

LAND AND HOUSES PUBLIC COMPANY LIMITED AND SUBSIDIARIES

BALANCE SHEETS

AS AT 31st DECEMBER 2003 AND 2002

Assets	Note	Consolidated		Parent company	
		2003 (Thousand Baht)	2002	2003 (Thousand Baht)	2002
<b>Current assets</b>					
Cash and cash equivalents		367,054	401,773	188,977	263,409
Short-term investments	3	1,500,000	550,000	1,500,000	550,000
Trade accounts and notes receivable - net	4	200,282	178,503	185,396	170,367
Short-term loans to related parties	5	0	0	2,323,535	624,742
Inventories	6	19,847,335	18,226,234	15,726,430	16,080,022
Other current assets					
Accrued interest income - net		12	479	13,849	28,496
Withholding income tax		53,121	267,550	31,099	250,135
Other receivable	7.2.4	864,525	0	864,525	0
Others		435,071	351,157	399,569	337,320
<b>Total current assets</b>		<b>23,267,400</b>	<b>19,975,696</b>	<b>21,233,380</b>	<b>18,304,491</b>
<b>Non-current assets</b>					
Investments in subsidiaries and affiliates	7	835,205	1,523,434	1,937,323	2,286,589
Long-term investments	8	6,896,290	5,030,610	6,670,431	4,898,208
Land under contracts to buy and to sell	9	226,000	226,000	226,000	226,000
Property, plant and equipment - net	10	237,032	306,986	189,650	247,311
Other non-current assets		123,199	33,831	22,318	16,027
<b>Total non-current assets</b>		<b>8,317,726</b>	<b>7,120,861</b>	<b>9,045,722</b>	<b>7,674,135</b>
<b>Total assets</b>		<b>31,585,126</b>	<b>27,096,557</b>	<b>30,279,102</b>	<b>25,978,626</b>

Notes to financial statements are parts of these financial statements.

LAND AND HOUSES PUBLIC COMPANY LIMITED AND SUBSIDIARIES

BALANCE SHEETS (Cont.)

AS AT 31st DECEMBER 2003 AND 2002

	Note	Consolidated		Parent company	
		2003	(Thousand Baht) 2002	2003	(Thousand Baht) 2002
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Banks overdraft and short-term loans					
from financial institutions	11	1,473,113	1,224,968	1,467,301	1,204,431
Trade accounts and notes payable		519,345	263,783	386,649	204,509
Current portion of long-term debts	12 - 14	1,015,000	819,952	1,015,000	819,952
Short-term loans from related parties		1,025	868	0	0
Other current liabilities					
Unearned revenue		282,078	366,993	273,893	307,441
Accrued income tax		682,579	615,535	675,705	599,123
Accrued interest expense		11,256	29,372	8,424	27,041
Others		743,498	432,358	680,208	370,225
<b>Total current liabilities</b>		<b>4,727,894</b>	<b>3,753,829</b>	<b>4,507,180</b>	<b>3,532,722</b>
<b>Non-current liabilities</b>					
Long-term loans	12	3,158,053	3,683,784	2,257,058	2,965,410
Domestic debentures	13	870,000	1,485,000	870,000	1,485,000
Other non-current liabilities					
Excess loss from investments					
in subsidiaries and affiliates	7.1.2	0	0	13,932	0
Others		63,331	73,031	0	0
<b>Total non-current liabilities</b>		<b>4,091,384</b>	<b>5,241,815</b>	<b>3,140,990</b>	<b>4,450,410</b>
<b>Total liabilities</b>		<b>8,819,278</b>	<b>8,995,644</b>	<b>7,648,170</b>	<b>7,983,132</b>

LAND AND HOUSES PUBLIC COMPANY LIMITED AND SUBSIDIARIES

BALANCE SHEETS (Cont.)

