

(UNAUDITED BUT REVIEWED)

LAND AND HOUSES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2006 AND 2005

(Unit: Thousand Baht)

| THE COMPANY ONLY | | | | | | | | | | | |
|--|------|-------------------------------------|-------------------------------|--|---|--|---|---------------------------|----------------------|------------------|-------------------|
| | Note | Issued and paid-up share capital | Premium on ordinary shares | Premium on share capital of associated companies | Revaluation surplus in assets of associated company | Revaluation surplus (deficit) in investments | Cash receipts from share subscription | Translation adjustment | Retained earnings | | Total |
| | | | | | | | | | Statutory reserve | Unappropriated | |
| Balance as at 1 January 2005 | | | | | | | | | | | |
| - as previously reported | | 8,090,954 | 8,716,827 | 165,571 | 130,717 | 669,694 | 140,529 | - | 805,585 | 3,605,733 | 22,325,610 |
| Prior year adjustment in relation to change in the accounting policies of the associated companies | 2 | - | - | - | -130,717 | -267,448 | - | - | - | -96,883 | -495,048 |
| Balance as at 1 January 2005 | | | | | | | | | | | |
| - as restated | | 8,090,954 | 8,716,827 | 165,571 | - | 402,246 | 140,529 | - | 805,585 | 3,508,850 | 21,830,562 |
| Conversion of warrants of ordinary shares | | 118,720 | 114,898 | - | - | - | -140,529 | - | - | - | 93,089 |
| Cash receipts from share subscription | | - | - | - | - | - | 25,505 | - | - | - | 25,505 |
| Revaluation deficit in investments | | - | - | - | - | -354,715 | - | - | - | - | -354,715 |
| Translation adjustment | | - | - | - | - | - | - | 48,569 | - | - | 48,569 |
| Appropriation retained earnings | | - | - | - | - | - | - | - | 126,967 | -126,967 | - |
| Net earnings for the period | | - | - | - | - | - | - | - | - | 2,512,176 | 2,512,176 |
| Dividend paid | | - | - | - | - | - | - | - | - | -2,417,333 | -2,417,333 |
| Income tax from unpaid dividend | | - | - | - | - | - | - | - | - | -11,553 | -11,553 |
| Balance as at 30 June 2005 | | <u>8,209,674</u> | <u>8,831,725</u> | <u>165,571</u> | <u>-</u> | <u>47,531</u> | <u>25,505</u> | <u>48,569</u> | <u>932,552</u> | <u>3,465,173</u> | <u>21,726,300</u> |

The accompanying notes are an integral part of the financial statements.

(UNAUDITED BUT REVIEWED)

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STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2006 AND 2005

(Unit: Thousand Baht)

| THE COMPANY ONLY | | | | | | | | | | | |
|--|------|-------------------------------------|-------------------------------|--|---|--|---|---------------------------|----------------------|------------------|-------------------|
| | Note | Issued and paid-up share capital | Premium on ordinary shares | Premium on share capital of associated companies | Revaluation surplus in assets of associated company | Revaluation | Cash receipts from share subscription | Translation adjustment | Retained earnings | | Total |
| | | | | | | surplus (deficit) in investments | | | Statutory reserve | Unappropriated | |
| Balance as at 1 January 2006 | | | | | | | | | | | |
| - as previously reported | | 8,297,413 | 8,902,717 | 300,718 | 116,807 | 294,845 | 30,293 | 78,896 | 1,064,620 | 4,045,581 | 23,131,890 |
| Prior year adjustment in relation to change in the accounting policies of the associated companies | 2 | - | - | - | -116,807 | -291,655 | - | - | - | -156,658 | -565,120 |
| Balance as at 1 January 2006 | | | | | | | | | | | |
| - as restated | | 8,297,413 | 8,902,717 | 300,718 | - | 3,190 | 30,293 | 78,896 | 1,064,620 | 3,888,923 | 22,566,770 |
| Conversion of warrants of ordinary shares | 15 | 105,855 | 94,355 | - | - | - | -30,293 | - | - | - | 169,917 |
| Cash receipts from share subscription | 16 | - | - | - | - | - | 52,892 | - | - | - | 52,892 |
| Revaluation deficit in investments | | - | - | - | - | -61,404 | - | - | - | - | -61,404 |
| Translation adjustment | | - | - | - | - | - | - | -66,934 | - | - | -66,934 |
| Appropriation retained earnings | | - | - | - | - | - | - | - | 16,054 | -16,054 | - |
| Net earnings for the period | | - | - | - | - | - | - | - | - | 1,438,610 | 1,438,610 |
| Dividend paid | | - | - | - | - | - | - | - | - | -2,084,296 | -2,084,296 |
| Income tax from unpaid dividend | | - | - | - | - | - | - | - | - | -4,944 | -4,944 |
| Balance as at 30 June 2006 | | <u>8,403,268</u> | <u>8,997,072</u> | <u>300,718</u> | <u>-</u> | <u>-58,214</u> | <u>52,892</u> | <u>11,962</u> | <u>1,080,674</u> | <u>3,222,239</u> | <u>22,010,611</u> |

