

LAND AND HOUSES PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS
AS AT 30th SEPTEMBER 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 Statements" 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 th September 2002	31 st December 2001	30 th September 2002	31 st December 2001
Debt securities Fund		0	155,000	0	155,000
Equity securities		12,700	0	0	0
Treasury bill		525,000	93,373	525,000	0
Provision for unrealized gain (loss) on investment		3,768	453	0	453
Total		541,468	248,826	525,000	155,453

4. SHORT-TERM LOANS TO RELATED PARTIES

Assets	Note	Consolidated (Thousand Baht)		Parent company (Thousand Baht)	
		30 th September 2002	31 st December 2001	30 th September 2002	31 st December 2001
Loans to subsidiaries		0	0	752,242	525,242
Loans to affiliates		91,250	109,000	91,250	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		2,250	29,219	754,492	554,461

4.1 Loans to subsidiaries: -

Assets	Note	30 th September 2002		31 st December 2001	
		Amount (thousand Baht)	Interest rate %	Amount (thousand Baht)	Interest rate %
Loans to subsidiaries: -					
Pacific Real Estate Co., Ltd.		0	-	1,200	7.50
Land and Houses Northeast Co., Ltd.		309,000	5.00-5.25	122,000	6.50-7.50
Land and Houses North Co., Ltd.		61,500	5.25-6.50	55,500	7.50
Siam Tanee Real Estate Co., Ltd.		98,000	4.50	0	-
L H Muangmai Co., Ltd.		145,442	7.50	145,442	7.50
Atlantic Real Estate Co., Ltd.		138,300	7.75	201,100	7.50-8.00
Total		752,242		525,242	

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

4.2 Loans to affiliates: -

Assets	Note	30 th September 2002		31 st December 2001	
		Amount (thousand Baht)	Interest rate %	Amount (thousand Baht)	Interest rate %
Bangkok Chain Hospital Co., Ltd.		91,250	7.00	100,000	7.25
Quality Construction Products Co., Ltd.		0	-	9,000	MLR
Less Allowance for doubtful accounts - affiliates		(89,000)		(98,000)	
Total		2,250		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 th September 2002	31 st December 2001	30 th September 2002	31 st December 2001
Land		10,360,962	11,066,985	9,275,161	10,045,713
Land improvements		958,306	850,914	897,098	777,300
Construction in progress		1,934,546	1,800,971	1,584,590	1,472,393
Deferred interest		4,934,071	5,678,089	4,423,776	5,132,254
Central utilities		1,041,720	1,227,150	734,637	874,276
Preparation cost		99,090	159,240	40,785	92,123
Houses for sales		15,265	30,861	0	0
Total		19,343,960	20,814,210	16,956,047	18,394,059
Less Allowance for declining value of inventories		(1,721,445)	(2,087,777)	(1,569,854)	(1,906,449)
Balance		17,622,515	18,726,433	15,386,193	16,487,610

