

Land and Houses Public Company Limited and its subsidiaries

Statement of financial position

As at 30 June 2014

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2014 (Unaudited but reviewed)	31 December 2013 (Audited)	30 June 2014 (Unaudited but reviewed)	31 December 2013 (Audited)
Assets					
Current assets					
Cash and cash equivalents	2, 3	5,376,780	1,165,539	4,929,519	827,833
Current investment	2, 4	300,143	50,025	300,143	50,025
Trade and other receivables	2, 5	115,911	136,248	23,916	28,974
Short-term loans to and accrued interest receivables from related parties	2	95	62	1,057,726	1,084,762
Inventories	6	42,112,159	38,496,083	40,303,232	36,628,018
Advance payment for constructions		910,263	960,806	905,903	953,288
Deposits for purchase of land and other		113,681	229,951	109,545	225,787
Other current assets		175,653	166,381	74,703	83,896
Total current assets		49,104,685	41,205,095	47,704,687	39,882,583
Non-current assets					
Investments in subsidiaries	7	-	-	3,107,874	2,954,327
Investments in associates	8	16,605,064	15,778,178	10,297,614	10,152,928
Other long-term investments	9	4,300,296	2,849,619	4,206,359	2,755,682
Long-term loan to and accrued interest receivables from related party	2	-	-	3,105,609	3,141,169
Land held for development	10	4,121,329	4,126,213	3,046,786	3,049,687
Investment properties	11	3,690,358	3,758,714	-	-
Property, plant and equipment	12	698,657	616,289	537,096	445,808
Leasehold rights	13	6,307,974	6,280,253	-	-
Other intangible assets		104,617	104,625	26,059	20,666
Deferred tax assets		350,670	617,679	247,126	491,841
Other non-current assets	2	28,349	32,445	9,274	9,273
Total non-current assets		36,207,314	34,164,015	24,583,797	23,021,381
Total assets		85,311,999	75,369,110	72,288,484	62,903,964

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

Land and Houses Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 30 June 2014

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2014 (Unaudited but reviewed)	31 December 2013 (Audited)	30 June 2014 (Unaudited but reviewed)	31 December 2013 (Audited)
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans from financial institutions	15	127,394	421,669	-	300,180
Trade and other payables	2, 16	2,799,003	2,805,850	2,365,642	2,412,312
Retention guarantees		352,016	319,620	323,108	281,074
Short-term loans from and accrued interest payables to related parties	2	451,376	460,246	126,163	129,183
Current portion of long-term loans	17	2,983,809	1,870,427	2,000,500	1,000,000
Current portion of debentures	18	6,000,000	3,400,000	6,000,000	3,400,000
Short-term loans	15	3,235,017	2,354,518	3,235,017	2,354,518
Income tax payable		511,343	477,227	481,837	424,582
Short-term provisions	2	316,229	328,735	309,344	322,938
Advance received from customers		1,347,070	962,091	1,293,952	907,502
Other current liabilities		205,523	255,942	178,637	218,943
Total current liabilities		18,328,780	13,656,325	16,314,200	11,751,232
Non-current liabilities					
Long-term loans - net of current portion	17	10,467,989	11,504,210	7,781,486	8,507,486
Debentures - net of current portion	18	15,000,000	14,600,000	15,000,000	14,600,000
Provision for long-term employee benefits		210,685	202,126	193,890	187,821
Long-term provisions	2	364,687	314,188	339,631	290,257
Other non-current liabilities		252,026	249,231	-	-
Total non-current liabilities		26,295,387	26,869,755	23,315,007	23,585,564
Total liabilities		44,624,167	40,526,080	39,629,207	35,336,796

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

Land and Houses Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 30 June 2014

