Annual Report

2003









AMARIN PLAZA GROUP





Amarin Plaza Public Company Limited

Contents













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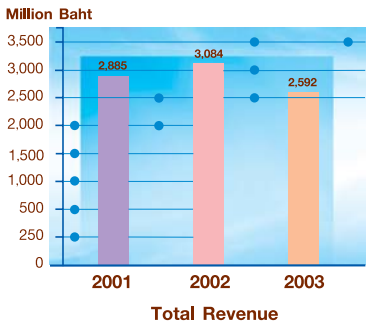
AMARIN PLAZA GROUP

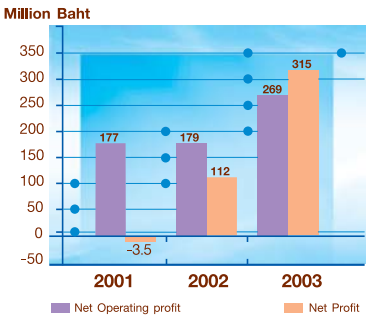
Financial Highlights

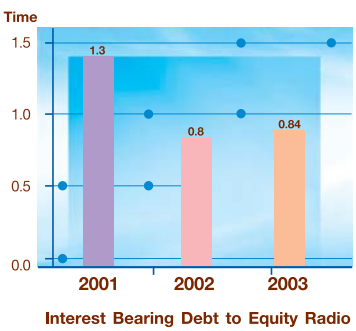
(Amount : Baht in Thousand)

		2003	2002(restated)	2001(restated)
Revenues from operations		2,531,417	3,075,530	2,881,901
Total revenues		2,592,401	3,084,530	2,885,753
Gross Profit		1,435,256	1,632,105	1,563,903
Net operating profit (loss) before extra-ordinary items		269,385	179,910	177,897
Net profit (Loss)		315,508	112,702	-3,482
Total Assets		8,194,085	8,373,562	10,148,507
Total Liabilities		4,304,023	4,450,075	6,330,395
Total Shareholders' Equity		3,890,062	3,923,487	3,818,112
Equity attributable to company's shareholders		3,432,089	3,193,658	3,186,809
Paid-up Share Capital		1,453,048	1,449,028	2,411,747
Number of paid-up shares (Thousand Shares)		242,175	241,505	241,505
Earning per share (Baht)		1.31	0.47	-0.01
Dividend per share (Baht)		0.65	-	-
Book Value per share (Baht)		14.18	13.23	13.19
Financial Ratio				
Current Ratio	(Times)	0.61	0.49	0.81
Quick Ratio	(Times)	0.48	0.28	0.25
Liquidity Ratio (Cash Flow Basis)	(Times)	0.52	0.43	0.35
Gross Profit Margin		55.37%	52.92%	54.20%
Net Operating Profit Margin		10.40%	5.84%	6.24%
Net Profit Margin		12.17%	3.66%	-0.12%
Return on Total Assets		3.81%	1.35%	-0.03%
Return to Equity		9.53%	3.53%	-0.11%
Debt to Equity Ratio	(Times)	1.11	1.14	1.66
Interest Bearing Debts to Equity Ratio	(Times)	0.84	0.80	1.30
Interest Coverage Ratio	(Times)	4.42	2.21	1.31



Total Revenue





Interest Bearing Debt to Equity Radio

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Chairman's Report



In the year 2003, the Company had furthered restructured its businesses and investments, focusing on core businesses which offer lucrative returns. The Company divested non-core businesses to strengthen its financial position and to prepare for future expansion.

Economy in the Year 2003

In the year 2003, Thai economy expanded by 6.7% increased from 5.7 % of that of the previous year. During the first half of the year, the uncertainty caused by the Iraq war and concerns over the Severe Acute Respiratory Syndrome ("SARS") adversely affected the tourism industry. Nonetheless, by the third quarter, the Thai economy had shown a strong rebound after a temporary slump. The robust domestic economy helped alleviating adversity from world events.

Overview of Hotel Business and Rental Business

In the year 2003, tourism industry had been dramatically affected by the US-Iraq war in the first half of the year and subsequently the widespread of SARS. As a consequence, the number of tourists declined sharply by 19% year-on-year. However, the number of tourists in the second half of the year rebounded strongly. At the end of 2003, the number of inbound visitors to Thailand was reported at 9.95 million in total, representing an 8% decline from that of the year 2002.

With respect to supply of five star hotels, the opening of the Metropolitan Hotel (174 rooms) added new room supply to the sector. The new Conrad Hotel, opened at the end of 2002, was in full operation in 2003. Competition among five-star hotels was heightened, as a result. Average occupancy rate fell due to a drop in demand and increasing supply. Average room rate was relatively flat due to intense competition.

Office rental business was largely improved as a result of increasing occupancy rate and upward movement of rental rate. The growth in demand outpaced supply, resulting in lower vacancy rate and rising rental. As for retail business, the outlook is still positive despite intense competition from discount stores, which had expanded aggressively. Retail operators have to transform and restructure their businesses to stay competitive via new investment, acquisition, and renovation.

Key Developments in 2003

In the year 2003, the Company had furthered restructured its businesses and investments, focusing on core businesses which offer lucrative returns. The Company divested non-core businesses to strengthen its financial position and to prepare for future expansion.



AMARIN PLAZA GROUP

In the year 2003, the net profit was 315.5 million Baht, increased from that of the year 2002 of which the net profit was 112.7 million Baht. The operating profit before extra items increased by 49.7% from 179.9 million Baht in the year 2002 to be 269.4 million Baht in the year 2003.

Divestment of Non-core Asset

The Company sold its holdings of 59.94% in Honor Business Co., Ltd., which owned vacant land of 67 Rai in Cha-am district, Phetchburi province. The land was considered a non-core asset with relatively low development potential. Proceeds from the divestment of 100.6 million Baht were partly used for debt settlement with Honor Business Co., Ltd. for the amount of 44.5 million Baht. The remaining balance was used for debt repayment and expansion of investments.

Business Restructuring and Investment Expansion

Amarin Development Co. Ltd., the subsidiary ceased its operation of Erawan Sogo Department Store in Erawan Sogo Building in May 2003 and started a major revamp in order to accommodate "Erawan Bangkok Project," a new shopping center under "Boutique Mall" concept. The new Erawan Bangkok is expected to commence in the fourth quarter of the year 2004. In addition, the subsidiary also ceased its operation of the Amarin Sogo in the Amarin Plaza Building during the same period.

As part of the group's business restructuring, Ploenchit Real Estate Co. Ltd., the subsidiary sold Ploenchit Center Building, an office and shopping center building located on Sukhumvit road, to Makasan Real Estate Co. Ltd., another subsidiary. The restructuring will allow Ploenchit Real Estate Co. Ltd. (currently operating JW Marriott Hotel Bangkok) to solely focus on hotel business operation.

Mahadlekluang Real Estate Co. Ltd., the subsidiary acquired entire shares of Rim Nam Chaophaya Co. Ltd., which owns leasehold right of 6-Rai land located on the Chaophaya riverbank near Charoenakorn Soi 17. The land has strong potential for development of premium residential project.

Performance in the year 2003

In the year 2003, the total revenue of the Company was 2,592.4 million Baht, reduced from that of the year 2002 by 492.1 million Baht. Adversely affected by the SARS and US-Iraq war in the first half of the year, revenue from hotel business sharply declined in the second quarter of the year 2003 but subsequently recovered in the third quarter. As a result, revenue from hotel business in 2003 was 1,792.15 million Baht, a decreased of 110.24 million Baht or 5% as compared to that of 2002.

Revenue from office rental in the year 2003 decreased from that of the year 2002 due to absence of revenue contribution from Grand Amarin Tower, which was divested during the



third quarter of 2002. Operating costs and financial expenses in relation to Grand Amarin Tower were also reduced in proportion.

Revenue from department store business in the year 2003 decreased from that of the year 2002 due to closing of Sogo department stores during the year 2003.

Interest expense reduced from that of the year 2002 by 111 million Baht, owing to partial loan repayment, using proceeds from the divestment of Grand Amarin Tower and Honor Business Co. Ltd., and refinancing activities.

Financial Results

Operating profit increased significantly from that of the previous year due to the divestment non-core business, i.e. department store business, and low-yield asset.

In the year 2003, the net profit was 315.5 million Baht, increased from that of the year 2002 of which the net profit was 112.7 million Baht. The net operating profit before extra items increased by 49.7% from 179.9 million Baht in the year 2002 to be 269.4 million Baht in the year 2003.

Change in Accounting Policy

The Company has cancelled the accounting policy concerning deferred income tax starting in fiscal year 2003 onward because the accounting standard regarding deferred income tax is not yet compulsory. In addition, other companies in the same industry have not adopted such accounting policy. The change will provide ease of analysis and comparison of the Company's financial report with its industry peers. The 2002 Financial Statements had been restated to reflect such changes accordingly.

2004 Business Outlook

The Thai economy in the year 2004 is forecasted, by a government agency, to grow at the rate of 8%, higher than that of 2003. Property and hotel sectors should benefit from the favorable environment, being continuing economic expansion and low interest rate.

Outlook of hotel business is positive, evidenced from strong improvement in number of tourists and average occupancy rate in the fourth quarter of 2003. Revenue and operating profit from hotel business are expected to grow, in line with the increasing demand. In addition, the completion of new projects including; spa project and meeting room project of the Grand Hyatt Erawan Hotel; and Japanese restaurant project at basement of JW Marriott Hotel, will further enhance revenue of the two hotels from 2004 onwards.

Regarding rental business, Erawan Bangkok project will be completed by the third quarter of the year 2004. Revenue contribution from rental fee of such project will enhance the Company's rental revenue.

With successful refinancing in 2003, interest expense in the year 2004 is expected to be lower than that of the previous year. Average interest rate on loans of the Company for 2004 will be below 4% per annum.

In the year 2004, the Company will continue to focus on core businesses and to selectively invest in value-added projects on existing assets as well as new investments in order to maximize return on assets and to shareholders.

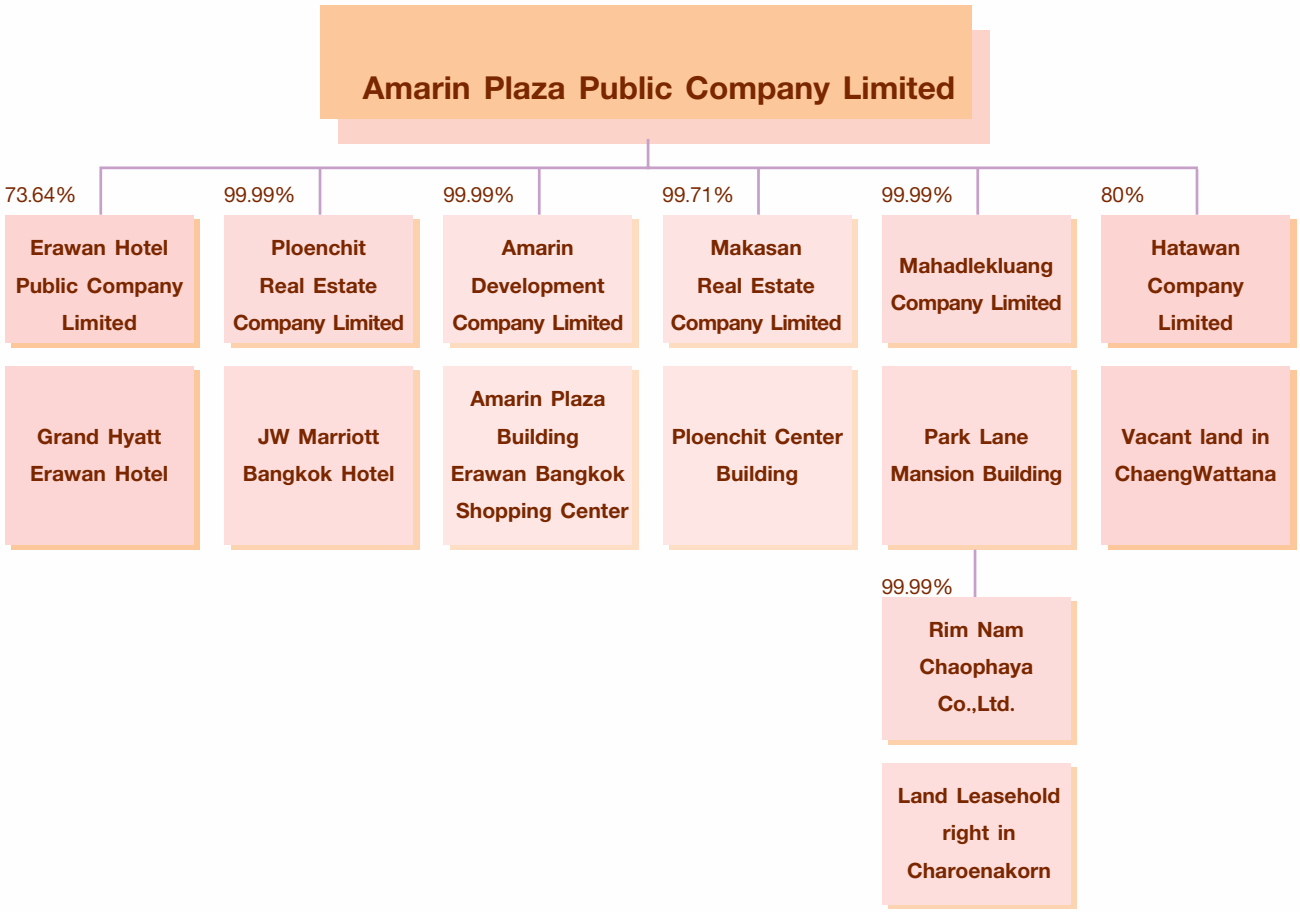
Finally, on behalf of the Board of Directors, I would like to thank shareholders, customers, financial institutions, and all of stakeholders for their continuous supports. In addition, I would like to thank all of management and employees for their dedication toward our past and future successes.



Mr. Luen Krisnakri
Chairman

AMARIN PLAZA GROUP

Group Structure



Business Group	Company*	% Shareholding (Direct and Indirect)
Hotel business		
Subsidiary companies, which operate Grand Hyatt Erawan Hotel	Erawan Hotel Public Company Limited	73.64%
and JW Marriott Bangkok Hotel	Ploenchit Real Estate Co., Ltd.	99.99%
Real estate business		
The Company and subsidiary companies, which operate office and retail shop for rent and/or and/or residential rental business.	Amarin Plaza Plc.	-
	Amarin Development Co., Ltd.	99.99%
	Makasan Real Estate Co., Ltd.	99.71%
	Mahadlek Luang Real Estate Co., Ltd.	99.99%
	Rim Nam Chaophaya Co., Ltd.	99.99%
	Hatawan Co., Ltd.	80.00%

Note: (*) Including the Company and the subsidiary companies that are currently in operation.

Business Profile

The Company is one of the leading property developers in Thailand, with investment in hotels, office & retail complexes, and a residential apartment.

Hotel Business



Grand Hyatt Erawan Bangkok Hotel

Grand Hyatt Erawan Bangkok Hotel is a five star business hotel, located on the prime business and shopping area of Bangkok, Rajprasong Intersection. The hotel comprises 387 guest rooms, restaurants, banquet facilities, business services, and function rooms. All facilities attain to international standard. The hotel, 100% owned by Erawan Hotel Public Company Limited, has been in operation since 1991 and managed by Hyatt International Incorporation.

Various awards received by Grand Hyatt Erawan Bangkok Hotel include:

- Travel & Leisure 500 Greatest Hotels in the World 2003
- Conde Naste Traveler Gold List 2003 from Travel & Leisure Conde Naste Magazine
- Spasso-Bangkok's Best Entertainment Venue, 2002 from Bangkok Dinning & Entertainment Magazine
- Best Business Hotel in Bangkok, 2002 from Business Traveler Asia Pacific Reader Survey
- Conde Naste's Gold List, 2001 from Travel & Leisure Conde Naste Magazine
- Best Hotels in Bangkok, 2000 from Asian Wall Street Journal & CNBC Asia
- Best City Hotel, 2000 from Tourism Authority of Thailand
- Top 100 Hotels in the World, 1999 from Institutional Investor, USA
- Top Ten Hotels for Value in Asia Region, 1999 from Travel & Leisure, USA
- Best of the Best Hotel in Thailand 1998 from Tourism Asia, Hong Kong



JW Marriott Bangkok Hotel

JW Marriott Bangkok Hotel is a five star hotel, conveniently located on the central business district of Bangkok, Soi Sukhumvit 2. The hotel comprises 435 guest rooms, restaurants, banquet services, and function rooms. All facilities attain to international standard. The hotel, owned by Ploenchit Real Estate Company Limited, has been in operation since 1997 under management of Marriott International Corporation.

Various awards received by JW Marriott Bangkok Hotel include:

- The Best Grill Restaurant 2003 & The Best American Restaurant 2003 from The Bangkok Dining and Entertainment Magazine
- Best Overall GSS Scores and Best Service Index from APA Operations Meeting 2001
- The Best New Restaurant 2001 for New York Steakhouse from Bangkok Dining and Entertainment Magazine
- The Best New Restaurant 2001 & The Best American Restaurant for New York Steakhouse from Bangkok Metro Magazine
- Best City Hotel in Bangkok 2000 from Tourism Authority of Thailand

AMARIN PLAZA GROUP

Property rental business: Office building and retail center



Amarin Plaza & Tower

Amarin Plaza & Tower is a 22-storey office and shopping complex, located on the prime business and shopping area of Bangkok, Rajprasong intersection. Owned and managed by Amarin Development Company Limited, Amarin Plaza & Tower has total rentable space of 45,000 sqm and been in operation since 1985.



Ploenchit Center

Ploenchit Center is a 24-storey office and shopping center, located the central business district of Bangkok, Soi Sukhumvit 2, with total rentable space of 46,000 sqm. Owned and managed by Makasan Real Estate Company Limited, Ploenchit Center has been in operation since 1996.



Erawan Bangkok Project

Erawan Bangkok Project is the renovation of Erawan Bangkok Building (previously Erawan Sogo Building). The new "Erawan Bangkok" is a boutique mall that specifically designed to cater and service the needs of sophisticated lifestyles of urban shoppers. Located at the heart of Bangkok shopping district, Ratchaprasong Intersection, the project has total rentable space of 7,100 sqm. The project is expected to complete at the end of the third quarter of 2004.

Residential apartment



Park Lane Mansion

Park Lane Mansion is a 15-storey apartment building, housing 48 penthouse units, swimming pool, tennis court, and ample parking space. Park Lane Mansion has total rentable area of 12,300 sqm. Owned and managed by Mahadlekluang Real Estate Company Limited, Park Lane Mansion has been in operation since 1987.

