

**LAND AND HOUSES PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**AS AT 30th JUNE 2002 (UNAUDITED/REVIEWED ONLY)**  
**AND AS AT 31st DECEMBER 2001 (AUDITED)**

### 1. PREPARATION OF INTERIM FINANCIAL STATEMENTS BASIS

Notes to interim financial statements have been prepared in conformity with the Accounting Standards no. 41 "Interim Financial Reporting" for the propose of providing an update information on the latest complete set of annual financial statements. Accordingly, it focuses on new activities, events, and circumstances and does not duplicate information previously reported. However, the balance sheets, statements of income, statements of retained earnings, statements of changes in shareholders' equity and statements of cash flows are represented the same as previous annual financial statements. Therefore, these interim financial statements should access to the most recent annual financial statements.

### 2. ACCOUNTING POLICY

These interim financial statements have been prepared by using the accounting policy and estimates of the financial statements for the year ended December 31, 2001.

### 3. SHORT-TERM INVESTMENTS

Assets	Note	Consolidated Securities available for sale (Thousand Baht)		Parent company Securities available for sale (Thousand Baht)	
		30 <sup>th</sup> June 2002	31 <sup>st</sup> December 2001	30 <sup>th</sup> June 2002	31 <sup>st</sup> December 2001
Debt securities Fund		0	155,000	0	155,000
Equity securities		16,956	0	0	0
Treasury bill		450,000	93,373	450,000	0
Provision for unrealized gain (loss) on investment		5,195	453	0	453
Total		472,151	248,826	450,000	155,453

### 4. SHORT-TERM LOANS TO RELATED PARTIES AND OTHER COMPANIES

Assets	Note	Consolidated (Thousand Baht)		Parent company (Thousand Baht)	
		30 <sup>th</sup> June 2002	31 <sup>st</sup> December 2001	30 <sup>th</sup> June 2002	31 <sup>st</sup> December 2001
Loans to subsidiaries		0	0	611,742	525,242
Loans to affiliates		95,000	109,000	95,000	109,000
Less Allowance for doubtful accounts - affiliates		-89,000	-98,000	-89,000	-98,000
Loans to other companies		18,219	18,219	18,219	18,219
Less Allowance for doubtful accounts		-18,219	0	-18,219	0
Short-term loans - net		6,000	29,219	617,742	554,461

4.1 Loans to subsidiaries: -

Assets	Note	30 <sup>th</sup> June 2002		31 <sup>st</sup> December 2001	
		Amount (thousand Baht)	Interest rate %	Amount (thousand Baht)	Interest rate %
Loans to subsidiaries: -					
Pacific Real Estate Co., Ltd.		112,000	6.50	1,200	7.50
Land and Houses Northeast Co., Ltd.		172,500	6.50-7.50	122,000	6.50-7.50
Land and Houses North Co., Ltd.		50,000	7.50	55,500	7.50
L H Muangmai Co., Ltd.		145,442	7.50	145,442	7.50
Atlantic Real Estate Co., Ltd.		131,800	7.75-8.00	201,100	7.50-8.00
Total		611,742		525,242	

Loans to subsidiaries and in form of promissory notes without collateral which are due at call.

4.2 Loans to affiliates: -

Assets	Note	30 <sup>th</sup> June 2002		31 <sup>st</sup> December 2001	
		Amount (thousand Baht)	Interest rate %	Amount (thousand Baht)	Interest rate %
Bangkok Chain Hospital Co., Ltd.		95,000	7.00	100,000	7.25
Quality Construction Products Co., Ltd.		-		9,000	MLR
Less Allowance for doubtful accounts affiliates		-89,000		-98,000	
Total		6,000		11,000	

Loans to affiliates are in form of promissory notes without collateral which are due at call.

4.3 Loans to other companies - domestic is a lending to Bangkok Mass Transit System Public Co., Ltd. in proportion to the shareholding percentage. The lending is by way of promissory notes bearing interest at MLR+2%.

## 5. INVENTORIES

Assets	Note	Consolidated (Thousand Baht)		Parent company (Thousand Baht)	
		30 <sup>th</sup> June 2002	31 <sup>st</sup> December 2001	30 <sup>th</sup> June 2002	31 <sup>st</sup> December 2001
Land		10,542,612	11,066,985	9,610,553	10,045,713
Land improvements		933,353	850,914	866,075	777,300
Construction in progress		1,793,374	1,800,971	1,449,587	1,472,393
Deferred interest		5,175,923	5,678,089	4,650,609	5,132,254
Central utilities		1,087,548	1,227,150	759,855	874,276
Preparation cost		114,032	159,240	52,407	92,123
Houses for sales		20,650	30,861	0	0
Total		19,667,492	20,814,210	17,389,086	18,394,059
Less Allowance for declining value of inventories		-1,835,738	-2,087,777	-1,666,123	-1,906,449
Balance		17,831,754	18,726,433	15,722,963	16,487,610

Most of land are mortgaged as guarantee for loans as mentioned in note 9,10 and 11.

