies, net	27,410,070	8,808,564	19,318	12,700
Related companies, net	812,421,239	824,427,534	743,792,300	487,224,640
Other long-term investments, net	839,831,309	833,236,098	743,811,618	487,237,340

a) Investments in other companies

	Consolidated		Company	
	2009 Baht	2008 Baht	2009 Baht	2008 Baht
Opening net book amount	8,808,564	21,041,738	12,700	23,050
Acquisition from business restructuring with MINOR	8,539,824	-	-	-
Change in fair value of investments	10,061,682	(12,233,174)	6,618	(10,350)
Closing net book amount	27,410,070	8,808,564	19,318	12,700

Investment in other companies comprises:

Consolidated				
	Cost method		Fair value	
	2009 Baht	2008 Baht	2009 Baht	2008 Baht
Available-for-sale securities, cost	22,841,903	22,840,303	18,871,846	8,808,564
<u>Adjust</u> Fair value reserves	(3,970,057)	(14,031,739)	-	-
Available-for-sale securities, net	18,871,846	8,808,564	18,871,846	8,808,564
General investments, cost	10,688,574	1,950,350		
<u>Adjust</u> Impairment	(2,150,350)	(1,950,350)		
General investments, net	8,538,224	-		
Investments in the other companies, net	27,410,070	8,808,564		

Company				
	Cost method		Fair value	
	2009 Baht	2008 Baht	2009 Baht	2008 Baht
Available-for-sale securities, cost	8,034	8,034	19,318	12,700
<u>Adjust</u> Fair value reserves	11,284	4,666	-	-
Investments in the other companies, net	19,318	12,700	19,318	12,700

b) Investments in related companies

	Consolidated		Company	
	2009 Baht	2008 Baht	2009 Baht	2008 Baht
Opening net book amount	824,427,534	1,288,884,810	487,224,640	617,017,800
Acquisition	64,944,865	55,760,666	64,944,865	55,760,666
Transfer to investment in subsidiary from business restructuring with MINOR	(159,984,225)	-	-	-
Change in fair value of investments	83,033,065	(520,217,942)	191,622,795	(185,553,826)
Closing net book amount	812,421,239	824,427,534	743,792,300	487,224,640

b) Investments in related companies (Continued)

Consolidated

	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
31 December 2009								
Available-for-sale securities								
S&P Syndicate Public Company Limited	Food & Beverage	Thailand	Shareholder	523	22.92	682,728,977	61,063,323	743,792,300
Serendib Hotels Limited	Hotel	Sri Lanka	Shareholder	120	19.84	43,959,447	24,669,492	68,628,939
			(Sri Lanka Rupee 412 Million)					
Total investments in related companies						726,688,424	85,732,815	812,421,239

Consolidated

	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
31 December 2008								
Available-for-sale securities								
S&P Syndicate Public Company Limited	Food & Beverage	Thailand	Shareholder	523	20.78	617,784,112	(130,559,472)	487,224,640
Serendib Hotels Limited	Hotel	Sri Lanka	Shareholder	120	19.84	43,959,447	(23,667,012)	20,292,435
			(Sri Lanka Rupee 412 Million)					
Minor Corporation Public Company Limited	Distribution of products, management services provider and aircraft distributor	Thailand	Shareholder	488	8.60	159,984,225	156,926,234	316,910,459
Total investments in related companies						821,727,784	2,699,750	824,427,534

b) Investments in related companies (Continued)

Company

	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
31 December 2009								
Available-for-sale securities								
S&P Syndicate Public Company Limited	Food & Beverage	Thailand	Shareholder	523	22.92	682,728,977	61,063,323	743,792,300
Total investments in related company						682,728,977	61,063,323	743,792,300

Company

	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
31 December 2008								
Available-for-sale securities								
S&P Syndicate Public Company Limited	Food & Beverage	Thailand	Shareholder	523	20.78	617,784,112	(130,559,472)	487,224,640
Total investments in related company						617,784,112	(130,559,472)	487,224,640

S&P Syndicate Public Company Limited

Investment in S&P Syndicate Public Company Limited is classified as other long-term investment in the consolidated financial statements because the Company does not have significant influence over this company although the Company holds equity interest of 22.92%. The Company carries this investment at fair value.

14. Related party transactions

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.

From the Business Restructuring Plan with Minor Corporation Public Company Limited (“MINOR”) (Note 36), MINOR and its subsidiary, which owned 18.58% of the Company’s shares before 12 June 2009, have become the subsidiaries of the Company. Therefore, the companies under MINOR are considered as related parties.

The Minor Food Group Company Limited (“MFG”) is the subsidiary. Therefore, the companies under MFG are considered as related parties.

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	Prices normally charged to third parties
• Sales from real estate development operations	Prices normally charged to third parties
• Rental income	Agreed prices which approximate to prices normally charged to third parties
• Franchise fee	Agreed prices which approximate to prices normally charged to third parties
• Management income and other income	Agreed prices which approximate to prices normally charged to third parties
• 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 to prices normally charged by third parties
• Management expenses	Agreed prices which are costs plus administrative expenses
• Royalty fee	Agreed prices which approximate to prices normally charged by third parties
• 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 2009 and 2008 are summarised as follows:

	Consolidated		Company	
	2009 Baht	2008 Baht	2009 Baht	2008 Baht
Sales				
Associates and joint venture	63,603,505	54,327,724	-	-
Related parties	77,760	-	-	-
Total sales	63,681,265	54,327,724	-	-
Sales from real estate development operations				
Related party	-	15,000,000	-	-
Rental income				
Subsidiaries	-	-	43,626,978	44,539,582
Associates and joint venture	840,000	1,278,000	-	-
Related parties	7,102,899	17,515,449	-	-
Total rental income	7,942,899	18,793,449	43,626,978	44,539,582
Interest income				
Subsidiaries	-	-	399,577,744	355,574,186
Associates and joint venture	15,163,834	16,888,033	-	-
Related parties	-	125,322	-	-
Total interest income	15,163,834	17,013,355	399,577,744	355,574,186
Management fee income				
Subsidiaries	-	-	201,421,970	166,764,576
Associates and joint venture	110,373,324	116,579,808	2,067,369	1,272,280
Related parties	20,099,681	52,529,571	1,200,000	2,028,000
Total management fee income	130,473,005	169,109,379	204,689,339	170,064,856

Management fee income is mainly from hotel, information system and finance management.

	Consolidated		Company	
	2009 Baht	2008 Baht	2009 Baht	2008 Baht
Franchise fee income				
Associates	-	1,361,883	-	-
Dividend income				
Subsidiaries	-	-	765,120,382	957,428,309
Associates and joint venture	49,207,799	-	-	105,000,000
Related parties	46,903,325	42,522,509	46,903,325	36,226,275
Total dividend income	96,111,124	42,522,509	812,023,707	1,098,654,584
Other income				
Subsidiaries	-	-	5,279,357	18,879,383
Associates and joint venture	9,266,913	9,941,000	-	9,941,000
Total other income	9,266,913	9,941,000	5,279,357	28,820,383
Purchases				
Subsidiaries	-	-	-	243,067
Related parties	44,162,273	44,138,260	-	-
Total purchases	44,162,273	44,138,260	-	243,067
Rental expenses				
Subsidiaries	-	-	56,921,972	34,310,632
Related parties	10,706,858	16,898,434	-	-
Total rental expenses	10,706,858	16,898,434	56,921,972	34,310,632
Interest expenses				
Subsidiaries	-	-	11,880,179	20,616,017
Management fee expenses				
Subsidiaries	-	-	61,724,253	42,179,509
Related parties	1,729,500	8,107,540	-	-
Total management fee expenses	1,729,500	8,107,540	61,724,253	42,179,509
Royalty fee				
Subsidiaries	-	-	515,209	667,055
Related parties	-	1,361,883	-	-
Total royalty fee expenses	-	1,361,883	515,209	667,055
Other expenses				
Related parties	27,502,259	13,804,892	17,528,216	10,912,716
Total other expenses	27,502,259	13,804,892	17,528,216	10,912,716

As at 31 December 2009 and 2008, outstanding balances arising from receivable, payable, advances and loans from/to related companies are summarised as follows:

	Consolidated		Company	
	2009 Baht	2008 Baht	2009 Baht	2008 Baht
Amounts due from related companies				
Subsidiaries	-	-	528,280,100	403,610,238
Associates and joint venture	63,467,978	45,871,363	2,296,571	29,017
Related parties	1,800,894	2,698,075	360,189	76,256
Total amounts due from related companies	65,268,872	48,569,438	530,936,860	403,715,511
Long-term loans to related companies				
Subsidiaries	-	-	8,820,858,202	7,406,141,167
Associates and joint venture	445,349,753	407,239,883	-	-
Related parties	-	2,791,200	-	-
Total long-term loans to related companies	445,349,753	410,031,083	8,820,858,202	7,406,141,167

Long-term loans to related companies are unsecured and denominated in Thai Baht. They carry interest rate at the market interest with reference to the interest rate quoted by commercial banks. The loans are due for repayment at call but the Group will not call the loans for settlement within the following year.

	Consolidated		Company	
	2009 Baht	2008 Baht	2009 Baht	2008 Baht
Short-term loans from related companies				
Subsidiaries	-	-	1,233,052,788	703,956,347
Amounts due to and advances from related parties				
Subsidiaries	-	-	5,542,872	13,955,075
Associates and joint venture	21,421,885	685,661	-	-
Related parties	7,748,392	1,733,448	-	5,000
Total amounts due to and advances from related parties	29,170,277	2,419,109	5,542,872	13,960,075

Short-term loans from subsidiaries are unsecured and denominated in Thai Baht. They are due at call and carry interest rate at the market interest with reference to the interest rate quoted by commercial banks.

15. Land and projects under development

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

	Consolidated	
	2009 Baht	2008 Baht
Rajadamri Residence Company Limited	1,952,894,283	1,078,338,216
Minor International (Labuan) Limited	661,007,408	178,374,492
Coco Palm Hotel & Resort Co., Ltd.	190,985,173	183,419,653
Coco Recreation Limited	10,600,999	9,622,262
Coco Residence Limited	96,827,800	94,663,750
Samui Beach Club Owner Limited	8,838,872	-
Chao Phaya Resort and Residence Limited	2,390,494	1,567,671
Minor Development Limited	32,866,671	-
Total land and projects under development	2,956,411,700	1,545,986,044

	Consolidated Baht Million
Commitments in respect of construction contracts and purchases of assets as at 31 December 2009	767.8
Commitments in respect of construction contracts and purchases of assets as at 31 December 2008	1,362.0

16. Property, plant and equipment, net

Consolidated (Baht)

	Land and land improvement	Building and fitting equipment	Building and leasehold improvement	Furniture, fixtures and office equipment	Other equipment	Motor vehicles	Operating equipment	Construction in progress	Total
At 1 January 2008									
Cost	671,143,097	8,430,089,153	2,940,989,359	3,897,608,651	1,679,555,147	179,559,972	368,066,524	182,250,035	18,349,261,938
Less Accumulated depreciation	(110,513,900)	(3,475,810,215)	(1,491,108,197)	(2,801,301,163)	(1,082,008,948)	(124,383,505)	(151,087,033)	-	(9,236,212,961)
Provision for impairment	-	-	(1,726,151)	-	(7,635,790)	-	-	-	(9,361,941)
Net book value	560,629,197	4,954,278,938	1,448,155,011	1,096,307,488	589,910,409	55,176,467	216,979,491	182,250,035	9,103,687,036
Year ended 31 December 2008									
Opening net book value	560,629,197	4,954,278,938	1,448,155,011	1,096,307,488	589,910,409	55,176,467	216,979,491	182,250,035	9,103,687,036
Additions	3,911,990	52,107,283	358,972,216	320,861,641	137,636,542	27,452,897	119,642,573	422,486,853	1,443,071,995
Acquisition from investment in ThaiExpress	-	-	46,362,749	29,673,118	19,505,719	302,509	-	-	95,844,095
Reclassification	6,288,560	163,309,568	17,625,128	127,469,047	49,514,284	5,742,083	(20,105,288)	(349,843,382)	-
Write-off	-	(5,078,531)	(6,964,660)	(63,872)	(651,228)	(36,085)	(44,454,125)	(14,594,831)	(71,843,332)
Disposals	-	(672,307)	(12,877,102)	(8,084,430)	(1,219,202)	(1,032,984)	(5,358,434)	(10,465,396)	(39,709,855)
Transfer from other accounts	381,090,852	1,334,085,638	22,189,378	61,000,422	7,493,793	8,916,235	13,986,303	20,441,682	1,849,204,303
Translation adjustment	-	-	13,930,745	1,071,609	6,459,861	95,406	765,949	-	22,323,570
Depreciation charge	(12,169,556)	(382,428,584)	(269,243,963)	(374,124,830)	(157,123,705)	(18,262,209)	(30,162,155)	-	(1,243,515,002)
Reverse provision for impairment	-	-	1,726,151	-	-	-	-	-	1,726,151
Impairment charge	-	-	(6,028,016)	(5,172,515)	(7,294,766)	(66,751)	(338,775)	-	(18,900,823)
Closing net book value	939,751,043	6,115,602,005	1,613,847,637	1,248,937,678	644,231,707	78,287,568	250,955,539	250,274,961	11,141,888,138

16. Property, plant and equipment, net (Continued)

Consolidated (Baht)

	Land and land improvement	Building and fitting equipment	Building and leasehold improvement	Furniture, fixtures and office equipment	Other equipment	Motor vehicles	Operating equipment	Construction in progress	Total
At 31 December 2008									
Cost	1,062,434,499	9,968,254,785	3,308,661,392	4,285,560,439	1,904,812,241	208,604,101	433,830,143	250,274,961	21,422,432,561
Less Accumulated depreciation	(122,683,456)	(3,852,652,780)	(1,688,785,739)	(3,031,450,246)	(1,245,649,978)	(130,249,782)	(182,535,829)	-	(10,254,007,810)
Provision for impairment	-	-	(6,028,016)	(5,172,515)	(14,930,556)	(66,751)	(338,775)	-	(26,536,613)
Net book value	939,751,043	6,115,602,005	1,613,847,637	1,248,937,678	644,231,707	78,287,568	250,955,539	250,274,961	11,141,888,138
Year ended 31 December 2009									
Opening net book value	939,751,043	6,115,602,005	1,613,847,637	1,248,937,678	644,231,707	78,287,568	250,955,539	250,274,961	11,141,888,138
Additions	4,605,880	91,258,785	227,169,636	218,899,495	53,764,111	10,373,793	186,164,986	449,446,061	1,241,682,747
Acquisition from business restructuring with MINOR (Note 12 a)	56,266,315	78,211,093	68,201,529	31,958,132	38,385,601	1,222,745	-	320,000	274,565,415
Reclassification	61,096,491	(63,098,435)	467,434,140	135,534,588	3,902,840	7,055,607	(20,133,897)	(591,791,334)	-
Write-off	-	(1,514,777)	(13,756,132)	(6,203,190)	(336,182)	(82,487)	(44,289,701)	(943,389)	(67,125,858)
Disposals	(2,653)	(2,149,527)	(8,459,530)	(8,006,785)	(4,479,036)	(917,663)	(4,193,199)	(1,355,233)	(29,563,626)
Transfer from/to other accounts	-	1,710,526	1,338,617	(7,375,032)	(3,359,837)	210,000	1,948,095	(10,174,705)	(15,702,336)
Translation adjustment	-	-	(7,812,087)	(803,401)	(2,794,129)	(62,387)	(369,022)	-	(11,841,026)
Depreciation charge	(13,796,700)	(411,092,452)	(385,784,923)	(393,865,040)	(169,004,479)	(20,853,088)	(19,861,061)	-	(1,414,257,743)
Reversal of provision for impairment	-	-	5,703	-	6,012,769	66,751	338,775	-	6,423,998
Impairment charge	-	-	(3,400,000)	(14,687,150)	-	-	(38,317)	-	(18,125,467)
Closing net book value	1,047,920,376	5,808,927,218	1,958,784,590	1,204,389,295	566,323,365	75,300,839	350,522,198	95,776,361	11,107,944,242

16. Property, plant and equipment, net (Continued)

Consolidated (Baht)

	Land and land improvement	Building and fitting equipment	Building and leasehold improvement	Furniture, fixtures and office equipment	Other equipment	Motor vehicles	Operating equipment	Construction in progress	Total
At 31 December 2009									
Cost	1,184,559,613	10,031,926,443	4,194,810,703	4,528,479,067	1,966,824,549	221,751,402	551,887,258	95,776,361	22,776,015,396
<u>Less</u> Accumulated depreciation	(136,639,237)	(4,222,999,225)	(2,226,603,800)	(3,304,230,107)	(1,391,583,397)	(146,450,563)	(201,326,743)	-	(11,629,833,072)
Provision for impairment	-	-	(9,422,313)	(19,859,665)	(8,917,787)	-	(38,317)	-	(38,238,082)
Net book value	1,047,920,376	5,808,927,218	1,958,784,590	1,204,389,295	566,323,365	75,300,839	350,522,198	95,776,361	11,107,944,242

As at 31 December 2009, plant and equipment exist, which have been fully depreciated according to their useful lives, but are still in use with cost and accumulated depreciation of Baht 3,693,515,930 and Baht 3,634,421,330, respectively (2008: Baht 3,082,931,642 and Baht 2,965,229,382, respectively).

16. Property, plant and equipment, net (Continued)

Company (Baht)

	Land and land improvement	Building and fitting equipment	Building and leasehold improvement	Furniture, fixtures and office equipment	Other equipment	Motor vehicles	Operating equipment	Construction in progress	Total
At 1 January 2008									
Cost	9,871,983	568,895,343	54,931,520	279,487,184	10,944,115	24,650,005	15,465,050	264,055	964,509,255
Less Accumulated depreciation	(5,521)	(279,448,584)	(15,097,640)	(189,175,868)	(3,717,620)	(17,129,610)	(5,089,153)	-	(509,663,996)
Net book value	9,866,462	289,446,759	39,833,880	90,311,316	7,226,495	7,520,395	10,375,897	264,055	454,845,259
Year ended 31 December 2008									
Opening net book value	9,866,462	289,446,759	39,833,880	90,311,316	7,226,495	7,520,395	10,375,897	264,055	454,845,259
Additions	-	13,008,253	-	6,530,589	277,909	5,654,205	153,500	22,113,710	47,738,166
Entire business transfer from subsidiary	-	34,029,006	399,624	616,491	9,089,283	-	-	813,461	44,947,865
Reclassification	-	11,569,261	-	4,620,432	-	-	-	(16,189,693)	-
Write-off	-	(4,662,935)	-	-	-	-	-	-	(4,662,935)
Disposals	-	-	-	(1)	-	(1)	-	-	(2)
Transferred to other account	-	-	-	-	(1,005,327)	-	-	-	(1,005,327)
Depreciation charge	(56,222)	(29,542,517)	(5,922,326)	(20,743,553)	(5,622,852)	(2,173,692)	(2,100,685)	-	(66,161,847)
Closing net book value	9,810,240	313,847,827	34,311,178	81,335,274	9,965,508	11,000,907	8,428,712	7,001,533	475,701,179
At 31 December 2008									
Cost	9,871,983	617,973,087	55,331,144	291,210,115	19,305,980	27,634,873	15,618,550	7,001,533	1,043,947,265
Less Accumulated depreciation	(61,743)	(304,125,260)	(21,019,966)	(209,874,841)	(9,340,472)	(16,633,966)	(7,189,838)	-	(568,246,086)
Net book value	9,810,240	313,847,827	34,311,178	81,335,274	9,965,508	11,000,907	8,428,712	7,001,533	475,701,179

16. Property, plant and equipment, net (Continued)

Company (Baht)

	Land and land improvement	Building and fitting equipment	Building and leasehold improvement	Furniture, fixtures and office equipment	Other equipment	Motor vehicles	Operating equipment	Construction in progress	Total
Year ended 31 December 2009									
Opening net book value	9,810,240	313,847,827	34,311,178	81,335,274	9,965,508	11,000,907	8,428,712	7,001,533	475,701,179
Additions	-	-	-	15,711,093	1,631,913	-	190,150	84,421,718	101,954,874
Reclassification	140,000	(4,349,328)	6,755,115	62,198,481	10,822,990	-	24,960	(75,592,218)	-
Write-off	-	(1,514,777)	-	(368,421)	-	-	-	-	(1,883,198)
Disposals	-	(886,580)	-	(826,686)	-	(902,164)	-	(1,355,233)	(3,970,663)
Depreciation charge	(56,222)	(33,177,788)	(6,186,215)	(21,778,536)	(5,443,342)	(2,381,142)	(2,061,861)	-	(71,085,106)
Closing net book value	9,894,018	273,919,354	34,880,078	136,271,205	16,977,069	7,717,601	6,581,961	14,475,800	500,717,086
At 31 December 2009									
Cost	10,011,983	607,764,518	62,086,259	363,877,127	29,692,770	25,284,874	15,833,660	14,475,800	1,129,026,991
Less Accumulated depreciation	(117,965)	(333,845,164)	(27,206,181)	(227,605,922)	(12,715,701)	(17,567,273)	(9,251,699)	-	(628,309,905)
Net book value	9,894,018	273,919,354	34,880,078	136,271,205	16,977,069	7,717,601	6,581,961	14,475,800	500,717,086

As at 31 December 2009, plant and equipment exist, which have been fully depreciated according to their useful lives, but are still in use with cost and accumulated depreciation of Baht 163,542,746 and Baht 159,376,016, respectively (2008: Baht 131,493,320 and Baht 126,448,595, respectively).

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 Group. The sale and leaseback transactions have been accounted for as secured borrowings (Note 22). There is no accounting entries relating to property, plant and equipment required to record in the consolidated financial statements. As at 31 December 2009, other long-term borrowings (Note 22) are secured by fixed assets of these subsidiaries with book values of Baht 1,030 million.