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2014 (Unaudited but reviewed)	31 December 2013 (Audited)	30 June 2014 (Unaudited but reviewed)	31 December 2013 (Audited)
Shareholders' equity					
Share capital	19				
Registered					
12,031,105,828 ordinary shares of Baht 1 each (31 December 2013: 10,354,268,670 ordinary shares of Baht 1 each)		12,031,106	10,354,269	12,031,106	10,354,269
Issued and paid-up					
10,025,921,523 ordinary shares of Baht 1 each		10,025,922	10,025,922	10,025,922	10,025,922
Premium on ordinary shares		10,643,375	10,643,375	10,643,375	10,643,375
Cash receipts from share subscription	21	2,702,965	-	2,702,965	-
Retained earnings					
Appropriated - Statutory reserve		1,080,674	1,080,674	1,080,674	1,080,674
Unappropriated		12,783,315	10,876,773	5,869,217	4,640,614
Other components of shareholders' equity		2,147,964	946,063	2,337,124	1,176,583
Equity attributable to the shareholders of the Company		39,384,215	33,572,807	32,659,277	27,567,168
Non-controlling interests of the subsidiaries		1,303,617	1,270,223	-	-
Total shareholders' equity		40,687,832	34,843,030	32,659,277	27,567,168
Total liabilities and shareholders' equity		85,311,999	75,369,110	72,288,484	62,903,964
		0	0	0	0

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

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Directors
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Land and Houses Public Company Limited and its subsidiaries

Income statement

For the three-month period ended 30 June 2014

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
Revenues					
Sales income		7,075,216	5,557,031	6,694,865	5,159,913
Rental and services income		532,475	487,803	-	-
Other income					
Dividend from subsidiaries and associates	7.1, 8.3	-	-	496,713	581,011
Dividend from other companies		5,558	5,324	5,558	5,324
Interest income		26,761	8,347	68,313	20,008
Infrastructure service income		50,109	52,388	42,995	46,967
Gain on disposal of equipment		27	-	18	-
Others		14,766	19,991	10,390	8,805
Total revenues		7,704,912	6,130,884	7,318,852	5,822,028
Expenses					
Cost of sales and services		4,441,672	3,531,271	4,182,067	3,277,415
Cost of rental and services		331,536	286,622	-	-
Selling expenses		250,562	213,309	198,222	160,378
Specific business tax and transfer fee		268,328	211,720	253,436	196,806
Administrative expenses		491,518	392,915	420,229	323,694
Other expenses					
Loss on exchange rate		-	-	1,378	-
Loss on diminution in value of projects	6	5,670	-	-	-
Loss on diminution in value of land held for devel	10	-	36,703	-	-
Total expenses		5,789,286	4,672,540	5,055,332	3,958,293
Profit before share of profit from investments in associates,					
 finance cost and income tax expenses					
		1,915,626	1,458,344	2,263,520	1,863,735
Share of profit from investments in associates	8.3	588,604	605,490	-	-
Profit before finance cost and income tax expenses		2,504,230	2,063,834	2,263,520	1,863,735
Finance cost		(131,194)	(132,259)	(84,981)	(80,805)
Profit before income tax expenses		2,373,036	1,931,575	2,178,539	1,782,930
Income tax expenses	14	(370,163)	(262,548)	(343,265)	(242,015)
Profit for the period		2,002,873	1,669,027	1,835,274	1,540,915
Net income attributable to:					
Equity holders of the Company		1,985,314	1,650,154	1,835,274	1,540,915
Non-controlling interests of the subsidiaries		17,559	18,873		
		<u>2,002,873</u>	<u>1,669,027</u>		

(Unit: Baht)

Earnings per share 23**Basic earnings per share**Profit attributable to equity holders of the Company 0.20 0.16 0.18 0.15**Diluted earnings per share**Profit attributable to equity holders of the Company 0.18 0.16

