

Central Plaza Hotel Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2007 (Unaudited)

These notes form an integral part of the financial statements.

These interim financial statements were authorised for issue by the directors on 9 August 2007.

1 General information

Central Plaza Hotel Public Company Limited, the “Company”, is incorporated in Thailand and has its registered office at 1695 Phaholyothin Road, Chatuchak, Bangkok, Thailand.

The Company was listed on the Stock Exchange of Thailand in 1990.

The principal activity of the Company is hotel business. Details of the Company’s subsidiaries and property funds are as follows:

| | | | Ownership interest (%) | |
|--|-------------------|--------------------------|------------------------|------------------|
| | Type of business | Country of incorporation | 30 June 2007 | 31 December 2006 |
| Direct subsidiaries | | | | |
| Investment in subsidiaries | | | | |
| Central Samui Beach Resort Co., Ltd. (“CSBR”) | Hotel | Thailand | 100.0 | 100.0 |
| Central Hotel Management Co., Ltd. (“CHM”) | Holding | Thailand | 100.0 | 100.0 |
| Central Karon Village Co., Ltd. (“CKV”) | Hotel | Thailand | 100.0 | 100.0 |
| Central Krabi Bay Resort Co., Ltd. (“CKBR”) | Hotel | Thailand | 100.0 | 100.0 |
| Central Hua Hin Beach Resort Co., Ltd. (“CHBR”) | Hotel | Thailand | 63.9 | 63.9 |
| Central Restaurants Group Co., Ltd. (“CRG”) | Food and beverage | Thailand | 100.0 | 100.0 |
| Central World Hotel Co., Ltd. (“CWH”) | Hotel | Thailand | 100.0 | 100.0 |
| Central Koh Kood Hotel Co., Ltd. (“CKH”) | Hotel | Thailand | 100.0 | 100.0 |
| Triplenine Decor Co., Ltd. | Dormant company | Thailand | 100.0 | - |
| Investment in property funds | | | | |
| Thai Pattana Fund I | Property fund | Thailand | 20.0 | 20.0 |
| Thai Pattana Fund II | Property fund | Thailand | 23.83 | 23.83 |
| Indirect subsidiaries | | | | |
| Investment in subsidiaries | | | | |
| Central Sukhontha Hotel Co., Ltd. (“CSH”) | Hotel | Thailand | 100.0 | 100.0 |
| Central Samui Village Co., Ltd. (“CSV”) | Hotel | Thailand | 100.0 | 100.0 |
| Central Mae Sot Hill Hotel Co., Ltd. (“CMH”) | Hotel | Thailand | 98.4 | 98.4 |
| Central Laundry Services Co., Ltd. (“CMT”) (Formerly: Central Maritime Hotel Co., Ltd.) | Dormant company | Thailand | 100.0 | 100.0 |
| B - R (Thailand) Co., Ltd. (“BRT”) | Food and beverage | Thailand | 100.0 | 100.0 |
| Property funds | | | | |
| Thai Pattana Fund I | Property fund | Thailand | 0.04 | 0.04 |
| Thai Pattana Fund II | Property fund | Thailand | 0.09 | 0.09 |

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Although the Company's holdings in Thai Pattana Fund I and Thai Pattana Fund II ("Fund") both directly and indirectly are 20.04% and 23.92%, respectively, the Company has control over the funds since the Company has authority to control and make decisions through the funds' directors. The Company, therefore, has accounted for the funds as subsidiaries.

2 Basis of preparation of the financial statements

The interim financial statements issued for Thai reporting purposes are prepared in the Thai language. This English translation of the financial statements has been prepared for the convenience of readers not conversant with the Thai language.

The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standards No. 41 *Interim Financial Reporting* including related interpretations and guidelines promulgated by the Federation of Accounting Professions, applicable rules and regulations of the Securities and Exchange Commission and with generally accepted accounting principles in Thailand.

The interim financial statements are prepared to provide an update on the financial statements for the year ended 31 December 2006. They focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements for the year ended 31 December 2006.

The interim financial statements are presented in Thai Baht, rounded to the nearest thousand unless otherwise stated.