Capital commitments

	Consolidated Baht Million	Company Baht Million
Commitments in respect of building renovation contracts and purchases of equipment as at 31 December 2009	92.0	-
Commitments in respect of building renovation contracts and purchases of equipment as at 31 December 2008	129.2	-

17. Intangible assets, net

Consolidated (Baht)

	Franchise development expenses	Initial franchise fees	Goodwill	Negative goodwill	Computer software	Total
At 1 January 2008						
Cost	158,399,806	124,400,268	1,998,692,701	(628,942,525)	11,112,958	1,663,663,208
<u>Less</u> Accumulated amortisation	(152,560,290)	(83,589,991)	(391,808,049)	277,140,209	(1,140,430)	(351,958,551)
Net book value	5,839,516	40,810,277	1,606,884,652	(351,802,316)	9,972,528	1,311,704,657
Year ended 31 December 2008						
Opening net book value	5,839,516	40,810,277	1,606,884,652	(351,802,316)	9,972,528	1,311,704,657
Additions	26,706	1,500,685	1,055,656,972	-	36,995,797	1,094,180,160
Write-off	-	-	-	-	(82,956)	(82,956)
Change accounting policies (Note 5.2)	-	-	-	351,802,316	-	351,802,316
Transfer from other account	-	-	-	-	50,599,139	50,599,139
Translation adjustment	-	2,264,048	-	-	312,889	2,576,937
Amortisation charge	(850,627)	(5,891,865)	-	-	(20,091,287)	(26,833,779)
Impairment charge	-	-	-	-	(173,843)	(173,843)
Net book amount	5,015,595	38,683,145	2,662,541,624	-	77,532,267	2,783,772,631
At 31 December 2008						
Cost	158,426,512	128,165,000	3,054,349,673	-	116,509,548	3,457,450,733
<u>Less</u> Accumulated amortisation	(153,410,917)	(89,481,855)	(391,808,049)	-	(38,803,438)	(673,504,259)
Provision for impairment	-	-	-	-	(173,843)	(173,843)
Net book value	5,015,595	38,683,145	2,662,541,624	-	77,532,267	2,783,772,631

17. Intangible assets, net (Continued)

Consolidated (Baht)

	Franchise development expenses	Initial franchise fees	Goodwill	Brand	Computer software	Total
Year ended 31 December 2009						
Opening net book value	5,015,595	38,683,145	2,662,541,624	-	77,532,267	2,783,772,631
Additions	11,547,100	10,890,673	716,801,947	-	21,886,822	761,126,542
Acquisition from business restructuring with MINOR (Note 12 a)	-	-	-	-	42,710,821	42,710,821
Reclassification	-	-	(560,030,233)	560,030,233	-	-
Transfer from other account	1,596,000	-	189,636,955	-	13,145,070	204,378,025
Translation adjustment	-	(910,107)	-	-	(103,709)	(1,013,816)
Amortisation charge	(4,767,649)	(5,412,315)	-	-	(31,870,414)	(42,050,378)
Reversal of provision for impairment	-	-	-	-	1,255,457	1,255,457
Net book amount	13,391,046	43,251,396	3,008,950,293	560,030,233	124,556,314	3,750,179,282
At 31 December 2009						
Cost	171,569,612	135,881,519	3,400,758,332	560,030,233	219,985,325	4,488,225,021
Less Accumulated amortisation	(158,178,566)	(92,630,123)	(391,808,039)	-	(89,123,102)	(731,739,830)
Provision for impairment	-	-	-	-	(6,305,909)	(6,305,909)
Net book value	13,391,046	43,251,396	3,008,950,293	560,030,233	124,556,314	3,750,179,282

17. Intangible assets, net (Continued)

	Company Baht
	Computer software
At 1 January 2008	
Cost	-
<u>Less</u> Accumulated amortisation	-
Net book value	-
Year ended 31 December 2008	
Opening net book value	-
Additions	6,661,697
Transfer from other account	14,342,766
Amortisation charge	(6,181,786)
Net book amount	14,822,677
At 31 December 2008	
Cost	23,991,237
<u>Less</u> Accumulated amortisation	(9,168,560)
Net book value	14,822,677
Year ended 31 December 2009	
Opening net book value	14,822,677
Additions	3,360,451
Amortisation charge	(6,337,974)
Net book amount	11,845,154
At 31 December 2009	
Cost	27,351,688
<u>Less</u> Accumulated amortisation	(15,506,534)
Net book value	11,845,154

18. Leasehold right, net

	Consolidated Baht	Company Baht
At 1 January 2008		
Cost	3,438,331,844	18,690,531
<u>Less</u> Accumulated amortisation	(1,340,617,753)	(11,836,596)
Net book value	2,097,714,091	6,853,935
Year ended 31 December 2008		
Opening net book value	2,097,714,091	6,853,935
Additions	29,892,632	-
Write-off	(145,000)	-
Amortisation charge	(108,058,351)	(624,325)
Net book amount	2,019,403,372	6,229,610
At 31 December 2008		
Cost	3,451,725,871	18,690,531
<u>Less</u> Accumulated amortisation	(1,432,322,499)	(12,460,921)
Net book value	2,019,403,372	6,229,610
Year ended 31 December 2009		
Opening net book value	2,019,403,372	6,229,610
Acquisition of subsidiary	66,934,186	-
Additions	26,274,442	-
Transfer from other account	4,820,220	-
Write-off	(106,142)	-
Translation adjustment	(6,844,376)	-
Amortisation charge	(146,899,979)	(622,620)
Net book amount	1,963,581,723	5,606,990
At 31 December 2009		
Cost	3,637,148,355	18,690,531
<u>Less</u> Accumulated amortisation	(1,673,566,632)	(13,083,541)
Net book value	1,963,581,723	5,606,990

19. Other non-current assets

	Consolidated		Company	
	2009 Baht	2008 Baht	2009 Baht	2008 Baht
Deposits	559,815,663	418,421,845	4,320,679	4,355,942
Deferred charges	227,872,424	223,027,098	53,719,832	30,910,292
Others	149,989,283	93,921,605	-	-
Total other non-current assets	937,677,370	735,370,548	58,040,511	35,266,234

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

	Consolidated		Company	
	2009 Baht	2008 Baht	2009 Baht	2008 Baht
Bank overdrafts	-	465,816	-	-
Short-term loans from financial institutions	683,334,700	682,915,100	-	-
Total bank overdrafts and short-term loans from financial institutions	683,334,700	683,380,916	-	-

The short-term loans from financial institutions are denominated in Yuan amounting to Yuan 139,686,650 and carry interest rates at the rates from 5.544% to 7.839% per annum.

21. Other current liabilities

	Consolidated		Company	
	2009 Baht	2008 Baht	2009 Baht	2008 Baht
Accounts payable - construction	178,340,465	163,381,845	1,553,660	15,335,809
Provision for investments	744,442,500	294,090,330	-	-
Accounts payable - other	383,340,357	434,978,388	22,360,452	18,471,156
Others	558,454,825	385,267,976	10,117,233	15,479,795
Total other current liabilities	1,864,578,147	1,277,718,539	34,031,345	49,286,760

22. Long-term borrowings

	Consolidated		Company	
	2009 Baht	2008 Baht	2009 Baht	2008 Baht
Current portion				
Loans from financial institutions	370,762,409	246,762,408	244,000,000	120,000,000
Other borrowings	164,260,000	164,260,000	-	-
	535,022,409	411,022,408	244,000,000	120,000,000
Long-term borrowings				
Loans from financial institutions	1,783,682,119	764,239,430	1,396,000,000	300,000,000
Other borrowings	352,870,640	517,130,640	-	-
	2,136,552,759	1,281,370,070	1,396,000,000	300,000,000
Total long-term borrowings	2,671,575,168	1,692,392,478	1,640,000,000	420,000,000

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

	Consolidated		Company	
	2009 Baht	2008 Baht	2009 Baht	2008 Baht
Next year	535,022,409	411,022,408	244,000,000	120,000,000
Between 2 and 5 years	2,136,552,759	1,281,370,070	1,396,000,000	300,000,000
Total long-term borrowings	2,671,575,168	1,692,392,478	1,640,000,000	420,000,000

The movements in the borrowings can be analysed as follows:

	Consolidated Baht	Company Baht
For the year ended 31 December 2009		
Opening amount	1,692,392,478	420,000,000
Additions	2,370,452,391	2,320,217,391
Repayment of borrowings	(1,391,269,701)	(1,100,217,391)
Closing amount	2,671,575,168	1,640,000,000

Loans from financial institutions

As at 31 December 2009, loans from financial institutions in the consolidated financial statements totalling Baht 2,154 million comprise:

- a) The Company's unsecured loan from a local bank of Baht 300 million. The loan carries interest rate of 12 months fixed deposit rate of a local bank plus a margin and is due for repayment in 10 semi-annual installments of Baht 60 million per installment with the first repayment from November 2007. The loan is subject to certain conditions which the Company has to comply throughout the loan period.
- b) The Company's unsecured loan from a foreign bank (Bangkok Branch) of Baht 1,240 million. The loan carries interest rate of THB FIX plus a margin and is due for repayment in 9 semi-annual installments with the first repayment from Jun 2010. The loan is subject to certain conditions which the Company has to comply throughout the loan period.
- c) The Company's unsecured loan from a local bank of Baht 100 million. The loan had been drawn under a committed long-term revolving facility of Baht 500 million with final maturity in 2012. The loan carries interest rate of 3 months fixed deposit rate of a local bank plus a margin. The loan is subject to certain conditions which the Company has to comply throughout the loan period.
- d) A subsidiary's unsecured loan from a foreign bank (Bangkok Branch) of USD 15.6 million. The loan carries interest rate of LIBOR plus a margin and is due for repayment in 9 semi-annual instalments of USD 2.22 million per installment with the first repayment in May 2009. The loan is subject to certain conditions which the subsidiary has to comply throughout the loan period.

As at 31 December 2009, the Group has outstanding cross currency swap and interest rate swap contracts which converts the above loan of USD 15.6 million into of AUD 17.9 million with a fixed interest rate. Moreover, the Group also entered into a foreign currency forward contract to convert the AUD payment obligation into THB which has outstanding of THB 444.2 million.

- e) A subsidiary's unsecured loan from two local banks of Baht 20 million (total loan facilities of Baht 3,050 million). The loan carries interest rate of MLR less a margin and is due for repayment between 2011 and 2017. The loan is subject to certain conditions which the subsidiary has to comply with throughout the loan period.
- f) A subsidiary's unsecured loan from local bank of USD 1.5 million (total loan facility of USD 30 million). The loan carries interest rate of 6 months SIBOR plus a margin and due for repayment between 2012 and 2016. The loan is subject to certain conditions which the subsidiary has to comply with throughout the loan period.

Other borrowings

Other borrowings amounting to Baht 517 million represent borrowings by the two property funds as follows:

- a) Long-term borrowing of Baht 325 million representing Class A and Class B investment units in the Thai Assets Management Property Fund being held by financial institutions with 10 years maturity until 2013. The unit holders receive interest at fixed rates and MLR less a margin as specified in the Unit Holders Agreement.

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 793 million as collateral.

- b) Long-term borrowing of Baht 192 million representing Class A investment units in the Sub Thawee Property Fund being units held by financial institutions with 10 years maturity until 2012. The unit holders receive interest at MLR less a margin as specified in the Unit Holders Agreement.

Sub Thawee Property Fund holds the sub-lease rights and legal titles in the Group's property, plant and equipment with a book value of Baht 237 million as collateral.

The carrying amounts of long-term loans as of 31 December 2009 approximate to their fair values.

Borrowing facilities

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

31 December 2009				
	Consolidated		Company	
	Baht Million	USD Million	Baht Million	USD Million
Floating interest rate				
- expiring within one year	2,500	28.5	2,500	-
- expiring beyond one year	7,930	-	4,900	-
	10,430	28.5	7,400	-

31 December 2008				
	Consolidated		Company	
	Baht Million	USD Million	Baht Million	USD Million
Floating interest rate				
- expiring within one year	-	-	-	-
- expiring beyond one year	7,030	35	4,000	35
	7,030	35	4,000	35

23. Debentures

Consolidated and Company		
	2009 Baht	2008 Baht
Current portion of debentures	1,275,000,000	550,000,000
Debentures due in longer term	6,900,000,000	6,175,000,000
Total debentures	8,175,000,000	6,725,000,000

The movements in debentures can be analysed as follows:

Consolidated and Company Baht	
For the year ended 31 December 2009	
Opening amount	6,725,000,000
Additions	2,000,000,000
Redemption	(550,000,000)
Closing amount	8,175,000,000

Debentures comprise:

- a) Debentures of Baht 1,000 million issued in January 2004 which are unsecured, senior and without a debenture holders' representative. These debentures have a fixed rate of interest and are due for repayment within 2010.
- b) Debentures of Baht 1,100 million issued in May 2005 which are unsecured, senior and without a debenture holders' representative. These debentures have a fixed rate of interest and due for repayment in 4 semi-annually installments by amount of Baht 275 million per installment with the first repayment due in November 2008.
- c) Debentures of Baht 2,060 million issued in September 2007 which are unsecured, senior and without a debenture holders' representative. These debentures have a fixed rate of interest and are due for repayment within 2014.
- d) Debentures of Baht 1,840 million issued in September 2007 which are unsecured, senior and without a debenture holders' representative. These debentures have a fixed rate of interest and are due for repayment within 2012.
- e) Debentures of Baht 1,000 million issued in October 2008 which are unsecured, senior and without a debenture holders' representative. These debentures have a fixed rate of interest and are due for repayment within 2011.
- f) Debentures of Baht 2,000 million issued in July 2009 which are unsecured, senior and with a debenture holders' representative. These debentures have a fixed rate of interest and are due for repayment within 2013.

As at 31 December 2009, the Company has outstanding interest rate swap contracts with a financial institution for the above debentures of Baht 3,060 million which converts fixed interest rates to average of 6 months fixed deposit rate and due for repayment semi-annually.

All of the above debentures have certain terms and conditions of the debentures holders' rights and contain certain covenants, including the maintenance of a certain debt to equity ratio, and limits on the payment of cash dividends and the disposal and transfer of certain operating assets of the Company which are used in its main operations, etc.

At the annual general meeting of the shareholders of the Company held on 25 April 2008, the shareholders passed a resolution to approve issuance of no more than fifteen-year unsubordinated debentures not exceeding Baht 15,000 million, to be used for working capital, business expansion and/or refinance of existing loans and debentures of the Company. As at 31 December 2009, a total of Baht 3,000 million debentures have been issued under this shareholders' resolution.

The board of directors of a subsidiary had approved the issuance of additional six-year unconvertible debentures without warrants, not exceeding Baht 2,000 million. As at 31 December 2009, these debentures have not yet been offered.

The carrying amounts and fair values of debentures of the Group as at 31 December are as follows:

	Carrying amounts		Fair values	
	2009 Baht	2008 Baht	2009 Baht	2008 Baht
Debentures	8,175,000,000	6,725,000,000	8,240,866,582	6,804,535,466

The fair values are based on discounted cash flows using discount rates based upon market yield rates which are quoted by The Thai Bond Associates at the balance sheet date.

24. Provision for employee benefits

	Consolidated		Company	
	2009 Baht	2008 Baht	2009 Baht	2008 Baht
Beginning balance	133,947,929	122,399,253	41,157,470	37,377,370
Addition	19,368,465	20,403,953	3,369,252	6,487,128
Acquisition from business restructuring with MINOR	20,987,265	-	-	-
Deduction	(7,239,112)	(8,855,277)	(5,396,596)	(2,707,028)
Ending balance	167,064,547	133,947,929	39,130,126	41,157,470

The Group accounts for these severance liabilities on an estimated basis using the following key assumptions:

Discount rates	3.5% - 4%
Future salary increase rates	3% - 9%
Retirement age	60 years old

25. Other non-current liabilities

	Consolidated		Company	
	2009 Baht	2008 Baht	2009 Baht	2008 Baht
Unearned income	158,188,194	163,051,359	6,913,032	213,434
Rental deposits and other liabilities	143,784,850	145,974,730	578,035	578,035
Others	33,566,472	10,341,301	1,828,160	1,622,360
Total other non-current liabilities	335,539,516	319,367,390	9,319,227	2,413,829

26. 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
1 January 2008	2,958,216,453	63,520,000	2,958,216,453	63,520,000	1,782,391,579	4,804,128,032
Convertible of preference shares	63,520,000	(63,520,000)	63,520,000	(63,520,000)	-	-
Share dividend	328,473,697	-	328,473,697	-	-	328,473,697
Issue of shares	264,053,915	-	264,053,915	-	1,257,694,162	1,521,748,077
31 December 2008	3,614,264,065	-	3,614,264,065	-	3,040,085,741	6,654,349,806
Issue of shares (Note 27, 36)	518,832,430	-	518,832,430	-	25,770,531	544,602,961
Capital reduction (Note 36)	(886,680,703)	-	(886,680,703)	-	-	(886,680,703)
31 December 2009	3,246,415,792	-	3,246,415,792	-	3,065,856,272	6,312,272,064

Company						
	Number of ordinary shares	Number of preference shares	Ordinary shares Baht	Preference shares Baht	Share premium (Restated) Baht	Total Baht
1 January 2008	2,958,216,453	63,520,000	2,958,216,453	63,520,000	1,756,739,203	4,778,475,656
Convertible of preference shares	63,520,000	(63,520,000)	63,520,000	(63,520,000)	-	-
Share dividend	328,473,697	-	328,473,697	-	-	328,473,697
Issue of shares	264,053,915	-	264,053,915	-	1,257,694,162	1,521,748,077
31 December 2008	3,614,264,065	-	3,614,264,065	-	3,014,433,365	6,628,697,430
Issue of shares (Note 27, 36)	518,832,430	-	518,832,430	-	25,770,531	544,602,961
Capital reduction (Note 36)	(886,680,703)	-	(886,680,703)	-	-	(886,680,703)
31 December 2009	3,246,415,792	-	3,246,415,792	-	3,040,203,896	6,286,619,688

As at 31 December 2009, the registered shares comprise 3,351,850,736 ordinary shares with par value of Baht 1 per share (2008: 3,689,623,229 ordinary shares). The issued and fully paid-up shares comprise 3,246,415,792 ordinary shares (2008: 3,614,264,065 ordinary shares).

At the extraordinary general meeting of the shareholders of the Company held on 6 March 2009, the shareholders passed a resolution to approve as follows:

- a) The reduction in the Company's registered capital, from Baht 3,689,623,229 to Baht 3,661,965,799, divided into 3,661,965,799 ordinary shares with a par value of Baht 1 each, through the elimination of its 27,657,430 registered shares which are not yet issued.
- b) The increase in the Company's registered capital from Baht 3,661,965,799 to Baht 4,238,531,439 through the issuance of 576,565,640 new ordinary shares, with a par value of Baht 1 each, in order to:
 - (1) support the payment for the shares of MINOR, under the tender offer to purchase all of the securities of MINOR,
 - (2) support the exercise of the Company's warrants on ordinary shares issued as a consideration in the tender offer to purchase all of the securities of MINOR, and
 - (3) support the exercise of the Company's warrants allotted to the directors and/or employees of the Company and/or its subsidiaries and/or holding agent No. 5 (MINT-ESOP 5).
- c) The allotment of capital-increase shares, as to support the exercise of the Company's warrants for the purpose of allotting to directors and/or employees of the Company and/or subsidiaries and/or holding agent No. 5 (MINT-ESOP 5).
- d) The allotment of the Company's 511,154,008 capital-increase ordinary shares, with a par value of Baht 1 each, to MINOR's shareholders, so as to support the tender offer to purchase all of the securities of MINOR.
- e) The Company's specific capital reduction, through the elimination of its ordinary shares held by MINOR and Marvelous Wealth Limited ("MWL").
- f) The Company's specific capital reduction, through the elimination of its ordinary shares held by MFG.

During the second quarter of 2009, the Company has completed the reduction and increase in its registered capital and allotment of the capital-increase shares as mentioned above.

27. Warrants

The Group had issued warrants to subscribe for ordinary shares to existing shareholders, directors and employees of the Company and its subsidiaries, which have been approved by shareholders' meeting.

The Group does not recognise warrant compensation costs for the fair value or intrinsic value of the warrant granted in these financial statements (Note 2.21).

27. Warrants (Continued)

				As at 31 December 2008			Increase during the year			Decrease during the year				As at 31 December 2009	
Issued by	Allotted to	Approval date	Determined exercising date First Exercise	Determined exercising date Last Exercise	Outstanding warrant	Warrant	Expire	Exercise	Exercise ratio for ordinary shares per 1 warrant	Issue of ordinary shares during the year	Exercise price	Amount	Outstanding warrant		
					Unit	Unit	Unit	Unit	Unit	Share	Baht	Baht	Unit		
The Company	Directors and employees of the Company and its subsidiary No. 2	15 December 2006	28 February 2007	16 January 2011	27,283,000 ⁽¹⁾	-	-	(6,083,000)	1.12645	6,850,400	2.6415	18,119,312	21,200,000		
	Directors and employees of the Company and its subsidiary No. 3	14 November 2007	31 January 2008	17 December 2012	10,783,487 ⁽¹⁾	-	-	(1,154,120)	1.10000	1,269,100	8.918	11,317,852	9,629,367		
	Directors and employees of the Company and its subsidiary No. 5	6 March 2009	30 October 2009	21 October 2013	-	33,635,000 ⁽¹⁾	-	(569,250)	1.00000	569,100	7.65	4,353,615	33,065,750		
	Directors and employees of the Company and its subsidiary (MINT-W)		30 June 2009	12 June 2014	-	2,723,777 ⁽¹⁾	-	(94,400)	1.00000	94,400	8.08	762,752	2,629,377		
Total issue by the Company					38,066,487	36,358,777	-	(7,900,770)		8,783,000		34,553,531	66,524,494		

(1) Warrants were issued at no cost.

At the extraordinary general meeting of the shareholders of the Company held on 6 March 2009, the shareholders passed a resolution to approve as follows:

- The revocation of the issuance of the Company's warrants on ordinary shares for the purpose of allotting to the directors and/or employees of the Company and/or its subsidiaries and/or holding agent No. 4 (MINT-ESOP 4), in the total amount of 20,000,000 units.
- The issuance of the Company's warrants on ordinary shares for the purpose of allotting to the directors and/or employees of the company and/or its subsidiaries and/or holding agent No. 5 (MINT-ESOP 5), in the total amount of 60,000,000 units.
- The issuance and allotment of the Company's 5,411,632 units of warrants on ordinary shares to the holders of warrants on ordinary shares of MINOR, so as to support the tender offer to purchase all of the securities of MINOR.

28. 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 2009, legal reserves of subsidiaries amounting to Baht 110,411,858 (2008: Baht 106,311,858) have been included in the unappropriated retained earnings of the consolidated financial statements.

29. Expenses by nature

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

		Consolidated		Company	
	Notes	2009 Baht	2008 Baht	2009 Baht	2008 Baht
Depreciation on property, plant and equipment	16	1,414,257,743	1,243,515,002	71,085,106	66,161,847
Impairment of property, plant and equipment	16	11,701,468	17,174,672	-	-
Loss on disposal of property, plant and equipment		84,993,688	86,977,086	2,714,759	3,863,545
Amortisation of intangible assets	17	42,050,378	26,833,779	6,337,974	6,181,786
Amortisation of leasehold rights	18	146,899,979	108,058,351	622,620	624,325
Doubtful debts (Reversal)		6,286,302	(6,782,492)	(22,393)	164,530
Staff costs		3,954,144,173	3,444,489,582	328,834,680	358,911,373

30. Income tax

		Consolidated		Company	
		2009 %	2008 %	2009 %	2008 %
Income tax rate		0 - 30	0 - 30	25	25

Reconciliation of income tax expense and the result of the accounting profit multiplied by the income tax rate of the country where the Group is domiciled are presented as follows:

Company financial statements

- Revenues which are not subject to income tax, which is mainly dividends income.
- Non-deductible tax expenses.

Consolidated financial statements

- Effect of the different tax rates.
- Free income tax in some countries.
- Revenues and expenses incurred within the Group which are subject to income tax but are eliminated in preparation of consolidated financial statements.
- Revenues which are not subject to income tax.
- Non-deductible tax expenses.
- Use of accumulated tax losses.

31. Earnings per share for profit attributable to the equity holders of the parent

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 has warrants in issue (Note 27).

A calculation is done to determine the potential number of shares that could have been acquired at market price (determined as the average share price of the Company's shares during the year) based on the outstanding warrants to determine the number of potential ordinary shares would have been additionally issued. 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 2009 is 21,643,213 shares (2008: 27,302,202 shares).

Consolidated and Company		
For the years ended 31 December		
	2009 Shares	2008 Shares
Weighted average number of ordinary shares in issue	3,268,811,347	3,577,106,352
Adjusted for own shares held by a subsidiary	-	(215,313,429)
Weighted average number of ordinary shares in issue, net	3,268,811,347	3,361,792,923
Effect of dilutive potential ordinary shares		
Warrants	21,643,213	27,302,202
Dilutive potential ordinary shares	21,643,213	27,302,202
Weighted average number of ordinary shares for diluted earnings	3,290,454,560	3,389,095,125

Consolidated		
For the years ended 31 December		
	2009 Baht	2008 As restated Baht
Net profit for the year	1,400,315,993	1,892,286,051
Net profit attributable to shareholders	1,400,315,993	1,892,286,051
Basic earnings per share	0.4284	0.5629
Diluted earnings per share	0.4256	0.5583

Company

For the years ended 31 December

	2009 Baht	2008 As restated Baht
Net profit for the year	790,369,175	1,163,038,466
Net profit attributable to shareholders	790,369,175	1,163,038,466
Basic earnings per share	0.2418	0.3460
Diluted earnings per share	0.2402	0.3432

32. Dividends

From the board of director meeting of Company on 14 January 2009, the board of directors passed the resolution to pay the interim dividend from 2008 company's performance in cash of Baht 0.23 per share to existing shareholders, not exceeding Baht 835 million, on 11 February 2009. Dividends included dividend paid to a subsidiary amounting to Baht 49.52 million, which is added back to the retained earnings in consolidated financial statements.

