

REPORT OF THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

**TO THE SHAREHOLDERS AND THE BOARD OF DIRECTORS
S&P SYNDICATE PUBLIC COMPANY LIMITED**

We have audited the consolidated balance sheets of S&P Syndicate Public Company Limited and its subsidiaries and the separate balance sheets of S&P Syndicate Public Company Limited as at December 31, 2010 and 2009, and the related consolidated and the separate statements of income, changes in shareholders' equity and cash flows for the years then ended. These financial statements are the responsibility of the Company's management as to their correctness and completeness of the presentation. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to 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. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the aforementioned consolidated and the separate financial statements present fairly, in all material respects, the financial position of S&P Syndicate Public Company Limited and its subsidiaries and of S&P Syndicate Public Company Limited as at December 31, 2010 and 2009, and the results of operations and cash flows for the years then ended in accordance with generally accepted accounting principles.

BANGKOK
February 21, 2011

Thanawan Anuratbodee
Certified Public Accountant (Thailand)
Registration No. 3440
DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES

BALANCE SHEETS

AS AT DECEMBER 31, 2010 AND 2009

BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2010	2009	2010	2009
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	5	742,200,666	475,112,561	569,528,357	328,102,929
Temporary investments	6	220,226,474	539,257,552	217,059,311	535,631,503
Trade accounts receivable - net	7, 14	182,564,750	163,728,156	173,141,656	147,658,224
Short-term loans to related parties	14	341,174	244,046	443,787	1,604,243
Inventories	8	203,253,552	206,551,212	194,092,453	197,912,867
Other current assets	14	34,450,865	76,949,060	19,057,603	25,646,269
Total Current Assets		<u>1,383,037,481</u>	<u>1,461,842,587</u>	<u>1,173,323,167</u>	<u>1,236,556,035</u>
NON-CURRENT ASSETS					
Deposits used as collateral	9	20,583,660	5,476,260	20,583,660	1,976,260
Investments in subsidiaries	10, 14	-	-	40,999,300	40,999,300
Investments in associates	10, 14	45,173,405	43,586,235	48,998,000	48,998,000
Property, plant and equipment - net	11	1,065,213,813	997,217,913	882,226,817	877,983,777
Intangible assets - net	12	3,000,436	3,125,977	3,000,436	1,107,286
Leasehold right - net	13	95,371,149	97,248,667	92,682,673	92,761,111
Long-term deposits		131,937,231	126,314,430	102,967,301	94,800,120
Other non-current assets		2,044,961	19,237,003	675,062	19,111,260
Total Non-current Assets		<u>1,363,324,655</u>	<u>1,292,206,485</u>	<u>1,192,133,249</u>	<u>1,177,737,114</u>
TOTAL ASSETS		<u><u>2,746,362,136</u></u>	<u><u>2,754,049,072</u></u>	<u><u>2,365,456,416</u></u>	<u><u>2,414,293,149</u></u>

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

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES

BALANCE SHEETS (CONTINUED)

AS AT DECEMBER 31, 2010 AND 2009

BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2010	2009	2010	2009
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Short-term loans from a financial institution	15	3,746,539	3,538,051	-	-
Trade accounts payable	14	351,283,279	362,842,428	323,248,630	323,809,018
Short-term loans from related parties	14	351,975	113,581	352,505	142,864
Accrued income tax		109,247,600	78,867,185	101,840,067	71,239,273
Accrued expenses		274,972,186	185,916,427	247,042,637	172,222,549
Value-added-tax payable		34,090,176	24,604,837	19,967,300	17,272,122
Current portion of long-term loans					
from financial institutions	17	19,173,240	3,212,405	-	-
Current portion of financial lease liabilities	16	2,940,558	2,694,679	2,940,558	2,694,679
Other current liabilities		54,930,712	29,238,782	46,230,533	23,490,339
Total Current Liabilities		<u>850,736,265</u>	<u>691,028,375</u>	<u>741,622,230</u>	<u>610,870,844</u>
NON-CURRENT LIABILITIES					
Long-term loan from financial institutions	17	60,711,380	7,227,911	-	-
Financial lease liabilities	16	3,569,504	4,603,266	3,569,504	4,603,266
Other non-current liabilities		17,554,680	7,172,120	14,561,200	5,000,000
Total Non-current Liabilities		<u>81,835,564</u>	<u>19,003,297</u>	<u>18,130,704</u>	<u>9,603,266</u>
TOTAL LIABILITIES		<u>932,571,829</u>	<u>710,031,672</u>	<u>759,752,934</u>	<u>620,474,110</u>

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES

BALANCE SHEETS (CONTINUED)

AS AT DECEMBER 31, 2010 AND 2009

BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2010	2009	2010	2009
LIABILITIES AND SHAREHOLDERS' EQUITY (CONTINUED)					
SHAREHOLDERS' EQUITY					
SHARE CAPITAL					
Authorized share capital					
104,686,273 ordinary shares of Baht 5 each		523,431,365	523,431,365	523,431,365	523,431,365
Issued and paid-up share capital					
104,686,273 ordinary shares of Baht 5 each					
fully paid		523,431,365	523,431,365	523,431,365	523,431,365
PREMIUM ON ORDINARY SHARES		689,980,549	689,980,549	689,980,549	689,980,549
DIFFERENCES ON TRANSLATION OF					
THE FINANCIAL STATEMENTS		(37,045,144)	(20,394,032)	-	-
UNREALIZED GAIN ON REVALUATION OF					
AVAILABLE- FOR- SALE SECURITIES		154,786	126,049	-	-
RETAINED EARNINGS					
Appropriated					
Legal reserve	18	52,343,137	52,343,137	52,343,137	52,343,137
Treasury shares reserve	19	250,951,475	-	250,951,475	-
Unappropriated		508,831,935	709,879,917	339,948,431	528,063,988
TOTAL MAJOR SHAREHOLDERS' EQUITY		1,988,648,103	1,955,366,985	1,856,654,957	1,793,819,039
TREASURY SHARES	19	(250,951,475)	-	(250,951,475)	-
MINORITY INTEREST		76,093,679	88,650,415	-	-
TOTAL SHAREHOLDERS' EQUITY		1,813,790,307	2,044,017,400	1,605,703,482	1,793,819,039
TOTAL LIABILITIES AND					
 SHAREHOLDERS' EQUITY		2,746,362,136	2,754,049,072	2,365,456,416	2,414,293,149

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

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF INCOME

FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

BAHT

	Notes	CONSOLIDATED		SEPARATE		
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS		
		2010	2009	2010	2009	
Revenues from sales and services		5,281,672,068	4,700,143,683	4,573,543,190	4,023,297,650	
Cost of sales and services		(2,907,837,903)	(2,641,362,757)	(2,722,065,255)	(2,460,069,144)	
Gross profit		2,373,834,165	2,058,780,926	1,851,477,935	1,563,228,506	
Other incomes						
Gain on exchange rate		-	3,245,015	-	1,460,849	
Dividend income		674,941	1,620,000	3,594,821	1,813,996	
Others		52,903,431	58,692,216	37,127,245	41,838,222	
Profit before expenses		2,427,412,537	2,122,338,157	1,892,200,001	1,608,341,573	
Selling expenses		(198,162,684)	(177,309,092)	(198,162,684)	(177,309,092)	
Administrative expenses		(1,619,368,267)	(1,493,782,435)	(1,103,239,740)	(1,027,667,804)	
Management benefit expenses		(47,320,110)	(35,531,500)	(35,442,423)	(27,097,520)	
Loss on exchange rate		(11,733,528)	-	(5,401,285)	-	
Total expenses		(1,876,584,589)	(1,706,623,027)	(1,342,246,132)	(1,232,074,416)	
Profit before finance costs and income tax expenses		550,827,948	415,715,130	549,953,869	376,267,157	
Finance costs		(3,309,969)	(704,976)	(11,570)	(4,192)	
Share of profits (losses) on investments in associates		4,507,050	(2,972,801)	-	-	
Profit before income tax expenses		552,025,029	412,037,353	549,942,299	376,262,965	
Income tax expenses		(169,204,125)	(113,788,923)	(155,131,744)	(99,210,015)	
NET PROFIT		382,820,904	298,248,430	394,810,555	277,052,950	
PROFIT ATTRIBUTABLE TO:						
Equity holders of the parent company		381,878,130	293,039,643	394,810,555	277,052,950	
Minority interest		942,774	5,208,787	-	-	
		382,820,904	298,248,430	394,810,555	277,052,950	
BASIC EARNINGS PER SHARE	BAHT	20	3.79	2.80	3.92	2.65
WEIGHTED AVERAGE NUMBER						
OF ORDINARY SHARES	SHARES	20	100,702,115	104,686,273	100,702,115	104,686,273

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

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009
CONSOLIDATED FINANCIAL STATEMENTS

										BAHT	
	Notes	Issued and Paid-up Share Capital	Premium on Ordinary Shares	Differences on translation of Financial Statements	Unrealized Gain (Loss) on Revaluation of Available-For-Sale Securities	Retained earnings Appropriated Legal reserve	Unappropriated Treasury shares Reserve	Total Major Shareholders' Equity	Treasury Shares	Minority Interest	Total Shareholders' Equity
BEGINNING BALANCE AS AT											
JANUARY 1, 2009		523,431,365	689,980,549	(23,884,938)	299,600	52,343,137	-	641,915,761	-	81,806,336	1,965,891,810
Differences on translation of financial statements		-	-	3,490,906	-	-	-	3,490,906	-	1,635,292	5,126,198
Unrealized loss on revaluation of available-for-sales securities		-	-	-	(173,551)	-	-	(173,551)	-	-	(173,551)
Net profit		-	-	-	-	-	293,039,643	293,039,643	-	5,208,787	298,248,430
Dividend paid	21	-	-	-	-	-	(225,075,487)	(225,075,487)	-	-	(225,075,487)
ENDING BALANCE AS AT											
DECEMBER 31, 2009		523,431,365	689,980,549	(20,394,032)	126,049	52,343,137	-	709,879,917	-	88,650,415	2,044,017,400

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009
CONSOLIDATED FINANCIAL STATEMENTS

