

Central Plaza Hotel Public Company Limited and its Subsidiaries
Notes to the financial statements
For the three-month period ended 31 March 2011 (Unaudited)

Note	Contents
1	General information
2	Basis of preparation of the interim financial statements
3	Changes in accounting policies
4	Related parties
5	Trade accounts receivable
6	Investments in subsidiaries
7	Investments in associates and jointly-controlled entities
8	Investment properties
9	Property, plant and equipment
10	Assets under financial lease agreement
11	Debentures
12	Provision for guarantee payment
13	Employee benefit obligations
14	Segment information
15	Basic earnings per share
16	Commitments with non-related parties
17	Events after the reporting period
18	Thai Financial Reporting Standards (TFRS) not yet adopted
19	Reclassification of accounts

Central Plaza Hotel Public Company Limited and its Subsidiaries
Notes to the financial statements
For the three-month period ended 31 March 2011 (Unaudited)

These notes form an integral part of the interim financial statements.

The financial statements were authorised for issue by the audit committee on 9 May 2011.

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 on 10 January 1990.

The principal businesses of the Company are in the hotel business. Details of the Company’s subsidiaries as at 31 March 2011 and 31 December 2010 are as follows:

Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			31 March 2011	31 December 2010
Direct subsidiaries				
Investment in subsidiaries				
Central Samui Beach Resort Co., Ltd.	Hotel	Thailand	100.0	100.0
Central Karon Village Co., Ltd.	Hotel	Thailand	100.0	100.0
Central Krabi Bay Resort Co., Ltd.	Hotel	Thailand	100.0	100.0
Central Hua Hin Beach Resort Co., Ltd.	Hotel	Thailand	63.9	63.9
Central World Hotel Co., Ltd.	Hotel	Thailand	100.0	100.0
Central Koh Kood Hotel Co., Ltd.	Hotel	Thailand	100.0	100.0
Central Hotel Management Co., Ltd.	Holding company	Thailand	100.0	100.0
Central Restaurants Group Co., Ltd.	Food and beverage	Thailand	100.0	100.0
Triplenine Decor Co., Ltd.	Dormant company	Thailand	100.0	100.0
Central Samui Hotel Management Co., Ltd.	Hotel	Thailand	100.0	100.0
Centara International Management Co., Ltd.	Holding company and hotel management	Thailand	100.0	100.0
S.P. Realty Lanta Beach Co., Ltd.	Not operate yet	Thailand	100.0	100.0
S.P. Realty Had Farang Resort Co., Ltd.	Not operate yet	Thailand	100.0	100.0
S.P. Realty Pattaya Beach Co., Ltd.	Not operate yet	Thailand	100.0	100.0
Cenvaree Healthy Spa Co., Ltd.	Not operate yet	Thailand	100.0	100.0
Central Bangkok Convention & Exhibition Co., Ltd.	Not operate yet	Thailand	100.0	100.0
Centara Thai Hotel Management Co., Ltd.	Not operate yet	Thailand	100.0	100.0
Investment in property fund				
Thai Pattana Fund 2	Property fund	Thailand	23.83	23.83
Indirect subsidiaries				
Investment in subsidiaries				
Central Sukhontha Hotel Co., Ltd.	Hotel	Thailand	100.0	100.0
Central Samui Village Co., Ltd.	Hotel	Thailand	100.0	100.0
Central Mae Sot Hill Hotel Co., Ltd.	Hotel	Thailand	98.4	98.4
C.S.C. Worldwide Co., Ltd. (formerly: B - R (Thailand) Co., Ltd.)	Food and beverage	Thailand	100.0	100.0

Central Plaza Hotel Public Company Limited and its Subsidiaries
Notes to the financial statements
For the three-month period ended 31 March 2011 (Unaudited)

Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			31 March 2011	31 December 2010
Central Laundry Services Co., Ltd.	Dormant Company	Thailand	100.0	100.0
Centara Egypt for Hotels Management Co., Ltd.	Not operate yet	Egypt	100.0	100.0
Investment in property fund				
Thai Pattana Fund 2	Property fund	Thailand	0.09	0.09
<i>Jointly - controlled entities</i>				
Karon Phuket Hotel Co., Ltd.	Hotel	Thailand	50.0 *	50.0 *
Kata Phuket Hotel Co., Ltd.	Hotel	Thailand	50.0	50.0

* By direct and indirect shareholding

2 Basis of preparation of the interim financial statements

(a) Statement of compliance

The interim financial statements issued for Thai reporting purposes are prepared in the Thai language. This English translation of the interim 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 Standard (TAS) No. 34 (revised 2009) *Interim Financial Reporting*; guidelines promulgated by the Federation of Accounting Professions (FAP); applicable rules and regulations of the Thai 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 2010. They do not include all of the financial information required for full annual financial statements but 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 of the Company and its subsidiaries for the year ended 31 December 2010.

During 2010 and 2011, the FAP issued the following new and revised Thai Financial Reporting Standards (TFRS) relevant to the Group's operations and effective for accounting periods beginning on or after 1 January 2011:

TFRS	Topic
TAS 1 (revised 2009)	Presentation of Financial Statements
TAS 2 (revised 2009)	Inventories
TAS 7 (revised 2009)	Statement of Cash Flows
TAS 8 (revised 2009)	Accounting Policies, Changes in Accounting Estimates and Errors

Central Plaza Hotel Public Company Limited and its Subsidiaries
Notes to the financial statements
For the three-month period ended 31 March 2011 (Unaudited)

TFRS	Topic
TAS 10 (revised 2009)	Events after the Reporting Period
TAS 16 (revised 2009)	Property, Plant and Equipment
TAS 17 (revised 2009)	Leases
TAS 18 (revised 2009)	Revenue
TAS 19	Employee Benefits
TAS 23 (revised 2009)	Borrowing Costs
TAS 24 (revised 2009)	Related Party Disclosures
TAS 27 (revised 2009)	Consolidated and Separate Financial Statements
TAS 28 (revised 2009)	Investments in Associates
TAS 31 (revised 2009)	Interests in Joint Ventures
TAS 33 (revised 2009)	Earnings per Share
TAS 34 (revised 2009)	Interim Financial Reporting
TAS 36 (revised 2009)	Impairment of Assets
TAS 37 (revised 2009)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2009)	Intangible Assets
TAS 40 (revised 2009)	Investment Property
TFRS 5 (revised 2009)	Non-current Assets Held for Sale and Discontinued Operations

The adoption of these new and revised TFRS has resulted in changes in the Group's accounting policies. The effects of these changes are disclosed in note 3. Except for these changes, accounting policies and methods of computation applied in these interim financial statements are consistent with those applied in the financial statements for the year ended 31 December 2010.

In addition to the above new and revised TFRS, the FAP has issued during 2010 a number of other TFRS which are expected to be effective for financial statements beginning on or after 1 January 2013 and have not been adopted in the preparation of these interim financial statements. These new and revised TFRS are disclosed in note 18.

(b) Presentation currency

The interim financial statements are prepared and presented in Thai Baht. All financial information presented in Thai Baht has been rounded to the nearest thousand unless otherwise stated.

Central Plaza Hotel Public Company Limited and its Subsidiaries

Notes to the financial statements

For the three-month period ended 31 March 2011 (Unaudited)

(c) *Use of estimates and judgements*

The preparation of interim financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Except as disclosed below, in preparing these interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2010. These changes principally derive from the adoption of new and revised TFRS from 1 January 2011.