The accompanying notes are an integral part of the financial statements.

(UNAUDITED BUT REVIEWED)

LAND AND HOUSES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2006 AND 2005

(Unit: Thousand Baht)

| CONSOLIDATED | | | | | | | | | | | | |
|--|------|--|-------------------------------|---|--|--|---|---------------------------|----------------------|------------------|----------------------|-------------------|
| | Note | Issued and paid-up share capital | Premium on ordinary shares | Premium on share capital of associated companies | Revaluation surplus in assets of associated company | Revaluation surplus (deficit) in investments | Cash receipts from share subscription | Translation adjustment | Retained earnings | | Minority interest | Total |
| | | | | | | | | | Statutory reserve | Unappropriated | | |
| Balance as at 1 January 2005 | | | | | | | | | | | | |
| - as previously reported | | 8,090,954 | 8,716,827 | 165,571 | 130,717 | 669,694 | 140,529 | - | 805,585 | 3,605,733 | 166,479 | 22,492,089 |
| Prior year adjustment in relation to change in the accounting policies of the associated companies | 2 | - | - | - | -130,717 | -267,448 | - | - | - | -96,883 | - | -495,048 |
| Balance as at 1 January 2005 | | | | | | | | | | | | |
| - as restated | | 8,090,954 | 8,716,827 | 165,571 | - | 402,246 | 140,529 | - | 805,585 | 3,508,850 | 166,479 | 21,997,041 |
| Conversion of warrants of ordinary shares | | 118,720 | 114,898 | - | - | - | -140,529 | - | - | - | - | 93,089 |
| Cash receipts from share subscription | | - | - | - | - | - | 25,505 | - | - | - | - | 25,505 |
| Revaluation deficit in investments | | - | - | - | - | -354,715 | - | - | - | - | - | -354,715 |
| Translation adjustment | | - | - | - | - | - | - | 48,569 | - | - | - | 48,569 |
| Appropriation retained earnings | | - | - | - | - | - | - | - | 126,967 | -126,967 | - | - |
| Net earnings for the period | | - | - | - | - | - | - | - | - | 2,512,176 | 11,777 | 2,523,953 |
| Dividend paid | | - | - | - | - | - | - | - | - | -2,417,333 | - | -2,417,333 |
| Income tax from unpaid dividend | | - | - | - | - | - | - | - | - | -11,553 | - | -11,553 |
| Dividend paid to minority interest by subsidiaries | | - | - | - | - | - | - | - | - | - | -2 | -2 |
| Increase in ordinary shares of subsidiaries - minority interest | | - | - | - | - | - | - | - | - | - | 182,140 | 182,140 |
| Balance as at 30 June 2005 | | <u>8,209,674</u> | <u>8,831,725</u> | <u>165,571</u> | <u>-</u> | <u>47,531</u> | <u>25,505</u> | <u>48,569</u> | <u>932,552</u> | <u>3,465,173</u> | <u>360,394</u> | <u>22,086,694</u> |

The accompanying notes are an integral part of the financial statements.