Accounting policies and methods of computation applied in the interim financial statements for the three-month and six-month periods ended 30 June 2007 are consistent with those applied in the financial statements for the year ended 31 December 2006, except for the change in the accounting policy as discussed in Note 11 to the financial statements in respect of interests in subsidiaries and jointly-controlled entities in the separate financial statements and the accounting for investment in jointly-controlled entities from proportionate method to equity method in the consolidated financial statements.

3 Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial year

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4 Related party transactions and balances

Related parties are those parties linked to the Group and the Company by common shareholders or directors. Transactions with related parties are conducted at prices based on market prices or, where no market price exists, at contractually agreed prices.

The pricing policies for particular types of transactions are explained further below:

| | Pricing policies |
|--------------------------------------|-----------------------------|
| Interest income and interest expense | Bank deposit interest rate |
| Management fee | Contractually agreed prices |
| Rental income and expense | Market price |
| Electricity expenses | Market price |

Significant transactions for the three-month periods ended 30 June 2007 and 2006 with related parties were summarised as follows:

| | Consolidated financial statements | | Separate financial statements | |
|--|--------------------------------------|--------|----------------------------------|--------|
| | 2007 | 2006 | 2007 | 2006 |
| | <i>(in thousand Baht)</i> | | | |
| <i>Subsidiaries:</i> | | | | |
| Rental income | - | - | 150 | 200 |
| Interest income | - | - | 23,746 | 6,246 |
| Management fees income | - | - | 17,189 | 24,079 |
| Interest expense | - | - | 16,531 | 16,297 |
| <i>Property fund:</i> | | | | |
| Rental expense | - | - | 27,500 | 27,500 |
| <i>Jointly-controlled entities:</i> | | | | |
| Management fees income | 885 | 314 | 885 | 314 |
| Other incomes | 583 | - | - | - |
| <i>Other companies:</i> | | | | |
| <i>(Those parties linked to the Group and the Company by common shareholders or directors)</i> | | | | |
| Rental income | 3,570 | 3,570 | - | - |
| Management fees income | - | 333 | - | 333 |
| Area rental income | 12,007 | 11,861 | 12,007 | 11,861 |
| Other incomes | 6,210 | 5,828 | - | - |
| Rental expense | 7,180 | 6,730 | 4,743 | 5,480 |
| Electricity expense | 11,497 | 12,279 | 11,497 | 12,279 |
| Management fees expense | 7,625 | 8,308 | 1,470 | 1,706 |
| Payment for construction | 89,519 | 75,751 | - | - |

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Significant transactions for the six-month periods ended 30 June 2007 and 2006 with related parties were summarised as follows:

| | Consolidated financial statements | | Separate financial statements | |
|--|--|---------|--|--------|
| | 2007 | 2006 | 2007 | 2006 |
| | <i>(in thousand Baht)</i> | | | |
| <i>Subsidiaries:</i> | | | | |
| Rental income | - | - | 300 | 200 |
| Interest income | - | - | 42,311 | 10,708 |
| Management fees income | - | - | 44,116 | 43,684 |
| Other incomes | - | - | - | 425 |
| Interest expense | - | - | 34,628 | 29,082 |
| <i>Property fund:</i> | | | | |
| Rental expense | - | - | 55,000 | 36,667 |
| <i>Jointly-controlled entities:</i> | | | | |
| Management fees income | 12,253 | 314 | 12,253 | 314 |
| Other incomes | 1,084 | - | - | - |
| <i>Other companies:</i> | | | | |
| <i>(Those parties linked to the Group and the Company by common shareholders or directors)</i> | | | | |
| Rental income | 7,140 | 7,140 | - | - |
| Management fees income | - | 3,234 | - | 3,234 |
| Area rental income | 12,007 | 11,861 | 12,007 | 11,861 |
| Other incomes | 11,575 | 11,063 | - | - |
| Rental expense | 13,593 | 11,657 | 8,718 | 9,157 |
| Electricity expense | 22,307 | 24,115 | 22,307 | 24,115 |
| Management fees expense | 19,545 | 19,598 | 3,138 | 3,652 |
| Payment for construction | 224,651 | 114,253 | - | - |