Estimates

Measurement of defined benefit obligations

The calculation of the defined benefit obligation is sensitive to the assumptions on mortality rate and future salary and pension increases as set out in note 13.

3 Changes in accounting policies

(a) *Overview*

From 1 January 2011, consequent to the adoption of new and revised TFRS as set out in note 2, the Group has changed its accounting policies in the following areas:

- Presentation of financial statements
- Accounting for acquisitions of non-controlling interests
- Accounting for property, plant and equipment
- Accounting for investment properties
- Accounting for employee benefits

Details of the new accounting policies adopted by the Group and the impact of the changes on the financial statements are included in notes 3(b) to 3(f) below. The impact of the changes on the 2011 and 2010 financial statements is summarised as follows:

		Consolidated financial statements 2010 (in thousand Baht)	Separate financial statements 2010
2010 financial statements			
Statement of financial position			
Equity at 1 January 2010 - as reported		6,276,557	4,054,773
Changes as a result of the adoption retrospectively of:			
TAS 16 Property, plant and equipment	3(d)	(29,693)	-
TAS 40 Investment Property	3(e)	(207,172)	-
Equity at 1 January 2010 - restated		6,039,692	4,054,773

Central Plaza Hotel Public Company Limited and its Subsidiaries
Notes to the financial statements
For the three-month period ended 31 March 2011 (Unaudited)

	Consolidated financial statements	Separate financial statements
	2010	2010
<i>2010 financial statements</i>	(in thousand Baht)	
Equity at 31 December 2010 - as reported	6,081,151	4,250,465
Changes as a result of the adoption retrospectively of:		
TAS 16 Property, plant and equipment	3(d) (34,364)	-
TAS 40 Investment Property	3(e) (207,172)	-
Equity at 31 December 2010 - restated	<u>5,839,615</u>	<u>4,250,465</u>
<i>Statement of comprehensive income for the three-month period ended 31 March 2010</i>		
Profit before income tax - as reported	294,416	130,267
Changes before tax as a result of the adoption retrospectively of:		
TAS 16 Property, plant and equipment	3(d) (1,108)	-
Profit - restated	<u>293,308</u>	<u>130,267</u>
Decrease in basic earnings per share (in Baht)	<u>(0.00082)</u>	<u>-</u>
	Consolidated financial statements	Separate financial statements
	2011	2011
<i>2011 financial statements</i>	(in thousand Baht)	
<i>Statement of financial position</i>		
Equity at 31 December 2010 - restated	5,839,615	4,250,465
Impact of the adoption prospectively of:		
TAS 19 Employee benefits	3(f) (142,502)	(49,903)
Equity at 1 January 2011	<u>5,697,113</u>	<u>4,200,562</u>
<i>Statement of comprehensive income for the three-month period ended 31 March 2011</i>		
Increase (decrease) in profit before income tax as a result of the adoption of:		
TAS 16 Property, plant and equipment	3(d) 51,045	34,949
TAS 19 Employee benefits	3(f) (4,238)	(2,224)
Increase in profit	<u>46,807</u>	<u>32,725</u>
Increase in basic earnings per share (in Baht)	<u>0.03</u>	<u>0.02</u>

Central Plaza Hotel Public Company Limited and its Subsidiaries
Notes to the financial statements
For the three-month period ended 31 March 2011 (Unaudited)

(b) *Presentation of financial statements*

From 1 January 2011, the Group has applied TAS 1 Presentation of Financial Statements (Revised 2009). Under the revised standard, a set of financial statements comprises:

- Statement of financial position;
- Statement of comprehensive income;
- Statement of changes in equity;
- Statement of cash flows; and
- Notes to the financial statements.

As a result, the Group presents all owner changes in equity in the statement of changes in equity and all non-owner changes in equity in the statement of comprehensive income. Previously, all such changes were included in the statement of changes in equity.

Comparative information has been re-presented so that it also is in conformity with the revised standard. Since the change in accounting policy only impacts presentation aspects, there is no impact on reported profit or earnings per share.

(c) *Accounting for acquisitions of non-controlling interests (previously termed ‘minority interests’)*

From 1 January 2011, the Group has applied TAS 27 Consolidated and Separate Financial Statements (revised 2009) for all acquisitions of non-controlling interests in subsidiaries. The new policy for accounting for acquisitions of non-controlling interests, together with information on the previous policy, is given below. The new policy has been applied prospectively from 1 January 2011 in accordance with the transitional provisions of the revised standard. There have been no acquisitions of non-controlling interests during 2011 and, accordingly, adoption of this revised standard has had no impact on profit or earnings per share for 2011.

Under the new accounting policy, acquisitions of non-controlling interests are accounted for as transactions with owners in their capacity as owners and therefore no goodwill is recognised as a result of such transactions. The adjustments to non-controlling interests are based on a proportionate amount of the net assets of the subsidiaries.

Previously, goodwill was recognised on the acquisition of non-controlling interests in a subsidiary, which represented the excess of the cost of the additional investment over the carrying amount of the interest in the net assets acquired at the date of the transaction.

(d) *Accounting for property, plant and equipment*

From 1 January 2011, the Group has applied TAS 16 (revised 2009) Property, Plant and Equipment in determining and accounting for the cost and depreciable amount of property, plant and equipment.

Central Plaza Hotel Public Company Limited and its Subsidiaries

Notes to the financial statements

For the three-month period ended 31 March 2011 (Unaudited)

The principal changes introduced by the revised TAS 16 and affecting the Group are that (i) costs of asset dismantlement, removal and restoration have to be included as asset costs and subject to annual depreciation; (ii) the depreciation charge has to be determined separately for each significant part of an asset; and (iii) in determining the depreciable amount, the residual value of an item of property, plant and equipment has to be measured at the amount estimated receivable currently for the asset if the asset were already of the age and in the condition expected at the end of its useful life. Furthermore, the residual value and useful life of an asset have to be reviewed at least at each financial year-end.

The changes have been applied prospectively in accordance with the transitional provisions of the revised standard, except that consideration of the costs of asset dismantlement, removal and restoration, have been applied retrospectively. The changes have had the following impact on the 2011 and 2010 financial statements:

	Consolidated financial statements		Separate financial statements	
	31 March 2011	31 December 2010 and 1 January 2011	31 March 2011	31 December 2010 and 1 January 2011
	(in thousand Baht)			
Statement of financial position				
Increase in cost of property, plant and equipment	43,516	42,691	-	-
(Increase) in accumulated depreciation	(25,739)	(24,881)	-	-
Increase in carrying amount of property, plant and equipment	17,777	17,810	-	-
(Increase) in provision for reinstatement costs	(53,390)	(52,174)	-	-
Decrease in retained earnings	(35,613)	(34,364)	-	-
	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2011
	(in thousand Baht)			
Statement of comprehensive income for the three-month period ended 31 March				
Decrease in depreciation charge resulting in (increase) decrease in:				
Cost of sales	(638)	(804)	-	-
Administrative expenses	51,683	(304)	34,949	-
Increase (decrease) in profit	51,045	(1,108)	34,949	-
Increase (decrease) in basic earnings per share (in Baht)	0.04	(0.00082)	0.03	-

Central Plaza Hotel Public Company Limited and its Subsidiaries
Notes to the financial statements
For the three-month period ended 31 March 2011 (Unaudited)

(e) Accounting for investment properties

From 1 January 2011, the Group has applied TAS 40 (revised 2009) Investment Property.