**6. INVESTMENT IN SUBSIDIARIES AND AFFILIATES is consisted of common share as follows:**

	Type of Business	(Million Baht) paid-up capital		% of investment	
		2002	2001	2002	2001
Investments in subsidiaries:-					
- Atlantic Real Estate Co., Ltd.	Real Estate	15.00	15.00	99.99	99.99
- Pacific Real Estate Co., Ltd.	Real Estate	258.00	258.00	99.99	99.99
- Land and Houses North Co., Ltd.	Real Estate	13.50	13.50	99.99	99.99
- Land and Houses Northeast Co., Ltd.	Real Estate	570.00	570.00	99.99	99.99
- Siam Tanee Property Co., Ltd. and subsidiaries	Real Estate	100.00	100.00	99.99	99.99
- Siam Tanee Real Estate Co., Ltd. and subsidiaries	Real Estate	475.00	475.00	0.00	99.99
Excess cost which lower than net assets					
- L H Muangmai Co., Ltd.	Real Estate	310.80	310.80	55.00	55.00
Total investments in subsidiaries					
Investments in affiliates: -					
- Bangkok Chain Hospital Co., Ltd.	Hospital	610.00	610.00	36.00	36.00
- Assets Plus Securities Co., Ltd.	Finance & securities	225.00	225.00	26.18	26.18
- Quality Construction Products Co.,Ltd.	Building material	18.75	18.75	30.00	30.00
- M L & H Corporation	Real Estate	3,755.23	3,755.23	40.00	40.00
- Home Products Center Plc.	Trading of construction materials	750.00	375.00	29.09	29.09
- Asian Property Development Plc. and subsidiaries	Real Estate	0.00	1,925.00	20.09	24.99
- Cameron Global Limited	Investment business	0.04	0.04	40.00	40.00
- Asia Assets Advisory Co., Ltd.	Investment advisor	10.00	10.00	49.99	49.99
Total investments in affiliates					
Total investments in subsidiaries and affiliates					

	Type of Business	(Thousand Baht) Cost Method		(Thousand Baht) Equity Method		Dividend	
		2002	2001	2002	2001	2002	2001
		Investments in subsidiaries:-					
- Atlantic Real Estate Co., Ltd.	Real Estate	14,998	14,998	60,389	75,006	0	0
- Pacific Real Estate Co., Ltd.	Real Estate	257,797	257,797	0	0	0	0
- Land and Houses North Co., Ltd.	Real Estate	13,500	13,500	25,998	20,232	0	0
- Land and Houses Northeast Co., Ltd.	Real Estate	569,999	569,999	299,621	297,858	0	0
- Siam Tanee Property Co., Ltd. and subsidiaries	Real Estate	64,859	64,859	175,408	53,785	0	0
- Siam Tanee Real Estate Co., Ltd. and subsidiaries	Real Estate	0	280,416	0	25,091	0	0
Excess cost which lower than net assets		0	0	-48,262	-50,802	0	0
- L H Muangmai Co., Ltd.	Real Estate	170,940	170,940	116,078	109,276	0	0
Total investments in subsidiaries		1,092,093	1,372,509	629,232	530,446	0	0
Investments in affiliates: -							
- Bangkok Chain Hospital Co., Ltd.	Hospital	449,355	449,355	26,270	0	0	0
- Assets Plus Securities Co., Ltd.	Finance & securities	95,879	95,879	131,910	126,223	1,472	0
- Quality Construction Products Co.,Ltd.	Building material	90,668	90,668	0	0	0	0
- M L & H Corporation	Real Estate	1,796,317	1,796,317	1,092,442	1,079,140	0	0
- Home Products Center Plc.	Trading of construction materials	244,281	135,191	273,846	152,418	0	9,000
- Asian Property Development Plc. and subsidiaries	Real Estate	0	582,514	0	220,086	0	0
- Cameron Global Limited	Investment business	15	15	166	333	0	0
- Asia Assets Advisory Co., Ltd.	Investment advisor	4,999	4,999	6,269	6,424	0	0
Total investments in affiliates		2,681,514	3,154,938	1,530,903	1,584,624	1,472	9,000
Total investments in subsidiaries and affiliates		3,773,607	4,527,447	2,160,135	2,115,070	1,472	9,000

6.1 Investments in subsidiaries

6.1.1 The financial statements of the aforementioned subsidiaries which were brought into the preparation for consolidated financial statements and net profit of the subsidiaries for six months ended 30th June 2002 and for the year ended 31st December 2001 were brought into the computation of investments under the equity method, were taken from their respective reviewed and audited financial statements.