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

Land and Houses Public Company Limited and its subsidiaries

Statement of comprehensive income

For the three-month period ended 30 June 2014

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
Profit for the period		2,002,873	1,669,027	1,835,274	1,540,915
Other comprehensive income:					
Gain (loss) on change in value of available-for-sale investments					
- net of income taxes		1,216,600	(160,616)	1,216,600	(160,616)
Exchange differences on translation of					
financial statements in foreign currencies		59	20,261	-	-
Share of other comprehensive income of associate	8.3	18,490	(67,836)	-	-
Other comprehensive income for the period		1,235,149	(208,191)	1,216,600	(160,616)
Total comprehensive income for the period		3,238,022	1,460,836	3,051,874	1,380,299
Total comprehensive income attributable to:					
Equity holders of the Company		3,220,463	1,441,963	3,051,874	1,380,299
Non-controlling interests of the subsidiaries		17,559	18,873		
		3,238,022	1,460,836		
		-	-		

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

(Unaudited but reviewed)

Land and Houses Public Company Limited and its subsidiaries**Income statement****For the six-month period ended 30 June 2014**

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
Revenues					
Sales income		12,631,182	10,873,090	11,823,179	10,162,345
Rental and services income		1,020,850	990,104	-	-
Other income					
Dividend from subsidiaries and associates	7.1, 8.3	-	-	496,713	602,182
Dividend from other companies		28,291	32,941	28,291	28,066
Interest income		28,262	10,604	111,660	32,846
Infrastructure service income		113,642	116,376	95,773	103,483
Gain on exchange rate		-	-	5,522	-
Others		32,893	31,720	23,201	17,729
Total revenues		13,855,120	12,054,835	12,584,339	10,946,651
Expenses					
Cost of sales and services		8,034,142	7,015,899	7,506,139	6,565,514
Cost of rental and services		650,207	567,968	-	-
Selling expenses		438,409	389,114	343,954	296,191
Specific business tax and transfer fee		481,057	416,103	450,056	388,825
Administrative expenses		911,805	770,586	778,767	626,064
Other expenses					
Loss on diminution in value of projects	6	31,401	-	-	-
Loss on diminution in value of land held for development	10	-	36,703	-	-
Loss on disposal of equipment		107	-	79	-
Total expenses		10,547,128	9,196,373	9,078,995	7,876,594
Profit before share of profit from investments in associates, finance cost and income tax expenses		3,307,992	2,858,462	3,505,344	3,070,057
Share of profit from investments in associates	8.3	1,058,969	1,036,867	-	-
Profit before finance cost and income tax expenses		4,366,961	3,895,329	3,505,344	3,070,057
Finance cost		(305,513)	(259,468)	(213,613)	(154,133)
Profit before income tax expenses		4,061,448	3,635,861	3,291,731	2,915,924
Income tax expenses	14	(621,813)	(520,007)	(563,439)	(463,965)
Profit for the period		3,439,635	3,115,854	2,728,292	2,451,959
Net income attributable to:					
Equity holders of the Company		3,406,231	3,072,180	2,728,292	2,451,959
Non-controlling interests of the subsidiaries		33,404	43,674		
		3,439,635	3,115,854		

(Unit: Baht)

Earnings per share	23				
Basic earnings per share					
Profit attributable to equity holders of the Company		0.34	0.31	0.27	0.24
Diluted earnings per share					
Profit attributable to equity holders of the Company		0.30		0.24	

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

Land and Houses Public Company Limited and its subsidiaries

Statement of comprehensive income

For the six-month period ended 30 June 2014

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
Profit for the period		3,439,635	3,115,854	2,728,292	2,451,959
Other comprehensive income:					
Gain (loss) on change in value of available-for-sale investments					
- net of income taxes		1,160,541	(131,338)	1,160,541	(131,338)
Exchange differences on translation of					
financial statements in foreign currencies		(95)	5,454	-	-
Share of other comprehensive income of associate	8.3	41,455	(90,775)	-	-
Other comprehensive income for the period		1,201,901	(216,659)	1,160,541	(131,338)
Total comprehensive income for the period		4,641,536	2,899,195	3,888,833	2,320,621
Total comprehensive income attributable to:					
Equity holders of the Company		4,608,132	2,855,521	3,888,833	2,320,621
Non-controlling interests of the subsidiaries		33,404	43,674		
		4,641,536	2,899,195		
		-	-		