Under the revised standard, investment property, defined as property owned to earn rentals; capital appreciation; or both, is disclosed in the financial statements separately from other property, plant and equipment and measured using the cost model.

Previously, investment properties were included in property, plant and equipment and measured using the revaluation model for land and cost model for building. Revaluation changes were recognised in equity in accordance with the provisions of TAS 16 Property, Plant and Equipment.

The Group has selected the cost model for accounting for its investment properties under the revised standard. The change in accounting policy has been applied retrospectively and the 2010 financial statements, which are included in the Group's 2011 interim financial statements for comparative purposes, have been adjusted accordingly. The carrying amounts as at 1 January 2010, 31 March 2010 and 31 December 2010 of the Group's investment property previously included in property, plant and equipment, have been reclassified to a separate account, 'Investment property'. Any revaluation surplus for these properties carried in equity has been reclassified. From 1 January 2011, the depreciable amount and useful life of the investment property have been reassessed in accordance with the requirements of TAS 16 (Revised 2009) - see note 3(d). The change in accounting policy in this regard has been applied prospectively in accordance with TAS 16 (Revised 2009). The impact on the 2011 and 2010 financial statements was as follows:

	Consolidated financial statements		Separate financial statements	
	31 March 2011	31 December 2010 and 1 January 2011	31 March 2011	31 December 2010 and 1 January 2011
	<i>(in thousand Baht)</i>			
Statement of financial position				
Decrease in revaluation reserve (Decrease) in property, plant and equipment	207,172 (760,408)	207,172 (743,320)	- (338)	- (321)
Increase in investment properties	<u>553,236</u>	<u>536,148</u>	<u>338</u>	<u>321</u>
Increase (decrease) in retained earnings	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Central Plaza Hotel Public Company Limited and its Subsidiaries
Notes to the financial statements
For the three-month period ended 31 March 2011 (Unaudited)

(f) Accounting for employee benefits

From 1 January 2011, the Group has applied TAS 19 Employee Benefits.

Under the new policy, the Group's obligation in respect of post-employment benefits is recognised in the financial statements based on calculations performed annually by a qualified actuary using the projected unit credit method. Previously, this obligation was recognised as and when payments were made.

The Group's liability for long-term employee benefit obligations as at 1 January 2011 has been determined to be Baht 142.5 million. The Group has opted to record the entire amount of this liability as an adjustment to retained earnings as at 1 January 2011, in accordance with the transitional provisions of TAS 19. The impact on the 2011 financial statements was as follows:

	Consolidated financial statements 2011 (in thousand Baht)	Separate financial statements 2011
<i>Statement of financial position</i>		
Retained earnings at 31 December 2010 - as reported	1,616,902	1,929,647
Increase in employee benefit obligations	(137,981)	(49,903)
Retained earnings at 1 January 2011	1,478,921	1,879,744
<i>Statement of comprehensive income for the three-month period ended 31 March 2011</i>		
Increase in employee expenses resulting in:		
(Increase) in cost of sales	(1,314)	(689)
(Increase) in selling expenses	(890)	(472)
(Increase) in administrative expenses	(2,034)	(1,063)
Decrease in profit	(4,238)	(2,224)
Decrease in basic earnings per share (in Baht)	(0.0031)	(0.0016)

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.

Relationships with related parties that control or jointly control the Company or are being controlled or jointly controlled by the Company or have transactions with the Group were as follows:

Name of entities	Country of incorporation / nationality	Nature of relationships
Karon Phuket Hotel Co., Ltd.	Thailand	Jointly controlled entity, 50% direct and indirect shareholding
Kata Phuket Hotel Co., Ltd.	Thailand	Jointly controlled entity, 50% shareholding

Central Plaza Hotel Public Company Limited and its Subsidiaries

Notes to the financial statements

For the three-month period ended 31 March 2011 (Unaudited)

Name of entities	Country of incorporation / nationality	Nature of relationships
Centara Hotels & Resorts Leasehold Property Fund	Thailand	Associate, 25% shareholding
Thai Pattana Fund 2	Thailand	Subsidiary, 23.92% direct and indirect shareholding
Thai Business Fund 4	Thailand	Related party
Regent Maldives Pvt. Ltd.	Maldives	Associate, 25% shareholding
Central Department Store Co., Ltd.	Thailand	Related party, common shareholders and directors
Harnng Central Department Store Co., Ltd.	Thailand	Related party, common shareholders and directors
Central International Development Co., Ltd.	Thailand	Related party, common shareholders and directors
Central Pattana Public Company Limited	Thailand	Related party, common shareholders and directors
Power Buy Co., Ltd.	Thailand	Related party, common shareholders and directors
Central World Co., Ltd.	Thailand	Related party, common directors
AAPC (Thailand) Co., Ltd.	Thailand	Related party, shareholder of a subsidiary

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

Transactions	Pricing policies
Interest income and interest expense	Bank interest rate
Management fee income	Contractually agreed prices
Dividend income	Dividend announcement
Management fee expense	Contractually agreed prices
Rental income and rental expense	Market price and contractually agreed prices
Area rental income	Market price
Loss from guarantee provision	Contractually agreed prices
Leasehold right payment	Contractually agreed prices
Prepayment of car park service	Contractually agreed prices
Sale of equipment	Contractually agreed prices
Electricity expense	Market price

Central Plaza Hotel Public Company Limited and its Subsidiaries

Notes to the financial statements

For the three-month period ended 31 March 2011 (Unaudited)

Significant transactions for the three-month periods ended 31 March 2011 and 2010 with related parties were as follows:

<i>Three-month period ended 31 March</i>	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	<i>(in thousand Baht)</i>			
<i>Subsidiaries:</i>				
Rental income	-	-	1,035	1,185
Interest income	-	-	47,660	28,375
Management fees income	-	-	68,558	44,789
Dividend income	-	-	87,420	77,281
Interest expense	-	-	6,421	11,920
Other expenses	-	-	662	463
Rental expense	-	-	30,037	29,456
<i>Jointly-controlled entities:</i>				
Management fees income	16,904	14,256	16,904	14,256
Interest income	607	607	607	607
Other income	587	587	-	-
<i>Associates:</i>				
Dividend income	36,508	29,064	36,508	29,064
Interest income	5,431	5,366	-	-
Management fees income	11,869	6,821	-	-
Rental expense	90,000	90,000	-	-
Loss on guarantee provision	9,550	11,980	4,790	6,010
<i>Other related parties:</i>				
Rental income	3,570	3,570	-	-
Management fees income	2,166	2,152	2,166	2,152
Other income	4,396	5,434	-	-
Rental expense	27,029	26,147	20,145	19,586
Electricity expense	9,215	10,159	9,215	10,159
Management fees expense	19,578	11,585	878	1,185
Other service fees	1,749	2,188	-	-

Balances as at 31 March 2011 and 31 December 2010 with related parties were as follows:

<i>Receivable from related parties</i>	Consolidated financial statements		Separate financial statements	
	31 March 2011	31 December 2010	31 March 2011	31 December 2010
	<i>(in thousand Baht)</i>			
Subsidiaries	-	-	168,329	42,215
Other related parties	78,201	69,142	14,276	13,520
Total	78,201	69,142	182,605	55,735

Central Plaza Hotel Public Company Limited and its Subsidiaries

Notes to the financial statements

For the three-month period ended 31 March 2011 (Unaudited)

