

LAND AND HOUSES PUBLIC COMPANY LIMITED AND SUBSIDIARIES

BALANCE SHEETS

AS AT 30th JUNE 2004 (UNAUDITED/REVIEWED ONLY)

AND AS AT 31st DECEMBER 2003 (AUDITED)

Assets	Note	Consolidated		Parent company	
		(Thousand Baht)		(Thousand Baht)	
		30th June 2004	31st December 2003 (Adjustment)	30th June 2004	31st December 2003 (Adjustment)
<b>Current assets</b>					
Cash and cash equivalents		644,912	367,054	525,071	188,977
Short-term investments	3	1,053,000	1,500,000	1,053,000	1,500,000
Trade accounts and notes receivable - net		409,147	200,282	323,814	185,396
Short-term loans to related parties	4	0	0	2,358,245	2,323,535
Inventories	5	23,816,192	19,847,335	18,483,280	15,726,430
Other current assets					
Accrued interest income - net		3	12	31,513	13,849
Withholding income tax		59,425	53,121	31,099	31,099
Other receivables	26.4	879,692	864,525	879,692	864,525
Others		456,357	435,071	314,608	399,569
<b>Total current assets</b>		<b>27,318,728</b>	<b>23,267,400</b>	<b>24,000,322</b>	<b>21,233,380</b>
<b>Non-current assets</b>					
Investments in subsidiaries and affiliates	6	5,448,573	3,079,247	6,866,446	4,181,365
Long-term investments	7	1,808,808	4,650,698	1,582,997	4,424,839
Land under contracts to buy and to sell		226,000	226,000	226,000	226,000
Property, plant and equipment - net	8	271,867	237,032	218,309	189,650
Other non-current assets		119,011	123,199	18,308	22,318
<b>Total non-current assets</b>		<b>7,874,259</b>	<b>8,316,176</b>	<b>8,912,060</b>	<b>9,044,172</b>
<b>Total assets</b>		<b>35,192,987</b>	<b>31,583,576</b>	<b>32,912,382</b>	<b>30,277,552</b>

Notes to financial statements are parts of these financial statements.

LAND AND HOUSES PUBLIC COMPANY LIMITED AND SUBSIDIARIES

BALANCE SHEETS (Cont.)

AS AT 30th JUNE 2004 (UNAUDITED/REVIEWED ONLY)

AND AS AT 31st DECEMBER 2003 (AUDITED)

	Note	Consolidated		Parent company	
		(Thousand Baht)		(Thousand Baht)	
		30th June 2004	31st December 2003	30th June 2004	31st December 2003
			(Adjustment)		(Adjustment)
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Banks overdraft and short-term loans					
from financial institutions	9	1,943,663	1,473,113	1,943,663	1,467,301
Trade accounts and notes payable		975,414	519,345	674,948	386,649
Current portion of long-term debts	10, 11	1,478,691	1,015,000	1,478,691	1,015,000
Short-term loans from related parties		1,025	1,025	0	0
Other current liabilities					
Unearned revenue		254,601	282,078	241,549	273,893
Accrued income tax		873,327	682,579	869,081	675,705
Others		634,978	754,754	532,809	688,632
<b>Total current liabilities</b>		<b>6,161,699</b>	<b>4,727,894</b>	<b>5,740,741</b>	<b>4,507,180</b>
<b>Non-current liabilities</b>					
Long-term loans	10	3,847,803	3,158,053	2,199,565	2,257,058
Domestic debentures	11	3,562,500	870,000	3,562,500	870,000
Other non-current liabilities					
Excess loss from investments					
in subsidiaries and affiliates	6.1.2	0	0	28,193	13,932
Others		69,369	63,331	0	0
<b>Total non-current liabilities</b>		<b>7,479,672</b>	<b>4,091,384</b>	<b>5,790,258</b>	<b>3,140,990</b>
<b>Total liabilities</b>		<b>13,641,371</b>	<b>8,819,278</b>	<b>11,530,999</b>	<b>7,648,170</b>

LAND AND HOUSES PUBLIC COMPANY LIMITED AND SUBSIDIARIES

BALANCE SHEETS (Cont.)