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

(Unaudited but reviewed)

Land and Houses Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the six-month period ended 30 June 2014

(Unit: Thousand Baht)

Consolidated financial statements															
Equity attributable to the shareholders of the Company															
Other components of shareholders' equity															
Other comprehensive income															
	Note	Issued and paid-up share capital	Premium on ordinary shares	Cash receipts from share subscription	Retained earnings		Surplus (deficit) on changes in value of available-for- sale investments	Exchange differences on translation of financial statements in foreign currencies	Share of other comprehensive income of associates	Premium on share capital of associates	Other surplus	Total other components of shareholders' equity	Total equity attributable to the shareholders of the Company	Equity attributable to non-controlling interests of subsidiaries	Total shareholders' equity
					Appropriated - Statutory reserve	Unappropriated									
Balance as at 1 January 2013		10,025,922	10,643,375	-	1,080,674	8,381,789	(125,392)	(306)	116,557	91,042	1,227,782	1,309,683	31,441,443	1,161,102	32,602,545
Dividend paid	24	-	-	-	-	(1,490,126)	-	-	-	-	-	-	(1,490,126)	-	(1,490,126)
Subsidiaries paid dividend to non-controlling interests of subsidiaries		-	-	-	-	-	-	-	-	-	-	-	-	(14)	(14)
Income tax from unpaid dividend		-	-	-	-	(2,752)	-	-	-	-	-	-	(2,752)	-	(2,752)
Total comprehensive income for the period		-	-	-	-	3,072,180	(131,338)	5,454	(90,775)	-	-	(216,659)	2,855,521	43,674	2,899,195
Balance as at 30 June 2013		10,025,922	10,643,375	-	1,080,674	9,961,091	(256,730)	5,148	25,782	91,042	1,227,782	1,093,024	32,804,086	1,204,762	34,008,848
Balance as at 1 January 2014		10,025,922	10,643,375	-	1,080,674	10,876,773	(325,272)	(15,967)	(31,522)	91,042	1,227,782	946,063	33,572,807	1,270,223	34,843,030
Dividend paid	24	-	-	-	-	(1,498,639)	-	-	-	-	-	-	(1,498,639)	-	(1,498,639)
Cash receipts from share subscription	21	-	-	2,702,965	-	-	-	-	-	-	-	-	2,702,965	-	2,702,965
Subsidiaries paid dividend to non-controlling interests of subsidiaries		-	-	-	-	-	-	-	-	-	-	-	-	(10)	(10)
Income tax from unpaid dividend		-	-	-	-	(1,050)	-	-	-	-	-	-	(1,050)	-	(1,050)
Total comprehensive income for the period		-	-	-	-	3,406,231	1,160,541	(95)	41,455	-	-	1,201,901	4,608,132	33,404	4,641,536
Balance as at 30 June 2014		10,025,922	10,643,375	2,702,965	1,080,674	12,783,315	835,269	(16,062)	9,933	91,042	1,227,782	2,147,964	39,384,215	1,303,617	40,687,832
		0	0			0						0	0	0	0
		0	0	0		0						0	0	0	0

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

(Unaudited but reviewed)

Land and Houses Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the six-month period ended 30 June 2014

(Unit: Thousand Baht)