<i>Loans to related parties</i>	Interest rate		Consolidated financial statements		Separate financial statements	
	2011	2010	31 March 2011	31 December 2010	31 March 2011	31 December 2010
	(% per annum)		(in thousand Baht)			
Short-term loans						
Subsidiaries						
Central Krabi Bay Resort Co., Ltd.	4.75	4.75	-	-	179,000	163,200
Central World Hotel Co., Ltd.	4.75	4.75	-	-	263,400	317,600
S.P. Realty Pattaya Beach Co., Ltd.	4.75	4.75	-	-	22,000	21,500
Centara International Management Co., Ltd.	4.75	4.75	-	-	209,500	216,200
Central Samui Beach Resort Co., Ltd.	4.75	4.75	-	-	769,500	696,000
Associate						
Regent Maldives Pvt. Ltd.	10.0	10.0	167,495	167,495	-	-
Short-term loans to related parties			167,495	167,495	1,443,400	1,414,500
Loans to related parties						
	Interest rate		Consolidated financial statements		Separate financial statements	
	2011	2010	31 March 2011	31 December 2010	31 March 2011	31 December 2010
	(% per annum)		(in thousand Baht)			
Long-term loans						
Subsidiaries						
Central Samui Hotel Management Co., Ltd.	4.75	4.75	-	-	120,500	75,000
Central Krabi Bay Resort Co., Ltd.	4.75	4.75	-	-	459,000	500,800
Central World Hotel Co., Ltd.	4.75	4.75	-	-	1,991,600	1,992,400
Triplenine Decor Co., Ltd.	-	-	-	-	81,176	81,176
Central Hotel Management Co., Ltd.	4.75	-	-	-	152,500	-
Centara International Management Co., Ltd.	4.75	4.75	-	-	66,000	67,800
Jointly-controlled entity						
Kata Phuket Hotel Co., Ltd.	6.0	6.0	41,000	41,000	41,000	41,000
Associate						
Regent Maldives Pvt. Ltd.	10.0	10.0	52,777	52,511	-	-
Long-term loans to related parties			93,777	93,511	2,911,776	2,758,176

Central Plaza Hotel Public Company Limited and its Subsidiaries

Notes to the financial statements

For the three-month period ended 31 March 2011 (Unaudited)

Movements during the three-month periods ended 31 March 2011 and 2010 of loans to related parties were as follows:

Loans to related parties

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	<i>(in thousand Baht)</i>			
Subsidiaries				
At 1 January	-	-	4,131,676	2,144,676
Increase	-	-	426,000	1,140,000
Decrease	-	-	(243,500)	(206,000)
At 31 March	-	-	4,314,176	3,078,676
Jointly-controlled entities				
At 1 January	41,000	41,000	41,000	41,000
Increase	-	-	-	-
Decrease	-	-	-	-
At 31 March	41,000	41,000	41,000	41,000
Associate				
At 1 January	220,006	225,631	-	-
Increase	-	-	-	-
Unrealised loss (gain) on exchange	266	(1,751)	-	-
At 31 March	220,272	223,880	-	-
Total loans to related parties				
At 1 January	261,006	266,631	4,172,676	2,185,676
Increase	-	-	426,000	1,140,000
Decrease	-	-	(243,500)	(206,000)
Unrealised loss (gain) on exchange	266	(1,751)	-	-
At 31 March	261,272	264,880	4,355,176	3,119,676

Payable to related parties

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	<i>(in thousand Baht)</i>			
Subsidiaries	-	-	3,146	4,499
Other related parties	5,126	2,722	26	185
Total	5,126	2,722	3,172	4,684

Central Plaza Hotel Public Company Limited and its Subsidiaries

Notes to the financial statements

For the three-month period ended 31 March 2011 (Unaudited)

Short-term loans from related parties

	Interest rate		Consolidated		Separate	
			financial statements		financial statements	
	2011	2010	31 March 2011	31 December 2010	31 March 2011	31 December 2010
	<i>(% per annum)</i>		<i>(in thousand Baht)</i>			
Subsidiaries						
Centara Thai Hotel Management Co., Ltd.	4.75	4.75	-	-	25,000	24,500
Central Karon Village Co., Ltd.	4.75	4.75	-	-	23,000	18,000
Central Hua Hin Beach Resort Co., Ltd.	3.00	3.00	-	-	165,000	85,000
Central Restaurants Group Co., Ltd.	1.5-2.5	1.5-1.9	-	-	259,000	340,000
Central Hotel Management Co., Ltd.	-	4.75	-	-	-	354,000
Total			-	-	472,000	821,500

Movements during the three-month periods ended 31 March 2011 and 2010 of short-term loans from related parties were as follows:

<i>Short-term loans from related parties for the three-month period ended 31 March</i>	Consolidated		Separate	
	financial statements		financial statements	
	2011	2010	2011	2010
	<i>(in thousand Baht)</i>			
At 1 January	-	-	821,500	1,087,500
Increase	-	-	102,000	153,500
Decrease	-	-	(451,500)	(180,500)
At 31 March	-	-	472,000	1,060,500

Provision for guarantee payment

	Consolidated		Separate	
	financial statements		financial statements	
	2011	2010	2011	2010
	<i>(in thousand Baht)</i>			
Short-term provision for guarantee payment	26,310	90,580	13,200	45,440
Long-term provision for guarantee payment	14,258	28,582	7,152	14,344
Total	40,568	119,162	20,352	59,784

Central Plaza Hotel Public Company Limited and its Subsidiaries
Notes to the financial statements
For the three-month period ended 31 March 2011 (Unaudited)

Liability under consignment agreement

The outstanding amount due to Thai Pattana Fund II matured as follows:

	Separate financial statements			Separate financial statements		
	31 March 2011			31 December 2010		
	Amount due	Deferred expenses	Net	Amount due	Deferred expenses	Net
			(in thousand Baht)			
Within one year	81,500	(5,661)	75,839	81,500	(5,661)	75,839
After one year but within five years	163,000	(9,768)	153,232	203,750	(11,184)	192,566
Total	244,500	(15,429)	229,071	285,250	(16,845)	268,405

Key management personnel compensation

Key management personnel compensation comprised:

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
<i>Three-month period ended 31 March</i>				
		(in thousand Baht)		
Short-term employee benefits	11,993	10,780	11,633	10,780
Post-employment benefits	976	903	876	903
Total	12,969	11,683	12,509	11,683

Significant agreements with related parties

Long - term lease agreements

In 2009, the Company entered into a sub-lease agreement with Central International Development Co., Ltd. ("sub-lessor") for the sub-leasing of Sofitel Centara Grand Bangkok Hotel's building (Formerly Central Plaza Ladprao Hotel) and hotel building improvements including durable goods for a period of 20 years. The lease will expire on 18 December 2028. The Company was required to pay the sub-lessor of Baht 2,556 million for the sub-leasing right and annual rent for the whole lease term. During 2009, the Company recorded sub-leasing right and annual rent of Baht 361 million as leasehold right in the consolidated and separate statements of financial position. In addition, the Company was required to pay durable goods rental fee totalling Baht 31 million for the whole lease term. The Company recorded durable goods rental fee as asset under finance lease.

Leased assets, which the Company has renovated, improved or constructed, altered, added, maintained or rebuilt, will be transferred to SRT as soon as the said activities are completed. In addition, the Company has to return leased supplies according to the list in the lease agreement in a manner which appropriate to their condition and useful lives to SRT at the end of the lease agreement.

