

LAND AND HOUSES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2007 AND 2006

(Unit: Thousand Baht)

		Separate financial statements									
		Issued and paid-up	Premium on	Premium on share	Revaluation surplus	Revaluation	Cash receipts	Translation	Retained earnings		Total
		share capital	ordinary shares	capital of associated	in assets of	surplus (deficit)	from share	adjustment	Statutory	Unappropriated	
Note				companies	associated company	in investments	subscription		reserve		
	Balance as at 1 January 2006 - as previously reported	8,297,413	8,902,717	300,718	116,807	373,741	30,293	-	1,064,620	4,045,581	23,131,890
	Prior year adjustment in relation to change in										
	the accounting policies of the associated companies	3	-	-	-116,807	-370,551	-	78,896	-	-156,658	-565,120
	Cumulative effect of the change in accounting policy for										
	investments in subsidiary and associated companies	2	-	-300,718	-	-691	-	-78,896	-	-1,981,369	-2,361,674
	Balance as at 1 January 2006 - as restated	8,297,413	8,902,717	-	-	2,499	30,293	-	1,064,620	1,907,554	20,205,096
	Conversion of warrants of ordinary shares	105,855	94,355	-	-	-	-30,293	-	-	-	169,917
	Cash receipts from share subscription	-	-	-	-	-	52,892	-	-	-	52,892
	Revaluation deficit in investments (restated)	-	-	-	-	-65,977	-	-	-	-	-65,977
	Appropriation of retained earnings	-	-	-	-	-	-	-	16,054	-16,054	-
	Net income for the period (restated)	-	-	-	-	-	-	-	-	1,259,374	1,259,374
	Dividend paid	-	-	-	-	-	-	-	-	-2,084,296	-2,084,296
	Income tax from unpaid dividend	-	-	-	-	-	-	-	-	-4,944	-4,944
	Balance as at 30 June 2006 - as restated	8,403,268	8,997,072	-	-	-63,478	52,892	-	1,080,674	1,061,634	19,532,062
	Balance as at 1 January 2007 - as previously reported	8,476,271	9,050,975	300,718	-	-49,375	9,474	34,063	1,080,674	3,604,356	22,507,156
	Cumulative effect of the change in accounting policy for										
	investments in subsidiary and associated companies	2	-	-300,718	-	725	-	-34,063	-	-2,243,892	-2,577,948
	Balance as at 1 January 2007 - as restated	8,476,271	9,050,975	-	-	-48,650	9,474	-	1,080,674	1,360,464	19,929,208
	Conversion of warrants of ordinary shares	16	182,480	195,187	-	-	-9,474	-	-	-	368,193
	Cash receipts from share subscription	17	-	-	-	-	14,319	-	-	-	14,319
	Revaluation surplus in investments	-	-	-	-	35,645	-	-	-	-	35,645
	Net income for the period	-	-	-	-	-	-	-	-	1,527,715	1,527,715
	Dividend paid	22	-	-	-	-	-	-	-	-1,288,355	-1,288,355
	Income tax from unpaid dividend	-	-	-	-	-	-	-	-	-3,137	-3,137
	Balance as at 30 June 2007	8,658,751	9,246,162	-	-	-13,005	14,319	-	1,080,674	1,596,687	20,583,588
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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 2007 AND 2006

(Unit: Thousand Baht)