											BAHT	
Notes	Issued and Paid-up Share Capital	Premium on Ordinary Shares	Differences on translation of Financial Statements	Unrealized Gain on Revaluation of Available-For-Sale Securities	Legal reserve	Retained earnings Appropriated Treasury shares Reserve	Unappropriated	Total Major Shareholders' Equity	Treasury Shares	Minority Interest	Total Shareholders' Equity	
BEGINNING BALANCE AS AT												
	JANUARY 1, 2010	523,431,365	689,980,549	(20,394,032)	126,049	52,343,137	-	709,879,917	1,955,366,985	-	88,650,415	2,044,017,400
	Differences on translation of financial statements	-	-	(16,651,112)	-	-	-	-	(16,651,112)	-	(13,499,510)	(30,150,622)
	Unrealized loss on revaluation of available-for-sales securities	-	-	-	28,737	-	-	-	28,737	-	-	28,737
	Treasury shares reserve	19	-	-	-	-	250,951,475	(250,951,475)	-	-	-	-
	Treasury shares	19	-	-	-	-	-	-	(250,951,475)	-	-	(250,951,475)
	Net profit	-	-	-	-	-	-	381,878,130	381,878,130	-	942,774	382,820,904
	Dividend paid	21	-	-	-	-	-	(331,974,637)	(331,974,637)	-	-	(331,974,637)
ENDING BALANCE AS AT												
	DECEMBER 31, 2010	<u>523,431,365</u>	<u>689,980,549</u>	<u>(37,045,144)</u>	<u>154,786</u>	<u>52,343,137</u>	<u>250,951,475</u>	<u>508,831,935</u>	<u>1,988,648,103</u>	<u>(250,951,475)</u>	<u>76,093,679</u>	<u>1,813,790,307</u>

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

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009
SEPARATE FINANCIAL STATEMENTS

BAHT

	Notes	Issued and Paid-up Share Capital	Premium on Ordinary Shares	Unrealized Gain (Loss) on Revaluation of Available-For-Sale Securities	Retained earnings Appropriated Legal Reserve	Treasury Shares Reserve	Unappropriated	Treasury Shares	Total Shareholders' Equity
BEGINNING BALANCE AS AT JANUARY 1, 2009		523,431,365	689,980,549	200,000	52,343,137	-	476,086,525	-	1,742,041,576
Unrealized loss on revaluation of available-for-sales securities		-	-	(200,000)	-	-	-	-	(200,000)
Net profit		-	-	-	-	-	277,052,950	-	277,052,950
Dividend paid	21	-	-	-	-	-	(225,075,487)	-	(225,075,487)
ENDING BALANCE AS AT DECEMBER 31, 2009		523,431,365	689,980,549	-	52,343,137	-	528,063,988	-	1,793,819,039
BEGINNING BALANCE AS AT JANUARY 1, 2010		523,431,365	689,980,549	-	52,343,137	-	528,063,988	-	1,793,819,039
Treasury shares reserve	19	-	-	-	-	250,951,475	(250,951,475)	-	-
Treasury shares	19	-	-	-	-	-	-	(250,951,475)	(250,951,475)
Net profit		-	-	-	-	-	394,810,555	-	394,810,555
Dividend paid	21	-	-	-	-	-	(331,974,637)	-	(331,974,637)
ENDING BALANCE AS AT DECEMBER 31, 2010		523,431,365	689,980,549	-	52,343,137	250,951,475	339,948,431	(250,951,475)	1,605,703,482

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

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

BAHT

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2010	2009	2010	2009
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before income tax expenses	552,025,029	412,037,353	549,942,299	376,262,965
Adjustments :				
Depreciation and amortization	261,357,237	261,036,166	232,304,672	235,432,448
Unrealized loss on exchange rate	450,718	954,450	13,899	805,786
Unrealized gain on temporary investments	-1,820,238	-2,372,043	-1,820,238	-2,372,043
Doubtful accounts (reversal)	-2,129,582	-	-1,434,705	1,100,000
Doubtful account - cash advance to a related company	-	-	605,125	1,900,000
Share of (profits) losses from investments recorded by the equity method	-4,507,050	2,972,801	-	-
Loss on writting-off of fixed assets	9,834,542	3,151,306	6,786,730	3,151,306
Loss on writting-off of intangible assets	1,968,846	-	-	-
Gain on sales of temporary investments	-245,873	-1,482,314	-245,873	-1,549,720
Gain on sales of fixed assets	-1,089,276	-4,823,218	-1,089,276	-4,267,150
Dividend received from temporary investments	-674,941	-1,620,000	-674,941	-1,620,000
Dividend received from an associated company	-	-	-2,919,880	-193,996
Loss on impairment of investment in a subsidiary company	-	-	-	2,034,096
Loss on impairment of investment in an associated company	-	-	-	4,997,000
Interest income	-3,444,810	-4,001,213	-2,689,316	-2,691,488
Interest expense	3,309,969	704,976	11,570	4,192
	815,034,571	666,558,264	778,790,066	612,993,396
Increase in trade accounts receivable	-16,842,460	-11,762,246	-24,048,727	-13,066,038
Decrease (increase) in inventories	3,297,660	-30,757,801	3,820,414	-28,881,226
Decrease (increase) in other current assets	44,541,901	-40,593,122	6,254,570	-11,973,364
Increase in long-term deposit	-5,622,801	-12,651,838	-8,167,181	-8,833,288
Decrease (increase) in other non-current assets	1,983,495	-11,420,942	3,227,651	-11,297,231
(Decrease) increase in trade accounts payable	-11,559,149	112,547,951	-560,388	99,115,624
Increase (decrease) in accrued expenses	84,429,777	-4,802,795	70,194,106	2,055,923
Increase in value-added-tax payable	10,363,622	8,204,754	2,695,178	872,039
Increase (decrease) in other current liabilities	2,642,132	(8,876,825)	2,169,989	(16,763)
Increase in other non-current liabilities	10,382,560	5,513,001	9,561,200	5,000,000
Cash received from operations	938,651,308	671,958,401	843,936,878	645,969,072
Cash received for interest	3,380,276	3,974,851	2,624,782	2,665,126
Cash paid for interest	(3,309,969)	(704,976)	(11,570)	(4,192)
Cash paid for income tax	(138,823,710)	(91,319,443)	(124,530,950)	(75,644,211)
Net Cash Provided by Operating Activities	799,897,905	583,908,833	722,019,140	572,985,795

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (CONTINUED)

FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

BAHT

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2010	2009	2010	2009
CASH FLOWS FROM INVESTING ACTIVITIES				
Increase in deposit used as collateral	-15,107,400	-3,535,000	-18,607,400	(35,000)
Cash payments for acquisition of temporary investments	-510,500,000	(360,500,000)	(510,000,000)	(360,000,000)
Cash received from sales of temporary investments	832,566,635	256,745,222	831,036,934	255,212,570
Cash payments for short-term loans to related parties	-1,820,054	-	(8,642,522)	(19,485,494)
Cash received from short-term loans to related parties	1,722,926	9,355	9,197,853	17,351,987
Cash payment for acquisition of a subsidiary company	-	-	-	(34,096)
Dividend received from temporary investments	674,941	1,620,000	674,941	1,620,000
Dividend received from an associated company	-	-	2,919,880	193,996
Cash payment for purchases of fixed assets	(311,939,643)	(196,973,883)	(207,020,475)	(167,533,832)
Proceeds from sales of fixed assets	1,859,945	6,964,442	1,859,945	5,167,171
Cash payments for purchases of intangible assets	(60,000)	(42,500)	(60,000)	(42,500)
Cash payments for purchases of leasehold right	-	(7,548,702)	-	(7,548,702)
Net Cash (Used in) provided by Investing Activities	<u>(2,602,650)</u>	<u>(303,261,066)</u>	<u>101,359,156</u>	<u>(275,133,900)</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
Cash received from short-term loans from financial institution:	208,488	3,538,051	-	-
Cash repayments for short-term loans from related parties	(1,457,217)	(1,526,546)	(1,543,762)	(1,961,171)
Cash received from short-term loan from related parties	1,695,611	1,517,700	1,753,403	1,836,620
Cash repayments for long-term loans from financial institution	(2,446,616)	(2,409,304)	-	-
Cash received from long-term loans from financial institutions	71,890,920	12,849,620	-	-
Cash payments for financial lease liabilities	(3,848,480)	(1,249,847)	(3,848,480)	(1,249,847)
Cash payments for purchase of treasury shares	(250,951,475)	-	(250,951,475)	-
Dividend paid	(327,348,655)	(225,075,487)	(327,348,655)	(225,075,487)
Net Cash Used in Financing Activities	<u>(512,257,424)</u>	<u>(212,355,813)</u>	<u>(581,938,969)</u>	<u>(226,449,885)</u>

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (CONTINUED)

FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

BAHT

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2010	2009	2010	2009
Unrealized exchange loss of cash and cash equivalents	(315,270)	(903,876)	(13,899)	(805,786)
Differences on translation of the financial statements	(17,634,456)	(8,797,548)	-	-
Net increase in cash and cash equivalents	267,088,105	58,590,530	241,425,428	70,596,224
Cash and cash equivalents as at January 1,	475,112,561	416,522,031	328,102,929	257,506,705
CASH AND CASH EQUIVALENTS				
AS AT DECEMBER 31,	742,200,666	475,112,561	569,528,357	328,102,929

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

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

1. GENERAL INFORMATION

On October 14, 1973, S&P Syndicate Public Company Limited (“the Company”) was incorporated under the Civil and Commercial Code of Thailand as a limited company. Subsequently in May 1989, the Stock Exchange of Thailand registered the Company’s common shares as a listed security and the Company was transformed to Public Company Limited on April 20, 1994. The location of its head office is at 457-457/6 Soi Sukhumvit 55 (Soi Thonglor), Sukhumvit Road, Klongtonnua, Vadhana, Bangkok 10110.

S&P Syndicate Public Company Limited is the parent company within the group of companies. The core business is the operation of a nationwide and international chain of restaurants and bakery shops, the production of bakery, frozen foods and other food products and food-service related business such as outside catering.

2. BASIS FOR PREPARATION AND PRESENTATION OF THE FINANCIAL STATEMENTS AND BASIS FOR PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

2.1 Basis for preparation and presentation of the financial statements

The consolidated and the separate financial statements have been prepared in Thai Baht currency and in compliance with the Notification of the Department of Business Development regarding “The Brief Particulars in the Financial Statements B.E. 2552” dated January 30, 2009 which is in accordance with the Regulation of The Stock Exchange of Thailand dated January 22, 2001, regarding the preparation and submission of financial statements and reports for the financial position and result of operations of the listed companies, and in accordance with accounting standards and practices generally accepted in Thailand.

