

LAND AND HOUSES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE NINE-MONTH PERIODS ENDED 30 SEPTEMBER 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		
		share capital	ordinary shares	capital of associated	in assets of	surplus (deficit)	from share	adjustment	Statutory	Total	
Note				companies	associated company	in investments	subscription		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	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	142,547	111,650	-	-	-	-30,293	-	-	-	223,904
	Cash receipts from share subscription	-	-	-	-	-	71,881	-	-	-	71,881
	Revaluation deficit in investments (restated)	-	-	-	-	-57,522	-	-	-	-	-57,522
	Appropriation of retained earnings	-	-	-	-	-	-	-	16,054	-16,054	-
	Net income for the period (restated)	-	-	-	-	-	-	-	-	1,924,689	1,924,689
	Dividend paid	-	-	-	-	-	-	-	-	-3,507,366	-3,507,366
	Income tax from unpaid dividend	-	-	-	-	-	-	-	-	-8,461	-8,461
	Balance as at 30 September 2006 - as restated	8,439,960	9,014,367	-	-	-55,023	71,881	-	1,080,674	300,362	18,852,221
	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	190,130	202,176	-	-	-9,474	-	-	-	382,832
	Cash receipts from share subscription	17	-	-	-	-	9,988	-	-	-	9,988
	Revaluation surplus in investments	-	-	-	-	92,441	-	-	-	-	92,441
	Net income for the period	-	-	-	-	-	-	-	-	2,658,294	2,658,294
	Dividend paid	22	-	-	-	-	-	-	-	-2,317,338	-2,317,338
	Income tax from unpaid dividend	-	-	-	-	-	-	-	-	-6,432	-6,432
	Balance as at 30 September 2007	8,666,401	9,253,151	-	-	43,791	9,988	-	1,080,674	1,694,988	20,748,993
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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 NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2007 AND 2006

(Unit: Thousand Baht)