Consolidated financial statements											
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	373,741	30,293	-	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	3	-	-	-116,807	-370,551	-	78,896	-	-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	105,855	94,355	-	-	-	-30,293	-	-	-	-	169,917
Cash receipts from share subscription	-	-	-	-	-	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 income 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 - as restated	<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>
Balance as at 1 January 2007	8,476,271	9,050,975	300,718	-	-49,375	9,474	34,063	1,080,674	3,604,356	944,459	23,451,615
Conversion of warrants of ordinary shares	16	182,480	195,187	-	-	-9,474	-	-	-	-	368,193
Cash receipts from share subscription	17	-	-	-	-	14,319	-	-	-	-	14,319
Revaluation surplus in investments	-	-	-	-	59,541	-	-	-	-	-	59,541
Translation adjustment	-	-	-	-	-	-	14,431	-	-	-	14,431
Net income for the period	-	-	-	-	-	-	-	-	1,229,972	-14,841	1,215,131
Dividend paid	22	-	-	-	-	-	-	-	-1,288,355	-	-1,288,355
Income tax from unpaid dividend	-	-	-	-	-	-	-	-	-3,137	-	-3,137
Increase in ordinary shares of subsidiary - minority interest	-	-	-	-	-	-	-	-	-	208,000	208,000
Dividend paid to minority interest by subsidiary	-	-	-	-	-	-	-	-	-	-2	-2
Balance as at 30 June 2007	<u>8,658,751</u>	<u>9,246,162</u>	<u>300,718</u>	<u>-</u>	<u>10,166</u>	<u>14,319</u>	<u>48,494</u>	<u>1,080,674</u>	<u>3,542,836</u>	<u>1,137,616</u>	<u>24,039,736</u>
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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 financial statements		Separate financial statements	
		30 June 2007	31 December 2006	30 June 2007	31 December 2006
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited) (Restated)
ASSETS					
Current assets					
Cash and cash equivalents	4	1,505,070	1,784,963	1,326,613	1,622,990
Current investments		-	621,131	-	621,131
Trade accounts receivables	5	1,524	-	-	-
Amounts due from and accounts receivable - related parties	4	69,616	1,466	79,686	21,101
Short-term loans to and accrued interest receivable					
from related parties	4	265	581	1,113,063	1,523,664
Inventories - net	6	21,165,735	22,007,215	17,900,138	18,059,927
Other current assets					
Withholding income tax		34,623	34,376	-	-
Advance payment for constructions		121,914	223,178	90,421	128,818
Deposit		57,472	87,854	49,997	78,884
Others		67,426	87,264	41,140	45,934
Total current assets		23,023,645	24,848,028	20,601,058	22,102,449
Non-current assets					
Investments in subsidiary companies	7	-	-	2,495,504	2,183,504
Investments in associated companies	8	8,596,638	8,692,533	7,684,112	7,607,623
Other long-term investments - net	9	1,230,341	1,195,117	1,018,004	982,420
Land held for development - net	10	4,424,237	4,424,237	2,914,862	2,914,862
Land under contracts to buy and to sell - net		226,000	226,000	226,000	226,000
Property, plant and equipment - net	11	2,620,950	1,569,423	334,724	348,261
Deposit for leasehold rights		-	250,000	-	-
Leasehold rights - net	12	979,602	483,248	-	-
Other non-current assets					
Deposit to related company	4	7,446	6,638	7,446	6,595
Goodwill		47,551	48,852	-	-
Other		22,391	21,817	20,881	20,347
Total non-current assets		18,155,156	16,917,865	14,701,533	14,289,612
TOTAL ASSETS		41,178,801	41,765,893	35,302,591	36,392,061

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 financial statements		Separate financial statements	
		30 June 2007	31 December 2006	30 June 2007	31 December 2006
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited) (Restated)
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities					
Bank overdrafts and short-term loans from financial institutions	13	2,548,083	3,207,948	2,543,298	3,203,431
Trade accounts payable		1,060,207	1,151,216	727,093	896,462
Trade accounts payable - related parties	4	32,766	28,100	24,636	20,696
Amounts due to related parties	4	13,267	13,017	4,607	3,978
Current portion of long-term loans	14	1,954,015	2,567,665	1,814,743	2,350,151
Current portion of debentures	15	2,500,000	1,000,000	2,500,000	1,000,000
Short-term loans from and accrued interest payable to related parties	4	36,107	26,199	260,078	150,113
Other current liabilities					
Unearned revenue		253,538	265,199	197,920	203,479
Corporate income tax payable		400,432	351,973	324,799	283,821
Accrued expenses		294,682	340,166	260,215	300,108
Retention guarantees		239,683	191,261	125,380	149,907
Others		168,087	241,662	129,173	209,775
Total current liabilities		9,500,867	9,384,406	8,911,942	8,771,921
Non-current liabilities					
Long-term loans - net of current portion	14	4,003,363	2,746,270	2,204,113	1,597,050
Debentures - net of current portion	15	3,500,000	6,000,000	3,500,000	6,000,000
Other non-current liabilities		134,835	183,602	102,948	93,882
Total non-current liabilities		7,638,198	8,929,872	5,807,061	7,690,932
TOTAL LIABILITIES		17,139,065	18,314,278	14,719,003	16,462,853