AS AT 30th JUNE 2004 (UNAUDITED/REVIEWED ONLY)

AND AS AT 31st DECEMBER 2003 (AUDITED)

	Note	Consolidated		Parent company	
		(Thousand Baht)		(Thousand Baht)	
		30th June 2004	31st December 2003	30th June 2004	31st December 2003
<b>Liabilities and shareholders' equity (cont.)</b>			(Adjustment)		(Adjustment)
<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	10,806,737	10,806,737
Issued and paid-up share capital					
8,061,051,741 common shares of Baht 1 each		8,061,052		8,061,052	
7,107,565,933 common shares of Baht 1 each			7,107,566		7,107,566
Paid-in capital					
Premium on share capital		8,681,497	7,386,019	8,681,497	7,386,019
Retained earnings					
Appropriated					
Legal reserve	13	648,383	500,548	648,383	500,548
Unappropriated		3,009,275	5,550,466	3,009,275	5,550,466
Other paid-in capital					
Revaluation increment in assets	14	127,394	132,305	127,394	132,305
Unrealized gain (loss) of investments	15	853,782	1,952,478	853,782	1,952,478
<b>Total shareholders' equity</b>		<b>21,381,383</b>	<b>22,629,382</b>	<b>21,381,383</b>	<b>22,629,382</b>
Minority interest		170,233	134,916	0	0
<b>Total shareholders' equity and minority interest</b>		<b>21,551,616</b>	<b>22,764,298</b>	<b>21,381,383</b>	<b>22,629,382</b>
<b>Total liabilities and shareholders' equity</b>		<b>35,192,987</b>	<b>31,583,576</b>	<b>32,912,382</b>	<b>30,277,552</b>

Notes to financial statements are parts of these financial statements.

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

**STATEMENTS OF INCOME**

**FOR THREE MONTHS ENDED 30th JUNE 2004 AND 2003**

**(UNAUDITED/REVIEWED ONLY)**

	Note	Consolidated		Parent company	
		2004 (Thousand Baht)	2003	2004 (Thousand Baht)	2003
<b>Revenues</b>					
Sales and hire of works		4,925,436	4,403,340	3,907,861	4,131,744
Other income					
Gain from sales of investment		460,243	331,681	460,243	326,922
Dividend income		139,644	106,721	139,637	106,721
Others		57,901	194,356	83,117	204,118
Equity gain from investments in subsidiaries and affiliates		162,931	151,700	466,296	197,817
Total revenues		<u>5,746,155</u>	<u>5,187,798</u>	<u>5,057,154</u>	<u>4,967,322</u>
<b>Expenses</b>					
Cost of sales and hire of works		3,009,771	2,674,508	2,387,266	2,471,924
Selling and administrative expenses		252,826	203,403	231,251	190,820
Specific business tax		190,821	4,831	145,520	4,545
Loss from impairment		0	357,312	0	357,312
Equity loss from investments in subsidiaries and affiliates		190	0	11,328	4,860
Total expenses		<u>3,453,608</u>	<u>3,240,054</u>	<u>2,775,365</u>	<u>3,029,461</u>
Profit before interest expenses and income tax		2,292,547	1,947,744	2,281,789	1,937,861
Interest expenses		(31,753)	(15,277)	(34,481)	(15,272)
Income tax		(504,924)	(336,032)	(502,003)	(334,067)

LAND AND HOUSES PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF INCOME (Cont.)

FOR THREE MONTHS ENDED 30th JUNE 2004 AND 2003

(UNAUDITED/REVIEWED ONLY)

	Note	Consolidated		Parent company	
		2004 (Thousand Baht)	2003	2004 (Thousand Baht)	2003
Profit after income tax		1,755,870	1,596,435	1,745,305	1,588,522
Net profit of minority interest		(10,565)	(7,913)	0	0
Net profit		<u>1,745,305</u>	<u>1,588,522</u>	<u>1,745,305</u>	<u>1,588,522</u>
<b>Basic earnings per share (Baht/share)</b>					
Net profit		0.22	0.24	0.22	0.24
<b>Diluted earnings per share (Baht/share) 17</b>					
Net profit		0.19	0.19	0.19	0.19

Notes to financial statements are parts of these financial statements.