Separate financial statements

	Note	Issued and paid-up		Cash receipts from share subscription	Retained earnings		Other components of shareholders' equity		Total shareholders' equity	
		share capital	Premium on ordinary shares		Appropriated - Statutory reserve	Unappropriated	Other comprehensive income Surplus (deficit) on changes in value of available-for- sale investments	Other surplus		Total other components of shareholders' equity
Balance as at 1 January 2013		10,025,922	10,643,375	-	1,080,674	3,665,609	(125,392)	1,501,855	1,376,463	26,792,043
Dividend paid	24	-	-	-	-	(1,490,126)	-	-	-	(1,490,126)
Income tax from unpaid dividend		-	-	-	-	(2,752)	-	-	-	(2,752)
Total comprehensive income for the period		-	-	-	-	2,451,959	(131,338)	-	(131,338)	2,320,621
Balance as at 30 June 2013		<u>10,025,922</u>	<u>10,643,375</u>	<u>-</u>	<u>1,080,674</u>	<u>4,624,690</u>	<u>(256,730)</u>	<u>1,501,855</u>	<u>1,245,125</u>	<u>27,619,786</u>
Balance as at 1 January 2014		10,025,922	10,643,375	-	1,080,674	4,640,614	(325,272)	1,501,855	1,176,583	27,567,168
Dividend paid	24	-	-	-	-	(1,498,639)	-	-	-	(1,498,639)
Cash receipts from share subscription	21	-	-	2,702,965	-	-	-	-	-	2,702,965
Income tax from unpaid dividend		-	-	-	-	(1,050)	-	-	-	(1,050)
Total comprehensive income for the period		-	-	-	-	2,728,292	1,160,541	-	1,160,541	3,888,833
Balance as at 30 June 2014		<u>10,025,922</u>	<u>10,643,375</u>	<u>2,702,965</u>	<u>1,080,674</u>	<u>5,869,217</u>	<u>835,269</u>	<u>1,501,855</u>	<u>2,337,124</u>	<u>32,659,277</u>
		0	0	0		0			0	0
		0	0			0			0	0

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

Land and Houses Public Company Limited and its subsidiaries**Cash flow statement****For the six-month period ended 30 June 2014**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Cash flows from operating activities				
Profit before income tax expenses	4,061,448	3,635,861	3,291,731	2,915,924
Adjustments to reconcile profit before income tax expenses to net cash provided by (paid from) operating activities:				
Inventories and land held for development decrease from transfer to cost of sales	7,469,172	6,515,482	6,991,254	6,103,334
Depreciation and amortisation	286,909	235,321	81,729	75,064
Share of profit from investments in associates	(1,058,969)	(1,036,867)	-	-
Provision for guarantee income of fund	-	18,970	-	18,970
Provision for legal cases	5,212	4,555	5,212	4,555
Loss on diminution in value of project	31,401	-	-	-
Loss on diminution in value of land held for development	-	36,703	-	-
Loss (gain) on equipment	107	(670)	79	(710)
Unrealised gain on current investment	(143)	-	(143)	-
Gain on exchange rate	-	-	(5,522)	-
Provision for after-sale maintenance expenses	17,610	36,231	13,638	17,264
Provision for compensation for Housing Estate Juristic Persons	14,619	16,475	13,310	15,537
Provision for public utilities maintenance	86,142	45,680	86,326	40,525
Provision for long-term employee benefits	11,059	10,387	8,569	8,092
Write-off withholding tax deducted at source	38	7	-	-
Dividend received	(28,291)	(32,941)	(525,004)	(630,248)
Interest income	(28,262)	(10,604)	(111,660)	(32,846)
Interest expenses	297,679	254,088	205,779	148,752
Profit from operating activities before change in operating assets and liabilities	11,165,731	9,728,678	10,055,298	8,684,213
Decrease (increase) in operating assets				
Current investment	(249,975)	-	(249,975)	-
Trade and other receivables	20,338	(8,225)	5,058	(1,460)
Inventories	(10,651,766)	(8,469,567)	(10,227,410)	(7,768,061)
Land held for development	-	(5,380)	-	-
Other current assets	170,453	(140,342)	172,820	(130,307)
Other non-current assets	4,096	4,718	(1)	(215)
Increase (decrease) in operating liabilities				
Trade and other payables	(17,699)	(57,818)	(57,371)	1,750
Retention guarantees	32,396	(13,931)	42,035	(14,348)
Other current liabilities	308,243	135,700	363,333	117,339
Other non-current liabilities	(40,068)	(49,678)	(42,863)	(47,236)
Cash flows used in operating activities	741,749	1,124,155	60,924	841,675
Cash paid for income taxes	(624,824)	(721,064)	(552,654)	(659,980)
Net cash flows from (used in) operating activities	116,925	403,091	(491,730)	181,695