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 financial statements		Separate financial statements	
		30 June 2007 (Unaudited but reviewed)	31 December 2006 (Audited)	30 June 2007 (Unaudited but reviewed)	31 December 2006 (Audited) (Restated)
Shareholders' equity					
Share capital	16				
Registered					
10,354,268,670 ordinary shares of Baht 1 each (31 December 2006: 10,806,737,200 ordinary shares of Baht 1 each)		10,354,269	10,806,737	10,354,269	10,806,737
Issued and paid-up					
8,658,750,946 ordinary shares of Baht 1 each (31 December 2006: 8,476,271,216 ordinary shares of Baht 1 each)		8,658,751	8,476,271	8,658,751	8,476,271
Paid-in capital					
Premium on ordinary shares		9,246,162	9,050,975	9,246,162	9,050,975
Premium on share capital of associated companies		300,718	300,718	-	-
Revaluation surplus (deficit) in investments	19	10,166	-49,375	-13,005	-48,650
Cash receipts from share subscription	16, 17	14,319	9,474	14,319	9,474
Translation adjustment		48,494	34,063	-	-
Retained earnings					
Appropriated - Statutory reserve		1,080,674	1,080,674	1,080,674	1,080,674
Unappropriated		3,542,836	3,604,356	1,596,687	1,360,464
Equity attributable to the Company's shareholders		22,902,120	22,507,156	20,583,588	19,929,208
Minority interest - equity attributable to minority shareholders of subsidiaries		1,137,616	944,459	-	-
Total shareholders' equity		24,039,736	23,451,615	20,583,588	19,929,208
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		41,178,801	41,765,893	35,302,591	36,392,061
		0	0	0	0

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

DIRECTORS

(UNAUDITED BUT REVIEWED)

LAND AND HOUSES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

INCOME STATEMENTS

FOR THE THREE-MONTH PERIODS ENDED 30 JUNE 2007 AND 2006

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	<u>Note</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
					(Restated)
Revenues					
Sales income		4,654,853	4,301,510	3,544,599	2,886,946
Rental and services income		720	-	-	-
Other income					
Gain from sales of investments		208	-	177,783	-
Dividend income		5,560	10	292,630	409,590
Others		72,784	45,577	84,389	61,920
Share of profit from investments in associated companies		174,752	99,866	-	-
Total revenues		<u>4,908,877</u>	<u>4,446,963</u>	<u>4,099,401</u>	<u>3,358,456</u>
Expenses					
Cost of sales and services		3,265,244	2,956,290	2,472,258	1,978,749
Cost of rental and services		5,536	-	-	-
Selling and administrative expenses		418,735	374,179	340,282	293,277
Specific business tax and transfer fee		179,895	164,088	135,410	109,601
Share of loss from investments in associated companies		7,475	26,344	-	-
Loss from impairment of assets		2,990	4,123	-	-
Total expenses		<u>3,879,875</u>	<u>3,525,024</u>	<u>2,947,950</u>	<u>2,381,627</u>
Income before interest expenses and corporate income tax		1,029,002	921,939	1,151,451	976,829
Interest expenses		-34,712	-	-35,636	-10,060
Corporate income tax		-302,558	-200,075	-249,825	-163,725
Income after corporate income tax		691,732	721,864	865,990	803,044
Loss attributable to minority interest of the subsidiaries		8,203	4,078	-	-
Net income for the period		<u>699,935</u>	<u>725,942</u>	<u>865,990</u>	<u>803,044</u>
					(Unit: Baht)
Earnings per share	20				
Basic earnings per share					
Net income		<u>0.08</u>	<u>0.09</u>	<u>0.10</u>	<u>0.10</u>
Weighted average number of ordinary share (Thousand shares)		<u>8,658,909</u>	<u>8,403,606</u>	<u>8,658,909</u>	<u>8,403,606</u>
Diluted earnings per share					
Net income		<u>0.07</u>	<u>0.08</u>	<u>0.09</u>	<u>0.08</u>
Weighted average number of ordinary share (Thousand shares)		<u>9,641,825</u>	<u>9,556,534</u>	<u>9,641,825</u>	<u>9,556,534</u>