On 10 June 2009, the board of directors passed the resolution to pay the interim dividend from 2008 company's performance in cash of Baht 0.08 per share to existing shareholders, not exceeding Baht 259 million on 9 July 2009.

In 2008, at the annual general meeting of the shareholders of the Company held on 25 April 2008, it was resolved to approve dividend payments as follows:

- 32.1** Cash dividend to the holders of common share of Baht 0.15 per share and to the holders of convertible preference shares at the fixed rate of 3.75% of the final offering price, totalling not exceeding Baht 503.3 million.
- 32.2** Share dividend to the holders of common share at the ratio of 10 existing shares to 1 new share at the price of Baht 1 per share, totalling Baht 328.5 million.

Those dividends totalling Baht 821.2 million which comprised cash dividend and share dividend amounting to Baht 492.7 million and Baht 328.5 million, respectively, were paid to shareholders on 23 May 2008. Dividends included dividend paid to a subsidiary amounted Baht 29.36 million and 19.57 million ordinary shares, respectively which is accounted for by adding back to the retained earnings in consolidated financial statements.

33. 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.

Liquidity risk

The Group controls its liquidity risk by maintaining sufficient cash and cash equivalent by management team in order to support the operations of the Group and reduce the risk occurred from changes in cash flows.

Interest rate risk

Interest rate risk is occurred from changes in market interest rates which will affect the results of the Group's operations and its cash flows. The Group manages liabilities by borrowing with fixed and floating interest rates in accordance with the market situation. However, the interest rates of debentures of the Group are mainly fixed. In order to manage the risk arising from fluctuation in interest rates, the Group uses 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 2009, the Group has entered into the interest rate swap contracts as follows:

- a) Interest rate swap contract for debenture in Baht currency with principal amount of Baht 3,060 million, which will swap interest at a fixed interest rate to float interest rate reference to the average rate of 6 months fixed deposit rates of 4 commercial banks plus a fixed rate. The amount of Baht 1,000 million will expire on 24 October 2011 and the remaining amount of Baht 2,060 million will expire on 19 September 2014.
- b) Interest rate swap contract for loan from financial institution in USD currency with principal amount of USD 15.6 million, which will swap interest at a float interest rate to a fixed interest rate. The contract will expire on 2 May 2013.

Foreign currency risk

The Groups' exposure to foreign currency risk relates primarily to the purchase or sales of goods and service, borrowing and lending in foreign currency and investments in foreign subsidiaries and associates. In order to manage the risk arising from fluctuations in currency exchange rates, the Group uses the derivative, cross currency swap contracts and forward foreign exchange contract, to manage the risk as follows:

Cross currency swap contracts

As at 31 December 2009, the Group has entered into cross currency swap contracts to protect risk of loan from financial institution (Note 22) by conversion liabilities from loan in USD currency with principal amount of USD 15.6 million at fixed interest rate computed from USD loan to loan in AUD currency with principal amount of AUD 17.9 million at fixed interest rate computed from AUD loan. Moreover, the Group has entered into forward foreign exchange contracts to convert liabilities from loan in AUD currency with principal amount of AUD 23 million to Baht loan at exchange rate of Baht 26.75 per AUD for the amount of AUD 11.5 million (Outstanding AUD 8.9 million) and Baht 22.95 per AUD for the amount of AUD 11.5 million (Outstanding AUD 8.9 million). All above contracts will expire on 2 May 2013.

Forward foreign exchange contracts

Forward foreign exchange contracts are entered into to manage exposure to fluctuations in foreign currency exchange rates for the purchase of goods.

As at 31 December 2009, the settlement dates on open forward contracts ranged from 1 month to 3 months (2008: 1 month to 5 months). The amounts in Baht to be paid and contractual exchange rates for the outstanding contracts are:

	Consolidated	
	2009 Baht	2008 Baht
USD 2,315,663 (Baht 33.82183 - 35.4/1 USD)	-	78,739,695
AUD 349,899 (Baht 22.4 - 27.5/1 AUD)	-	8,543,130
USD 4,845,545 (Baht 33.14 - 34.266999/1 USD)	161,493,728	-
AUD 128,784 (Baht 29.16 - 30.76867/1 AUD)	3,831,957	-
SGD 132,432 (Baht 23.935/1 SGD)	3,169,769	-
EUR 135,034 (Baht 47.739 - 49.94/1 EUR)	6,665,857	-

As at 31 December 2009 and 2008, the Group had outstanding foreign currency trade accounts payable as follows:

	Consolidated	
	2009	2008
USD	996,978	-
SGD	35	-
EUR	111,829	-
AUD	19,161	-

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 cross currency swap contracts and forward foreign exchange contracts for loan as at 31 December 2009 is favourable amounting to Baht 8,079,148 (2008: Baht 26,740,466).

The fair value of the open forward foreign exchange contracts for the purchase of goods as at 31 December 2009 is unfavourable amounting to Baht 62,565 (2008: favourable amounting to Baht 2,158,168).

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

34. Commitments

As at 31 December 2009, the Group has commitments as follows:

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 2009, the Company's future payment commitments according to the minimal rental fees stipulated in the agreement is approximately Baht 45 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 11.2 million. In addition, the Company is committed to pay fees for the area used in the sale of food and beverages to this subsidiary, at a percentage of the Company's food and beverage revenues stipulated in the agreements, ending in 2011.
- 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 is valid for 10 years and will be terminated in 2017.
- The Company has entered into a hotel management agreement with a subsidiary who will manage the Company's hotel. The Company is committed to pay fees at a certain percentage of revenue as stipulated in the agreement. The agreement is valid for 10 years and will be terminated in 2016.
- Under two agreements for technical assistance and the use of trademarks and trade names which the Company has entered into with an overseas company, fees are payable calculated at a percentage of gross sales as specified in the agreements. One of them was for a year of four years up to 1998, but is automatically renewed at its expiry date for three times, five years each. The other will be terminated during December 2014.

Subsidiaries

Management and services agreements

- A subsidiary has entered into a license and royalty agreement with an overseas company. The subsidiary 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.

- 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.
- 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 subsidiary 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 are effective from January 2006 to December 2017 and are renewable after expiry date for 20 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 are effective for the period as from February 2007 to January 2027 and are renewable after expiry date for another two periods of 20 years and 15 years, respectively.
- 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 are effective for the period as from 22 December 2005 to 25 June 2013 and are renewable after expiry date for another two periods of 15 years each.
- A subsidiary has entered into consulting agreement with a company regarding to project development of its condominium and hotel project including assets providing for such project operation. The agreement will expire on the date that its hotel starts operation.
- A subsidiary entered into the service agreements with a company with regards to consultation, installation, repair and maintenance of computer system, computer software and information technology system. The subsidiary is committed to pay the fees following the rates, terms and bases as specified in the agreements. The agreement is for the period of 10 years and effective from December 2007.

Rental agreements

- Four subsidiaries have entered into separate land lease agreements for periods between 30 to 42 years, effective on 1 August 1982, 8 May 1987, 25 January 1989 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 2009, the subsidiaries' future payment commitments in accordance with the minimal rental fees stipulated in the agreements are approximately Baht 159 million (2008: Baht 172 million).
- 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 in 2011.
- A subsidiary has entered into the sublease land agreement of Kihavah Huravlhu Island for 23 years from 23 October 2007 for the construction of a new hotel. A subsidiary has commitment to pay rental fee as stipulated in the lease agreement.

- 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 2009, subsidiary has commitment to pay minimal rental fees as stipulated in the agreement as follows:

Year	Baht Million
2010	8.88
2011 - 2013	23.91
	32.79

- On 3 July 2007, a subsidiary entered into an agreement to construct and lease the land and completed building with the Privy Purse Bureau. Under this agreement, the Privy Purse Bureau agrees and permits the subsidiary to undertake building construction, and the subsidiary agrees to construct a residential and hotel building situated on the land owned by the Privy Purse Bureau. The building construction permit is to be under the name of the Privy Purse Bureau and 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 its completion. The construction period is 3 years and 6 months from the date of receipt of the permit to construct the building from the Bangkok Metropolitan Authority. As the construction of building is completed, the Privy Purse has agreed with the subsidiary to lease the land and building which is constructed for the residential, hotel and related commerce for the period of 30 years as from 1 September 2010. However, if the construction is completed before that date, the lease period commences from the completion date.

As at 31 December 2009, the subsidiary has commitments with regard to the agreement to construct and lease the land and completed building as follows:

- (1) The subsidiary is obliged to make payment of compensation for loss of benefits and related expenses to be paid to the Privy Purse Bureau on a monthly basis at the rate specified in this agreement during the construction period. As at 31 December 2009, the subsidiary has a commitment in respect compensation fee and related expenses until the construction completed amount to Baht 5.2 million.
 - (2) As the construction is completed, the subsidiary is obliged to pay a monthly rental fee and related expenses to the Privy Purse Bureau at the rate specified in this agreement. The rental payable as from 1 September 2010 to the end of this agreement amounts to approximately Baht 532.9 million.
- As at 31 December 2009 and 2008, there were lease commitments for the lease and service agreements for restaurant outlets, office spaces, shops, motor vehicles and office equipment committed by subsidiaries for the period ranging from 1 year to 30 years payable as follows:

	2009 Baht Million	2008 Baht Million
Next year	465	285
Between 2 and 5 years	553	392
After 5 years	197	182
Total	1,215	859

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.

Trademark, franchise and license agreements

- 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.
- During 1999 to 2007, six subsidiaries of distribution and manufacturing business have entered into distribution agreement, franchise agreement and to use trademarks and to receive marketing technical assistance with overseas companies. These agreements have terms of 2 - 10 years and can be renewed unless terminated by either party. The agreements are subject to certain conditions which the subsidiaries have to comply throughout the agreement periods.
- Under a one year license agreement ending in 2008 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.

Other

- As at 31 December 2009, a subsidiary had commitments in respect of the purchase of aircrafts amounting to USD 14.53 million.

35. Guarantees

Guarantees for the normal courses of business are as follows:

31 December 2009					
	Consolidated			Company	
	Baht Million	USD Million	Yuan Million	Baht Million	USD Million
Letters of guarantees issued by bank on behalf of the Group	70.4	2.2	34.0	16.3	-
Guarantee given by the Group to financial institution to guarantee for credit facilities	4,357.0	33.8	265.0	190.0	29.4

31 December 2008					
	Consolidated			Company	
	Baht Million	USD Million	Yuan Million	Baht Million	USD Million
Letters of guarantees issued by bank on behalf of the Group	128.8	-	-	18.3	-
Guarantee given by the Group to financial institution to guarantee for credit facilities	1,114.6	31.2	220.0	-	29.4

36. Business Restructuring Plan between the Company and MINOR

At the extraordinary general meeting of the shareholders of the Company No. 1/2009 held on 6 March 2009, the shareholders passed a resolution to approve Business Restructuring Plan between the Company and MINOR, which its major objective is to eliminate the cross shareholding structure and to ensure suitability and transparency of shareholding structure. The summary of Business Restructuring Plan is:

1. The Company makes a tender offer to purchase all of the securities of MINOR from its securities holders (excluding those MINOR shares held by MFG to avoid the cross shareholding that may happen after the tender offer), in accordance with Notification of the SEC No. GorJor. 6/2543 re: Rules Regarding an Offer for Sales of Newly Issued Securities simultaneously with a Tender Offer to Purchase Existing Securities of a Listed Company for the Purpose of Shareholding and Management Restructuring. The Company issues no more than 511,154,008 capital-increase ordinary shares, with a par value of Baht 1 each, and no more than 5,411,632 units of warrants (MINT-W) on ordinary shares, with a maturity of 5 years and an exercise ratio of 1 unit of warrant per 1 ordinary share, at Baht 8.08 per share as consideration for the securities of MINOR as follows:
 - 1.1 One MINOR ordinary share, with a par value of Baht 1 each, can be exchanged for 1.14 newly issued ordinary share of the Company, with a par value of Baht 1 each.
 - 1.2 MINOR ESOP Warrant
 - One unit of MINOR ESOP Warrant No. 2 can be exchanged for 1.96 unit of MINT-W
 - One unit of MINOR ESOP Warrant No. 3 can be exchanged for 1.51 unit of MINT-W
 - One unit of MINOR ESOP Warrant No. 4 can be exchanged for 0.86 unit of MINT-W
2. After the completion of tender offer, MINOR gets approval from SET to delist the securities of MINOR from the SET.
3. The Company proceeds with a specific capital reduction, which involves the reduction of the number of its ordinary shares held by certain shareholders as per the following details. This is to avoid the cross holding between the Company and MINOR and between the Company and MFG.
 - 3.1 its 611,745,387 ordinary shares, with a par value of Baht 1 each, held by MINOR
 - 3.2 its 59,621,887 ordinary shares, with a par value of Baht 1 each, held by MWL, which is MINOR's subsidiary with 100% of its shares held by MINOR.
 - 3.3 its 215,313,429 ordinary shares, with a par value of Baht 1 each, held by MFG.

The Company returns the relevant amounts of capital reduction to the shareholders subject to such capital reduction, based upon the par value of the shares, and the number of the shares, held by each of them.

Securities and Exchange Commission approved the offer for sales of newly issued securities of the Company simultaneously with the tender offer to purchase existing securities of MINOR on 6 May 2009.

The Company paid the relevant amounts of capital reduction to the shareholders as mentioned in No. 3 on 19 May 2009 and registered such capital reduction with the Ministry of Commerce on 21 May 2009.

The Company performed the tender offer of securities of MINOR from the MINOR's shareholders with 25 working days from 11 May 2009 to 12 June 2009. The Company paid for securities of MINOR as follows:

1. Issuance of the Company's 510,049,430 ordinary shares to exchange with MINOR's 447,411,869 ordinary shares.
2. Issuance of the Company's ESOP Warrant of 2,723,777 units.

The Company registered the increase in the Company's paid-in share capital with the Ministry of Commerce on 15 June 2009.

Impact in accounting from the Business Restructuring Plan between the Company and MINOR

Regarding the Business Restructuring Plan to eliminate the cross shareholding structure, it is the business combination under common control. The Company recognised the differences between the costs of business combination under common control and equity interest of MINOR's book value in the shareholder's equity under "discount on business combination under common control".

According to the Business Restructuring Plan between the Company and MINOR as mentioned above, the Company recorded the accounting entries following the Guidance of Business Combination Entities under Common Control, which is effective on 1 January 2009. The Company's management have prepared the comparative consolidated balance sheets and statements of income as if the business combination had occurred at the beginning of prior year for additional information as detailed below.

	Consolidated	
	31 December 2009 Baht	31 December 2008 Restated Baht
Assets		
Current assets		
Cash and cash equivalents	968,814,956	1,568,119,686
Trade accounts receivable, net	1,000,228,136	965,107,194
Amounts due from related parties	65,268,872	48,578,313
Inventories, net	854,148,181	998,281,701
Land and real estates project for sales	385,652,140	382,644,664
Other current assets	1,642,635,720	1,512,115,184
Total current assets	4,916,748,005	5,474,846,742
Non-current assets		
Long-term loans to related parties	445,349,753	410,031,083
Investments in associates and joint venture	1,353,096,582	1,241,628,509
Other long-term investments, net	839,831,309	524,867,180
Land and projects under development	2,956,411,700	1,578,852,715
Property, plant and equipment, net	11,107,944,242	11,435,442,551
Intangible assets, net	3,750,179,282	2,817,054,215
Leasehold rights, net	1,963,581,723	2,091,049,273
Other non-current assets	937,677,370	830,920,652
Total non-current assets	23,354,071,961	20,929,846,178
Total assets	28,270,819,966	26,404,692,920

	Consolidated	
	31 December 2009 Baht	31 December 2008 Restated Baht
Liabilities and shareholders' equity		
Current liabilities		
Bank overdrafts and short-term loan from financial institutions	683,334,700	1,130,747,767
Trade accounts payable	1,201,366,493	1,248,214,445
Amounts due to and advances from related parties	29,170,277	2,648,641
Current portion of long-term borrowings	535,022,409	592,272,408
Current portion of debentures	1,275,000,000	550,000,000
Current portion of deferred income	32,184,225	28,444,507
Income tax payable	198,614,630	327,400,963
Accrued expenses	858,149,683	828,063,106
Other current liabilities	1,864,578,147	1,324,866,272
Total current liabilities	6,677,420,564	6,032,658,109
Non-current liabilities		
Long-term borrowings	2,136,552,759	2,592,980,070
Debentures	6,900,000,000	6,175,000,000
Provision for employee benefits	167,064,547	133,947,929
Other non-current liabilities	335,539,516	340,009,401
Total non-current liabilities	9,539,156,822	9,241,937,400
Total liabilities	16,216,577,386	15,274,595,509

Consolidated		
	31 December 2009	31 December 2008
	Baht	Restated Baht
Shareholders' equity		
Share capital		
Authorised share capital ordinary shares	3,351,850,736	3,689,623,229
Issued and fully paid-up share capital ordinary shares	3,246,415,792	3,614,264,065
Share premium - ordinary shares	3,065,856,272	3,040,085,741
Shares of the Company held by a subsidiary	-	(370,978,560)
Advance for shares subscription	231,030	-
Expired warrants in a subsidiary	104,788,723	104,788,723
Discount on business combination under common control	(755,412,590)	(2,414,369,754)
Fair value reserves of investments in available-for-sale securities	83,303,224	(169,230,261)
Translation adjustment	(228,495,510)	(126,687,406)
Retained earnings		
Appropriated - legal reserve	347,774,113	347,774,113
Unappropriated	5,287,565,500	5,083,915,190
Total parent's shareholders' equity	11,152,026,554	9,109,561,851
Minority interests	902,216,026	2,020,535,560
Total shareholders' equity	12,054,242,580	11,130,097,411
Total liabilities and shareholders' equity	28,270,819,966	26,404,692,920

	Consolidated	
	31 December 2009 Baht	31 December 2008 Restated Baht
Revenues		
Revenues from hotel operations	4,331,923,498	5,338,552,540
Rental income from retails and property business	421,992,799	453,130,114
Revenues from entertainment operations	93,668,896	108,484,031
Revenues from spa services	315,377,584	358,230,550
Sales of food and beverage	9,196,304,625	8,135,977,125
Sales from real estates development operations	-	591,133,964
Sales from distribution and manufacturing	2,576,051,624	3,049,783,029
Revenues from management services	412,534,121	503,486,149
Franchise fee income	287,249,954	268,342,559
Dividends received	47,760,815	43,551,592
Other income	645,612,313	566,701,905
Total revenues	18,328,476,229	19,417,373,558
Expenses		
Direct cost of hotel operations	2,255,942,373	2,462,650,299
Direct cost of retails and property business	207,177,576	180,210,307
Direct cost of entertainment operations	23,560,421	23,126,660
Direct cost of providing spa services	179,466,371	178,965,644
Cost of sales of food and beverage	3,075,756,278	2,990,294,007
Cost of sales from real estates	-	232,298,543
Cost of sales from distribution and manufacturing	1,671,776,887	1,960,127,660
Selling expenses	7,043,130,086	6,602,231,762
Administrative expenses	1,675,986,076	1,749,058,239
Management benefit expenses	101,521,818	118,020,058
Total expenses	16,234,317,886	16,496,983,179
Operating profit	2,094,158,343	2,920,390,379
Share of profit of investments in associates and joint venture	168,653,858	115,649,039
Profit before financial costs and income tax	2,262,812,201	3,036,039,418
Financial costs	(458,074,968)	(457,505,229)
Profit before income tax	1,804,737,233	2,578,534,189
Income tax	(316,059,664)	(598,357,635)
Net profit for the year	1,488,677,569	1,980,176,554
Net profit for the year attributable to:		
Equity holders of the parent	1,400,315,993	1,892,286,051
Minority interests	88,361,576	87,890,503
	1,488,677,569	1,980,176,554

37. 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.

38. Post balance sheet events

Minor Information Technology Limited

At the Extraordinary General Meeting on 20 January 2010, the shareholders passed a resolution to approve an increase in authorised share capital of Minor Information Technology Limited from 60,000 ordinary shares with a par value of Baht 100 per share to 200,000 ordinary shares with a par value of Baht 100 per share, totalling Baht 14 million.

Management Discussion and Analysis

As at 31 December 2009

Overview

Recovery Begins in 4Q09

Having been negatively affected by financial and political uncertainty for three consecutive quarters, 4Q09 showed the beginnings of a recovery. Gross Domestic Product (“GDP”) in 4Q09 remarkably expanded 5.8% y-y. The Consumer Confidence Index (“CCI”) reached 79.3 in January 2010, its strongest level in 21 months. Thailand saw an increase in tourism with over a million international tourist arrivals each month from October to December 2009.

The Strongest Quarter of the Year

Despite a difficult year, 4Q09 was a strong quarter for Minor International (“MINT”) as we achieved a 22% increase in revenues and a 49% increase in net profits. We finished the year with 1,112 food outlets, 30 hotels, 36 spas and 3 shopping plazas. During 4Q09, we opened two hotels under management contracts including one Anantara in Abu Dhabi and another Anantara in Samui. We also added 17 food outlets, 3 spas and 293 fashion outlets. Apart from completing a business restructuring that allowed us to consolidate our retail trading business in 3Q09, our retail property business also performed well as we opened Asia’s first Louis Tussauds Waxworks at Royal Garden Plaza, Pattaya.

2009, the Hardest Year

Throughout 2009, we were severely affected by the global economic crisis, the H1N1 virus outbreak and political instability. Our hospitality business suffered the full impact of these events. In 2009, MINT benefitted from having a business model that is diversified across two core restaurant and hospitality businesses. While the hotel business experienced a very difficult year, the restaurant business had one of its best years ever. Restaurant revenues were up 13% while hotel revenues were down by 19%. Despite the challenges, MINT’s business model proved to be resilient and our core businesses finished the year stronger than when they started.

- 1) The Restaurant business saw profits (including share of profits) increase by 59%. We fully consolidated the Coffee Club and Thai Express and aggressively implemented a global supply sourcing management plan. These factors combined to boost the restaurant group’s EBITDA margin from 13% to 15%.
- 2) The hotel business was profitable in 2009 thanks to efficient cost cutting measures including leave-without-pay, F&B outlet rotations and shorter facility operating hours and other cost efficiency programs.
- 3) The retail trading & contract manufacturing businesses were consolidated under Minor group in 2009. In June, Minor International completed its acquisition of Minor Corporation (“MINOR”). As a result, MINOR is a 100% owned by MINT as was consolidated throughout 2H09.

In 2009, we focused on increasing operating efficiency. Several cost-control measures were implemented, e.g. shared corporate services from accounting, sourcing management, information technology and human resources. Having grown number of food outlets to over 1,100 and 30 hotels, extensive economies of scale was also achieved. These efforts allowed MINT to maintain strong profitability.

4Q09 Performance

MINT reported 4Q09 total revenues that were up 22% to Baht 5,107 million. Revenues were up primarily as we consolidated Minor Corporation's Baht 663 million in revenues from retail trading and contract manufacturing. Revenues from food and hotel & spa businesses increased 6% and 7%, respectively. The hotel & spa businesses reported the growth for the first time in 2009 with higher occupancy rates. Excluding revenues from newly consolidated retail trading and contract manufacturing businesses, MINT's total revenues increased 6% y-y.

4Q09 net income was up 49% y-y to Baht 618 million due primarily to 1) stronger performance and profitability of food and hotel & spa businesses, thanks to efficient cost control in direct and selling & administrative expenses and 2) the consolidation of Baht 35 million profits from Minor's retail trading and contract manufacturing businesses.

Revenues from the restaurant business accounted for 50% of total revenues while the hotel & spa business contributed 33% of total revenues. Retail trading and contract manufacturing contributed 13% of total revenues.

Revenues from food business increased by 6% in 4Q09 due primarily to new product launches, marketing promotions and outlet expansion. The hotel & spa business has average occupancy rates that were up from 54% to 58% y-y. Average room rates, however, were down 14% y-y to Baht 6,133 million. Hence, its revenues were up 7% y-y.