AS AT 31st DECEMBER 2003 AND 2002

	Note	Consolidated		Parent company	
		2003	(Thousand Baht) 2002	2003	(Thousand Baht) 2002
<b>Liabilities and shareholders' equity (cont.)</b>					
<b>Shareholders' equity</b>					
Share capital					
Authorized share capital					
10,806,737,200 common shares					
of Baht 1 each		10,806,737		10,806,737	
1,080,673,720 common shares					
of Baht 10 each			10,806,737		10,806,737
Issued and paid-up share capital					
7,107,565,993 common shares					
of Baht 1 each		7,107,566		7,107,566	
645,014,115 common shares					
of Baht 10 each			6,450,141		6,450,141
Paid-in capital					
Premium on share capital		7,386,019	6,463,926	7,386,019	6,463,926
Retained earnings					
Appropriated					
Legal reserve	15	500,548	191,006	500,548	191,006
Unappropriated		5,531,970	3,412,733	5,531,970	3,412,733
Other paid-in capital					
Revaluation increment in assets	16	132,305	117,161	132,305	117,161
Unrealized gain (loss) of					
investments	17	1,972,524	1,360,527	1,972,524	1,360,527
<b>Total shareholders' equity</b>		<b>22,630,932</b>	<b>17,995,494</b>	<b>22,630,932</b>	<b>17,995,494</b>
Minority interest		134,916	105,419	0	0
<b>Total shareholders' equity</b>					
<b>and minority interest</b>		<b>22,765,848</b>	<b>18,100,913</b>	<b>22,630,932</b>	<b>17,995,494</b>
<b>Total liabilities and shareholders' equity</b>		<b>31,585,126</b>	<b>27,096,557</b>	<b>30,279,102</b>	<b>25,978,626</b>

Notes to financial statements are parts of these financial statements.

**LAND AND HOUSES PUBLIC COMPANY LIMITED AND SUBSIDIARIES**

**STATEMENTS OF INCOME**

**FOR THE YEARS ENDED 31st DECEMBER 2003 AND 2002**

	Note	Consolidated		Parent company	
		2003 (Thousand Baht)	2002	2003 (Thousand Baht)	2002
<b>Revenues</b>					
Sales and hire of works		18,670,455	15,102,557	17,355,708	13,756,151
Other income					
Gain from sales of investments		926,428	625,461	910,678	531,671
Dividend income		273,366	31,045	251,774	28,427
Others		385,709	195,422	419,536	211,834
Equity gain from investments in subsidiaries and affiliates		325,191	129,146	566,418	395,913
Total revenues		<u>20,581,149</u>	<u>16,083,631</u>	<u>19,504,114</u>	<u>14,923,996</u>
<b>Expenses</b>					
Cost of sales and hire of works		10,939,238	9,422,330	9,995,785	8,471,445
Selling and administrative expenses		1,449,891	1,144,923	1,340,986	1,016,055
Equity loss from investments in subsidiaries and affiliates		55	10,128	24,987	20,991
Specific business tax		21,411	18,056	19,092	15,214
Loss from cancel of project		71,543	0	71,543	0
Loss from impairment	21	357,312	789,996	357,312	780,606
Doubtful accounts		0	60,321	0	60,321
Total expenses		<u>12,839,450</u>	<u>11,445,754</u>	<u>11,809,705</u>	<u>10,364,632</u>
Profit before interest expenses and income tax		7,741,699	4,637,877	7,694,409	4,559,364
Interest expenses		(52,018)	(206,391)	(49,429)	(172,224)
Income tax		(1,469,348)	(898,790)	(1,454,144)	(870,452)

LAND AND HOUSES PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF INCOME (Cont.)

FOR THE YEARS ENDED 31st DECEMBER 2003 AND 2002

	Note	Consolidated		Parent company	
		2003 (Thousand Baht)	2002	2003 (Thousand Baht)	2002
Profit after income tax		6,220,333	3,532,696	6,190,836	3,516,688
Net profit of minority interest		(29,497)	(16,008)	0	0
Profit from ordinary activities		6,190,836	3,516,688	6,190,836	3,516,688
Extraordinary items	22	0	303,433	0	303,432
Less Minority interest - net		0	(1)	0	0
Net (from minority interest)		0	303,432	0	303,432
Net profit		6,190,836	3,820,120	6,190,836	3,820,120
<b>Basic earnings per share (Baht/share)</b>	<b>23</b>				
Profit before extraordinary items		0.92	0.56	0.92	0.56
Extraordinary items - net (from minority interest)		0.00	0.05	0.00	0.05
Net profit		0.92	0.61	0.92	0.61
<b>Diluted earnings per share (Baht/share)</b>	<b>23</b>				
Profit before extraordinary items		0.72	0.42	0.72	0.42
Extraordinary items - net (from minority interest)		0.00	0.04	0.00	0.04
Net profit		0.72	0.46	0.72	0.46

Notes to financial statements are parts of these financial statements.