Consolidated financial statements												
	Note			Premium on	Revaluation	Revaluation	Cash receipts	Translation adjustment	Retained earnings		Minority interest	Total
		Issued and paid-up share capital	Premium on ordinary shares	share capital of associated companies	surplus in assets of associated company	surplus (deficit) in investments	from share subscription		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		142,547	111,650	-	-	-	-30,293	-	-	-	-	223,904
Cash receipts from share subscription		-	-	-	-	-	71,881	-	-	-	-	71,881
Revaluation deficit in investments		-	-	-	-	-52,732	-	-	-	-	-	-52,732
Translation adjustment		-	-	-	-	-	-	-28,893	-	-	-	-28,893
Appropriation retained earnings		-	-	-	-	-	-	-	16,054	-16,054	-	-
Net income for the period		-	-	-	-	-	-	-	-	1,970,575	17,922	1,988,497
Dividend paid		-	-	-	-	-	-	-	-	-3,507,366	-	-3,507,366
Income tax from unpaid dividend		-	-	-	-	-	-	-	-	-8,461	-	-8,461
Increase in ordinary shares of subsidiary - minority interest		-	-	-	-	-	-	-	-	-	271,200	271,200
Dividend paid to minority interests by subsidiaries		-	-	-	-	-	-	-	-	-	-3	-3
Balance as at 30 September 2006 - as restated		8,439,960	9,014,367	300,718	-	-49,542	71,881	50,003	1,080,674	2,327,617	973,399	22,209,077
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	190,130	202,176	-	-	-	-9,474	-	-	-	-	382,832
Cash receipts from share subscription	17	-	-	-	-	-	9,988	-	-	-	-	9,988
Revaluation surplus in investments		-	-	-	-	114,466	-	-	-	-	-	114,466
Translation adjustment		-	-	-	-	-	-	40,909	-	-	-	40,909
Net income for the period		-	-	-	-	-	-	-	-	2,406,058	-28,130	2,377,928
Dividend paid	22	-	-	-	-	-	-	-	-	-2,317,338	-	-2,317,338
Income tax from unpaid dividend		-	-	-	-	-	-	-	-	-6,432	-	-6,432
Increase in ordinary shares of subsidiary - minority interest		-	-	-	-	-	-	-	-	-	272,800	272,800
Dividend paid to minority interest by subsidiary		-	-	-	-	-	-	-	-	-	-3	-3
Balance as at 30 September 2007		8,666,401	9,253,151	300,718	-	65,091	9,988	74,972	1,080,674	3,686,644	1,189,126	24,326,765
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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 September 2007	31 December 2006	30 September 2007	31 December 2006
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited) (Restated)
ASSETS					
Current assets					
Cash and cash equivalents	4	2,785,595	1,784,963	2,542,563	1,622,990
Current investments		-	621,131	-	621,131
Trade accounts receivables	5	728	-	-	-
Amounts due from and accounts receivable - related parties	4	66,570	1,466	77,787	21,101
Short-term loans to and accrued interest receivable					
from related parties	4	4,029	581	859,858	1,523,664
Inventories - net	6	19,778,923	22,007,215	16,809,756	18,059,927
Other current assets					
Withholding income tax		38,253	34,376	-	-
Advance payment for constructions		120,523	223,178	79,619	128,818
Deposit		130,299	87,854	122,539	78,884
Others		90,574	87,264	56,526	45,934
Total current assets		23,015,494	24,848,028	20,548,648	22,102,449
Non-current assets					
Investments in subsidiary companies	7	-	-	2,592,704	2,183,504
Investments in associated companies	8	8,868,232	8,692,533	7,684,112	7,607,623
Other long-term investments - net	9	1,287,136	1,195,117	1,074,801	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	3,041,341	1,569,423	336,068	348,261
Deposit for leasehold rights		-	250,000	-	-
Leasehold rights - net	12	974,477	483,248	-	-
Other non-current assets					
Deposit to related company	4	7,446	6,638	7,446	6,595
Goodwill		46,901	48,852	-	-
Other		22,089	21,817	20,579	20,347
Total non-current assets		18,897,859	16,917,865	14,856,572	14,289,612
TOTAL ASSETS		41,913,353	41,765,893	35,405,220	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 September 2007 (Unaudited but reviewed)	31 December 2006 (Audited)	30 September 2007 (Unaudited but reviewed)	31 December 2006 (Audited) (Restated)
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities					
Bank overdrafts and short-term loans from financial institutions	13	977,058	3,207,948	968,713	3,203,431
Trade accounts payable		1,083,033	1,151,216	772,238	896,462
Trade accounts payable - related parties	4	18,167	28,100	14,224	20,696
Amounts due to related parties	4	7,331	13,017	2,430	3,978
Current portion of long-term loans	14	97,459	2,567,665	-	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	36,726	26,199	-	150,113
Other current liabilities					
Unearned revenue		267,240	265,199	204,694	203,479
Corporate income tax payable		276,153	351,973	248,419	283,821
Accrued expenses		295,312	340,166	261,995	300,108
Retention guarantees		223,560	191,261	123,796	149,907
Others		283,738	241,662	236,647	209,775
Total current liabilities		6,065,777	9,384,406	5,333,156	8,771,921
Non-current liabilities					
Long-term loans - net of current portion	14	5,880,911	2,746,270	3,718,801	1,597,050
Debentures - net of current portion	15	5,500,000	6,000,000	5,500,000	6,000,000
Other non-current liabilities		139,900	183,602	104,270	93,882
Total non-current liabilities		11,520,811	8,929,872	9,323,071	7,690,932
TOTAL LIABILITIES		17,586,588	18,314,278	14,656,227	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)

	Consolidated financial statements		Separate financial statements		
	Note	30 September 2007 (Unaudited but reviewed)	31 December 2006 (Audited)	30 September 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					
8,666,400,856 ordinary shares of Baht 1 each (31 December 2006: 8,476,271,216 ordinary shares of Baht 1 each)		8,666,401	8,476,271	8,666,401	8,476,271
Paid-in capital					
Premium on ordinary shares		9,253,151	9,050,975	9,253,151	9,050,975
Premium on share capital of associated companies		300,718	300,718	-	-
Revaluation surplus (deficit) in investments	19	65,091	-49,375	43,791	-48,650
Cash receipts from share subscription	16, 17	9,988	9,474	9,988	9,474
Translation adjustment		74,972	34,063	-	-
Retained earnings					
Appropriated - Statutory reserve		1,080,674	1,080,674	1,080,674	1,080,674
Unappropriated		3,686,644	3,604,356	1,694,988	1,360,464
Equity attributable to the Company's shareholders		23,137,639	22,507,156	20,748,993	19,929,208
Minority interest - equity attributable to minority shareholders of subsidiaries		1,189,126	944,459	-	-
Total shareholders' equity		24,326,765	23,451,615	20,748,993	19,929,208
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		41,913,353	41,765,893	35,405,220	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 SEPTEMBER 2007 AND 2006

