

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

	Type of business	(Million Baht)		% of investment		(Thousand Baht)		(Thousand Baht)		(Thousand Baht)	
		Paid-up capital				Cost method		Equity method		Dividend	
		2003	2002	2003	2002	2003	2002	2003	2002	2003	2002
Investments in subsidiaries :-											
- Atlantic Real Estate Co., Ltd.	Real Estate	15.00	15.00	99.99	99.99	14,998	14,998	62,289	51,394	0	0
- Pacific Real Estate Co., Ltd.	Real Estate	371.62	371.62	99.99	99.99	371,614	371,614	3,928	4,949	0	0
- Land and Houses North Co., Ltd.	Real Estate	13.50	13.50	99.99	99.99	13,500	13,500	39,972	32,067	0	0
- Land and Houses North East Co., Ltd.	Real Estate	570.00	570.00	99.99	99.99	569,999	569,999	322,536	313,200	0	0
- Siamtanee Property Co., Ltd. and subsidiaries	Real Estate	100.00	100.00	99.99	99.99	64,859	64,859	273,352	232,712	0	0
- L H Muangmai Co., Ltd.	Real Estate	310.80	310.80	55.00	55.00	170,940	170,940	140,794	128,833	0	0
Total investments in subsidiaries						1,205,910	1,205,910	842,871	763,155	0	0
Investments in affiliates :-											
- Bangkok Chain Hospital Co., Ltd.	Hospital	610.00	610.00	36.07	36.07	449,355	449,355	79,580	49,341	0	0
- Quality Construction Products Co., Ltd.	Building material	154.38	154.38	40.08	40.08	189,106	189,106	124,035	106,489	0	0
- M L & H Corporation	Real Estate	#####	#####	40.00	40.00	1,796,317	1,796,317	#####	#####	0	0
- Home Products Center Plc.	Trading of construction materials	750.00	750.00	29.28	29.28	221,638	221,638	284,729	275,333	0	0
- Cameron Global Limited	Investment business	0.04	0.04	40.00	40.00	15	15	168	170	0	0
- Asia Assets Advisory Co., Ltd.	Investment advisor	10.00	10.00	49.99	49.99	4,999	4,999	8,996	8,845	0	0
Total investments in affiliates						2,661,430	2,661,430	#####	#####	0	0
Total investments in subsidiaries and affiliates						3,867,340	3,867,340	#####	#####	0	0

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 subsidiaries for three months ended 31st March 2003 were brought into the computation of investments under the equity method, were taken from their respective reviewed financial statements.

6.2 Investments in affiliates

6.2.1 Net profit (loss) of affiliates for three months ended 31st March 2003 and 2002 which were brought into the computation of investment under equity method, were taken from their respective reviewed financial statements except for the certain of net profit (loss) were computed from unreviewed financial statements, the equity gain (loss) are as follows :

	(Thousand Baht)	
	31st March 2003	31st March 2002
Bangkok Chain Hospital Co., Ltd.	19,000	17,909
Quality Construction Products Co., Ltd.	17,546	5,552
M L & H Corporation	(2,289)	19,168
Cameron Global Limited	(1)	(104)
Assets Plus Securities Plc.	0	94
Total equity gain	<u>34,256</u>	<u>42,619</u>

6.2.2 As at 31st March 2003, investments in Home Products Center Public Company Limited, an affiliate, had total market value of Baht 456.84 million (as at 31st December 2002, had market value of Baht 505.16 million).