**LAND AND HOUSES PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE YEAR ENDED 31st DECEMBER 2003 AND 2002**

**Parent company**

(Unit : Thousand Baht)

Note	Issued and paid-up share capital	Premium on share capital	Legal reserve	Retained earnings (Deficit)	Revaluation increment in assets	Unrealized gain on non-current marketable securities	Total
Balance as at 1st January 2002	6,236,179	6,219,991	0	224,877	118,960	117,739	12,917,746
Revaluation increment in assets	0	0	0	0	(1,799)	0	(1,799)
Unrealized loss of securities available for sales	0	0	0	0	0	1,242,788	1,242,788
Dividend paid	0	0	0	(441,258)	0	0	(441,258)
Net profit	0	0	0	3,820,120	0	0	3,820,120
Warrants - exercised to purchase ordinary shares	213,962	243,935	0	0	0	0	457,897
Legal reserve	0	0	191,006	(191,006)	0	0	0
Balance as at 31st December 2002	6,450,141	6,463,926	191,006	3,412,733	117,161	1,360,527	17,995,494
Revaluation increment in assets	0	0	0	0	15,144	0	15,144
Unrealized loss of securities available for sales	0	0	0	0	0	611,997	611,997
Net profit	0	0	0	6,190,836	0	0	6,190,836
Dividend paid	0	0	0	(3,762,057)	0	0	(3,762,057)
Warrants - exercised to purchase ordinary shares	657,425	922,093	0	0	0	0	1,579,518
Legal reserve	0	0	309,542	(309,542)	0	0	0
Balance as at 31st December 2003	7,107,566	7,386,019	500,548	5,531,970	132,305	1,972,524	22,630,932

Notes to financial statements are parts of these financial statements.

**LAND AND HOUSES PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE YEAR ENDED 31st DECEMBER 2003 AND 2002**

Consolidated	(Unit : Thousand Baht)							
Note	Issued and paid-up share capital	Premium on share capital	Legal reserve	Retained earnings (Deficit)	Revaluation increment in assets	Unrealized gain on non-current marketable securities	Minority interest	Total
Balance as at 1st January 2002	6,236,179	6,219,991	0	224,877	118,960	117,739	89,419	13,007,165
Unrealized loss of securities available for sales	0	0	0	0	0	1,242,788	0	1,242,788
Dividend paid	0	0	0	(441,258)	0	0	0	(441,258)
Net profit	0	0	0	3,820,120	0	0	16,000	3,836,120
Adjustment of percentage of subsidiaries' holding share	0	0	0	0	0	0	0	0
Revaluation increment in assets	0	0	0	0	(1,799)	0	0	(1,799)
Warrants - exercised to purchase ordinary shares	213,962	243,935	0	0	0	0	0	457,897
Legal reserve	0	0	191,006	(191,006)	0	0	0	0
Balance as at 31st December 2002	6,450,141	6,463,926	191,006	3,412,733	117,161	1,360,527	105,419	18,100,913
Adjustment of paid-in capital - affiliates	0	0	0	0	15,144	0	0	15,144
Unrealized loss of securities available for sales	0	0	0	0	0	611,997	0	611,997
Net profit	0	0	0	6,190,836	0	0	29,497	6,220,333
Dividend paid	0	0	0	(3,762,057)	0	0	0	(3,762,057)
Warrants - exercised to purchase ordinary shares	657,425	922,093	0	0	0	0	0	1,579,518
Legal reserve	0	0	309,542	(309,542)	0	0	0	0
Balance as at 31st December 2003	7,107,566	7,386,019	500,548	5,531,970	132,305	1,972,524	134,916	22,765,848

Notes to financial statements are parts of these financial statements.