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2007	2006	2007	2006
					(Restated)
Revenues					
Sales income		5,579,726	3,549,586	4,589,722	2,428,884
Rental and services income		5,537	-	-	-
Other income					
Dividend income		5,126	4,708	414,707	379,446
Others		83,875	47,005	92,188	72,600
Share of profit from investments in associated companies		312,204	105,925	-	-
Total revenues		<u>5,986,468</u>	<u>3,707,224</u>	<u>5,096,617</u>	<u>2,880,930</u>
Expenses					
Cost of sales and services		3,809,090	2,461,834	3,115,786	1,664,927
Cost of rental and services		13,115	-	-	-
Selling and administrative expenses		420,150	359,664	337,157	284,532
Specific business tax and transfer fee		215,013	134,951	176,399	91,858
Share of loss from investments in associated companies		5,945	21,176	-	-
Loss from impairment of assets		1,187	-	-	-
Total expenses		<u>4,464,500</u>	<u>2,977,625</u>	<u>3,629,342</u>	<u>2,041,317</u>
Income before interest expenses and corporate income tax		1,521,968	729,599	1,467,275	839,613
Interest expenses		-47,190	-34,953	-45,508	-49,989
Corporate income tax		-311,981	-161,654	-291,188	-124,309
Income after corporate income tax		1,162,797	532,992	1,130,579	665,315
Loss (income) attributable to minority interest of the subsidiaries		13,289	-1,027	-	-
Net income for the period		<u>1,176,086</u>	<u>531,965</u>	<u>1,130,579</u>	<u>665,315</u>
					(Unit: Baht)
Earnings per share	20				
Basic earnings per share					
Net income		0.14	0.06	0.13	0.08
Weighted average number of ordinary share (Thousand shares)		<u>8,666,501</u>	<u>8,440,370</u>	<u>8,666,501</u>	<u>8,440,370</u>
Diluted earnings per share					
Net income		0.12	0.06	0.12	0.07
Weighted average number of ordinary share (Thousand shares)		<u>9,680,367</u>	<u>9,570,928</u>	<u>9,680,367</u>	<u>9,570,928</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 NINE-MONTH PERIODS ENDED 30 SEPTEMBER 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		14,142,339	11,794,113	11,032,134	7,986,775
Rental and services income		6,257	-	-	-
Other income					
Gain from sales of investments		299	69,660	177,874	69,660
Dividend income		10,739	4,844	1,066,119	838,916
Others		208,088	134,415	241,565	204,735
Share of profit from investments in associated companies		618,231	306,303	-	-
Total revenues		<u>14,985,953</u>	<u>12,309,335</u>	<u>12,517,692</u>	<u>9,100,086</u>
Expenses					
Cost of sales and services		9,832,446	8,023,916	7,604,931	5,459,338
Cost of rental and services		18,651	-	-	-
Selling and administrative expenses		1,272,904	1,081,324	1,024,074	846,912
Specific business tax and transfer fee		543,566	446,621	421,498	301,561
Share of loss from investments in associated companies		19,242	68,385	-	-
Loss from impairment of assets		6,269	26,077	-	-
Total expenses		<u>11,693,078</u>	<u>9,646,323</u>	<u>9,050,503</u>	<u>6,607,811</u>
Income before interest expenses and corporate income tax		3,292,875	2,663,012	3,467,189	2,492,275
Interest expenses		-125,592	-93,191	-130,712	-121,832
Corporate income tax		-789,355	-581,324	-678,183	-445,754
Income after corporate income tax		2,377,928	1,988,497	2,658,294	1,924,689
Loss (income) attributable to minority interest of the subsidiaries		28,130	-17,922	-	-
Net income for the period		<u>2,406,058</u>	<u>1,970,575</u>	<u>2,658,294</u>	<u>1,924,689</u>
					(Unit: Baht)
Earnings per share	20				
Basic earnings per share					
Net income		<u>0.28</u>	<u>0.23</u>	<u>0.31</u>	<u>0.23</u>
Weighted average number of ordinary share (Thousand shares)		<u>8,604,275</u>	<u>8,386,991</u>	<u>8,604,275</u>	<u>8,386,991</u>
Diluted earnings per share					
Net income		<u>0.25</u>	<u>0.21</u>	<u>0.28</u>	<u>0.20</u>
Weighted average number of ordinary share (Thousand shares)		<u>9,637,398</u>	<u>9,583,987</u>	<u>9,637,398</u>	<u>9,583,987</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 NINE-MONTH PERIODS ENDED 30 SEPTEMBER 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	2,406,058	1,970,575	2,658,294	1,924,689
Adjustments to reconcile net income to net cash provided by (paid from) operating activities:				
Inventories decrease from transfer to cost	9,311,569	7,613,053	7,195,415	5,143,326
Income (loss) attributable to minority interest of the subsidiaries	-28,130	17,922	-	-
Depreciation	128,457	105,909	89,560	73,553
Share of profit from investments in associated companies	-618,231	-306,303	-	-
Share of loss from investments in associated companies	19,242	68,385	-	-
Dividend income	-	-	-1,055,405	-834,122
Loss from impairment of assets	6,269	26,077	-	-
Gain from sales of investments	-299	-69,660	-177,874	-69,660
Loss (gain) from sales of property, plant and equipment	-172	1,896	-107	2,198
Amortisation of prepaid interest	33,835	35,440	33,835	35,440
Amortisation of goodwill	1,951	27,755	-	-
Amortisation of leasehold rights	2,040	28	-	-
Income from operating activities before change in operating assets and liabilities	11,262,589	9,491,077	8,743,718	6,275,424
Decrease (increase) in operating assets				
Trade accounts receivables	-728	174	-	-
Inventories	-7,009,880	-8,843,025	-5,865,579	-7,172,069
Amounts due from and accounts receivable - related parties	-65,104	13,193	-56,686	21,110
Other current assets	53,023	-120,286	-5,048	-135,841
Other non-current assets	-1,080	-122,042	-1,083	-4,402
Land held for development	-	5,000	-	-
Increase (decrease) in operating liabilities				
Trade accounts payable	-114,692	223,554	-124,224	343,346
Trade accounts payable and other payables - related parties	-15,619	-11,863	-8,020	-1,601
Other current liabilities	-50,690	-330,191	-77,971	-336,419
Other non-current liabilities	-43,702	99,844	10,388	40,128
Net cash from (used in) operating activities	4,014,117	405,435	2,615,495	-970,324