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Receivables from and short-term loans to related parties

| | Consolidated financial statements | | Separate financial statements | |
|---|--------------------------------------|---------------------|----------------------------------|-------------------------|
| | 30 June 2007 | 31 December 2006 | 30 June 2007 | 31 December 2006 |
| | <i>(in thousand Baht)</i> | | | |
| <i>Receivable from related parties</i> | | | | |
| Subsidiaries | - | - | 127,424 | 29,929 |
| Other companies | 6,744 | 7,991 | 822 | 3,703 |
| | <u>6,744</u> | <u>7,991</u> | <u>128,246</u> | <u>33,632</u> |
| <i>Short-term loans to related parties</i> | | | | |
| Subsidiaries (interest rate/annum) | | | | |
| Central Krabi Bay Resort Co., Ltd. (5.5) | - | - | 585,000 | 595,000 |
| Central World Hotel Co., Ltd. (5.5) | - | - | 1,344,000 | 626,000 |
| Triplene Decor Co., Ltd. (-) | - | - | 81,426 | - |
| | <u>-</u> | <u>-</u> | <u>2,010,426</u> | <u>1,221,000</u> |
| Total | <u>6,744</u> | <u>7,991</u> | <u>2,138,672</u> | <u>1,254,632</u> |

Movements of short-term loans to related parties during the six-month periods ended 30 June 2007 and 2006 were as follows:

| | Consolidated financial statements | | Separate financial statements | |
|-------------------|--------------------------------------|-----------------|----------------------------------|-----------------------|
| | 2007 | 2006 | 2007 | 2006 |
| | <i>(in thousand Baht)</i> | | | |
| At 1 January | - | - | 1,221,000 | 377,000 |
| Increase | - | - | 877,926 | 575,500 |
| Decrease | - | - | (88,500) | (274,000) |
| At 30 June | <u>-</u> | <u>-</u> | <u>2,010,426</u> | <u>678,500</u> |

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Payables to and short-term loans from related parties

| | Consolidated financial statements | | Separate financial statements | |
|---|--------------------------------------|---------------------|----------------------------------|-------------------------|
| | 30 June 2007 | 31 December 2006 | 30 June 2007 | 31 December 2006 |
| | <i>(in thousand Baht)</i> | | | |
| <i>Payables to related parties</i> | | | | |
| Subsidiaries | - | - | 166 | 321 |
| Other companies | 4,818 | 4,992 | 23 | 12 |
| | <u>4,818</u> | <u>4,992</u> | <u>189</u> | <u>333</u> |
| <i>Short-term loans from related parties</i> | | | | |
| Subsidiaries (interest rate/annum) | | | | |
| Central Samui Beach Resort Co., Ltd. (5.5) | - | - | 656,000 | 819,000 |
| Central Karon Village Co., Ltd. (5.5) | - | - | 60,500 | 58,000 |
| Central Hotel Management Co., Ltd. (5.5) | - | - | 252,500 | 249,500 |
| Central Hua Hin Beach Resort Co., Ltd. (5.0 - 5.5) | - | - | 111,000 | 161,500 |
| | <u>-</u> | <u>-</u> | <u>1,080,000</u> | <u>1,288,000</u> |
| Total | <u>4,818</u> | <u>4,992</u> | <u>1,080,189</u> | <u>1,288,333</u> |

Movements of short-term loans from related parties during the six-month periods ended 30 June 2007 and 2006 were as follows:

| | Consolidated financial statements | | Separate financial statements | |
|-------------------|--------------------------------------|-----------------|----------------------------------|-------------------------|
| | 2007 | 2006 | 2007 | 2006 |
| | <i>(in thousand Baht)</i> | | | |
| At 1 January | - | - | 1,288,000 | 1,222,000 |
| Increase | - | - | 317,700 | 763,000 |
| Decrease | - | - | (525,700) | (682,500) |
| At 30 June | <u>-</u> | <u>-</u> | <u>1,080,000</u> | <u>1,302,500</u> |

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Significant agreements with related parties

Central Restaurants Group Co., Ltd. (“CRG”) had long-term lease and service agreements with related companies for periods of 3 to 30 years up to 2026. According to the terms of the agreements, CRG has to pay monthly rental and service charges at fixed rates or at certain percentages of gross sales as follows:

| | Consolidated Financial statements | |
|--|--|---------------------|
| | 30 June 2007 | 31 December 2006 |
| | <i>(in thousand Baht)</i> | |
| Non-cancellable operating lease and service commitments | | |
| Within one year | 225,233 | 241,738 |
| After one year but within three years | 166,779 | 213,683 |
| After three years | 28,438 | 26,484 |
| Total | 420,450 | 481,905 |