7. LONG-TERM INVESTMENTS

For the period ended 31st March 2003

	Consolidated			Parent Company		
	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	2,110,161	3,558,188	5,668,349	2,110,161	3,425,787	5,535,948
Less Provision for unrealized gain (loss) of investment	991,860	0	991,860	991,860	0	991,860
Provision for impairment of assets - investment	<u>(275,803)</u>	<u>(2,041,377)</u>	<u>(2,317,180)</u>	<u>(275,803)</u>	<u>(2,041,377)</u>	<u>(2,317,180)</u>
Total	<u>2,826,218</u>	<u>1,867,309</u>	<u>4,693,527</u>	<u>2,826,218</u>	<u>1,734,908</u>	<u>4,561,126</u>

For the period ended 31st December 2002

	Consolidated			(Thousand Baht)		
				Parent Company		
	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	2,078,678	3,558,087	5,636,765	2,078,678	3,425,685	5,504,363
Less Provision for unrealized gain (loss) of investment	1,360,527	0	1,360,527	1,360,527	0	1,360,527
Provision for impairment of assets - investment	(275,803)	(2,041,377)	(2,317,180)	(275,803)	(2,041,377)	(2,317,180)
Total	<u>3,163,402</u>	<u>1,867,208</u>	<u>5,030,610</u>	<u>3,163,402</u>	<u>1,734,806</u>	<u>4,898,208</u>

8. PROPERTY, PLANT AND EQUIPMENT - NET

Consolidated	(Baht : Thousand)			
	31st December 2002	Increase	Decrease	31st March 2003
Cost :				
Office building	107,374	0	10,433	96,941
Office equipment	61,529	595	460	61,664
Office and club furnitures	83,806	4,510	11,653	76,663
Machinery and equipment	1,157	0	0	1,157
Vehicles	19,603	127	0	19,730
Kindergarten	931	0	0	931
Nursery garden	75	0	0	75
Club houses, swimming pool and tennis court	623,233	34,708	0	657,941
Leasehold	100,958	0	0	100,958
Other assets	23,425	678	13	24,090
Assets in progress	15,698	3,402	114	18,986
Total	<u>1,037,789</u>	<u>44,020</u>	<u>22,673</u>	<u>1,059,136</u>

Consolidated		(Baht : Thousand)		
	31st December 2002	Increase	Decrease	31st March 2003
Accumulated depreciation :				
Office building	41,937	1,007	3,538	39,406
Office equipment	29,612	2,458	446	31,624
Office and club furnitures	50,128	2,425	10,362	42,191
Machinery and equipment	1,094	2	0	1,096
Vehicles	8,309	789	0	9,098
Kindergarten	421	11	0	432
Nursery garden	70	1	0	71
Club houses, swimming pool				
and tennis court	544,898	19,865	0	564,763
Leasehold	30,218	2,439	0	32,657
Other assets	15,949	533	9	16,473
Total	<u>722,636</u>	<u>29,530</u>	<u>14,355</u>	<u>737,811</u>
Provision for impairment of assets :				
Building and construction	1,178	0	0	1,178
Club houses, swimming pool				
and tennis court	6,989	0	0	6,989
Total	<u>8,167</u>	<u>0</u>	<u>0</u>	<u>8,167</u>
Net book value	<u><u>306,986</u></u>			<u><u>313,158</u></u>
				(Thousand Baht)
				Depreciation for three months ended 31st March 2003
				29,530
				Depreciation for three months ended 31st March 2002
				23,452

Parent's financial statements		(Baht : Thousand)		
	31st December 2002	Increase	Decrease	31st March 2003
Cost :				
Office building	78,690	0	0	78,690
Office equipment	51,942	564	0	52,506
Office and club furnitures	51,911	1,755	0	53,666

Parent's financial statements

(Baht : Thousand)

	31st December 2002	Increase	Decrease	31st March 2003
Vehicles	15,315	123	0	15,438
Kindergarten	931	0	0	931
Nursery garden	59	0	0	59
Club houses, swimming pool and tennis court	501,913	32,023	0	533,936
Leasehold	99,775	0	0	99,775
Other assets	16,577	577	0	17,154
Assets in progress	10,473	6,320	114	16,679
Total	827,586	41,362	114	868,834
Accumulated depreciation :				
Office building	22,051	970	0	23,021
Office equipment	20,786	2,395	0	23,181
Office and club furnitures	22,367	2,029	0	24,396
Vehicles	6,669	634	0	7,303
Kindergarten	421	11	0	432
Nursery garden	54	1	0	55
Club houses, swimming pool and tennis court	468,387	16,360	0	484,747
Leasehold	29,928	2,429	0	32,357
Other assets	9,612	493	0	10,105
Total	580,275	25,322	0	605,597
Net book value	247,311			263,237

(Thousand Baht)

Depreciation for three months ended 31st March 2003 25,322

Depreciation for three months ended 31st March 2002 20,584

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

As at 31st March 2003 and 2002, building and equipment which were fully depreciated amounting to Baht 29.43 million and Baht 155.68 million, respectively are still being operated.