Revenue Breakdown

Unit: Baht Million	4Q09	4Q08	% Chg
Food Services	2,541	2,403	6%
Hotel & Spa Services	1,701	1,591	7%
Residential Property	9*	10*	-10%
Plaza & Entertainment	133	144	-8%
Retail Trading & Contract Manufacturing	663	-	n.a.
Share of Profits	59	41	45%
Total Revenue	5,107	4,189	22%

Note: * Rental income from the Estate Samui

2009 Performance

MINT reported 2009 total revenues that were up 5% to Baht 17,291 million in 2009. Net income was down 26% to Baht 1,400 million. Food and hotel businesses contributed 58% and 30% of total revenues, respectively, while retail trading and contract manufacturing contributed 8% of total revenues. In 2009, the revenues from the restaurant business increased by 13% as we opened 69 new outlets. 37 were equity owned while the remaining 32 were franchised.

In 2009, the hotel business saw average occupancy rates fall from 65% to 52% with a 7% decline in average room rates to Baht 5,880.

Revenue Breakdown

Unit: Baht Million	2009	2008	% Chg
Food Services	9,970	8,790	13%
Hotel & Spa Services	5,210	6,394	-19%
Residential Property	29*	621	-95%
Plaza & Entertainment	535	594	-10%
Retail Trading & Contract Manufacturing	1,379	-	n.a.
Share of Profits	169	116	46%
Total Revenue	17,291	16,399	5%

Note: * Rental income from the Estate Samui

At the end of 2009, MINT reported total assets of Baht 28,271 million. This was a Baht 3,206 million increase compared to the previous year. The increase was the result of:

1. Increase in land held for future development and projects under development, i.e. Anantara Resort & Spa, Baa Atoll, Maldives, St. Regis Hotel and Residence and the expansion of Four Seasons Hotel, Chiang Mai.
2. Increase in assets from the consolidation of MINOR's financial statement with MINT's.

MINT reported total liabilities of Baht 16,217 million. This was a Baht 3,456 million increase from the previous year due mainly to the issuance of a Baht 2,000 million, 4-year debenture while repaying Baht 550 million of maturing debentures and a net increase in long-term loans from financial institutions of Baht 979 million. The remaining was attributable to increased current liabilities as a result of the consolidation of MINOR's contract manufacturing's accounts receivables. At the same time, Shareholders' Equity declined by Baht 250 million to Baht 12,054 million due to 1) a capital reduction which was part of the business restructuring plan 2) the difference between the purchase price of investment in subsidiary under common control and its net book value from the investment in MINOR and 3) an interim dividend payment.

During 2009, MINT and its subsidiaries reported cash flows from operations of Baht 2,795 million. This was down Baht 593 million y-y due to lower net profits from hotel business and no revenues from the sale of residential properties. Baht 3,011 million in cash flows from investments financed 1) projects under development, e.g. Anantara Kihavah, Maldives and St. Regis Hotel & Residence and other fixed assets of Baht 2,463 million and 2) Baht 376 million in earn-out payments to Thai Express and Elewana as well as an investment in S&P. Cash flows from financing activities decreased by Baht 160 million due primarily to 1) a net increase in liabilities of Baht 1,530 million from the issuance of Baht 2,000 million debentures to repay the maturing one of Baht 550 million, 2) Baht 35 million in proceeds from the exercise of ESOP warrants, 3) a Baht 671 million cash outlay resulting from a capital reduction related to business restructuring plan and 4) a Baht 1,054 million dividend payment. MINT's net cash inflows, then, reported a decrease of Baht 376 million at the end of 2009.

Major Developments in 4Q09

Food Business

At the end of 2009, MINT's total food outlets reached 1,112 including 682 equity owned outlets and 430 franchised outlets. Of total outlets, there were 733 outlets in Thailand with the remaining 379 located in Australia, New Zealand, China, Middle East, Singapore and other South East Asian countries. We opened 17 new outlets 4Q09 including 10 equity outlets and 7 franchised outlets.

Food Outlets by Owner Equity and Franchise

	4Q09	Chg q-q	Chg y-y
Owner Equity	682	10	37
• Thailand	581	8	21
• Overseas	101	2	16
Franchise	430	7	32
• Thailand	152	2	8
• Overseas	278	5	24
Total Outlets	1,112	17	69

Food Outlets by Brand

	4Q09	Chg q-q	Chg y-y
The Pizza Company	244	0	1
Swensen's	230	1	8
Sizzler	42	2	6
Dairy Queen	233	7	14
Burger King	23	-1	1
The Coffee Club	241	6	27
Thai Express	78	1	17
Others	21	1	-5*
Total Outlets	1,112	17	69

Note: * Closed down 5 LeJazz outlets in China over the past year

Hotel & Spa Business

In October 2009, we added 12 pool villas at the Four Seasons Hotel in Chiang Mai. These villas offer maximum privacy, generous space and private pools. Given their high-end positioning, the pool villas will enhance the hotel's average room rates. Also in October 2009, we opened Anantara Qasr Al Sarab in Abu Dhabi. This purely-managed hotel has 206 rooms.

In November, we opened a 122-room Anantara Lawana Resort & Spa as a managed hotel on Chawaeng beach, Samui Island.

At present, MINT owns 24 hotels and manages 6 hotels in 8 countries. Altogether, these properties have 3,561 hotel rooms including 2,874 that are equity owned and 687 that are managed.

Our spa business is operated under Anantara and Mandara brands. As at the end of 2009, MINT owns and manages 36 spas in Thailand, China, Maldives, Tanzania, Jordan, UAE, Turkey, India, Egypt and Vietnam, with the recent openings of 3 spas in Turkey, UAE and Thailand.

Retail Property and Entertainment

In November, MINT opened Louis Tussauds Waxwork at Royal Garden Plaza, Pattaya. This World's fifth Louis Tussauds wax museum displays over 70 Thai and international celebrity wax models.

Presently, MINT owns and operates 3 shopping plazas; 1) Royal Garden Pattaya 2) Turtle Village Shopping Plaza at Phuket and 3) Royal Garden Plaza Bangkok. In addition, we are the operator of 5 entertainment outlets including 1) Ripley's Believe It or Not Museum 2) 4D Moving Theater 3) Haunted Adventure 4) Infinity Maze and 5) The Louis Tussaud's Waxworks.

Retail Trading and Contract Manufacturing Business

At the end of 2009, MINT had 293 retail trading outlets including 215 that sold fashion items and 60 that sold cosmetics products. We are the leading distributor of international brands such as Esprit, Red Earth, Bossini, Timberland, Charles & Keith, Bloom, Laneige, Smash Box, Tumi, Zwilling J.A. Henckels, Time Life, and World Book. We have also been selected as Thailand's exclusive distributor of the World's renowned fashion brand, GAP Inc. The first GAP store is opened in Bangkok in March 2010.

We also own and operate one of Thailand's leading contract manufacturers supplying fast moving consumer goods (FMCG) companies.

Segmentation Performance

EBITDA Breakdown

Unit: Baht Million	4Q09	4Q08	% Chg
Food Services	397	291	37%
Hotel & Spa Services	646	586	10%
Residential Property	-	60	n.a.
Plaza & Entertainment	76	96	-20%
Retail Trading & Contract Manufacturing	58	-	n.a.
Share of Profits	59	41	45%
Total EBITDA	1,237	1,074	15%

EBITDA Breakdown

Unit: Baht Million	2009	2008	% Chg
Food Services	1,483	1,136	31%
Hotel & Spa Services	1,678	2,288	-27%
Residential Property	1	358	n.a.
Plaza & Entertainment	340	406	-16%
Retail Trading & Contract Manufacturing	120	-	n.a.
Share of Profits	169	116	46%
Total EBITDA	3,791	4,303	-12%

Food Business Performance

Total system sales (including sales from franchised outlets) increased by 9% and 12% y-y in 4Q09 and 2009, respectively. The growth was driven by a consistent expansion of both equity and franchised outlets under the Pizza Company, Swensen's, Sizzler, Dairy Queen brands. Additionally, recent acquisitions of The Coffee Club and Thai Express performed very well in 2009. Despite facing the challenges from economic downturn and intensified competition, we were able to deliver growth and efficiently manage costs. As a result, food EBITDA margin grew from 13% to 15%. EBITDA from the restaurant business in 4Q09 was up 37% y-y and up 31% for all of 2009.

Food Business Performance by Brand

Unit: %	Total Store Sale		Total System Sale	
	4Q09	4Q08	2009	2008
The Pizza Company	-3.2	13.4	4.4	11.1
Swensen's	11.9	10.2	9.0	12.2
Sizzler	19.8	10.8	13.5	15.7
Dairy Queen	1.6	24.4	3.2	17.9
Burger King	25.6	6.9	10.6	14.3
The Coffee Club	13.3	15.5	16.9	18.1
Thai Express	12.2	85.4	37.2	68.8
Average	8.6	17.9	11.9	17.8

Note: Calculation based on local currency to exclude the impact of foreign exchange

Hotel & Spa Business Performance

Brand Performance Analysis

During 4Q09, the Marriott group (4 hotels in Bangkok, Pattaya, Hua Hin and Phuket) achieved the highest occupancy among all groups, with an average of 69%, up from 63% in 4Q08. However, pricing competition, especially in Bangkok and Phuket, caused the group's ADR to fall 14%.

By the same token, the Four Seasons group (4 hotels in Bangkok, Chiang Mai, Chiang Rai and Samui) saw occupancy increase to 62% in 4Q09 from 43% in 4Q08. This is due mainly to a significant improvement in Four Seasons Bangkok, which suffered from the domestic political tension and the airport closure. Nevertheless, the Four Seasons group's ADRs declined 23% y-y. With the highest ADRs of all our brands, Four Seasons group therefore was affected the most by global recession since a majority of its guests are foreigners.

Average occupancy rate of Anantara hotels (a total of 12 hotels in Bangkok, Hua Hin, Chiang Rai, Phuket, Samui, Krabi, Bali, Abu Dhabi and the Maldives) in 4Q09 fell by 2% y-y. Its ADRs also fell 18%.

Revenues from the associates (3 hotels in Maldives, 5 hotels in Tanzania and 1 hotel in Vietnam) are not included in MINT's hotel revenues; rather, they are recognized under the equity method.

Hotel Business Performance by Brand

	Occupancy (%)		ADR (Baht/night)	
	4Q09	4Q08	4Q09	4Q08
Marriott	69.0	63.0	4,104	4,796
Anantara	47.9	50.3	7,828	9,498
Four Seasons	61.8	43.4	8,219	10,644
Others	35.0	41.1	8,489	8,833
Average	58.2	54.3	6,133	7,147

	Occupancy (%)		ADR (Baht/night)	
	2009	2008	2009	2008
Marriott	62.9	74.2	2,832	3,021
Anantara	44.8	61.5	3,751	4,774
Four Seasons	47.6	54.7	5,081	4,623
Others	31.3	44.5	2,970	3,632
Average	52.3	65.3	3,570	3,881

Note: Others including Naladhu, Maldives and Harbour View, Vietnam

In 4Q09, MINT reported spa revenues of Baht 72 million, down 8% y-y following the slowdown in hotel business. Nevertheless, MINT aims to expand the spa business through pure management so as to enhance future sales and profitability.

Residential Property Business Performance

MINT often develops and sells vacation properties in conjunction with the development of hotels. The Estate Samui, which is adjacent to MINT's Four Seasons Hotel in Samui, has 14 villas. Seven were sold during 2006 - 2008. The remaining 7 villas are expected to be sold by 2012. In addition to the Estate Samui, MINT is selling condominiums that are on top of the St. Regis Hotel. The construction of the said project is expected to complete in 4Q10.

Given the economic environment, MINT was not able to sell residential properties in 2009.

Retail Property & Entertainment Business Performance

MINT's retail property and entertainment business reported 4Q09 revenues that were down 8% to Baht 133 million and 4Q09 EBITDA that was down 20% to Baht 76 million. For the full year 2009, revenues were down 10% to Baht 520 million and EBITDA was down 16% to Baht 340 million.

Retail Trading and Contract Manufacturing Business Performance

Starting mid June 2009, MINOR Corporation's financial statements have been consolidated with MINT's, contributing Baht 663 million of revenues and Baht 58 million of EBITDA in 4Q09.

For the full year of 2009, MINT recognized revenues and EBITDA from retail trading and contract manufacturing businesses of Baht 1,379 million and Baht 120 million, respectively. Of total revenues from this business unit, 48% or Baht 656 million was derived from contract manufacturing, 44% or Baht 609 million from retail trading and the remaining 8% or Baht 115 million from sales of others.

MINOR's Revenue Breakdown

	4Q09	(%)	2009	(%)
Retail Trading	314	47	609	44
Contract Manufacturing	303	46	656	48
Others	47	7	115	8
Total Revenue	663	100	1,379	100

MINOR's Outlet Breakdown

	4Q09	Chg q-q	Chg y-y
Fashion	215	-1	-9
Cosmetics	60	1	-5
Others	18	0	-4
Total Outlets	293	0	-18

As at the end of 2009, total number of retail trading outlets remains unchanged at 293. Of total outlets today, 73% operate under fashion brands such as Esprit, Bossini, Charles & Keith and Timberland while 20% support cosmetics brands such as Red Earth, Bloom, Laneige and Smashbox. We also introduce Gap into our fashion portfolio in March 2010.

Financial Ratio Analysis

MINT's gross profit margin for 2009 declined from 83.2% to 75.3%. Correspondingly, net profit margin fell from 11.5% to 8.2% due mainly to weak hotel and residential businesses whose margins are typically higher. In addition, MINT's overall margin also was driven down as it consolidated the retail trading and contract manufacturing businesses. Return on equity, hence, fell from 17.5% to 11.5% y-y.

In terms of efficiency, return on assets declined from 8.1% to 5.3% y-y. This is due chiefly to declined profits against the increased investment in projects under development; Anantara Baa Atoll, Maldives and St. Regis Hotel & Residence; both of which were under construction.

The current ratio dropped from 0.9x to 0.7x as we have Baht 725 million of debentures due within 1 year and there was a similar increase in current assets. Our net debt/equity ratio increased from 0.6 at the end of 2008 to 0.9 due to 1) additional debt from the acquisition of MINOR Corporation and 2) smaller shareholders' equity from capital reduction. Interest coverage ratio also declined from 9.4x last year to 6.9x in 2009, reflecting smaller cash flows from operation.

Financial Ratio Analysis

	31 Dec. 2009	31 Dec. 2008
Profitability Ratio (Annually Basis)		
Gross Profit Margin (%)	75.25%	83.20%
Net Profit Margin (%)	8.18%	11.54%
Return on Equity (%)	11.50%	17.52%
Efficiency Ratio		
Return on Assets (%) (12 months)	5.25%	8.14%
Collection Period (days) (Quarterly)	14	13
Liquidity Ratio		
Current Ratio (x)	0.74	0.90
Leverage & Financial Policy		
Interest Bearing Debt/Equity (x)	0.96	0.74
Net Interest Bearing Debt/Equity (x)	0.88	0.63
Interest Coverage (x) (12 months)	6.93	9.36

Management's Outlook

2010, Turnaround Expected

2010 has started well. Confidence is growing stronger among consumers and businesses. Thailand is enjoying a strong rebound in its major economic activities, i.e. exports and tourism. Bank of Thailand estimates domestic GDP growth of 4% in 2010, outpacing the expansion of global economy of 3%. To capture the growth, we target to expand 80 food outlets compared to the 69 we added in 2009. Likewise, the Tourism Authority of Thailand's forecast of over 15.5 million visitors in 2010 and this supports our view that global tourism is recovering. Our own St. Regis hotel and residence in Bangkok and the Anantara Kihavah in Maldives should open in 2010 just as tourists begin to travel again. Our other properties in Thailand, Maldives, Bali, Vietnam, Africa and Abu Dhabi are expected to perform well. As sales improve and fixed costs remain the same, margins and profitability should recover.

Residential Sales Providing a Big Upside

In 2008, 6% of our earnings came from residential sales, however, we did not recognize any in 2009. With a more favorable economic environments, we expect to post strong sales revenues from two residential projects in 2010 with a target to sell 8 - 10 units of St. Regis residence and 1 - 2 units of the Estate Samui.

Emerging Opportunities

The recent financial crisis has created a shift of economic power. China and India have grown to be the largest emerging players. Together with the accelerating prominence of new markets, e.g. the Middle East and Asia, they represent a significant opportunity. From our established presence in China, Australia, the Middle East, Southeast Asia and Africa, we continuously seek for new target destinations to capture developing demand from China and India. We continue marketing our brands as a vehicle to expand internationally. In 2009, we signed franchise agreements with partners in India and Vietnam to develop new markets under the Pizza Company, Swensen's and Thai Express. At least 90 food outlets are projected to open in these two countries during the next five years.

For the hospitality business, the Anantara brand has been the focus of our efforts to expand both in Thailand and overseas. In 2009, we secured 9 hotel management contracts in Thailand, Indonesia, China, India, Oman, and UAE and we expect to have a total of 30 Anantara resorts open by 2014. In 2010, we expect to open two hotels including:

1. Anantara Flamingo Villas, UAE
2. Anantara Savannah Villas, UAE

Given our success in establishing and managing brands, we expect to see a larger contribution of fee-based income from food franchising and hotel management businesses. Since the inception of Pizza Company and Anantara brands in 2003, we enjoy higher profit margins because we are able to apply these brands in a variety of dynamic and profitable ways. In the next 5 years, we expect to that asset-light businesses (i.e. franchising and hotel management) will account for 50% of MINT's earnings.

Key Economic Indicators

	2009	2010F
GDP Growth		
Thailand	(2.3%)	3.5% – 4.7%
ASEAN	1.3%	4.7%
China	8.7%	10.0%
India	5.6%	7.7%
Middle East	2.2%	4.5%
World	(0.8%)	3.9%
Tourist Arrivals to Thailand (million persons)	14.0	15.6

Source: NESDB, Bank of Thailand, International Monetary Fund, Tourism Authority of Thailand,
F = Forecast number

Acquisition, the Growth Catalyst

Over the past decade, we have made a number of acquisitions. In 2008, we made one hotel investment, Elewana Africa, and two restaurant investments, Coffee Club and Thai Express. Profits from food business, including share of profits, increased by 59% as a result of these acquisitions. We have expanded these brands to new markets. Since making the acquisitions, we have expanded Coffee Club to Thailand and Thai Express to the Middle East and Southeast Asia.

Making acquisitions has become one of the key factors driving MINT's future growth. In 2010, we will be looking to make similar acquisitions. We are excited about the potential opportunities especially as we proceed into a stronger year. In addition, we have entered into several agreements with commercial banks both domestic & international to support our long-term funding plans. We believe our current net D/E ratio of 0.88x can support additional debt financing.

Assuming a full recovery of Thai tourism by year-end 2010 and an acquisition, we believe MINT will be able to post an extraordinary growth in 2010 earnings.

Connected Transactions

Connected Persons	Type of Business	Transaction Size 2009 (Baht Million)	Necessity and Rationale
1. Minor Corporation Plc. (MINOR)*			
Relationship: Minor Corporation Plc. is a major shareholder of the Company. There are two common directors.	The subsidiaries below provided retail space for Minor Corporation as an office space and space for retail shops, booked as rental income by the following companies:		The rental fees were provided at market prices and conditions. Audit Committee had an opinion that the transactions were fair and reasonable.
	<ul style="list-style-type: none"> Royal Garden Plaza Co., Ltd. The Minor Food Group Plc. (MFG) 	2.70 1.06	
	MFG, MINT's subsidiary, provided management service to MINOR and received monthly management fee, which was based on type and quantity of service.	0.71	In order to share and maximize the usage of resource, Audit Committee had an opinion that the transaction was fair and reasonable.
	MINT paid dividend to MINOR, as a shareholder. MINT recorded as dividends payment.	140.70	Dividend payment is normal return for holding of MINT's securities. Audit Committee has an opinion that the transaction was fair and reasonable.
	MINOR provided services of preparation accounting records for "Elemis" to MSpa International – MINT's subsidiary. MSpa recorded management fee expense.	0.21	In order to share and maximize the usage of resource, Audit Committee had an opinion that the transaction was fair and reasonable.
	Minor Information Technology Limited (MIT), MINT's subsidiary, provided IT and computer services to MINOR and received computer fee, which was based on type and quantity of service.	1.78	In order to share and maximize the usage of resource, Audit Committee had an opinion that the transaction was fair and reasonable.
	MINOR provided consultant and management service of Residence to Maerim Terrace Ltd. MINT recorded management fee expense.	0.10	MINOR had specialized and experienced staffs 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.

Connected Persons	Type of Business	Transaction Size 2009 (Baht Million)	Necessity and Rationale
	MIT, MINT's subsidiary, leased computer and received monthly rental fee from MINOR.	0.28	MIT leased many computers from leasing company, third party. This transaction resulted lower costs. Audit Committee had an opinion that the transaction was fair and reasonable.

2. Esmido Fashion Ltd.

Relationship: Common major shareholders and common directors.	MIT, MINT's subsidiary, leased computer and received monthly rental fee from Esmido.	0.06	MIT leased many computers from leasing company, third party. This transaction resulted lower costs. Audit Committee had an opinion that the transaction was fair and reasonable.
	MIT, MINT's subsidiary, provided IT management services to Esmido and received monthly service fee, which was based on type and quantity of service.	4.54	In order to share and maximize the usage of resource, Audit Committee had an opinion that the transaction was fair and reasonable.

3. Red Earth Thai Co., Ltd.

Relationship: 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.	0.68	The rental fee was provided at market prices and conditions. Audit Committee had an opinion that the transaction was fair and reasonable.
	MIT, MINT's subsidiary provided IT management services to Red Earth and received monthly service fee, which was based on type and quantity of service.	1.60	In order to share and maximize the usage of resource, Audit Committee had an opinion that the transaction was fair and reasonable.
	MIT, MINT's subsidiary, leased computer and received monthly rental fee from Red Earth.	0.03	MIT leased many computers from leasing company, third party. This transaction resulted lower costs. Audit Committee had an opinion that the transaction was fair and reasonable.

4. Minor Consultants and Services Ltd.

Relationship: Common major shareholders and common directors.	MIT, MINT's subsidiary provided IT management services to Minor Consultants and received monthly service fee, which was based on type and quantity of service.	1.26	In order to share and maximize the usage of resource, Audit Committee had an opinion that the transaction was fair and reasonable.
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Connected Persons	Type of Business	Transaction Size 2009 (Baht Million)	Necessity and Rationale
	MIT, MINT's subsidiary, leased computer and received monthly rental fee from Minor Consultants.	0.04	MIT leased many computers from leasing company, third party. This transaction resulted lower costs. Audit Committee had an opinion that the transaction was fair and reasonable.

5. Armin Systems Ltd.

Relationship: Common major shareholders and common directors.	MINT's subsidiary rented out retail space in Royal Garden Plaza as a space for Armin Systems retail shops, recorded as rental fees.	1.92	The rental fee was provided at market prices and conditions. Audit Committee had an opinion that the transaction was fair and reasonable.
	MIT, MINT's subsidiary provided IT management services to Armin Systems and received monthly service fee, which was based on type and quantity of service.	4.97	In order to share and maximize the usage of resource, Audit Committee had an opinion that the transaction was fair and reasonable.
	MIT, MINT's subsidiary, leased computer and received monthly rental fee from Armin Systems.	0.09	MIT leased many computers from leasing company, third party. This transaction resulted lower costs. Audit Committee had an opinion that the transaction was fair and reasonable.
	MFG, MINT's subsidiary, received management service from Armin Systems and paid management fee.	1.41	In order to share and maximize the usage of resource, Audit Committee had an opinion that the transaction was fair and reasonable.

6. Amore Pacific (Thailand) Ltd.

Relationship: Common major shareholders and common directors.	MIT, MINT's subsidiary provided IT management services to Amore Pacific (Thailand) and received monthly service fee, which was based on type and quantity of service.	0.66	In order to share and maximize the usage of resource, Audit Committee had an opinion that the transaction was fair and reasonable.
	MIT, MINT's subsidiary, leased computer and received monthly rental fee from Amore Pacific (Thailand).	0.02	MIT leased many computers from leasing company, third party. This transaction resulted lower costs. Audit Committee had an opinion that the transaction was fair and reasonable.