The Federation of Accounting Professions has issued the Notifications regarding the new and revised Thai Accounting Standard (TAS), Thai Financial Reporting Standard (TFRS) and Thai Financial Reporting Interpretation (TFRI), which are not yet effective for the current period as follows:

- 1) TAS, TFRS and TFRI which are effective on January 1, 2011:

TAS

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
TAS 10 (Revised 2009)	Events after the Reporting Period
TAS 11 (Revised 2009)	Construction Contracts
TAS 16 (Revised 2009)	Property, Plant and Equipment
TAS 17 (Revised 2009)	Leases
TAS 18 (Revised 2009)	Revenue
TAS 19	Employee Benefits

TAS

TAS 23 (Revised 2009)	Borrowing Costs
TAS 24 (Revised 2009)	Related Party Disclosures
TAS 26	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (Revised 2009)	Consolidated and Separate Financial Statements
TAS 28 (Revised 2009)	Investments in Associates
TAS 29	Financial Reporting in Hyperinflationary Economies
TAS 31 (Revised 2009)	Interests in Joint Venture
TAS 33 (Revised 2009)	Earnings Per Share
TAS 34 (Revised 2009)	Interim Financial Reporting
TAS 36 (Revised 2009)	Impairment of Assets
TAS 37 (Revised 2009)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (Revised 2009)	Intangible Assets
TAS 40 (Revised 2009)	Investment Property

TFRS

TFRS 2	Share-based Payment
TFRS 3 (Revised 2009)	Business Combinations
TFRS 5 (Revised 2009)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6	Exploration for and Evaluation of Mineral Resources

TFRI

TFRI 15	Agreements for the Construction of Real Estate
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2) TAS which are effective on January 1, 2013:

TAS

TAS 12	Income Taxes
TAS 20 (Revised 2009)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (Revised 2009)	The Effects of Changes in Foreign Exchange Rates

The Company's management anticipates that all of the above TASs and TFRSs, except TAS No. 11 (Revised 2009), TAS No. 20 (Revised 2009), TAS No. 29, TFRS No. 2, TFRS No. 5 (Revised 2009), TFRS No. 6 and TFRI No. 15 which are not applicable to the Company's and its subsidiaries' business activities and the management has assessed the impact and does not expect to have a material effect on the Company's and its subsidiaries' financial statements in the period of initial application, except for TAS No. 12 "Income Taxes" and TAS No. 19 "Employee Benefits" which the management is currently assessing the full impact on the Company's and its subsidiaries' financial statements in the period of initial application.

The financial statements have been prepared under the measurement basis of historical cost except as disclosed in the accounting policies below.

To facilitate the readers, an English version of financial statements have been translated from the Thai version of financial statements. Such financial statements have been prepared for domestic reporting purpose.

2.2 Basis for preparation of consolidated financial statements

The consolidated financial statements for the years ended December 31, 2010 and 2009, include the financial statements of S&P Syndicate Public Company Limited and its subsidiaries in which the Company has controlled or invested over 50% of their voting rights. These subsidiaries are detailed as follows:

	Business type	Country of registration	Percentage of holdings as at December 31,	
			2010	2009
Subsidiaries				
S&P Global Co., Ltd.	Investment in other companies	Thailand	80.00	80.00
S&P Asset Co., Ltd.	Office rental	Thailand	99.93	99.93
S&P Food Solution Co., Ltd. (formerly S&PizZanotti (Thailand) Limited) (1)	Restaurant	Thailand	99.99	99.99

- (1) On February 26, 2010, the Board of Directors' meeting of S&PizZanotti (Thailand) Limited passed a resolution to change its name from "S&PizZanotti (Thailand) Limited" to "S&P Food Solution Co., Ltd.". The Company registered the name change with the Department of Business Development on the same date.

On August 1, 2010, the Company has ceased its operation and transferred its assets to S&P Syndicate Company Public Limited.

Additionally, the consolidated financial statements include the results from the financial statements of overseas subsidiary companies, in which S&P Global Company Limited has a shareholding, as the Company has been given authority to provide technical assistance to, and management of Thai food restaurants owned by these companies under agreements as follows:

	Business type	Country of registration	Percentage of holdings as at December 31,	
			2010	2009
Shares held directly by S&P Global Co., Ltd.				
S&P Restaurant Limited	Restaurant	England	96.00	96.00
Patara (Geneva) SA	Restaurant	Switzerland	62.00	62.00
Theme Foods Pte. Ltd.	Restaurant	Singapore	50.00	50.00
SK Catering Pte. Ltd.	Restaurant	Singapore	50.00	50.00
Patara Taiwan Company Limited (1)	Ceased operation	Taiwan	50.00	50.00
Patio International Limited	Restaurant	Taiwan	60.00	60.00
Patara International Restaurant Management (Beijing) Co., Ltd. (2)	Restaurant	The People's Republic of China	90.79	90.00
Thai Development SA	Restaurant	Switzerland	45.00	45.00
Shares held indirectly by Theme Foods Pte. Ltd.				
Siam Kitchen Sdn. Bhd. (3)	Ceased operation	Malaysia	99.99	99.99
Shares held indirectly by S&P Restaurant Limited and Thai Development SA				
Patara Restaurant, Vienna GmbH (4)	Restaurant	Austria	76.20	76.20

- (1) During the year 2007, Patara Taiwan Company Limited has ceased its operation and its assets had been transferred to Patio International Limited.
- (2) During the year 2009, S&P Global Co., Ltd. invested in Patara International Restaurant Management (Beijing) Co., Ltd. which has the registration of share capital of RMB 3.50 million.

On March 22, 2010, the Board of Directors' Meeting of S&P Global Co., Ltd. passed a resolution to approve an increase the registered share capital of Patara International Restaurant Management (Beijing) Co., Ltd. from RMB 3.50 million to RMB 3.80 million, by offering 100% of such share capital increase amounting to RMB 0.30 million, to S&P Global Co., Ltd. The Company registered such increase in share capital on April 2, 2010 so the proportion of S&P Global Co., Ltd. has changed from 90% to 90.79%.

On September 17, 2010, the Board of Directors' Meeting of S&P Global Co., Ltd. passed a resolution to approve an increase the registered share capital of Patara International Restaurant Management (Beijing) Co., Ltd. from RMB 3.80 million to RMB 4.30 million, by offering 100% of such share capital increase amounting to RMB 0.50 million, to S&P Global Co., Ltd. The Company is processing to register such increase in share capital. However, Patara International Restaurant Management (Beijing) Co., Ltd. called up for paid-up share capital in amounting to RMB 0.20 million which S&P Global Co., Ltd. has paid on February 4, 2011. Thus, the proportion of S&P Global Co., Ltd. as at December 31, 2010 is still 90.79%.

- (3) During the year 2005, Siam Kitchen Sdn. Bhd. has ceased its operations in Malaysia and is in process of dissolution.
- (4) On August 11, 2009, the Board of Directors' Meeting of S&P Syndicate Public Company Limited resolved to approve the participation by S&P Restaurants Limited in England and Thai Development SA in Switzerland, which are indirect subsidiaries of S&P Syndicate Public Company Limited (S&P Global Co., Ltd. holds 96% and 45%, respectively), for the investment in Patara Restaurant, Vienna GmbH which is operated as a Thai restaurant in Austria and such company has registered its share capital of EUR 200,000. S&P Restaurants Limited holds 70% and Thai Development SA holds 20% of Patara Restaurant, Vienna GmbH's share capital.

On June 29, 2010, the Board of Directors' Meeting of Patara Restaurant, Vienna GmbH resolved to approve an increase the registered share capital from EUR 200,000 to EUR 300,000, by offering such share capital increase amounting to EUR 100,000, to the shareholder on the same former proportion and the Company has already registered the increase in share capital on September 17, 2010.

Significant intercompany transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.

The consolidated financial statements for the years ended December 31, 2010 and 2009, do not include the financial statements of Siam Kitchen Sdn. Bhd., which is a subsidiary registered in Malaysia which is owned by Theme Foods Pte. Ltd. as the amount is immaterial. As at December 31, 2010 and 2009, the carrying value of such investment is nil.

The consolidated financial statements for the years ended December 31, 2010 and 2009, include the financial statements of Bangkok Jam and Patara Fine Thai Cuisine, which are sole proprietorship entities registered under the laws of Singapore and are under the control of SK Catering Pte. Ltd. and Theme Foods Pte. Ltd., respectively.

Assets and investments recorded by the equity method as at December 31, 2010 and 2009, revenues and the share of profit (loss) from investments recorded by the equity method in associates for the years ended December 31, 2010 and 2009 accounted for by the percentage of total assets, net assets (total assets net of total liabilities), consolidated revenues and total net profit, respectively, in the consolidated financial statements are summarized below:

Company's name	CONSOLIDATED FINANCIAL STATEMENTS							
	Assets of subsidiaries		Investments recorded		Revenues as		Share of profit (loss)	
	as percentage		by the equity method as		percentage of		as percentage	
	of total assets		percentage of net assets		total revenues		of net profit	
	as at		as at		for the years ended		for the years ended	
December 31,		December 31,		December 31,		December 31,		
2010		2009		2010		2009		
Shares held by S&P Syndicate Public Company Limited								
Subsidiaries:								
S&P Global Co., Ltd. and subsidiaries	15.12	13.60	-	-	13.45	14.32	-	-
(Proportion of subsidiaries of S&P Global Co., Ltd. are presented below)								
S&P Asset Co., Ltd.	0.36	0.30	-	-	0.12	0.14	-	-
S&P Food Solution Co., Ltd.	0.04*	0.21*	-	-	0.11*	0.29*	-	-
(formerly S&PizZanotti (Thailand) Limited)								
Associates:								
HD Distributors (Thailand) Co., Ltd.	-	-	2.49*	2.31*	-	-	0.19*	0.60*
Foodhouse Catering Service Co., Ltd.	-	-	-	(0.18)*	-	-	-	(1.62)*
	<u>15.52</u>	<u>14.11</u>	<u>2.49</u>	<u>2.13</u>	<u>13.68</u>	<u>14.75</u>	<u>0.19</u>	<u>(1.02)</u>
Shares held directly by S&P Global Co., Ltd.								
S&P Restaurant Limited	5.59	6.72	-	-	4.84	5.69	-	-
Patara (Geneva) SA	0.91*	0.77*	-	-	1.37*	1.51*	-	-
Theme Foods Pte. Ltd.	0.65*	0.84*	-	-	0.85*	0.85*	-	-
SK Catering Pte. Ltd.	1.63*	1.19*	-	-	3.29*	3.00*	-	-
Patara Taiwan Company Limited	0.02*	0.04*	-	-	0.02*	-	-	-
Patio International Limited	0.27*	0.58*	-	-	0.70*	1.22*	-	-
Patara International Restaurant Management (Beijing) Co., Ltd.	0.54*	0.68*	-	-	0.16*	0.02*	-	-
Thai Developments SA	1.01*	1.13*	-	-	1.63*	1.97*	-	-
	<u>10.62</u>	<u>11.95</u>	<u>-</u>	<u>-</u>	<u>12.86</u>	<u>14.26</u>	<u>-</u>	<u>-</u>
Shares held indirectly by S&P Restaurant Limited and Thai Development SA								
Patara Restaurant, Viena GmbH	2.95*	-	-	-	0.58*	-	-	-
	<u>13.57</u>	<u>11.95</u>	<u>-</u>	<u>-</u>	<u>13.44</u>	<u>14.26</u>	<u>-</u>	<u>-</u>

* Information, which was provided by the management, was not audited or reviewed by an auditor.