9. BANKS OVERDRAFT AND LOANS FROM FINANCIAL INSTITUTIONS

	Consolidated		Parent company	
	(Thousand Baht)		(Thousand Baht)	
	31st March 2003	31st December 2002	31st March 2003	31st December 2002
Banks overdraft	18,543	29,968	9,308	9,431
Bill of exchange	950,000	1,195,000	950,000	1,195,000
Total	<u>968,543</u>	<u>1,224,968</u>	<u>959,308</u>	<u>1,204,431</u>

10. LONG-TERM LOANS

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

Institute	(Million Baht)				Repayment conditions	Guarantee by
	31 March 2003		31 December 2002			
	Credit amount	Interest	Credit amount	Interest		
One bank	756.94	MLR	1,653.41	MLR	40-50% of selling price of land and construction	Mortgage land and construction of each project and pledge of share in an affiliate and one other company
Finance companies	1,576.00	2.94 - 7.25	1,312.00	4.85 - 7.25	Repayment from April 2004 to June 2006	Loans of Baht 345 million with mortgage land and construction of each project Loans of Baht 967 million without collateral
Total	<u>2,332.94</u>		<u>2,965.41</u>			

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

Company	Creditors (Million Baht)	Balance		Interest rate	Repayment conditions	Guarantee by
		31 Mar.	31 Dec.			
		2003	2002			
1. L H Muangmai Co., Ltd.	Bank	536.31	576.36	MLR	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	0.00	MLR	55% of selling price of land and construction	Mortgage land and construction of each project
3. Land and Houses North East Co., Ltd.	Bank	0.01	0.01	MLR	55% of selling price of land and construction	Mortgage land and construction of each project
4. Siamtanee Property Co., Ltd. and subsidiaries	Bank	142.02	142.02	MLR+1	Due repayment in 2002 and 2003	Mortgage land and construction of each project
Total		<u>678.32</u>	<u>718.39</u>			
Total long-term loans		<u><u>3,011.26</u></u>	<u><u>3,683.30</u></u>			

11. DEBENTURES - DOMESTIC

	Number of debenture		Amount	
	(shares)		(Thousand Baht)	
	31st March 2003	31st December 2002	31st March 2003	31st December 2002
Unsecured debentures	800,000	800,000	480,000	600,000
Secured debentures	1,500,000	1,500,000	1,406,250	1,500,000
Balance	<u>2,300,000</u>	<u>2,300,000</u>	1,886,250	2,100,000
Less Current portion of liabilities			<u>(615,000)</u>	<u>(615,000)</u>
Balance			<u><u>1,271,250</u></u>	<u><u>1,485,000</u></u>

12. CONVERTIBLE DEBENTURES

	Number of debenture		Amount (Thousand Baht)	
	31st March 2003	31st December 2002	31st March 2003	31st December 2002
Convertible debentures issued -				
overseas	60,000	60,000	1,512,000	1,512,000
Less Conversion into common shares through				
- 31st March 2003	(51,867)	(51,867)	(1,307,048)	(1,307,048)
Balance	<u>8,133</u>	<u>8,133</u>	<u>204,952</u>	<u>204,952</u>
Less Current portion of liabilities			(204,952)	(204,952)
Balance			<u><u>0</u></u>	<u><u>0</u></u>

13. REVALUATION INCREMENT IN ASSETS

Revaluation increment in assets of Baht 128.20 million (as at 31st December 2002, of Baht 117.16 million) is belong to Bangkok Chain Hospital Co., Ltd. in which the Company recognized under the equity method.