6.1.2 The financial statements for six months ended 30th June 2002 of Pacific Real Estate Co., Ltd. which was brought into the computation of investments under equity method, has capital deficiency. The Company recorded the capital deficiency as equal as the investment balance, which caused the investment balance equal to zero and recognized the excess of loss over investment as other liabilities under "excess loss from investment in subsidiaries and affiliates" for the amount of Baht 107.11 million and had equity gain of Baht 67.27 million.

6.1.3 In 1st quarter of 2002, the Company sold all investments in Siam Tanee Real Estate Co., Ltd. to Siamtanee Property Co., Ltd. at Baht 25.09 million which equal to net book value as at 31st December 2001 before deduction of its negative goodwill. As a result, the company under the holding of Siamtanee Property Co., Ltd. are as following :

	Type of Business	Percentage of investments	
		30 <sup>th</sup> June 2002	31 <sup>st</sup> December 2001
- S.T.N. Management Co., Ltd.	Condominium management	99.99%	99.99%
- Siam Tanee Real Estate Co., Ltd.	Real Estate	99.99%	0.00%
Subsidiary of Siam Tanee Real Estate Co., Ltd.			
- Bann Suanthon Co., Ltd.	Real Estate	99.99%	99.99%

## 6.2 Investments in affiliates

6.2.1 The financial statements of Quality Construction Products Co., Ltd. for six months ended 30th June 2002 which was brought into the computation of investment under equity method, was taken from unreviewed financial statements. The Company recorded the capital deficiency as equal as the investment balance, which caused the investment balance equal to zero and recognized the excess of loss over investment in affiliate as other liabilities under "excess loss from investment in subsidiaries and affiliates" for amount of Baht 145.37 million and had equity gain of Baht 15.30 million.

6.2.2 The financial statements of Bangkok Chain Hospital Co., Ltd. for six months ended 30th June 2002 which was brought into the computation of investment under equity method, was taken from unreviewed financial statements which had equity gain of Baht 32.95 million, equity from declining and revaluation increment in assets of Baht 4.32 million. However, after reduction of the realized excess of loss over investments for the year ended 31st December 2001 of Baht 2.36 million, the balance of investment in Bangkok Chain Hospital Co., Ltd. as at 30th June 2002 was Baht 26.27 million.

6.2.3 The financial statements of M L & H Corporation, Assets Plus Securities Co., Ltd. and Cameron Global Limited for six months ended 30th June 2002, which were brought into computation of investment under equity method, were taken from unreviewed financial statements, the equity gain total amount of Baht 19.21 million.

6.2.4 Investment in Home Products Center Public Company Limited and Asia Asset Advisory Co., Ltd. for six months ended 30th June 2002 that the equity gain totalling Baht 12.183 million which were brought into the computation of investments under equity method, were taken from their reviewed financial statements.

On 10th June 2002, the Company subscribed for 109,090,920 new issued shares of Home Product Center Public Company Limited at Baht 1.00 each, totalling Baht 109.09 million.

Investment in Home Products Center Public Company Limited, a listed company in the Stock Exchange of Thailand had market value as at 30th June 2002 of Baht 2.94 per share or total market value of Baht 641.45 million.

6.2.5 During the second quarter of 2002, the Company has reduced the percentage of shareholding in Asian Property Development Public Company Limited to be 17.80%. Therefore, the presentation of investment in Asian Property Development Public Company Limited was changed from investment in affiliates to investment in other companies.