(UNAUDITED BUT REVIEWED)

LAND AND HOUSES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2006 AND 2005

(Unit: Thousand Baht)

| CONSOLIDATED | | | | | | | | | | | | |
|--|------|--|-------------------------------|---|--|---|---|---------------------------|----------------------|------------------|----------------------|-------------------|
| | Note | Issued and paid-up share capital | Premium on ordinary shares | Premium on share capital of associated companies | Revaluation surplus in assets of associated company | Revaluation surplus (deficit) in investments | Cash receipts from share subscription | Translation adjustment | Retained earnings | | Minority interest | Total |
| | | | | | | | | | Statutory reserve | Unappropriated | | |
| Balance as at 1 January 2006 | | | | | | | | | | | | |
| - as previously reported | | 8,297,413 | 8,902,717 | 300,718 | 116,807 | 294,845 | 30,293 | 78,896 | 1,064,620 | 4,045,581 | 684,280 | 23,816,170 |
| Prior year adjustment in relation to change in the accounting policies of the associated companies | 2 | - | - | - | -116,807 | -291,655 | - | - | - | -156,658 | - | -565,120 |
| Balance as at 1 January 2006 | | | | | | | | | | | | |
| - as restated | | 8,297,413 | 8,902,717 | 300,718 | - | 3,190 | 30,293 | 78,896 | 1,064,620 | 3,888,923 | 684,280 | 23,251,050 |
| Conversion of warrants of ordinary shares | 15 | 105,855 | 94,355 | - | - | - | -30,293 | - | - | - | - | 169,917 |
| Cash receipts from share subscription | 16 | - | - | - | - | - | 52,892 | - | - | - | - | 52,892 |
| Revaluation deficit in investments | | - | - | - | - | -61,404 | - | - | - | - | - | -61,404 |
| Translation adjustment | | - | - | - | - | - | - | -66,934 | - | - | - | -66,934 |
| Appropriation retained earnings | | - | - | - | - | - | - | - | 16,054 | -16,054 | - | - |
| Net earnings for the period | | - | - | - | - | - | - | - | - | 1,438,610 | 16,895 | 1,455,505 |
| Dividend paid | | - | - | - | - | - | - | - | - | -2,084,296 | - | -2,084,296 |
| Income tax from unpaid dividend | | - | - | - | - | - | - | - | - | -4,944 | - | -4,944 |
| Increase in ordinary shares of subsidiaries - minority interest | | - | - | - | - | - | - | - | - | - | 240,000 | 240,000 |
| Balance as at 30 June 2006 | | <u>8,403,268</u> | <u>8,997,072</u> | <u>300,718</u> | <u>-</u> | <u>-58,214</u> | <u>52,892</u> | <u>11,962</u> | <u>1,080,674</u> | <u>3,222,239</u> | <u>941,175</u> | <u>22,951,786</u> |

The accompanying notes are an integral part of the financial statements.

LAND AND HOUSES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

BALANCE SHEETS

(Unit: Thousand Baht)