3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies are summarized as below:

3.1 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand, deposits at bank and all types of deposits at financial institutions with maturity term not over 3 months; which excluding deposit at bank used as collateral.

3.2 Temporary investments

Temporary investments consist of investment in trading securities, available-for-sale securities, time deposits with maturity term over 3 months up to 12 months and held-to-maturity debt security due within 12 months and without obligation.

Investment in trading securities are carried at fair value. Realized gains and losses from the sales of trading securities and unrealized gain and loss on the changes in fair values are recognized in statements of income.

Investments in available-for-sales securities are carried at fair value, differences between book value and fair value of available-for-sales securities are recorded as unrealized gain (loss) on revaluation of investments under shareholders' equity.

Held-to-maturity debt securities are carried at the amortized cost, net of valuation allowances for impairment, (if any).

3.3 Allowance for doubtful accounts

Allowance for doubtful accounts is provided at the estimated collection losses on receivables. Such estimate based on the Company's collection experiences of each receivable.

3.4 Inventories

Inventories of the Company and its subsidiaries are carried at the lower of cost and net realizable value. The cost of inventories of the Company and its three subsidiaries are calculated by using the weighted average cost method and of the other three subsidiaries are calculated by using the first-in, first-out method.

3.5 Investments in subsidiaries and associates

Investments in subsidiaries and associates are presented by the cost method in the separate financial statements.

In the case where impairment of investment is occurred, the impairment loss of investment will be charged to the statement of income.

Investments in associates are presented by the equity method in the consolidated financial statements.

3.6 Property, plant and equipment

Land of the Company is stated at cost. Plant and equipment of the Company and its domestic and overseas subsidiaries are stated at cost, less accumulated depreciation.

Depreciation of plant and equipment of the Company and its domestic subsidiaries is calculated by the straight-line method over the estimated useful lives of the assets as follows:

Buildings and building improvements	20 years
Factory buildings	20 years
Machinery and equipment	5 - 8 years
Office furniture and equipment	5 years
Vehicles	5 years

Depreciation of equipment of overseas subsidiaries is calculated by the straight-line and the diminishing balance methods over the estimated useful lives of the assets of 4 - 5 years.

In the case where impairment of property, plant and equipment is occurred, the loss on impairment will be charged to the statement of income.

3.7 Intangible assets

Intangible assets consist of trademarks and software development costs.

Intangible assets are stated at costs less accumulated amortization. Amortization is calculated by the straight-line method, based on lease period or useful lives of the assets as follows:

Trademarks	10 years
Software development costs	5 years

3.8 Leasehold right

Leasehold right of the Company and its subsidiaries is stated at cost, less accumulated amortization.

Leasehold right amortization of the Company and its subsidiaries is being amortized by using the straight-line method over the lease periods as follows:

Leasehold right of the Company	3 - 30 years
Leasehold right of subsidiaries	15 - 20 years

3.9 Lease

Operating lease

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 expired, any payment required to be made to the lessor by way of penalty is recognized as an expense in the period in which termination takes place.

Finance lease

Lease in which substantially all the risks and rewards of ownership other than legal title are transferred to the Company is accounted for as a finance lease. The Company capitalizes the equipment at the lower of estimated present value of the underlying lease payments or at the fair value of the equipment at the contractual date. The leased assets are depreciated using the straight-line method over their estimated useful lives. Interest or financial charge is recognized by effective interest rate method over the term of contracts. Interest or financial charge and depreciation are recognized as expenses in the statement of income.

3.10 Provident fund

The contribution paid by the Company and its domestic subsidiaries to the provident funds of employees is recognized as an expense when the transactions occurred.

3.11 Foreign currency transactions

Transactions in foreign currencies occurred during the year are converted into Baht at the rates of exchange prevailing on the transaction dates. Monetary assets and liabilities in foreign currencies outstanding at the end of the year are converted into Baht at the exchange rates prevailing on that date as determined by the Bank of Thailand. Gains or losses on conversion are included in the statement of income.

The translation of foreign financial statements into Baht for the purpose of preparing the consolidated financial statements is determined by using the following rates:

- a. Assets and liabilities are converted at the closing rate at the balance sheet date.
- b. Shareholders' equity is converted at the rates prevailing on the transaction dates.
- c. Revenues and expenses are converted at the average rate during the period.

Gain (loss) on translation of foreign financial statements is shown under shareholders' equity.

Intercompany transactions are converted at the rates prevailing on the dates of transactions and, upon elimination, at the rates prevailing on the consolidation date.

3.12 Recognition of revenues and expenses

Revenues from the sales of goods are recognized as revenue when the significant risks and rewards of ownership are transferred to the buyer.

Revenues from services are recognized as revenue when the services are rendered.

Revenues from dividend from investments are recognized as income when the Company has right to receive the dividend.

3.13 Income tax

Income tax of the Company and domestic subsidiaries is based on the taxable profit and recorded as expense for the year.

Income tax of the overseas subsidiaries is recorded in accordance with the regulations of the countries where the companies are operated.

3.14 Basic earnings of major shareholder per share

Basic earnings of major shareholder per share is computed by dividing net profit for the year by the weighted average number of ordinary shares outstanding during the year.

3.15 Use of accounting estimates

The preparation of financial statements in accordance with generally accepted accounting principles requires the Company's management to exercise judgments in order to determine the accounting policies, 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 reported amounts of revenues and expenses during the reporting period. Although, these estimates are based on management's reasonable consideration of current events, actual results may differ from these estimates.

4. SUPPLEMENTAL DISCLOSURE OF CASH FLOWS INFORMATION

4.1 Non-cash transactions are as follows:

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2010	2009	2010	2009
	Baht	Baht	Baht	Baht
Liabilities incurred from acquisition of fixed assets as at January 1,	13,873,967	15,566,909	13,873,967	15,566,909
<u>Add</u> Purchases of fixed assets	337,171,756	203,298,925	230,651,278	173,858,874
Purchases of intangible assets	60,000	42,500	60,000	42,500
<u>Less</u> Cash payment - fixed assets	(311,939,643)	(196,973,883)	(207,020,475)	(167,533,832)
- Intangible assets	(60,000)	(42,500)	(60,000)	(42,500)
Assets under finance lease	<u>(3,060,598)</u>	<u>(8,017,984)</u>	<u>(3,060,598)</u>	<u>(8,017,984)</u>
Liabilities incurred from acquisition of fixed assets as at December 31,	<u>36,045,482</u>	<u>13,873,967</u>	<u>34,444,172</u>	<u>13,873,967</u>

4.2 Amounts of unused credit facilities are as follows:

	In Million		In Million		In Million	
	2010	2009	2010	2009	2010	2009
	Baht		Pound Sterling		US Dollars	
Short-term loans	345.00	410.00	-	-	-	-
Bank overdrafts	91.00	91.00	0.40	0.40	-	-
Letters of guarantee	277.69	160.90	-	-	-	-
FOREX Credit limited	95.00	20.00	-	-	1.00	2.70
Total	<u>808.69</u>	<u>681.90</u>	<u>0.40</u>	<u>0.40</u>	<u>1.00</u>	<u>2.70</u>

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as at December 31, consist of:

	Consolidated		In Thousand Baht	
	Financial Statements		Separate	
	2010	2009	2010	2009
Cash	9,497	8,495	7,395	7,138
Bank deposits in savings and current accounts	466,427	362,993	335,567	247,705
Fixed deposits (1 month and 3 months)	266,277	103,625	226,566	73,260
	<u>742,201</u>	<u>475,113</u>	<u>569,528</u>	<u>328,103</u>

6. TEMPORARY INVESTMENTS

Temporary investments as at December 31, consist of:

	Consolidated		In Thousand Baht	
	Financial Statements		Separate	
	2010	2009	2010	2009
Time deposits	12	100,500	-	100,000
Trading securities				
- Fixed income open-ended Funds	217,059	435,240	217,059	435,240
- Mutual Funds	-	392	-	392
Available-for-sales securities				
- Fixed income open-ended Funds	3,155	3,126	-	-
Total Temporary Investments	<u>220,226</u>	<u>539,258</u>	<u>217,059</u>	<u>535,632</u>

Additional details of temporary investments in the consolidated financial statements are as follows:

As at December 31, 2010

	Cost Value	Unrealized	In Thousand Baht
	As at	gain on	Fair Value
	December 31,	revaluation	As at
	2010	of temporary	December 31,
		investment	2010
Trading securities			
- Fixed income open-ended Funds	215,239	1,820	217,059
Available-for-sales securities			
- Fixed income open-ended Funds	3,000	155	3,155
Total Temporary Investments	<u>218,239</u>	<u>1,975</u>	<u>220,214</u>

As at December 31, 2009

	Cost Value	In Thousand Baht	
	As at	Unrealized	Fair Value
	December 31,	gain on	As at
	2009	revaluation	December 31,
		of temporary	2009
		investment	
Trading securities			
- Fixed income open-ended Funds	432,890	2,350	435,240
- Mutual Funds	369	23	392
	<u>433,259</u>	<u>2,373</u>	<u>435,632</u>
Available-for-sales securities			
- Fixed income open-ended Funds	3,000	126	3,126
Total Temporary Investments	<u>436,259</u>	<u>2,499</u>	<u>438,758</u>

Additional details of temporary investments in the separate financial statements are as follows:

As at December 31, 2010

	Cost Value	In Thousand Baht	
	As at	Unrealized	Fair Value
	December 31,	gain on	As at
	2010	revaluation	December 31,
		of temporary	2010
		investment	
Trading securities			
- Fixed income open-ended Funds	215,239	1,820	217,059
Total Temporary Investments	<u>215,239</u>	<u>1,820</u>	<u>217,059</u>

As at December 31, 2009

	Cost Value	In Thousand Baht	
	As at	Unrealized	Fair Value
	December 31,	gain on	As at
	2009	revaluation	December 31,
		of temporary	2009
		investment	
Trading securities			
- Fixed income open-ended Funds	432,890	2,350	435,240
- Mutual Funds	369	23	392
Total Temporary Investments	<u>433,259</u>	<u>2,373</u>	<u>435,632</u>