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

(UNAUDITED BUT REVIEWED)

LAND AND HOUSES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

INCOME STATEMENTS

FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2007 AND 2006

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2007	2006	2007	2006
					(Restated)
Revenues					
Sales income		8,562,613	8,270,843	6,442,412	5,557,891
Rental and services income		720	-	-	-
Other income					
Gain from sales of investments		299	69,660	177,874	69,660
Dividend income		5,613	136	651,412	459,470
Others		124,213	87,410	149,377	132,135
Share of profit from investments in associated companies		306,424	200,378	-	-
Total revenues		<u>8,999,882</u>	<u>8,628,427</u>	<u>7,421,075</u>	<u>6,219,156</u>
Expenses					
Cost of sales and services		6,023,359	5,587,902	4,489,145	3,793,992
Cost of rental and services		5,536	-	-	-
Selling and administrative expenses		852,754	722,156	686,917	562,799
Specific business tax and transfer fee		328,553	311,670	245,099	209,703
Share of loss from investments in associated companies		13,694	47,209	-	-
Loss from impairment of assets		5,079	26,077	-	-
Total expenses		<u>7,228,975</u>	<u>6,695,014</u>	<u>5,421,161</u>	<u>4,566,494</u>
Income before interest expenses and corporate income tax		1,770,907	1,933,413	1,999,914	1,652,662
Interest expenses		-78,402	-58,238	-85,204	-71,843
Corporate income tax		-477,374	-419,670	-386,995	-321,445
Income after corporate income tax		1,215,131	1,455,505	1,527,715	1,259,374
Loss (income) attributable to minority interest of the subsidiaries		14,841	-16,895	-	-
Net income for the period		<u>1,229,972</u>	<u>1,438,610</u>	<u>1,527,715</u>	<u>1,259,374</u>
					(Unit: Baht)
Earnings per share	20				
Basic earnings per share					
Net income		<u>0.14</u>	<u>0.17</u>	<u>0.18</u>	<u>0.15</u>
Weighted average number of ordinary share (Thousand shares)		<u>8,572,646</u>	<u>8,359,859</u>	<u>8,572,646</u>	<u>8,359,859</u>
Diluted earnings per share					
Net income		<u>0.13</u>	<u>0.15</u>	<u>0.16</u>	<u>0.13</u>
Weighted average number of ordinary share (Thousand shares)		<u>9,594,814</u>	<u>9,569,227</u>	<u>9,594,814</u>	<u>9,569,227</u>

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

(UNAUDITED BUT REVIEWED)

LAND AND HOUSES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
CASH FLOW STATEMENTS

FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2007 AND 2006

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2007	2006	2007	2006 (Restated)
Cash flows from operating activities				
Net income for the period	1,229,972	1,438,610	1,527,715	1,259,374
Adjustments to reconcile net income to net cash provided by (paid from) operating activities:				
Inventories decrease from transfer to cost	5,681,943	5,311,076	4,221,959	3,581,786
Income (loss) attributable to minority interest of the subsidiaries	-14,841	16,895	-	-
Depreciation	79,876	72,876	58,065	51,052
Share of profit from investments in associated companies	-306,424	-200,378	-	-
Share of loss from investments in associated companies	13,694	47,209	-	-
Loss from impairment of assets	5,079	26,077	-	-
Gain from sales of investments	-299	-69,660	-177,874	-69,660
Loss (gain) from sales of property, plant and equipment	-96	2,148	-96	2,450
Amortisation of prepaid interest	24,992	21,257	24,992	21,257
Amortisation of goodwill	1,301	18,503	-	-
Amortisation of leasehold rights	513	19	-	-
Income from operating activities before change in operating assets and liabilities	6,715,710	6,684,632	5,654,761	4,846,259
Decrease (increase) in operating assets				
Trade accounts receivables	-1,524	-	-	-
Inventories	-4,785,719	-6,349,442	-4,002,346	-5,247,590
Amounts due from and accounts receivable - related parties	-68,150	5,791	-58,585	13,200
Other current assets	151,237	-147,910	72,078	-142,171
Other non-current assets	-1,382	-162,869	-1,385	-5,470
Land held for development	-	5,001	-	-
Increase (decrease) in operating liabilities				
Trade accounts payable	-163,461	170,738	-169,369	245,870
Trade accounts payable and other payables - related parties	4,916	-10,535	4,569	-4,998
Other current liabilities	-36,976	-193,324	-112,740	-233,226
Other non-current liabilities	-48,767	72,898	9,066	37,214
Net cash from (used in) operating activities	1,765,884	74,980	1,396,049	-490,912

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

(UNAUDITED BUT REVIEWED)

LAND AND HOUSES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

CASH FLOW STATEMENTS (Continued)

FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2007 AND 2006

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2007	2006	2007	2006 (Restated)
Cash flows from investing activities				
Decrease in current investments	621,131	1,142,000	621,131	1,142,000
Decrease in short-term loans to and accrued interest receivable from related parties	316	-	410,601	715,913
Cash paid for purchase of subsidiary and associated companies	-384,248	-707,013	-696,248	-1,067,013
Cash received from decrease of share capital of associated company	485,543	-	485,543	-
Dividend received from associated companies	325,659	256,365	-	-
Cash received from sales of other long-term investments	720	82,843	152	82,843
Cash paid for deposit of leasehold rights	-	-250,000	-	-
Proceeds from sales of equipment	116	1,136	116	686
Cash paid for purchase of building and equipment	-1,051,869	-434,361	-44,548	-119,284
Cash paid for leasehold rights	-253,969	-785	-	-
Net cash from (used in) investing activities	-256,601	90,185	776,747	755,145
Cash flows from financing activities				
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	-707,491	587,741	-707,759	570,078
Increase in short-term loans from and accrued interest payable to related parties	9,908	-	109,965	182,727
Cash paid for debentures	-1,000,000	-1,187,500	-1,000,000	-1,187,500
Cash paid for long-term loans	-812,348	-263,132	-716,236	-122,547
Cash received from long-term loans	1,418,600	1,852,690	750,700	1,722,690
Cash received from increasing in share capital	382,512	222,809	382,512	222,809
Proceeds from increase in share capital of subsidiary from minority interest	208,000	240,000	-	-
Dividend paid to minority interest by subsidiary	-2	-	-	-
Dividend paid	-1,288,355	-2,084,296	-1,288,355	-2,084,296
Net cash used in financing activities	-1,789,176	-631,688	-2,469,173	-696,039
Net decrease in cash and cash equivalents	-279,893	-466,523	-296,377	-431,806
Cash and cash equivalents at beginning of period	1,784,963	1,132,438	1,622,990	889,157
Cash and cash equivalents at end of period	1,505,070	665,915	1,326,613	457,351
	0		0	

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

(UNAUDITED BUT REVIEWED)

LAND AND HOUSES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

CASH FLOW STATEMENTS (Continued)

FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2007 AND 2006

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
				(Restated)
Supplemental cash flow information				
Cash paid during the period for				
Interest expenses (consist of interest expenses for operation and interest expenses for cost of project)	293,604	212,451	252,690	186,870
Corporate income tax	438,762	498,966	349,153	433,834
Non-cash items				
Purchases of building and equipment recorded as liabilities	163,829	72,499	-	-
Increase (decrease) in revaluation surplus in investments	59,541	-61,404	35,645	-65,977
Transfer leasehold rights to assets under construction	7,102	7,137	-	-
Increase (decrease) in translation adjustment	14,431	-66,934	-	-
Transfer deposit for leasehold rights to leasehold rights	250,000	-	-	-

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