| | Note | CONSOLIDATED | | THE COMPANY ONLY | |
|---|------|---|---|---|---|
| | | 30 June 2006 (Unaudited but reviewed) | 31 December 2005 (Audited) (Restated) | 30 June 2006 (Unaudited but reviewed) | 31 December 2005 (Audited) (Restated) |
| ASSETS | | | | | |
| Current assets | | | | | |
| Cash and cash equivalents | | 665,915 | 1,132,438 | 457,351 | 889,157 |
| Current investments | | 300,000 | 1,442,000 | 300,000 | 1,442,000 |
| Trade account receivables | 4 | 174 | 174 | - | - |
| Amount due from and account receivables - related parties | 3 | 9,311 | 15,102 | 13,376 | 26,576 |
| Short-term loans to and accrued interest receivables | | | | | |
| from related parties | 3 | - | - | 1,801,537 | 2,517,450 |
| Inventories - net | 5 | 23,548,950 | 22,462,316 | 18,541,792 | 16,827,720 |
| Other current assets | | | | | |
| Withholding income tax | | 95,431 | 78,476 | - | - |
| Advance payment for constructions | | 172,132 | 125,586 | 140,883 | 76,988 |
| Deposit | | 192,800 | 145,527 | 182,186 | 124,794 |
| Others | | 106,146 | 69,010 | 64,904 | 44,020 |
| Total current assets | | 25,090,859 | 25,470,629 | 21,502,029 | 21,948,705 |
| Non-current assets | | | | | |
| Investments accounted for under the equity method | | | | | |
| Investments in subsidiary companies | 6 | - | - | 4,341,858 | 3,699,423 |
| Investments in associated companies | 7 | 8,075,265 | 7,533,811 | 8,075,265 | 7,533,811 |
| Other long-term investments - net | 8 | 902,809 | 995,034 | 690,131 | 769,293 |
| Land held for development - net | | 3,486,389 | 3,489,869 | 2,050,379 | 2,050,379 |
| Land under contracts to buy and to sell - net | | 226,000 | 226,000 | 226,000 | 226,000 |
| Property, plant and equipment - net | 9 | 799,771 | 369,071 | 333,397 | 268,301 |
| Deposit for leasehold rights | | 250,000 | - | - | - |
| Leasehold rights - net | 10 | 506,457 | 505,691 | - | - |
| Other current assets | | | | | |
| Deposit to related company | 3 | 6,701 | - | 6,657 | - |
| Other | | 217,962 | 94,830 | 3,163 | 4,350 |
| Total non-current assets | | 14,471,354 | 13,214,306 | 15,726,850 | 14,551,557 |
| TOTAL ASSETS | | 39,562,213 | 38,684,935 | 37,228,879 | 36,500,262 |

The accompanying notes are an integral part of the financial statements.

LAND AND HOUSES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

BALANCE SHEETS (Continued)

(Unit: Thousand Baht)

| | Note | CONSOLIDATED | | THE COMPANY ONLY | |
|--|------|---|---|---|---|
| | | 30 June 2006 (Unaudited but reviewed) | 31 December 2005 (Audited) (Restated) | 30 June 2006 (Unaudited but reviewed) | 31 December 2005 (Audited) (Restated) |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | | | | |
| Current liabilities | | | | | |
| Bank overdrafts and short-term loans from financial institutions | 11 | 910,972 | 311,516 | 893,309 | 311,516 |
| Trade accounts payables | | 832,063 | 588,826 | 560,637 | 314,767 |
| Trade accounts payables - related parties | 3 | 21,979 | 32,514 | 10,798 | 15,796 |
| Amount due to related parties | 3 | 3,531 | 4,023 | - | 409 |
| Current portion of long-term loans | 12 | 2,430,073 | 1,394,779 | 1,782,609 | 1,380,559 |
| Current portion of debentures | 13 | 1,187,500 | 1,375,000 | 1,187,500 | 1,375,000 |
| Short-term loans from and accrued interest payables to related parties | 3 | - | - | 211,227 | 28,500 |
| Other current liabilities | | | | | |
| Unearned revenue | | 295,842 | 294,792 | 216,325 | 238,430 |
| Corporate income tax payable | | 356,712 | 414,021 | 268,653 | 376,098 |
| Accrued expenses | | 231,954 | 380,892 | 186,401 | 311,428 |
| Retention guarantees | | 231,278 | 256,559 | 180,488 | 191,107 |
| Others | | 125,389 | 82,800 | 101,695 | 64,373 |
| Total current liabilities | | 6,627,293 | 5,135,722 | 5,599,642 | 4,607,983 |
| Non-current liabilities | | | | | |
| Long-term loans - net of current portion | 12 | 3,834,311 | 3,222,237 | 3,534,971 | 2,279,068 |
| Debentures - net of current portion | 13 | 6,000,000 | 7,000,000 | 6,000,000 | 7,000,000 |
| Other non-current liabilities | | 148,823 | 75,926 | 83,655 | 46,441 |
| Total non-current liabilities | | 9,983,134 | 10,298,163 | 9,618,626 | 9,325,509 |
| TOTAL LIABILITIES | | 16,610,427 | 15,433,885 | 15,218,268 | 13,933,492 |