Connected Persons	Type of Business	Transaction Size 2009 (Baht Million)	Necessity and Rationale
7. Marvelous Wealth Limited			
Relationship: Common major shareholders.	MINT paid dividend to Marvelous Wealth Limited, as a shareholder. MINT recorded as dividend payment.	13.71	Dividend payment is normal return for holding of MINT's securities. Audit Committee has an opinion that the transaction was fair and reasonable.
8. Navasri Manufacturing Co., Ltd.			
Relationship: Common major shareholders and common directors.	MINT's subsidiaries purchased cleaning products from Navasri – producer. The subsidiaries recorded expenses by the following companies:		The products were sold at market prices and conditions. Audit Committee had an opinion that the transactions were fair and reasonable.
	• Minor DQ Ltd.	0.09	
	• Minor Dairy Ltd.	0.20	
	MIT, MINT's subsidiary provided IT management services to NMT and received monthly service fee, which was based on type and quantity of service.	2.53	In order to share and maximize the usage of resource, Audit Committee had an opinion that the transaction was fair and reasonable.
	MIT, MINT's subsidiary, leased computer and received monthly rental fee from NMT.	0.08	MIT leased many computers from leasing company, third party. This transaction resulted lower costs. Audit Committee had an opinion that the transaction was fair and reasonable.
9. MJET Ltd. (MJET)			
Relationship: Common directors.	MJET provided air chartered flight services to MINT and its subsidiaries, recorded as other expenses by the following companies:		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.
	• MINT	17.53	
	• MIT	0.80	
	• Maerim Terrace Resort Ltd.**	0.59	
	• Lodging Management (Labuan) Ltd.	1.68	
	• Minor International (Labuan) Ltd.	5.45	
	• MFG	0.80	
	• International Franchise Holding (Labuan) Limited	0.65	

Connected Persons	Type of Business	Transaction Size 2009 (Baht Million)	Necessity and Rationale
	MIT, MINT's subsidiary provided IT management services to MJET and received monthly service fee, which was based on type and quantity of service.	0.71	In order to share and maximize the usage of resource, Audit Committee had an opinion that the transaction was fair and reasonable.
	MIT, MINT's subsidiary, leased computer and received monthly rental fee from MJET.	0.09	MIT leased many computers from leasing company, third party. This transaction resulted lower costs. Audit Committee had an opinion that the transaction was fair and reasonable.

10. Maikhao Vacation Villas Ltd. (MVVL)

Relationship: A joint venture held 50% by MINT and common directors.	MINT provided accounting, tax management, and financial services to MVVL and recorded management fees income.	2.07	MINT had specialized and experienced staffs 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.
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11. Select Service Partner Ltd. (SSP)

Relationship: MFG holds 51% stake and common directors.	MINT's subsidiaries sold their respective products to SSP and recorded sales by the following companies:		SSP, MINT's subsidiary sold product at market prices and conditions. Audit Committee had an opinion that the transactions were fair and reasonable.
	• MFG	4.65	
	• Minor DQ Ltd.	8.88	
	• Burger (Thailand) Ltd.	49.07	
	• Swenzen (Thai) Ltd.	1.00	
	MFG provided management and financial services to SSP and recorded management fees income.	1.56	In order to share and maximize the usage of resource, Audit Committee had an opinion that the transaction was fair and reasonable.
	Burger (Thailand) rented out utensils and other equipments to SSP and recorded rental 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.
	MFG, MINT's subsidiary invests in SSP's securities and received dividends income.	40.80	Dividend income is normal return for holding of securities. Audit Committee has an opinion that the transaction was fair and reasonable.

Connected Persons	Type of Business	Transaction Size 2009 (Baht Million)	Necessity and Rationale
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12. Eutopia Private Holding Limited (Eutopia)

Relationship: MINT holds indirectly 50% shareholding and common directors.	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.	299.16	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.
	RGR International recorded interest income received from Eutopia according to joint venture agreements.	12.41	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.
	Lodging Management (Labuan) provided hotel management service to Eutopia and recorded management fees income.	92.48	Lodging Management (Labuan) had specialized and experienced staffs in hotel management and for sharing the usage of resources, Audit Committee had an opinion that the transaction was fair and reasonable.
	MIT, MINT's subsidiary provided IT management services to Eutopia and received computer fee which was based on type and quantity of service.	0.61	In order to share and maximize the usage of resource, Audit Committee had an opinion that the transaction was fair and reasonable.
	MINT arranged sources of fund services to Eutopia and recorded other income for service charge.	9.27	The arranging sources of fund to Eutopia were according to joint venture agreement. Audit Committee had an opinion that the transaction was reasonable.

13. Harbour View Ltd.

Relationship: MINT holds indirectly 30.39% shareholding and common directors.	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.	2.66	The loan was provided proportionately to percentage of shareholding. Audit Committee had an opinion that the transaction was fair and reasonable.
	RGR International recorded interest income received from Harbour View according to joint venture agreements.	0.07	The loan was provided proportionately to percentage of shareholding. Audit Committee had an opinion that the transaction was fair and reasonable.

Connected Persons	Type of Business	Transaction Size 2009 (Baht Million)	Necessity and Rationale
	Minor Hotel Group provided hotel management service to Harbour View and recorded management fees income.	3.31	Minor Hotel Group had specialized and experienced staffs in hotel management and for sharing the usage of resources, Audit Committee had an opinion that the transaction was fair and reasonable.
	MIT, MINT's subsidiary provided IT management services to Harbour View and received computer fee which was based on type and quantity of service.	0.05	In order to share and maximize the usage of resource, Audit Committee had an opinion that the transaction was fair and reasonable.

14. Tanzania Tourism and Hospitality Investment Limited

Relationship: MINT indirectly holds 50% shareholding.	MINT's subsidiary – Hospitality Investment International Limited provided long-term loan to Tanzania Tourism and Hospitality Investment Limited in accordance with Joint-Venture Agreement. The loan agreement has definite interest rate, terms and conditions agreed by both parties.	127.86	The loan was provided in accordance with Joint Venture Agreement where term was determined base on market rate. Audit Committee had an opinion that the transaction was fair and reasonable.
	Hospitality Investment International Limited recorded interest income received from Tanzania Tourism and Hospitality Investment Limited in accordance to joint venture agreements.	2.23	The loan was provided in accordance with Joint Venture Agreement where term was determined base on market rate. Audit Committee had an opinion that the transaction was fair and reasonable.

15. Zanzibar Tourism and Hospitality Investment Limited

Relationship: MINT indirectly holds 50% shareholding.	MINT's subsidiary – Hospitality Investment International Limited provided long-term loan to Zanzibar Tourism and Hospitality Investment Limited in accordance with Joint-Venture Agreement. The loan agreement has definite interest rate, terms and conditions agreed by both parties.	15.65	The loan was provided in accordance with Joint Venture Agreement where term was determined base on market rate. Audit Committee had an opinion that the transaction was fair and reasonable.
	Hospitality Investment International Limited recorded interest income received from Zanzibar Tourism and Hospitality Investment Limited in accordance to joint venture agreements.	0.45	The loan was provided in accordance with Joint Venture Agreement where term was determined base on market rate. Audit Committee had an opinion that the transaction was fair and reasonable.

Connected Persons	Type of Business	Transaction Size 2009 (Baht Million)	Necessity and Rationale
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16. Arabian Spa (Dubai) Limited

Relationship: 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.	10.23	MSpa Venture had specialized and experienced staffs in spa management and for sharing the usage of resources. Audit Committee had an opinion that the transaction was fair and reasonable.
	MSpa Venture Ltd. – MINT's subsidiary invested in Arabian Spa (Dubai) Limited and received dividend income.	8.41	Dividend income is normal return for holding of shares. Audit Committee has an opinion that the transaction was fair and reasonable.

17. Sribhathana Garden Ltd.

Relationship: Common major shareholders (Minor Holdings Thai) and common directors.	MINT provided accounting, tax management, financial services and sales to Sribhathana Garden and recorded management fees income.	1.20	MINT had specialized and experienced staffs 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.
	Maerim Terrace leased Sribhathana Garden's land as a site to operate Four Seasons Resort Hotel Chiang Mai and recorded rental expenses.	10.71	The Land lease for hotel operation was normal business transaction. Audit Committee had an opinion that the transaction was fair and reasonable.

18. Minor Holdings (Thai) Ltd. (MHT)

Relationship: Major shareholder of MINT holds 15.13% and common directors.	MFG, MINT's subsidiary, provided payroll service to MHT and received management fee.	0.02	In order to share and maximize the usage of resource, Audit Committee had an opinion that the transaction was fair and reasonable.
	MIT, MINT's subsidiary provided IT management services to MHT and received monthly service fee, which was based on type and quantity of service.	0.13	In order to share and maximize the usage of resource, Audit Committee had an opinion that the transaction was fair and reasonable.
	MIT, MINT's subsidiary, leased computer and received monthly rental from MHT.	0.04	MIT leased many computers from leasing company, third party. This transaction resulted lower costs. Audit Committee had an opinion that the transaction was fair and reasonable.

Connected Persons	Type of Business	Transaction Size 2009 (Baht Million)	Necessity and Rationale
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19. S&P Syndicate Plc. (S&P)

Relationship: MINT holds 22.92% and common directors.	MINT invested in S&P's securities and received dividend income.	46.90	Dividend income is normal return for holding of securities. Audit Committee has an opinion that the transaction was fair and reasonable.
	MINT's subsidiaries purchased products from S&P who are producer and distributor of dairy products, and frozen foods. The subsidiaries recorded as purchase of goods by following companies: <ul style="list-style-type: none"> • MFG • Swenzen (Thai) Ltd. • SLRT Ltd. • Minor DQ • Minor Dairy Co., Ltd. • The Coffee Club (Thailand) Co., Ltd. 	34.38 4.28 0.59 4.39 0.20 0.02	The transaction is normal business and purchase price was at market price. Audit Committee had an opinion that the transaction was fair and reasonable.

20. William E. Heinecke

Relationship: Shareholder of MINT at 11.03% and common directors.	MINT's subsidiary, Samui Beach Residence, real estate developer, received annual maintenance fee from William E. Heinecke. The subsidiaries recorded as other income.	0.63	The transaction is normal business and annual fee was at market price. Audit Committee had an opinion that the transaction was fair and reasonable.
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Notes: * Minor Corporation Plc. is a major shareholder of MINT, holding 18.58% shareholding which includes 1.65% indirectly holding through Marvelous Wealth Ltd. On June 2009, the Company exercised Business Restructuring Plan and MINOR has changed the status to become a subsidiary of the Company.

** MINT holds 71.04% stake in Maerim Terrace Ltd. divided into 45.30% direct holding and 25.74% indirect holding through Rajadamri Hotel Plc.

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.

Pricing policies for related party transactions are as follows:

Pricing policies	
Sales and purchases	Prices normally charged to third parties
Sales from real estate development operations	Prices normally charged to third parties
Rental income	Agreed prices which approximate to prices normally charged to third parties
Franchise fee	Agreed prices which approximate to prices normally charged to third parties
Management income and other income	Agreed prices which approximate to prices normally charged to third parties
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 to prices normally charged by third parties
Management expenses	Agreed prices which are costs plus administrative expenses
Royalty fee	Agreed prices which approximate to prices normally charged by third parties
Interest expenses	Rate determined with reference to the interest rate quoted by commercial banks

Nature of Business

Minor International (MINT) is a hotel owner, operator and investor with a portfolio of 30 hotels and over 3,000 rooms under the Anantara, Marriott, Four Seasons, Elewana and Minor International brands in Thailand, the Maldives, Vietnam, Africa, the Middle East and Indonesia. In addition to hotels, MINT owns 100% of the Minor Food Group which is one of Asia's largest food service operators with over 1,000 outlets system wide under The Pizza Company, Swensen's, Sizzler, Dairy Queen, Burger King, Thai Express and The Coffee Club brands. MINT also owns 100% of Minor Corporation which is a leading distributor of international lifestyle brands focusing primarily on fashion, cosmetics and contract manufacturing. Its brands include Esprit, Red Earth, Bossini, Charles & Keith, Bloom, Laneige, Smash Box, Tumi, Zwilling J.A. Henckels, Time Life, and World Book.

Revenue Structure

In the year 2009, the Company and its subsidiaries operated in 6 main business segments:

(1) Food and Beverage	55%
(2) Hotel and spa operation	29%
(3) Real estate development	–%
(4) Retail trading	8%
(5) Retail property and Entertainment	3%
(6) Other income	5%

Major Events in 2009

February

- Opened the first “The Coffee Club” in Thailand at Turtle Village Shopping in Phuket.

March

- The first serviced suite/apartment purely managed by MINT, Anantara Baan Ratchaprasong Serviced Suite, has officially opened, accommodating 97 serviced suites.

April

- Obtained a Baht 4.0 billion 7-year term loan facility to refinance outstanding debentures and term loans that are due in 2009 – 2010.

May

- Discontinued all LeJazz restaurants in China.
- Increased stake in Harbour View Haiphong, hotel operator in Vietnam from 19.98% to 30.39%.

June

- Completed business restructuring plan by acquiring 99.92% stake in Minor Corporation Plc. (“MINOR”) and delisted MINOR from the SET.
- MINT’s 50% stake holding associate, Elewana Afrika, announced the commencement of their operations in Kenya through the acquisition of Afrochic Retreat, an exclusive 10-suite beach hotel.

July

- Issued Baht 2,000 million unsecured-senior debenture to retail and institutional investors. These debentures offer a fixed rate at 4.65% per year with maturity in 2013.
- MINOR has been selected as Thailand’s exclusive distributor of the World’s renowned fashion brand, GAP Inc.

October

- Completed and opened an extension 12 pool villas at Four Seasons Hotel in Chiang Mai.
- Opened Anantara Qasr Al Sarab in Abu Dhabi, a purely-managed hotel by Anantara, accommodated 206 rooms.

November

- Opened Anantara Lawana Resort & Spa, a purely managed hotel by Anantara, on Chaweng Beach, Koh Samui and accommodated 122 rooms.
- Opened the world’s fifth Louis Tussauds Waxworks at Royal Garden Plaza Pattaya.

Risk Factors

Conducting businesses carries a level of risks and uncertainties. Such risks may lead to fluctuation in revenues, profits, asset values, cash flows, and share price.

In addition to the risks stipulated below, there may be other uncertainties that the Company has not addressed or considered prominently. All stakeholders should acknowledge the likelihood of occurrence and carefully consider all other associated factors not limited to general and the specific risks contained in this document.

1. Risk from the Seasonality of the Tourism Industry

One of the Company's core businesses is hospitality, which rely heavily on number of domestic and foreign tourists. Tourist arrivals are influenced by several unpredictable and uncontrollable incidents such as terrorism, epidemic concern, natural disaster, domestic political unrest and global economic recession, etc. Not only do these factors play a significant role in Thai tourism but also in other tourist destinations across Asia.

The Company has reduced the sensitivity by appropriately balancing room and food & beverage revenues. Another risk control mechanism includes geographical diversification. Locating hotels in diverse destinations allow the Company to achieve a variety of guest nationalities to avoid over-concentration. Effective marketing strategies and cost-control measures are also structured to lessen the impact from volatility.

In addition, the Company's other businesses, i.e. food and retail trading, enable the Company to reduce the seasonality. This is due to less sensitive nature of food business. In 2009, revenues contribution from food business accounted for 55%, while hotel business contributing 27%. The remaining was attributable to 8% from retail trading, 2% from spa, 3% from retail property and entertainment and 5% from others.

2. Risk from the Competition in Core Businesses

2.1 Competition in Hospitality Business

Increasing luxury hotel supplies has led to intensive price competition, which may impose a pressure on the Company's revenues and profits. Nevertheless, the Company has established a group of loyal Thai and international clienteles on the back of successful market positioning, management's expertise and a collection of the world's renowned hotel brands, i.e. Anantara, Marriott, Four Seasons, and JW Marriott. Apart from operating own Anantara, the Company manages a group of hotels under a franchise license with Marriott. It also hires world-class hoteliers, Four Seasons Hotels & Resorts Asia Pacific Pte. Ltd. and the Hotel Licensing Corporation under the Marriott group to manage its hotels under Four Seasons and JW Marriott. Moreover, having other hospitality-complimentary businesses, e.g. food & beverage, spa, retail properties & entertainment and retail trading allows the Company to provide a full range of services.

2.2 Competition in Food and Beverage Business

Food and beverage market is highly competitive due to lower barrier of entry, unlike hospitality business. Nevertheless, intensive capital and in-depth expertise are required to successfully develop prominent brands, country-wide coverage as well as the right marketing plan. In order to achieve its goal, the Company pursues its expansion in communities with favorable purchasing power and consumption of target customers. This has enabled the Company to maintain its leading market shares. Another drive for success is the recent introduction of new food concepts including Thai, Chinese, Japanese and Coffee in addition to the original Western ones, e.g. pizza, steak, hamburger and ice cream. Increased variety has better captured consumers' diverse demand, offering greater diversification and growth for the business.

2.3 Competition in Retail Trading Business

Retail business correlates with domestic consumer confidence, which is driven by oil price movement, inflation rate, and such domestic political unrests as demonstration and riot in major retailing community or shopping centers etc. However, most of the Company's retail brands are in the segment that tends to be less sensitive to the economic downturn. Regardless, given its extensive experience, the Company is able to pro-actively adapt its marketing strategies in response to dynamic environments.

3. Risk from New Project Initiation

Once completed the feasibility study, the Company may engage in new project initiatives, especially for hotel and residences. Each project development involves a certain risk of fluctuation in investment costs and the necessity to ensure a compliance with any regulations regarding environmental protection and other infrastructure qualifications. With over 30 years of experience, the Company is able to monitor such risk through various conducts and measures. Costs of investment and standard protocols shall be clearly stipulated in the construction agreements signed with contractors. Moreover, prior to the project initiation, an intensive environmental study and infrastructure inspection are carried out to ensure the feasibility and to minimize all possible damages.

4. Risk from Investment Abroad

The Company has completed several overseas investments. It currently owns hotels in the Maldives, Sri Lanka, Vietnam and Africa and restaurants in China, Singapore and Australia. Investment abroad can cause some unpredictable country risks, which are not limited to political, legal and economic risks. These may result in higher or lower than expected revenues and profits from the Company's foreign investment.

Fully aware of such risks, the Company's management is obliged to undertake the in-depth analysis, feasibility study and due diligence which are conducted by the industry experts in each country prior to making any investment decision. In addition, the Company will initiate the venture with a small capital outlay and minority shareholding, while reserving the option to increase the stakeholding in the future. To reflect the above policy, the Company has entered in a few joint ventures with local operators in Africa, Maldives, Sri Lanka and Australia to study the market environment and to gain business expertise. As at 31 December 2009, the Company's overseas investment amounted to Baht 3,603 million or 12.7% of total assets.

Additionally, the Company has expanded its businesses internationally by entering into franchise and hotel management agreements with local business owners. Such expansion entails minimal risks while allowing the Company to expand its own brands. As end of 2009, of total 1,112 food outlets, 430 are franchised, equivalent to 38%, while 20% or 6 out of 30 hotels are under management agreement.

5. Risk from Not Owning Land

Some of the Company's hotels are on leased land. Investors thus should acknowledge the possible risk arisen from the non-own part. At present, the average remaining term is 12 years. However, the Company reserves the right to renew the lease upon the agreement of rental fees. Given the Company's compliance with relevant terms and conditions together with well-established relationship with the landlords, such risk shall not arise in the near term.

For food and retail trading businesses, securing prime location is one of the key success factors. Risks therefore derive from the possibility that rent contracts cannot be renewed or kept intact. Nevertheless, the Company's multi-brand portfolios of food and retail trading enhance its negotiation power, thus allowing it to secure long-term rental agreements.

6. Risk from Renewal of Franchise and Distribution Agreements

Some of the Company's operating food brands are franchised from the master companies abroad. Risk exposure can be viewed as required contract renewal, expiration and future amendment. To control such risk, the Company has simultaneously extended the contract term prior to the expiration in order to mitigate the possible risk. On average, the food franchise agreements are able to be renewed approximately 10 - 20 years ahead of their maturities (upon types of agreement). The Company expects to develop or acquire more own brands in addition to three existing ones; The Pizza Group, Thai Express and The Coffee Club to mitigate this risk in the future.

For retail trading business, securing exclusive distribution agreements is crucial. Some of agreements are entitled to automatic renewal while others are not. The Company then faces the risk in the latter case should the agreement cannot be renewed, leading to a possible decline in revenues from retail trading. Nonetheless, its compliance with relevant terms and conditions specified in the agreements has established a respectable relationship with the manufacturers. Should there be any modifications in the agreements especially on the fee structure, the Company shall exercise its best efforts in negotiation to reach mutual benefits.

7. Risk from Terminations of Hotel Management Contract and Manufacturing Contract

The Company has increasingly leveraged on its own Anantara brand to manage non-own hotels in exchange for management fees. Fee structure can be categorized into 2 phases; a technical service and advisory fee prior to the hotel opening and the management fee once the hotel commence on its operations. The management fee is based on the sharing structure of hotel's revenues and profits. Generally, the contract term lasts 10 years. Should the hotel owners terminate the contract prior to maturity, the Company is entitled to cancellation fees. Since its inception several years ago, Anantara, known for tailoring to local culture, is gaining recognition and trust placed by international travelers. At present, the Company has entered into 21 hotel management contracts in Thailand and overseas. Various locations and partners offer diversification. Of 21 hotel management contracts, 6 hotels are operating, while the remaining is under construction expecting openings by 2012.

One of the Company's subsidiaries, NMT Ltd., conducts contract manufacturing business for global fast moving consumer goods. Price and product quality play a prominent role in securing orders, while entry barrier is relatively high due to the limited licensed manufacturers. With over 20 years of experience, the Company produce quality products and constantly deliver to the standard, together with a consistent improvement of production line.

8. Financial Risk

8.1 Risk from Exchange Rate

Some of the Company and its subsidiaries revenues are dominated in foreign currency due mainly to franchise income and payment from foreign travel agencies. These are naturally hedged against non-Thai Baht expenses, e.g. hotel management fees, franchise fees and payment for retail trading products. As such, fluctuation in foreign currency imposes minimal impact relative to total revenues. The Company and its subsidiaries also reduces the risk exposure by quoting all room rates of domestic hotels in Thai Baht, instead of US currency.

As at 31 December 2009, the Company's foreign investment accounted for 0.45% of total assets. These include investments in associates and joint ventures as well as long-term investment in marketable securities. They are recorded in compliance with the accounting standards, where exchange rate gain or loss in foreign investments is not realized on the income statement. Share of profits from investments in associates and joint ventures are converted to Thai Baht based on the Bank of Thailand's published average exchange rate throughout 2009, while investment in marketable securities shall be marked to market based on the exchange rate at the end of accounting period. The affect of foreign currency is quite small as the foreign investment is very minimal.

As at 31 December 2009, 94% of the Company and its subsidiaries total liabilities are denominated in Thai baht, while the remaining 6% is in foreign currency which has been incurred by oversea subsidiaries' borrowing in foreign currency to match with the same revenue currency.

8.2 Risk from Debt Collection

The Company's food business carries relatively smaller debt collection risk compared to hotel business given the nature of cash generating business. Hotel business may expose to a risk of receivables collection from travel agencies and other major business partners. However, having a diversified clientele allows the Company to avoid material default rates. Credit terms shall be discretionarily granted to clients who have no less than 3 - 5 year business track record with the Company. Per new accounts, the Company shall allow limited credit terms. This mechanism is implemented to effectively manage receivables along with close supervision of the questionable ones.