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

**STATEMENTS OF INCOME**

**FOR SIX MONTHS ENDED 30th JUNE 2004 AND 2003**

**(UNAUDITED/REVIEWED ONLY)**

	Note	Consolidated		Parent company	
		2004 (Thousand Baht)	2003	2004 (Thousand Baht)	2003
<b>Revenues</b>					
Sales and hire of works		8,178,360	8,382,179	6,937,384	7,785,176
Other income					
Gain from sales of investment		912,622	407,933	912,624	403,174
Dividend income		191,503	128,141	191,495	106,721
Others		193,203	243,525	241,859	245,216
Equity gain from investments in subsidiaries and affiliates		244,098	249,749	566,774	374,854
Total revenues		<u>9,719,786</u>	<u>9,411,527</u>	<u>8,850,136</u>	<u>8,915,141</u>
<b>Expenses</b>					
Cost of sales and hire of works		5,005,486	5,151,804	4,213,167	4,698,017
Selling and administrative expenses		483,897	389,348	443,085	365,426
Specific business tax		309,500	9,774	258,208	8,558
Loss from cancel of project		0	72,067	0	72,067
Loss from impairment		0	357,312	0	357,312
Equity loss from investments in subsidiaries and affiliates		420	1	23,720	5,883
Total expenses		<u>5,799,303</u>	<u>5,980,306</u>	<u>4,938,180</u>	<u>5,507,263</u>
Profit before interest expenses and income tax		3,920,483	3,431,221	3,911,956	3,407,878
Interest expenses		(43,650)	(44,320)	(52,663)	(44,940)
Income tax		(907,325)	(688,344)	(902,602)	(682,105)

LAND AND HOUSES PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF INCOME (Cont.)

FOR SIX MONTHS ENDED 30th JUNE 2004 AND 2003

(UNAUDITED/REVIEWED ONLY)

	Note	Consolidated		Parent company	
		2004 (Thousand Baht)	2003	2004 (Thousand Baht)	2003
Profit after income tax		2,969,508	2,698,557	2,956,691	2,680,833
Net profit of minority interest		(12,817)	(17,724)	0	0
Net profit		<u>2,956,691</u>	<u>2,680,833</u>	<u>2,956,691</u>	<u>2,680,833</u>
<b>Basic earnings per share (Baht/share)</b>					
Net profit		0.40	0.41	0.40	0.41
<b>Diluted earnings per share (Baht/share) 17</b>					
Net profit		0.34	0.32	0.34	0.32

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 SIX MONTHS ENDED 30th JUNE 2004 AND 2003**  
**(UNAUDITED/REVIEWED ONLY)**

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 2003	6,450,141	6,463,926	191,006	3,412,733	117,161	1,360,527	105,419	18,100,913
Retained earnings adjustment	0	0	0	62,760	0	69,343	0	132,103
Balance after adjustment	6,450,141	6,463,926	191,006	3,475,493	117,161	1,429,870	105,419	18,233,016
Revaluation increment in asset:	0	0	0	0	17,916	0	0	17,916
Unrealized gain on non-current marketable securities:	0	0	0	0	0	19,174	0	19,174
Dividend paid	0	0	0	(661,833)	0	0	0	(661,833)
Net profit	0	0	0	2,680,833	0	0	17,723	2,698,556
Warrants - purchase ordinary share	301,238	380,153	0	0	0	0	0	681,391
Legal reserve	0	0	136,871	(136,871)	0	0	0	0
Balance as at 30th June 2003	6,751,379	6,844,079	327,877	5,357,622	135,077	1,449,044	123,142	20,988,220
Balance as at 1st January 2004	7,107,566	7,386,019	500,548	5,531,970	132,305	1,972,524	134,916	22,765,848
Retained earnings adjustment	0	0	0	18,497	0	(20,046)	0	(1,549)
Balance after adjustment	7,107,566	7,386,019	500,548	5,550,467	132,305	1,952,478	134,916	22,764,299
Revaluation increment in asset:	0	0	0	0	(4,911)	0	0	(4,911)
Unrealized gain on non-current marketable securities:	0	0	0	0	0	(1,098,696)	0	(1,098,696)
Dividend paid	0	0	0	(5,313,881)	0	0	0	(5,313,881)
Income tax from unpaid dividend	0	0	0	(36,167)	0	0	0	(36,167)
Net profit	0	0	0	2,956,691	0	0	12,817	2,969,508
Ordinary shares - minority interest	0	0	0	0	0	0	22,500	22,500
Warrants - purchase ordinary share	953,486	1,295,478	0	0	0	0	0	2,248,964
Legal reserve	0	0	147,835	(147,835)	0	0	0	0
Balance as at 30th June 2004	8,061,052	8,681,497	648,383	3,009,275	127,394	853,782	170,233	21,551,616