14. UNREALIZED GAIN (LOSS) OF INVESTMENTS

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

	Consolidated		Parent company	
	(Thousand Baht)		(Thousand Baht)	
	31st March 2003	31st December 2002	31st March 2003	31st December 2002
Investment of affiliate				
Bangkok Chain Hospital Co., Ltd.	196	0	196	0
Investment of Land and				
Houses Plc.	991,860	1,360,527	991,860	1,360,527
Total	<u>992,056</u>	<u>1,360,527</u>	<u>992,056</u>	<u>1,360,527</u>

15. 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 three months ended 31st March 2003 and 2002 is Baht 0.39 million and Baht 0.39 million, respectively.

16. EARNINGS PER SHARE

Consolidated and parent's financial statements

	For three months ended 31st March 2003		
	Profit (Thousand Baht)	Number of share	Baht/share
<u>Basic earnings per share</u>			
Net profit of common share	1,171,906	6,452,027,922	0.18
Effects of diluted potential common share			
- Exercise rights	0	1,866,284,169	-
<u>Diluted earnings per share</u>			
Profit of common shareholders assumed as conversion to common share	1,171,906	8,318,312,091	0.14

Consolidated and parent's financial statements

	For three months ended 31st March 2002		
	Profit (Thousand Baht)	Number of share	Baht/share
<u>Basic earnings per share</u>			
Net profit of common share	518,981	6,250,183,890	0.08
Effects of diluted potential common share			
- Exercise rights	0	1,439,893,580	-
<u>Diluted earnings per share</u>			
Profit of common shareholders assumed as conversion to common share	518,981	7,690,077,470	0.07

On 22nd January 2003, the Company has registered the changing par value from Baht 10.00 each to 1.00 each by dividing the number of ordinary shares. The Company, therefore, has retroactively changed the number of shares and par value as at 31st March 2002 to compare with the year 2003.

17. APPROPRIATION OF RETAINED EARNINGS AND DIVIDENDS

According to the minutes of Shareholders' General meeting no. 1/2003 held on 29th April 2003, the Company passed the resolution to appropriate net profit by paying dividends from the result of its operations for the last six months from 1st July 2002 to 31st December 2002 at Baht 0.10 per share and included with the interim dividend payment for the first six months operation which was made on 12th September 2002 at Baht 0.07 per share, the total dividend payment for the result of its operations of year 2002 is Baht 0.17 per share. The meeting also passed the resolution to change the policy of dividend payment from not over 40% to not over 70% of net profit.

18. 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.

19. WARRANTS

19.1 Warrants issuance to the existing shareholders

The shareholders' extraordinary meeting no. 1/2003 held on 20th January 2003, passed the resolution to change the par value of ordinary share from Baht 10.00 to Baht 1.00 each. The Company has registered such resolution with the Ministry of Commerce on 22nd January 2003. The Company, therefore, increased the number of warrants to conform to the changing of par value from 307,656,855 units to 3,076,568,550 units and changed the exercise price to be 1 unit of warrant has a right to purchase 1.00757 ordinary shares at Baht 2.5805 each.

Later on 13th March 2003, the Company changed the exercise price to be 1 unit of warrant has a right to purchase 1.00757 ordinary shares at Baht 2.560 each. The Company has also issued 6,006,000 units of warrants to the employees (note 19.2).

As at 31st March 2003, the remaining warrants are as follows :

Number of total warrants	3,076,568,550	units
The number of exercised warrants up to 31st March 2003	268,108,552	units
Balance number of warrants	<u>2,808,459,998</u>	Units

19.2 Warrants to the employees (including directors who is an employee)

On 13th March 2003, the Company issued 6,028,500 units of warrants (the second) to the employees according to the resolution of the shareholders' ordinary meeting no. 1/2001. Each unit of warrant has a right to purchase 10 ordinary shares at Baht 1.00 each and exercise period is on every three months. The 6,006,000 units of warrants have been allocated.