As of 31 December 2009, the Company and its subsidiaries net account receivables reported Baht 1,000.23 million, accounting for 5.78% of its revenues. Of total, approximately 96.64% is accrued less than 90 days including not yet due 86.72%. 1.97% of account receivables (before allowance for doubtful account) are allocated to allowance of doubtful accounts.

8.3 Risk from Interest Rate

Fluctuation in market interest rates may impact the Company's cash flows as 50% of its borrowings carry floating interest rate. As appropriate, the Company and its subsidiaries may engage in interest rate swaps to manage the interest rate risk. The Company has issued fixed rate debentures with various maturities of 3, 5 and 7 with average interest rate of approximately 5%. The Company and its subsidiaries has also performed sensitivity analysis; 1% increase in interest rate will lead to increase expense 0.33% of total revenues.

8.4 Risk from the Compliance with the Debentures' Debt Covenant

As stipulated in the debentures' debt covenant, the Company's Interest Bearing Debt (IBD) to Shareholder Equity must not exceed 1.75 : 1 at the end of each accounting period, based on the quarterly and audited financial statements. As of 31 December 2009, its interest bearing debt to shareholder equity ratio reported 0.96 : 1.

Given the possible impacts on the Company influenced by the stated uncertainties, the Company has appointed its internal audit to periodically evaluate all associated risk factors, derived by business unit self assessment exercise. The joint collaboration of relevant parties is developed to analyze the impact and risk-elimination or mitigation procedures. Follow ups and re-evaluation are conducted on a continuing basis. All risk management disciplines are summarized in the Company's risk management manual which is under review annually.

Good Corporate Governance

The Board of Directors (the Board) of Minor International Public Company Limited (the Company) realizes the importance of Good Corporate Governance, a critical for the Company to achieve its long term sustainable growth objectives.

The Board has approved the Good Corporate Governance Guidelines (the Guidelines) for all the Company's business operations and for its directors, management and employees. The Good Corporate Governance Guidelines will be reviewed and modified annually in order to adapt to the changes in business operations, the regulatory environment, and applicable laws.

1. Shareholders' Right

The Board values the rights of shareholders and defines a policy in the Guidelines to ensure the equitable treatment of all shareholders:

- 1.1 All statutory rights of shareholders that include, voting right, right to receive dividends, right to sell, buy or transfer shares, right to attend shareholders' meetings, and right to receive information that is sufficient, timely, and in a form suitable to allow for the formation of decisions.
- 1.2 The rights to elect and remove directors, and to approve the appointment of independent auditors.
- 1.3 The rights to the division in the profits.
- 1.4 The rights to receive board resolution regarding detailed information of the Board resolution, and the Annual General Meeting (AGM) agendas in advance, not less than 30 days prior to the AGM date via the Company's website.
- 1.5 The rights to receive an invitation notice for the AGM, identifying the date, time and location of the Meeting, detailed information of agenda items, rules and procedures to attend the meeting and issues for consideration. The Company will send the invitation notice to all shareholders in advance, not less than 7 days before the meeting. The Meeting will be held on date, time and location that is convenient to shareholders.
- 1.6 The Company allows shareholders to send their questions to the Company prior to the meeting date via the Company's website.

2. Equitable Treatment of Shareholders

The Board values the importance of Equitable Treatment to Shareholders and has established policies to supervise, protect and promote the shareholders' rights to ensure that all shareholders will be treated fairly and equally. Furthermore, the policy relating to the Equitable Treatment to Shareholders must be in accordance with the guidelines, rules and regulations of the Stock Exchange of Thailand, and Securities and Exchange Commission, as well as related laws. The key policies that have been established to ensure the equitable and fair treatment of shareholders are;

- 2.1 To grant shareholders the opportunity to propose AGM agenda items in advance of the Meeting. All criteria required to propose AGM agenda items will be disclosed in the Company's website.
- 2.2 **To grant all shareholders who cannot vote in person, be able to vote by proxy**
 - 2.2.1 In case shareholders cannot attend the Meeting, the Company has provided 3 proxy forms prescribed by the Department of Commercial Registration, Ministry of Commerce to be used in any shareholders' meeting in order to facilitate the proxy. The shareholders may select any form of the three provided.
 - 2.2.2 The granter may select the Company's independent director to facilitate the proxy. The Company has attached the independent director's profile with the proxy form.

2.3 Equitable Treatment at the AGM

- 2.3.1 Before commencing the Meeting, the Chairman of the Meeting will explain the voting procedures and vote-counting procedures to shareholders.
- 2.3.2 The Chairman of the Board, and the Chairmen of the Committees will attend the Meeting in order to provide shareholders comments to inquires relevant to the agenda or the Company's operation.
- 2.3.3 The Company allows shareholders to elect directors on individual basis.
- 2.3.4 The Chairman of the Meeting conducts the Meeting in the sequence as given in the agenda, and invitation notification. No additions to the agenda or alteration of sequence of agenda items will be made, except such for appropriated reasons.
- 2.3.5 In order to ensure the transparency and compliance with auditing standards, the Company will use voting cards for all agenda items. In addition, to permit accurate and timely reporting, the Company will use the automatic system for registration and vote-counting.

- 2.4 After AGM, the Company will prepare the minutes of the Meeting according to agenda with voting results of each agenda item specifying affirmative, negative and abstention vote counts, plus details of important matters discussed. The minutes of the Meetings was disclosed in the Company's website and the SET within 14 days of AGM date.

2.5 Policy and Measures on Inside Information

The Company has established an explicit policy and measurement to prevent all directors and management from using inside information for their own interests. Directors and senior management are to notify the Corporate Secretary of every transaction they make regarding the trading of the Company's securities prior to submitting the Securities Holding Report to the SEC. The Company also prohibits all directors and senior management from trading the Company's securities in case involving material information or information that would impact the Company's security price. The Company will inform in writing all directors and senior management to abstain from trading the Company's securities at least 30 days before interim and fiscal financial information is released to the SET and the SEC.

3. Roles of Stakeholders

The Company realizes the importance of ensuring that all shareholders' rights are properly observed. Pertinent procedures are carried out in line with the rules and regulations of the Stock Exchange of Thailand, the Securities and Exchange Commission as well as the related laws.

Shareholders	The Company is committed to create long-term growth and returns to the shareholders and conducting its business in the transparent manner.
Customers	The Company is committed to continuously develop better quality of goods and services for the benefit and satisfaction of its customers.
Partners	The Company treats all partners fairly in order to achieve 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 asset and treats them fairly in regard to work opportunities, remuneration, and quality of working environment. The Company also provides all its employees professional and career development training.

Society and environment

The Company is committed to conduct businesses that benefit the economy and society and quality of environment. The Company has established the Corporate Social Responsibility (CSR) Department to promote the Company's staff the importance of the CSR objectives to achieve balanced benefits relating to society, the environment, and all stakeholders in harmony with the Company's sustainable growth objectives.

Stakeholders can request information, or notify any claims, and violations relating to financial reports, internal control system, or business ethics through the Company's website. The Internal auditor will review these communications and advise the Audit Committee. All claims and violations communication will be protected, and kept in confidence. The Audit Committee will investigate these matters, recommend corrective action (if any) and will address the outstanding concerns to the Board.

4. Disclosure

4.1 Investor Relations

The Board stresses for an importance to disclose sufficient, accurate and timely quantitative and qualitative information. Reporting to the Chief Financial Officer, the Investor Relations Manager has developed and established efficient communication processes include critical areas such as the Company's vision and mission statements, and financial and operational information to shareholders, equity analysts, target investors and fund managers. During the past years, the Company has successfully delivered the Company's information and positioning messages using a wide range of tools including news releases, conference calls, quarterly presentations, local and international investor roadshows, IR website, annual reports, fact sheets and IR materials, and the SET and the SEC announcement.

The Company provides a central point of investor contact, Ms. Prapharat Tangkawattana – Senior Finance Director, currently holding the Head of Investor Relations Office.

4.2 Corporate Governance Guidelines

The Board takes a serious interest in the monitoring of corporate governance guidelines that are required for long term sustainable growth. These written guidelines are reviewed annually. The guidelines define rights and equitable treatment of shareholders, vision, mission, and principal responsibilities of the Board, business principles, integrity and business control, conflict of interest, CSR guidelines, workplace environment, disclosure, and policies involving stakeholders including customers, and community. The Board also approves the policy on business ethics for employees, and the Company provides secure communications channels for the reporting of behavior which is illegal or in violation of established guidelines.

4.3 Report of the Board of Directors

The Board is responsible for the consolidated financial statements of the Company and its Subsidiaries, and the financial information shown in the annual report. The financial statements are prepared utilizing the accounting standards in Thailand, and to ensure the proper disclosure of financial information. The Board maintains an efficient internal control system in order to ensure the accounting records are correct and sufficient.

The Board has appointed members the Audit Committee comprising of Independent Directors to be responsible for the oversight of financial reporting and internal control. The opinion Report of the Audit Committee is shown in the Annual Report.

4.4 Remuneration of Directors and Management

The Company sets the remuneration basis of directors and senior management based on relevant industry practices in order to maintain its competitiveness to attract and retain key personnel. The remuneration forms for directors are meeting fees and fixed fees, whereas remuneration forms for senior management are salary and bonuses. In addition, the Company has provided the management and employees ESOP warrants, with vesting terms of up to 4 - 5 years in order to motivate management to create the long-term growth, and to facilitate the retention of key personnel. The Compensation Committee, which is comprised of the independent directors and non-executive director, will approve the salaries and bonuses of executive directors, and determine the allocations under the ESOP program.

The year 2009 remuneration that the Company has paid to the directors and senior management was as follows:

4.4.1 Directors' Remuneration

Directors	Attendance / Meetings	Board fees (Baht)	AC fee (Baht)	CC fee (Baht)	NCG fee (Baht)	Other fee received from Subsidiaries (Baht)	Total (Baht)
1. Mr. William E. Heinecke	11/11	200,000	-	-	-	180,000	380,000
2. Mr. Paul C. Kenny	11/11	200,000	-	-	-	-	200,000
3. Mrs. Pratana Mongkolkul	11/11	200,000	-	-	-	180,000	380,000
4. Mr. Kenneth L. White	11/11	1,140,000	440,000	50,000	50,000	-	1,680,000
5. Mr. Michael D. Selby	6/11	580,000	100,000	50,000	50,000	220,000	1,000,000
6. Mr. Kittipol Pramoj Na Ayudhya	11/11	1,140,000	-	-	-	-	1,140,000
7. Mr. Anil Thadani	9/11	1,100,000	-	50,000	50,000	180,000	1,380,000
8. Khunying Jada Wattanasiritham	11/11	1,140,000	260,000	-	-	-	1,400,000
9. Mr. Emmanuel Jude Dillipraj Rajakarier	11/11	200,000	-	-	-	180,000	380,000

Note: AC = Audit Committee CC = Compensation Committee NCG = Nominating and Corporate Governance Committee

4.4.2 Management Remuneration

In 2009, the Company paid remuneration to 5 managements of totally Baht 101.52 million.

4.5 Committee's Functions

The Board has set and appointed members of the Audit Committee, the Compensation Committee and the Nominating and Corporate Governance Committee. Compositions of each committee are laid out in the shareholders' structure and management section.

4.5.1 Summary of the Committees' Meeting Attendance

Director	Attendance / Audit Committee Meetings	Attendance / Compensation Committee Meeting (s)	Attendance / NCG Committee Meeting (s)
1. Mr. Kenneth L. White	4/4	3/3	2/2
2. Mr. Michael D. Selby	0/4	2/3	1/2
3. Khunying Jada Wattanasiritham	4/4	-	-
4. Mr. Anil Thadani	-	2/3	2/2

4.6 Policy on Corporate Social Responsibilities

The Board realizes the importance for the Company to demonstrate leadership by conducting its business in a manner that provides benefits to the economy, society, and the environment. The Company established the Corporate Social Responsibility Department to promote the Company's staff the importance of the CSR objectives to achieve balance benefits to society, environment, and all stakeholders in harmony with the Company's sustainable growth objectives. During 2009, the CSR activities are detailed in Corporate Social Responsibilities Section.

5. Responsibilities of the Board

5.1 The Composition of the Board and Committees

5.1.1 Composition and Qualification of Directors

- 5.1.1.1 The Board consists of at least five members, but not more than eleven. No fewer than half of these board members must be based within the Kingdom. The board members must have the qualifications determined by the Public Company Limited Act, and related laws.
- 5.1.1.2 There are at least three independent directors, and not less than one-third of the Board size. All independent directors must have the qualifications under the Company's independent director definition, the SEC Announcement and the SET Notification.
- 5.1.1.3 Directors must possess knowledge, capabilities and experience which can benefit the Company's business operations. Nominating and Corporate Governance Committee will consider the qualifications of the director candidates through transparent pre-selection procedures and propose to the Board for final consideration. The director candidates who are selected by the Board will be included in AGM agenda. All director candidates' information will be disclosed in the annual report and the Company's website.
- 5.1.1.4 The company's director must not serve on more than five boards of Thai listed public companies.

5.1.2 Balance of Power for Directors

The Board comprises of 9 persons, with 5 non-executive directors, representing more than 50% of the board size.

5.1.3 Aggregation or Segregation of Positions

The Chairman of the Board and the Chief Executive Officer is the same person and is not independent. The current board structure maintains an appropriate check and balance system because the composition of the Board comprises a majority of members who are non-executive directors and independent directors.

5.1.4 The Committees

The Board has established three committees which are Audit Committee, Compensation Committee and Nominating and Corporate Governance Committee.

- 5.1.4.1 Audit Committee comprises of a minimum of three independent directors. All members must be independent directors under the Company's definition, the SEC Announcement and the SET Notification.
- 5.1.4.2 Compensation Committee and Nominating and Corporate Governance Committee comprises of a membership majority of independent directors.
- 5.1.4.3 The Chairman and member of all committees must not be the Chairman of the Board.

5.1.5 Corporate Secretary

The Company has assigned the corporate secretary to be in charge of the following responsibilities;

- 5.1.5.1 Prepare and file Board and Shareholder documents which are the directors' share registration records, notices of Board and Shareholders, minutes of Board and Shareholders, and the Company's annual report and quarterly financial reports.
- 5.1.5.2 File reports relative to the conflict of interest of directors and management.
- 5.1.5.3 Advise the rules and regulations relative to the director's functions and responsibilities.
- 5.1.5.4 Administer other activities as directed.

5.2 Roles, duties and responsibilities of the Board

5.2.1 Leadership and Vision

Directors that made up the Company Board participate in defining goals, vision, strategies, and business targets. Through the collective skills and experience of directors, shareholders are assured that the Company's objectives can be achieved in a manner that best benefit to the Company and its shareholders.

5.2.2 Segregation of Roles, duties and responsibilities between the Board and management

The Board and Management have clearly segregated roles, duties and responsibilities. The Board will consider and approve the policies such as vision, mission, strategies, corporate governance guidelines, and overall financial objectives, whereas management will manage the business operation under policies defined by the Board. Roles, duties and responsibilities between the Board and Management are detailed in Shareholder's structure and management section.

5.2.3 Policy on Corporate Governance

The Board 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 Company also issued a Code of Conduct policy for all employees to serve as a guideline for adherence to operating procedure, and provides the communication channels to receive and process reports relative to illegal conduct and/or misconduct. The Board has assigned the NCG Committee to supervise directors, management and employees to perform their duties under the Guidelines. The NCG Committee will review the Guidelines annually, in order to respond to changing situations and the guidelines of the SET, the SEC and other organizations prescribing corporate best practices.

5.2.4 Policy on Conflict of Interest

In order to avoid any conflicts of interest, the management and the Board need to carefully consider any and all transactions that may cause potential conflicts by establishing a written policy and approval process for any connected transactions.

For any transactions that are related to any director of the Company, that particular director does not have the right to vote or participate in the Board discussion on such transactions. The Board also has established a policy that prohibits management and staff from utilizing the Company's information for personal use.

5.2.5 Internal Control System

The Company stresses the importance of strong internal control throughout the organization. Written responsibilities, authority delegation, and management controls have been adopted to create transparency for utilization of the Company's resources, and to distinguish the duties of staff and controllers in order to ensure that proper verification and monitoring processes are in place.

The Company has an Internal Audit Department to 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 the Company is compliant with all regulations.

5.2.6 Risk Management System

Certain aspects of its business operation may expose the Company to both internal and external risks. The Company recognizes the importance of controlling these risks and minimizing the possibility of any negative impact to the Company. The Company has assigned Internal Audit Department to assess and monitor these risks. In assessing risks, every department has to identify risk factors that may arise from its operations such as risks from business production, management, and finance. The Internal Audit Department and other departments that identify risk factors, cooperate to collect information and assess risk exposure in order to take action to prevent or minimize the negative impacts. The Company has established a risk management procedural manual and reviews it annually.

5.2.7 Board of Directors' Meeting

To ensure attendance at the Board meetings, Corporate Secretary has provided and informed directors schedule meetings for the year 2009 in advance. Directors can propose the agenda items to the Chairman of the Board (CEO). The Corporate Secretary will send Board notices with the agenda to all directors at least seven days before the meeting.

For the year 2009, there are a total of 11 Board meetings. The Corporate Secretary sent notices to the Board at least 7 days before the Meetings. The Chairman of the Board fully attended all 11 Board meetings. During the Meetings, the Chairman of the Board appropriately allocated time for directors to carefully review and discuss all relative information. There were also written minutes that were made available for verification and approved by the Board. In addition, the Company continuously sends the monthly performance summary to the Board.

For the year 2010, the Company will follow the aforesaid meeting procedures.

5.3 Board of Directors' Self Assessment

The Board conducts annual self assessments to determine how well the Board performs its duties and acts accordingly to continuously improve its performance.

5.4 Board and Management Development

5.4.1 Board and Management Training

The Company encourages and facilitates training and self development for all directors and management in relation to the Company's business operation and strategies, and Corporate Governance Guidelines. New directors are provided with orientation programs as well as handbooks that cover roles, authorities and responsibilities of directors, Corporate Governance policies, memorandum of associations, articles of associations, the Company's vision, mission, and framework of business operations. New directors also attended meetings in regards of strategic plan formulation.

5.4.2 Succession Plan

The Board will annually approve and maintain a Succession Plan for the CEO and management.

Shareholders' Structure and Management

The Board consists of the Board of Directors, the Audit Committee, the Compensation Committee and the Nominating and Corporate Governance Committee

Board of Directors

1. Mr. William E. Heinecke

Positions	<ul style="list-style-type: none"> Chairman (Elected in 1979) Chief Executive Officer
Age	<ul style="list-style-type: none"> 61 years (Born in 1949)
Educational Credential	<ul style="list-style-type: none"> Honorable Doctoral Degree of Business Administration in Management, Yonok College International School of Bangkok Director Certificate Program, Thai Institute of Directors Association
Other Current Positions	<ul style="list-style-type: none"> Chairman of Minor International Plc.'s subsidiaries Chief Executive Officer and Chairman of Minor Corporation Plc. and Chairman of its subsidiaries Chairman of the Minor Food Group Plc. and Chairman of its subsidiaries Director of Rajadamri Hotel Plc. and Director of its subsidiaries Director of Sermsuk Plc. Director of S&P Syndicate Plc. Independent Director of Indorama Ventures Plc. Director of Everest Worldwide Ltd.
Experiences	<ul style="list-style-type: none"> Director of Saatchi & Saatchi Limited Chairman and Managing Director of Ogilvy & Mather (Thailand) Limited
% of Shareholding as of 31 December 2009	<ul style="list-style-type: none"> 358,135,822 shares or 11.03% of paid up shares

2. Mr. Paul Charles Kenny

Positions	<ul style="list-style-type: none"> Director (Elected in 1997)
Age	<ul style="list-style-type: none"> 61 years (Born in 1949)
Education	<ul style="list-style-type: none"> General Management Program, Ashridge Management College, England Director Certificate Program, Thai Institute of Directors Association
Other Current Positions	<ul style="list-style-type: none"> Chief Executive Officer and Director of The Minor Food Group Plc. and Directors of its subsidiaries
% of Shareholding as of 31 December 2009	<ul style="list-style-type: none"> 3,436,078 shares or 0.11% of paid up shares

3. Mrs. Pratana Mongkolkul

Positions	<ul style="list-style-type: none"> • Director (Elected in 1998) • Chief Financial Officer
Age	<ul style="list-style-type: none"> • 46 years (Born in 1964)
Educational Credential	<ul style="list-style-type: none"> • Master of Business Administration, Thammasat University • Director Diploma Examination, The Australian Institute of Directors Association • Director Certification Program, Thai Institute of Directors Association • Directors Accreditation Program (DAP), Thai Institute of Directors Association • Chief Financial Officer Certification Program 1, The Institute of Certified Accounting and Auditors of Thailand • Capital Market Academy Leader Program 6/2008, Capital Market Academy
Other Current Positions	<ul style="list-style-type: none"> • Director of S&P Syndicate Plc. • Chairman of the Audit Committee and Independent Director of Thoresen Thai Agencies Plc. • Director of Minor International Plc.'s subsidiaries • Director of Minor Corporation Plc. and its subsidiaries • Director of The Minor Food Group Plc. and its subsidiaries • Director of Rajadamri Hotel Plc. and its subsidiaries
Experiences	<ul style="list-style-type: none"> • Senior Vice President of Central Pattana Plc. • Vice President of Finance and Accounting of Central Pattana Plc. • Finance and Accounting Manager of Thai Airport Ground Service Company Limited • Chief Finance Section of USAID, Thailand
% of Shareholding as of 31 December 2009	<ul style="list-style-type: none"> • 14,215,944 shares or 0.44% of paid up shares

4. Mr. Kenneth Lee White

Positions	<ul style="list-style-type: none"> • Independent Director (Elected in 1998) • Chairman of the Audit Committee • Chairman of the Nominating and Corporate Governance Committee • Chairman of the Compensation Committee
Age	<ul style="list-style-type: none"> • 63 years (Born in 1946)
Educational Credential	<ul style="list-style-type: none"> • Master of Business Administration, University of Puget Sound Tacoma, W.A., USA • Director Certification Program, Thai Institute of Directors Association, Fellow Member IOD
Other Current Positions	<ul style="list-style-type: none"> • Executive Director of Finansa Plc. • Director and Audit Committee member of Goodyear Plc. • Director of Finansa Capital Limited • Director of Finansa Asset Management Limited • Director of Loxbit Plc. • Board of Governors of American Chamber of Commerce
Experiences	<ul style="list-style-type: none"> • Managing Director of Pacific Siam Strategic Consulting Co., Ltd. • General Manager of The Chase Manhattan Bank N.A.
% of Shareholding as of 31 December 2009	<ul style="list-style-type: none"> • 69,114 shares or 0.00% of paid up shares

5. Mr. Michael David Selby

Positions	<ul style="list-style-type: none"> • Independent Director (Elected in 2004) • Member of the Audit Committee • Member of the Nominating and Corporate Governance Committee • Member of the Compensation Committee
Age	<ul style="list-style-type: none"> • 56 years (Born in 1954)
Educational Credential	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • Director of Christiani & Nielsen (Thai) Plc. • Director of Rajadamri Hotel Plc. • Director of Ocean Beauty Seafoods Inc., USA • Executive Director of AEA-SOS International, Risk Management Company, and medical services provider • Chairman of Supervisory Board, Kempinski AG • Managing Director of CPB Equity Co., Ltd. • Managing Director of CPB Property Co., Ltd. • Director of AON Risk Services (Thailand) Limited • Director of Sri Julsup Co., Ltd. • Director of Kempin Siam Co., Ltd.
% of Shareholding as of 31 December 2009	<ul style="list-style-type: none"> • - None -

6. Mr. Kittipol Pramroj Na Ayudhya

Positions	<ul style="list-style-type: none"> • Director (Elected in 2000)
Age	<ul style="list-style-type: none"> • 38 years (Born in 1972)
Educational Credential	<ul style="list-style-type: none"> • MBA Finance, Sasin Graduate Institute of Business Administration of Chulalongkorn University • Director Certificate Program (DCP), Thai Institute of Directors Association • Directors Accreditation Program (DAP), Thai Institute of Directors Association • Audit Committee Program (ACP), Thai Institute of Directors Association
Other Current Positions	<ul style="list-style-type: none"> • Managing Director of Sammakorn Plc. • Director of Minor International Plc.'s subsidiaries • Director of Pure Sammakorn Development Ltd. • President of Thai Real Estate Association • Managing Director of Danacom and Development Company Limited
% of Shareholding as of 31 December 2009	<ul style="list-style-type: none"> • - None -