AMARIN PLAZA GROUP

Investments in Subsidiary and Associated Companies as at 31 December 2003

The Company's investments in its subsidiary and associated companies (direct and indirect), with holdings of 10% or greater, are as follows:

Company	Location	Type of Business	Paid - up Capital (Million Baht)	Issued shares (shares)	Number of shares held on 31 Dec. 03	% of shares held on 31 Dec. 03	% of shares held on 31 Dec. 02
(1) Amarin Plaza Public Co,Ltd. Tel.0-2207-0222 Fax 0-2204-0444	Bangkok	Office Rental & Shopping Center	500.0	500,000	499,984	99.99	99.99
(2) Mahadlekluang Real Estate Co., Ltd Tel.0-2256-9111 Fax 0-2256-9910	Bangkok	Residential Apartment	30.0	300,000	299,994	99.99	99.99
(3) Erawan Hotel Plc. Tel.0-2254-1234 Fax 0-2254-6311	Bangkok	Hotel	119.5	79,666,667	58,666,628	73.64	73.64
(4) Makasan Real Estate Co., Ltd Tel.0-2207-0789 Fax 0-2207-0785	Bangkok	Office Rental & Shopping Center	1,761.7	176,168,831	175,668,827	99.71	99.71
(5) Rim Nam Chaophaya Co., Ltd Tel.0-2207-0222 Fax. 0-2207-0444	Bangkok	Real Estate	3.0	30,000	29,994	99.99	99.99
(6) Hatawan Co., Ltd Tel.0-2207-0222 Fax 0-2207-0444	Bangkok	Real Estate	40.0	400,000	319,993	80.00	80.00
(7) Ploenchit Real Estate Co., Ltd Tel.0-2207-0222 Fax 0-2207-0444	Bangkok	Hotel	690	15,000,000	14,999,994	99.99	99.99
(8) Erawan Japanese Restaurant Co., Ltd. (previously Restaurant Sogo Co., Ltd.) Tel.0-2256-9131 Fax 0-2253-5359	Bangkok	Restaurant	7.5	100,000	99,994	99.99	99.99
(9) Tourianse Overseas (Thailand) Co., Ltd Tel. 0-2256-9131 Fax 0-2253-5359	Bangkok	Restaurant	5.0	100,000	25,000	25.00	25.00
(10) Rajprasong Development Co., Ltd Tel.0-2656-1516 Fax 0-2656-1197	Bangkok	service	1.0	10,000	4,800	48.00	48.00
(11) Rajprasong Square Co., Ltd Tel.0-2656-1516 Fax 0-2656-1197	Bangkok	service	1.46	146,000	34,000	23.29	23.29

Revenue Structure

Business Group	2003 Revenue (million Baht)	%	2002 Revenue (million Baht)	%	2001 Revenue (million Baht)	%
Hotel business	1,792	69%	1,902	61%	1,797	62%
Real estate business	489	19%	535	17%	571	20%
Retail business	157	6%	521	17%	394	14%
Restaurant business	19	1%	51	2%	31	1%
Others	135	5%	76	3%	93	3%
Total	2,592	100%	3,085	100%	2,886	100%

Business Group	2003 Gross profit margin	2002 Gross profit margin	2001 Gross profit margin
Hotel business	59.7%	62.3%	62.5%
Real estate business	42.2%	41.4%	42.2%
Retail business*	14.0%	16.7%	20.0%
Restaurant business*	47.4%	50.9%	45.2%

Note : (*) The department store business and the restaurant business were closed down during March - June 2003.

Changes to the Company and its Subsidiaries in 2003

Hotel Business

December	Erawan Hotel Plc., the subsidiary, bought back rental space of 1,391.12 sq.m. (10.7% of total rented space) in the Erawan Bangkok Building (previously Erawan Sogo Building) from Amarin Development Co., Ltd., another subsidiary of the Company. Erawan Hotel Plc. paid 66 million Baht for the purchase. Erawan Hotel Plc. plans to utilize the space for expansion of its hotel business. Ploenchit Real Estate Co., Ltd., the subsidiary sold Ploenchit Center Building and its land leasehold right to Makasan Real Estate Co., Ltd., another subsidiary of the Company which manages the building, for 823 million Baht. The sale was part of business restructuring within the group to allow Ploenchit Real Estate Co., Ltd. to solely focus on hotel business.

Real Estate Business

April	Mahadlekluang Real Estate Co., Ltd., the subsidiary bought 29,994 shares (or 99.99%) from the former shareholders (non-relating parties) of Rim Nam Chaophaya Co., Ltd., at 800 Baht per share (based on par value, paid-up share price of 100 Baht per share). Rim Nam Chaophaya Co., Ltd., is a property development company with leasehold right on land waiting for development. The size of vacant land is 2,527 sq.wah, located at Charoenakorn Soi 17 on Chaophaya riverbank. The lessor is the Lek Komes Foundation. The lease period is 30-years with and option to extend for another 20 years.
September	The Company divested its entire stake in Honor Business Co., Ltd. in total of 5,994 shares (59.94% of total shares) for 100,487,132.20 Baht. The Company is no longer a shareholder of Honor Business Company Limited.

Changes to the Company and its Subsidiaries in 2003

Others

March	Amarin Development Co., Ltd., the subsidiary, ceased its operation of Sogo department store in the Amarin Plaza Building.
May	Amarin Development Co., Ltd., the subsidiary ceased the operation of Erawan Sogo department store in the Erawan Sogo Building, which is adjacent to the Grand Hyatt Erawan Hotel. The area is undergoing major revamp in preparation for the new "Erawan Bangkok" shopping center.
June	Erawan Japanese Restaurant Co., Ltd., the subsidiary (previously Restaurant Sogo Co., Ltd.) ceased its operation of restaurant in the Erawan Sogo Building.
December	Mr. Viroj Tangjetanaporn, Chief Executive Officer, exercised an option to purchase common stocks of 670,000 shares (Note: The Stock Exchange Commission authorized the Company to issue common stocks under ESOP for board members and employees) at the price of 10 Baht per share. With respect to this exercise, the Company raised capital of 6,700,000 Baht. Subsequently, the Company changed its paid registered capital from 1,449,028.008 Baht to 1,453,648,008 Baht based on par value of 6 Baht. The Company appointed Mr. Anuphong Wangphongsawasd, Business Development Director as Acting CEO to replace the Mr. Viroj Tangjetanaporn, who resigned in December 2003.

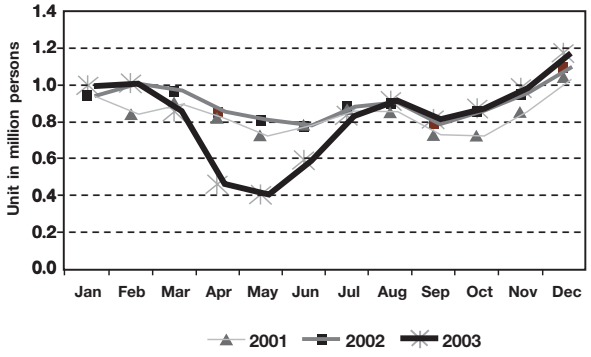
Review of Industry, Business, and Competition

Hotel Industry

2003 was a challenging year for the hotel industry. The year started with Iraq war and later the Severe Acute Respiratory Syndrome (SARS) outbreak. Number of international tourists in the first half of the year fell over 19% year-on-year. However, with the control of SARS, number of tourists rebounded sharply in the second half of the year. For the year, the number of international travelers to Thailand was reported at 9.95 million, a decline of 8% as compared to 10.8 million in the previous year.

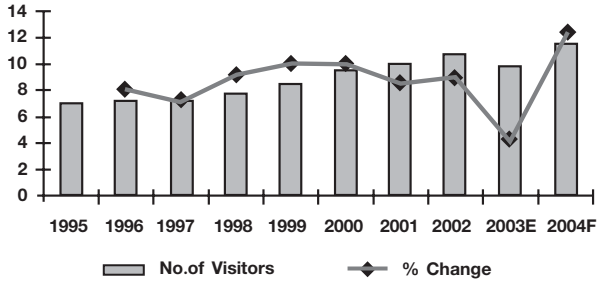
Tourism arrival figures are expected to increase in 2004, as Thailand remains a popular destination for business and leisure travelers. The Tourism Authority of Thailand targets the number of inbound travelers to reach 12 million in 2004.

Number of inbound visitors to Thailand



Source : Tourism Authority of Thailand

Inbound travelers to Thailand (1995 - 2004F)



Source : Tourism Authority of Thailand

On the supply side, new addition of five-star business hotels in 2003 included the Metropolitan (174 rooms). The new Conrad hotel, launched in late 2002, was fully operated in 2003. Major rebranding and upgrading activities include the Intercontinental (formerly Le Royal Meridien), the Four Seasons (formerly the Regent), the Raffles (formerly Hilton), and Westin Grand Sukhumvit (formerly Delta Grand).

With a sharp decline in demand and increase of room supply, competition in the hotel industry was intensive. Average occupancy rate of the five-star business hotels declined to 60% from 67% of the previous year. Average room rate was relatively flat. Room revenues were under pressured during the first half of the year. Marketing & distribution network, loyalty program, and cost-cutting measurements were critical for the hotels to remain competitive.

Office and Retail Rental Market

For the office sector, market continued to improve in 2003. The total office supply increased to 7.12 million sqm. Average vacancy rate declined to 21% at the end of 2003 as the increase in demand outstripped the rise in supply. The increase in take-up resulted from improvement of the general economic environment, thereby fuelling a rise in demand for office premises.

Review of Industry, Business, and Competition

Grade A CBD rents increased by 10% year-on-year in the absence of new stock. However, in 2004 supply will increase by 150,000 sqm. with the completion of some office projects, including Pornpat Center and Central World Tower. Construction of halted projects, but not on new office buildings for rent, is expected to add new supply beyond in 2006 and beyond.

With demand outstripping supply in 2003, rental is expected to rise further. Office buildings with strong location and access to mass transit system will be able to command higher premium in the upward cycle.

For the retail sector, the total retail space in Bangkok totaled 3.92 million sqm. in the third quarter of 2003, a 5% rise from the level registered in the same period of 2002. The increase in supply came from some superstores and shopping centers opening, including Carrefour on Ladprao and Big C Rajdamri. Occupancy rate increased to 94% from 92% of the previous year as the improving consumer sentiment led to an increase in take-up of retail space.

Despite a boost in domestic consumption and consumer spending, the retail market has become more competitive as many new retail projects will complete construction within the coming year.

Hotel Business

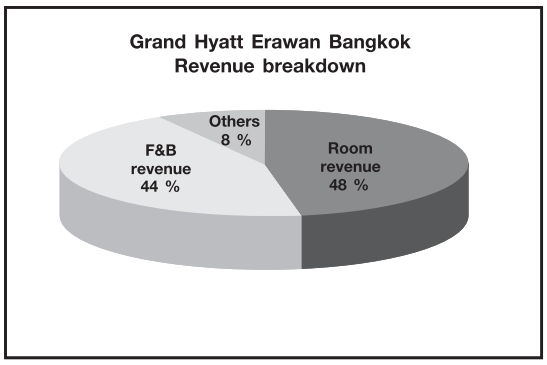
The Company's operating results of hotel business for a substantial part of 2003 were significantly impacted by the war in Iraq and its aftermath, and the Severe Acute Respiratory Syndrome ("SARS") epidemic, all of which resulted in a dramatic slowdown in business and international travel. In the latter part of the year, business traveling recovered strongly, partly offsetting a sharp fall in the first half of the year.

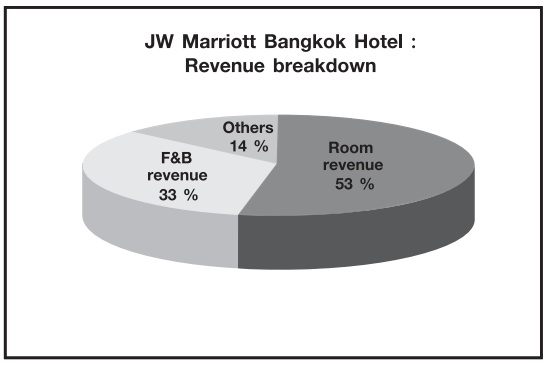
The following tables summarize revenue per available room, average room rates ("ARR") and average occupancy rates on a year-to-year basis for the Company's two subsidiary hotels for the years ended December 31, 2003 and 2002:

Hotel Performance		2003	2002	Variance
Revenue Per Available Room (RevPAR)				
Grand Hyatt Erawan Bangkok Hotel	(unit in Baht)	3,203	3,547	-10%
JW Marriott Bangkok Hotel	(unit in Baht)	2,809	3,094	-9%
Occupancy Rate				
Grand Hyatt Erawan Bangkok Hotel		60%	62%	(2.0)
JW Marriott Bangkok Hotel		76%	84%	(6.0)
Average Room Rate				
Grand Hyatt Erawan Bangkok Hotel	(unit in Baht)	5,329	5,698	-6%
JW Marriott Bangkok Hotel	(unit in Baht)	3,690	3,690	0%
Foreign Exchange	(Thai Baht/USD)	42	43.5	-3%

Review of Industry, Business, and Competition

Despite a decline in room revenue, Food & Beverages ("F&B") revenue was surprisingly resilient, owing to increasing corporate activities and a boost in domestic consumption. The contribution of F&B revenue to the hotel revenue is summarized in the following charts.





Rental Business

Rental business was less affected by the world events and more reliance on development of domestic economy. The following tables summarize average occupancy rates on a year-to-year basis for the Company's two office & retail complexes for the years ended December 31, 2003 and 2002:

Occupancy Rate	2003	2002	Variance
Amarin Plaza & Tower			
- Office spaces	100%	100%	-
- Retail spaces (excluding long-term lease areas)	90%	84%	6
Ploenchit Center			
- Office spaces	100%	98%	2
- Retail spaces	93%	71%	22

Risk Factors

Risk factors that may affect the Company and its shareholders are:

Potential exit of preferred shareholder

The Company entered into an agreement with WREP Thailand Holdings ("WREP"), the preferred shareholders, regarding exit provision for WREP. During the period of 1 November 2003 to 31 July 2005, should WREP decide to dispose its shares, entirely or partially, the Company is obligated to find buyer(s) to undertake WREP's shares. Note: Upon such sale, the preferred shares shall be converted to ordinary shares.

Should the Company fail to facilitate the share sale, upon request of WREP, the Company shall dispose part of its assets to redeem the preferred shares by way of dividend and/or capital reduction. Note: Any plans, to be carried out, must comply with the Public Company Act and the rules and regulations of the Securities Exchange Commission.

Dependence on outside operator for hotel business

The Company's subsidiary companies have engaged leading international hotel operators, Hyatt International Incorporation and Marriott International Corporation, to manage and operate Grand Hyatt Erawan Bangkok Hotel and JW Marriott Bangkok Hotel respectively. Both hotel operators are engaged on a long-term contract basis. Performance of the hotels will rely largely on competency of the management of both hotel operators.

Both Hyatt International and Marriott International are among the top international hotel management with extensive expertise and strong reputation in hotel industry. Thus, management risk is believed to be minimal.

Foreign exchange risk

Room revenue from the Company's hotel business is US dollar based whereas majority of operating costs are in local currency. Room rates are quoted in US dollar but settled in local currency on the date of payment. Strong movement of US dollar may have an impact on the Company's hotel revenue. However the FX risk is partially mitigated given that F&B revenue, which dominated in local currency, of the Grand Hyatt Erawan and JW Marriott contributes to a large proportion of total hotel revenue.

Shareholding Structure

Largest shareholders of ordinary shares, as at December 30th, 2003

No.	Name	Number of Shares	% of Total Ordinary Shares	% of Total Shares
1.	City Holding Co., Ltd.*	29,086,720	18.98	12.01
2.	Mr. Sukakarn Wattanavekin*	23,162,500	15.11	9.56
3.	Ufinves Co., Ltd.*	13,293,800	8.67	5.49
4.	Mitr Phol Sugar Co., Ltd.*	7,549,800	4.93	3.12
5.	Mr. Supol Wattanavekin*	6,380,000	4.16	2.63
6.	HSBC (Singapore) Nominees PTE Ltd.	6,332,000	4.13	2.61
7.	Promsin Co., Ltd*	5,955,600	3.89	2.46
8.	Mrs. Chansamorn Wattanavekin*	4,402,224	2.87	1.82
9.	Ms. Thitinan Wattanavekin*	4,396,000	2.87	1.82
10.	Raffles Nominees (PTE) Ltd.	4,193,000	2.74	1.73
11.	Kiatnakin Securities Plc.*	2,973,410	1.94	1.23
12.	United Standard Terminal Plc.*	2,650,000	1.73	1.09

Preferred shareholder, as at December 30th, 2003

No.	Name	Number of Shares	% of Total Preferred Shares	% of Total Shares
1.	WREP Thailand Holdings*	88,907,389	100.00	36.81

Note * The shareholders who are influent in stipulating the company's policy of management or operation

Management Structure

Management structure comprises Board of Directors, Management Committee, and Audit Committee, as follows:

Board of Directors

The Board of Directors comprises ten directors namely:

	Name		Title	Education
1.	Mr. Luen	Krisnakri	Chairman	PhD in Engineering, Hon.
2.	Mr. Gregory	Hartman	Vice Chairman	Master of Business Administration, U.S.A.
3.	Mr. Vitoon	Wongkusolkit	Director	Bachelor degree in Pharmacy
4.	Mrs. Panida	Thepkanjana	Director	Master in Political Science and Master in Business Administration Bachelor of laws
5.	Mr. Suchad	Chiaranussati	Director	Master of Management Science, England
6.	Mr. Prakit	Pradipasen	Independent Director	Master of Business Administration, U.S.A.
7.	Mr. Somboon	Chaidejsuriya	Independent Director	Bachelor of laws
8.	Mr. Paul	D. Kazilionis	Director	Master of Business Administration, U.S.A.
9.	Mr. Chia	Ngiang Hong	Director	Master of Business Administration, England
10.	Mr. Vincent	Yeo Wee Eng	Director	Bachelor of Science U.S.A.

Scope of work and responsibilities of the Board of Director

The Board of Directors represents shareholders to provide clear guidelines and business objectives for management to, accordingly, form a business plan that can achieve such goal. The Board of Directors also responsible to ensure that the Company and its employees strictly comply with rules and regulations, governing Public Company Limited.

Term of the Directors

Every year one-third of directors shall be dismissed to allow for new appointment or re-election.

Management Structure

Audit Committee

The Audit Committee comprises 3 auditing directors namely:

1.	Mr. Prakit Pradipasen,	Chairman of Audit Committee
2.	Mr. Somboon Chaidejsuriya,	Audit Director
3.	Mr. Chia Ngiang Hong,	Audit Director

Scope of Work and Responsibilities of the Audit Committee

- Verify financial statements and liaise with the Company's auditor to reconcile differences, if any, arising between the Company and its auditor, including:
  - Any constraints faced by the auditor in preparation of financial statements.
  - Any different opinions between the auditor and the Company.
  - Appraise efficiency and effectiveness of the operation.
- Ensure that the Company complies with rules and regulations of the Securities Exchange Commission.
- Ensure that internal auditors act with independency and fairness.
- To hold a minimum of four meetings per year with the internal auditors.
- To review internal audit report before submission to the Board of Directors.
- Oversee nomination, selection, and remuneration of the Company's auditor.
- Ensure transparency of information disclosure in relation to related party transactions.
- Meet at least four times a year, prior to the general Board of Director's meeting, to independently assess and discuss outstanding issue(s), if any.
- Provide report to shareholders and investors. Chairman of Audit Committee to sign off the report of the Audit Committee to be attached to the Company's Annual Report.

Term of the Audit Committee

The Audit Committee has an office term of 2 years

Management Committee

The Management Committee comprises 6 Executive Directors and official(s), namely:

1.	Mr. Vitoon	Wongkusolkit,	Chairman of Management Committee
2.	Mr. Gregory	Hartman,	Vice Chairman of Management Committee
3.	Mr. Luen	Krisnakri,	Executive Director
4.	Mrs. Panida	Thepkanjana,	Executive Director
5.	Mr. Suchad	Chiaranussati,	Executive Director
6.	Mr. Brian	D. Borg,	Executive Director

Scope of Work and Responsibilities of Management Committee

The Management Committee is responsible to oversee and ensure that the Company's business plan has been carried out according to the set of guidelines provided by the Board of Directors.

Office Term of the Management Committee

Office term of the Management Committee is subject to the resolution by the Board of Directors.

Selection of Directors and Executives

The directors, selected from major shareholders, are as follows:

Director name			Major Shareholder
1.	Mr. Vitoon	Wongkusolkit	Mitr Phol Sugar Co., Ltd. City Holding Co., Ltd. Ufinves Co., Ltd.
2.	Mrs. Panida	Thepkanjana	Mahasawat Co., Ltd.
3.	Mr. Suchad	Chiaranussati	WREP Thailand Holdings
4.	Mr. Gregory	Hartman	WREP Thailand Holdings
5.	Mr. Paul	D. Kazilionis	WREP Thailand Holdings

Rights of minorities in appointing the directors

The appointment of directors to represent minorities are outlined in Clause 21 and Clause 53 in the Company's Articles of Association, as follows:

Clause 21: At the Annual General Shareholders' Meeting, the independent directors shall be elected following the following guidelines:

21.1 The Chairman of the Board of Directors shall propose to the meeting a list of nominees and their respective qualification to the Board of Directors for approval.