The accompanying notes are an integral part of the financial statements.

LAND AND HOUSES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

BALANCE SHEETS (Continued)

(Unit: Thousand Baht)

| | Note | CONSOLIDATED | | THE COMPANY ONLY | |
|---|----------|---|---|---|---|
| | | 30 June 2006 (Unaudited but reviewed) | 31 December 2005 (Audited) (Restated) | 30 June 2006 (Unaudited but reviewed) | 31 December 2005 (Audited) (Restated) |
| Shareholders' equity | | | | | |
| Share capital | | | | | |
| Authorised share capital | | | | | |
| 10,806,737,200 ordinary shares of Baht 1 each | | 10,806,737 | 10,806,737 | 10,806,737 | 10,806,737 |
| Issued and paid-up share capital | | | | | |
| 8,403,267,765 ordinary shares of Baht 1 each | 15 | | | | |
| (31 December 2005: 8,297,412,718 ordinary shares of Baht 1 each) | | 8,403,268 | 8,297,413 | 8,403,268 | 8,297,413 |
| Paid-in capital | | | | | |
| Premium on ordinary shares | | 8,997,072 | 8,902,717 | 8,997,072 | 8,902,717 |
| Premium on share capital of associated companies | | 300,718 | 300,718 | 300,718 | 300,718 |
| Revaluation surplus (deficit) in investments | 17 | -58,214 | 3,190 | -58,214 | 3,190 |
| Cash receipts from share subscription | 15.1, 16 | 52,892 | 30,293 | 52,892 | 30,293 |
| Translation adjustment | | 11,962 | 78,896 | 11,962 | 78,896 |
| Retained earnings | | | | | |
| Appropriated - Statutory reserve | | 1,080,674 | 1,064,620 | 1,080,674 | 1,064,620 |
| Unappropriated | | 3,222,239 | 3,888,923 | 3,222,239 | 3,888,923 |
| Equity attributable to the Company's shareholders | | 22,010,611 | 22,566,770 | 22,010,611 | 22,566,770 |
| Minority interests - equity attributable to minority shareholders of subsidiary companies | | | | | |
| | | 941,175 | 684,280 | - | - |
| Total shareholders' equity | | 22,951,786 | 23,251,050 | 22,010,611 | 22,566,770 |
| TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY | | 39,562,213 | 38,684,935 | 37,228,879 | 36,500,262 |
| | | 0 | 0 | 0 | 0 |

The accompanying notes are an integral part of the financial statements.

DIRECTORS

LAND AND HOUSES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF EARNINGS

FOR THE THREE-MONTH PERIODS ENDED 30 JUNE 2006 AND 2005

(Unit: Thousand Baht)