Central Restaurants Group Co., Ltd. ("CRG") had long-term lease and service agreements with related party 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:

Central Plaza Hotel Public Company Limited and its Subsidiaries

Notes to the financial statements

For the three-month period ended 31 March 2011 (Unaudited)

	Consolidated financial statements	
	31 March 2011	31 December 2010
	<i>(in thousand Baht)</i>	
<i>Non-cancellable operating lease commitments</i>		
Within one year	258,696	273,921
After one year but within five years	205,654	208,594
After five years	17,864	15,786
Total	482,214	498,301

As at 31 March 2011 and 31 December 2010, the Company provided guarantees to related parties, as detailed below:

1. As at 31 March 2011, the Company guaranteed the overdraft lines, letters of credit and various guarantees for subsidiaries to various local banks totaling Baht 93 million (*31 December 2010: Baht 93 million*).
2. The Company provided guarantee in respect to Central World Hotel Co., Ltd. ("CWH") loans to a financial institution in the amount not less than Baht 2,350 million. As at 31 March 2011 the outstanding loan is equal to Baht 1,300 million.
3. As at 31 March 2011, Central Restaurants Group Co., Ltd. had provide guarantees to a financial institution for bank overdraft and long-term loan facility of a subsidiary totaling Baht 10 million (*31 December 2010: Baht 10 million*).
4. As at 31 March 2011, Central Samui Beach Resort Co., Ltd. had provide guarantees to a financial institution for bank overdraft and long-term loan facility of a subsidiary totaling Baht 15 million (*31 December 2010: Baht 15 million*).

5 Trade accounts receivable

Aging analyses for trade accounts receivable were as follows:

	Consolidated financial statements		Separate financial statements	
	31 March 2011	31 December 2010	31 March 2011	31 December 2010
	<i>(in thousand Baht)</i>			
Within credit terms	203,609	198,210	46,039	20,403
Overdue:				
Less than 3 months	67,458	48,439	11,780	9,857
3-6 months	18,306	14,283	1,069	6,791
6-12 months	1,382	1,094	433	231
Over 12 months	12,997	18,749	315	13,738
	303,752	280,775	59,636	51,020
Less allowance for doubtful accounts	(4,456)	(4,034)	(462)	(43)
Net	299,296	276,741	59,174	50,977
(Reversal of) bad and doubtful debts expense for the three-month period ended 31 March	422	(677)	419	(390)

The normal credit term granted by the Group ranges from 15 days to 30 days.

Central Plaza Hotel Public Company Limited and its Subsidiaries

Notes to the financial statements

For the three-month period ended 31 March 2011 (Unaudited)

Trade accounts receivable of the Group and the Company as at 31 March 2011 and 31 December 2010 were mainly denominated in Thai Baht.

6 Investments in subsidiaries

<i>Three-month period ended 31 March</i>	Separate financial statements	
	2011	2010
	<i>(in thousand Baht)</i>	
<i>Subsidiary</i>		
At 1 January	4,211,490	4,203,160
Acquisitions	-	2,000
Disposals	(862,499)	-
Reversal of impairment loss	103,961	
Proceeds from redemption of property funds	(9,710)	(9,710)
At 31 March	<u>3,443,242</u>	<u>4,195,450</u>

On 9 March 2011, Central Hotel Management Co., Ltd. registered with the Ministry of Commerce to decrease in authorised share capital of 7,500,000 shares with a par value of Baht 100 per share, totalling Baht 750 million.

On 14 March 2011, Central Sukhontha Co., Ltd. registered with the Ministry of Commerce to decrease in authorised share capital of 4,350,000 shares, with a par value of Baht 100 per share, totalling Baht 435 million.

On 16 March 2011, Central Karon Villdige Co., Ltd. registered with the Ministry of Commerce to decrease in authorised share capital of 1,125,000 shares, with a par value of Baht 100 per share, totalling Baht 112.5 million.

On 22 February 2010, the Company invested in Cenvaree Healthy Spa Co., Ltd. of 10,000 ordinary shares with a par value of Baht 100 per share (call-up of Baht 100 per share), totalling Baht 1 million. Total invested shares represent 100% ownership. The Company paid for share capital on 2 April 2010.

On 22 February 2010, the Company invested in Centara Bangkok Convention & Exhibition Co., Ltd. of 10,000 ordinary shares with a par value of Baht 100 per share (call-up of Baht 100 per share), totalling Baht 1 million. Total invested shares represent 100% ownership. The Company paid for share capital on 2 April 2010.

On 27 May 2010, the Company invested in Centara Thai Hotel Management Co., Ltd. of 1,000,000 ordinary shares with a par value of Baht 100 per share (call-up of Baht 25 per share), totalling Baht 25 million. Total invested shares represent 100% ownership. The Company paid for share capital on 12 July 2010.

On 5 July 2010, the Company additionally invested in Triplenine Décor Co., Ltd of 10,000 ordinary shares with a par value of Baht 100 per share, call-up of Baht 75 per share, totalling Baht 750,000. Total invested shares represent 100% ownership.

Central Plaza Hotel Public Company Limited and its Subsidiaries
Notes to the financial statements
For the three-month period ended 31 March 2011 (Unaudited)

Investments in subsidiaries as at 31 March 2011 and 31 December 2010, and dividend income from those investments for the three-month periods ended 31 March 2011 and 2010 were as follows:

	Separate financial statements											
	Ownership interest		Paid-up capital		Cost method		Impairment		At cost - net		Dividend income	
	31	31	31	31	31	31	31	31	31	31	31	31
	March	December	March	December	March	December	March	December	March	December	March	March
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
	(%)				(in thousand Baht)							
Subsidiaries												
Central Samui Beach Resort Co., Ltd.	100.0	100.0	250,000	250,000	394,383	394,383	-	-	394,383	394,383	-	-
Central Karon Village Co., Ltd.	100.0	100.0	37,500	150,000	76,500	189,000	-	-	76,500	189,000	6,420	-
Central Krabi Bay Resort Co., Ltd.	100.0	100.0	500,000	500,000	500,000	500,000	-	-	500,000	500,000	-	-
Central Hua Hin Beach Resort Co., Ltd.	63.9	63.9	185,000	185,000	198,906	198,906	-	-	198,906	198,906	-	-
Central World Hotel Co., Ltd.	100.0	100.0	1,000,000	1,000,000	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	-	-	120,000	120,000	-	-
Central Hotel Management Co., Ltd.	100.0	100.0	250,000	1,000,000	250,000	999,999	(106,039)	(210,000)	143,961	789,999	-	-
Central Restaurants Group Co., Ltd.	100.0	100.0	620,000	620,000	669,607	669,607	-	-	669,607	669,607	81,000	30,000
Triplenine Decor Co., Ltd.	100.0	100.0	1,000	1,000	1,000	1,000	-	-	1,000	1,000	-	-
Central Samui Hotel Management Co., Ltd.	100.0	100.0	1,250	1,250	1,250	1,250	-	-	1,250	1,250	-	-
Centara International Management Co., Ltd.	100.0	100.0	150,000	150,000	150,000	150,000	-	-	150,000	150,000	-	-
S.P. Realty Lanta Beach Co., Ltd.	100.0	100.0	250	250	250	250	-	-	250	250	-	-
S.P. Realty Had Farang Resort Co., Ltd.	100.0	100.0	22,125	22,125	22,125	22,125	-	-	22,125	22,125	-	-
S.P. Realty Pattaya Beach Co., Ltd.	100.0	100.0	80,000	80,000	80,000	80,000	-	-	80,000	80,000	-	-
Cenvaree Healthy Spa Co., Ltd.	100.0	100.0	1,000	1,000	1,000	1,000	-	-	1,000	1,000	-	-
Central Bangkok Convention & Exhibition Co., Ltd.	100.0	100.0	1,000	1,000	1,000	1,000	-	-	1,000	1,000	-	-
Centara Thai Hotel Management Co., Ltd.	100.0	100.0	25,000	25,000	25,000	25,000	-	-	25,000	25,000	-	-
			3,244,125	4,106,625	3,491,021	4,353,520	(106,039)	(210,000)	3,384,982	4,143,520	87,420	30,000