21.2 Each shareholder has a number of vote equals to the number of shares he/she holds.

21.3 The election of the independent directors shall proceed by casting the votes. Each shareholder must cast all available votes as to clause 21.2 to elect each individual director and may not split the votes.

21.4 The nominees with highest number of votes shall be elected. In case of tied-votes, the Chairman of the Board of Directors is entitled to cast the deciding vote.

Clause 53: Resolution of the shareholders' meeting requires:

53.1 Under normal circumstances, Shareholders' Resolution requires majority votes from shareholders who present at the meeting (on their own or by proxy) and cast their votes.

Executives Remuneration

Monetary remuneration in 2003

- Remuneration to the Directors in the form of meeting allowance equaled to Baht 600,000. Note: At the Annual General Shareholders' Meeting No. 1/2541, held on April 23, 1998, the remuneration was capped at Baht 1 million from 1998 onward until further revision.

- Remuneration to Audit Directors in the form of meeting allowance equaled to Baht 360,000 (one audit director voluntarily received no allowance).

- Remuneration to Executive Directors and Senior Management in the form of salary equaled to Baht 13,336,000.

Other remuneration

- Total remuneration in the form of provident fund for Executive Directors and Senior Management equaled to Baht 428,040.

Shareholding of Executives in Amarin Plaza Public Company Limited

	Name		Title	Number of shares		Change
				At December 31, 2003	At December 31, 2002	Increase/ (Decrease)
1.	Mr. Luen	Krisnakri	Chairman	100,000	-	100,000
2.	Mr. Gregory	Hartman	Vice Chairman	-	-	-
3.	Mr. Vitoon	Wongkusolkit	Director	298,449	298,449	-
4.	Mrs. Panida	Thepkanjana	Director	-	-	-
5.	Mr. Suchad	Chiaranussati	Director	677,700	120,000	557,700
6.	Mr. Paul	D. Kazilionis	Director	-	-	-
7.	Mr. Vincent	Yeo Wee Eng	Director	-	-	-
8.	Mr. Prakit	Pradipasen	Audit Chairman	-	-	-
9.	Mr. Somboon	Chaidejsuriya	Audit Director	-	-	-
10.	Mr. Chia	Ngiang Hong	Audit Director	-	-	-
11.	Mr. Brian	D. Borg	Executive Official	-	-	-
12.	Mr. Anuphong	Wangphongsawasd	Acting CEO and Business Development Director	-	-	-
13.	Miss Ariya	Watana	Accounting Director	20,000	-	20,000
14.	Mr. Viboon	Chaisutyakorn	Finance Director	-	-	-
15.	Mr. Suchai	Wuthworachairung	Personnel Director	-	-	-
16.	Mr. Paisit	Kaenchan	Director, Office of CEO	-	-	-
17.	Mr. Wiwat	Charoensawatpong	Marketing and Sales Director	-	-	-
18.	Mr. Bundit	Puengjarernkul	Assistant Director, Office of CEO	-	-	-
19.	Mrs. Supanunt	Soi sa-ard	Senior Manager-Finance	-	-	-
20.	Mr. Watcharapong	Kitkoson	Senior Manager-Personnel	-	-	-

Corporate Governance

Policy on good corporate governance

The Board of Directors recognizes the importance of good corporate governance and has consistently implement the program to promote good corporate governance in compliance with the following principles:

1. Rights and equal treatment to shareholders and other groups of stakeholders
2. Information disclosure and transparency
3. Control system and internal audit
4. Business ethics

Rights of the shareholders

In 2003, the Company held two Shareholders' Meetings at the Company's premise. Invitations, together with detailed meeting agenda and Board of Director's opinions, were sent out to all shareholders at least ten business days in advance.

The Company has improved the level of information disclosure in 2003 with respect to the right of shareholders to access the Company's information. Moreover the shareholders, who are not able to attend the meeting, will be given an alternative to authorize the independent directors to vote on their behalf.

Rights of related groups of stakeholders

The Board of Directors is committed to working closely and fairly with related group of stakeholders, including employees, suppliers, communities, and creditors, to ensure continuous support and co-operation from these stakeholders.

Meeting of the shareholders

Five directors, including the Chairman of Audit Committee, attended the Shareholders' Meetings. The other five directors, who reside overseas, were engaged on other business matters and unable to attend the meeting.

During the meeting the Chairman of the Board of Directors provide all shareholders opportunities to raise any concerns or questions regarding the operation and business conduct of the Company. Questions and comments were recorded in the minutes of the meeting.

Leadership and vision

The Board of Directors is committed to lead the Company for the best interests of the shareholders. It is the responsibility of the Board of Directors to provide clear vision and business policies to be carried out by the management in order to maximize value to the shareholders.

Conflict of interests and connected party transaction

In the event of conflict of interests, the Board of Directors and the management shall use their best effort to remove such conflict in compliance with the regulations of the Stock Exchange of Thailand.

Connected transactions are disclosed in details in the Company's Annual Report and Form 56-1.

Regarding insider information, the Company enforces stringent procedure in distribution of confidential information at all level, including directors, management, and employees. In addition, pursuant to Section 59 of the Securities Exchange Act 1992, the directors and the management are required to report the changes to their shareholding in the Company, if any, to the Securities Exchange Commission.

Business ethics

The Company develops a code of ethics as a set of guidelines on business conduct. The management and the employees are reinforced to follow such guidelines.

Balance of power for non-executive directors

The Company complies with the guidelines from the Stock Exchange of Thailand regarding the number of independent directors. The Company's Board of Director consists of three audit directors, five executive directors, and two non-executive directors. Out of the ten directors presented on the Board of Directors, three are independent directors.

Aggregation/ Segregation of positions

The Company employs a measure to clearly separate power and authorities of the Board of Directors and the management to maintain a balance of power. Members of the Board of Directors elected the Chairman of the Board of Directors. Whereas the Chief Executive Officer does not either hold a board seat or represent any major group of shareholders.

Remuneration of the directors and the management

The Company's remuneration of the directors was set and approved by the Annual General Shareholders' Meeting and in line with that of the industry and other public companies.

Remuneration of the management complies with the compensation guideline, approved by the Board of Directors. The guideline links the amount of remuneration to the Company's performance.

Total remuneration for the directors and the management are presented in the "Management Structure" section of this Annual Report.

Corporate Governance

Board of Directors' meeting

The Board of Directors is scheduled to meet every three months. Extra meeting(s) can be arranged, if required. The directors receive meeting agenda and documents at least seven days in advance to allow time for review of documents.

In 2003, the Board of Directors met four times. Details of director's attendance are summarized below:

Name	Total Attendance
1. Mr. Luen Krisnakri	3 times / 4 times
2. Mr. Gregory Hartman*	2 times / 4 times
3. Mr. Vitoon Wongkusolkit	4 times / 4 times
4. Mrs. Panida Thepkanjana	3 times / 4 times
5. Mr. Suchad Chiaranussati*	3 times / 4 times
6. Mr. Prakit Pradipasen	4 times / 4 times
7. Mr. Somboon Chaidejsuriya	4 times / 4 times
8. Mr. Paul D. Kazilionis*	2 times / 4 times
9. Mr. Chia Ngiang Hong*	4 times / 4 times
10.Mr. Vincent Yeo Wee Eng*	4 times / 4 times

Remark: (*) Directors who have foreign domiciles could occasionally attend the meeting.

Audit Committee

The Audit Committee, set up on 26 November 1999, comprises three audit directors. During 2003, the Audit Committee held four meetings to discuss various issues in relation to operation of the Company and reported the results to the Board of Directors.

Control system and internal audit

Control system and internal audit

The Company appointed an independent audit firm, Audit & Management Consultant Co., Ltd. to conduct internal audit activities.

In 2003, the result of internal audit was satisfactory. There was no material discrepancy in the finding. The Board of Directors had the opinions on the internal control the Company as follows:

The Board of Directors evaluated the internal control system by inquiring the data from the audit directors and the management. It could be summarized that the evaluation of internal control system of the Company in different ways found no shortcomings that were essentially important.

From the above evaluation of the internal control, the Audit Committee had the same opinions as per their explanation in this annual report.

Risk management

In 2003, Audit & Management Consultant Co., Ltd. assisted in reviewing the Company's risk management in the area of IT and operational management and made a recommendation on prevention and correction of such risks.

Report of the Board of Directors

The Board of Directors issued a report to confirm validity of the Company's consolidated financial statement of the Company and the subsidiaries. The consolidated financial statement was prepared in accordance with the Generally Accepted Accounting Principles (GAAP) and contained appropriate information disclosure.

In addition, the Audit Committee, which consisted of three non-executive directors, was responsible for the quality of financial statements report and the internal control system. The opinion of the Audit Committee regarding these matters was also presented in the Annual Report.

Relationship with investors

The Company has given priority for information disclosure to ensure transparency, timeliness, and comprehensiveness of the financial and general information including the event that has impact on the Company's share price. The aforesaid information had been distributed to the investors and involved parties for acknowledgement through the channel and media of Stock Exchange of Thailand. The Company also established Investor Relations Division to facilitate and provide data and information to the investors, the analysts, the shareholders, and other interested parties.

The Company has held regular quarterly meetings with research analysts and investors to review the Company's quarterly performance since the second quarter of the year 2002. The quarterly meeting allows the Company to discuss in details financial results and overall performance of the Company. In addition, the quarterly meeting provides an opportunity for research analysts and investors to exchange questions/opinions with the Company's senior management. In 2003,the Company held 4 times of aforesaid quarterly meetings and there were approximately 25-30 research analysts and/or investors attended per meeting. In addition, investors can contact the Company via the e-mail address, IR@amarinplaza.co.th, to receive updated information on a timely basis.

AMARIN PLAZA GROUP

Connected Transactions

	Company	Relationship	Major shareholder	Type of transaction (Baht)	Amount	Name of directors in the related party
1	Mitr Phol Sugar Ltd.: Sugar Refinery	Major shareholder Mr. Vitoon Wongkusolkit represent a board member	Pan Asia Sugar Fund Ltd. held 34.4%, and Mitr Siam Sugar Co., Ltd held 35.0%	Equipment & services deposit	219,744	Mr. Soonthorn Wongkusolkit
				Rent deposit	234,027	Mr. Vitoon Wongkusolkit, Mr. Isara Vongkusolkit,
			Income from rent and services Note: The transactions of office space's lease in Ploenchit Center Building and using service of JW Marriott Bangkok Hotel		13,829,394	Mr. Chanin Wongkusolkit, Mr. Bantoeng Wongkusolkit, Mr. Padoong Techasarin, Mr. Thaweewat Thaweepiyamaporn, Mr. Chusak Wongkusolkit, Gp. Capt. Dr. Laksami Phutthapongsiriporn
2	Kiatnakin Finance Plc.: Finance Business	Mrs. Panida Thepkanjana, director of the company has 7.73% ownership in Kiatnakin Finance Plc.	Thailand Securities Depository Ltd. for depositors 84.01%, Mrs. Panida Thepkanjana 7.73%, Ms Thitinan Wattanavekin 4.68%	Rent deposit	7,081,758	Mr. Supol Wattanavekin, Mr. Vichian Jearkjirm, Mr. Chet Pattarakornkul
				Income from rent & services	31,757,788	Ms. Thitinan Wattanavekin, Mr. Prawit Warutbangkul, Mr. Thawatchai Sutthikitphisan Mr. Sarawuth Jaruchinda, Mr. Thanin Jirasunthorn, Mr. Pichai Katchanapirom, Mr. Somboon Chaidejsuriya,
				Note: The transaction of office space's lease in Amarin Plaza & Tower		

- The connected transactions were ordinary course of business transactions and carried out according to the company's guidelines and policy, thus, the approval from the Board of Directors was not required at the time. The Chief Executive Officer approved such transactions.
- The connected transactions, which are ordinary course of business, are expected to continue in the future.

In 2003, the Company's net profit was Baht 315.5 million, representing 180% increase from Baht 112.7 million in net profit of the previous year. The increase in net profit was attributable to the Company's strategy to refocus on core business and to dispose low-yield asset and non-core businesses.

Highlight of changes in the financial results

- Operating gross profit before extraordinary items decreased 12% to Baht. 1,436.04 million in 2003 from Baht. 1,633.67 million in 2002

- Earnings Before Interest and Tax ("EBIT"), excluding extraordinary items, decreased 13.26%. from Baht 618.9 million in 2002 to Baht 536.88 million in 2003 The decline was primarily driven by a lower revenue from hotel business as a consequence of SARS epidemic in the second quarter

- Earnings Before Tax ("EBT") excluding extraordinary items increased 8.4%, from Baht. 369.32 million in 2002 to Baht. 398.32 million in 2003,owing to the 44.5% reduction in interest expenses during the year.

Operating Revenue

- Total revenue declined 16%. Hotel revenue declined 5.8% due to impact from SARS epidemic in the second quarter.

- Rental revenue fell 8.5% due to divestment of Grand Amarin Tower in the third quarter of 2002

- Department store revenue dropped 70% due to closure of department store business in the first quarter.

Gross Profit Margin

- Operating gross profit margin (gross profit margin from operations excluding extra gains/losses) improved significantly to 56.6%, as compared to 53% of the previous year, as a result of the closure of low margin department store business and the divestment of low-yield asset

Selling & General administrative Expense

- Selling & general administration expenses were reduced to Baht 637.9 million, 9.4% lower than that of the previous year, owing to the closure of department store business

Interest Expenses

- Interest expenses were Baht 138.6 million, 44.5% reduction from Baht 249.6 million of the previous year, as a result of partial debt repayment and refinancing activities.

Management Discussion and Analysis of the Consolidated Financial Statements

Depreciation and Amortization Expense

- Depreciation & amortization expenses were Baht 255.6 million, 16.5% reduction from Baht 306.3 million of the previous year, due to the divestment of Grand Amarin Tower and land lease extension of JW Marriott Hotel

Income Tax

- Income tax were Baht 80.5 million, 32% lower than that of the same period last year, due to Baht 57 million income tax saving from utilization of tax credit at the Company's subsidiary, Ploenchit Real Estate (JW Marriott Hotel)

Earnings of Minority Interests

- Earnings of minority interests were Baht 48.4 million, 31.2% lower than that of the previous year, as a result of purchase of additional 25% stake in Ploenchit Real Estate (JW Marriott Hotel) from the Company's subsidiary, Erawan Hotel, at the end of last year. Note: The Company currently holds 100% in Ploenchit Real Estate (JW Marriott Hotel).

Extraordinary Items

- Extraordinary items for the year were: a) Baht 33.5 million gains from sale of investment in subsidiary company, Honor Business; and 2) Baht 26.7 million gains from reversal of asset impairment provision

Analysis of Balance Sheet, and carh flow statement as of 31 December 2003

- Total assets were Baht 8,194.08 million, reduced by Baht 179.48 million as compared to 2002.

Current assets

- Cash and cash equivalents increased by Baht 114.70 million.
- Account receivables reduced by Baht 19.53 million due to lower average debt collection period
- Inventories reduced by Baht 128.55 million due to lower inventory at Sogo Department Store, which was closed at the beginning of 2003

Fixed assets

- Land waiting for development reduced by Baht 173.2 million due to divestment of Honor Business Co., Ltd. in the third quarter of 2003.
- Intangible assets increased by Baht 22.24 million due to goodwill from the purchase of shares in Rim Nam Chaophaya Co., Ltd. at premium to book value

Current liabilities

- Account payable reduced by Baht 175.21 million due to reduction in inventory of Sogo Department Store.

- Current portion of long-term loans decreased Baht 86.30 million due to loans refinancing in 2003

- Income tax payable decreased Baht 55.88 million due to capital gain tax on sales of shares Ploenchit Real Estate Company Limited in 2002 by a subsidiary company (Erawan Hotel Public Company Limited)

Long-term liabilities

- Loans from related parties reduced Baht 16 million due to the reduction of loan from X-ray investment limited, post divestment of Honor business Co.,Ltd.

- Long-term loans increased Baht 229.81 million due to additional borrowing for new project construction

- Deposits from tenants and deferred income reduced by 15.28 million Baht and Baht 10.94 million respectively due to transfer to income statement as revenue recognition during the year.

Financial ratios

- Debts to Equity Ratio, as at 31 December 2003, stood at 1.11 times, as compared to 1.14 times in 2002 due to a decline in accounts payable of Sogo Department Store.

- Interest-bearing debts to equity ratio stood at 0.84 times, increased from 0.80 times in 2002 due to additional borrowing for new projects construction

Cash flow

- Cash flows from operation were Baht 493.97 million, compared with Baht 543.03 million in 2002 or a decrease of Baht 49.06 million. The decline was due to lower revenue from hotel business during SARS epidemic in the second quarter

- Accounting items, which were added back to the calculation of cash flow, included loss from asset sales of Baht 14.07 million; depreciation expenses of Baht 255.61 million Bath; gain on sale of Honor business Co.,Ltd. share Bath 33.5 million minority shareholders' share of profit of Baht 48.44 million; and reversal of impairment loss of Baht 26.75 million

- Cash flows used in investment activities was Baht 273.61 million in 2003 compared to cash flows provided from investment activities of Baht 736.15 million in 2002. In 2002 the sale of Grand Amarin in Tower resulted in increasing cash flow provided from investment activities whereas in 2003 the subsidiary companies utilized cash flow for new projects.

- Cash flows used in financing activities Baht 105.66 million in 2003 compared to Baht 1,324.95 million in 2002 as a result of loans repayment in 2002.

Commitments, Contingent liabilities, and Obligations

(please see detail in Notes to Financial Statements items 29-30)

Audit Committee's Report

To the Shareholders of Amarin Plaza Public Company Limited

The Audit Committee consists of three independent directors of the Company. The members of the Audit Committee are not either management or employees of the Company. During 2003, the Audit Committee met four times to review and to provide opinion as follows:

1. Reviewed the quarterly and yearly financial statements of the fiscal year 2003 and exchanged opinion with the Auditor to ensure that the financial statements were prepared in accordance with the generally accepted accounting principles.

2. Considered the Company's internal audit plan, guideline and report. The Audit Committee is of the opinion that there has been no indication of problem in regards to the Company's internal audit.

3. Proposed to the Board of Directors the appointment of the Auditor

The Audit Committee is of the opinion that the consolidated financial statements for the fiscal year ending 31 December 2003 are present fairly in all material respects in accordance with the generally accepted accounting principles. Necessary information is appropriately disclosed. The Audit Committee has proposed to the Board of Directors the appointment of Mr. Sophon Permsiriwallop, Certified Accountant No. 3182, and/or Mr. Ruj Chowanakawee, Certified Accountant No. 3427, and/or Mr. Narong Phandawong, and/or Ms. Rungnapa Lertsuwankul, Certified Accountant No. 3516, of Ernst & Young Office Limited as the Auditors. This proposal and the remuneration of the Auditors will be further presented in the shareholders' meeting.



Mr. Prakit Pradipasen
Chairman of the Audit Committee
17th February 2004

Report of Independent Auditor

To The Board of Directors and Shareholders of Amarin Plaza Public Company Limited

I have audited the accompanying consolidated balance sheets of Amarin Plaza Public Company Limited and its subsidiaries as at 31 December 2003 and 2002, and the related consolidated statements of earnings, changes in shareholders' equity and cash flows for the years then ended, and the separate financial statements of Amarin Plaza Public Company Limited for the same years. These financial statements are the responsibility of the management of the Company and its subsidiaries as to their correctness and the completeness of the presentation. My responsibility is to express an opinion on these financial statements based on my audits.

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

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Amarin Plaza Public Company Limited and its subsidiaries and of Amarin Plaza Public Company Limited as at 31 December 2003 and 2002, and the results of their operations and cash flows for the years then ended in accordance with generally accepted accounting principles.

Rungnapa L.