| | Note | CONSOLIDATED | | THE COMPANY ONLY | |
|--|------|------------------|--------------------|------------------|--------------------|
| | | 2006 | 2005 (Restated) | 2006 | 2005 (Restated) |
| Revenues | | | | | |
| Sales income | | 4,301,510 | 6,039,885 | 2,886,946 | 4,323,513 |
| Other income | | | | | |
| Gain from sales of investments | | - | 135,627 | - | 135,622 |
| Infrastructure service income | | 32,372 | 22,655 | 25,614 | 20,696 |
| Others | | 13,215 | 74,237 | 36,306 | 114,606 |
| Share of profit from investments accounted for under the equity method | | 99,866 | 132,543 | 379,752 | 500,718 |
| Total revenues | | 4,446,963 | 6,404,947 | 3,328,618 | 5,095,155 |
| Expenses | | | | | |
| Cost of sales and service | | 2,956,290 | 3,973,391 | 1,978,856 | 2,798,309 |
| Selling and administrative expenses | | 371,449 | 300,486 | 290,440 | 247,167 |
| Specific business tax and transfer fee | | 164,088 | 253,337 | 109,601 | 182,235 |
| Share of loss from investments accounted for under the equity method | | 26,344 | 38 | 47,264 | 8,270 |
| Loss from impairment of assets | | 4,123 | - | - | - |
| Directors' remuneration | | 2,730 | 510 | 2,730 | 510 |
| Total expenses | | 3,525,024 | 4,527,762 | 2,428,891 | 3,236,491 |
| Earnings before interest expenses and income tax | | 921,939 | 1,877,185 | 899,727 | 1,858,664 |
| Interest expenses | | - | -60,097 | -10,060 | -79,820 |
| Income tax | | -200,075 | -381,638 | -163,725 | -351,485 |
| Earnings after income tax | | 721,864 | 1,435,450 | 725,942 | 1,427,359 |
| Minority interest | | 4,078 | -8,091 | - | - |
| Net earnings for the period | | 725,942 | 1,427,359 | 725,942 | 1,427,359 |
| | | | | | (Unit: Baht) |
| Basic earnings per share | | | | | |
| | 18 | | | | |
| Net earnings | | 0.09 | 0.17 | 0.09 | 0.17 |
| Weighted average number of ordinary share (Thousand shares) | | 8,403,606 | 8,202,562 | 8,403,606 | 8,202,562 |
| Diluted earnings per share | | | | | |
| | 18 | | | | |
| Net earnings | | 0.08 | 0.15 | 0.08 | 0.15 |
| Weighted average number of ordinary share (Thousand shares) | | 9,556,534 | 9,319,810 | 9,556,534 | 9,319,810 |

The accompanying notes are an integral part of the financial statements.

LAND AND HOUSES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF EARNINGS

FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2006 AND 2005

(Unit: Thousand Baht)

| | Note | CONSOLIDATED | | THE COMPANY ONLY | |
|--|------|------------------|--------------------|------------------|--------------------|
| | | 2006 | 2005 (Restated) | 2006 | 2005 (Restated) |
| Revenues | | | | | |
| Sales income | | 8,270,843 | 10,429,995 | 5,557,891 | 7,361,311 |
| Other income | | | | | |
| Gain from sales of investments | | 69,401 | 334,438 | 69,401 | 334,433 |
| Infrastructure service income | | 64,100 | 64,187 | 51,727 | 59,893 |
| Others | | 23,705 | 87,547 | 80,773 | 165,019 |
| Share of profit from investments accounted for under the equity method | | 200,378 | 250,112 | 728,558 | 901,464 |
| Total revenues | | 8,628,427 | 11,166,279 | 6,488,350 | 8,822,120 |
| Expenses | | | | | |
| Cost of sales and service | | 5,587,902 | 6,896,145 | 3,793,992 | 4,794,338 |
| Selling and administrative expenses | | 718,916 | 563,357 | 559,559 | 472,150 |
| Specific business tax and transfer fee | | 311,670 | 420,352 | 209,703 | 299,300 |
| Share of loss from investments accounted for under the equity method | | 47,209 | 38 | 89,958 | 11,163 |
| Loss from impairment of assets | | 26,077 | - | - | - |
| Directors' remuneration | | 3,240 | 3,060 | 3,240 | 3,060 |
| Total expenses | | 6,695,014 | 7,882,952 | 4,656,452 | 5,580,011 |
| Earnings before interest expenses and income tax | | 1,933,413 | 3,283,327 | 1,831,898 | 3,242,109 |
| Interest expenses | | -58,238 | -87,199 | -71,843 | -121,729 |
| Income tax | | -419,670 | -672,175 | -321,445 | -608,204 |
| Earnings after income tax | | 1,455,505 | 2,523,953 | 1,438,610 | 2,512,176 |
| Minority interest | | -16,895 | -11,777 | - | - |
| Net earnings for the period | | 1,438,610 | 2,512,176 | 1,438,610 | 2,512,176 |
| | | | | | (Unit: Baht) |
| Basic earnings per share | | | | | |
| | 18 | | | | |
| Net earnings | | 0.17 | 0.31 | 0.17 | 0.31 |
| Weighted average number of ordinary share (Thousand shares) | | 8,359,859 | 8,179,445 | 8,359,859 | 8,179,445 |
| Diluted earnings per share | | | | | |
| | 18 | | | | |
| Net earnings | | 0.15 | 0.27 | 0.15 | 0.27 |
| Weighted average number of ordinary share (Thousand shares) | | 9,569,227 | 9,296,693 | 9,569,227 | 9,296,693 |