## 7. LONG-TERM INVESTMENTS

For the period ended 30<sup>th</sup> June 2002

	Consolidated (Thousand Baht)			Parent Company (Thousand Baht)		
	Securities held for sales	Other investments	Securities held for sales	Other investments	Securities held for sales	Other investments
Debt securities held for maturity						
Bangkok Mass Transit System Public Co., Ltd.	0	350,498	350,498	0	350,498	350,498
Equity security - net	644,943	3,929,812	4,574,755	636,747	3,837,411	4,474,158
Less Provision for unrealized gain (loss) of investment	1,931,370	0	1,931,370	1,912,218	0	1,912,218
Provision for impairment of assets - investment	(275,803)	(2,045,198)	(2,321,001)	(275,803)	(2,045,198)	(2,321,001)
<b>Total</b>	<b>2,300,510</b>	<b>2,235,112</b>	<b>4,535,622</b>	<b>2,273,162</b>	<b>2,142,711</b>	<b>4,415,873</b>

For the year ended 31<sup>st</sup> December 2001

	Consolidated (Thousand Baht)			Parent Company (Thousand Baht)		
	Securities held for sales	Other investments	Securities held for sales	Other investments	Securities held for sales	Other investments
Debt securities held for maturity						
Bangkok Mass Transit System Public Co., Ltd.	0	350,498	350,498	0	350,498	350,498
Equity security - net	427,793	3,323,382	3,751,175	395,262	3,230,980	3,626,242
Less Provision for unrealized gain (loss) of investment	118,581	0	118,581	49,294	0	49,294
Provision for impairment of assets - investment	(195,616)	(1,340,957)	(1,536,573)	(195,616)	(1,340,957)	(1,536,573)
<b>Total</b>	<b>350,758</b>	<b>2,332,923</b>	<b>2,683,681</b>	<b>248,940</b>	<b>2,240,521</b>	<b>2,489,461</b>



As at 31st March 2002, the Company provided the provision for impairment of assets in debt securities and common shares of Bangkok Mass Transit System Public Company Limited at 70% of their cost or at amount of Baht 661.3 million. As at 30th June 2002, the Company has additionally provided the provision for impairment of other investments for amount of Baht 123.16 million, total provision for impairment is Baht 784.46 million.

## 8. PROPERTY, PLANT AND EQUIPMENT - NET

Consolidated	(Baht : Thousand)			
	31 <sup>st</sup> December 2001	Increase	Decrease	30 <sup>th</sup> June 2002
Cost :				
Office building	117,042	711	10,733	107,020
Office equipment	92,439	12,499	0	104,938
Office and club furnitures	130,898	6,195	9,042	128,051
Machinery and equipment	2,344	2	0	2,346
Vehicles	18,889	702	340	19,251
Kindergarten	931	0	0	931
Nursery garden	75	0	0	75
Club houses, swimming pool and tennis court	545,882	29,275	0	575,157
Leasehold	100,958	0	0	100,958
Other assets	49,295	691	97	49,889
Assets in progress	1,873	5,371	937	6,307
<b>Total</b>	<b>1,060,626</b>	<b>55,446</b>	<b>21,149</b>	<b>1,094,923</b>
Accumulated depreciation:				
Office building	39,649	2,964	3,092	39,521
Office equipment	72,488	3,522	0	76,010
Office and club furnitures	81,788	10,097	3,795	88,090
Machinery and equipment	2,339	1	0	2,340
Vehicles	7,620	1,319	340	8,599
Kindergarten	374	23	0	397
Nursery garden	67	1	0	68
Club houses, swimming pool and tennis court	472,606	32,377	0	504,983
Leasehold	20,315	4,917	0	25,232
Other assets	43,729	844	97	44,476
<b>Total</b>	<b>740,975</b>	<b>56,065</b>	<b>7,324</b>	<b>789,716</b>
Provision for impairment of assets:				
Club houses, swimming pool and tennis court	6,989	0	0	6,989
Net book value	312,662			298,218
Depreciation for six months ended 30 <sup>th</sup> June 2002				56,065
Depreciation for six months ended 30 <sup>th</sup> June 2001				55,205
Parent's financial statements	(Baht : Thousand)			
	31 <sup>st</sup> December 2001	Increase	Decrease	30 <sup>th</sup> June 2002
Cost :				
Office building	82,868	711	4,889	78,690

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Office equipment	81,697	12,166	0	93,863
Office and club furnitures	83,634	6,195	9,042	80,787
Tools and equipments	1,251	0	0	1,251
Vehicles	14,634	701	0	15,335
Kindergarten	931	0	0	931
Nursery garden	59	0	0	59
Club houses, swimming pool and tennis court	427,611	26,685	0	454,296
Leasehold	99,775	0	0	99,775
Other assets	41,289	640	97	41,832
Assets in progress	1,746	4,237	937	5,046
Total	835,495	51,335	14,965	871,865
Accumulated depreciation:				
Office building	19,449	1,972	1,353	20,068
Office equipment	62,464	3,254	0	65,718
Office and club furnitures	41,618	8,696	3,795	46,519
Tools and equipments	1,251	0	0	1,251
Vehicles	4,540	1,193	0	5,733
Kindergarten	374	23	0	397
Nursery garden	51	1	0	52
Club houses, swimming pool and tennis court	405,987	28,672	0	434,659
Leasehold	20,062	4,898	0	24,960
Other assets	36,203	750	97	36,856
Total	591,999	49,459	5,245	636,213
Net book value	243,496			235,652
Depreciation for six months ended 30 <sup>th</sup> June 2002				49,459
Depreciation for six months ended 30 <sup>th</sup> June 2001				47,430

Fixed assets of the Company and subsidiaries are not used as collaterals.