7. Mr. Anil Thadani

Positions	<ul style="list-style-type: none"> • Director (Elected in 1998) • Member of Nominating and Corporate Governance Committee • Member of the Compensation Committee
Age	<ul style="list-style-type: none"> • 63 years (Born in 1946)
Educational Credential	<ul style="list-style-type: none"> • Master of Business Administration, University of California, Berkeley, USA • Master of Science, University of Wisconsin, Madison, USA
Other Current Positions	<ul style="list-style-type: none"> • Director of Rajadamri Hotel Plc. • Founder and Chairman of Symphony Capital Partners Limited and Symphony Investment Managers Limited • Director of SIHL (listed on London Stock Exchange) • Chairman of Hup Soon Global Corporation Limited • Director of Orchid Pharmaceuticals - India • Member of Board of Trustees of the Singapore Management University • Member of International Institute for Strategic Studies
% of Shareholding as of 31 December 2009	<ul style="list-style-type: none"> • 55,551,566 shares or 1.71% of paid up shares

8. Khunying Jada Wattanasiritham

Positions	<ul style="list-style-type: none"> • Independent Director (Elected in 2008) • Member of the Audit Committee
Age	<ul style="list-style-type: none"> • 64 years (Born in 1945)
Educational Credential	<ul style="list-style-type: none"> • M.A. Economic Development, Williams College, Massachusetts • M.A. Natural Sciences & Economics, Cambridge University • B.A. Natural Sciences & Economics, Cambridge University
Other Current Positions	<ul style="list-style-type: none"> • Executive Director of The Siam Commercial Bank Plc. • Director, Chairman of Audit Committee and Remuneration Committee of PTT Public Company Limited • Chairman of Siam Commercial New York Life Insurance Plc. • Governor of Stock Exchange of Thailand • Chairman of Thai Asset Management Corporation • Director of Siam Piwat Co., Ltd.
Experiences	<ul style="list-style-type: none"> • Department of Economic Research, Bank of Thailand • President and CEO of The Siam Commercial Bank Plc.
% of Shareholding as of 31 December 2009	<ul style="list-style-type: none"> • - None -

9. Mr. Emmanuel Jude Dillipraj Rajakarier

Positions	<ul style="list-style-type: none"> • Director (Elected in 2008)
Age	<ul style="list-style-type: none"> • 45 years (Born in 1965)
Educational Credential	<ul style="list-style-type: none"> • Master of Business Administration, UK • Degree in Computer Systems Analysis & Design, Sri Lanka • Director Certificate Program, Thai Institute of Directors Association
Other Current Positions	<ul style="list-style-type: none"> • Director of Minor International Plc.'s subsidiaries
Experiences	<ul style="list-style-type: none"> • Deputy Chief Financial Officer of Orient-Express Hotels, Trains & Cruises • Group Financial Controller of Easi Solutions Plc. • Financial Controller of Le Piau Restaurants • Financial Controller of Desert Express Ltd. T/A Monte's, London • Financial Controller/Group Accountant of London Wine Bars Ltd.
% of Shareholding as of 31 December 2009	<ul style="list-style-type: none"> • 420,000 shares or 0.01% of paid up shares

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

On 31 December 2009, the Audit Committee comprised of 3 directors as follows;

- | | |
|-----------------------------------|-----------------------------------|
| 1. Mr. Kenneth Lee White | Chairman and Independent Director |
| 2. Khunying Jada Watthanasiritham | Member and Independent Director |
| 3. Mr. Michael David Selby | Member and Independent Director |
| 4. Mrs. Pratana Mongkolkul | Audit Committee's secretary |

Audit Committee Scope of Responsibilities

1. To review the Company's financial reporting process to ensure that it is accurate and adequate.
2. To review the Company's internal control system and internal audit system to ensure that they are suitable and efficient, to determine an internal audit unit's independence, as well as to approve the appointment, transfer and dismissal of the chief of an internal audit unit or any other unit in charge of an internal audit.
3. To review the Company's compliance with the law on securities and exchange, the Exchange's regulations, and the laws relating to the Company's business.
4. To consider, select and nominate an independent person to be the Company's auditor, and to propose such person's remuneration, as well as to attend a non-management meeting with an auditor at least once a year.
5. To review the Connected Transactions, or the transactions that may lead to conflicts of interests, to ensure that they are in compliance with the laws and the Exchange's regulations, and are reasonable and for the highest benefit of the Company.
6. Committee's report which must be signed by the audit committee's chairman and consist of at least the following information;
 - (a) an opinion on the accuracy, completeness and creditability of the Company's financial report,
 - (b) an opinion on the adequacy of the Company's internal control system,
 - (c) an opinion on the compliance with the law on securities and exchange, the Exchange's regulations, or the laws relating to the Company's business,
 - (d) an opinion on the suitability of an auditor,
 - (e) an opinion on the transactions that may lead to conflicts of interests,

- (f) the number of the audit committee meetings, and the attendance of such meetings by each committee member,
 - (g) an opinion or overview comment received by the audit committee from its performance of duties in accordance with the charter, and
 - (h) other transactions which, according to the audit committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Company's board of directors;
7. To perform any other act as assigned by the Company's board of directors, with the approval of the audit committee.
 8. In the case that it is found or suspected that there is a transaction or any of the following acts which may materially affect the Company's financial condition and operating results, the audit committee shall report it to the board of directors for rectification within the period of time that the audit committee, as deemed appropriated:
 - (1) a transaction which causes a conflict of interest;
 - (2) any fraud, irregularity, or material defect in an internal control system; or
 - (3) an infringement of the law on securities and exchange, the Exchange's regulations, or any law relating to the Company's business.

(The details of roles and responsibilities of Audit Committee is shown in the Audit Committee charter, prescribed in the Company's website.)

Compensation Committee

On 31 December 2009, Compensation Committee comprised of 3 directors as follows;

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

Compensation Committee Scope of Responsibilities

Consider remuneration of the senior executives. (The details of roles and responsibilities of Compensation Committee is shown in the Compensation Committee Charter, prescribed in the Company's website.)

Nominating and Corporate Governance Committee

On 31 December 2009, Nominating and Corporate Governance Committee comprised of 3 directors as follows;

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

Nominating and Corporate Governance Committee Scope of Responsibilities

1. Consider and select qualified delegates to fill the vacant position of the Company's director.
2. Review and recommend to Annual General Meeting of Shareholders the remuneration of the Company's directors.
3. Review and recommend to the Board the Corporate Governance Guidelines in order to comply with the Good Corporate Governance Principals, specified by the Stock Exchange of Thailand, Securities Exchange and Commissions, and Thai Institute of Directors Association.
4. Ensure the Company's operation to comply with the Company's Corporate Governance Guidelines.
5. Report the Corporate Governance to the Board.

(The details of roles and responsibilities of Nominating and Corporate Governance is shown in the Nominating and Corporate Governance Committee Charter, prescribed in the Company's website.)

Executive Management

As of 31 December 2009, 5 Managements as follows;

- | | |
|----------------------------|---|
| 1. Mr. William E. Heinecke | Chairman and Chief Executive Officer |
| 2. Mrs. Pratana Mongkolkul | Director and Chief Financial Officer |
| 3. Mr. Stephen Chojnacki | General Counsel |
| 4. Mr. John Griffin | Vice President, Marketing |
| 5. Ms. Heidi Grambel | Vice President, Revenue Management and Distribution |

Biographies of Mr. William E. Heinecke and Mrs. Pratana Mongkolkul are presented under “Board of Directors” section. The biographies of remaining 3 executive management are presented as followings:

1. Mr. Stephen Chojnacki

Positions	<ul style="list-style-type: none"> General Counsel (Elected in 2007)
Age	<ul style="list-style-type: none"> 38 years (Born in 1972)
Educational Credential	<ul style="list-style-type: none"> Juris Doctor, University of Virginia Bachelor of Arts Foreign Affairs/ Economies/ Law, University of Virginia Director Certificate Program, Thai Institute of Directors Association (IOD)
Experiences	<ul style="list-style-type: none"> Consultant of Linklaters
% of Shareholding as of 31 December 2009	<ul style="list-style-type: none"> - None -

2. Mr. John Griffin

Positions	<ul style="list-style-type: none"> Vice President, Marketing (Elected in 2007)
Age	<ul style="list-style-type: none"> 51 years (Born in 1959)
Educational Credential	<ul style="list-style-type: none"> Diploma in Marketing, Macquarie University Bachelor of Arts/Law, University of Sydney Higher School Certificate, Daramalan College, Canberra, Australia
Experiences	<ul style="list-style-type: none"> Vice President Worldwide Marketing of Le Meridien Hotels & Resorts London, England Group Account Director of IBM Australia/New Zealand
% of Shareholding as of 31 December 2009	<ul style="list-style-type: none"> - None -

3. Ms. Heidi Gempel

Positions	<ul style="list-style-type: none"> Vice President, Revenue Management and Distribution (Elected in 2008)
Age	<ul style="list-style-type: none"> 34 years (Born in 1976)
Educational Credential	<ul style="list-style-type: none"> Hospitality, Berufsfachschule Nurnberg, Germany
Experiences	<ul style="list-style-type: none"> Director of Revenue Management of Asia Pacific for Le Meridien Hotels and Resorts
% of Shareholding as of 31 December 2009	<ul style="list-style-type: none"> 13,090 shares or 0.00% of paid up shares

Corporate Secretary

Ms. Chitlada Nateetorn

Investor Relations

Ms. Prapharat Tangkawattana

Definition of Independent Directors

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

1. Holding shares of not more than 1% of paid up capital of the company, parent company, subsidiaries, associates, major shareholder or the company controlling person. The number of held shares shall be inclusive of shares held by any related persons of independent director.
2. Not being or formerly an executive director, employee, staff member, advisor who receives a regular salary or being a controlling person of the company, parent company, subsidiaries, associates, subsidiaries which have the same parent company, major shareholder or the company controlling person except where such relationship was in excess of a period of two years before appointment as an independent director.
3. Not being a person who is related by blood or registration under laws, including mother, father, spouses, sibling and children and spouse of children of management, major shareholder, controlling person or a person to be nominated as management or controlling person of the company or subsidiaries.
4. Not having or formerly having a business relationship with the company, parent company, subsidiaries, associates, major shareholders or the company controlling person which may compromise independence. In addition, independent directors may not be or formerly be a significant shareholder, or controlling person who had a business relationship with the company, parent company, subsidiaries, associates, or major shareholder or the company controlling person, except where such relationship was in excess of a period of two years before appointment as an independent director.
 - The relationships mentioned in the first paragraph include normal business transactions, transactions regarding rental or lease of immovable assets, transactions related to assets and services, transactions regarding financial assistance including lending, borrowing, guarantees, or providing assets to pledge or mortgage loans or any other similar action, which have transaction values higher than 3% of net tangible assets or Baht 20 million, whichever is lower. The calculation will include the transaction value taking place with the same person who has business relationship during 12 months period prior to the day of the decision to enter into the transaction and will be subject to the Capital Market Advisory Board Re: Rules on Connected Transactions.
5. Not being or formerly an independent auditor of the company, parent company, subsidiaries, associates, major shareholders, or the company controlling person, and not being a significant shareholder, controlling person or partner of the audit firm which has provided independent auditor services to the company, parent company, subsidiaries, associates, major shareholder or the company controlling person except where such relationship was prior to a two years period before appointment as an independent director.
6. Not being or formerly providing professional services including legal advice, financial advice which received a service fee higher than Baht two million per year from the company, parent company, subsidiaries, associates, major shareholder or the company controlling person and not being a significant shareholder, controlling person or partner of the independent service provider except such relationship was in excess of a period of two years before the appointment as an independent director.
7. Not being a director who was appointed as a representative of a director of the company, major shareholder or shareholder who is related to the major shareholder of the company.
8. Not provide the same services as the company and not being competitors of the company and subsidiaries or not being a significant partner in partnership or being a executive director, staff, employee, consultant who receives regular payroll, or holding over 1% of voting rights of other company which operates the same business and compete with the company and subsidiaries.
9. Not having any other conflicts, that prevent independent directors from giving independent opinions to the company.

Number of Corporate Securities held by Directors and Executive Management as of 31 December 2009

No.	Name	Title	No. of Securities Held at 31 December 2009		No. of Increase (Decrease)	
			Common Share	*ESOP	Common Share	*ESOP
1.	Mr. William Ellwood Heinecke	Chairman and CEO	358,135,822	3,483,100	91,066,554	1,283,100
2.	Mr. Paul Charles Kenny	Director	3,436,078	4,780,000	471,016	800,000
3.	Mrs. Pratana Mongkolkul	Director and CFO	14,215,944	3,083,100	3,230,292	1,683,100
4.	Mr. Kenneth Lee White	Director	69,114	0	0	0
5.	Mr. Michael David Selby	Director	0	0	0	0
6.	Mr. Kittipol Pramoj Na Ayudhya	Director	0	0	0	0
7.	Mr. Anil Thadani	Director	55,551,566	0	13,722,881	0
8.	Khunying Jada Wattanasiritham	Director	0	0	0	0
9.	Mr. Emmanuel Jude Dillipraj Rajakarier	Director	420,000	2,100,000	140,000	1,300,000
10.	Mr. Stephen Chojnacki	General Counsel	0	1,450,000	(165,000)	850,000
11.	Mr. John Griffin	Vice President - Marketing	0	668,000	0	524,000
12.	Ms. Heidi Gempel	Vice President - Revenue Management and Distribution	13,090	309,680	0	262,000

* ESOP: Warrants allotted to Employees and Directors of the Company and/or subsidiaries, including ESOP2, ESOP3, ESOP5 and MINT-W.

Top 10 Major Shareholders as of 26 June 2009

Name of shareholders	Number of shares	Proportion of shareholding (%)
1. Group of Mr. William Ellwood Heinecke ¹	903,164,003	27.9
a. Minor Holding (Thai) Limited	592,164,003	18.3
b. Mr. William Ellwood Heinecke	311,338,421	9.6
c. Mrs. Kathleen Ann Heinecke	3,909	0.0
2. Mr. Nithi Osathanugrah	247,968,414	7.7
3. Mr. John Scott Heinecke	179,317,010	5.5
4. Merrill Lynch, Pierce, Fenner, & Smith Inc.	125,120,954	3.9
5. SYMPHONY CAPITAL PARTNERS LIMITED	112,290,000	3.5
6. CPB Equity Company Limited	109,700,815	3.4
7. The Bank of New York (Nominees) Limited	102,037,518	3.1
8. Thai NVDR Co., Ltd.	89,513,369	2.8
9. Mr. David Heinecke	85,100,051	2.6
10. His Majesty King Bhumibol Adulyadej	72,470,861	2.2

Source: The Thailand Securities Depository Co., Ltd.

Remark: 1 This list of shareholder is group under the Notification of SEC Kor Chor 17/2551 dated 15 December 2008, not Section 258 of the Public Limited Companies Act, B.E. 2535 (1992).

Subsidiaries, Associated and Affiliated Companies

	Core Business	Number of Ordinary Shares		
		Outstanding	Held	Equity Interest
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	44,510,793	98.9%
Chao Phaya Resort Ltd. 99 Berli Jucker House, 16 th Floor, Soi Rubia, Sukhumvit 42, Prakanong, Klongtoey, Bangkok 10110 Tel. +66 (0) 2381 5151 Fax +66 (0) 2381 5777-8	Bangkok Marriott Resort and Spa, 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, Prakanong, Klongtoey, Bangkok 10110 Tel. +66 (0) 2381 5151 Fax +66 (0) 2381 5777-8	Four Seasons Resort Chiang Mai Hotel	3,000,000 (% included owned by Rajadamri Hotel Plc. 781,250 shares)	1,359,370	71.4%
Royal Garden Development Ltd. 99 Berli Jucker House, 16 th Floor, Soi Rubia, Sukhumvit 42, 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%
<ul style="list-style-type: none"> Rajadamri Residence Ltd. 155 Rajadamri Road, Bangkok 10330 Tel. +66 (0) 2250 0754 Fax +66 (0) 2253 9195 	Project Development - St. Regis	5,000,000	4,999,998 (100% held by Royal Garden Development Ltd.)	100%
Royal Garden Plaza Ltd. 99 Berli Jucker House, 16 th Floor, Soi Rubia, Sukhumvit 42, Prakanong, Klongtoey, Bangkok 10110 Tel. +66 (0) 2381 5151 Fax +66 (0) 2381 5777-8	Royal Garden Plaza Shopping Mall - Pattaya Turtle Village Shopping Plaza - Phuket	750,000	749,997	100%
Minor Hotel Group Ltd. (Formerly named: Royal Garden Hotel Management Ltd.) 99 Berli Jucker House, 16 th Floor, Soi Rubia, Sukhumvit 42, Prakanong, Klongtoey, Bangkok 10110 Tel. +66 (0) 2381 5151 Fax +66 (0) 2381 5777-8	Hotel Management	170,000	169,993	100%

	Core Business	Number of Ordinary Shares		
		Outstanding	Held	Equity Interest
<ul style="list-style-type: none"> Hospitality Investment International Limited (“HIIL”) East Asia Corporate Services (BVI) Limited East Asia Chambers, P.O. Box 901, Road Town, Tortola, British Virgin Islands 	Holding Company	1,000 (100% owned by Minor Hotel Group)	1,000	100%
<ul style="list-style-type: none"> Lodging Management (Labuan) Limited Level 9F, Main Office Tower, Financial Park Labuan, Jalan Merdeka, 87000 Labuan FT, Malaysia 	Hotel business investment and management	1,000 (100% owned by Hospitality Investment International Limited)	1,000	100%
<ul style="list-style-type: none"> Lodging Management (Mauritius) Limited C/O DTOS Ltd., 4th Floor, IBL House, Caudan, Port Louis, Republic of Mauritius 	Hotel business investment and management	1,000 (100% owned by Hospitality Investment International Limited)	1,000	100%
<ul style="list-style-type: none"> PT Lodging Management Indonesia Graha Niaga, 24th Floor, Jalan Jenderal Sudirman, Kav. 58, Jakarta 12190 	Hotel business investment and management	150,000 (93.3% owned by Hospitality Investment International Limited and 6.7% by Lodging Investment (Labuan) Limited)	150,000	100%
<ul style="list-style-type: none"> MSpa International Ltd. 99 Berli Jucker House, 16th Floor, Soi Rubia, Sukhumvit 42, Prakanong, Klongtoey, Bangkok 10110 Tel. +66 (0) 2381 5151 Fax +66 (0) 2381 5777-8 	Spa Business	410,000 (% included owned by Hospitality Investment International Limited 200,900 shares)	209,099	100%
<ul style="list-style-type: none"> MSpa Ventures Limited East Asia Chambers, P.O. Box 901, Road Town, Tortola, British Virgin Islands 	Spa Business in Eastern Asia	50,000 (100% owned by MSpa International Ltd.)	50,000	100%
<ul style="list-style-type: none"> MSpa Enterprise Management (Shanghai) Ltd. Suite 03, 12/F, BlockA, 18 Tao Lin Road, Pudong New Area, Shanghai, China 	Spa Business in China	140,000 (100% owned by MSpa Ventures Limited)	140,000	100%
<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 Limited)	147	49%
<ul style="list-style-type: none"> Tanzania Tourism and Hospitality Investment Limited Akara Building, 24 De Castro Street, Wickhams Cay 1, P.O. Box 3136, Road Town, Tortola, British Virgin Islands 	Holding company	2 (50% owned by Hospitality Investment International Limited)	1	50%
<ul style="list-style-type: none"> Elewana Afrika (T) Limited 99 Serengeti Road, Sopa Plaza, P.O. Box 12814, Arusha, Tanzania 	Hotel operation	2,500 (100% owned by Tanzania Tourism and Hospitality Investment Limited)	2,500	100%

		Number of Ordinary Shares		
	Core Business	Outstanding	Held	Equity Interest
<ul style="list-style-type: none">Zanzibar Tourism and Hospitality Investment Limited Akara Building, 24 De Castro Street, Wickhams Cay 1, P.O. Box 3136, Road Town, Tortola, British Virgin Islands	Holding company	2 (50% owned by Hospitality Investment International Limited)	1	50%
<ul style="list-style-type: none">Elewana Afrika (Z) Limited Peponi Plaza, Peponi Road, P.O. Box 726300, 00200 Nairabi, Kenya	Hotel operation	202 (100% owned by Zanzibar Tourism and Hospitality Investment Limited)	202	100%
Hua Hin Resort Ltd. 99 Berli Jucker House, 16 th Floor, Soi Rubia, Sukhumvit 42, Prakanong, Klongtoey, Bangkok 10110 Tel. +66 (0) 2381 5151 Fax +66 (0) 2381 5777-8	Hua Hin Marriott Resort and Spa	2,000,000	1,999,998	100%
Hua Hin Village Ltd. 99 Berli Jucker House, 16 th Floor, Soi Rubia, Sukhumvit 42, Prakanong, Klongtoey, Bangkok 10110 Tel. +66 (0) 2381 5151 Fax +66 (0) 2381 5777-8	Anantara Resort and Spa Hua Hin	500,000	499,998	100%
Baan Boran Chiangrai Ltd. 99 Berli Jucker House, 16 th Floor, Soi Rubia, Sukhumvit 42, Prakanong, Klongtoey, Bangkok 10110 Tel. +66 (0) 2381 5151 Fax +66 (0) 2381 5777-8	Anantara Golden Triangle Resort & Spa, Chiang Rai & Four Seasons Tented Camp	1,650,000	1,649,998	100%
Samui Resort and Spa Limited 99 Berli Jucker House, 16 th Floor, Soi Rubia, Sukhumvit 42, Prakanong, Klongtoey, Bangkok 10110 Tel. +66 (0) 2381 5151 Fax +66 (0) 2381 5777-8	Anantara Bophut Resort and Spa, Koh Samui	100,000	99,998	100%
Samui Village Ltd. 99 Berli Jucker House, 16 th Floor, Soi Rubia, Sukhumvit 42, Prakanong, Klongtoey, Bangkok 10110 Tel. +66 (0) 2381 5151 Fax +66 (0) 2381 5777-8	Four Seasons Resort - Koh Samui	375,000	374,994	100%

	Core Business	Number of Ordinary Shares		
		Outstanding	Held	Equity Interest
Samui Beach Residence Ltd. 99 Berli Jucker House, 16 th Floor, Soi Rubia, Sukhumvit 42, 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%
RNS Holdings Ltd. 99 Berli Jucker House, 16 th Floor, Soi Rubia, Sukhumvit 42, Prakanong, Klongtoey, Bangkok 10110 Tel. +66 (0) 2381 5151 Fax +66 (0) 2381 5777-8	Property Investment	262,515	262,513	100%
MI Square Ltd. 99 Berli Jucker House, 16 th Floor, Soi Rubia, Sukhumvit 42, Prakanong, Klongtoey, Bangkok 10110 Tel. +66 (0) 2381 5151 Fax +66 (0) 2381 5777-8	Anantara Phuket Villas	100,000	99,998	100%
RGR International Ltd. Omar Hodge Bldg., Wickham Cay I, Road Town, British Virgin Islands	Investment in Hospitality Business	100,000	100,000	100%
<ul style="list-style-type: none"> Eutopia Holdings Private Ltd. 39, Orchid Magu, Maafannu, Male, Maldives 	Property development in Maldives	1,000,000	499,998	50% (Owned by RGR International Ltd.)
<ul style="list-style-type: none"> Harbour View Ltd. 4 Tran Phu Street, Hai Phong, Vietnam 	Harbour View Hotel & Office Tower Haiphong - Vietnam	11,000,000	3,342,900	30.39% (Owned by RGR International Ltd.)
R.G.E. (H.K.) Limited 5/F Wing On Center, 111 Cannaught Road Central, Hong Kong	Hospitality and Leisure Management	100,000	99,999	100%
Maikhao Vacation Villas Ltd. 99 Berli Jucker House, 16 th Floor, Soi Rubia, Sukhumvit 42, Prakanong, Klongtoey, Bangkok 10110 Tel. +66 (0) 2381 5151 Fax +66 (0) 2381 5777-8	Timeshare-Phuket Marriott Phuket Beach Club	400,000	199,998	50%
Coco Palm Hotel and Resort Ltd. 99 Berli Jucker House, 16 th Floor, Soi Rubia, Sukhumvit 42, Prakanong, Klongtoey, Bangkok 10110 Tel. +66 (0) 2381 5151 Fax +66 (0) 2381 5777-8	Hotel Business	1,730,000	1,729,998	100%