7. TRADE ACCOUNTS RECEIVABLE - NET

Trade accounts receivable - net as at December 31, classified by aging are as follows:

	Consolidated		In Thousand Baht	
	Financial Statements	Financial Statements	Financial Statements	Financial Statements
	2010	2009	2010	2009
Trade accounts receivable				
Other companies				
Current	91,612	95,635	82,132	81,983
Overdue				
3 months or less	75,296	52,075	75,296	52,075
Over 3 months up to 6 months	461	248	461	248
Over 6 months up to 12 months	192	178	192	178
Over 12 months	2,189	2,214	2,189	2,214
Total	<u>169,750</u>	<u>150,350</u>	<u>160,270</u>	<u>136,698</u>
Related companies				
Current	5,212	8,010	5,264	5,593
Overdue				
3 months or less	5,696	6,621	5,696	6,708
Over 3 months up to 6 months	1,374	2,894	1,527	3,127
Over 6 months up to 12 months	2,677	135	3,147	719
Over 12 months	9	1	1,186	196
Total	<u>14,968</u>	<u>17,661</u>	<u>16,820</u>	<u>16,343</u>
Total trade accounts receivable	184,718	168,011	177,090	153,041
<u>Less</u> Allowance for doubtful accounts	<u>(2,153)</u>	<u>(4,283)</u>	<u>(3,948)</u>	<u>(5,383)</u>
Trade Accounts Receivable - net	<u>182,565</u>	<u>163,728</u>	<u>173,142</u>	<u>147,658</u>

8. INVENTORIES

Inventories as at December 31, consist of:

	Consolidated		In Thousand Baht	
	Financial Statements		Separate	
	2010	2009	2010	2009
Finished goods	67,378	71,873	67,378	71,873
Work in process	115	61	115	61
Raw materials	87,257	95,986	78,095	87,348
Packaging materials	38,947	32,770	38,947	32,770
Spare parts and supplies	8,829	5,861	8,829	5,861
Goods in transit	728	-	728	-
Total Inventories	<u>203,254</u>	<u>206,551</u>	<u>194,092</u>	<u>197,913</u>

For the years ended December 31, 2010 and 2009, the costs of inventories recorded as expenses in the consolidated financial statements are Baht 2,907,837,903 and Baht 2,641,362,757, respectively and in the separate financial statements are Baht 2,722,065,255 and Baht 2,460,069,144, respectively.

9. DEPOSITS USED AS COLLATERAL

- 9.1 As at December 31, 2010 and 2009, cash at banks of the Company of Baht 0.58 million and Baht 1.98 million, respectively, were used as collateral against letters of guarantee from a bank for electricity usage (see Note 27.3).
- 9.2 As at December 31, 2010, 12-month fixed deposit of the Company at a local commercial bank of Baht 20 million was pledged as collateral for loan of Patara Restaurant, Vienna GmbH, an indirect subsidiary, in the amount of EUR 1.8 million (see Note 17.2).
- 9.3 As at December 31, 2009, 12-month fixed deposit of S&P Global Co., Ltd. at a local commercial bank of Baht 3.5 million was pledged as collateral for loan of Patio International Limited, a subsidiary, in the amount of TWD 3 million (see Notes 15 and 27.4).

10. INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES

Investments recorded by the equity method in the consolidated financial statements as at December 31, 2010 and 2009 consist of:

	Type of business	Relationship	Paid-up capital		% Share holding		At cost method		At equity method		In Thousand Baht Dividend Income	
			2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
Shares held by S&P Global Co., Ltd.												
Subsidiary :												
	Siam Kitchen Sdn. Bhd.	Ceased operation	Co-shareholders and co-management team	2,845	50.00	50.00	1,423	1,423	-	-	-	-
	Total						<u>1,423</u>	<u>1,423</u>	<u>-</u>	<u>-</u>		
Shares held by S&P Syndicate Public Company Limited												
Associates :												
	HD Distributors (Thailand) Co., Ltd.	Agency for food distribution	Co-shareholders and co-management team	100,000	47.99	47.99	48,998	48,998	45,173	47,348	2,920	194
	Foodhouse Catering Services Co., Ltd.	Catering	Co-shareholders and co-management team	10,000	49.97	49.97	4,997	4,997	-	(3,762)	-	-
	<u>Less</u> Allowance for impairment of investment						<u>(4,997)</u>	<u>(4,997)</u>	<u>-</u>	<u>-</u>		
							<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,762)</u>		
	Total						<u>48,998</u>	<u>48,998</u>	<u>45,173</u>	<u>43,586</u>		
							<u>50,421</u>	<u>50,421</u>	<u>45,173</u>	<u>43,586</u>		

Investments recorded by the cost method in the separate financial statements as at December 31, 2010 and 2009 consist of:

	Type of business	Relationship	Paid-up capital		% Share holding		At cost		In Thousand Baht Dividend Income		
			2010	2009	2010	2009	2010	2009	2010	2009	
Shares held by S&P Syndicate Public Company Limited											
Subsidiaries											
	S&P Global Co., Ltd.	Investment in other companies	Co-shareholders and co-management team	50,000	50,000	80.00	80.00	40,000	40,000	-	-
	S&P Asset Co., Ltd.	Office rental	Co-shareholders and co-management team	1,000	1,000	99.93	99.93	999	999	-	-
	S&P Food Solution Co., Ltd. (formerly S&PizZanotti (Thailand) Limited)	Restaurant	Co-shareholders and co-management team	20,000	20,000	99.99	99.99	10,034	10,034	-	-
	<u>Less</u> Provision for impairment of investment							<u>(10,034)</u>	<u>(10,034)</u>		
	Total							<u>40,999</u>	<u>40,999</u>		
Associates											
	HD Distributors (Thailand) Co., Ltd.	Agency for food distribution	Co-shareholders and co-management team	100,000	100,000	47.99	47.99	48,998	48,998	2,920	194
	Foodhouse Catering Services Co., Ltd.	Catering	Co-shareholders and co-management team	10,000	10,000	49.97	49.97	4,997	4,997	-	-
	<u>Less</u> Provision for impairment of investment							<u>(4,997)</u>	<u>(4,997)</u>		
	Total							<u>48,998</u>	<u>48,998</u>		

11. PROPERTY, PLANT AND EQUIPMENT - NET

Property, plant and equipment - net as at December 31, consist of:

Consolidated Financial Statements

As at December 31, 2010

	In Thousand Baht					
	Balance as at January 1, 2010	Additions	Decreases	Transfer in (out)/ Adjustments	Differences on translation of Financial Statements	Balance as at December 31, 2010
Cost						
Land	261,053	-	-	-	-	261,053
Buildings and building improvements	151,552	9,947	-	(19,832)	(8,371)	133,296
Factory buildings	188,795	-	-	-	-	188,795
Machinery and equipment	787,347	46,724	(38,738)	38,488	(2,040)	831,781
Office furniture and equipment	1,160,934	140,213	(40,526)	68,452	(9,023)	1,320,050
Vehicles	46,298	3,544	(2,474)	-	(210)	47,158
Construction in progress	7,626	136,744	-	(89,837)	(122)	54,411
Total cost	<u>2,603,605</u>	<u>337,172</u>	<u>(81,738)</u>	<u>(2,729)</u>	<u>(19,766)</u>	<u>2,836,544</u>
Accumulated depreciation						
Buildings and building improvements	88,800	3,054	-	(19,570)	(902)	71,382
Factory buildings	80,597	8,211	-	-	-	88,808
Machinery and equipment	609,925	73,219	(35,996)	(10)	(2,384)	644,754
Office furniture and equipment	793,720	154,649	(32,984)	19,561	(4,427)	930,519
Vehicles	33,345	4,881	(2,158)	-	(201)	35,867
Total accumulated depreciation	<u>1,606,387</u>	<u>244,014</u>	<u>(71,138)</u>	<u>(19)</u>	<u>(7,914)</u>	<u>1,771,330</u>
Property, plant and equipment - net	<u>997,218</u>					<u>1,065,214</u>

Consolidated Financial Statements

As at December 31, 2009

	In Thousand Baht					
	Balance as at January 1, 2009	Additions	Decreases	Transfer in (out)/ Adjustments	Differences on translation of Financial Statements	Balance as at December 31, 2009
Cost						
Land	261,053	-	-	-	-	261,053
Buildings and building improvements	148,632	-	-	-	2,920	151,552
Factory buildings	188,795	-	-	-	-	188,795
Machinery and equipment	702,272	51,282	(7,763)	43,693	(2,137)	787,347
Office furniture and equipment	1,030,176	90,100	(22,562)	62,783	437	1,160,934
Vehicles	50,460	8,018	(12,458)	242	36	46,298
Construction in progress	17,129	53,900	-	(63,403)	-	7,626
Total cost	<u>2,398,517</u>	<u>203,300</u>	<u>(42,783)</u>	<u>43,315</u>	<u>1,256</u>	<u>2,603,605</u>
Accumulated depreciation						
Buildings and building improvements	85,414	3,156	-	-	230	88,800
Factory buildings	71,760	8,837	-	-	-	80,597
Machinery and equipment	519,936	81,062	(7,650)	18,110	(1,533)	609,925
Office furniture and equipment	660,471	145,055	(18,099)	6,147	146	793,720
Vehicles	39,611	5,382	(11,741)	77	16	33,345
Total accumulated depreciation	<u>1,377,192</u>	<u>243,492</u>	<u>(37,490)</u>	<u>24,334</u>	<u>(1,141)</u>	<u>1,606,387</u>
Property, plant and equipment - net	<u>1,021,325</u>					<u>997,218</u>
Depreciation for the years ended December 31,						
2010						<u>244,014</u>
2009						<u>243,492</u>
Cost of fully depreciated fixed assets still in use as at December 31,						
2010						<u>1,088,229</u>
2009						<u>892,027</u>

Separate Financial Statements

As at December 31, 2010

	In Thousand Baht				
	Balance as at January 1, 2010	Additions	Decreases	Transfers in (out)	Balance as at December 31, 2010
Cost					
Land	261,053	-	-	-	261,053
Buildings and building improvements	48,316	-	-	(12,810)	35,506
Factory buildings	188,795	-	-	-	188,795
Machinery and equipment	673,095	39,082	(6,077)	38,603	744,703
Office furniture and equipment	1,073,177	54,324	(38,731)	61,533	1,150,303
Vehicles	43,543	3,374	(1,593)	-	45,324
Construction in progress	7,626	133,871	-	(89,837)	51,660
Total cost	<u>2,295,605</u>	<u>230,651</u>	<u>(46,401)</u>	<u>(2,511)</u>	<u>2,477,344</u>
Accumulated depreciation					
Buildings and building improvements	45,961	1,275	-	(12,700)	34,536
Factory buildings	80,597	8,211	-	-	88,808
Machinery and equipment	526,660	62,751	(5,639)	-	583,772
Office furniture and equipment	733,527	139,515	(31,928)	12,700	853,814
Vehicles	30,876	4,589	(1,278)	-	34,187
Total accumulated depreciation	<u>1,417,621</u>	<u>216,341</u>	<u>(38,845)</u>	<u>-</u>	<u>1,595,117</u>
Property, plant and equipment - net	<u>877,984</u>				<u>882,227</u>