As at 30th June 2002, plant and equipment which were fully depreciated amounting to Baht 127 million are still being operated.

## 9. BANKS OVERDRAFT AND LOANS FROM FINANCIAL INSTITUTIONS

	Consolidated (Thousand Baht)		Parent company (Thousand Baht)	
	31 <sup>st</sup> March 2002	31 <sup>st</sup> December 2001	31 <sup>st</sup> March 2002	31 <sup>st</sup> December 2001
Banks overdraft	25,611	17,323	10,835	14,338
Bill of exchange	1,670,000	957,500	1,670,000	807,500
Total	1,695,611	974,823	1,680,835	821,838

In 2002 and 2001, the Company has overdraft facility of Baht 81 million and Baht 91 million, respectively with several local banks and bill of exchange of Baht 1,670.00 million and 807.50 million, respectively which are due within 3 months to 1 year.

In 2002, two subsidiaries, Pacific Real Estate Co., Ltd. and Siam Tanee Real Estate Co., Ltd. (a subsidiary of Siamtanee Property Co., Ltd.) have made repayment for loans - promissory notes to the Financial Institution Development Fund for amount of Baht 104 million and Baht 50 million, respectively (note 17).

## 10. LONG-TERM LOANS

	Consolidated (Thousand Baht)		Parent company (Thousand Baht)	
	30 <sup>th</sup> June 2002	31 <sup>st</sup> December 2001	30 <sup>th</sup> June 2002	31 <sup>st</sup> December 2001
Long-term loans	2,990,633	5,031,664	2,990,633	5,031,664
Long-term loans - subsidiaries	734,042	951,922		
Less Current portion due within 1 year	-64,220	-95,210	0	0
Total	3,660,455	5,888,376	2,990,633	5,031,664

Long-term loans of Land and Houses Public Company Limited consist of borrowing from domestic and foreign financial institutions as follows:

	(Thousand Baht)	
	30 <sup>th</sup> June 2002	31 <sup>st</sup> December 2001
Domestic banks	2,148,633	4,103,674
Domestic financial companies	842,000	100,000
Foreign banks	0	827,990

Total	2,990,633	5,031,664
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10.1 Borrowings from domestic banks and finance companies were collateralized by a mortgage on land and construction of each project together with a pledge of investment in three affiliates and two other companies as detailed following :

Institute	30 <sup>th</sup> June 2002 (Million Baht)		31 <sup>st</sup> December 2001 (Million Baht)		Repayment conditions	Guarantee by
	Credit amount	Interest	Credit amount	Interest		
One bank	2,148.63	MLR	3,786.71	MLR	40-50% of selling price of land and construction	Mortgage land and construction of each project
Other banks	0.00	MLR	316.96	MLR	Repayment quarterly by 20 installments of Baht 84.40 million, starting 1 <sup>st</sup> March 2002	Mortgage land and construction of each project and pledge of share in 3 affiliates and 2 other companies
Total	2,148.63		4,103.67			
Finance companies	842.00	4.85-7.25	100.00	Creditor's MLR	Repayment from April 2004 to June 2006	Loans of Baht 397 million with mortgage land and construction of each project Loans of Baht 445 million without collateral
Total	842.00		100.00			

10.2 In the first quarter of 2002, the Company has made repayment of long-term loans of JPY 600 million and JPY 750 million, respectively and in the second quarter of 2002, the Company repaid another US\$ 8 million loans from overseas bank. As at 30th June 2002, the Company has no outstanding loans in foreign currencies.