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

6. INVESTMENT IN RELATED PARTIES is consisted of common share as follows:

For parent company's financial statements

	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	371.62	257.80	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	36.07	36.07
- Assets Plus Securities Co., Ltd.	Finance & securities	0.00	225.00	0.00	26.18
- Quality Construction Products Co.,Ltd.	Building material	154.38	18.75	40.08	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	29.28	29.09
- Asian Property Development Plc. and subsidiaries	Real Estate	0.00	1,925.00	0.00	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	
		2001	2000	2001	2000	2001	2000
		Investments in subsidiaries					
- Atlantic Real Estate Co., Ltd.	Real Estate	14,998	14,998	55,075	75,006	0	0
- Pacific Real Estate Co., Ltd.	Real Estate	371,614	257,797	5,087	0	0	0
- Land and Houses North Co., Ltd.	Real Estate	13,500	13,500	25,828	20,232	0	0
- Land and Houses Northeast Co., Ltd.	Real Estate	569,999	569,999	307,306	297,858	0	0
- Siam Tanee Property Co., Ltd. and subsidiaries	Real Estate	64,859	64,859	167,794	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	0	(50,802)	0	0
- L H Muangmai Co., Ltd.	Real Estate	170,940	170,940	125,225	109,276	0	0
Total investments in subsidiaries		1,205,910	1,372,509	686,315	530,446	0	0
Investments in affiliates: -							
- Bangkok Chain Hospital Co., Ltd.	Hospital	449,355	449,355	39,801	0	0	0
- Assets Plus Securities Co., Ltd.	Finance & securities	95,879	95,879	0	126,223	1,472	0
- Quality Construction Products Co.,Ltd.	Building material	189,106	90,668	91,462	0	0	0
- M L & H Corporation	Real Estate	1,796,317	1,796,317	1,087,302	1,079,140	0	0
- Home Products Center Plc.	Trading of construction materials	221,638	135,191	259,962	152,418	0	0
- Asian Property Development Plc. and subsidiaries	Real Estate	0	582,514	0	220,086	0	0
- Cameron Global Limited	Investment business	15	15	170	333	0	0
- Asia Assets Advisory Co., Ltd.	Investment advisor	4,999	4,999	8,267	6,424	0	0
Total investments in affiliates		2,757,309	3,154,938	1,486,964	1,584,624	0	9,000
Total investments in subsidiaries and affiliates		3,963,219	4,527,447	2,173,279	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 nine months ended 30th September 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 On 23rd August 2002, Pacific Real Estate Co., Ltd. increased its share capital from 2.58 million shares of Baht 100.00 each to 3.72 million shares of Baht 100.00 each, amounting to Baht 113.82 million. The Company converted loans to Pacific Real Estate Co., Ltd. to be capital 1.14 million shares of Baht 100.00 each, totalling Baht 113.82 million and has equity gain of Baht 65.65 million deducted with realized excess of loss over investments for the period ended 31st December 2001 of Baht 174.38 million, the balance of investments in Pacific Real Estate Co., Ltd. as at 30th September 2002 was Baht 5.09 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 th September 2002	31 st December 2001
- S.T.N. Management Co. Ltd.	Condominium management	99.99%	99.99%
- Siam Tanee Real Estate Co., Ltd.	Real Estate	99.99%	99.99%
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 nine months ended 30th September 2002 which was brought into the computation of investment under equity method, was taken from unreviewed financial statements. Net profit presented in that financial statements of Baht 516.71 million consist of net profit from operations and gain from debt restructuring of Baht 70.9 million and Baht 445.81 million, respectively. As a result, the Company has equity gain of Baht 153.69 million including increased share capital in 3rd quarter of Baht 98.44 million less by realized excess of loss over investments for the period ended 31st December 2001 of

Baht 160.67 million, the balance of investments in Quality Construction Products Co., Ltd. as at 30th September 2002 was Baht 91.46 million.

In 3rd quarter, the Company purchased the increase share capital of Quality Construction Products Co., Ltd. 1,406,250 shares at Baht 10.00 each and 4,218,750 shares at Baht 20.00 each, totaling Baht 98.44 million. From that increase, proportion of investments of the Company was changed from 30% to be 40.08%.

6.2.2 The financial statements of Bangkok Chain Hospital Co., Ltd. for nine months ended 30th September 2002 which was brought into the computation of investment under equity method, was taken from unreviewed financial statements which had equity gain of Baht 48.63 million, equity from declining in revaluation increment in assets of Baht 6.47 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. for the nine months ended 30th September 2002 was Baht 39.80 million.

6.2.3 The financial statements of M L & H Corporation and Cameron Global Limited for nine months ended 30th September 2002, which were brought into computation of investment under equity method, were taken from unreviewed financial statements, the equity gain total amount of Baht 8.00 million.

6.2.4 Investment in Home Products Center Public Company Limited and Asia Asset Advisory Co., Ltd. for nine months ended 30th September 2002 that the equity gain totalling Baht 22.94 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 and during the 3rd quarter of 2002, the Company has additionally purchased 1,453,500 shares in amount of Baht 3.54 million, the proportion of investments was changed from 29.08% to be 29.28%.

Investment in Home Products Center Public Company Limited, a listed company in the Stock Exchange of Thailand had market value as at 30th September 2002 of Baht 2.30 per share or total market value of Baht 505.16 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.

6.2.6 In September 2002, Assets Plus Securities Public Company Limited has registered to change the paid-up share capital from 22.5 million shares at par of Baht 10.00 each, amounting to Baht 225 million to 45 million shares at par of Baht 5.00 each, amounting to Baht 225 million.