Separate Financial Statements

As at December 31, 2009

	In Thousand Baht				
	Balance as at January 1, 2009	Additions	Decreases	Transfers in (out)	Balance as at December 31, 2009
Cost					
Land	261,053	-	-	-	261,053
Buildings and building improvements	48,316	-	-	-	48,316
Factory buildings	188,795	-	-	-	188,795
Machinery and equipment	627,805	39,700	(4,273)	9,863	673,095
Office furniture and equipment	962,788	72,241	(15,392)	53,540	1,073,177
Vehicles	47,982	8,018	(12,457)	-	43,543
Construction in progress	17,129	53,900	-	(63,403)	7,626
Total cost	<u>2,153,868</u>	<u>173,859</u>	<u>(32,122)</u>	<u>-</u>	<u>2,295,605</u>
Accumulated depreciation					
Buildings and building improvements	44,167	1,794	-	-	45,961
Factory buildings	71,760	8,837	-	-	80,597
Machinery and equipment	461,696	69,056	(4,092)	-	526,660
Office furniture and equipment	610,355	135,410	(12,238)	-	733,527
Vehicles	37,776	4,841	(11,741)	-	30,876
Total accumulated depreciation	<u>1,225,754</u>	<u>219,938</u>	<u>(28,071)</u>	<u>-</u>	<u>1,417,621</u>
Property, plant and equipment - net	<u>928,114</u>				<u>877,984</u>
Depreciation for the years ended December 31,					
2010					<u>216,341</u>
2009					<u>219,938</u>
Cost of fully depreciated fixed assets still in use as at December 31,					
2010					<u>1,058,797</u>
2009					<u>862,808</u>

Lease assets included above, where the Company is a lessee under financial leases, comprise vehicles and office equipment as follows:

	In Thousand Baht			
	Consolidated		Separate	
	Financial Statements	Financial Statements	Financial Statements	Financial Statements
	2010	2009	2010	2009
Cost - capitalized finance leases	14,362	14,098	14,362	14,098
<u>Less</u> Accumulated depreciation	<u>4,332</u>	<u>4,045</u>	<u>4,332</u>	<u>4,045</u>
Net book value	<u>10,030</u>	<u>10,053</u>	<u>10,030</u>	<u>10,053</u>

12. INTANGIBLE ASSETS - NET

Intangible assets - net as at December 31, consist of:

Consolidated Financial Statements

As at December 31, 2010

	Balance as at January 1, 2010	Additions	Decreases	Transfer in (out)	In Thousand Baht Balance as at December 31, 2010
Cost					
Trademarks	2,991	-	(2,991)	-	-
Software development costs	4,125	60	-	2,511	6,696
Goodwill	126,904	-	(126,904)	-	-
<u>Less Negative goodwill</u>	<u>(2,063)</u>	<u>-</u>	<u>2,063</u>	<u>-</u>	<u>-</u>
Total Goodwill	<u>124,841</u>	<u>-</u>	<u>(124,841)</u>	<u>-</u>	<u>-</u>
Total cost	<u>131,957</u>	<u>60</u>	<u>(127,832)</u>	<u>2,511</u>	<u>6,696</u>
Accumulated Amortization					
Trademarks	972	50	(1,022)	-	-
Software development costs	3,018	678	-	-	3,696
Goodwill	126,904	-	(126,904)	-	-
<u>Less Negative goodwill</u>	<u>(2,063)</u>	<u>-</u>	<u>2,063</u>	<u>-</u>	<u>-</u>
Total Goodwill	<u>124,841</u>	<u>-</u>	<u>(124,841)</u>	<u>-</u>	<u>-</u>
Total Accumulated Amortization	<u>128,831</u>	<u>728</u>	<u>(125,863)</u>	<u>-</u>	<u>3,696</u>
Intangible assets - net	<u><u>3,126</u></u>				<u><u>3,000</u></u>

Consolidated Financial Statements

As at December 31, 2009

	Balance as at January 1, 2009	Additions	Decreases	In Thousand Baht Balance as at December 31, 2009
Cost				
Trademarks	2,991	-	-	2,991
Software development costs	4,082	43	-	4,125
Goodwill	126,904	-	-	126,904
<u>Less Negative goodwill</u>	<u>(2,063)</u>	<u>-</u>	<u>-</u>	<u>(2,063)</u>
Total Goodwill	<u>124,841</u>	<u>-</u>	<u>-</u>	<u>124,841</u>
Total cost	<u>131,914</u>	<u>43</u>	<u>-</u>	<u>131,957</u>
Accumulated Amortization				
Trademarks	672	300	-	972
Software development costs	2,363	655	-	3,018
Goodwill	126,904	-	-	126,904
<u>Less Negative goodwill</u>	<u>(2,024)</u>	<u>(39)</u>	<u>-</u>	<u>(2,063)</u>
Total Goodwill	<u>124,880</u>	<u>(39)</u>	<u>-</u>	<u>124,841</u>
Total Accumulated Amortization	<u>127,915</u>	<u>916</u>	<u>-</u>	<u>128,831</u>
Intangible assets - net	<u><u>3,999</u></u>			<u><u>3,126</u></u>

Amortization for the years ended December 31,

2010	<u>728</u>
2009	<u>916</u>

Separate Financial Statements

As at December 31, 2010

	In Thousand Baht				Balance as at December 31, 2010
	Balance as at January 1, 2010	Additions	Decreases	Transfer in (out)	
Cost					
Software development costs	4,125	60	-	2,511	6,696
Total cost	<u>4,125</u>	<u>60</u>	<u>-</u>	<u>2,511</u>	<u>6,696</u>
Accumulated Amortization					
Software development costs	3,018	678	-	-	3,696
Total Accumulated Amortization	<u>3,018</u>	<u>678</u>	<u>-</u>	<u>-</u>	<u>3,696</u>
Intangible asset - net	<u>1,107</u>				<u>3,000</u>

Separate Financial Statements

As at December 31, 2009

	In Thousand Baht				Balance as at December 31, 2009
	Balance as at January 1, 2009	Additions	Decreases		
Cost					
Software development costs	4,082	43	-		4,125
Total cost	<u>4,082</u>	<u>43</u>	<u>-</u>		<u>4,125</u>
Accumulated Amortization					
Software development costs	2,363	655	-		3,018
Total Accumulated Amortization	<u>2,363</u>	<u>655</u>	<u>-</u>		<u>3,018</u>
Intangible asset - net	<u>1,719</u>				<u>1,107</u>

Amortization for the years ended December 31,

2010	<u>678</u>
2009	<u>655</u>

13. LEASEHOLD RIGHT - NET

Leasehold right - net as at December 31, consists of:

	In Thousand Baht	
	2010	2009
Consolidated Financial Statements		
Cost		
Beginning balances as at January 1,	352,617	343,701
Additions	15,208	7,549
Decreases	(2,734)	-
Differences on translation of financial statements	(3,705)	1,367
Ending balances as at December 31,	<u>361,386</u>	<u>352,617</u>
Accumulated amortization		
Beginning balances as at January 1,	255,368	237,664
Additions	16,615	16,628
Decreases	(2,734)	-
Differences on translation of financial statements	(3,234)	1,076
Ending balances as at December 31,	<u>266,015</u>	<u>255,368</u>
Net book value		
As at December 31, 2010		<u>95,371</u>
As at December 31, 2009		<u>97,249</u>
	In Thousand Baht	
	2010	2009
Separate Financial Statements		
Cost		
Beginning balances as at January 1,	321,100	313,551
Additions	15,208	7,549
Decreases	(2,734)	-
Ending balances as at December 31,	<u>333,574</u>	<u>321,100</u>
Accumulated amortization		
Ending balances as at January 1,	228,339	213,499
Additions	15,286	14,840
Decreases	(2,734)	-
Ending balances as at December 31,	<u>240,891</u>	<u>228,339</u>
Net book value		
As at December 31, 2010		<u>92,683</u>
As at December 31, 2009		<u>92,761</u>

The Company paid deposit for leasehold right of Baht 15,208,547 to a company in 2009 but lease agreement with such company will be effective in 2010. Therefore, the Company recorded such deposit for leasehold right as non-current assets in 2009 and transferred to leasehold right in 2010 when the lease agreement is effective in 2010.

14. TRANSACTIONS WITH RELATED PARTIES

The Company has transactions with its subsidiaries, associates and other related parties. Certain portions of the Company's assets, liabilities, sales, other incomes, costs of sales, selling expenses and administrative expenses represent transactions occurred with its subsidiaries, associates and other related parties. These parties are related through common shareholders and/or directorships. Those significant transactions with subsidiaries, associates and other related parties as included in the financial statements are determined at the market price in general or the price as stipulated in the agreement if no market price exists. The significant balances of assets, liabilities, and transactions occurred with the related parties are as follows:

Balances with related parties as at December 31, 2010 and 2009 are as follows:

Account name/ Company's name	Relationship	In Thousand Baht			
		Consolidated		Separate	
		Financial Statements	Financial Statements	Financial Statements	Financial Statements
		2010	2009	2010	2009
Trade accounts receivable					
(included in trade accounts receivable)					
S&P Global Co., Ltd.	Subsidiary	-	-	57	689
S&P Food Solution Co., Ltd.					
(formerly S&PizZanotti (Thailand) Limited)	Subsidiary	-	-	1,795	1,284
<u>Less</u> Allowance for doubtful account		-	-	(1,795)	(1,100)
		-	-	-	184
HD Distributors (Thailand) Co., Ltd.	Associate	121	197	121	197
Foodhouse Catering Services Co., Ltd.	Associate	6,060	7,000	6,060	7,000
The Minor Food Group Public Co., Ltd.	Related company	5,730	6,176	5,730	6,176
Other related companies	Related company	3,057	4,288	3,057	997
		<u>14,968</u>	<u>17,661</u>	<u>15,025</u>	<u>15,243</u>
Short-term loans to related parties					
Short-term loans (Interest rate per annum)					
S&P Global Co., Ltd. (3%)	Subsidiary	-	-	-	1,000
Cash advance (No interest)					
S&P Global Co., Ltd.	Subsidiary	-	-	73	254
S&P Asset Co., Ltd.	Subsidiary	-	-	-	8
S&P Food Solution Co., Ltd.					
(formerly S&PizZanotti (Thailand) Limited)	Subsidiary	-	-	2,535	1,998
<u>Less</u> Allowance for doubtful account					
- cash advance to a related party		-	-	(2,505)	(1,900)
		-	-	30	98
HD Distributors (Thailand) Co., Ltd.	Associate	341	244	341	244
		<u>341</u>	<u>244</u>	<u>444</u>	<u>1,604</u>