Central Plaza Hotel Public Company Limited and its Subsidiaries
Notes to the financial statements
For the three-month period ended 31 March 2011 (Unaudited)

	Separate financial statements											
	Ownership interest		Paid-up capital		Cost method		Impairment		At cost - net		Dividend income	
	31	31	31	31	31	31	31	31	31	31	31	31
	March	December	March	December	March	December	March	December	March	December	March	March
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
	(%)						(in thousand Baht)					
Property funds												
Thai Pattana Fund 2	23.83	23.83	815,000	815,000	58,260	67,970	-	-	58,260	67,970	48,209	47,281
			815,000	815,000	58,260	67,970	-	-	58,260	67,970	48,209	47,281
Total			4,059,125	4,921,625	3,549,281	4,421,490	(106,039)	(210,000)	3,443,242	4,211,490	135,629	77,281

Shares of Central Samui Hotel Management Co., Ltd. were pledged with Centara Hotels & Resorts Leasehold Property Fund (“CTARAF”) according to pledge agreement between Central Plaza Hotel Public Co., Ltd. and CTARAF.

Central Plaza Hotel Public Company Limited and its Subsidiaries
Notes to the financial statements
For the three-month period ended 31 March 2011 (Unaudited)

7 Investments in associates and jointly-controlled entities

	Consolidated financial statements		Separate financial statements	
<i>Three-month period ended 31 March</i>	2011	2010	2011	2010
	<i>(in thousand Baht)</i>			
At 1 January	1,079,331	1,171,513	1,045,205	1,050,103
Share of net profit of investments				
- equity method (loss)	51,350	23,383	-	-
Cash refund for unit holders in property fund	-	(4,898)	-	(4,898)
Dividend income	(36,508)	(29,064)	-	-
At 31 March	<u>1,094,173</u>	<u>1,160,934</u>	<u>1,045,205</u>	<u>1,045,205</u>

Central Plaza Hotel Public Company Limited and its Subsidiaries
Notes to the financial statements
For the three-month period ended 31 March 2011 (Unaudited)

Investments in associates and jointly-controlled entities as at 31 March 2011 and 31 December 2010, and dividend income from those investments for the three-month periods ended 31 March 2011 and 2010 were as follows:

	Ownership				Consolidated financial statements									
	interest		Paid-up capital		Cost method		Equity method		Impairment		At equity – net		Dividend income	
	31	31	31	31	31	31	31	31	31	31	31	31	31	31
	March	December	March	December	March	December	March	December	March	December	March	December	March	March
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
	(%)				(in thousand Baht)									
<i>Associates</i>														
Centara Hotels & Resorts	25.3	25.3	3,200,000	3,200,000	805,205	805,205	879,785	895,980	-	-	879,785	895,980	36,508	29,064
Leasehold Property Fund														
Regent Maldives Pvt. Ltd.	25.0	25.0	484,935	484,935	120,985	120,985	24,663	25,684	-	-	24,663	25,684	-	-
			<u>3,684,935</u>	<u>3,684,935</u>	<u>926,190</u>	<u>926,190</u>	<u>904,448</u>	<u>921,664</u>	<u>-</u>	<u>-</u>	<u>904,448</u>	<u>921,664</u>	<u>36,508</u>	<u>29,064</u>
<i>Jointly-controlled entities</i>														
Karon Phuket Hotel														
Co., Ltd.	50.0	50.0	520,000	520,000	260,000	260,000	118,482	93,653	-	-	118,482	93,653	-	-
Kata Phuket Hotel Co., Ltd.	50.0	50.0	120,000	120,000	60,000	60,000	71,243	64,014	-	-	71,243	64,014	-	-
			<u>640,000</u>	<u>640,000</u>	<u>320,000</u>	<u>320,000</u>	<u>189,725</u>	<u>157,667</u>	<u>-</u>	<u>-</u>	<u>189,725</u>	<u>157,667</u>	<u>-</u>	<u>-</u>
Total			4,324,935	4,324,935	1,246,190	1,246,190	1,094,173	1,079,331	-	-	1,094,173	1,079,331	36,508	29,064

Central Plaza Hotel Public Company Limited and its Subsidiaries
Notes to the financial statements
For the three-month period ended 31 March 2011 (Unaudited)

	Ownership interest		Separate financial statements											
			Paid-up capital		Cost method		Equity method		Impairment		At equity – net		Dividend income	
	31	31	31	31	31	31	31	31	31	31	31	31	31	31
	March	December	March	December	March	December	March	December	March	December	March	December	March	March
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
	(%)		(in thousand Baht)											
<i>Associates</i>														
Centara Hotels & Resorts	25.3	25.3	3,200,000	3,200,000	805,205	805,205	-	-	805,205	805,205	693,349	697,404	36,508	29,064
Leasehold Property Fund														
Regent Maldives Pvt. Ltd.	25.0	25.0	484,935	484,935	-	-	-	-	-	-			-	-
			<u>3,684,935</u>	<u>3,684,935</u>	<u>805,205</u>	<u>805,205</u>	<u>-</u>	<u>-</u>	<u>805,205</u>	<u>805,205</u>			<u>36,508</u>	<u>29,064</u>
<i>Jointly-controlled entities</i>														
Karon Phuket Hotel														
Co., Ltd.	34.6	34.6	520,000	520,000	180,000	180,000	-	-	180,000	180,000			-	-
Kata Phuket Hotel														
Co., Ltd.	50.0	50.0	120,000	120,000	60,000	60,000	-	-	60,000	60,000			-	-
			<u>640,000</u>	<u>640,000</u>	<u>240,000</u>	<u>240,000</u>	<u>-</u>	<u>-</u>	<u>240,000</u>	<u>240,000</u>			<u>-</u>	<u>-</u>
Total			4,324,935	4,324,935	1,045,205	1,045,205	-	-	1,045,205	1,045,205			36,508	29,064

Central Plaza Hotel Public Company Limited and its Subsidiaries

Notes to the financial statements

For the three-month period ended 31 March 2011 (Unaudited)

8 Investment properties

Cost method

<i>Three-month period ended 31 March</i>	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		2011	2010	2011	2010
		<i>(in thousandBaht)</i>			
<i>Cost</i>					
At 1 January		562,384	562,384	347,384	347,384
Additions		20,105	-	20,105	-
At 31 March		582,489	562,384	367,489	347,384
<i>Depreciation and impairment losses</i>					
At 1 January		26,236	14,657	26,236	14,657
Depreciation charge for the period		3,017	2,855	3,017	2,855
At 31 March		29,253	17,512	29,253	17,512
<i>Net book value</i>					
At 1 January 2010		-	547,727	-	332,727
At 31 March 2010		-	544,872	-	329,872
At 1 January 2011		536,148	-	321,148	-
At 31 March 2011		553,236	-	338,236	-

Investment properties as at 31 March 2011 were revalued by Broke Real Estate Co., Ltd a firm of independent professional valuers, at open market values on an existing use basis. The appraised value was Baht 3,336 million.