The accompanying notes are an integral part of the financial statements.

LAND AND HOUSES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2006 AND 2005

(Unit: Thousand Baht)

| | CONSOLIDATED | | THE COMPANY ONLY | |
|--|--------------|--------------------|------------------|--------------------|
| | 2006 | 2005 (Restated) | 2006 | 2005 (Restated) |
| Cash flows from operating activities | | | | |
| Net earnings for the period | 1,438,610 | 2,512,176 | 1,438,610 | 2,512,176 |
| Adjustments to reconcile net earnings to net cash provided by (paid from) operating activities: | | | | |
| Inventory decrease from transfer to cost | 5,311,076 | 6,622,487 | 3,581,786 | 4,594,757 |
| Increase in minority interest | 16,895 | 11,777 | - | - |
| Depreciation and amortisation | 72,876 | 67,471 | 51,052 | 49,332 |
| Amortisation of leasehold rights | 19 | - | - | - |
| Share of profit from investments accounted for under the equity method | -200,378 | -250,112 | -728,558 | -901,464 |
| Share of loss from investments accounted for under the equity method | 47,209 | 38 | 89,958 | 11,163 |
| Reversal of impairment loss of investments | -259 | -33,251 | -259 | -33,251 |
| Gain from sales of investments | -69,401 | -334,438 | -69,401 | -334,433 |
| Loss (gain) from sales of assets | 2,148 | -235 | 2,450 | -25 |
| Amortisation of prepaid interest | 21,257 | 55,578 | 21,257 | 55,578 |
| Amortisation of goodwill | 18,503 | 379 | - | - |
| Loss from impairment of assets | 26,077 | - | - | - |
| Earnings from operating activities before change in operating assets and liabilities | 6,684,632 | 8,651,870 | 4,386,895 | 5,953,833 |
| Decrease (increase) in operating assets: - | | | | |
| Inventories | -6,349,442 | -6,431,878 | -5,247,590 | -4,175,321 |
| Land held for development | 5,001 | - | - | - |
| Amounts due from and account receivables - related parties | 5,791 | - | 13,200 | - |
| Other current assets | -147,910 | -7,447 | -142,171 | -30,904 |
| Other non-current assets | -162,869 | 13,293 | -5,470 | 1,485 |
| Increase (decrease) in operating liabilities: - | | | | |
| Trade accounts payables | 170,738 | -121,981 | 245,870 | -61,360 |
| Trade accounts payable - related parties | -10,535 | - | -4,998 | - |
| Other current liabilities | -193,324 | -298,378 | -233,226 | -219,836 |
| Other non-current liabilities | 72,898 | -2,016 | 37,214 | - |
| Net cash from (used in) operating activities | 74,980 | 1,803,463 | -950,276 | 1,467,897 |

The accompanying notes are an integral part of the financial statements.

