

Netchaleaw Sirikawinwit 2012: The Effect of Changes in Investment Accounting Method and Opinions of Investors on Toward the Changes. Master of Business Administration, Major Field: Business Administration, Faculty of Business Administration. Thesis Advisor: Associate Professor Sasivimol Meeampol, D.B.A. 159 pages.

The purpose of this study was to examine the effect of the changes in investment accounting method from equity method to cost method toward transactions in separate financial statement, key financial ratios, dividend performance, and to investigate the investors' opinion toward changes in investment accounting method. Secondary data was derived from financial statement and dividend paid in the accounting period 2006 of the SET-listed companies before and after the changes in investment accounting method, aiming to examine the effect of changes in investment accounting method. Primary data was collected using the questionnaires to examine the investors' opinion toward changes in investment accounting method. The samples included the investors in Bangkok who made investment in the Stock Exchange of Thailand during May 2008. The descriptive statistics implemented included percentage, mean, standard deviation and the inferential statistics, including t-test F-test (One-way ANOVA), and the Least-Significant Different (LSD) at statistically significant level 0.05.

The results showed that net inappropriate retained profit (loss), consolidated asset, earning per share, and dividend payout based on cost method were different from that of equity method significantly. However, net profits (loss), return on consolidated assets, return on equity and debt to equity ratio based on cost method were not different from that of equity method significantly. Most companies reported its fair dividend performance under law. Nonetheless, it found that most investors had not acknowledged about the proclamation on changes in investment accounting method set out by the Federation of Accounting Professions. Meanwhile, those investors with acknowledging the proclamation on changes in investment accounting method placed the importance on the effect of the changes in investment accounting method toward operating results and financial status revealed in the separate financial statement. However, they were confused with which net profit (loss) according to the financial statement should be applied to support their decision on investment. Additionally, it found that most investors applied the on analysis of the fundamental factors as criteria for decision on investment and they also placed an importance on consolidated financial statement analysis rather than separate financial statement. However, whether be analysis of consolidated financial statement or separate financial statement, the investors still focused on earning per share, return on equity, and debt to equity ratio which may be affected from the changes in investment accounting method

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