9 Property, plant and equipment

Acquisitions, disposals and transfers of property, plant and equipment during the three-month periods ended 31 March 2011 and 2010 were as follows:

<i>Three-month period ended 31 March</i>	Consolidated financial statements			
	2011		2010	
	Acquisitions and transfers in - at cost	Disposal and transfers out - net book value <i>(in thousand Baht)</i>	Acquisitions and transfers in - at cost	Disposal and transfers out - net book value
Land improvement	52,603	-	165	215,000
Building and improvement	561,271	8,491	50,041	330,095
Machinery and equipment	281,716	599	12,671	531
Furniture, fixtures and office equipment	127,957	442	19,697	264
Hotel operating equipment	6,847	10,511	8,089	5,214
Leasehold improvements	56,834	-	-	-
Vehicles	7,663	-	4,172	426
Assets under construction	158,424	863,521	336,470	117,967
Total	1,253,315	883,564	431,305	669,497

Central Plaza Hotel Public Company Limited and its Subsidiaries

Notes to the financial statements

For the three-month period ended 31 March 2011 (Unaudited)

<i>Three-month period ended 31 March</i>	Separate financial statements			
	2011		2010	
	Acquisitions and transfers in - at cost	Disposal and transfers out - net book value (in thousand Baht)	Acquisitions and transfers in - at cost	Disposal and transfers out - net book value
Building and improvement	35,928	8,364	143	329,873
Machinery and equipment	10,252	227	1,499	-
Furniture, fixtures and office equipment	21,707	141	1,877	147
Hotel operating equipment	1,689	2,959	4,135	923
Leasehold improvements	56,834	-	-	-
Vehicles	2,478	-	59	-
Assets under construction	69,702	83,242	174,868	102,535
Total	198,590	94,933	182,581	433,478

Revaluation of assets

In the third quarter of 2008, eight subsidiaries engaged an independent appraiser to appraise existing property and equipment as at 31 August 2008, which included property and equipment which were previously appraised. The subsidiaries recorded property and equipment at the new appraisal value according to the appraisal report dated 31 August 2008.

The asset appraisal stated above, resulted in an increase in revaluation surplus of the Company and subsidiaries in consolidated statements of financial position as at 31 August 2008 of approximately Baht 1,824 million. The revaluation surplus could not be used for dividend payment. Additionally, in the statements of comprehensive income, the Company and subsidiaries recorded net gain from appraisal and loss from impairment of asset of approximately Baht 3.1 million and Baht 15.2 million, respectively.

On 12 April 2011, the Federation of Accounting Profession (“FAP”) announced “Accounting Record on Revaluation” FAP announcement No. 18/2554 giving the Group two alternatives to be applied on depreciating revalued assets: (a) comply with the principle as stipulated in paragraph No. 38 of TAS No. 16 “Property, Plant and Equipment”, and depreciate the revalued sum or (b) comply with the cost method when revaluation is made and continue to depreciate the original cost only.

The Group adopted the alternative to comply with the cost method when revaluation is made. The effects of the above accounting treatment on the Group’s results for the periods ended 31 March 2011 and 2010 were to increase the Group’s profit by Baht 11.4 million and Baht 11.6 million, respectively and increase in earnings per share by Baht 0.01 per share and Baht 0.01 per share, respectively.

Central Plaza Hotel Public Company Limited and its Subsidiaries

Notes to the financial statements

For the three-month period ended 31 March 2011 (Unaudited)

10 Assets under financial lease agreement

Acquisitions, disposals and transfers of asset under financial lease agreement during the three-month periods ended 31 March 2011 and 2010 were as follows:

<i>Three-month period ended 31 March</i>	Consolidated financial statements			
	2011		2010	
	Acquisitions and transfers in - at cost	Disposal and transfers out - net book value (in thousand Baht)	Acquisitions and transfers in - at cost	Disposal and transfers out - net book value
Building and improvement	977	-	8,915	-
Machinery and equipment	-	-	835	-
Furniture, fixtures and office equipment	240	776	-	-
Total	1,217	776	9,750	-

11 Debentures

	Interest rate (%)	Maturity date	Consolidated / Separate financial statements	
			31 March 2011	31 December 2010
			<i>(in thousand Baht)</i>	
No. 1/2009, Set 1	4.00	29 July 2011	1,000,000	1,000,000
No. 1/2009, Set 2	4.55	29 July 2012	600,000	600,000
No. 2/2009	4.45	24 July 2012	1,000,000	1,000,000
No. 1/2010	3.50	30 September 2013	1,000,000	1,000,000
No. 2/2010	3.85	23 June 2017	500,000	500,000
No. 3/2010	3.85	29 June 2017	500,000	500,000
No. 4/2010	3.40	3 September 2013	400,000	400,000
			5,000,000	5,000,000
Less deferred expense in issuing debenture			(2,137)	(2,839)
Net			4,997,863	4,997,161
Less debenture due within one year			(998,481)	(999,033)
Debenture due after one year			3,999,382	3,998,128

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

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

Central Plaza Hotel Public Company Limited and its Subsidiaries
Notes to the financial statements
For the three-month period ended 31 March 2011 (Unaudited)

Interest rate swap contracts

As at 31 March 2011 and 31 December 2010, the Company has various interest rate swap contracts which the details of the contracts are as follows:

Conditions under previous contracts

Principal	Baht 3,600,000,000
Interest rate	Quarterly, fixed interest rate of 3.50% - 4.55% p.a. Semi-annually, fixed interest rate of 4.45% p.a.

Conditions under interest rate swaps contracts

Principal	Baht 3,600,000,000
Interest rate	Monthly, floating interest rate of MLR minus 3% p.a. Quarterly, floating interest rate of 6-months fixed deposit interest rate plus 2.815% p.a. Semi-annually, floating interest rate of 6 months fixed deposit interest rate plus 1.90% to 2.805% p.a.

The above contracts are mature during 24 July 2012 to 29 June 2017.

12 Provision for guarantee payment

Provision for guarantee payment represented guarantee under the building lease agreement which the Company and a subsidiary guarantee lease fee income of Centara Hotels & Resorts Leasehold Property Fund. Balances as 31 March 2011 and 31 December 2010 of provision for guarantee payment were as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	31	31	31	31
	March	December	March	December
	2011	2010	2011	2010
	<i>(in thousand Baht)</i>			
Short-term provision for guarantee payment	26,310	90,580	13,200	45,440
Long-term provision for guarantee payment	14,258	28,582	7,152	14,344
Total	40,568	119,162	20,352	59,784

Movements during the three-month periods ended 31 March 2011 and 2010 of provision for guarantee payment were as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2011	2010	2011	2010
	<i>(in thousand Baht)</i>			
At 1 January	119,162	195,804	59,784	98,236
Increase	9,550	11,980	4,790	6,010
Decrease	(88,144)	(88,622)	(44,222)	(44,462)
At 31 March	40,568	119,162	20,352	59,784

Central Plaza Hotel Public Company Limited and its Subsidiaries

Notes to the financial statements

For the three-month period ended 31 March 2011 (Unaudited)

13 Employee benefit obligations

The Group adopted TAS 19 - Employee Benefits with effect from 1 January 2011; the effect on the financial statements is discussed in note 3 (f). As stated in note 3 (f), the Group has opted to record the entire amount of the transitional obligation as at 1 January 2011, totaling Baht 142.5 million for the Group and Baht 49.9 million for the Company, as an adjustment to retained earnings as at 1 January 2011.