10.3 The subsidiaries' long-term loans consist of loans from domestic financial institutions as follows :

Company	Creditors	Balance(million)		Interest rate %	Repayment conditions	Guarantee by
		2002	2001			
1. L H Muangmai Co.,Ltd.	Bank	482.45	510.38	MLR+0.25	55% of selling price of land and construction	Mortgage land and construction of each

						project
2. Land and Houses North Co.,Ltd.	Bank	0.00	11.43	MLR	55% of selling price of land and construction	Mortgage land and construction of each project
3. Land and Houses norteat Co.,Ltd.	Bank	124.11	178.47	MLR	55% of selling price of land and construction	Mortgage land and construction of each project
4.Siamtanee property Co.,Ltd. and subsidiaries	Bank	0.02	0.02	MLR+1	Due repayment in 2002 and 2003	Mortgage land and construction of each project
	Finance company	127.46	-	6-7	Due repayment In 2002 of Baht 28.10 million, In 2003 of Baht 50.40 million, In 2004 of Baht 48.96 million.	Mortgage land and construction of each project
5. Siam Tanee Real Estate Co.,Ltd. and subsidiaries	Bank	* -	49.06	5-6	Due repayment in 2001 of Baht 68.75 million,	Mortgage land and construction of each project
	Finance company	* -	202.56	6-7	In 2002 of Baht 99.37 million, In 2003 of Baht 83.00 million, In 2004 of Baht 74.98 million.	
Total		734.04	951.92			

\* In 2002, loans of Siam Tanee Real Estate Co., Ltd. and subsidiaries are included in loans of Siamtanee Property Co., Ltd.

## 11. DEBENTURES – DOMESTIC

	Number of debenture (Thousand Baht)		Amount (Thousand Baht)	
	30 <sup>th</sup> June 2002	31 <sup>st</sup> December 2001	30 <sup>th</sup> June 2002	31 <sup>st</sup> December 2001
Unsecured debentures	720	800	720,000	800,000
Secured debentures	1,500	1,500	1,500,000	1,500,000
Balance	2,220	2,300	2,220,000	2,300,000
Less Current portion of liabilities			-427,500	-200,000
Balance			1,792,500	2,100,000

## 12. CONVERTIBLE DEBENTURES

	Number of debenture (Thousand Baht)		Amount (Thousand Baht)	
	30 <sup>th</sup> June 2002	31 <sup>st</sup> December 2001	30 <sup>th</sup> June 2002	31 <sup>st</sup> December 2001
Convertible debentures issued overseas	60,000	60,000	1,512,000	1,512,000
Less Conversion into common shares through - 30 <sup>th</sup> June 2002	-51,867	-51,867	-1,307,048	-1,307,048
Balance	8,133	8,133	204,952	204,952
Less Current portion of liabilities			-204,952	0
Balance			0	204,952

### 13. SHARE CAPITAL

13.1 On 3rd September 2001, the Company issued 307,656,855 units of warrants with 7 years term to existing shareholders and each unit of warrant has exercise right to purchase one ordinary share at the price of Baht 26.00 each and exercise period is on every three months.

On 11th February 2002, due to the issuance of warrants to employees of the Company and its subsidiaries, the exercise ratio and exercise price were adjusted to be 1 unit of warrant has right to purchase 1.00757 units of ordinary share at the price of Baht 25.805 each.

As at 30<sup>th</sup> June 2002, the remaining warrants are as follows:

Number of total warrants	307,656,855	Units
The number of exercised warrants	(897,892)	Units
Balance number of warrants	306,758,963	Units

The holders of 897,892 units of warrants exercised to purchase 904,670 ordinary shares at Baht 25.805 each in March and June 2002.

13.2 On 11th February 2002, the Company allotted 5,971,500 units of warrants, specific name and non-transferable, to the Company and its subsidiaries' employees each unit of warrant has exercise right to purchase one ordinary share at Baht 10.00 each. The remaining warrants as at 30th June 2002 are as follows :

Number of total warrants	5,971,500	Units
Conversion to ordinary share up to 30 <sup>th</sup> June 2002	(5,845,600)	Units
Balance number of warrants	125,900	Units

### 14. REVALUATION INCREMENT IN ASSETS

Revaluation increment in assets of Baht 114.64 million (as at 31st December 2001 of Baht 118.96 million) is belong to Bangkok Chain Hospital Co., Ltd. in which the Company recognized under the equity method.



## 15. UNREALIZED GAIN (LOSS) OF INVESTMENTS

The difference between book value and fair value of investments available for sales consist of :

	Consolidated (Thousand Baht)		Parent Company (Thousand Baht)	
	30 <sup>th</sup> June 2002	31 <sup>st</sup> December 2001	30 <sup>th</sup> June 2002	31 <sup>st</sup> December 2001
Investment in subsidiaries				
Atlantic Real Estate Co., Ltd.	19,152	69,287	19,152	69,287
Investment in affiliates				
Assets Plus Securities Co., Ltd.	243	-842	243	-842
Investment of Land and Houses Plc.	1,912,218	49,294	1,912,218	49,294
Total	1,931,613	117,739	1,931,613	117,739

## 16. DIRECTOR'S REMUNERATION

Director's remuneration are benefits paid to the Company's directors by excluding salaries and benefits which paid to the executive directors.