Rungnapa Lertsuwankul
Certified Public Accountant (Thailand) No. 3516

Ernst & Young Office Limited
Bangkok: 13 February 2004

AMARIN PLAZA GROUP

BALANCE SHEETS

AMARIN PLAZA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
AS AT 31 DECEMBER 2003 AND 2002

(Unit : Baht)

	Note	CONSOLIDATED		THE COMPANY ONLY	
		2003	2002	2003	2002
			(Restated)		(Restated)
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents		364,710,563	250,011,626	12,404,602	10,644,198
Trade accounts receivable - net	7	79,934,018	95,206,708	5,750,168	5,792,206
Trade accounts receivable - related parties	8	7,660,647	11,917,770	-	54,138
Inventories - net	9	40,293,154	168,838,253	-	-
Land leasehold right and construction in progress	10	16,161,186	-	-	-
Short-term loan to a related company	8	1,165,209	-	-	-
Other receivable - subsidiary companies	8	-	-	31,388	10,064
Other current assets					
Prepaid expenses		13,930,386	18,732,213	1,367,153	2,177,279
Prepaid expenses - related party	8	5,415,123	5,415,123	925,810	925,810
Withholding tax deducted at source					
- refundable within one year	18	-	9,606,622	-	-
Advances		15,737,681	30,025,000	-	-
Others		38,170,180	28,633,938	3,934,843	1,607,018
TOTAL CURRENT ASSETS		583,178,147	618,387,253	24,413,964	21,210,713
NON-CURRENT ASSETS					
Investments accounted for under equity method					
Investments in subsidiary companies	11	-	-	4,085,724,100	4,714,211,538
Investments in associated companies	12	480,000	480,000	-	-
Other long-term investments					
Pledged fixed deposits at financial institutions		209,805	271,531	-	-
Investments in related companies	13	4,255,727	6,045,366	2,411,896	3,407,343
Investments in other companies		340,000	340,000	-	-
Long-term loans to and interest receivable from subsidiaries	8	-	-	719,911,826	1,384,907,650
Property, plant and equipment - net	14	7,030,376,744	7,034,639,957	27,797,161	30,020,410
Land awaiting development	3, 15	240,600,000	413,800,000	-	-
Intangible assets - net	16	27,516,309	5,294,714	5,209,532	5,753,327
Other non-current assets					
Deposits for lease of land, building and equipment		210,548,819	212,592,138	45,272,787	47,603,007
Withholding tax deducted at source - net of current portion	18	71,260,005	55,470,832	12,428,301	10,269,322
Others		25,319,474	26,241,074	54,000	81,000
TOTAL NON-CURRENT ASSETS		7,610,906,883	7,755,175,612	4,898,809,603	6,196,253,597
TOTAL ASSETS		8,194,085,030	8,373,562,865	4,923,223,567	6,217,464,310

The accompanying notes are an integral part of the financial statements.

BALANCE SHEETS (Continued)

AMARIN PLAZA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
AS AT 31 DECEMBER 2003 AND 2002

AMARIN PLAZA GROUP

(Unit : Baht)

	Note	CONSOLIDATED		THE COMPANY ONLY	
		2003	2002	2003	2002
			(Restated)		(Restated)
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Bank overdrafts and short-term loans from financial institutions	19	479,188,014	491,686,107	297,000,000	198,000,000
Trade accounts payable		127,257,016	302,466,302	3,293,827	1,004,824
Trade accounts payable - subsidiary companies	8	-	-	6,287,680	7,287,598
Current portion of liabilities under finance lease agreements	20	11,229,596	10,916,440	559,316	246,160
Current portion of long-term loans	21	113,696,049	200,000,000	-	-
Short-term loans from a subsidiary	8	-	-	-	2,128,610,356
Other payable - related parties	8	26,098,936	33,871,092	-	-
Other current liabilities					
Retention		1,917,606	1,235,421	135,500	-
Advances from customers		28,644,169	17,895,841	3,871	29,355
Value added tax payable		34,792,703	9,803,675	575,693	170,064
Accrued expenses		42,066,121	60,325,251	1,688,260	3,827,127
Income tax payable		37,920,806	93,803,139	-	-
Others		55,516,886	63,299,298	3,890,487	3,309,050
TOTAL CURRENT LIABILITIES		958,327,902	1,285,302,566	313,434,634	2,342,484,534
NON-CURRENT LIABILITIES					
Liabilities under finance lease agreements - net of current portion	20	21,337,972	27,993,126	1,268,910	707,181
Long-term loans from related parties	8	-	16,006,549	986,920,195	444,293,031
Long-term loans - net of current portion	21	2,667,590,370	2,437,780,821	-	-
Accounts payable for leasehold rights	30.4, 30.5	360,000,000	360,000,000	-	-
Deposits from lessees		173,349,342	188,631,676	28,315,324	26,928,911
Deferred income - net	22	123,417,415	134,360,573	-	-
Provision for loss on investments in subsidiary companies	11	-	-	161,195,744	209,392,253
TOTAL NON-CURRENT LIABILITIES		3,345,695,099	3,164,772,745	1,177,700,173	681,321,376
TOTAL LIABILITIES		4,304,023,001	4,450,075,311	1,491,134,807	3,023,805,910

The accompanying notes are an integral part of the financial statements.

BALANCE SHEETS (Continued)

AMARIN PLAZA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
AS AT 31 DECEMBER 2003 AND 2002

(Unit : Baht)

	Note	CONSOLIDATED		THE COMPANY ONLY	
		2003	2002	2003	2002
			(Restated)		(Restated)
SHAREHOLDERS' EQUITY					
Share capital	23				
Authorised share capital					
88,907,389 preference shares of Baht 6 each					
173,267,279 ordinary shares of Baht 6 each		1,573,048,008	1,573,048,008	1,573,048,008	1,573,048,008
Issued and paid-up share capital					
88,907,389 preference shares of Baht 6 each		533,444,334	533,444,334	533,444,334	533,444,334
153,267,279 ordinary shares of Baht 6 each					
(2002: 152,597,279 ordinary shares of					
Baht 6 each)		919,603,674	915,583,674	919,603,674	915,583,674
Additional paid-in capital					
Premium on ordinary shares		4,000,000	1,320,000	4,000,000	1,320,000
Surplus from revaluation of land, buildings and					
leasehold rights of subsidiaries - net	17	1,597,797,114	1,681,557,872	1,597,797,114	1,681,557,872
Change in percentage of holding in subsidiaries		119,324,942	119,324,942	119,324,942	119,324,942
Unrealised gain on changes in the value of					
investments		685,220	702,571	685,220	702,571
Retained earnings					
Appropriated - statutory reserve	24	32,992,577	17,192,577	16,530,000	730,000
Unappropriated (deficit)		224,240,899	(75,467,570)	240,703,476	(59,004,993)
EQUITY ATTRIBUTABLE TO COMPANY'S					
SHAREHOLDERS		3,432,088,760	3,193,658,400	3,432,088,760	3,193,658,400
MINORITY INTEREST - EQUITY ATTRIBUTABLE TO					
MINORITY SHAREHOLDERS OF SUBSIDIARIES		457,973,269	729,829,154	-	-
TOTAL SHAREHOLDERS' EQUITY		3,890,062,029	3,923,487,554	3,432,088,760	3,193,658,400
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		8,194,085,030	8,373,562,865	4,923,223,567	6,217,464,310

The accompanying notes are an integral part of the financial statements.

STATEMENTS OF EARNINGS

AMARIN PLAZA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
FOR THE YEARS ENDED 31 DECEMBER 2003 AND 2002

AMARIN PLAZA GROUP

(Unit : Baht)

	Note	CONSOLIDATED		THE COMPANY ONLY	
		2003	2002	2003	2002
			(Restated)		(Restated)
REVENUES					
Revenues from hotel operations		1,792,151,625	1,902,387,167	-	-
Rental of units in buildings and related service income		489,413,909	534,634,971	134,658,332	129,498,440
Revenues from sales		156,883,402	521,050,943	-	-
Revenues from restaurant		19,028,427	50,596,549	-	-
Other income					
Gain from sale of investment in subsidiary company	3	33,455,330	7,414,676	33,455,330	-
Gain on exchange		6,607,773	7,579,480	-	-
Interest income		783,428	1,558,822	55,915,043	86,303,515
Reverse of impairment loss	14	26,746,380	-	-	-
Others		67,331,056	59,307,986	6,480,573	6,508,701
Share of profits from investments					
accounted for under equity method		-	-	293,424,312	47,889,755
TOTAL REVENUES		2,592,401,330	3,084,530,594	523,933,590	270,200,411
EXPENSES					
Cost of sales and direct cost of rental and services		1,096,161,658	1,443,453,538	65,778,279	68,279,010
Selling and administrative expenses		637,870,536	704,002,059	56,761,450	48,823,183
Depreciation and amortisation		255,617,168	306,333,882	4,943,092	4,322,911
Impairment loss	14	-	74,623,332	-	-
Other expenses		14,078,348	-	-	-
Directors' remuneration		5,661,000	4,427,500	960,000	660,000
TOTAL EXPENSES		2,009,388,710	2,532,840,311	128,442,821	122,085,104
EARNINGS BEFORE INTEREST AND					
INCOME TAX EXPENSES		583,012,620	551,690,283	395,490,769	148,115,307
INTEREST EXPENSE		(138,565,286)	(249,578,191)	(79,982,300)	(35,413,157)
INCOME TAX	25	(80,495,239)	(118,976,151)	-	-
EARNINGS AFTER INCOME TAX		363,952,095	183,135,941	315,508,469	112,702,150
EARNINGS OF MINORITY INTEREST		(48,443,626)	(70,433,791)	-	-
NET EARNINGS FOR THE YEAR		315,508,469	112,702,150	315,508,469	112,702,150

The accompanying notes are an integral part of the financial statements.

STATEMENTS OF EARNINGS (Continued)

AMARIN PLAZA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
FOR THE YEARS ENDED 31 DECEMBER 2003 AND 2002

(Unit : Baht)

	Note	CONSOLIDATED		THE COMPANY ONLY	
		2003	2002	2003	2002
			(Restated)		(Restated)
BASIC EARNINGS PER SHARE	26				
Net earnings		1.31	0.47	1.31	0.47
Weighted average number of shares		241.56 million shares	241.20 million shares	241.56 million shares	241.20 million shares
DILUTED EARNINGS PER SHARE	26				
Net earnings		1.31	0.47	1.31	0.47
Weighted average number of shares		241.56 million shares	241.35 million shares	241.56 million shares	241.35 million shares

The accompanying notes are an integral part of the financial statements.

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

AMARIN PLAZA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
FOR THE YEARS ENDED 31 DECEMBER 2003 AND 2002

AMARIN PLAZA GROUP

(Unit : Baht)

	CONSOLIDATED								
	Issued and paid-up share capital	Share premium	Surplus from revaluation of land building and leasehold rights of subsidiaries	Change in percentage of holding in subsidiaries	Unrealised gain (loss) on changes in the value of investments	Retained earnings (deficit) Appropriated	Retained earnings (deficit) Unappropriated	Minority interest	Total
Balance - beginning of year 2002									
- as previously reported	2,411,746,680	1,040,567,204	1,224,186,209	119,324,942	(811,258)	23,694,577	(2,082,115,877)	526,222,324	3,262,814,801
Cumulative effect of the change in accounting policy for deferred income tax (Note 5)	-	-	561,905,341	-	(395,784)	-	(117,821,719)	(43,805,524)	399,882,314
Balance - beginning of year 2002 - as restated	2,411,746,680	1,040,567,204	1,786,091,550	119,324,942	(1,207,042)	23,694,577	(2,199,937,596)	482,416,800	3,662,697,115
Offset the deficit against the legal reserve (Note 23)	-	-	-	-	-	(19,182,000)	19,182,000	-	-
Offset the deficit against share premium (Note 23)	-	(1,040,567,204)	-	-	-	-	1,040,567,204	-	-
Decrease in issued and paid-up share capital against deficit (Note 23)	(964,698,672)	-	-	-	-	964,698,672	-	-	-
Changes in the value of investments (Restated)	-	-	-	-	1,909,613	-	-	-	1,909,613
Amortisation of surplus from revaluation of fixed assets of subsidiaries (Restated) (Note 17)	-	-	(104,533,678)	-	-	-	-	-	(104,533,678)
Unrealised transactions in earnings statement	(964,698,672)	(1,040,567,204)	(104,533,678)	-	1,909,613	(19,182,000)	2,024,447,876	-	(102,624,065)
Net earnings for the year (Restated)	-	-	-	-	-	-	112,702,150	-	112,702,150
Legal reserve of a subsidiary	-	-	-	-	-	11,950,000	(11,950,000)	-	-
Legal reserve (Note 24)	-	-	-	-	-	730,000	(730,000)	-	-
Ordinary share capital increased (Note 23)	1,980,000	1,320,000	-	-	-	-	-	-	3,300,000
Increase in minority interest (Restated)	-	-	-	-	-	-	-	247,412,354	247,412,354
Balance - end of year 2002	1,449,028,008	1,320,000	1,681,557,872	119,324,942	702,571	17,192,577	(75,467,570)	729,829,154	3,923,487,554

The accompanying notes are an integral part of the financial statements.

AMARIN PLAZA GROUP

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (Continued)

AMARIN PLAZA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
FOR THE YEARS ENDED 31 DECEMBER 2003 AND 2002

(Unit : Baht)

	CONSOLIDATED								
	Issued and paid-up share capital	Share premium	Surplus from revaluation of land building and leasehold rights of subsidiaries	Change in percentage of holding in subsidiaries	Unrealised gain (loss) on changes in the value of investments	Retained earnings (deficit) Appropriated	Retained earnings (deficit) Unappropriated	Minority interest	Total
Balance - beginning of year 2003 - as previously reported	1,449,028,008	1,320,000	1,153,887,837	119,324,942	513,760	17,192,577	(2,715,780)	752,119,045	3,490,670,389
Cumulative effect of the change in accounting policy for deferred income tax (Note 5)	-	-	527,670,035	-	188,811	-	(72,751,790)	(22,289,891)	432,817,165
Balance - beginning of year 2003 - as restated	1,449,028,008	1,320,000	1,681,557,872	119,324,942	702,571	17,192,577	(75,467,570)	729,829,154	3,923,487,554
Changes in the value of investments	-	-	-	-	(17,351)	-	-	-	-17,351
Amortisation of surplus from revaluation of fixed assets of subsidiaries (Note 17)	-	-	(83,760,758)	-	-	-	-	-	(83,760,758)
Unrealised transactions in earnings statement	-	-	(83,760,758)	-	(17,351)	-	-	-	(83,778,109)
Net earnings for the year	-	-	-	-	-	-	315,508,469	-	315,508,469
Legal reserve (Note 24)	-	-	-	-	-	15,800,000	(15,800,000)	-	-
Ordinary share capital increased (Note 23)	4,020,000	2,680,000	-	-	-	-	-	-	6,700,000
Decrease in minority interest	-	-	-	-	-	-	-	(271,855,885)	(271,855,885)
Balance - end of year 2003	1,453,048,008	4,000,000	1,597,797,114	119,324,942	685,220	32,992,577	224,240,899	457,973,269	3,890,062,029

The accompanying notes are an integral part of the financial statements.

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

AMARIN PLAZA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
FOR THE YEARS ENDED 31 DECEMBER 2003 AND 2002

AMARIN PLAZA GROUP

(Unit : Baht)

	CONSOLIDATED							
	Issued and paid-up share capital	Share premium	Surplus from revaluation of land building and leasehold rights of subsidiaries	Change in percentage of holding in subsidiaries	Unrealised gain (loss) on changes in the value of investments	Retained earnings (deficit) Appropriated	Retained earnings (deficit) Unappropriated	Total
Balance - beginning of year 2002								
- as previously reported	2,411,746,680	1,040,567,204	1,224,186,209	119,324,942	(811,258)	19,182,000	(2,077,603,300)	2,736,592,477
Cumulative effect of the change in accounting policy for deferred income tax (Note 5)	-	-	561,905,341	-	(395,784)	-	(117,821,719)	443,687,838
Balance - beginning of year 2002 - as restated	2,411,746,680	1,040,567,204	1,786,091,550	119,324,942	(1,207,042)	19,182,000	(2,195,425,019)	3,180,280,31
Offset the deficit against the legal reserve (Note 23)	-	-	-	-	-	(19,182,000)	19,182,000	-
Offset the deficit against share premium (Note 23)	-	(1,040,567,204)	-	-	-	-	1,040,567,204	-
Decrease in issued and paid-up share capital against deficit (Note 23)	(964,698,672)	-	-	-	-	-	964,698,672	-
Changes in the value of investments (Restated)	-	-	-	-	1,909,613	-	-	1,909,613
Amortisation of surplus from revaluation of fixed assets of subsidiaries (Restated) (Note 17)	-	-	(104,533,678)	-	-	-	-	(104,533,678)
Unrealised transactions in earnings statement	(964,698,672)	(1,040,567,204)	(104,533,678)	-	1,909,613	(19,182,000)	2,024,447,876	(102,624,065)
Net earnings for the year (Restated)	-	-	-	-	-	-	112,702,150	112,702,150
Legal reserve (Note 24)	-	-	-	-	-	730,000	(730,000)	-
Ordinary shares capital increased (Note 23)	1,980,000	1,320,000	-	-	-	-	-	3,300,000
Balance - end of year 2002	1,449,028,008	1,320,000	1,681,557,872	119,324,942	702,571	730,000	(59,004,993)	3,193,658,400

The accompanying notes are an integral part of the financial statements.

AMARIN PLAZA GROUP

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (Continued)

AMARIN PLAZA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
FOR THE YEARS ENDED 31 DECEMBER 2003 AND 2002

(Unit : Baht)

	CONSOLIDATED							
	Issued and paid-up share capital	Share premium	Surplus from revaluation of land building and leasehold rights of subsidiaries	Change in percentage of holding in subsidiaries	Unrealised gain (loss) on changes in the value of investments	Retained earnings (deficit) Appropriated	Retained earnings (deficit) Unappropriated	Total
Balance - beginning of year 2003								
- as previously reported	1,449,028,008	1,320,000	1,153,887,837	119,324,942	513,760	730,000	13,746,797	2,738,551,344
Cumulative effect of the change in accounting policy for deferred income tax (Note 5)	-	-	527,670,035	-	188,811	-	(72,751,790)	455,107,056
Balance - beginning of year 2003 - as restated	1,449,028,008	1,320,000	1,681,557,872	119,324,942	702,571	730,000	(59,004,993)	3,193,658,400
Changes in the value of investments	-	-	-	-	(17,351)	-	-	(17,351)
Amortisation of surplus from revaluation of fixed assets of subsidiaries (Note 17)	-	-	(83,760,758)	-	-	-	-	(83,760,758)
Unrealised transactions in earnings statement	-	-	(83,760,758)	-	(17,351)	-	-	(83,778,109)
Net earnings for the year	-	-	-	-	-	-	315,508,469	315,508,469
Legal reserve (Note 24)	-	-	-	-	-	15,800,000	(15,800,000)	-
Ordinary shares capital increased (Note 23)	4,020,000	2,680,000	-	-	-	-	-	6,700,000
Balance - end of year 2003	1,453,048,008	4,000,000	1,597,797,114	119,324,942	685,220	16,530,000	240,703,476	3,432,088,760

The accompanying notes are an integral part of the financial statements.