The statement of financial position obligation was determined as follows:

	Consolidated financial statements		Separate financial statements	
	31 March 2011	31 December 2010	31 March 2011	31 December 2010
	<i>(in thousand Baht)</i>			
Present value of unfunded obligations	148,191	-	52,127	-
Statement of financial position obligation	148,191	-	52,127	-

Movement in the present value of the defined benefit obligations:

	Consolidated financial statements		Separate financial statements	
<i>Three-month period ended 31 March</i>	2011	2010	2011	2010
	<i>(in thousand Baht)</i>			
Defined benefit obligations at 1 January	142,502	-	49,903	-
Benefits paid by the plan	(450)	-	-	-
Current service costs and interest	6,139	-	2,224	-
Defined benefit obligations at 31 March	148,191	-	52,127	-

Expense recognised in profit or loss:

	Consolidated financial statements		Separate financial statements	
<i>Three-month period ended 31 March</i>	2011	2010	2011	2010
	<i>(in thousand Baht)</i>			
Current service costs	4,521	-	1,645	-
Interest on obligation	1,618	-	579	-
Total	6,139	-	2,224	-

The expense is recognised in the following line items in the statement of comprehensive income:

	Consolidated financial statements		Separate financial statements	
<i>Three-month period ended 31 March</i>	2011	2010	2011	2010
	<i>(in thousand Baht)</i>			
Cost of sales	1,903	-	689	-
Selling expenses	1,302	-	472	-
Administrative expenses	2,934	-	1,063	-
Total	6,139	-	2,224	-

Central Plaza Hotel Public Company Limited and its Subsidiaries
Notes to the financial statements
For the three-month period ended 31 March 2011 (Unaudited)

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	Consolidated financial statements		Separate financial statements	
	31 March 2011	31 December 2010	31 March 2011	31 December 2010
				%
Discount rate at 31 December	4.75	4.75	4.75	4.75
Future salary increases	4.00	4.00	4.00	4.00
Future pension increases	4.00	4.00	4.00	4.00

Mortality assumption of the mortality rate is based from Thailand mortality ordinary 1997 (TMO97) issued by the office of the Insurance Commission.

14 Segment information

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

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise interest or dividend-earning assets and revenue, interest-bearing loans, borrowings and expenses, and corporate assets and expenses.

Business segments

The Company and its subsidiaries comprise the following main business segments:

<i>Segment 1</i>	Hotel
<i>Segment 2</i>	Food and ice-cream

Geographic segments

Management considers that the Company and its subsidiaries operate in a single geographic area, namely in Thailand, and has, therefore, only one major geographic segment.

Central Plaza Hotel Public Company Limited and its Subsidiaries
Notes to the financial statements
For the three-month period ended 31 March 2011 (Unaudited)

Business segment results and financial position for the three-month periods ended 31 March 2011 and 2010 were as follows:

	Hotel		Food and ice-cream		Total Continuing		Eliminations		Total	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
	<i>(in million Baht)</i>									
Revenue	1,446	1,275	1,491	1,205	2,937	2,480	(23)	(16)	2,914	2,464
Interest income	80	48	2	-	82	48	(76)	(42)	6	6
Other income	192	163	11	7	203	170	(100)	(90)	103	80
Total revenue	1,718	1,486	1,504	1,212	3,222	2,698	(199)	(148)	3,023	2,550
Cost of sale	517	457	731	603	1,248	1,060	(23)	(16)	1,225	1,044
Administrative expenses	246	211	448	388	694	599	(71)	(62)	623	537
Other expenses	535	533	121	117	656	650	(28)	(27)	628	623
Total expenses	1,298	1,201	1,300	1,108	2,598	2,309	(122)	(105)	2,476	2,204
Share profit from investments	52	23	-	-	52	23	-	-	52	23
Profit before interest and income tax expenses	472	308	204	104	676	412	(77)	(43)	599	369
Finance costs	(164)	(117)	(1)	(1)	(165)	(118)	77	43	(88)	(75)
Income tax expense	(32)	(37)	(58)	(30)	(90)	(67)	-	-	(90)	(67)
Profit for the year	276	154	145	73	421	227	-	-	421	227

Central Plaza Hotel Public Company Limited and its Subsidiaries

Notes to the financial statements

For the three-month period ended 31 March 2011 (Unaudited)

15 Basic earnings per share

The calculations of basic earnings per share for the years ended 31 March 2011 and 2010 were based on the profit for the periods attributable to equity holders of the Company and the number of ordinary shares outstanding during the periods as follows:

<i>Three-month period ended 31 March</i>	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2011
	<i>(million shares / million Baht)</i>			
Profit attributable to ordinary shareholders of the Company	401	205	130	130
Number of ordinary shares outstanding	1,350	1,350	1,350	1,350
Basic earnings per share (<i>in Baht</i>)	0.30	0.15	0.10	0.10

16 Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	31 March 2011	31 December 2010	31 March 2011	31 December 2010
	<i>(in thousand Baht)</i>			
Capital commitments				
<i>Contracted but not provided for</i>				
- Hotel construction	399,924	519,860	266,259	284,397
Total	399,924	519,860	266,259	284,397
Non-cancellable operating lease and service commitments of Central Restaurant Groups Co., Ltd.				
Within one year	89,572	92,938	-	-
After one year but within five years	78,804	82,796	-	-
After five years	4,328	3,138	-	-
Total	172,704	178,872	-	-

17 Events after the reporting period

Proposed of dividend payment

At the annual general meeting of the shareholders of the Company held on 25 April 2011, the shareholders approved the distribution of dividends at Baht 0.05 per share, totalling Baht 67.5 million.

Central Plaza Hotel Public Company Limited and its Subsidiaries
Notes to the financial statements
For the three-month period ended 31 March 2011 (Unaudited)

18 Thai Financial Reporting Standards (TFRS) not yet adopted

The Group has not adopted the following new and revised TFRS that have been issued as of the reporting date but are not yet effective. The new and revised TFRS are anticipated to become effective for annual financial periods beginning on or after 1 January in the year indicated in the following table.

TFRS	Topic	Year effective
TAS 12	Income Taxes	2013
TAS 20	Accounting for Government Grants and Disclosures of Government Assistance	2013
TAS 21 (revised 2009)	The Effects of Changes in Foreign Exchange Rates	2013

Management is presently considering the potential impact of adopting and initially applying these new and revised TFRS on the consolidated and separate financial statements.

19 Reclassification of accounts

Certain accounts in the statement of financial position as at 31 December 2010 and the statement of comprehensive income for the three-month period ended 31 March 2010, which are included in the 2011 interim financial statements for comparative purposes, have been reclassified to conform to the presentation in the 2011 interim financial statements. These reclassifications have principally been made following changes in accounting policies consequent to the adoption of new and revised TFRS reporting as disclosed in note 3. There were no other significant reclassifications of accounts.