Notes to financial statements are parts of these financial statement



**LAND AND HOUSES PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR SIX MONTHS ENDED 30th JUNE 2004 AND 2003**  
**(UNAUDITED/REVIEWED ONLY)**

**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 2003	6,450,141	6,463,926	191,006	3,412,733	117,161	1,360,527	17,995,494
Retained earnings adjustment	0	0	0	62,760	0	69,343	132,103
Balance after adjustment	6,450,141	6,463,926	191,006	3,475,493	117,161	1,429,870	18,127,597
Revaluation increment in assets	0	0	0	0	17,916	0	17,916
Unrealized gain on non-current marketable securities	0	0	0	0	0	19,174	19,174
Dividend paid	0	0	0	(661,833)	0	0	(661,833)
Net profit	0	0	0	2,680,833	0	0	2,680,833
Warrants - purchase ordinary shares	301,238	380,153	0	0	0	0	681,391
Legal reserve	0	0	136,871	(136,871)	0	0	0
Balance as at 30th June 2003	6,751,379	6,844,079	327,877	5,357,622	135,077	1,449,044	20,865,078
Balance as at 1st January 2004	7,107,566	7,386,019	500,548	5,531,970	132,305	1,972,524	22,630,932
Retained earnings adjustment	0	0	0	18,497	0	(20,046)	(1,549)
Balance after adjustment	7,107,566	7,386,019	500,548	5,550,467	132,305	1,952,478	22,629,383
Revaluation increment in assets	0	0	0	0	(4,911)	0	(4,911)
Unrealized gain on non-current marketable securities	0	0	0	0	0	(1,098,696)	(1,098,696)
Dividend paid	0	0	0	(5,313,881)	0	0	(5,313,881)
Income tax from unpaid dividend	0	0	0	(36,167)	0	0	(36,167)
Net profit	0	0	0	2,956,691	0	0	2,956,691
Warrants - purchase ordinary shares	953,486	1,295,478	0	0	0	0	2,248,964
Legal reserve	0	0	147,835	(147,835)	0	0	0
Balance as at 30th June 2004	8,061,052	8,681,497	648,383	3,009,275	127,394	853,782	21,381,383

Notes to financial statements are parts of these financial statements.

**LAND AND HOUSES PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENTS OF CASH FLOWS**  
**FOR SIX MONTHS ENDED 30th JUNE 2004 AND 2003**  
**(UNAUDITED/REVIEWED ONLY)**

	Consolidated		Parent company	
	2004 (Thousand Baht)	2003	2004 (Thousand Baht)	2003
<b>Cash flows from operating activities</b>				
Net profit	2,956,691	2,680,833	2,956,691	2,680,833
Minority interest	12,817	17,724	0	0
Adjustments of net profit to cash receipt (disbursement) from operations				
Depreciation	62,002	56,649	51,882	50,146
Dividend income	(191,503)	(128,141)	(191,495)	(106,721)
Equity loss from investments in subsidiaries and affiliates	420	1	23,720	5,883
Equity (gain) from investments in subsidiaries and affiliates	(244,098)	(249,749)	(566,774)	(374,854)
Loss from impairment of assets	0	357,312	0	357,312
Reversal of doubtful accounts	(72,500)	(6,250)	(72,500)	(6,250)
(Gain) Loss from sales of investments	(912,622)	(407,933)	(912,624)	(403,174)
(Gain) Loss from sales of assets	309	(3,547)	1	(3,561)
(Gain) from exchange rate	(15,167)	0	(15,167)	0
Decrease (Increase) in accounts and notes receivable	(208,866)	(105,875)	(138,418)	(109,928)
Decrease (Increase) in inventories	(4,021,596)	102,206	(2,756,850)	722,367
Decrease (Increase) in other current assets	(27,582)	231,460	67,297	268,955
Decrease (Increase) in other non-current assets	4,188	1,660	4,010	3,498
Increase (Decrease) in accounts and notes payables	456,068	(16,235)	288,299	(6,351)