Account name/ Company's name	Relationship	In Thousand Baht			
		Consolidated		Separate	
		Financial Statements		Financial Statements	
		2010	2009	2010	2009
Investments in subsidiaries					
S&P Global Co., Ltd.	Subsidiary	-	-	40,000	40,000
S&P Asset Co., Ltd.	Subsidiary	-	-	999	999
		<u>-</u>	<u>-</u>	<u>40,999</u>	<u>40,999</u>
Investments in associates					
HD Distributors (Thailand) Co., Ltd.	Associate	45,173	47,348	48,998	48,998
Foodhouse Catering Services Co., Ltd.	Associate	-	(3,762)	-	-
		<u>45,173</u>	<u>43,586</u>	<u>48,998</u>	<u>48,998</u>
Other current assets					
(included in the other current assets) (1)					
S&P Global Co., Ltd.	Subsidiary	-	8,405	-	-
S&P Restaurant Limited	Indirect subsidiary	-	23,824	-	-
Thai Developments SA	Indirect subsidiary	-	1,968	-	-
		<u>-</u>	<u>34,197</u>	<u>-</u>	<u>-</u>
Trade accounts payable					
(included in trade accounts payable)					
S&P Asset Co., Ltd.	Subsidiary	-	-	123	111
HD Distributors (Thailand) Co., Ltd.	Associate	2,068	1,313	2,068	1,313
		<u>2,068</u>	<u>1,313</u>	<u>2,191</u>	<u>1,424</u>
Short-term loans from related parties					
Cash advance (No interest)					
S&P Global Co., Ltd.	Subsidiary	-	-	1	29
HD Distributors (Thailand) Co., Ltd.	Associate	352	114	352	114
		<u>352</u>	<u>114</u>	<u>353</u>	<u>143</u>

- (1) During the year 2009, S&P Restaurant Limited in England and Thai Development SA in Switzerland, which are indirect subsidiaries of S&P Syndicate Public Company Limited (S&P Global Co., Ltd. holds 96% and 45%, respectively), paid for pre-operating expenses of Patara Restaurant, Vienna GmbH.

Transactions with related companies for the years ended December 31, 2010 and 2009 are as follows:

Account name/ Company's name	Relationship	In Thousand Baht			
		Consolidated		The Separate	
		Financial Statements	Financial Statements	Financial Statements	Financial Statements
		2010	2009	2010	2009
Revenues from sales					
S&P Global Co., Ltd.	Subsidiary	-	-	570	1,117
S&P Food Solution Co., Ltd. (formerly S&PizZanotti (Thailand) Limited)	Subsidiary	-	-	222	339
HD Distributors (Thailand) Co., Ltd.	Associate	496	645	496	645
Foodhouse Catering Services Co., Ltd.	Associate	5,682	20,738	5,682	20,738
The Minor Food Group Public Co., Ltd.	Related company	28,379	34,385	28,379	34,385
Other related companies	Related company	15,915	9,686	15,915	9,686
		<u>50,472</u>	<u>65,454</u>	<u>51,264</u>	<u>66,910</u>
Rental income from buildings and equipment					
S&P Global Co., Ltd.	Subsidiary	-	-	360	360
S&P Food Solution Co., Ltd. (formerly S&PizZanotti (Thailand) Limited)	Subsidiary	-	-	493	936
HD Distributors (Thailand) Co., Ltd.	Associate	1,103	1,111	1,103	1,111
		<u>1,103</u>	<u>1,111</u>	<u>1,956</u>	<u>2,407</u>
Other income					
S&P Food Solution Co., Ltd. (formerly S&PizZanotti (Thailand) Limited)	Subsidiary	-	-	286	864
S&P Asset Co., Ltd.	Subsidiary	-	-	96	72
HD Distributors (Thailand) Co., Ltd.	Associate	442	907	442	907
		<u>442</u>	<u>907</u>	<u>824</u>	<u>1,843</u>
Share of (loss) profit from investments recorded by the equity method					
HD Distributors (Thailand) Co., Ltd.	Associate	745	1,763	-	-
Foodhouse Catering Services Co., Ltd.	Associate	3,762	(4,736)	-	-
		<u>4,507</u>	<u>(2,973)</u>	<u>-</u>	<u>-</u>
Dividend income					
HD Distributors (Thailand) Co., Ltd.	Associate	-	-	2,920	194
		<u>-</u>	<u>-</u>	<u>2,920</u>	<u>194</u>
Purchases of goods/services					
S&P Global Co., Ltd.	Subsidiary	-	-	58	-
S&P Asset Co., Ltd.	Subsidiary	-	-	3,639	3,300
S&P Food Solution Co., Ltd. (formerly S&PizZanotti (Thailand) Limited)	Subsidiary	-	-	2,075	225
HD Distributors (Thailand) Co., Ltd.	Associate	12,158	12,117	12,158	12,117
Directors	Directors	2,712	2,712	2,712	2,712
		<u>14,870</u>	<u>14,829</u>	<u>20,642</u>	<u>18,354</u>
Directors' remunerations	Directors	27,616	19,515	18,135	11,231

15. SHORT-TERM LOAN FROM A FINANCIAL INSTITUTION

As at December 31, 2010 and 2009, Patio International Limited has a short-term loan from a commercial bank of TWD 3 million, carried interest at the rate 2.80% per annum. As at December 31, 2010, the loan has guaranteed by a letter of credit which secured by S&P Syndicate Public Company Limited and as at December 31, 2009, such loan was secured by deposit at bank of Baht 3.5 million of S&P Global Co., Ltd. (see Notes 9.3 and 27.4).

16. FINANCE LEASE LIABILITIES

The Company and its subsidiaries have entered into finance lease agreements for vehicles and office equipment under financial leases as at December 31, 2010 and 2009 are as follows:

	Consolidated		In Thousand Baht	
	Financial Statements		The Separate	
	2010	2009	2010	2009
Within 1 year	2,941	2,695	2,941	2,695
Over 1 year to 5 years	3,569	4,603	3,569	4,603
Finance lease liabilities	<u>6,510</u>	<u>7,298</u>	<u>6,510</u>	<u>7,298</u>

17. LONG-TERM LOANS FROM FINANCIAL INSTITUTIONS

As at and December 31, the long-term loans are as follows:

	Consolidated		In Thousand Baht	
	Financial Statements		The Separate	
	2010	2009	2010	2009
Loans from financial institutions	79,884	10,440	-	-
<u>Less</u> Current portion of long-term loans from financial institutions	<u>(19,173)</u>	<u>(3,212)</u>	<u>-</u>	<u>-</u>
Long-term loans from financial institutions	<u>60,711</u>	<u>7,228</u>	<u>-</u>	<u>-</u>

Long-term loans from financial institutions of the subsidiaries

17.1 Thai Development SA has a long-term loan facility of CHF 400,000 with a commercial bank. Outstanding balance as at December 31, 2010 and 2009 is CHF 250,000 and CHF 325,000, respectively. The loan carried interest at the rate 4.25% per annum. Principal is repayable on a quarterly basis on March 31, June 30, September 30, and December 31, respectively of which the 1st - 16th installments are CHF 25,000 per installment. The first installment was commenced on June 30, 2009 and the loan shall be due for full repayment on March 31, 2013.

17.2 Patara Restaurant, Vienna GmbH has a long-term loan facility of EUR 1,800,000 with a commercial bank. The subsidiary had withdrawn money to full credit limit. The loan carried interest at the rate 3.85% per annum. Outstanding balance as December 31, 2010 is EUR 1,800,000 (As at December 31, 2009: Nil). Principal is repayable on semi-annual installments of EUR 200,000 per installment. The first installment will be commencing on March 26, 2011 and the loan shall be due for full repayment on March 26, 2015. The subsidiary used deposit at bank of S&P Syndicate Public Company Limited as collateral (see Note 9.2).

18. LEGAL RESERVE

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a legal reserve of at least 5 percent of net earnings after deducting accumulated deficit brought forward (if any) until the reserve reaches 10 percent of the registered share capital and the reserve is not available for distribution as dividends.

19. TREASURY SHARES AND TREASURY SHARES RESERVE

At the resolutions of the Board of Directors' Meeting No. 1/2010 held on February 24, 2010, the Company's directors resolved to approve the share repurchase program for financial management purpose in accordance with Section 66/1(2) of the Limited Public Company Act (No. 2) B.E. 2544 in the amount not exceeding Baht 350 million. The number of ordinary shares to be repurchased not exceeding 10.47 million shares (par value of Baht 5 per share); equal to 10% of the total number of paid-up share capital of the Company. The Company shall repurchase its ordinary shares through the main board of the Stock Exchange of Thailand during the period from March 11, 2010 to September 10, 2010. The Board of Directors has considered the share resale procedures by resale its ordinary shares through the main board of the Stock Exchange of Thailand or by public offering depending on the prevailing situation at that time of shares sold. Period for the resale of share is from March 11, 2011 to September 10, 2013 (after 6 months from the completion date of share repurchase and not exceeding 3 years from the completion date of share repurchase).

Details of treasury shares as at December 31, are as follows:

	Consolidated		Separate	
	Financial Statements 2010	2009	Financial Statements 2010	2009
Value of treasury shares (Thousand Baht)	250,951	-	250,951	-
Number of treasury shares (Thousand shares)	6,605	-	6,605	-
Average cost per share (Baht)	38.00	-	38.00	-
The number of treasury shares to the share capital issued by the Company (Percentage)	6.31	-	6.31	-

As at December 31, 2010, the Company appropriated Baht 250.95 million from its retained earnings to a reserve for treasury shares.