	Core Business	Number of Ordinary Shares		
		Outstanding	Held	Equity Interest
Coco Recreation Ltd. 99 Berli Jucker House, 16 th Floor, Soi Rubia, Sukhumvit 42, Prakanong, Klongtoey, Bangkok 10110 Tel. +66 (0) 2381 5151 Fax +66 (0) 2381 5777-8	Property development (Not yet commence its operation)	10,000	9,998	100%
Coco Residence Ltd. 99 Berli Jucker House, 16 th Floor, Soi Rubia, Sukhumvit 42, Prakanong, Klongtoey, Bangkok 10110 Tel. +66 (0) 2381 5151 Fax +66 (0) 2381 5777-8	Property development (Not yet commence its operation)	10,000	9,998	100%
Lodging Investment (Labuan) Limited Level 9F, Main Office Tower, Financial Park labuan, Jalan Merdeka, 87000 Labuan FT, Malaysia	Investment in Hotel Business	1,000	1,000	100%
M & H Management Limited C/O DTOS Ltd., 4 th Floor, IBL House, Caudan, Port Louis, Republic of Mauritius	Trademark provider	1,000	1,000	100%
Minor International (Labuan) Limited Level 9F, Main Office Tower, Financial Park, 87000 Labuan FT, Malaysia	Investment in Hotel Business	1,000	1,000	100%
Minor Information Technology Ltd. 99 Berli Jucker House, 16 th Floor, Soi Rubia, Sukhumvit 42, Prakanong, Klongtoey, Bangkok 10110 Tel. +66 (0) 2381 5151 Fax +66 (0) 2381 5777-8	To advise and install, maintenance, repair computer system, program computer and information technology system	60,000	59,998	100%
Samui Beach Club Owner Ltd. 99 Berli Jucker House, 16 th Floor, Soi Rubia, Sukhumvit 42, Prakanong, Klongtoey, Bangkok 10110 Tel. +66 (0) 2381 5151 Fax +66 (0) 2381 5777-8	Property development (Not yet commence its operation)	10,000	9,998	100%
Chao Phraya Resort & Residence Limited 99 Berli Jucker House, 16 th Floor, Soi Rubia, Sukhumvit 42, Prakanong, Klongtoey, Bangkok 10110 Tel. +66 (0) 2381 5151 Fax +66 (0) 2381 5777-8	Hotel operation & sales of property	10,000	9,998	100%

	Core Business	Number of Ordinary Shares		
		Outstanding	Held	Equity Interest
Maifad Beach Resort Limited 99 Berli Jucker House, 16 th Floor Soi Rubia, Sukhumvit 42, Prakanong, Klongtoey, Bangkok 10110 Tel. +66 (0) 2381 5151 Fax +66 (0) 2381 5777-8	Hotel operation	10,000	9,998	100%
Thai Project Property Fund 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	7,477,508	7,477,451	100%
Thai Asset Management Property Fund 11 Q House Sathorn Building, M Floor, South Sathorn Road, Thungmahamek, Bangkok 10120 Tel. +66 (0) 2670 4900 Fax +66 (0) 2670 1820	Property Investment	136,500,000	36,500,000	26.7%
Sub Thawee Property Fund 11 Q House Sathorn Building, M Floor, South Sathorn Road, Thungmahamek, Bangkok 10110 Tel. +66 (0) 2670 4900 Fax +66 (0) 2670 1820	Property Investment	50,000,000	5,000,000	10%
The Minor Food Group Plc. ("MFG") 99 Berli Jucker House, 15 th -16 th Floor, Soi Rubia, Sukhumvit 42, Prakanong, Klongtoey, Bangkok 10110 Tel. +66 (0) 2381 5123-32 Fax +66 (0) 2381 5118-9	Quick Service Restaurant Business	32,730,684	32,640,629	99.72%
<ul style="list-style-type: none"> Swensen's (Thai) Limited 99 Berli Jucker House, 15th-16th Floor, Soi Rubia, Sukhumvit 42, Prakanong, Klongtoey, Bangkok 10110 Tel. +66 (0) 2381 5123-32 Fax +66 (0) 2381 5118-9 	Ice cream Parlour - Swensen's	1,000,000	999,998 (100% held by MFG)	100%
<ul style="list-style-type: none"> Minor DQ Limited 99 Berli Jucker House, 15th Floor, Soi Rubia, Sukhumvit 42, Prakanong, Klongtoey, Bangkok 10110 Tel. +66 (0) 2381 5123-32 Fax +66 (0) 2381 5118-9 	Kiosk - Dairy Queen DQ Grill & Chill	160,000	159,998 (100% held by MFG)	100%

	Core Business	Number of Ordinary Shares		
		Outstanding	Held	Equity Interest
<ul style="list-style-type: none"> Minor Cheese Limited 99 Berli Jucker House, 16th Floor, Soi Rubia, Sukhumvit 42, Prakanong, Klongtoey, Bangkok 10110 Tel. +66 (0) 2381 5123-32 Fax +66 (0) 2381 5118-9 	Cheese manufacturing	600,000	599,997 (100% held by MFG)	100%
<ul style="list-style-type: none"> Minor Dairy Limited 99 Berli Jucker House, 16th Floor, Soi Rubia, Sukhumvit 42, Prakanong, Klongtoey, Bangkok 10110 Tel. +66 (0) 2381 5123-32 Fax +66 (0) 2381 5118-9 	Ice cream manufacturing	600,000	599,997 (100% held by MFG)	100%
<ul style="list-style-type: none"> R.G.R Food Service Limited 99 Berli Jucker House, 16th Floor, Soi Rubia, Sukhumvit 42, Prakanong, Klongtoey, Bangkok 10110 Tel. +66 (0) 2381 5123-32 Fax +66 (0) 2381 5118-9 	In liquidation process	10,000	9,994 (100% held by MFG)	100%
<ul style="list-style-type: none"> SLRT Limited 99 Berli Jucker House, 12th Floor, Soi Rubia, Sukhumvit 42, Prakanong, Klongtoey, Bangkok 10110 Tel. +66 (0) 2381 5123-32 Fax +66 (0) 2381 5118-9 	Restaurant - Sizzler	4,000,000	3,999,998 (100% held by MFG)	100%
<ul style="list-style-type: none"> The Pizza Restaurants Limited 99 Berli Jucker House, 15th-16th Floor, Soi Rubia, Sukhumvit 42, Prakanong, Klongtoey, Bangkok 10110 Tel. +66 (0) 2381 5123-32 Fax +66 (0) 2381 5118-9 	In liquidation process	100,000	99,993 (100% held by MFG)	100%
<ul style="list-style-type: none"> Burger (Thailand) Limited 99 Berli Jucker House, 12th Floor, Soi Rubia, Sukhumvit 42, Prakanong, Klongtoey, Bangkok 10110 Tel. +66 (0) 2381 5123-32 Fax +66 (0) 2381 5118-9 	Restaurant - Burger King	1,000,000	949,999 (95% held by MFG)	95%
<ul style="list-style-type: none"> Select Service Partner Limited ("SSP") 99 Berli Jucker House, 16th Floor, Soi Rubia, Sukhumvit 42, Prakanong, Klongtoey, Bangkok 10110 Tel. +66 (0) 2381 5123-32 Fax +66 (0) 2381 5118-9 	Restaurant - Bangkok, Chiang Mai, Chiang Rai, Phuket, Hat Yai, Krabi, Phanom Penh, Siem Reap Airports	450,000	229,494 (51% held by MFG)	51%

	Core Business	Number of Ordinary Shares		
		Outstanding	Held	Equity Interest
<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 	Restaurant - Cambodia	1,000	1,000 (51% held by SSP)	100%
<ul style="list-style-type: none"> Catering Associates Limited 99 Berli Jucker House, 16th Floor, Soi Rubia, Sukhumvit 42, Prakanong, Klongtoey, Bangkok 10110 Tel. +66 (0) 2381 5123-32 Fax +66 (0) 2381 5118-9 	Catering services	50,000	25,495 (Held 51% shares by MFG)	51%
<ul style="list-style-type: none"> International Franchise Holding (Labuan) Ltd. (Labuan) 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 Business	1,800,000	1,800,000 (Held 100% shares by MFG) (Regist. Capital USD 4 million but only USD 1.8 million paid up)	100%
<ul style="list-style-type: none"> Franchise Investment Corporation of Asia Ltd. ("FICA") Citco Building, Wickhams Cay, P.O. Box 662, Road Town, Tortola, BVI 	Franchisor and Master Franchisee Business	16,000,000	16,000,000 (Held 100% shares by Labuan)	100%
<ul style="list-style-type: none"> The Minor Food Group (China) Limited 4/F, Sichuan Building Annex, Beilishi Rd., Xicheng, Beijing, China 	Franchisor and Master Franchisee of LeJazz, Pizza and Sizzler in Beijing	RMB 70 million	RMB 70 million (Held 100% by FICA)	100%
<ul style="list-style-type: none"> Sizzler China Pte. Ltd. 6 Shenton Way, #28-09 DBS Building Tower 2, Singapore 068809 	Restaurant - Sizzler in China	2	1 (Held 50% shares by Labuan)	50%
<ul style="list-style-type: none"> Primacy Investment Limited ("Primacy") DTOS Ltd., 4th Floor, IBL House, Caudan, Port Louis, Mauritius 	Investment in food and beverage business	1,000	1,000	100%
<ul style="list-style-type: none"> Delicious Beverage (Labuan) Limited Level 28, Three Pacific Place, 1 Queen's Road East, Hong Kong 	Investment in food and beverage business	1,000	1,000 (Held 100% shares by Primacy)	100%
<ul style="list-style-type: none"> Delicious Foodstuff (Labuan) Limited Level 28, Three Pacific Place, 1 Queen's Road East, Hong Kong 	Investment in food and beverage business	1,000	1,000 (Held 100% shares by Primacy)	100%
<ul style="list-style-type: none"> Delicious Food Holding (Singapore) Pte. Ltd. ("DFHS") 8 Cross Street #11-00 PWC Building, Singapore 048424 	Investment in food and beverage business	1,000	1,000 (Held 100% shares by Primacy)	100%

	Core Business	Number of Ordinary Shares		
		Outstanding	Held	Equity Interest
<ul style="list-style-type: none"> Delicious Food Holding (Australia) Pty. Ltd. ("DFHA") Home Wilkinson Lowry, Level 2, 500 Queen Street, Brisbane, QLD 4000 	Investment in food and beverage business	1,000 (Held 100% shares by DFHS)	1,000	100%
<ul style="list-style-type: none"> The Coffee Club (Thailand) Limited 99 Berli Jucker House, 15th Floor, Soi Rubia, Sukhumvit 42, Prakanong, Klongtoey, Bangkok 10110 Tel. +66 (0) 2381 5123-32 Fax +66 (0) 2381 5118-9 	Food and beverage business	20,000 (100% held by MFG)	19,998	100%
<ul style="list-style-type: none"> Thai Express Concepts Pte. Limited 2 Alexandra Road, #05-04/05 Delta House, Singapore 159919 Tel. (65) 6238 0525 Fax (65) 6238 7018 	Holding investment	300,000 (Held 70% shares by Primacy)	210,000	70%
<ul style="list-style-type: none"> The Thai Express Restaurant Pte. Limited 2 Alexandra Road, #05-04/05 Delta House, Singapore 159919 Tel. (65) 6238 0525 Fax (65) 6238 7018 	Food and beverage business	100,000 (Held 100% shares by Thai Express)	100,000	100%
<ul style="list-style-type: none"> BBZ Design International Pte. Limited 2 Alexandra Road, #05-04/05 Delta House, Singapore 159919 Tel. (65) 6238 0525 Fax (65) 6238 7018 	Food and beverage business	100,000 (Held 100% shares by Thai Express)	100,000	100%
<ul style="list-style-type: none"> NYS Pte. Limited 2 Alexandra Road, #05-04/05 Delta House, Singapore 159919 Tel. (65) 6238 0525 Fax (65) 6238 7018 	Food and beverage business	100,000 (Held 100% shares by Thai Express)	100,000	100%
<ul style="list-style-type: none"> PS07 Pte. Limited 2 Alexandra Road, #05-04/05 Delta House, Singapore 159919 Tel. (65) 6238 0525 Fax (65) 6238 7018 	Food and beverage business	100,000 (Held 100% shares by Thai Express)	100,000	100%
<ul style="list-style-type: none"> TES07 Pte. Limited 2 Alexandra Road, #05-04/05 Delta House, Singapore 159919 Tel. (65) 6238 0525 Fax (65) 6238 7018 	Food and beverage business	500,000 (Held 100% shares by Thai Express)	500,000	100%

Core Business	Number of Ordinary Shares		
	Outstanding	Held	Equity Interest
<ul style="list-style-type: none"> XWS Pte. Limited 2 Alexandra Road, #05-04/05 Delta House, Singapore 159919 Tel. (65) 6238 0525 Fax (65) 6238 7018 	Food and beverage business	100,000 (Held 100% shares by Thai Express)	100,000 100%
<ul style="list-style-type: none"> Shokudo Concepts Pte. Limited 2 Alexandra Road, #05-04/05 Delta House, Singapore 159919 Tel. (65) 6238 0525 Fax (65) 6238 7018 	Food and beverage business	100,000 (Held 100% shares by Thai Express)	100,000 100%
<ul style="list-style-type: none"> Shokudo Heeren Pte. Limited 2 Alexandra Road, #05-04/05 Delta House, Singapore 159919 Tel. (65) 6238 0525 Fax (65) 6238 7018 	Food and beverage business	100,000 (Held 100% shares by Thai Express)	100,000 100%
<ul style="list-style-type: none"> Lotus Sky Sdn Bhd 1st Ground Floor, Unit G-838, 1 Borneo Hypermall, Jalan Sulaman, 88400 Kota Kinabalu, Sabah, Malaysia 	Food and beverage business	100,000 (Held 100% shares by Thai Express)	100,000 100%
<ul style="list-style-type: none"> Thai Express Concepts Sdn Bhd LG 311, 1 Utama Shopping Centre 1, Lebuh Bandar Utama, Bandar Utama, 47800 Petalin Jaya, Selangor, Malaysia 	Food and beverage business	2 (Held 100% shares by Thai Express)	2 100%
<ul style="list-style-type: none"> The Bund Pte. Ltd. 2 Alexandra Road, #05-04/05 Delta House, Singapore 159919 Tel. (65) 6238 0525 Fax (65) 6238 7018 	Food and beverage business	100,000 (Held 100% shares by Thai Express)	100,000 100%
<ul style="list-style-type: none"> The Coffee Club Holdings Pty. Limited ("TCCA") 336 - 338 Montague Road, West End QLD, Australia 4101 	Investment company	46,000,000 (Held 50% shares by DFHA)	23,000,000 50%
<ul style="list-style-type: none"> Espresso Pty. Limited 336 - 338 Montague Road, West End QLD, Australia 4101 	Property Investment	100 (Held 100% shares by TCCA)	100 100%
<ul style="list-style-type: none"> The Coffee Club Investment Pty. Limited 336 - 338 Montague Road, West End QLD, Australia 4101 	Franchisor and Master Franchisee Business	28,616,600 (Held 100% shares by TCCA)	28,616,600 100%
<ul style="list-style-type: none"> The Coffee Club Franchising Company Pty. Limited 336 - 338 Montague Road, West End QLD, Australia 4101 	Franchise Business	17,282,200 (Held 100% shares by TCCA)	17,282,200 100%

	Core Business	Number of Ordinary Shares		
		Outstanding	Held	Equity Interest
<ul style="list-style-type: none"> • The Coffee Club (NSW) Pty. Limited 336 - 338 Montague Road, West End QLD, Australia 4101 	Property Investment	2 (Held 100% shares by TCCA)	2	100%
<ul style="list-style-type: none"> • The Coffee Club (Vic) Pty. Limited 336 - 338 Montague Road, West End QLD, Australia 4101 	Property Investment	2 (Held 100% shares by TCCA)	2	100%
<ul style="list-style-type: none"> • The Coffee Club (Properties) Pty. Limited 336 - 338 Montague Road, West End QLD, Australia 4101 	Property Investment	100 (Held 100% shares by TCCA)	100	100%
<ul style="list-style-type: none"> • The Coffee Club Properties (NSW) Pty. Limited 336 - 338 Montague Road, West End QLD, Australia 4101 	Property Investment	2 (Held 100% shares by TCCA)	2	100%
<ul style="list-style-type: none"> • The Coffee Club Pty. Limited (as trustee for the Coffee Club Unit Trust) 336 - 338 Montague Road, West End QLD, Australia 4101 	Franchisor and Master Franchisee Business	2 (Held 100% shares by TCCA)	2	100%
<ul style="list-style-type: none"> • The Coffee Club (International) Pty. Limited 336 - 338 Montague Road, West End QLD, Australia 4101 	Franchisor and Master Franchisee Business	100 (Held 100% shares by TCCA)	100	100%
<ul style="list-style-type: none"> • The Coffee Club (Korea) Pty. Limited 336 - 338 Montague Road, West End QLD, Australia 4101 	Franchisor and Master Franchisee Business	100 (Held 100% shares by TCCA)	100	100%
<ul style="list-style-type: none"> • The Coffee Club (Mena) Pty. Limited 336 - 338 Montague Road, West End QLD, Australia 4101 	Franchisor and Master Franchisee Business	100 (Held 100% shares by TCCA)	100	100%
<ul style="list-style-type: none"> • The Coffee Club (NZ) Pty. Limited 336 - 338 Montague Road, West End QLD, Australia 4101 	Franchisor and Master Franchisee Business	100 (Held 100% shares by TCCA)	100	100%
<ul style="list-style-type: none"> • First Avenue Company Pty. Ltd. 336 - 338 Montague Road, West End QLD, Australia 4101 	Sale of food and beverage	100 (Held 100% shares by TCCA)	100	100%
Minor Corporation Plc. ("MINOR") 99 Berli Jucker House, 16 th , 18 th Floor, Soi Rubia, Sukhumvit 42, Prakanong, Klongtoey, Bangkok 10110 Tel. +66 (0) 2381 5123-32 Fax +66 (0) 2381 5118-9	Distributor	489,770,722	447,411,869	91.35%

	Core Business	Number of Ordinary Shares		
		Outstanding	Held	Equity Interest
<ul style="list-style-type: none"> Armin Systems Ltd. 99 Berli Jucker House, 14th, 16th-18th Floor, Soi Rubia, Sukhumvit 42, Bangkok 10110 Tel. +66 (0) 2381 5780-5 Fax +66 (0) 2381 4369 	Distribute Zwilling Products, “Zwilling J.A. Henckels”, Fashion apparel “Bossini” and ladies footwear and handbags “Charles & Keith”	1,100,000	1,099,997 (100% held by MINOR)	100%
<ul style="list-style-type: none"> Red Earth Thai Ltd. 99 Berli Jucker House, 12th, 16th-18th Floor, Soi Rubia, Sukhumvit 42, Bangkok 10110 Tel. +66 (0) 2712 2345 Fax +66 (0) 2712 2346 	Distribute Color Cosmetics “Red Earth”	350,000	349,997 (100% held by MINOR)	100%
<ul style="list-style-type: none"> Minor Consultants & Service Ltd. 99 Berli Jucker House, 12th, 16th-18th Floor, Soi Rubia, Sukhumvit 42, Bangkok 10110 Tel. +66 (0) 2712 2345 Fax +66 (0) 2712 2346 	Distribute Aromatherapy Products “Bloom”, Cosmetics “Smash Box” Luggage, soft brief and accessories “Tumi”	700,000	369,599 (% included owned by Red Earth Thai Ltd. 330,400 shares)	100%
<ul style="list-style-type: none"> Esmido Fashions Ltd. 99 Berli Jucker House, 16th-18th Floor, Soi Rubia, Sukhumvit 42, Bangkok 10110 Tel. +66 (0) 2712 2345 Fax +66 (0) 2712 2346 	Distribute Fashion apparel “Esprit”	13,000,000	11,799,995 (90.8% held by MINOR)	90.8%
<ul style="list-style-type: none"> Amore Pacific (Thailand) Ltd. 99 Berli Jucker House, 12th, 16th-18th Floor, Soi Rubia, Sukhumvit 42, Bangkok 10110 Tel. +66 (0) 2712 2345 Fax +66 (0) 2712 2346 	Distribute Products with Water Science Technology “Laneige”	200,000	139,994 (70% held by MINOR)	70%
<ul style="list-style-type: none"> NMT Ltd. 60/158 Moo 19, Phaholyothin Road, Khlong 1, Khlongluang, Prathum Thani 12120 Tel. +66 (0) 2520 3637-42 Fax +66 (0) 2529 0989 	Contract manufacturing of Household products such as cleaning products, air freshener, Fabric Softener	100,000	99,998 (100% held by MINOR)	100%
<ul style="list-style-type: none"> Minor Development Ltd. 99 Berli Jucker House, 16th, 18th Floor, Soi Rubia, Sukhumvit 42, Bangkok 10110 Tel. +66 (0) 2381 5151 Fax +66 (0) 2381 5777-8 	Land and Warehouse Rental Service	40,000	39,993 (100% held by MINOR)	100%
<ul style="list-style-type: none"> Marvelous Wealth Limited East Asia Chambers. P.O. Box 901, Road Town, Tortola, British Virgin Islands 	Investment company	1	1 (100% held by MINOR)	100%

Corporate Information

Principal Activities

- Food and Beverages,
- Retail Trading,
- Hotelier and Retail Property Owner,
- Developer,
- Operator and Investments in related fields.

Registered Office

Company Register Number: 0107536000919
(Previous number: Bor Mor Jor 165)
16th Floor, Berli Jucker House,
99 Soi Rubia, Sukhumvit 42, Bangkok 10110
Tel. +66 (0) 2381 5151
Fax +66 (0) 2381 5777-8
Home Page <http://www.minornet.com>

Share Capital as of 31 December 2009

Registered:

Baht 3,351,850,736 divided to 3,351,850,736 ordinary shares at par value of Baht 1 each

Issued and fully paid:

Baht 3,246,415,792 divided to 3,246,415,792 ordinary shares of Baht 1 each

Company Registrar

Share Capital

Thailand Securities Depository Co., Ltd.

The Stock Exchange of Thailand Building,
62 Rachadapisek Road, Klongtoey, Bangkok 10110
Tel. +66 (0) 2229 2800
Fax +66 (0) 2359 1259

Debenture

RGR No. 1/2547, MINT No. 1/2548,

MINT No. 1/2550 tranche 1, 2 and MINT No. 1/2551

Thai Military Bank Public Company

3000 Phaholyothin Road, Ladyao, Chatuchak, Bangkok

MINT No. 1/2552

Kasikorn Bank PCL, Securities Services Department

Head Office Phaholyothin, 11th Floor,
400/22 Phaholyothin Road, Samsaennai,
Phayathai, Bangkok 10400

Auditors

PricewaterhouseCoopers ABAS Limited

By Mrs. Anothai Leekitwattana and/or
Mrs. Nattaporn Phan-Udom and/or
Mr. Sudwin Panyawongkhanti and/or
Mr. Prasit Yuengsrikul
Certified Public Accountant (Thailand)
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