As at 30 June 2007 and 31 December 2006, the Company has commitments under agreements with related parties as follows:

- As at 30 June 2007, the Company was contingently liable as guarantor to local banks for overdraft line, letter of credit line and other guarantees for certain subsidiaries totaling Baht 78 million (31 December 2006: Baht 78 million).
- On 12 December 2002, the Company issued a letter to guarantee the debt repayment of Central Samui Beach Resort Co., Ltd. to Thai Pattana Fund I. In the event that Central Samui Beach Resort Co., Ltd. cannot manage the property so as to have the minimum income as stated in the property management agreement, the Company will be responsible for the shortfall in minimum income.
- The Company has guaranteed Central World Hotel Co., Ltd. (“CWH”) to a financial institution in the amount not less than Baht 2,350 million. If CWH has an outstanding loan balance not over Baht 1,000 million and has never been in default, CWH has the right to cancel the guarantee. As at 30 June 2007, CWH has not made the first withdrawal as stated in the agreement.

5 Trade accounts receivable

| | Consolidated financial statements | | Separate financial statements | |
|--------------------------------------|--|---------------------|--|---------------------|
| | 30 June 2007 | 31 December 2006 | 30 June 2007 | 31 December 2006 |
| | <i>(in thousand Baht)</i> | | | |
| Within credit terms | 120,411 | 215,570 | 41,175 | 63,488 |
| Overdue: | | | | |
| Less than 3 months | 37,567 | 58,567 | 1,515 | 1,850 |
| 3-6 months | 3,501 | 8,399 | 715 | 910 |
| 6-12 months | 1,388 | 13,111 | 1,217 | 445 |
| Over 12 months | 5,980 | 1,189 | 474 | 474 |
| | 168,847 | 296,836 | 45,096 | 67,167 |
| Less allowance for doubtful accounts | (726) | (805) | (474) | (474) |
| Net | 168,121 | 296,031 | 44,622 | 66,693 |

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6 Investments in subsidiaries and jointly-controlled entities

| | Consolidated financial statements | | | | | | Dividends | |
|------------------------------------|-----------------------------------|---------------------|-----------------|---------------------|-----------------|---------------------|-------------------------|-----------------|
| | Ownership interest (%) | | Paid-up capital | | Equity method | | six-month periods ended | |
| | 30 June 2007 | 31 December 2006 | 30 June 2007 | 31 December 2006 | 30 June 2007 | 31 December 2006 | 30 June 2007 | 30 June 2006 |
| <i>Jointly-controlled entities</i> | | | | | | | | |
| Karon Phuket Hotel Co., Ltd. | 50.0 | 50.0 | 360,000 | 360,000 | 113,623 | 129,546 | - | - |
| Kata Phuket Hotel Co., Ltd. | 50.0 | 50.0 | 120,000 | 120,000 | 60,317 | 56,903 | - | - |
| Total | | | 480,000 | 480,000 | 173,940 | 186,449 | - | - |