STATEMENTS OF CASH FLOWS

AMARIN PLAZA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
FOR THE YEARS ENDED 31 DECEMBER 2003 AND 2002

AMARIN PLAZA GROUP

(Unit : Baht)

	CONSOLIDATED		THE COMPANY ONLY	
	2003	2002	2003	2002
		(Restated)		(Restated)
Cash flows provided from (used in) operating activities:				
Net earnings for the year	315,508,469	112,702,150	315,508,469	112,702,150
Adjustments to reconcile net earnings to net cash provided by (paid from) operating activities:				
Minority interests in net earnings of subsidiaries	48,443,626	70,433,791	-	-
Share of profits from investments accounted for under equity method	-	-	(293,424,312)	(47,889,755)
Impairment loss	-	74,623,332	-	-
Loss on changes in value of investments	15,573,131	6,703,913	-	-
Gain on sale of investments in subsidiary company	(33,455,330)	(7,414,676)	(33,455,330)	-
Loss (gain) on sales of fixed assets	14,078,348	(6,105,428)	(870,808)	(582,480)
Loss (gain) from sales of investments in related companies and other companies	(121,147)	3,952,885	(67,305)	(676,264)
Reversal of allowance for doubtful accounts	(2,906,973)	(7,114,600)	-	(2,336,810)
Reversal of provision for obsolete inventories	(5,932,709)	-	-	-
Provision for non-refundable withholding tax deducted at source (reversal)	(3,461,745)	1,665,794	1,612,246	1,665,794
Reverse of impairment loss	(26,746,380)	-	-	-
Amortisation of deferred gain on debt restructuring	-	(6,045,393)	-	-
Depreciation and amortisation	255,617,168	306,333,882	4,943,092	4,322,911
Amortisation of prepaid front - end fee of long - term loans	4,407,989	-	-	-
Amortisation of prepaid interest expense	-	2,500,000	-	-
Rental deposits and leasehold rights received from lessees applied as rental charge	(11,664,148)	(19,046,500)	(286,406)	(1,871,492)
Deferred income and advance received from customers applied as income	(24,492,503)	(35,945,038)	(29,355)	(78,773)
Earnings (loss) from operating activities before changes in operating assets and liabilities	544,847,796	497,244,112	(6,069,709)	65,255,281
Decrease (increase) in operating assets:				
Trade accounts receivable	14,898,854	11,664,161	(1,499,970)	1,811,381
Trade accounts receivable - related parties	4,257,123	(188,682)	54,138	(53,677)
Inventories	(37,411,784)	12,628,585	-	-
Advances	14,287,319	(28,689,545)	-	-
Land leasehold right and construction in progress	(2,419,774)	-	-	-
Houses, land and condominium for sale	-	(3,210,480)	-	-
Other receivable - subsidiary companies	-	-	(21,324)	2,822,395
Other current assets	(10,937,320)	6,081,346	(1,517,699)	(2,438,453)
Other non-current assets	2,038,329	(14,637,563)	(1,414,005)	(4,935,195)

The accompanying notes are an integral part of the financial statements.

STATEMENTS OF CASH FLOWS (Continued)

AMARIN PLAZA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
FOR THE YEARS ENDED 31 DECEMBER 2003 AND 2002

(Unit : Baht)

	CONSOLIDATED		THE COMPANY ONLY	
	2003	2002	2003	2002
		(Restated)		(Restated)
Increase (decrease) in operating liabilities:				
Trade accounts payable	(3,319,694)	(32,102,824)	2,289,003	(1,240,612)
Trade accounts payable - subsidiary companies	-	-	(999,918)	532,556
Retention	682,185	(1,921,109)	(135,500)	-
Advances from customers and deferred income	29,049,743	1,072,500	3,871	-
Income tax payable	(55,882,333)	69,092,432	-	-
Other current liabilities	(1,029,794)	29,416,500	(880,801)	1,843,730
Deposits from lessees	(5,089,447)	(3,421,525)	3,214,827	6,193,381
Net cash provided from (used in) operating activities	493,971,203	543,027,908	(6,977,087)	69,790,787
Cash flows provided from (used in) investing activities:				
Increase in short-term loan to a related company	(1,165,209)	-	-	-
Decrease in long-term loans to and interest receivable from subsidiaries	-	-	43,022,358	215,323,253
Increase in investments in subsidiary companies and associated companies (Note 32)	(23,985,675)	(6,479,925)	-	(194,500,000)
Net cash from sale of investments in subsidiary company (Note 3)	100,487,132	(2,056,490)	100,487,132	-
Proceed from sales of investments in related companies and other companies	1,893,435	69,383,238	1,051,907	47,514,695
Decrease (increase) in property, plant and equipment - net	(350,900,555)	679,346,432	16,760	(6,384,571)
Decrease (increase) in deposits with maturity of more than 3 months or with restrictions	61,726	(4,038,957)	-	-
Dividend received from subsidiary company	-	-	-	38,748,307
Net cash provided from (used in) investing activities	(273,609,146)	736,154,298	144,578,157	100,701,684
Cash flows provided from (used in) financing activities:				
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	(912,498,093)	217,917,861	99,000,000	198,000,000
Decrease in liabilities under finance lease agreements	(7,663,998)	(6,891,392)	(447,115)	(267,317)
Decrease in short-term loans from subsidiaries	-	-	(1,339,694,181)	-
Increase in long-term loans and other payable - related parties	37,535,285	7,023,589	1,098,600,630	216,415,223
Increase (decrease) in long-term loans	1,032,764,186	(1,532,234,967)	-	(583,823,254)
Cash received from share capital increase	6,700,000	3,300,000	6,700,000	3,300,000
Dividend paid to minority interest	(262,500,500)	(14,070,027)	-	-
Net cash used in financing activities	(105,663,120)	(1,324,954,936)	(135,840,666)	(166,375,348)

The accompanying notes are an integral part of the financial statements.

STATEMENTS OF CASH FLOWS (Continued)

AMARIN PLAZA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
FOR THE YEARS ENDED 31 DECEMBER 2003 AND 2002

AMARIN PLAZA GROUP

(Unit : Baht)

	CONSOLIDATED		THE COMPANY ONLY	
	2003	2002	2003	2002
		(Restated)		(Restated)
Net increase (decrease) in cash and cash equivalents	114,698,937	(45,772,730)	1,760,404	4,117,123
Cash and cash equivalents at beginning of year	250,011,626	295,784,356	10,644,198	6,527,075
Cash and cash equivalents at end of year	364,710,563	250,011,626	12,404,602	10,644,198
Supplemental cash flows information				
Cash paid during the year for: -				
Interest expenses	136,780,593	244,253,556	77,841,931	27,651,139
Corporate income tax	156,755,374	105,532,933	3,771,225	5,470,822
Non-cash transactions: -				
Decrease in surplus from revaluation of fixed assets in subsidiaries - the Company's interest (net)	83,760,758	104,533,678	83,760,758	104,533,678
Decrease in surplus from revaluation of fixed assets in subsidiaries - minority interest (net)	16,715,128	19,939,643	-	-
Settlement of rental deposit received from lessees with accounts receivable	3,280,809	2,185,974	1,542,008	558,695
Vehicles purchased under finance lease agreements	1,322,000	20,520,000	1,322,000	-
Reversal of allowance for change in value of investments with unrealised loss on change in the value of investment	-	4,917,166	-	-
Settlement of long-term loans to subsidiary through offset against increase in investment in subsidiary	-	-	-	290,000,000
Additional long-term loans were obtained from a subsidiary for the purpose of purchasing investment in another subsidiary	-	-	-	1,912,499,235
Additional long-term loans were obtained from a subsidiary for lending to another subsidiary	-	-	-	730,000,000
Reduction in long-term loans to subsidiaries for purpose of repaying short-term and long-term loans from other subsidiaries	-	-	621,973,466	-
Settlement of short-term loans from subsidiary through settlement against dividend receivable	-	-	722,916,175	-
The subsidiaires obtained short-term loans in order to repay long-term loans	900,000,000	-	-	-
Inventories returned to suppliers by subsidiary	171,889,592	-	-	-
A subsidiary obtained long-term loans in order to repay short-term loans	500,000,000	-	-	-

The accompanying notes are an integral part of the financial statements.

1. GENERAL INFORMATION

1.1 Amarin Plaza Public Company Limited is a limited company incorporated under Thai law and operates in Thailand. The Company acts as a holding company, investing in several businesses, as described in Note 3 to the financial statements. The Company registered its change of status to a public company under the Public Limited Companies Act on 1 June 1994.

The Company's registered office is located at 1550 New Petchburi Road, Makasan, Rajathevi, Bangkok.

1.2 On 2 June 2003, Restaurant Sogo Company Limited (a subsidiary) changed its registered name to "Erawan Japanese Restaurant Company Limited" with the Ministry of Commerce.

1.3 In December 2003, the Chief Executive Officer of the Company submitted his resignation. The Board of Directors have already appointed a new Chief Executive Officer, with the appointment effective from 4 December 2003.

2. GOING CONCERN PROBLEM AND PRESENTATION OF THE FINANCIAL STATEMENTS

As of 31 December 2003, certain subsidiaries have incurred losses from their operations and have significant deficits in retained earnings. However, the Company still provides financial support to these subsidiaries. Consequently, the financial statements of the subsidiaries as included in the consolidated financial statements have been prepared on the going-concern basis, assuming that the realisation of assets and settlement of liabilities and obligations will occur in the ordinary course of their businesses without any expectation of significant disruption to their ongoing activities.

3. BASIS OF CONSOLIDATION

The consolidated financial statements include the financial statements for the years ended 31 December 2003 and 2002 of Amarin Plaza Public Company Limited (hereinafter called "the Company") and the following subsidiaries which have all their operations in Thailand: -

Subsidiary companies	Percentage of shareholding by the Company		Principal activities
	2003	2002	
	%	%	
Erawan Hotel Public Company Limited	73.64	73.64	Hotel
Amarin Development Limited	99.99	99.99	Office and retail building rental/ Department store
Makasan Real Estate Company Limited	99.72	99.72	Office and retail building rental
Mahadlekluang Real Estate Company Limited	99.99	99.99	Residential building rental
Honor Business Company Limited	-	59.94	Land owner
Hatawan Company Limited	80.00	80.00	Land owner
Ploenchit Real Estate Company Limited	99.99	99.99	Hotel/Building rental
Erawan Japanese Restaurant Company Limited (99.99% held by Amarin Development Limited)	-	-	Restaurant
Rimnam Chaophaya Company Limited (2003: 99.99% held by Mahadlekluang Real Estate Company Limited)	-	-	Real estate development

During the current year, the Company changed the shareholding structure of its subsidiaries as follows: -

- The Company sold all investment in Honor Business Company Limited to a third party, as discussed in Note 11.
- Mahadlekluang Real Estate Company Limited invested in the ordinary shares of Rimnam Chaophaya Company Limited. As a result of this transaction, the Company has an indirect equity interest of 99.99%.

On 30 September 2003 (transfer date), the net asset value of Honor Business Company Limited was as follows: -

(Unit: Baht)

Cash at banks	5,645
Other current assets	700
Land awaiting development	173,200,000
Total assets	173,206,345
Accrued expenses and other current liabilities	60,720
Long-term loans from and interest payable to related parties	61,313,990
Total liabilities	61,374,710
Net asset value	111,831,635
Net asset value - equity attributable to Company's shareholders	67,031,802
Less: Proceed from sale of investment in subsidiary	(100,487,132)
Gain from sale of investment in subsidiary	33,455,330

As a result of the Company's recognition of the above transactions regarding the transfer of investment in subsidiary, assets and liabilities in the consolidated financial statements were decreased by the above amounts as at the transfer date.

The percentage of total assets and total revenues of the subsidiaries included in the consolidated financial statements are as follows: -

Subsidiary companies	Subsidiary's total assets as a percentage to the consolidated total		Subsidiary's total revenues as a percentage to the consolidated total	
	2003	2002	2003	2002
	%	%	%	%
Erawan Hotel Public Company Limited	38.90	36.99	38.66	35.08
Amarin Development Limited	11.19	12.13	9.91	20.13
Makasan Real Estate Company Limited	12.75	1.64	6.60	8.43
Mahadlekluang Real Estate Company Limited	2.29	2.34	1.70	1.64
Honor Business Company Limited	-	1.99	-	-
Hatawan Company Limited	2.94	2.77	-	-
Ploenchit Real Estate Company Limited	30.54	41.25	35.84	28.57
Erawan Japanese Restaurant Company Limited	0.03	0.07	0.73	1.64
Rimnam Chaophaya Company Limited	0.45	-	-	-

Significant balances and intercompany transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements. Investments in subsidiaries in the financial statements of the Company only was eliminated with the subsidiaries' shareholders' equity in preparing consolidated financial statements.

4. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with accounting standards pronounced by the Institute of Certified Accountants and Auditors of Thailand and in accordance with the Accounting Act B.E. 2543. The consolidated financial statements and financial statements of the Company only have been prepared on the basis of historical cost, with certain items, such as property, plant and equipment and leasehold rights, adjusted to reflect their reappraised value.

Significant accounting policies adopted by the Company and its subsidiaries are summarised below: -

4.1 Revenue and expense recognition

a) Revenue from hotel and restaurant operations

Revenue from hotel and restaurant operations mainly comprises room sales, food and beverage sales and revenues from auxiliary activities, and represents the invoiced value (excluding value added tax) of goods supplied and services rendered after deducting discounts and adding service charges.

b) Rental and services income

Rental and related services income from units in office buildings, residential buildings and shopping center are recognised on an accrual basis.

c) Revenue from sales

Sales are the invoiced value, excluding value added tax, of goods supplied and delivery after deducting discount and allowance.

d) Interest income is recognised on a time proportion basis, taking into account the effective rate of return on the principal, unless there is doubt as to collectibility.

e) Expenses are recognised on an accrual basis

4.2 Cash and cash equivalents

Cash and cash equivalents are cash on hand and deposits at financial institutions with an original maturity of three months or less since the deposit date and without restrictions.

4.3 Trade accounts receivable and allowance for doubtful accounts

Trade accounts receivable are stated at the net realisable value. Allowance for doubtful accounts is provided for on the basis of collection experience and payment ability of the accounts receivable at the end of the year, taking into account overdue balance of each debtor.

4.4 Inventories

Department store business

Inventories for sale are valued at the lower of cost and net realisable value.

Hotel business

Inventories are valued at cost, using the average method for two subsidiaries.

Restaurant business

Inventories are valued at the lower of cost (first-in, first-out method) and net realisable value.

Provision for obsolete stocks is made for damages and obsolete stock.

4.5 Property, plant and equipment/leasehold rights

Property, plant and equipment and leasehold rights are stated at cost less accumulated depreciation and provision for loss on impairment of fixed assets.

All subsidiaries initially recorded land, buildings and leasehold rights at cost at the acquisition date. Land, buildings and leasehold rights were however subsequently revalued by independent appraisers, to their fair values. Revaluations are to be made with sufficient regularity to ensure that their carrying amount does not differ materially from their fair value at the balance sheet date.

The differences arising from revaluation are dealt with in the financial statements of the subsidiaries as follows:

- When an asset's carrying amount is increased as a result of the revaluation of the subsidiaries, the increase is credited directly to equity under the heading of "Surplus from revaluation of land, buildings, and leasehold rights". The Company's proportional interest in the surplus from revaluation of the assets of the subsidiaries (based on the Company's equity holding in the subsidiaries) is presented under the caption of "Surplus from revaluation of land, buildings and leasehold rights of subsidiaries" in shareholders' equity in the balance sheet.
- When an asset's carrying amount is decreased as a result of the revaluation of the subsidiaries, the decrease is recognised as "Provision for loss on revaluation of fixed assets" in the earnings statement. However, a revaluation decrease is to be charged directly against the related "Surplus from revaluation of land, buildings and leasehold rights" to the extent that the decrease does not exceed the amount held in the revaluation surplus in respect of those same assets. Any excess amount is to be recognised as "Provision for loss on revaluation of fixed assets" in the earnings statement.

4.6 Depreciation and amortisation

Depreciation of plant, equipment and leasehold rights is calculated by reference to their costs or reappraised value on a straight-line basis over the following estimated useful lives: -

Buildings and improvements	20	-	40	years
Hotel equipment	5	-	10	years
Furniture fixture and equipment	5	-	10	years
Vehicles	5			years
Temporary sales office	3			years
Kitchenwares	3			years
Leasehold rights to land and building thereon and to buildings for rent	20	-	30	years
Leasehold rights to land, buildings and equipment	37	-	40	years

No depreciation has been provided for land and work in progress.

Depreciation on devalued assets is calculated on the straight-line method, based on the reappraised value of the fixed asset and its remaining useful life. Depreciation is included in determining earnings.

The amount of the surplus amortised is the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost. Amortisation is transferred to the earnings statement.

The cost of linen, crockery, glass, silver and kitchen utensils purchased to meet the normal requirements of the hotel operations have been regarded as a base stock and subsequent purchases are expended when incurred.

Deferred income has been amortised over the lease terms, which are 7-30 years.

4.7 Investments

Investments in subsidiary companies (in the financial statements of the Company only) and associated companies are stated under the equity method of accounting. Under this method, the investment is recorded at cost. For each subsequent year the investment is adjusted to incorporate the Company's proportionate share of the operating results in the subsidiary and associated companies.

Long-term investments in marketable equity securities, which the Company intends to hold as investments available-for-sale, are determined at fair value. Fair value is based on the latest bid price of the last working day of year quoted by the Stock Exchange of Thailand, or the net asset value of the unit trust at the balance sheet date. The Company and subsidiaries recognise changes in value of investments as a separate item under shareholders' equity in the balance sheet until the securities are sold, when the change is included in determining earnings.

Long-term investments in non-marketable securities which the Company and its subsidiary hold as other investments are valued at cost.

Loss on impairment (if any) of available-for-sale investment and other investments is recognised in the earnings statement.

The weighted average method is used for computation of the cost of investments.

4.8 Goodwill and negative goodwill

Goodwill which was incurred from the additional investments in subsidiaries being made at costs higher than the subsidiaries' net book value.

Negative goodwill which was incurred from the additional investments in subsidiaries being made at costs lower than the subsidiaries' net book value.

Goodwill and negative goodwill are amortised on a straight-line basis over 10 years.

4.9 Finance lease

The Company and subsidiaries recorded transportation equipment under finance leases as assets and liabilities in the balance sheets at amounts equal at the inception of the lease to the fair value of the leased property or, if lower, at the present value of the minimum lease payments. In calculating the present value of the minimum lease payments, the discount factor used is the interest rate implicit in the lease. The interest charge is recorded to periods during the lease term on the remaining balance of the liability for each period.

4.10 Capitalisation of interest costs

Interest costs on borrowings for use in projects construction are capitalised as part of the cost of the relevant assets. Capitalisation will cease when projects are completed or when construction is suspended, until active development resumes.

4.11 Foreign currencies

Foreign currency transactions during the year are translated into Baht at the rates of exchange ruling on the transaction dates. Assets and liabilities in foreign currency outstanding on the balance sheet date are translated into Baht at the rates ruling on the balance sheet date.

Exchange gains and losses are included in determining earnings.

4.12 Employee benefits

The Company and its subsidiaries and their employees have jointly established a provident fund as approved by the Ministry of Finance in accordance with the Provident Fund Act (B.E. 2530). The fund is contributed to by both employees and the Company and its subsidiaries at rates of between 3 - 10% of the employees' salaries, depending on length of service, and will be paid to employees upon termination in accordance with the rules of the fund.

The fund is managed by BFIT Securities Company Limited and The Siam Commercial Bank Public Company Limited.

4.13 Financial instruments

The Company and its subsidiaries have no policy to speculate in or engage in the trading of any financial derivative instruments.

Financial instruments carried in the balance sheet include cash and cash equivalents, trade accounts receivable, bank overdrafts, loans from financial institutions, and trade accounts payable. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

4.14 Earnings per share

The basic earnings per share is calculated by dividing the net earnings for the year by the weighted average number of ordinary shares and preference shares held by outside parties in issue during the year.

Diluted earnings per share is calculated by dividing net earnings for the year by the sum of the weighted average number of ordinary shares and preference shares in issue during the year and the weighted average number of ordinary shares which would need to be issued for the conversion of all dilutive potential ordinary shares to ordinary shares. The calculation assumes that the conversion took place either at the beginning of the year or on the date the potential ordinary shares were issued. The potential ordinary share of the Company is the stock options.

4.15 Use of accounting estimates

Preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates for certain accounting transactions, affecting amounts reported in the financial statements and notes related thereto. Subsequent actual results may differ from these estimates.