Later, during 9th - 10th September 2002, Assets Plus Securities Public Company Limited issued the increased 15 million shares at par of Baht 5.00 each in the amount of Baht 25.00 each to the public and taken to trading in the Stock Exchange of Thailand on 18th September 2002, as a result, the paid-up share capital will be increased to 60 million shares at par of Baht 5.00 each, totalling Baht 300 million. From that increase, the proportion of investments in Assets Plus Securities Public Company Limited was reduced from 26.18% to 19.63%. The Company, therefore, changed the presentation of investments in associates to investment in other companies.

As at 30th September 2002, share capital of Assets Plus Securities Public Company Limited had market value of Baht 22.40 per share. The Company held such share capital at market value equal to Baht 263.84 million.

7. LONG-TERM INVESTMENTS

For the period ended 30th September 2002

	Consolidated (Thousand Baht)			Parent Company (Thousand Baht)		
	Securities held for sales	Other investments	Total	Securities held for sales	Other investments	Total
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	1,599,974	3,563,381	5,163,355	1,595,255	3,430,980	5,026,235
Less Provision for unrealized gain (loss) of investment	1,311,405	0	1,311,405	1,302,415	0	1,302,415
Provision for impairment of assets - investment	(275,803)	(2,045,198)	(2,321,001)	(275,803)	(2,045,198)	(2,321,001)
Total	2,635,576	1,868,681	4,504,257	2,621,867	1,736,280	4,358,147

For the period ended 31st December 2001

	Consolidated (Thousand Baht)			Parent Company (Thousand Baht)		
	Securities held for sales	Other investments	Total	Securities held for sales	Other investments	Total
Debt securities held 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	3,232,980	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)
Total	350,758	2,332,923	2,683,681	248,940	2,240,521	2,489,461

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 st December 2001	Increase	Decrease	30 th September 2002
Cost:				
Office building	117,042	711	10,732	107,021
Office equipment	92,439	13,369	50,930	54,878
Office and club furnitures	130,898	9,364	52,473	87,789
Machinery and equipment	2,344	64	1,250	1,158
Vehicles	18,889	2,606	2,180	19,315
Kindergarten	931	0	0	931
Nursery garden	75	0	0	75
Club houses, swimming pool and tennis court	545,882	55,563	0	601,445
Leasehold	100,958	0	0	100,958
Other assets	49,295	1,846	29,141	22,000
Assets in progress	1,873	11,366	937	12,302
Total	1,060,626	94,889	147,643	1,007,872
Accumulated depreciation:				
Office building	93,649	4,123	3,092	40,680
Office equipment	72,488	5,633	50,935	27,186
Office and club furnitures	81,788	13,048	43,792	51,044
Machinery and equipment	2,339	3	1,251	1,091
Vehicles	7,620	2,069	2,180	7,509
Kindergarten	374	35	0	409
Nursery garden	67	2	0	69
Club houses, swimming pool and tennis court	472,606	55,444	0	528,050
Leasehold	20,315	7,410	0	27,725
Other assets	43,729	1,262	29,140	15,851
Total	740,975	89,029	130,390	699,614
Provision for impairment of assets:				
Club houses, swimming pool and tennis court	6,989			6,989
Net book value	312,661			301,269
Depreciation for nine months ended 30 th September 2002				89,029
Depreciation for nine months ended 30 th September 2001				74,049

Financial Statements

Parent's financial statements	(Baht : Thousand)			
	31 st December 2001	Increase	Decrease	30 th September 2002
Cost:				
Office building	82,868	711	4,889	78,690
Office equipment	81,697	12,982	49,539	45,140
Office and club furnitures	83,634	9,204	40,986	51,852
Tools and equipments	1,251	0	1,251	0
Vehicles	14,634	1,027	350	15,311
Kindergarten	931	0	0	931
Nursery garden	59	0	0	59
Club houses, swimming pool and tennis court	427,611	53,087	0	480,698
Leasehold	99,775	0	0	99,775
Other assets	41,289	1,731	28,187	14,833
Assets in progress	1,746	6,399	937	7,208
Total	835,495	85,141	126,139	794,497
Accumulated depreciation:				
Office building	19,449	2,964	1,353	21,060
Office equipment	62,464	5,298	49,537	18,225
Office and club furnitures	41,618	10,983	32,305	20,296
Tools and equipments	1,251	0	1,251	0
Vehicles	4,540	1,833	350	6,023
Kindergarten	374	35	0	409
Nursery garden	51	2	0	53
Club houses, swimming pool and tennis court	405,987	47,084	0	453,071
Leasehold	20,062	7,382	0	27,444
Other assets	36,203	1,135	28,187	9,151
Total	591,999	76,716	112,983	555,732
Net book value	243,496			238,765
Depreciation for nine months ended 30 th September 2002				76,716
Depreciation for nine months ended 30 th September 2001				63,262

Fixed assets of the Company and subsidiaries are not used as collaterals.
As at 30th September 2002, plant and equipment which were fully depreciated amounting to Baht 26.59 million are still being operated.