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

Land and Houses Public Company Limited and its subsidiaries**Cash flow statement (continued)****For the six-month period ended 30 June 2014**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Cash flows from investing activities				
Decrease (increase) in short-term loans to related parties	-	-	41,000	(141,000)
Cash paid for share subscription of subsidiary	-	-	(153,548)	-
Cash paid for purchase of investments in associates	(144,686)	(268,497)	(144,686)	(268,497)
Dividend received from subsidiaries	-	-	78,490	100,486
Dividend received from associates	418,223	501,696	418,223	501,696
Dividend received from other companies	28,291	32,941	28,291	28,066
Proceeds from disposal of equipment	304	710	278	710
Cash paid for purchase of investment properties, building, equipment, leasehold rights and intangible assets	(355,991)	(101,644)	(167,313)	(63,842)
Cash paid for guarantee income of fund	(18,910)	(21,894)	(18,910)	(21,894)
Cash received from interest income	28,229	10,408	98,155	21,876
Net cash flows from (used in) investing activities	(44,540)	153,720	179,980	157,601
Cash flows from financing activities				
Decrease in bank overdrafts and short-term loans from financial institutions	(294,275)	(250,052)	(300,180)	(300,000)
Increase (decrease) in short-term loans from related parties	(14,000)	(43,000)	(3,500)	13,500
Increase (decrease) in short-term loans	900,000	(100,000)	900,000	(100,000)
Cash paid for debentures repayment	(2,500,000)	(2,000,000)	(2,500,000)	(2,000,000)
Cash received from issue of debentures	5,500,000	3,500,000	5,500,000	3,500,000
Cash received from drawdown long-term loans	3,371,200	2,094,200	3,275,000	2,000,000
Cash paid for long-term loans repayment	(3,294,039)	(1,244,754)	(3,000,500)	(1,000,000)
Cash receipts from share subscription	2,702,965	-	2,702,965	-
Cash paid for interest expenses	(775,161)	(552,281)	(661,710)	(430,300)
Subsidiaries paid dividend to non-controlling interests of subsidiarit	(10)	(14)	-	-
Dividend paid	(1,498,639)	(1,490,126)	(1,498,639)	(1,490,126)
Net cash flows from (used in) financing activities	4,098,041	(86,027)	4,413,436	193,074
Exchange differences on translation of financial statements in forei	40,815	493	-	-
Net increase in cash and cash equivalents	4,211,241	471,277	4,101,686	532,370
Cash and cash equivalents at beginning of period	1,165,539	1,462,085	827,833	1,181,441
Cash and cash equivalents at end of period (Note 3)	5,376,780	1,933,362	4,929,519	1,713,811

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

(Unaudited but reviewed)

Land and Houses Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the six-month period ended 30 June 2014

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	2014	2013	2014	2013
Supplemental cash flow information				
Non-cash items				
Purchases of investment properties, building, equipment, leasehold rights and intangible assets recorded as liabilities	39,792	11,326	37,280	11,326
Increase (decrease) in surplus on changes in value of available-for-sale investments - net of income taxes	1,160,541	(131,338)	1,450,677	(164,173)
Exchange differences on translation of financial statements in foreign currencies	-95	5,454	-	-
Increase (decrease) in share of other comprehensive income of :	41,455	(90,775)	-	-
Transfer land held for development to inventories (book value)	2,901	-	2,901	-
Transfer inventories to land held for development (book value)	-	31,323	-	-
Interest expenses recorded as cost of projects	459,999	328,858	436,156	307,921
Transfer provisions for guarantee income of fund to short-term pr	9,899	-	9,899	-

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