Total remuneration of the Board of Director of the Company and subsidiaries for six months ended 30th June 2002 and 2001 is Baht 0.78 million and Baht 0.74 million, respectively.

## 17. EXTRAORDINARY ITEMS

During second quarter ended 30th June 2002, subsidiaries have gain from debt restructuring of Baht 124.75 million as follows :

17.1 Pacific Real Estate Co., Ltd. has gain from debt restructuring of Baht 76.38 million from making repayment of loans - promissory notes of Baht 114.12 million for the principal and accrued interest of Baht 190.50 million.

17.2 Siam Tanee Real Estate Co., Ltd. (a subsidiary of Siamtanee Property Co., Ltd.) has gain from debt restructuring of Baht 48.37 million from making repayment of loans - promissory notes of Baht 55.57 million for the principal and accrued interest of Baht 91.22 million and repayment of long-term loans of Baht 38.89 million for the principal and accrued interest of Baht 51.61 million.

## 18. EARNINGS PER SHARE

### Consolidated and parent's financial statements

	For three months ended 30 <sup>th</sup> June 2002		
	Profit	Number of share	Baht/share

	(Thousand Baht)		
<u>Basic earnings per share</u>			
Net profit of common share	1,049,316	628,388,820	1.67
Effects of diluted potential common share			
- Exercise rights	0	178,713,040	0.00
<u>Diluted earnings per share</u>			
Profit of common shareholders assumed as conversion to common share	1,049,316	807,101,860	1.30

	For six months ended 30 <sup>th</sup> June 2002		
	Profit (Thousand Baht)	Number of share	Baht/share
<u>Basic earnings per share</u>			
Net profit of common share	1,568,297	626,712,910	2.50
Effects of diluted potential common share			
- Exercise rights	0	178,713,040	0.00
<u>Diluted earnings per share</u>			
Profit of common shareholders assumed as conversion to common share	1,568,297	805,425,950	1.95

## 19. APPROPRIATION OF RETAINED EARNINGS AND DIVIDENDS

According to the minutes of Shareholders' General Meeting no. 1/2002 held on 30th April 2002 and no. 1/2001 held on 30th April 2001, the shareholders unanimously passed the resolution to cease dividends distribution from the result of its operations for the year 2001 and 2000.

## 20. COMMITMENT AND CONTINGENT LIABILITIES

20.1 The Company has contingent liabilities to several financial institutions for acting as a guarantor for the Company's subsidiaries, affiliates and other companies as follows :

Company	30 <sup>th</sup> June 2002		31 <sup>st</sup> December 2001	
	Foreign currencies	Thai Baht (million)	Foreign currencies	Thai Baht (million)
Subsidiaries				
1. Siam Tanee Real Estate Co., Ltd.	-	137.65	-	265.83
2. Pacific Real Estate Co., Ltd.	-	-	-	182.27
Total		137.65		448.10

Company	30 <sup>th</sup> June 2002		31 <sup>st</sup> December 2001	
	Foreign currencies	Thai Baht (million)	Foreign currencies	Thai Baht (million)
Affiliates				
1. Bangkok Chain Hospital Co., Ltd.	-	332.50	-	332.50
2. Bangkok Chain Hospital Co., Ltd.	JPY 2,586.70 million	905.39	JPY 2,640.43 million	895.29
3. Quality Construction Products Co., Ltd.	-	368.03	-	369.24
Total		1,605.92		1,597.03
Other related companies				
1. Saraburi Vechakit Co., Ltd.	JPY 71.80 million	25.14	JPY 74.84 million	25.38
Total		25.14		25.38
Total commitment and guarantee		1,768.71		2,070.51

20.2 Quality Construction Products Co., Ltd. has incurred operating capital deficiency. Therefore, the Company has contingent liabilities on debt repayment. At present, the Company cannot estimate the liabilities on this transaction, therefore, the Company has not recorded such expenses in the financial statements. However, Quality Construction Products Co., Ltd. has already proceeded the debt restructuring.

The Company guaranteed the affiliates and other companies based on the proportion of shareholding, and additionally, major shareholders of Bangkok Chain Hospital Co., Ltd. is a relative of the Company major shareholders.