LAND AND HOUSES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS (Continued)

FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2006 AND 2005

(Unit: Thousand Baht)

| | CONSOLIDATED | | THE COMPANY ONLY | |
|---|--------------|--------------------|------------------|--------------------|
| | 2006 | 2005 (Restated) | 2006 | 2005 (Restated) |
| Cash flows from investing activities | | | | |
| Decrease (increase) in current investments | 1,142,000 | -2,679,000 | 1,142,000 | -2,549,000 |
| Decrease (increase) in short-term loans to and accrued interest receivables from related parties | - | - | 715,913 | -241,500 |
| Cash paid for purchase of subsidiary and associated companies | -707,013 | -805,633 | -1,067,013 | -1,168,692 |
| Cash received from decrease capital of subsidiaries and associated companies | - | 248,386 | - | 248,386 |
| Dividend received from subsidiary and associated companies | 256,365 | 184,300 | 459,364 | 377,699 |
| Cash received from sales of other long-term investments | 82,843 | 475,742 | 82,843 | 475,690 |
| Cash paid for purchase of other long-term investments | - | -55,601 | - | -55,601 |
| Cash paid for deposit of leasehold rights | -250,000 | - | - | - |
| Cash received from sales of building and equipment | 1,136 | 638 | 686 | 38 |
| Cash paid for purchase of building and equipment | -434,361 | -97,128 | -119,284 | -65,541 |
| Cash paid for leasehold rights | -785 | -402,987 | - | - |
| Net cash from (used in) investing activities | 90,185 | -3,131,283 | 1,214,509 | -2,978,521 |
| Cash flows from financing activities | | | | |
| Increase in bank overdrafts and short-term loans from financial institutions | 587,741 | 250,465 | 570,078 | 263,617 |
| Increase (decrease) in short-term loans from related parties | - | - | 182,727 | -285,000 |
| Cash paid for debentures | -1,187,500 | -307,500 | -1,187,500 | -307,500 |
| Increase in domestic debentures | - | 5,000,000 | - | 5,000,000 |
| Cash paid for long-term loans | -263,132 | -1,291,834 | -122,547 | -667,342 |
| Increase in long-term loans | 1,852,690 | 32,000 | 1,722,690 | - |
| Cash received from exercise of warrants | 222,809 | 118,594 | 222,809 | 118,594 |
| Cash received from increase share capital of subsidiaries from minority interest | 240,000 | 182,140 | - | - |
| Dividend paid to minority interest by subsidiaries | - | -2 | - | - |
| Dividend paid | -2,084,296 | -2,417,333 | -2,084,296 | -2,417,333 |
| Net cash from (used in) financing activities | -631,688 | 1,566,530 | -696,039 | 1,705,036 |
| Net increase (decrease) in cash and cash equivalents | -466,523 | 238,710 | -431,806 | 194,412 |
| Cash and cash equivalents at beginning of period | 1,132,438 | 728,805 | 889,157 | 419,934 |
| Cash and cash equivalents at end of period | 665,915 | 967,515 | 457,351 | 614,346 |

The accompanying notes are an integral part of the financial statements.

(UNAUDITED BUT REVIEWED)

LAND AND HOUSES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS (Continued)

FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2006 AND 2005

(Unit: Thousand Baht)

| | CONSOLIDATED | | THE COMPANY ONLY | |
|--|---------------------|-------------|-------------------------|-------------|
| | <u>2006</u> | <u>2005</u> | <u>2006</u> | <u>2005</u> |
| | | (Restated) | | (Restated) |
| Supplemental cash flow information: - | | | | |
| Cash paid during the period: - | | | | |
| Interest expense (consist of interest expenses for operation and | | | | |
| interest expense for cost of project) | 212,655 | 153,799 | 186,515 | 144,772 |
| Income tax | 521,275 | 798,065 | 456,139 | 785,220 |

The accompanying notes are an integral part of the financial statements.