

**LAND AND HOUSES PUBLIC COMPANY LIMITED
AND SUBSIDIARIES
AUDITOR'S REPORT AND FINANCIAL STATEMENTS
AS AT 30th SEPTEMBER 2001 (UNAUDITED/REVIEWED ONLY)
AND AS AT 31st DECEMBER 2000 (AUDITED)**

AUDITOR'S REPORT

To the shareholders of LAND AND HOUSES PUBLIC COMPANY LIMITED

I have reviewed the consolidated balance sheets of LAND AND HOUSES PUBLIC COMPANY LIMITED AND SUBSIDIARIES as at 30th September 2001, the related consolidated statements of income for three and nine months ended 30th September 2001 and 2000, consolidated statements of changes in shareholders' equity, consolidated statements of retained earnings, consolidated statements of cash flows and the financial statements of LAND AND HOUSES PUBLIC COMPANY LIMITED for nine months ended 30th September 2001 and 2000. These financial statements are the responsibility of the Company's management as to their correctness and completeness of the presentation. My responsibility is to issue a report on these financial statements based on my review.

I conducted my review in accordance with auditing standards applicable to review engagements. Those standards require that I plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. Accordingly, I do not express an opinion on these financial statements.

As mentioned in notes to financial statements no. 7.2, net profit (loss) for nine months period ended 30th September 2001 of five affiliates which were brought into the computation of investments under the equity method which had the equity loss totalling Baht 119.71 million, were taken from their unreviewed financial statements. The total equity loss of Baht 27.29 million included in the consolidated financial statements for nine months ended 30th September 2000, were calculated from unreviewed financial statements of four affiliates.

Except for the scope limitation by circumstance to review investment in affiliates as mentioned in the third paragraph, nothing has come to my attention that causes me to believe that the financial statements are not presented fairly, in all material respects in accordance with generally accepted accounting principles.

I have audited the consolidated financial statements of LAND AND HOUSES PUBLIC COMPANY LIMITED AND SUBSIDIARIES as at 31st December 2000 and the financial statements of LAND AND HOUSES PUBLIC COMPANY LIMITED in accordance with generally accepted auditing standards and I expressed an unqualified opinion in my report dated 19th February 2001. The parent and consolidated balance sheets as at December 31, 2000, presented for comparison purpose, is a partial of the audited and reported financial statements. I have not performed any auditing procedures since that date.

I draw your attention to notes to financial statements no. 16.1, as at 30th September 2001 and 31st December 2000, the Company has guaranteed liabilities of several subsidiaries, affiliates and other companies amounting to Baht 2,449.80 million and Baht 2,449.72 million, respectively. Those companies have sustained capital deficiency from their operations which the Company might be responsible on the repayment of loan guarantees. Therefore, the Company recognized loss base on the equity method by recognition the capital deficiency of the above companies as other liabilities in the account "excess loss from investments in subsidiaries and affiliates" (as presented in notes to financial statements no. 7). Those subsidiaries and affiliates under the commitment of the Company totalling Baht 2,176.72 million, have been proceeded the restructuring their debts with the financial institutions.

Office of D I A International Auditing

(Mrs. Suvimol Krittayakiern)
C.P.A. (Thailand)

Registration No. 2982

10th November 2001