9. BANKS OVERDRAFT AND LOANS FROM FINANCIAL INSTITUTIONS

		Consolidated (Thousand Baht)		Parent company (Thousand Baht)	
		30 th September 2002	31 st December 2001	30 th September 2002	31 st December 2001
Banks overdraft		75,412	17,323	46,734	14,338
Bill of exchange		1,745,000	957,500	1,745,000	807,500
Total		1,820,412	974,823	1,791,734	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 1,745 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 th September 2002	31 st December 2001	30 th September 2002	31 st December 2001
Long-term loans	2,988,032	5,031,664	2,988,032	5,031,664
Long-term loans - subsidiaries	584,618	951,922	0	0
Less Current portion due within 1 year	(20)	(95,210)	0	0
Total	3,572,630	5,888,376	2,988,032	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 th September 2002	31 st December 2001
Domestic banks	1,876,032	4,103,674
Domestic financial institutions	1,112,000	100,000
Foreign banks	0	827,990
Total	2,988,032	5,031,664

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	2002(Million Baht)		2001(Million Baht)		Repayment conditions	Guarantee by
	Credit amount	Interest	Credit amount	Interest		
One bank	1,876.03	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 st March 2002	Mortgage land and construction of each project and pledge of share in 3 affiliates and 2 other companies
Total	1,876.03		4,103.67			

Finance companies	1,112.00	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 715 million without collateral
Total	1,112.00		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 September 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		Interest	Repayment conditions	Guarantee by
		2001	2000	%		
1. L H Muangmai Co.,Ltd.	Bank	442.58	510.38	MLR+0.2 5	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 Norheat Co.,Ltd.	Bank	0.01	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 Finance company	142.02 0.00	0.02 -	MLR+1 6-7	Due repayment in 2002 and 2003 Due repayment In 2002 of Baht 28.10 million, In 2003 of Baht 50.41 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, In 2002 of Baht 99.37 million, In 2003 of Baht 83.00 million, In 2004 of Baht 74.98 million.	Mortgage land and construction of each project
	Finance company	* -	202.56	6-7		
Total		584.61	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 th September 2002	31 st December 2001	30 th September 2002	31 st December 2001
Unsecured debentures	800,000	800,000	600,000	800,000
Secured debentures	1,500,000	1,500,000	1,500,000	1,500,000
Balance	2,300,000	2,300,000	2,100,000	2,300,000
Less Current portion of liabilities			(521,250)	(200,000)
Balance			1,578,750	2,100,000

12. CONVERTIBLE DEBENTURES

	Number of debenture (Thousand Baht)		Amount (Thousand Baht)	
	30 th September 2002	31 st December 2001	30 th September 2002	31 st December 2001
Convertible debentures issued - overseas	60,000	60,000	1,512,000	1,512,000
Less Conversion into common shares through - 30 th September 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 30th September 2002, the remaining warrants are as follows :

Number of total warrants	307,656,855	Units
The number of exercised warrants up to 30 th September 2002	(1,524,331)	Units
Balance number of warrants	306,132,524	Units

The holders of 1,524,331 units of warrants exercised to purchase 1,535,845 ordinary shares at Baht 25.805 each in 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 September 2002 are as follows :

Number of total warrants	5,971,500	Units
The number of exercised warrants up to 30 th September 2002	(5,951,000)	Units
Balance number of warrants	20,500	Units

In 2002, the Company and its subsidiaries' employees exercised the right to purchase 5,951,000 common shares at Baht 10.00 each.

14. REVALUATION INCREMENT IN ASSETS

Revaluation increment in assets of Baht 112.49 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 th September 2002	31 st December 2001	30 th September 2002	31 st December 2001
Investment in subsidiaries				
Atlantic Real Estate Co., Ltd.	8,990	69,287	8,990	69,287
Investment in affiliates				
Assets Plus Securities Co., Ltd.	0	(842)	0	(842)
Investment of Land and Houses Plc.	1,302,415	49,294	1,302,415	49,294
Total	1,311,405	117,739	1,311,405	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 nine months ended 30th September 2002 and 2001 is Baht 1.17 million and Baht 1.07 million, respectively.