5. ACCOUNTING CHANGE

During the current year, the Company and its subsidiaries cancelled the adoption of their accounting policy regarding deferred income tax because the Accounting Standard regarding the income tax is not yet compulsory. In addition, most other companies in the same industry have not yet adopted such an accounting policy and therefore, cancellation of the policy will allow comparison of the financial statements of the Company and its subsidiaries with the financial statements of other companies in the same industry. The Company and its subsidiaries restated their prior year's financial statements, as though they had never adopted the deferred income tax accounting policy, with the change in accounting policy having the effect of increasing net earnings for the years 2003 and 2002 by Baht 74.2 million and Baht 45.1 million. The cumulative effects of the accounting change up to the beginnings of the years 2003 and 2002 was presented under the heading of "Cumulative effect of the change in accounting policy for deferred income tax" in the statements of changes in shareholders' equity.

6. CHANGE IN ACCOUNTING ESTIMATES

6.1 In 2002, a subsidiary changed the estimated useful life of hotel building and leasehold rights to land, from 27 years 11 months and 30 years to 37 years 11 months and 40 years, respectively. This is because under the conditions of the lease agreement, upon expiration it can be renewed for another twenty years, and a consulting company, which the subsidiary hired to determine the estimated useful life of the structure of the hotel building estimated such useful life to be 50 years, providing the subsidiary checks, repairs and maintains the building on a regular basis. This change in accounting estimate had the effect of increasing net earnings of the Company for the year ended 31 December 2002 by Baht 12.2 million (Baht 0.05 per share).

6.2 During the year, another subsidiary changed the estimated useful life of the hotel buildings on leased land from 27 years 3 months to 37 years 3 months. This is because the subsidiary is entitled to renew the lease agreement for another twenty years, and a consulting company, which the subsidiary hired to determine the estimated useful life of the structure of the hotel building estimated such useful life to be 50 years, providing the subsidiary checks, repairs and maintains the building on a regular basis. This change in accounting estimate has the effect of increasing net earnings of the Company for the year ended 31 December 2003 by Baht 19.4 million (Baht 0.08 per share).

7.TRADE ACCOUNTS RECEIVABLE

The aging of the outstanding balance of accounts receivable as at 31 December 2003 and 2002 are as follows: -

(Unit: Baht)

	CONSOLIDATED		THE COMPANY ONLY	
	2003	2002	2003	2002
Less than 3 months	73,338,082	90,155,224	5,090,273	5,265,466
3 - 6 months	1,120,762	1,695,297	215,780	239,405
6 - 12 months	280,748	2,525,208	140,725	-
More than 12 months	10,110,748	8,654,273	456,556	440,501
Total accounts receivable	84,850,340	103,030,002	5,903,334	5,945,372
Less: allowance for doubtful accounts	(4,916,322)	(7,823,294)	(153,166)	(153,166)
Trade accounts receivable - net	79,934,018	95,206,708	5,750,168	5,792,206

The trade accounts receivable classified by types of business are as follows: -

(Unit: Baht)

	CONSOLIDATED		THE COMPANY ONLY	
	2003	2002	2003	2002
Accounts receivable - Hotel	59,885,857	73,222,179	-	-
Accounts receivable - Real estate	24,930,185	24,613,526	5,903,334	5,945,372
Accounts receivable from sales	2,980	5,136,814	-	-
Accounts receivable - Restaurant	31,318	57,483	-	-
Total accounts receivable	84,850,340	103,030,002	5,903,334	5,945,372
Less: allowance for doubtful accounts	(4,916,322)	(7,823,294)	(153,166)	(153,166)
Trade accounts receivable - net	79,934,018	95,206,708	5,750,168	5,792,206

8. RELATED PARTY TRANSACTIONS

During the years, the Company had significant business transactions with its subsidiary, associated and related companies (related by way of common shareholders, directors and/or management). Such transactions, which have been concluded on the terms and bases determined by the Company and those companies, are summarised below: -

(Unit: Million Baht)

	CONSOLIDATED		Pricing policy
	2003	2002	
Transactions with related companies: -			
Rental and service income	48	74	Baht 208-382 per square meter per month depending on location
Management fee	65	70	10% of gross operating profit of hotel business (2002: 8% - 10% of gross operating profit of hotel business)
Royalty fee	37	39	1.5%, 2.5% of total revenues of hotel business
Commission expenses	29	35	4%, 5% of revenues from member guests of hotel business
Commission expenses	11	14	Certain amounts per reservation through agency
Land rental	11	11	Baht 11 million per annum
Service fee	13	13	1.5% of total revenues of hotel business
Service fee	13	13	Certain amounts per year per available room plus 1% of total xroom revenues
Service fee	2	3	Cost method
Interest expenses	1	1	12% per annum

(Unit: Million Baht)

	THE COMPANY ONLY		Pricing policy
	2003	2002	
Transactions with subsidiary companies			
Interest income	56	86	MLR, MLR + 0.5%, 5% per annum
Utilities income	4	13	Cost method
Dividend income	723	39	Baht 12.50 per share (2002: Baht 0.67 per share)
Rental and service expenses	7	8	Baht 250 per square meter per month
Utilities expenses	38	40	Cost method
Interest expenses	64	7	At the rate of 5% per annum (2002: at the rate of 3.9 - 5.0% per annum and MLR + 0.5% per annum)
Purchase investment in subsidiary	-	1,912	Baht 127.50 per share
Transactions with related companies			
Rental and service income	21	20	Baht 235 per square meter per month

The outstanding balances of the above transactions have been separately shown in the balance sheets as follows: -

(Unit: Baht)

	CONSOLIDATED		THE COMPANY ONLY	
	2003	2002	2003	2002
Trade accounts receivable - related parties: -				
Mitr Phol Sugar Co., Ltd.	219,744	274,996	-	-
Kiatnakin Finance Public Co., Ltd.	-	79,061	-	54,138
Tourianse Overseas (Thailand) Limited	279,158	765,609	-	-
Banpu Public Co., Ltd.	-	70,745	-	-
Chaitalay Hotel Co., Ltd.	1,222,572	472,959	-	-
JW Marriott Phuket Resort And Spa	1,794,348	4,540,856	-	-
MVCI (Thailand) Ltd.	1,580	1,363,424	-	-
Other companies	4,143,245	4,350,120	-	-
	7,660,647	11,917,770	-	54,138
Other receivable - subsidiary companies: -				
Amarin Development Ltd.	-	-	31,388	1,964
Makasan Real Estate Co., Ltd.	-	-	-	8,100
	-	-	31,388	10,064
Prepaid expenses - related party: -				
Amarin Development Ltd.	-	-	925,810	925,810
The Syndicate of Thai Hotels & Tourists Enterprises Ltd.	5,415,123	5,415,123	-	-
	5,415,123	5,415,123	925,810	925,810

(Unit: Baht)

	CONSOLIDATED		
	2003	2002	Interest policy
Short-term loan to a related company: -			
Tourianse Overseas (Thailand) Ltd.	1,165,209	-	At the rate of 0.5% per annum

(Unit: Baht)

	THE COMPANY ONLY		
	2003	2002	Interest policy
Long-term loans to and interest receivable from subsidiaries: -			
Amarin Development Ltd.	487,948,343	463,319,012	At the rate of MLR per annum
Makasan Real Estate Co., Ltd.	94,818,030	-	At the rate of MLR + 0.5% per annum
Honor Business Co., Ltd.	-	42,858,407	At the rate of MLR + 0.5% per annum
Hatawan Co., Ltd.	3,162,195	2,960,358	At the rate of MLR + 0.5% per annum
Mahadlekluang Real Estate Co., Ltd.	133,983,258	114,248,640	At the rate of MLR + 0.5% per annum
Ploenchit Real Estate Co., Ltd.	-	761,521,233	At the rate of 5.0% per annum
	719,911,826	1,384,907,650	

During the year, the movement transactions of long-term loans to and interest receivable from subsidiaries as follows: -

(Unit: Baht)

	2002	Increase	Decrease	2003
THE COMPANY ONLY				
Amarin Development Ltd.	463,319,012	102,280,015	(77,650,684)	487,948,343
Makasan Real Estate Co., Ltd.	-	94,818,030	-	94,818,030
Honor Business Co., Ltd.	42,858,407	1,696,038	(44,554,445)	-
Hatawan Co., Ltd.	2,960,358	201,837	-	3,162,195
Mahadlekluang Real Estate Co., Ltd.	114,248,640	67,134,246	(47,399,628)	133,983,258
Ploenchit Real Estate Co., Ltd.	761,521,233	348,866,879	(1,110,388,112)	-
	1,384,907,650	614,997,045	(1,279,992,869)	719,911,826
CONSOLIDATED				
Tourianse Oversea (Thailand) Ltd.	-	2,015,209	(850,000)	1,165,209

(Unit: Baht)

	CONSOLDIATED		THE COMPANY ONLY	
	2003	2002	2003	2002
Trade accounts payable - subsidiary companies				
Amarin Development Ltd.	-	-	6,112,245	7,081,374
Makasan Real Estate Co., Ltd.	-	-	97,698	87,472
Erawan Hotel Public Co., Ltd.	-	-	66,093	97,472
Ploenchit Real Estate Co., Ltd.	-	-	11,644	21,280
	-	-	6,287,680	7,287,598
Other payable - related parties: -				
Marriott Worldwide Corporation Group of Companies	11,268,686	12,811,217	-	-
Grand Hyatt Hotel Group of Companies	14,830,250	21,059,875	-	-
	26,098,936	33,871,092	-	-

(Unit: Baht)

	THE COMPANY ONLY		
	2003	2002	Interest policy
Short-term loans from a subsidiary: -			
Erawan Hotel Public Co., Ltd.	-	2,128,610,356	At the rate of 5.0% per annum
Long-term loans from related parties: -			
Makasan Real Estate Co., Ltd.	-	444,293,031	At the rate of 5.0% per annum
Ploenchit Real Estate Co., Ltd.	986,920,195	-	At the rate of 5.0% per annum
	986,920,195	444,293,031	

(Unit: Baht)

	CONSOLIDATED		
	2003	2002	Interest policy
Long-term loans from related parties: -			
Xray Investments Limited	-	16,006,549	At the rate of 12% per annum

During the year, the movement transactions of short-term loans from a subsidiary and long-term loans from related parties as follows: -

(Unit: Baht)

	2002	Increase	Decrease	2003
THE COMPANY ONLY				
Short-term loans from a subsidiary: -				
Erawan Hotel Public Co., Ltd.	2,128,610,356	155,667,755	(2,284,278,111)	-
Long-term loans from related parties: -				
Makasan Real Estate Co., Ltd.	444,293,031	275,274,485	(719,567,516)	-
Ploenchit Real Estate Co., Ltd.	-	986,920,195	-	986,920,195
	444,293,031	1,262,194,680	(719,567,516)	986,920,195
CONSOLIDATED				
Xray Investments Limited	16,006,549	552,881	(16,559,430)	-

9. INVENTORIES

(Unit: Baht)

	CONSOLIDATED	
	2003	2002
Inventories classified by types of business are as follows: -		
-Hotel business	40,169,349	37,283,525
-Department store business	123,805	136,037,992
-Restaurant business	-	1,449,445
	40,293,154	174,770,962
Less: Allowance for slow - moving and obsolete inventories	-	(5,932,709)
Inventories - net	40,293,154	168,838,253

A subsidiary (Amarin Development Limited) ceased its department store business operations in March and May 2003 resulting in a sharp decrease in inventories.

In addition, another subsidiary (Erawan Japanese Restaurant Co., Ltd.) has ceased its restaurant business operations in June 2003. As a result, the subsidiary has no restaurant business inventory as at 31 December 2003.

10. LAND LEASEHOLD RIGHT AND CONSTRUCTION IN PROGRESS

(Unit: Baht)

	CONSOLIDATED	
	2003	2002
Land leasehold right	13,737,000	-
Construction in process	2,424,186	-
Total	16,161,186	-

A subsidiary entered into an agreement to lease land from a foundation, under the terms of which the subsidiary agreed to pay Baht 13 million to such foundation. The subsidiary acquired these land leasehold rights for the purpose of land development and building construction.

11. INVESTMENTS IN SUBSIDIARY COMPANIES

(Unit: Baht)

Company's name	Nature of business	Type of relation	THE COMPANY ONLY As at 31 December 2003 Paid up capital	Percentage owned by the Company	Investment Cost method	Net equity method	Net equity method	Dividend
				Percent	Cost	Net investment	Provision for loss on investment	
Subsidiary companies								
Held by Amarin Plaza Public Company Limited								
Makasan Real Estate Co., Ltd.	Office Building Rental	Common shareholders and common directors	1,761,688,310	99.72	1,548,461,117	-	(161,195,744)	-
Erawan Hotel Public Company Limited	Hotel	Common shareholders and common directors	119,500,000	73.64	819,709,948	932,512,230	-	733,332,838
Hatawan Co., Ltd.	Land owner	Common shareholders and common directors	40,000,000	80.00	195,792,000	189,957,725	-	-
Mahadlekluang Real Estate Co., Ltd. (included equity in Rimnam Chaophaya Co., Ltd.)	Residential Building Rental	Common shareholders and common directors	30,000,000	99.99	31,291,348	94,619,620	-	-
Amarin Development Ltd. (included equity in Erawan Japanese Restaurant Co., Ltd.)	Office Building Rental/Department Store	Common shareholders and common directors	500,000,000	99.99	499,998,400	739,613,268	-	-
Ploenchit Real Estate Co., Ltd.	Hotel/Building Rental	Common shareholders and common directors	690,000,000	99.99	1,912,499,235	2,129,021,257	-	-
					5,007,752,048	4,085,724,100	(161,195,744)	722,916,175

(Unit: Baht)

Company's name	Nature of business	Type of relation	THE COMPANY ONLY As at 31 December 2003 (Restated) Paid up capital	Percentage owned by the Company	Investment Cost method	Net equity method		Dividend
				Percent	Cost	Net investment	Provision for loss on investment	
Subsidiary companies								
Held by Amarin Plaza Public Company Limited								
Makasan Real Estate Co., Ltd.	Office Building	Common shareholders						
	Rental	and common directors	1,761,688,310	97.72	1,548,461,117	-	(209,392,253)	-
Erawan Hotel Public Company Limited	Hotel	Common shareholders						
		and common directors	119,500,000	73.64	819,709,948	1,557,174,539	-	38,748,307
Hatawan Co., Ltd.	Land owner	Common shareholders						
		and common directors	40,000,000	80.00	195,792,000	190,115,753	-	-
Honor Business Co., Ltd.	Land owner	Common shareholders						
		and common directors	1,000,000	59.94	118,776,080	68,513,350	-	-
Mahadlekluang Real Estate Co., Ltd.	Residential	Common shareholders						
	Building Rental	and common directors	30,000,000	99.99	31,291,348	105,186,882	-	-
Amarin Development Ltd. (included equity in	Office Building							
Erawan Japanese Restaurant Co., Ltd.)	Rental/Department	Common shareholders						
	Store	and common directors	500,000,000	99.99	499,998,400	817,575,936	-	-
Ploenchit Real Estate Co., Ltd.	Hotel/Building	Common shareholders						
	Rental	and common directors	690,000,000	99.99	1,912,499,235	1,975,645,078	-	-
					5,126,528,128	4,714,211,538	(209,392,253)	38,748,307

On 13 March 2002, the Annual General Meeting No. 1/2545 of the shareholders of Erawan Hotel Public Company Limited, which is the Company's subsidiary, approved the payment of a dividend of Baht 0.67 per share to the shareholders of 79,666,667 ordinary shares, or a total of Baht 53.4 million, in respect of the 2001 earnings. The dividend was paid on 15 March 2002.

On 7 March 2003, the Annual General Meeting No. 1/2546 of the shareholders of such subsidiary approved the payment of a dividend of Baht 12.50 per share to the shareholders of 79,666,667 ordinary shares, or a total of Baht 995.8 million, in respect of the 2002 earnings. The dividend was paid on 21 March 2003.

On 29 April 2003, Mahadlekluang Real Estate Company Limited has invested in 29,994 ordinary shares of Rimnam Chaophaya Company Limited at a price of Baht 800 per share, paying a total of Baht 24 million. As a result of this transaction, the Company's indirect equity interest in the latter company is 99.99%.

On 20 June 2003, the Company entered into an agreement to sell its investment in 5,994 ordinary shares in Honor Business Company Limited at a price of Baht 16,764.62 per share, or a total of Baht 100.5 million. In addition, the Company agreed to move to have another shareholder of this subsidiary sell the remaining shares and its rights in loan obligations of the subsidiary to the purchaser. Under the terms of the agreement, the Company was to transfer the ownership of these shares and the loan to the purchaser on the date it receives the final installment, which was to be within 150 days after the date the agreement was executed. However, on 30 September 2003 the Company had received full payment for the shares and loans and transferred ownership of the shares and the loans to the purchaser.

12. INVESTMENTS IN ASSOCIATED COMPANIES

(Unit: Baht)

Company's name	Nature of business	Type of relation	CONSOLIDATED						
			Paid up capital	Percentage owned by the Company		Investment			
						Cost method		Equity method	
			Million Baht	2003	2002	2003	2002	2003	2002
				Percent	Percent				
Held by Amarin Development Limited									
Tourianse Overseas (Thailand) Ltd.	Restaurant	Common shareholders	5.0	25.00	25.00	-	-	-	-
Rajprasong Development Co., Ltd.	Service	Common shareholders and common directors	1.0	48.00	48.00	480,000	480,000	480,000	480,000
						480,000	480,000	480,000	480,000

During the year, the subsidiary did not record its shares in the operating result of these companies because it found that the amount was immaterial.

13. INVESTMENTS IN RELATED COMPANIES

(Unit: Baht)

	Equity interest		Consolidated	
	2003	2002	2003	2002
	Percent	Percent		
Related company				
The Asia Recovery 2 Fund	0.2	0.2	3,570,241	5,342,528
Add: allowance for change in value			685,486	702,838
Total investments in related company			4,255,727	6,045,366

(Unit: Baht)

	Equity interest		The Company Only	
	2003	2002	2003	2002
	Percent	Percent		
Related company				
The Asia Recovery 2 Fund	0.1	0.1	1,983,467	2,968,069
Add: allowance for change in value			428,429	439,274
Total investments in related company			2,411,896	3,407,343

14. PROPERTY, PLANT AND EQUIPMENT

(Unit: Baht)

	CONSOLIDATED						
	Assets which carried at reappraised value			Assets which carried at cost			
	Leasehold rights of land	Buildings and building improvements	Leasehold rights of buildings	Leasehold rights of buildings	Equipment, furniture and fixture	Others	Total
Cost / Reappraised value: -							
31 December 2002	1,292,643,746	8,439,873,186	323,835,492	39,744,375	1,031,667,144	79,297,624	11,207,061,567
Purchases	296,401,500	731,393,842	-	-	83,059,993	105,347,238	1,216,202,573
Transferred in (out)	-	40,279,145	-	-	15,790,138	(56,069,283)	-
Disposals	(201,779,849)	(882,775,257)	-	-	(1,786,935)	(8,055,655)	(1,094,397,696)
31 December 2003	1,387,265,397	8,328,770,916	323,835,492	39,744,375	1,128,730,340	120,519,924	11,328,866,444
Accumulated depreciation: -							
31 December 2002	414,738,218	2,914,103,628	169,752,571	19,451,167	638,684,189	15,691,837	4,172,421,610
Depreciation for the year	25,154,337	152,165,904	4,543,136	1,703,923	60,233,103	10,166,510	253,966,913
Depreciation for revaluation	12,626,327	91,123,484	6,081,127	-	-	-	109,830,938
Accumulated depreciation for adjustment	(58)	295,123	-	-	(28)	-	295,037
Depreciation for disposals	(59,780,752)	(222,109,440)	-	-	(1,267,001)	(3,347,947)	(286,505,140)
31 December 2003	392,738,072	2,935,578,699	180,376,834	21,155,090	697,650,263	22,510,400	4,250,009,358
Net book value: -							
31 December 2003							7,078,857,086
Eliminated							(48,480,342)
							7,030,376,744
31 December 2002							7,034,639,957
Depreciation charge included in earnings statement for the year: -							
2003							253,966,913
Eliminated							(941,213)
							253,025,700
2002							310,131,931
Net book value (presented at cost): -							
31 December 2003	758,218,445	3,439,862,564	61,363,448				
31 December 2002	714,043,846	3,721,423,059	65,906,584				

(Unit: Baht)

	THE COMPANY ONLY				
	Building and building improvements	Leasehold right of building	Equipment, furniture and fixture	Others	Total
Cost: -					
31 December 2002	11,228,674	39,744,375	12,450,434	11,363,403	74,786,886
Purchases	79,500	-	2,329,804	3,742,620	6,151,924
Transfer in (out)	1,979,640	-	-	(1,979,640)	-
Disposals	-	-	(42,767)	(7,694,003)	(7,736,770)
31 December 2003	13,287,814	39,744,375	14,737,471	5,432,380	73,202,040
Accumulated depreciation: -					
31 December 2002	11,147,553	19,451,167	8,500,086	5,667,670	44,766,476
Depreciation for the year	201,210	1,703,923	1,158,361	919,623	3,983,117
Depreciation for disposals	-	-	(42,766)	(3,301,948)	(3,344,714)
31 December 2003	11,348,763	21,155,090	9,615,681	3,285,345	45,404,879
Net book value: -					
31 December 2003	1,939,051	18,589,285	5,121,790	2,147,035	27,797,161
31 December 2002	81,121	20,293,208	3,950,348	5,695,733	30,020,410
Depreciation charge included in earnings statement for the year: -					
2003					3,983,117
2002					3,517,501

As at 31 December 2003, certain plant and equipment items of the Company and its subsidiaries have been fully depreciated but are still in use. The original cost, before deducting accumulated depreciation, of those assets amounted to Baht 579.8 million (the Company only: Baht 20.7 million) (2002: Baht 545.4 million (the Company only: Baht 22.4 million)).