20. BASIC EARNINGS PER SHARE

Basic earnings per share for the years ended December 31, are calculated as follows:

	Consolidated		Separate	
	Financial Statements 2010	2009	Financial Statements 2010	2009
Net profit for the years attributable to equity holders of the parent company (Thousand Baht)	381,878	293,040	394,811	277,053
Number of ordinary shares as at January 1, (Thousand shares)	104,686	104,686	104,686	104,686
Weighted average number of treasury shares during the years (Thousand shares)	(3,984)	-	(3,984)	-
Weighted average number of ordinary shares as at December 31, (Thousand shares)	100,702	104,686	100,702	104,686
Basic earnings per share (Baht)	3.79	2.80	3.92	2.65

21. APPROPRIATION OF EARNINGS AND DIVIDEND

On August 11, 2010, the Company's Board of Directors' Meeting passed a resolution to pay interim dividend to shareholders of 98,081,673 shares at Baht 1.25 per share, totaling Baht 122.60 million. The Company paid such dividend on September 10, 2010 and accrued dividends as at December 31, 2010 is Baht 4.62 million.

On April 26, 2010, the annual general shareholders' meeting of the Company passed a resolution to distribute annual dividends from the operations of the year 2009 for 104,686,273 shares at Baht 2.50 per share, totaling Baht 261.71 million. The dividends consist of interim dividends at Baht 0.50 per share, totaling Baht 52.34 million which was paid on September 10, 2009 and additional dividends of 104,686,273 shares at Baht 2.00 per share, totaling Baht 209.37 million, which was paid on May 17, 2010.

The Company's annual ordinary shareholders' meeting held on April 24, 2009 unanimously approved a dividend payment for the year 2008 for 104,686,273 shares of Baht 2.15 per share, totaling Baht 225.08 million. The dividend consists of interim dividend at Baht 0.50 totaling Baht 52.34 million which was paid on September 12, 2008 and additional dividend for 104,686,273 shares at Baht 1.65 per share, totaling Baht 172.73 million, which was paid on May 15, 2009.

In 2010 and 2009, the domestic subsidiaries paid no dividends.

22. EXPENSES BY NATURE

Net profit for the years ended December 31, 2010 and 2009 has been arrived at after charging of the following significant items:

	Consolidated		In Thousand Baht	
	Financial Statements		Separate	
	2010	2009	2010	2009
Changes in inventories of finished goods and work in process decrease	4,441	7,215	4,441	7,215
Raw materials and consumables used	1,750,343	1,630,399	1,569,033	1,450,899
Cost of finished goods purchased	64,011	38,127	64,011	38,127
Depreciation and amortization	261,357	261,036	232,304	235,432
Employee expenses	1,243,908	1,121,795	984,728	879,591

23. PROVIDENT FUND

The Company and domestic subsidiaries established the provident funds in compliance with the Provident Fund Act B.E. 2530. The funds are voluntarily joined by employees. Under the fund's regulations, the members contribute 2% of their monthly salary to the fund and the Company and the subsidiaries contribute 2% of such monthly salary. The funds will be paid to the employees upon termination in accordance with the rules of the provident fund.

For the years ended December 31, 2010 and 2009, the Company's contributions and subsidiaries' contributions to provident funds which were recorded as expenses in the consolidated statements of income were Baht 10.74 million and Baht 10.49 million, respectively.

For the years ended December 31, 2010 and 2009, the Company's contributions to the provident fund which were recorded as expenses in the separate statements of income were Baht 10.52 million and Baht 10.32 million, respectively.

24. CAPITAL MANAGEMENT

The primary objectives of the Company's and its subsidiaries' capital management are to maintain their abilities to continue as a going concern and to maintain an appropriate capital structure.

The Company and its subsidiaries do not apply any particular financial ratio to monitor its capital whilst manage their capital to be sufficient for their working capital by: for instance, issuing new share or adjusting the amount of dividend paid to shareholders, according to the prevailing situations.

25. DISCLOSURE OF FINANCIAL INSTRUMENTS

The Company presents and discloses financial instruments as follows:

25.1 Accounting Policies

Details of significant accounting policies are disclosed in Note 3 to the financial statements.

25.2 Credit Risk

Credit risk refers to the risk that counterparty will default on its trading terms and conditions resulting in collection loss to the Company and subsidiaries. Concentrations of credit risk are limited since the Company and subsidiaries have adopted the policy of dealing with creditworthy counterparty as a mean of mitigating the risk of financial losses from defaults.

In case of recognized financial assets in the balance sheet, the carrying amounts of the assets recorded in the balance sheet represent the maximum exposure to credit risk.

25.3 Interest Rate Risk

Interest rate risk arises from the potential for a change in interest rate to have an adverse effect on the Company and its subsidiaries in the current reporting period and in future years. The Company and its subsidiaries do not expect to incur material incremental effect on their interest expense because loans of the Company and its subsidiaries are insignificant amount.

25.4 Foreign Exchange Risk

Foreign exchange risk arises from the potential for a change in foreign exchange rate to have an adverse effect on the Company and its subsidiaries in the current reporting period and in future years. The Company and its domestic subsidiaries do not expect to incur material incremental effect on their financial assets or liabilities in foreign currencies as the majority of their businesses are engaged in Thai Baht. However, the change in foreign exchange rate may has material effect on financial assets and liabilities of the overseas subsidiaries. The Company and its subsidiaries do not use any financial instruments to manage such risk.

25.5 Estimated Fair Value of Financial Assets and Liabilities

For the fair value disclosures, the Company has to use considerable managements judgement to estimate fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amount that could be realized in a current market exchange.

The use of different market assumptions and/or estimation methodologies may have a material effect on the estimated fair value.

Cash and cash equivalents, temporary investments, trade accounts receivable, short-term loans to related parties, bank overdraft and short-term loans from financial institutions, trade accounts payable, and short-term loans from related parties; the carrying values approximate their fair values due to the relatively short period to maturity.

Long-term loan from financial institution, the carrying value is approximate its fair value due to having floating interest rate.

26. SEGMENT INFORMATION

The Company and its subsidiaries have been engaged in the food and bakery business. All business activities of the Company and its subsidiaries can be classified by segments, based on revenues, results of operations and assets, for the years ended December 31, 2010 and 2009 for the Company and its subsidiaries as follows:

For the years ended December 31, 2010 and 2009:

Classified by Geographical Areas	In Thousand Baht					
	Domestic		Overseas		Total	
	2010	2009	2010	2009	2010	2009
Revenues from sales and services	4,581,631	4,021,102	700,041	679,042	5,281,672	4,700,144
Net profit before minority interest	366,789	278,353	16,032	19,895	382,821	298,248

As at December 31, 2010 and 2009:

Classified by Geographical Areas	In Thousand Baht					
	Domestic		Overseas		Total	
	2010	2009	2010	2009	2010	2009
Total assets	2,373,363	2,425,242	372,999	328,807	2,746,362	2,754,049

27. COMMITMENTS AND LETTER OF GUARANTEE

As at December 31, 2010 and 2009, the Company and its subsidiaries had commitments and letter of guarantee as follows:

27.1 Commitments to pay rental under long-term lease contracts are as follows:

Domestic branch, vehicles and computer equipment rental expenses

	2010	2009
	Million Baht	Million Baht
Within 1 year	202.56	207.17
Over 1 year to 5 years	292.19	281.52
Over 5 years	20.75	17.26

Overseas branch rental expenses

	2010	2009
	Million Pound sterling	Million Pound sterling
Within 1 year	0.43	0.33
Over 1 year to 5 years	1.85	0.77
Over 5 years	2.51	0.13

- 27.2 As at December 31, 2010 and 2009, the Company had outstanding capital commitments relating to hire of work and purchase of materials for the construction of new branches and shops of Baht 36.41 million and Baht 6.32 million, respectively.
- 27.3 As at December 31, 2010 and 2009, the Company has letters of guarantee issued by a bank to guarantee for electricity usage for the Company of Baht 31.90 million and Baht 32.44 million, respectively. Such amount included the letters of guarantee of Baht 0.58 million and Baht 1.98 million, respectively, which deposit at bank was used as collateral (see Note 9.1).
- 27.4 As at December 31, 2010, the Company has a letter of credit issued by a local commercial bank to guarantee loan of Patio International Limited, a subsidiary of S&P Global Co., Ltd, in the amount of TWD 3 million (see Note 15).

As at December 31, 2009, the loan of Patio International Limited of TWD 3 million was secured by deposit at bank of Baht 3.5 million of S&P Global Co., Ltd. which such deposit was released in the period ended June 30, 2010 (see Note 9.3).

28. CORPORATE INCOME TAX

According to the Royal Decree No. 475 B.E. 2551 issued under the Revenue Code regarding the corporate income tax rate reduction effective on August 7, 2008, the corporate income tax rate for listed companies in the Stock Exchange of Thailand has been reduced from 30 percent to 25 percent of net profit not exceeding Baht 300 million. This will remain in effect for three consecutive accounting periods beginning on or after January 1, 2008.

29. RECLASSIFICATIONS

- 29.1 Deposits used as collateral of Baht 5,476 thousand and Baht 1,976 thousand as at December 31, 2009 in the consolidated and the separate balance sheets, respectively, which were previously included in other non-current assets have been reclassified to be separately presented as deposits used as collateral to conform to the classification used in the consolidated and the separate balance sheets as at December 31, 2010.
- 29.2 Long-term deposits of Baht 126,314 thousand and Baht 94,800 thousand as at December 31, 2009 in the consolidated and the separate balance sheets, respectively, which were previously included in other non-current assets have been reclassified to be separately presented as long-term deposits to conform to the classification used in the consolidated and the separate balance sheets as at December 31, 2010.
- 29.3 Value-added-tax payable of Baht 7,309 thousand as at December 31, 2009 in the consolidated balance sheet, which was previously included in other current liabilities, has been reclassified to be presented as value-added tax payable to conform to the classification used in the consolidated balance sheet as at December 31, 2010.
- 29.4 Current portion of financial lease liabilities and financial lease liabilities of Baht 2,695 thousand and Baht 4,603 thousand, respectively, as at December 31, 2009 in the consolidated balance sheet and the separate balance sheets, respectively, which was previously included in other current liabilities, has been reclassified to be separately presented as current portion of financial lease liabilities and financial lease liabilities of to conform to the classification used in the consolidated and the separate balance sheet as at December 31, 2010.

- 29.5 Current portion of long-term loans from financial institutions of Baht 3,212 thousand as at December 31, 2009 in the consolidated balance sheet, which was previously included in long-term loans from financial institutions, has been reclassified to be separately presented as current portion of long-term loans from financial institutions to conform to the classification used in the consolidated balance sheet as at December 31, 2010.
- 29.6 Gain on exchange rate of Baht 3,245 thousand and Baht 1,461 thousand for the year ended December 31, 2009 in the consolidated and the separate statements of income, respectively, which were previously included in other incomes, have been reclassified to be separately presented as gain on exchange rate to conform to the classification used in the consolidated and the separate statements of income for the year ended December 31, 2010.

30. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements have been approved for issue by the authorized director of the Company on February 21, 2011.