17. EXTRAORDINARY ITEMS

As at 30th September 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 th September 2002		
	Profit (Thosand Baht)	Number of share	Baht/share
Basic earnings per share			
Net profit of common share	1,166,702	630,411,702	1.85
Effects of diluted potential common share			
- Exercise rights	1,808	180,969,083	
Diluted earnings per share			
Profit of common shareholders assumed as conversion to common share	1,168,510	811,380,785	1.44
Basic earnings per share	2,735,000	627,959,390	4.36
Net profit of common share			
Effects of diluted potential common share			
- Exercise rights	5,365	180,951,915	
Diluted earnings per share			
Profit of common shareholders assumed as conversion to common share	2,740,365	808,911,305	3.39

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.

According to the minutes of the Board of directors meeting on 14th August 2002, passed the resolution to pay interim dividends to the shareholders at Baht 0.70 per share for 630,368,181 shares, totalling Baht 441.26 million. Dividends payment was made on 12th September 2002.

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 th September 2002		31 st December 2001	
	Foreign currencies	Thai Baht (million)	Foreign currencies	Thai Baht (million)
Subsidiaries				
1. Siam Tanee Real Estate Co., Ltd.	-	0.00	-	265.83
2. Pacific Real Estate Co., Ltd.	-	0.00	-	182.27
Total		0.00		448.10

Company	30 th September 2002		31 st 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 2,548.29 million	912.38	JPY 2,640.43 million	895.29
3. Quality Construction Products Co., Ltd.	-	205.00	-	369.24
Total		1,449.88		1,597.03
Other related companies				
1. Saraburi Vechakit Co., Ltd.	JPY 70.30 million	25.17	JPY 74.84 million	25.38
Total		25.17		25.38
Total commitment and guarantee		1,475.05		2,070.51

20.2 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 September 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 September 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 1,008.61 million (as at 31st December 2001, the amount was Baht 867.09 million).

20.5 As at 30th September 2002 and 31st December 2001, the Company has guaranteed customers' loans to financial institutions of Baht 46.88 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.	1st September 1994	30 years	31st August 2024	<ul style="list-style-type: none"> - The 6th - 10th year, annual fee of Baht 2.70 million. - The 11th - 15th year, annual fee of Baht 4.05 million. - The 16th - 20th year, annual fee of Baht 8.08 million. - The 21th - 25th year, annual fee of Baht 9.11 million. - The 26th - 30th year annual fee of Baht 10.97 million.
2.	1st October 2001	30 years	30th September 2031	<ul style="list-style-type: none"> - 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		Parent company	
Number of project on hand, beginning of the period	36	42	25	30
Number of closing project	(8)	(8)	(4)	(7)
Number of new project	6	2	6	2
Number of project on hand, ending of the period	34	36	27	25
Contracted sales value (million Baht)	39,406	37,838	36,084	33,645
% Sales value of project on hand	66.0%	57.0%	60.7%	58.7%

The Company has obligation and commitment to complete all central utilities of developing projects on hand in the amount of Baht 964 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)		Consolidated (Thousand Baht)	
	30 th September 2002	30 th September 2001	30 th September 2002	30 th September 2001
Purchase goods				
Quality Construction Products Co., Ltd.	128.75	107.05	122.96	107.05
Home Products Center Plc.	164.20	86.76	148.60	86.76
Asian Property Development Plc. and subsidiaries	33.44	19.10	33.44	19.10
Total	326.39	212.91	305.00	212.91
Services				
Quality Houses Plc	11.42	9.04	10.77	9.04
Total	11.42	9.04	10.77	9.04
Trade accounts payable				
Quality Construction Products Co., Ltd.	18.78	24.24	17.49	24.24
Home Products Center Plc.	33.03	31.28	30.88	31.28
Asian Property Development Plc. and subsidiaries	3.49	1.86	3.49	1.86
Total	55.30	57.38	51.86	57.38

23. LITIGATION

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

	Consolidated		Parent company	
	30 th September 2002	30 th September 2001	30 th September 2002	30 th September 2001
Assets				
US Dollars	-	0	-	0
Liabilities				
US Dollars	-	8,000,000	-	8,000,000
Yen	-	1,350,000,000	-	1,350,000,000