A part of "Fixed assets - others" consists of motor vehicles of the Company and two subsidiaries of which are under finance lease agreements with leasing companies. Their net book value as at 31 December 2003 is Baht 28.3 million (the Company only: Baht 1.9 million) (2002: Baht 36.7 million (the Company only: Baht 1.0 million)).

On 25 September 2002, Makasan Real Estate Company Limited, a subsidiary, entered into a purchase and sale agreement with a property fund. Under the terms of the agreement, the subsidiary will sell the land on which Grand Amarin Tower is located, and the building and equipment thereon, at a price of Baht 920 million. The purchaser paid 10% of the selling price on the agreement execution date and paid the remaining 90% on the date ownership of the assets is transferred. However, as at 30 September 2002, the management of the subsidiary had compared the recoverable value of the assets with their net book value and found that it was approximately Baht 74.6 million lower. The subsidiary had recorded such lower amount as an impairment loss in the earnings statement for the period ended 30 September 2002. On 1 October 2002, the subsidiary transferred ownership of the assets to the purchaser, and had recorded this fixed asset disposal in October 2002.

During the year 2003, a subsidiary (Ploenchit Real Estate Company Limited) hired independent appraisers to reappraise the value of the leasehold rights to land and office building. The subsidiary's revaluation was conducted using the discounted cash flow approach and applying discounts of 7-8 percent per annum. The appraised value, based on the report of independent appraisers, was higher than the net book value of above fixed assets amounting to Baht 26.7 million. However, impairment of the value of these fixed assets had previously been recognised as provision for loss on revaluation of fixed assets. The subsidiary, therefore, recognised the excess of reappraised value over net book value as "Reversal of impairment loss" in the earnings statements.

The subsidiaries have mortgaged most of their leasehold land and the construction thereon with banks to secure the loans. In addition, a subsidiary has assigned its leasehold rights to land and building thereon to a local bank to secure long-term loans. The beneficiary rights under the insurance policies for the leased building are also assigned to the lessor. Moreover, during the current year, the subsidiaries pledged certain of their machinery and equipment and transferred the related beneficiary rights under insurance policies to the financial institutions to secure the loans.

15. LAND AWAITING DEVELOPMENT

(Unit: Baht)

	CONSOLIDATED
Reappraised value: -	
31 December 2002	413,800,000
Decrease from sale of a subsidiary	(173,200,000)
31 December 2003	240,600,000
Net book value (presented at cost): -	
31 December 2003	40,023,631
31 December 2002	58,679,631

A subsidiary has mortgaged its land, which has a net book value of Baht 240.6 million, with a bank to secure the loans of the Company.

16. INTANGIBLE ASSETS

(Unit: Baht)

	CONSOLIDATED			
	Copyright	Goodwill	Negative goodwill	Total
Cost: -				
31 December 2002 (Restated)	27,109,731	68,445,505	(98,317,407)	(2,762,171)
Purchases	2,497,468	22,315,595	-	24,813,063
31 December 2003	29,607,199	90,761,100	(98,317,407)	22,050,892
Accumulated amortisation: -				
31 December 2002 (Restated)	9,438,037	-	(17,494,922)	(8,056,885)
Amortisation for the year	2,885,160	9,538,049	(9,831,741)	2,591,468
31 December 2003	12,323,197	9,538,049	(27,326,663)	(5,465,417)
Net book value: -				
31 December 2003	17,284,002	81,223,051	(70,990,744)	27,516,309
31 December 2002 (Restated)	17,671,694	68,445,505	(80,822,485)	5,294,714
Amortisation charge included in earnings statement for the year: -				
2003				2,591,468
2002 (Restated)				(3,798,049)

(Unit: Baht)

	THE COMPANY ONLY
	Copyright
Cost: -	
31 December 2002	9,472,705
Purchases	416,180
31 December 2003	9,888,885
Accumulated amortisation: -	
31 December 2002	3,719,378
Amortisation for the year	959,975
31 December 2003	4,679,353
Net book value: -	
31 December 2003	5,209,532
31 December 2002	5,753,327
Amortisation charge included in earnings statement for the year: -	
2003	959,975
2002	805,410

17. SURPLUS FROM REVALUATION OF LAND, BUILDINGS AND LEASEHOLD RIGHTS OF SUBSIDIARIES

(Unit: Baht)

	2003	2002
Balance - beginning of year	1,681,557,872	1,786,091,550
Disposals during the year	-	(18,609,694)
Amortisation (based on the proportion of the subsidiaries' equity held by the Company)	(83,760,758)	(85,923,984)
Balance - end of year	1,597,797,114	1,681,557,872

The revaluation surplus can neither be offset against retained deficit nor used for dividend payment.

18. WITHHOLDING TAX DEDUCTED AT SOURCE

As at 31 December 2003 and 2002, the Company and its subsidiaries have the following amounts of withholding tax deducted at source in each year: -

(Unit: Million Baht)

	CONSOLIDATED		THE COMPANY ONLY	
Year	2003	2002	2003	2002
1994 - 2000	35.78	60.15	11.08	11.08
2001	14.61	14.61	3.19	3.19
2002	24.71	24.71	5.47	5.47
2003	23.92	-	3.77	-
	99.02	99.47	23.51	19.74
Less: Provision for non-refundable	(27.76)	(34.39)	(11.08)	(9.47)
	71.26	65.08	12.43	10.27
Less: Refundable within one year	-	(9.61)	-	-
Net	71.26	55.47	12.43	10.27

The Company and its subsidiaries regard withholding tax deducted at source as an asset since they have the right to claim a tax refund. In 2002, a subsidiary applied to the Revenue Department to refund a total of Baht 34.86 million in relation to the 1998 - 2001 tax years. In October 2003, the subsidiary received a tax refund amounting to Baht 10.41 million. Moreover, another subsidiary received a tax refund which applied to refund in 2000 amounting to Baht 9.61 million in January 2003.

19. BANK OVERDRAFTS AND SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

As at 31 December 2003, short-term loans of the Company and its subsidiary consist of Baht 476 million in loans from a local bank which are payable in February 2004 and carry interest at 2.75 - 2.80% per annum.

As at 31 December 2002, short-term loans of the Company and its subsidiary consist of Baht 198 million in loan from a local bank which are payable in February 2003 and carry interest at 3.25% per annum. A subsidiary has issued Baht 290 million in bills of exchange which were purchased by the Social Security Fund, open-end mutual funds and other provident funds at discounts of 2.85 - 3.00% on the face value and are repayable in February 2003.

The subsidiaries have mortgaged most of their freehold and leasehold land, and the constructions thereon, with banks to secure bank overdrafts and short-term loans of the Company and its subsidiaries. Besides, bank overdrafts and short-term loans of the Company are guaranteed by a subsidiary.

20. LIABILITIES UNDER FINANCE LEASE AGREEMENTS

(Unit: Baht)

	CONSOLIDATED		THE COMPANY ONLY	
	2003	2002	2003	2002
Liabilities under finance lease agreements	36,299,195	44,896,949	2,032,725	1,087,749
Less: Deferred interest expenses	(3,731,627)	(5,987,383)	(204,499)	(134,408)
	32,567,568	38,909,566	1,828,226	953,341
Liabilities under finance lease agreements	(11,229,596)	(10,916,440)	(559,316)	(246,160)
Liabilities under finance lease agreements - net of current portion	21,337,972	27,993,126	1,268,910	707,181

The Company and two subsidiaries have entered into finance lease agreements with leasing companies to lease motor vehicles for operation and committed to pay rental fee on a monthly basis since September 2001 for a period of 4 years.

21. LONG-TERM LOANS

During the year, the Company and its subsidiaries made normal long-term loans repayments in accordance with the conditions stipulated in the debts restructuring agreements. Moreover, the Company and its subsidiaries have repaid part of the loans prior to maturity, with such action already consented to by the lenders.

(Unit: Baht)

	CONSOLIDATED		THE COMPANY ONLY	
	2003	2002	2003	2002
The subsidiary companies				
21.1 Baht loan				
Credit line no. 1, at MLR, repayable within 30 December 2008.	5,000,000	5,000,000	-	-
Credit line no. 2, interest free, repayable within 31 March 2009.	32,780,821	32,780,821	-	-
21.2 Baht loan, carrying interest at 3.5 percent per annum. Principal and interest are repayable in monthly installments of Baht 0.85 million per month from October 2003 to December 2006. The remaining amount of loan is then to be repaid within January 2007.	29,639,192	-	-	-
21.3 Baht loan, carrying interest at 6.5 percent per annum until October 2002, at 4.75 percent per annum from November 2002 to October 2004, and after that at the average MLR of two commercial banks. Repayable in semi-annual installments of Baht 50 million per installment from June 2002 to December 2006	700,000,000	1,700,000,000	-	-

(Unit: Baht)

		CONSOLIDATED		THE COMPANY ONLY	
		2003	2002	2003	2002
21.4	Baht loan, carrying interest at 3.5 percent per annum. Principal and interest are repayable in monthly installments of Baht 0.40 million per month from October 2003 to December 2006. The remaining amount of the loan is then to be repaid within January 2007.	13,866,406	-	-	-
21.5	Baht loan, carrying interest at 6.5 percent per annum until October 2002, at 4.75 percent per annum from November 2002 to October 2004, and after that at the average MLR of two commercial banks. Repayable in semi- annual installments of Baht 50 million per installment from June 2002 to December 2006	-	900,000,000	-	-
21.6	Baht loan, carry interest at the rate of 3.5 percent per annum until September 2006 and after that at the lower of the average 12 month fixed deposit rate plus 2.5 percent per annum or the average MLR minus 1.5 percent per annum. Repayable in semi-annual installments of Baht 70 - 80 million, from March 2005 to March 2008, with the remainder of the loan to be repaid within September 2008	2,000,000,000	-	-	-
	Total long-term loans	2,781,286,419	2,637,780,821	-	-
	Less: Current portion of long-term loans	(113,696,049)	(200,000,000)	-	-
	Net	2,667,590,370	2,437,780,821	-	-

Most of the long-term loan balance is secured by the mortgage of most of the land, leasehold rights and buildings thereon belonging to the subsidiaries and the pledging of certain machinery and equipment of the subsidiaries, with part of the balance secured by the guarantees of the Company. Other security was provided by the subsidiaries' assignment of beneficiary rights under insurance policies to the lenders.

Most loan agreements contain certain covenants and restrictions imposed by the lenders regarding, among other things, the proportion of shareholding of the major shareholders, changes in management, guarantees to loans or aval to promissory notes of any other persons or other companies, dividend payments, merger or consolidation with any other companies, and maintenance of certain financial ratios.

22. DEFERRED INCOME

(Unit: Baht)

	CONSOLIDATED	
	2003	2002
Leasehold rights - building, service and equipment		
- third parties	299,934,484	299,934,484
Less: Accumulated amortisation	(176,517,069)	(165,573,911)
Net book value	123,417,415	134,360,573
Amortised to income for the year	10,943,158	22,716,431

23. SHARE CAPITAL

By a resolution passed by the Annual General Meeting of the shareholders on 30 April 2001, the Company was authorised to decrease its registered share capital from Baht 2,722.68 million to Baht 2,611.75 million through the cancellation of 11.09 million unissued ordinary shares and also authorised to increase registered share capital by Baht 10 million, from Baht 2,611.75 million to Baht 2,621.75 million through the issue of 1 million additional ordinary shares, with a par value of Baht 10 each, be reserved for the exercise of the share-purchase rights of the Chief Executive Officer in accordance with his employment agreement. The conditions and term of this exercise are as follows: -

(1) The right to purchase 0.33 million shares between 4 December 2001 until 3 December 2002 at Baht 10 per share.

(2) The right to purchase 0.33 million shares between 4 December 2002 until 3 December 2003 at Baht 10 per share.

(3) The right to purchase 0.34 million shares on 4 December 2003 or thereafter at Baht 10 per share.

The rights will terminate and have no further force or effect, if the employment of the CEO is terminated for any reason or if the rights are not exercised within the stated available period. The Company registered the decrease and increase of its share capital with the Ministry of Commerce on 2 July 2001 and 3 July 2001, respectively.

A resolution of the Annual General Meeting of the shareholders of the Company held on 22 April 2002 authorised the following plan:-

a) Offset a total of Baht 1,059.7 million of the deficit of the Company as at 31 December 2001 against the legal reserve and share premium as at 31 December 2001.

b) Reduce the Company's share capital from Baht 2,621.7 million to Baht 1,573.0 million by decreasing the par value of the shares from Baht 10 to Baht 6 per share. Reduce the paid-up shares from Baht 2,411.7 million to Baht 1,447.0 million.

c) Offset the Baht 964.7 million reduction in share capital arising from b) against the remaining deficit.

The above steps are in accordance with the Public Limited Companies Act No. 2, dated 23 June 2001 and will enable the Company to sooner pay dividend to shareholders. They have already been implemented. The Company registered the reduction of its share capital with the Ministry of Commerce on 9 July 2002. Therefore, the Company's registered and paid-up share capital are Baht 1,573.0 million, and Baht 1,447.0 million, respectively.

On 3 December 2002, the Company received additional share capital totalling Baht 3.30 million as a result of the exercise of the share options of the Chief Executive Officer, as discussed in (1), from the offer of 0.33 million shares at Baht 10 per share. The additional shares were issued at above par value, resulting in a Baht 1.32 million share premium. The Company registered the increase of its paid-up share capital to Baht 1,449.03 million with the Ministry of Commerce on 23 December 2002.

On 3 and 4 December 2003, the Company received additional share capital totalling Baht 6.70 million as a result of the exercise of the share options of the Chief Executive Officer, as discussed in (2) and (3), from the offer of 0.67 million shares at Baht 10 per share. The additional shares were issued at above par value, resulting in a Baht 2.68 million share premium. The Company registered the increase of its paid-up share capital to Baht 1,453.05 million with the Ministry of Commerce on 17 December 2003.

Reconciliation of number of preference shares and ordinary shares

(Unit: Shares)

	For the years ended 31 December	
	2003	**2002**
Registered share capital		
Preference shares		
Number of preference shares at the beginning of year	88,907,389	88,907,389
Number of preference shares at the end of year	88,907,389	88,907,389
Ordinary shares		
Number of ordinary shares at the beginning of year	173,267,279	173,267,279
Number of ordinary shares at the end of year	173,267,279	173,267,279
	262,174,668	262,174,668
Issued and paid-up share capital		
Preference shares		
Number of preference shares at the beginning of year	88,907,389	88,907,389
Number of preference shares at the end of year	88,907,389	88,907,389
Ordinary shares		
Number of ordinary shares at the beginning of year	152,597,279	152,267,279
Increase in share capital	670,000	330,000
Number of ordinary shares at the end of year	153,267,279	152,597,279
	242,174,668	241,504,668

24. STATUTORY RESERVE

According to the Public Limited Companies Act B.E. 2535 under section 116, the Company and its subsidiary company are required to set aside a statutory reserve of at least 5% of its net profit after deducting accumulated deficit brought forward (if any) until the reserve reaches 10% of its registered share capital. The statutory reserve is not available for dividend distribution.

25. INCOME TAX

Corporate income tax of the Company has been calculated at the rate of 25 percent on net earnings, after adding back certain expenses which are disallowable for tax purposes, and deducting dividend income, which is exempted from income tax under Section 65 bis (10) of the Revenue Code and tax loss brought forward from previous year. The tax rate applied is in compliance with the provisions of Royal Decree 387 (B.E. 2544) dated 28 August 2001, issued under the Revenue Code, regarding the reduction of income tax rates.

Corporate income tax of the subsidiaries has been calculated at the rate of 30 percent on net earnings, after adding back certain expenses which are disallowable for the tax purposes, and deducting dividend income, which is exempted from income tax under Section 65 bis (10) of the Revenue Code and tax loss brought forward from previous year.

26. RECONCILIATION OF DILUTED EARNINGS PER SHARE

No calculation of diluted earnings per share has been made for the year ended 31 December 2003 since the only exercise of share options in the current year was that of the Chief Executive Officer. The increase in the number of ordinary shares as a result of such conversion has been included in the calculation of weighted average number of share for determining basic earnings per share.

Diluted earnings per share for the year ended 31 December 2002 are calculated as follow: -

	2002 (Restated)		
	Net earnings (Thousand Baht)	Weighted average number of ordinary shares (Thousand shares)	Earnings per share (Baht)
Basic earnings per share			
Net earnings	112,702	241,201	0.47
Effect of dilutive potential ordinary shares			
Stock options for CEO to purchase 670,000 shares at an exercise price of Baht 10 per share		146	
Diluted earnings per share			
Net earnings of ordinary shareholders assuming the conversion of stock options of CEO	112,702	241,347	0.47

27. EMPLOYEES AND RELATED COSTS

	CONSOLIDATED		THE COMPANY ONLY	
	2003	2002	2003	2002
Number of employees at the end of year	1,513	1,683	64	63
Employee costs for the year (Thousand Baht)	420,867	433,521	36,830	34,865

28. PROVIDENT FUND

During the year 2003, the Company and the subsidiaries have contributed a total of Baht 14.0 million (2002: Baht 12.1 million) to the fund.

29. COMMITMENTS

As at 31 December 2003, the Company and its subsidiaries had the following outstanding commitments and contingent liabilities: -

Commitments with related parties

29.1 The Company has entered into lease agreements with its subsidiary for lease of building space and equipment for a period of 26 years and 7 months commencing as from 1 May 1988. The rental fee under the lease agreements is approximately Baht 2.8 million per annum.

29.2 As at 31 December 2002, a subsidiary had commitments of approximately Baht 2.1 million in respect of a consultant service agreement with another subsidiary.

29.3 As at 31 December 2002, a subsidiary had commitment of approximately Baht 4.0 million in respect of public service and utility agreement with the Company.

29.4 As at 31 December 2002, a subsidiary had commitment of approximately Baht 13.8 million in respect of building space and equipment agreement with another subsidiary.