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 NINE-MONTH PERIODS ENDED 30 SEPTEMBER 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	1,442,000	621,131	1,442,000
Decrease (increase) in short-term loans to and accrued interest receivable from related parties	-3,448	-	663,806	553,313
Cash paid for purchase of subsidiary company	-	-	-409,200	-406,800
Cash paid for purchase of associated companies	-384,248	-773,665	-384,248	-773,665
Cash received from decrease of share capital of associated company	485,543	-	485,543	-
Dividend received from subsidiary company	-	-	670,477	504,597
Dividend received from associated companies	384,928	329,525	384,928	329,525
Cash received from sales of other long-term investments	721	82,843	152	82,843
Cash paid for deposit of leasehold rights	-	-250,000	-	-
Proceeds from sales of equipment	192	1,403	127	953
Cash paid for purchase of building and equipment	-1,543,184	-787,495	-77,387	-168,553
Cash paid for leasehold rights	-253,969	-885	-	-
Net cash from (used in) investing activities	-692,334	43,726	1,955,329	1,564,213
Cash flows from financing activities				
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	-2,298,931	1,752,274	-2,302,759	1,752,274
Increase (decrease) in short-term loans from and accrued interest payable to related parties	10,527	-	-150,113	191,721
Cash paid for debentures	-1,000,000	-1,281,250	-1,000,000	-1,281,250
Cash received from issue of debentures	2,000,000	-	2,000,000	-
Cash paid for long-term loans	-3,167,226	-416,546	-3,024,561	-209,038
Cash received from long-term loans	3,786,200	2,207,190	2,750,700	1,881,190
Cash received from increasing in share capital	392,820	295,785	392,820	295,785
Proceeds from increase in share capital of subsidiary from minority interest	272,800	271,200	-	-
Dividend paid to minority interest by subsidiary	-3	-3	-	-
Dividend paid	-2,317,338	-3,507,366	-2,317,338	-3,507,366
Net cash used in financing activities	-2,321,151	-678,716	-3,651,251	-876,684
Net increase (decrease) in cash and cash equivalents	1,000,632	-229,555	919,573	-282,795
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	2,785,595	902,883	2,542,563	606,362
	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 NINE-MONTH PERIODS ENDED 30 SEPTEMBER 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)	416,456	363,009	347,501	323,292
Corporate income tax	882,823	870,265	720,017	738,472
Non-cash items				
Purchases of building and equipment recorded as liabilities	137,886	141,747	-	-
Increase (decrease) in revaluation surplus in investments	114,466	-52,732	92,441	-57,522
Transfer leasehold rights to assets under construction	10,700	11,139	-	-
Increase (decrease) in translation adjustment	40,909	-28,893	-	-
Transfer deposit for leasehold rights to leasehold rights	250,000	-	-	-

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