As at 31st March 2003, the remaining warrants for the employees (including the directors who is an employee) are as follows :

Number of total warrants	11,977,500	units
The number of exercised warrants up to 31st March 2003	11,108,400	units
Balance number of warrants	<u>869,100</u>	Units

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	31st March 2003		31st December 2002	
	Foreign currency	Thai Baht (million)	Foreign currency	Thai Baht (million)
Affiliates				
1. Bangkok Chain Hospital Co., Ltd.	-	865.10	-	332.50
2. Bangkok Chain Hospital Co., Ltd.	-	0.00	JPY 2,505.43 million	907.22
3. Quality Construction Products Co., Ltd.	-	205.03	-	205.18
Total		1,070.13		1,444.90
Other related companies				
1. Saraburi Vechakit Co., Ltd.	-	0.00	JPY 68.34 million	24.75
Total		0.00		24.75
Total commitment and guarantee		1,070.13		1,469.65

20.2 As at 31st March 2003, 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 746.18 million (as at 31st December 2002, the amount was Baht 978.30 million).

20.3 As at 31st March 2003, the Company has guaranteed the customers' loans with financial institutions of Baht 39.41 million (as at 31st December 2002, the amount was Baht 44.04 million).

20.4 The Company has commitment as follows :

As at 31st March, 2003, Pacific Real Estate Co., Ltd., a subsidiary, has guaranteed the another company's debts of Baht 25.40 million (as at 31st December 2002, the amount was Baht 25.98 million)

21. OBLIGATION AND COMMITMENT TO COMPLETE PROJECTS ON HAND

	Consolidated		Parent company	
	31st March 2003	31st December 2002	31st March 2003	31st December 2002
Number of project on hand, beginning of the period	30	36	23	25
Number of closing project	-	(13)	-	(9)
Number of new project	2	7	2	7
Number of project on hand, ending of the period	32	30	25	23

	Consolidated		Parent company	
	31st March 2003	31st December 2002	31st March 2003	31st December 2002
Contracted sales value				
(million Baht)	38,466	34,677	34,514	31,009
% Sales value of project				
on hand	62.11%	59.00%	61.40%	59.30%

The Company has obligation and commitment to complete all central utilities of developing projects on hand in the amount of Baht 783.61 million (as at 31st December 2002, the amount was Baht 599.51 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		Parent company	
	31st March 2003 (Million Baht)	31st March 2002	31st March 2003 (Million Baht)	31st March 2002
Purchase goods				
Quality Construction Products				
Co., Ltd.	50.60	37.90	45.71	35.97
Home Products Center Plc.	83.31	54.79	74.66	49.26
Asian Property Development Plc.				
and subsidiaries	12.55	8.24	12.55	8.24
Total	146.46	100.93	132.92	93.47
Services				
Quality Houses Plc.	4.16	2.54	4.16	2.54
Total	4.16	2.54	4.16	2.54
Trade accounts payable				
Quality Construction Products				
Co., Ltd.	17.40	0.00	15.58	0.00
Home Products Center Plc.	29.24	7.13	25.94	7.13
Asian Property Development Plc.				
and subsidiaries	3.94	0.24	3.94	0.24
Total	50.58	7.37	45.46	7.37

23. DISCLOSURE AND PRESENTATION OF FINANCIAL INSTRUMENTS

23.1 Interest rate risk

Interest rate risk from changes in interest rate due to the Company and subsidiaries have loans from financial institutions resulting in financial loss to the Company and subsidiaries because of the certain of agreement as at 31st March 2003 for the amount of Baht 3,321.76 million and Baht 2,643.44 million, respectively, indicated the floating interest rate.

23.2 Fair value of financial instruments

The book value of financial assets and liabilities as at 31st March 2003 are close to their estimated fair value. Except for short-term loans of Baht 840 million and long-term loans of Baht 1,345 million, were charged interest at the fixed rate which lower than market rate, as if those loans were charged interest at market rate of 6.55% until the repayment date, such loans have fair value equal to Baht 824.05 million and Baht 1,279.86 million, respectively. The management believes that there is no material risk financial instruments.