**LAND AND HOUSES PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENTS OF CASH FLOWS (Cont.)**  
**FOR SIX MONTHS ENDED 30th JUNE 2004 AND 2003**  
**(UNAUDITED/REVIEWED ONLY)**

	Consolidated		Parent company	
	2004 (Thousand Baht)	2003	2004 (Thousand Baht)	2003
Increase (Decrease) in other current liabilities	7,328	(103,466)	(30,958)	(83,570)
Increase (Decrease) in other non-current assets	5,659	(2,814)	0	0
<b>Net cash provided by (used in) operating activities</b>	<b>(2,188,452)</b>	<b>2,423,835</b>	<b>(1,292,886)</b>	<b>2,994,585</b>
<b>Cash flows from investing activities</b>				
Decrease (Increase) in short-term investments	447,000	(600,000)	447,000	(600,000)
Decrease (Increase) in loans to related parties	72,500	6,250	37,790	(457,450)
Cash received from sales of investments in affiliates	24,310	0	24,310	0
Cash paid for purchase of investments in affiliates	(264,500)	(5,376)	(292,000)	(5,376)
Dividend received from affiliates	67,313	145,268	92,312	145,268
Dividend received from long-term loans	191,503	128,141	191,495	106,721
Increase share capital of minority interest	22,500	0	0	0
Cash received from sales of long-term investments	1,023,467	416,478	1,023,421	641,478
Cash received from decrease in long-term investments unit	0	397,884	0	349,724
Cash paid for purchase of long-term investments	(324,950)	(1,216,376)	(324,950)	(1,216,376)
Cash received from sales of building and equipment	40	72,303	40	72,277

**LAND AND HOUSES PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENTS OF CASH FLOWS (Cont.)**  
**FOR SIX MONTHS ENDED 30th JUNE 2004 AND 2003**  
**(UNAUDITED/REVIEWED ONLY)**

	Consolidated		Parent company	
	2004 (Thousand Baht)	2003	2004 (Thousand Baht)	2003
Cash paid for purchase of building and equipment	(97,817)	(87,951)	(80,582)	(79,775)
<b>Net cash provided by (used in) investing activities</b>	<b>1,161,366</b>	<b>(743,379)</b>	<b>1,118,836</b>	<b>(1,043,509)</b>
<b>Cash flows from financing activities</b>				
Increase (Decrease) in banks overdraft and loans from financial institutions	470,550	(70,346)	476,362	(57,669)
Increase (Decrease) in domestic debentures	2,692,500	(512,452)	2,692,500	(512,452)
Increase (Decrease) in long-term loans	1,206,811	(1,443,460)	406,199	(1,620,410)
Warrants - exercised to purchase ordinary shares	2,248,964	681,391	2,248,964	681,391
Dividend paid	(5,313,881)	(661,833)	(5,313,881)	(661,833)
<b>Net cash provided by (used in) financing activities</b>	<b>1,304,944</b>	<b>(2,006,700)</b>	<b>510,144</b>	<b>(2,170,973)</b>
Net increase (decrease) in cash and cash equivalents	277,858	(326,244)	336,094	(219,897)
Cash and cash equivalents, beginning of the period	367,054	401,773	188,977	263,409
Cash and cash equivalents, end of the period	644,912	75,529	525,071	43,512
<b>Additional disclosure of cash flows information</b>				
Cash paid during the period				
Interest expenses	151,838	158,587	132,991	146,174
Corporate income tax	765,183	703,528	745,394	681,528

Notes to financial statements are parts of these financial statements.