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| | Separate financial statements | | | | | | Dividends | |
|---|-------------------------------|---------------------|------------------|---------------------|------------------|---------------------|-------------------------|-----------------|
| | Ownership interest (%) | | Paid-up capital | | Cost method | | six-month periods ended | |
| | 30 June 2007 | 31 December 2006 | 30 June 2007 | 31 December 2006 | 30 June 2007 | 31 December 2006 | 30 June 2007 | 30 June 2006 |
| | <i>(in thousand Baht)</i> | | | | | | | |
| <i>Subsidiaries</i> | | | | | | | | |
| Central Samui Beach Resort Co., Ltd. | 100.0 | 100.0 | 250,000 | 250,000 | 394,383 | 394,383 | 120,000 | - |
| Central Karon Village Co., Ltd. | 100.0 | 100.0 | 150,000 | 150,000 | 189,000 | 189,000 | - | - |
| Central Krabi Bay Resort Co., Ltd. | 100.0 | 100.0 | 500,000 | 500,000 | 500,000 | 500,000 | - | - |
| Central World Hotel Co., Ltd. | 100.0 | 100.0 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | - | - |
| Central Koh Kood Hotel Co., Ltd. | 100.0 | 100.0 | 120,000 | 120,000 | 120,000 | 120,000 | - | - |
| Central Hua Hin Beach Resort Co., Ltd. | 63.9 | 63.9 | 185,000 | 185,000 | 198,906 | 198,906 | 94,648 | 59,156 |
| Central Hotel Management Co., Ltd. | 100.0 | 100.0 | 1,000,000 | 1,000,000 | 999,999 | 999,999 | - | - |
| Central Restaurants Group Co., Ltd. | 100.0 | 100.0 | 620,000 | 620,000 | 669,607 | 669,607 | 110,000 | 20,026 |
| Triplenine Decor Co., Ltd. | 100.0 | - | 250 | - | 250 | - | - | - |
| <i>Jointly-controlled entities</i> | | | | | | | | |
| Karon Phuket Hotel Co., Ltd. | 50.0 | 50.0 | 360,000 | 360,000 | 180,000 | 180,000 | - | - |
| Kata Phuket Hotel Co., Ltd. | 50.0 | 50.0 | 120,000 | 120,000 | 60,000 | 60,000 | - | - |
| <i>Property funds</i> | | | | | | | | |
| Thai Pattana Fund I | 20.04 | 20.04 | 1,350,000 | 1,350,000 | 192,534 | 201,533 | 60,490 | 58,867 |
| Thai Pattana Fund II | 23.83 | 23.83 | 815,000 | 815,000 | 135,940 | 145,650 | 42,601 | - |
| Total | | | 6,470,250 | 6,470,000 | 4,640,619 | 4,659,078 | 427,739 | 138,049 |
| Less allowance for impairment on investment | | | | | (210,000) | - | | |
| Net | | | | | 4,430,619 | 4,659,078 | | |

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7 Debentures

| | Interest rate (%) | Maturity date | Consolidated/Separate financial statements | |
|---|----------------------|------------------|---|-----------------------|
| | | | 30 June 2007 | 31 December 2006 |
| | | | <i>(in thousand Baht)</i> | |
| No. 1/ 2005 | 5.73 | 30 October 2007 | 400,000 | 400,000 |
| No. 2/ 2005 | 4.00 | 30 June 2007 | 300,000 | 300,000 |
| No. 1/ 2006 | 6.13 | 20 February 2009 | 300,000 | 300,000 |
| No. 1/ 2007 | 3.81 | 6 June 2009 | 1,200,000 | - |
| | | | <u>2,200,000</u> | <u>1,000,000</u> |
| Less deferred expense in issuing debentures | | | (2,117) | (1,139) |
| Net | | | <u>2,197,883</u> | <u>998,861</u> |
| Less debentures due within one year | | | (699,759) | (699,182) |
| Debenture due after one year | | | <u>1,498,124</u> | <u>299,679</u> |

The debentures are in the name of specific holders, unsubordinated and without collateral.

The debenture deed contains certain restriction and conditions relating to financial ratios, payment of dividends, decrease in paid up share capital, pledge, mortgage, and disposal of assets, which are material in business operations.

Debenture No. 2/2005, which was due on 30 June 2007, the Company already redeemed the said debenture including interest on 2 July 2007.

8 Segment information

Segment information is presented in respect of the Group's business. The primary format, business segments, is based on the Group's management and internal reporting structure.

Business segments

The Group comprises the following main business segments:

| | |
|------------------|--------------------|
| <i>Segment 1</i> | Hotel |
| <i>Segment 2</i> | Food and ice-cream |
| <i>Segment 3</i> | Property fund |

Segment revenue and results for the six-month periods ended 30 June 2007 were as follows:

| | Classified by type of businesses | | | | | |
|------------|----------------------------------|-----------------------|------------------|--------------------------|--------------|-------|
| | Hotel | Food and ice-cream | Property fund | Total | Eliminations | Net |
| | | | | <i>(in million Baht)</i> | | |
| Revenue | 1,370 | 2,137 | 182 | 3,689 | (217) | 3,472 |
| Net profit | (140) | 122 | 140 | 122 | 104 | 226 |