**LAND AND HOUSES PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED 31st DECEMBER 2003 AND 2002**

	Consolidated		Parent company	
	2003 (Thousand Baht)	2002	2003 (Thousand Baht)	2002
<b>Cash flows from operating activities</b>				
Net profit (loss)	6,190,836	3,820,120	6,190,836	3,820,120
Minority interest	29,497	16,009	0	0
Adjustments of net profit to cash receipt (disbursement) from operations				
Depreciation	132,869	116,088	114,265	101,259
Dividend income	(273,366)	(31,045)	(251,774)	(28,427)
Equity (gain) loss from investments in subsidiaries and affiliates	(325,136)	(119,018)	(541,431)	(374,922)
Loss from impairment of assets	357,312	789,996	357,312	780,606
Doubtful accounts	(15,000)	60,321	(15,000)	60,321
(Gain) Loss from sales of investments	(926,428)	(625,461)	(910,678)	(531,671)
Unrealized (gain) from exchange rate	16,512	0	16,512	0
(Gain) Loss from sales of assets	13,646	(307)	13,897	335
(Gain) from debt restructuring	0	(303,433)	0	(303,432)
Decrease (Increase) in accounts and notes receivable	(21,779)	(139,801)	(15,029)	(138,057)
Decrease (Increase) in inventories	(1,603,252)	519,227	363,255	430,011
Decrease (Increase) in other current assets	146,241	(128,094)	160,390	(115,537)
Decrease (Increase) in other non-current assets	(49,367)	(6,099)	(6,291)	1,239
Increase (Decrease) in accounts and notes payables	255,562	78,410	182,140	85,844
Increase (Decrease) in other current liabilities	275,153	105,593	334,400	135,676



**LAND AND HOUSES PUBLIC COMPANY LIMITED AND SUBSIDIARIES**

**STATEMENTS OF CASH FLOWS (Cont.)**

**FOR THE YEARS ENDED 31st DECEMBER 2003 AND 2002**

	Consolidated		Parent company	
	2003 (Thousand Baht)	2002	2003 (Thousand Baht)	2002
Increase (Decrease) in other non-current liabilities	(3,700)	4,787	0	0
<b>Net cash provided by (used in) operating activities</b>	<b>4,199,600</b>	<b>4,157,293</b>	<b>5,992,804</b>	<b>3,923,365</b>
<b>Cash flows from investing activities</b>				
Decrease (Increase) in short-term investments	(947,440)	(293,901)	(947,441)	(393,987)
Decrease (Increase) in loans to related parties	15,000	21,500	(1,657,490)	(190,000)
Cash received from sales of investments in subsidiaries and affiliates	0	225,500	0	250,591
Cash paid for purchase of investments in affiliates	(173,412)	(211,066)	(236,146)	(211,066)
Dividend received from affiliates	17,578	1,472	17,578	1,472
Cash received from sales of long-term investments	937,971	591,832	1,162,971	472,232
Cash received from decrease in long-term investments unit	397,884	0	349,724	0
Cash paid for purchase of long-term investments	(1,780,937)	(1,687,241)	(1,880,069)	(1,647,241)
Dividend received from long-term investments	273,366	31,045	251,774	28,427
Cash received from sales of building and equipment	72,723	2,177	72,431	1,542
Cash paid for purchase of building and equipment	(167,132)	(129,696)	(152,594)	(118,370)
<b>Net cash provided by (used in) investing activities</b>	<b>(1,354,399)</b>	<b>(1,448,378)</b>	<b>(3,019,262)</b>	<b>(1,806,400)</b>

**LAND AND HOUSES PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENTS OF CASH FLOWS (Cont.)**  
**FOR THE YEARS ENDED 31st DECEMBER 2003 AND 2002**

	Consolidated		Parent company	
	2003 (Thousand Baht)	2002	2003 (Thousand Baht)	2002
<b>Cash flows from financing activities</b>				
Increase (Decrease) in banks overdraft and loans from financial institutions	248,145	250,146	262,870	382,594
Cash paid for debentures	(819,952)	(200,000)	(819,952)	(200,000)
	157	0	0	0
(Decrease) in long-term loans	(125,731)	(2,431,150)	(308,353)	(2,066,254)
Warrants - exercised to purchase ordinary shares	1,579,518	457,896	1,579,518	457,896
Dividend paid	(3,762,057)	(441,258)	(3,762,057)	(441,258)
<b>Net cash provided by (used in) financing activities</b>	(2,879,920)	(2,364,366)	(3,047,974)	(1,867,022)
Net increase in cash and cash equivalents	(34,719)	344,549	(74,432)	249,943
Cash and cash equivalents, beginning of the period	401,773	57,224	263,409	13,466
Cash and cash equivalents, end of the period	367,054	401,773	188,977	263,409

**Additional disclosure of cash flows information**

Cash paid during the period

Interest expenses	368,074	553,785	326,410	464,271
Corporate income tax	819,417	894,739	778,439	271,330

Notes to financial statements are parts of these financial statements.