20.3 As at 30th June 2002, the Company has responsibility to provide fund to the foreign related companies under the "SHAREHOLDERS LOAN AGREEMENTS" in proportion to shares held at an interest rate of LIBOR+1.5% and on clean basis.

20.4 As at 30th June 2002, the Company has commitment and contingent liabilities from bank's issuance of letter of guarantee for project development and company's operation for an amount of Baht 819.27 million (as at 31st December 2001, the amount was Baht 867.09 million).

20.5 As at 30th June 2002 and 31st December 2001, the Company has guaranteed customers' loans to financial institutions of Baht 50.95 million and Baht 56.01 million, respectively.

20.6 Commitment under leasehold agreement

The Company has entered into long-term operation lease of two leasehold land as follows :

NO.	Date of agreement	Term	Maturity date	Rental fee
1.	1 <sup>st</sup> September 1994	30 years	31 <sup>st</sup> August 2024	- The 6 <sup>th</sup> – 10 <sup>th</sup> year, annual fee of Baht 2.70 million. - The 11 <sup>th</sup> – 15 <sup>th</sup> year, annual fee of Baht 4.05 million. - The 16 <sup>th</sup> – 20 <sup>th</sup> year, annual fee of Baht 8.08 million. - The 21 <sup>th</sup> – 25 <sup>th</sup> year, annual fee of Baht 9.11 million. - The 26 <sup>th</sup> – 30 <sup>th</sup> year, annual fee of Baht 10.97 million.
2.	1 <sup>st</sup> October 2001	30 years	30 <sup>th</sup> September 2031	- Monthly fee of 0.20 million - Pay additional fee at rate 3% of prior year annual rental fee.

## 21. OBLIGATION AND COMMITMENT FROM DEVELOPING PROJECT ON HAND

	Consolidated (Thousand Baht)		Parent company (Thousand Baht)	
	31 <sup>st</sup> March 2002	31 <sup>st</sup> December 2001	31 <sup>st</sup> March 2002	31 <sup>st</sup> December 2001
Number of project on hand, beginning of the period	36	42	25	30
Number of closing project	0	(8)	0	(7)
Number of new project	1	2	1	2
Number of project on hand, ending of the period	37	36	26	25
Contracted sales value (million Baht)	43,610	37,838	39,402	33,645
% Sales value of project on hand	66.0%	57.0%	66.6%	58.7%

The Company has obligation and commitment to complete all central utilities of developing projects on hand in the amount of Baht 820 million.

## 22. TRANSACTION WITH ITS RELATED PARTIES

The Company has significantly transactions in normal course of business with its subsidiaries and other companies which are related through common shareholding or co-shareholder or directorship as follows :

	Consolidated (Thousand Baht)		Parent Company (Thousand Baht)	
	30 <sup>th</sup> June 2002	30 <sup>th</sup> June 2001	30 <sup>th</sup> June 2002	30 <sup>th</sup> June 2001
<b>Purchase goods</b>				
Quality Construction Products Co.,Ltd.	76.60	65.45	72.76	65.45
Home Prodcets Center Plc.	96.87	41.63	86.88	41.63
Asian Property Development Plc. and subsidiaries	20.14	10.30	20.14	10.30
Total	193.61	117.38	179.78	117.38
<b>Services</b>				
Quality Houses Plc.	7.10	5.86	6.69	5.86
Total	7.10	5.86	6.69	5.86
<b>Trade accounts payable</b>				
Quality Construction Products Co.,Ltd.	15.36	8.14	15.14	8.14
Home Products Center Plc.	20.51	8.78	19.66	8.78
Asian Property Development Plc. and subsidiaries	4.67	6.40	4.67	6.40
Total	40.54	23.32	39.47	23.32

## 23. LITIGATION

As at 30th June 2002, the Company has no material litigation.

## 24. FINANCIAL INFORMATION BY SEGMENT

The Company's and subsidiaries' operations involve virtually a single real estate development business in one geographical segment since the Company and subsidiaries only have operated in domestic.

## 25. DISCLOSURE AND PRESENTATION OF FINANCIAL INSTRUMENTS

As at 30th June 2002 and 31st December 2001, assets and liabilities in foreign currencies consist of :

		Consolidated (Thousand Baht)		Parent Company (Thousand Baht)	
		30 <sup>th</sup> June 2002	31 <sup>st</sup> December 2001	30 <sup>th</sup> June 2002	31 <sup>st</sup> December 2001
<b>Assets</b>					
US Dollars		-	0	-	0
<b>Liabilities</b>					
US Dollars		-	8,000,000	-	8,000,000
Yen		-	1,350,000,000	-	1,350,000,000