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| | Classified by type of businesses | | | | | |
|------------|---|-----------------------|-------------------|-------|--------------|-------|
| | Hotel | Food and ice-cream | Property fund | Total | Eliminations | Net |
| | | | (in million Baht) | | | |
| Revenue | 1,284 | 2,182 | 182 | 3,648 | (221) | 3,427 |
| Net profit | 147 | 151 | 140 | 438 | (102) | 336 |

The calculation of basic earnings per share of the consolidated and separate financial statements for the three-month period ended 30 June 2007 was based on the consolidated and separate net profit attributable to ordinary shareholders for the said period of Baht 19 million and Baht 29 million, respectively, (*consolidated and separate net profit for the three-month period ended 30 June 2006: Baht 184 million and Baht 71 million, respectively*) and the number of shares outstanding during the three-month period ended 30 June 2007 of 1,350 million, (*three-month period ended 30 June 2006: 900 million shares*).

The calculation of basic earnings per share of the consolidated and separate financial statements for the six-month period ended 30 June 2007 was based on the consolidated and separate net profit attributable to ordinary shareholders for the said period of Baht 226 million and Baht 191 million, respectively, (*consolidated and separate net profit for the six-month period ended 30 June 2006: Baht 336 million and Baht 146 million, respectively*) and the weighted average number of shares outstanding during the six-month period ended 30 June 2007 of 1,350 million, (*six-month period ended 30 June 2006: 900 million shares*).

At the annual general meeting of the shareholders of the Company held on 24 April 2006, the shareholders approved the appropriation of dividends for the year ended 31 December 2005 at Baht 1.25 per share, amounting to Baht 225 million.

At the annual general meeting of the shareholders of the Company held on 26 April 2007, the shareholders approved the appropriation of dividends for the year ended 31 December 2006 at Baht 0.13 per share, amounting to Baht 175.5 million.

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11 Changes in accounting policy

Consolidated financial statement

On 11 October 2006, the Federation of Accounting Professions (FAP) announced that the Thai Accounting Standard No. 46 “Interest in Joint Venture” is to be revised. FAP announcement No. 26/2006 requires an accounting for interest in joint venture and reporting related to assets, liabilities, revenue and expense of joint venture entity in the financial statement of joint venture and investor in joint venture, except for the interest in jointly-controlled entity which held by associate, mutual fund, investment unit, and the entity which has a similar business including the insurance fund which is in the form of investment.

Starting from 1 April 2007, the Company has, accordingly, changed its accounting policy for interest in joint ventures from proportionate method to equity method. The change in accounting policy has been applied retrospectively and the Company’s 2006 financial statements, which are included in the Company’s 2007 interim financial statements for comparative purposes, have been restated accordingly. The effects of the change in accounting policy on the Company’s comparative total assets and total liabilities as at 31 December 2006, decrease in the amount of Baht 642 million.

Separated financial statement

Until 31 December 2006, the Company accounted for its investments in subsidiaries and jointly-controlled entities in its financial statements using the equity method.

On 11 October 2006, the Federation of Accounting Professions (FAP) announced that the Thai Accounting Standard No. 44 “Consolidated Financial Statements and Accounting for Investments in Subsidiaries” is to be revised. FAP announcement No. 26/2006 requires a parent company which has investments in a subsidiary company, an entity under joint control, or an associate company, which is not classified as a “held for sale” investment, to record such investment in accordance with either the cost method or with the recognition and measurement basis for financial instruments (when an announcement is made), instead of the equity method currently used.

Starting from 1 January 2007, the Company has, accordingly, changed its accounting policy for its investments in subsidiaries and jointly-controlled entities in its financial statements from the equity method to the cost method. The change in accounting policy has been applied retrospectively and the Company’s 2006 financial statements, which are included in the Company’s 2007 interim financial statements for comparative purposes, have been restated accordingly. The effects of the change in accounting policy on the Company’s 2007 and 2006 interim financial statements are as follows:

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| | Separate financial statements | | | |
|--|-------------------------------|--|-------------------------|-------------------------|
| | Three months 2007 | Six months 2007 <i>(in thousand Baht)</i> | Three months 2006 | Six months 2006 |
| <i>Investments in subsidiaries and jointly-controlled entities</i> | | | | |
| Balance at 1 January before change in accounting policy | | 5,225,847 | | 4,703,327 |
| Balance at 1 April before change in accounting policy | - | | 5,103,488 | |
| Decrease in retained earnings | - | (328,346) | (215,991) | (139,225) |
| Decrease in revaluation surpluses | - | (238,423) | (263,198) | (271,431) |
| Decrease in currency translation changes | - | - | (6,512) | (1,245) |
| Net decrease | <u>-</u> | <u>(566,769)</u> | <u>(485,701)</u> | <u>(411,901)</u> |
| Balance at 1 January after change in accounting policy | | <u>4,659,078</u> | | <u>4,291,426</u> |
| Balance at 1 April after change in accounting policy | <u>-</u> | | <u>4,617,787</u> | |
| <i>Retained earnings</i> | | | | |
| Balance at 1 January before change in accounting policy | | 1,336,038 | | 1,164,740 |
| Balance at 1 April before change in accounting policy | - | | 1,316,260 | |
| Adjustment of retained earnings brought forward | - | (139,225) | (139,225) | (54,209) |
| Increase in dividend income from subsidiaries | - | 262,863 | 58,867 | 370,054 |
| Decrease in share of profits from investments accounted for using the equity method, net | - | (451,984) | (135,633) | (455,070) |
| Net decrease | <u>-</u> | <u>(328,346)</u> | <u>(215,991)</u> | <u>(139,225)</u> |
| Balance at 1 January after change in accounting policy | | <u>1,007,692</u> | | <u>1,025,515</u> |
| Balance at 1 April after change in accounting policy | <u>-</u> | | <u>1,100,269</u> | |

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| | Separate financial statements | | | |
|---|-------------------------------|-----------------------|-------------------------|-----------------------|
| | Three months 2007 | Six months 2007 | Three months 2006 | Six months 2006 |
| | <i>(in thousand Baht)</i> | | | |
| Net profit | | | | |
| Net profit for the three-month and six-month periods ended 30 June 2006 before change in accounting policy | | | 184,046 | 335,566 |
| Net profit for the three-month and six-month periods ended 30 June 2007 before change in accounting policy | 19,082 | 226,194 | | |
| Increase in dividend income from subsidiaries | 265,493 | 427,739 | 79,181 | 138,048 |
| Decrease in share of profits from investments accounted for using the equity method, net | (255,809) | (463,058) | (191,968) | (327,601) |
| Net increase (decrease) | 9,684 | (35,319) | (112,787) | (189,553) |
| Net profit for the three-month and six-month periods ended 30 June after change in accounting policy | 28,766 | 190,875 | 71,259 | 146,013 |
| Increase (decrease) in earnings per share (Baht) | 0.00 | (0.03) | (0.12) | (0.21) |

Central Plaza Hotel Public Company Limited and its Subsidiaries

Notes to the interim financial statements

For the three-month and six-month periods ended 30 June 2007 (Unaudited)

12 Commitments

| | Consolidated financial statements | | Separate financial statements | |
|--|--|---------------------|--|---------------------|
| | 30 June 2007 | 31 December 2006 | 30 June 2007 | 31 December 2006 |
| | <i>(in thousand Baht)</i> | | | |
| <i>Capital commitments</i> | | | | |
| Contracted but not provided | | | | |
| - Purchase of land | 68,300 | 64,300 | 64,300 | 64,300 |
| - Hotel construction | 1,777,619 | 1,427,350 | 615,580 | 25,377 |
| Total | 1,845,919 | 1,491,650 | 679,880 | 89,677 |
| <i>Operating lease and service commitments of Central Restaurant Groups Co., Ltd.</i> | | | | |
| Within one year | 93,618 | 93,581 | - | - |
| After one year but within three years | 67,948 | 81,058 | - | - |
| After three years | 11,675 | 13,659 | - | - |
| Total | 173,241 | 188,298 | - | - |

13 Contingent liabilities

As at 30 June 2007, the Company and subsidiaries were contingently liable for letters of guarantee issued by two local banks for guaranteeing the Company and subsidiaries in favor of two government agencies and various state enterprises totaling Baht 26.46 million (31 December 2006 : Baht 23.81 million).

14 Reclassification of accounts

Certain accounts in the 2006 interim and annual financial statements have been reclassified to conform with the presentation in the 2007 interim financial statements.