Commitments with third parties

29.5 The Company has issued letters of guarantees to banks to secure loans granted to three subsidiaries totaling approximately Baht 198.7 million (2002: Baht 57.5 million).

29.6 The subsidiaries have issued letters of guarantees to local banks and financial institutions to guarantee bank overdraft facilities, letters of guarantees, and loans of the Company totaling approximately Baht 297.0 million (2002: Baht 40.0 million). These guaranteed loans are included as liabilities in the balance sheets.

29.7 The Company has commitments of approximately Baht 9.4 million (2002: Baht 8.6 million) in respect of sub-lease agreement with third party.

29.8 The Company and the subsidiaries have commitments of approximately Baht 36.4 million (2002: Baht 9.3 million) the Company only: Baht 16.6 million (2002: Baht 0.8 million) in respect of maintenance service agreements.

29.9 The subsidiaries have commitments of approximately Baht 209.0 million (2002: Baht 31.4 million) in respect of interior design agreements.

29.10 The Company and its subsidiaries have commitments of approximately Baht 38.4 million (2002: Baht 78.5 million (the Company only: Baht 40.0 million)) arising from outstanding bank guarantees issued by banks on behalf of the Company and its subsidiaries in respect of certain performance bonds required in the ordinary course of business of the Company and its subsidiaries.

30. LONG-TERM AGREEMENTS

The Company and certain subsidiaries have entered into the following long-term lease agreements with third parties, local companies, overseas companies, and Government organizations: -

30.1 A subsidiary entered into a building lease agreement with a Government organization covering a term of thirty years, commencing 1 July 1987. The subsidiary has to pay monthly rental with the rate for each year specified in the agreement.

30.2 On 1 April 1982, a subsidiary entered into a reciprocal land lease agreement with a local company for a term of 30 years, to build structures thereon and to seek benefit from project management. Under the terms of the agreement and the addendum, the ownership of all structures on the leased land is to be transferred to this local company upon the expiration of the agreement. In consideration of this, the subsidiary agrees to pay a total of Baht 61.2 million in leasehold rights, together with special remuneration of 25.2% of the income arising from the use of buildings on the leased land from the 21st to the 30th year of the lease agreement. The subsidiary has already paid for the leasehold rights in full.

30.3 A subsidiary has an agreement with a related company to lease land for a term of thirty years up to the year 2022, renewable for another twenty years. The subsidiary is to pay land rental charges of Baht 10.9 million per annum, and the land rental charge may be adjusted every ten years. Upon the expiration of the agreement, the ownership of buildings and building improvements on the leased land, including equipment, furniture and tools necessary for hotel operations, will be transferred to the lessor.

30.4 A subsidiary entered into a lease agreement for the leasehold rights to land on which its hotel building is situated from the lessor. Ownership of all structures constructed on the leased land, including that of equipment, furniture and tools which are vital to the project's operation, will be transferred to the lessor upon the termination of the agreements. The subsidiary is to pay land rental charges of Baht 6.7 million per year and the land rental charge may be adjusted every ten years. The term of the leases is a period of 30 years up to the year 2025. Under the terms of the lease agreement, the subsidiary shall assume obligation to pay the following leasehold rights and deposits for rental:

1. Leasehold rights amounting to Baht 180 million. The subsidiary will pay this amount within the 30th year of the lease and is recorded as part of "Accounts payable for leasehold rights" in the consolidated balance sheets.
2. Deposits for rental amounting to Baht 90 million. The subsidiary has made the full payment of the deposits, which will be refunded in the 30th year and are presented as part of "Other assets" in the consolidated balance sheets.

As at 24 December 2002, the subsidiary entered into an agreement to lease the land on which the hotel building is located for extend the period of agreement which allows the lessee to extend the term of the lease upon expiration of the agreement. The subsidiary was granted an extension of the term of the lease by 20 years as from 24 January 2025 to 23 January 2045 and is to pay rental of Baht 216.1 million, which has already been paid to the lessor.

In addition to the above mentioned rental, the subsidiary also has a commitment to make the following rental payments: -

- Rental from 2025 to 2034 at the greater of Baht 44.7 million per annum or an amount determined based on an average of the consumer price index of Thailand.
- Rental from 2035 to 2045 at the greater of Baht 89.4 million per annum or an amount determined based on an average of the consumer price index of Thailand.

30.5 A subsidiary (Ploenchit Real Estate Company Limited) entered into a lease agreement with a lessor for the leasehold rights to the land on which its office building is situated. Ownership of all structures constructed on the leased land, including equipment, furniture and tools which are vital to the project's operation, will be transferred to the lessor upon the termination of the agreement. The term of the lease is a period of 30 years, and under the conditions of the lease, the subsidiary is to pay Baht 180 million for the leasehold rights to the land within the 30th year of the lease, and pay land rental deposits amounting to Baht 90 million, which are to be repaid to the subsidiary within the 30th year of the lease.

However, the subsidiary transferred the leasehold rights to the land on which its office building is situated to another subsidiary (Makasan Real Estate Company Limited) during the year. As a result, the other subsidiary has an obligation to pay land rental charges of Baht 7.8 million per year and the land rental charge may be adjusted every ten years and has to pay the compensation amounting to Baht 180 million to the lessor for the leasehold rights, within the 30th year of the lease, and this is recorded as part of "Accounts payable for leasehold rights" in the consolidated balance sheets. In addition, the other subsidiary will be refunded deposits for rental amounting to Baht 90 million in the 30th year from the lessor.

30.6 On 24 February 1988, a subsidiary entered into agreements with various companies in the Hyatt International Corporation Limited Group (HYATT) whereby HYATT will provide necessary hotel construction and management services to the subsidiary. Under the terms of the agreements, the subsidiary is committed to pay a management fee, license fee, and a share of marketing expenses to HYATT, at the rates indicated in the agreements. The term of the management agreement is for twenty years, counting from commencement of hotel operations, to be extended for a year of at least 10 years, dependent upon certain conditions specific in the agreement.

30.7 On 3 February 1994, a subsidiary entered into an agreement with Marriott Worldwide Corporation Group (Marriott) to appoint the Marriott as management of the subsidiary's hotel. The subsidiary also made agreements with Marriott relating to construction and the hotel operations. Under the terms of the agreements, the subsidiary is committed to pay remuneration to Marriott at the rates, terms and basis specified in the agreements. The term of the hotel management agreement is for twenty years, counting from commencement of hotel operations, to be extended for a year of at least 10 years, dependent upon certain conditions specified in the agreement.

30.8 On 3 January 2001, a subsidiary entered into a consulting service agreement with Gaysorn Realty Company Limited (Gaysorn Realty) for a term of 13 years and 11 months up to the year 2014. Under the terms of the agreement, Gaysorn Realty will provide consulting services relating to marketing and building development in the real estate business. In consideration of this, the subsidiary agrees to pay a total of Baht 21.4 million, and such payment has already been made in full to Gaysorn Realty.

As at 31 December 2003, the balance of this prepayment for consulting services amounting to approximately Baht 16.0 million, is included in "Other assets" in the consolidated balance sheets.

30.9 On 27 April 2001, a subsidiary entered into a consulting service agreement with Rajprasong Retail Company Limited (Rajprasong Retail) for a term of 12 years and 8 months up to the year 2013. Under the terms of the agreement, Rajprasong Retail will provide consulting services relating to marketing and building improvement for the retail and department store businesses. In consideration of this, the subsidiary agrees to pay a total of Baht 13 million, and such payment has already been made in full to Rajprasong Retail. However, on 1 June 2003, the subsidiary signed a memorandum of such consulting service agreement regarding changes in details of services from provision of consulting services relating to marketing and building improvement for the retail and department store businesses to provide consulting services relating to marketing and building improvement for the Amarin Plaza building and Erawan Bangkok project, which is located at Erawan Hotel.

As at 31 December 2003, the balance of the consulting service amounting to Baht 9.6 million, is included in "Other assets" in the consolidated balance sheets.

30.10 In February 2002, the Company entered into land sub-lease agreements with two unrelated parties covering a period of 3 years up to the year 2005. The agreements can be renewable upon its termination and the rental charge will be increased by 10% of the latest rental payment. Under the terms of the agreements, the Company is committed to pay the rental charge at the rates and in accordance with the conditions stipulated indicated in the agreements.

30.11 On 1 April 2002, a subsidiary entered into a land lease agreement with an unrelated party for periods of 22 years and 10 months up to the year 2025. Under the agreement, the subsidiary agrees to pay rental totaling Baht 32.8 million, in three installments. The subsidiary has already paid the first and second installments of Baht 23.2 million and the remaining Baht 9.6 million will be repay in 2025. In addition, the subsidiary is to pay a land rental charge of Baht 0.8 million per annum for the first four years, and such charge is then to be adjusted every ten years. Upon the expiration of the agreement, the ownership of all structures erected on the leased land, together with equipment, furniture and tools which are vital to the operation, are to be transferred to the lessor.

30.12 On 28 January 2002, a subsidiary entered into a land lease agreement with an unrelated party covering a term of five years up to the year 2007, renewable for another three years, with the land rental charge to be increased by no more than 20%. Under the terms of the agreement, the subsidiary is to pay rental charge of Baht 63,000 per month.

30.13 On 14 June 2002, a subsidiary entered into a car parking area lease agreement with Ploen Damri Company Limited covering a period of 1 year, commencing 15 July 2002. Under the terms of the agreement, the subsidiary is to pay rental charges of Baht 246,000 per month. The agreement is renewable on an annual basis upon its termination. In this regard, the subsidiary will have to give notice of its intention in writing to the lessor at least 120 days in advance and the rental charges will be adjusted depending on the increase in the consumer price index rate announced by the public authorities. During the year 2003, the subsidiary signed a memorandum of understanding with the lessor regarding the extension of the rental period, of which the renewable term is six and a half months up to 31 January 2004 using the terms and conditions of the above agreement.

30.14 On 24 September 2003, the Company entered into land sub-lease agreements with two unrelated parties covering a period of 3 years up to the year 2006. The agreements can be renewable upon its termination and the rental charge will be increased by 10% of the latest rental payment. Under the terms of the agreements, the Company is committed to pay the rental charge at the rates and in accordance with the conditions stipulated indicated in the agreements.

30.15 A subsidiary entered into an agreement to lease land from a foundation for the purpose of land development and building construction. Under the terms of the agreement, the subsidiary is to pay rental charges of Baht 100,000 per month commencing 1 November 2004, and the rental charge may be adjusted every ten years. The term of the lease is a period of 30 years up to the year 2034. The agreement is renewable upon its termination. In this regard, the subsidiary will have to give notice of its intention in writing to the lessor at least 1 year, and not more than 2 years in advance. Ownership of buildings and all structures constructed on the leased land will be transferred to the lessor upon the termination of the agreement.

31. FINANCIAL INSTRUMENTS

31.1 Credit Risk

The Company and its subsidiaries are exposed to credit risk primarily with respect to trade accounts receivable from the hotel, office building and shopping center space rental, real estate, and department store businesses. However, due to the large number and diversity of the entities comprising the Company and its subsidiaries' customer base, the Company and its subsidiaries do not anticipate material losses from debt collection.

31.2 Interest rate risk

The interest rate risk is the risk that future movements in market interest rates will affect the results of the Company and its subsidiaries' operations and their cash flows. The Company and its subsidiaries' exposure to interest rate risk relates primarily to their deposits with financial institutions, bank overdrafts and loans. The Company and its subsidiaries do not use derivative financial instruments to hedge such risk.

(Unit: Million Baht)

	CONSOLIDATED 31 December 2003			
	Floating rate	Fixed rate	Non-interest	Total
Financial assets/liabilities				
Cash and cash equivalents	353.6	-	11.1	364.7
Pledged fixed deposits at financial institutions	-	0.2	-	0.2
Bank overdrafts and short-term loans from financial institutions	3.2	476.0	-	479.2

The fixed interest rates on financial instruments held as of 31 December 2003 and the period of time from the balance sheet date to their maturity dates are as follows: -

(Unit: Million Baht)

	CONSOLIDATED 31 December 2003				
	At call	Within 12 months	Over 12 months	Total	Interest rate
Financial assets/liabilities					
Pledged fixed deposits at financial institutions	-	0.2	-	0.2	0.75% per annum
Short-term loans from financial institutions	-	476.0	-	476.0	2.75 - 2.80% per annum

(Unit: Million Baht)

	THE COMPANY ONLY 31 December 2003			
	Floating rate	Fixed rate	Non-interest	Total
Financial assets/liabilities				
Cash and cash equivalents	12.3	-	0.1	12.4
Short-term loans from financial institutions	-	297.0	-	297.0

The fixed interest rates on financial instruments held as of 31 December 2003 and the period of time from the balance sheet date to their maturity dates are as follows: -

(Unit: Million Baht)

	THE COMPANY ONLY 31 December 2003				
	At call	Within 12 months	Over 12 months	Total	Interest rate
Financial liabilities					
Short-term loans from financial institutions	-	297.0	-	297.0	2.75 - 2.80% per annum

The details of long-term loans have presented in Note 21.

31.3 Fair value

Fair value is defined as the amount at which the instrument could be exchanged in a current transaction between knowledgeable willing parties in an arm's length transaction. Fair values are obtained from quoted market prices, discounted cash flow models or net asset value as appropriate.

The following methods and assumptions are used to estimate the fair value of each class of financial instruments.

Cash and cash equivalents and pledged fixed deposits at financial institutions - the carrying values approximate their fair values due to the relatively short-term maturity of these financial instruments.

Investment in marketable equity securities - the fair values of publicly traded instruments are estimated based on the last bidding price of the Stock Exchange of Thailand, all other instruments for which there are no quoted market prices, a reasonable estimate of fair value has been calculated based on the underlying net asset base for such investment, which approximately their carrying values.

Accounts payable - the carrying amounts of these financial liabilities approximately their fair values due to the relatively short-term maturity of these financial instruments.

Loans - the carrying value does not materially differ from their fair value since the loans carry interest at rates close to market rates.

32. CASH FLOW - PURCHASE OF INVESTMENT IN SUBSIDIARY COMPANY

On 29 April 2003, a subsidiary acquired an investment in Rimnam Chaophaya Company Limited that had net assets value as follows: -

(Unit: Baht)

Cash on hand	9,525
Land leasehold right and construction in progress	13,741,412
Total assets	13,750,937
Long-term loan	10,741,412
Accrued expenses	8,000
Other current liabilities	30,000
Total liabilities	10,779,412
Net assets value	2,971,525
Net assets value - equity attributable to Company's shareholders	2,971,525
Goodwill	21,023,675
Purchase price	23,995,200
Less: Cash on hand of subsidiary company	(9,525)
Cash flows on acquisition of subsidiary company	23,985,675

33. FINANCIAL INFORMATION BY SEGMENT

The Company and its subsidiaries conduct real estate developments appropriate to their location, sitting, the market conditions and the target groups. The major products or services are commercial projects for leasing office space and shopping centers, both high-rise and low-rise residential buildings, hotel business, restaurant business, and department store business. Regarding the location of the operations of the Company and its subsidiaries, they have only one geographical segment, as the Company and its subsidiaries operate only domestically.

The Company's segmented financial information, divided into real estate business, hotel business, department store business, and restaurant business, as presented in the consolidated financial statements as of and for the years ended 31 December 2003 and 2002 is as follows: -

(Unit: Million Baht)

	For the year ended 31 December 2003						
	Real Estate Business	Hotel Business	Department Store Business	Restaurant Business	Other	Eliminate	Total
Revenues	652	1,792	157	19	318	(346)	2,592
Operating profit	275	1,069	22	9	318	(197)	1,496
Selling and administrative expenses							(638)
Depreciation and amortisation							(256)
Other expenses							(14)
Impairment loss							-
Directors' remuneration							(6)
Interest expenses							(138)
Income tax							(80)
Earnings of minority interest							(48)
Net earnings for the year							316

(Unit: Million Baht)

	For the year ended 31 December 2002 (Restated)						
	Real Estate Business	Hotel Business	Department Store Business	Restaurant Business	Other	Eliminate	Total
Revenues	740	1,902	522	51	1,180	(1,311)	3,084
Operating profit	307	1,185	87	26	1,180	(1,144)	1,641
Selling and administrative expenses							(704)
Depreciation and amortisation							(306)
Impairment loss							(75)
Directors' remuneration							(4)
Interest expenses							(249)
Income tax							(119)
Earnings of minority interest							(71)
Net earnings for the year							113

(Unit: Million Baht)

	31 December 2003						
	Real Estate Business	Hotel Business	Department Store Business	Restaurant Business	Other	Eliminate	Total
Inventories - net	-	40	-	-	-	-	40
Land leasehold right and construction in progress	16	-	-	-	-	-	16
Property, plant and equipment - net	1,907	5,171	-	1	-	(49)	7,030
Land awaiting development	241	-	-	-	-	-	241
Other assets							867
Total assets							8,194

(Unit: Million Baht)

	31 December 2002 (Restated)						
	Real Estate Business	Hotel Business	Department Store Business	Restaurant Business	Other	Eliminate	Total
Inventories - net	-	37	130	2	-	-	169
Property, plant and equipment - net	2,202	4,757	74	1	-	-	7,034
Land awaiting development	414	-	-	-	-	-	414
Other assets							757
Total assets							8,374

34. PRESENTATION

The presentation of these financial statements have been made in compliance with the stipulations of the Notification of the Department of Business Development dated 14 September 2001, as empowered under the Accounting Act B.E. 2543.

Certain amounts in the financial statements for the year ended 31 December 2002 have been reclassified to conform to the current year's classifications.

35. APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS

These consolidated financial statements have been approved by the directors of the Company.

General Information of the Company

AMARIN PLAZA GROUP

Amarin Plaza Public Company Limited

Registration No. Bor Mor Jor 441

Head Office	:	30th Floor, Tanapoom Building (previously Grand Amarin Tower), No.1550 New Phetchburi Road, Kwang Makasan, Khet Ratchathewi, Bangkok 10400
Telephone No.	:	(66) 0-207-0222, 207-0333 Fax. (66) 0-207-0444
Branch Office	:	496, 498, 500, 502 Ploenchit Road, Kwang Lumpini, Khet Phathumwan, Bangkok 10330
Telephone No.	:	(66) 0-2256-9111 Fax. (66) 0-256-9910
Type of Business	:	Holdings company, with investments in real estate (including office buildings, hotels, residential apartment, shopping center and others)

Company's Capital as at 31 December 2003.

Registered Capital	:	1,573,048,008 Baht divided into: 173,267,279 ordinary shares at par value 6 Baht/share or equal to 1,039,603,674 Baht 88,907,389 preferred shares at par value 6 Baht/share or equal to 533,444,334 Baht
Paid-Up Capital	:	1,453,048,008 Baht divided into: 153,267,279 ordinary shares at par value 6 Baht/share or equal to 919,603,674 Baht 88,907,389 preferred shares at par value 6 Baht/share or equal to 533,444,334 Baht

Other References

1. Registrar of Ordinary Shares

   : Thailand Securities Depository Co., Ltd.
   No. 62 Rachadapisek Road, Klongtoey, Bangkok 10110
   Tel. (66) 0-2359-1200-02 Fax: (66) 0-2359-1259

2. Registrar of Preferred Shares

   : Amarin Plaza Public Company Limited
   30th Floor, Tanapoom Building (previously Grand Amarin Tower), No.1550 New Phetchburi Road, Kwang Makasan, Khet Ratchathewi, Bangkok 10400

3. Auditor

   : Ernst & Young Office Limited by
   1. Mr.Sophon Permsiriwanlop Certified Public Accountant (Thailand) No.3182
   2. Mr.Ruth Chaovanakavi Certified Public Accountant (Thailand) No.3247
   3. Mr.Narong Puntawong Certified Public Accountant (Thailand) No.3315
   4. Ms.Rungnapa Lertsuwankul Certified Public Accountant (Thailand) No.3516

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4. Legal Adviser

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   White & Case (Thailand) Co., Ltd.
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JW Marriott Hotel Bangkok

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