

Land and Houses Public Company Limited and its subsidiaries

Balance sheets

As at 31 December 2008 and 2007

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2008	2007	2008	2007
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	6	1,233,167,741	1,027,218,330	562,904,826	864,992,783
Trade accounts receivables - net	7	9,705,237	6,973,251	-	-
Amount due from and accounts receivables - related parties	6	588,824	212,796,692	7,905,449	215,885,797
Short-term loans to and accrued interest receivables					
from related parties	6	152,466	432,534	692,842,747	950,691,103
Inventories - net	8	24,303,418,675	20,891,063,673	22,314,024,218	18,109,596,306
Other current assets					
Withholding income tax		16,888,615	40,601,569	-	-
Advance payment for constructions		211,302,724	217,224,141	183,810,297	172,167,565
Deposits		88,348,121	245,315,781	84,474,171	230,914,652
Others		67,257,717	108,732,382	33,905,995	66,735,127
<b>Total current assets</b>		<b>25,930,830,120</b>	<b>22,750,358,353</b>	<b>23,879,867,703</b>	<b>20,610,983,333</b>
<b>Non-current assets</b>					
Investments in subsidiaries - net	9	-	-	2,705,704,020	2,730,704,020
Investments in associates - net	10	10,332,332,058	8,855,782,644	8,634,041,006	7,684,111,781
Other long-term investments - net	11	1,002,554,342	1,296,588,540	799,350,881	1,084,253,065
Land held for development - net	12	4,158,688,249	4,464,783,279	2,910,514,982	2,955,407,886
Deposit for purchase of land - net	13	197,715,000	226,000,000	197,715,000	226,000,000
Property, plant and equipment - net	14	1,639,904,284	1,175,971,658	335,773,079	310,998,570
Leasehold rights - net	15	2,863,874,200	2,947,354,399	-	-
Other non-current assets					
Deposit to related company	6	7,810,397	7,445,897	7,810,397	7,445,897
Others		22,738,768	21,726,681	20,184,705	20,487,544
<b>Total non-current assets</b>		<b>20,225,617,298</b>	<b>18,995,653,098</b>	<b>15,611,094,070</b>	<b>15,019,408,763</b>
<b>Total assets</b>		<b>46,156,447,418</b>	<b>41,746,011,451</b>	<b>39,490,961,773</b>	<b>35,630,392,096</b>

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

Land and Houses Public Company Limited and its subsidiaries

Balance sheets (continued)

As at 31 December 2008 and 2007

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2008	2007	2008	2007
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Bank overdrafts and short-term loans from financial institutions	16	1,923,389,751	8,869,988	1,902,880,663	-
Trade accounts payables		1,324,158,533	991,897,093	1,144,773,325	797,201,127
Trade accounts payables - related parties	6	19,461,174	18,167,002	18,043,795	15,784,340
Amount due to related parties	6	9,848,779	20,769,750	572,721	4,093,042
Short-term loans from and accrued interest payables to related parties	6	255,877,683	37,343,855	210,614,794	70,221,507
Current portion of long-term loans	17	753,702,840	32,716,000	305,809,840	-
Current portion of debentures	18	1,500,000,000	2,500,000,000	1,500,000,000	2,500,000,000
Short-term provisions	19	45,719,384	80,014,533	40,941,716	65,996,642
Other current liabilities					
Advance received from customers		283,370,706	252,107,230	243,965,987	197,230,475
Corporate income tax payable		369,283,345	507,345,815	239,763,672	425,842,595
Accrued expenses		370,519,383	339,008,813	316,268,397	287,407,956
Retention guarantees		184,379,020	165,632,149	129,527,284	120,980,401
Others		71,062,981	162,215,258	60,775,086	139,162,500
<b>Total current liabilities</b>		<b>7,110,773,579</b>	<b>5,116,087,486</b>	<b>6,113,937,280</b>	<b>4,623,920,585</b>
<b>Non-current liabilities</b>					
Long-term loans - net of current portion	17	4,709,100,272	5,738,014,400	3,164,208,640	3,509,644,400
Debentures - net of current portion	18	7,000,000,000	5,500,000,000	7,000,000,000	5,500,000,000
Long-term provisions	19	160,249,282	130,175,047	129,659,812	106,756,897
Other non-current liabilities		36,708,616	24,732,660	-	-
<b>Total non-current liabilities</b>		<b>11,906,058,170</b>	<b>11,392,922,107</b>	<b>10,293,868,452</b>	<b>9,116,401,297</b>
<b>Total liabilities</b>		<b>19,016,831,749</b>	<b>16,509,009,593</b>	<b>16,407,805,732</b>	<b>13,740,321,882</b>

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

Land and Houses Public Company Limited and its subsidiaries

Balance sheets (continued)

As at 31 December 2008 and 2007

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2008	2007	2008	2007
<b>Shareholders' equity</b>					
Share capital	20				
Registered					
10,354,268,670 ordinary shares of Baht 1 each		10,354,268,670	10,354,268,670	10,354,268,670	10,354,268,670
Issued and paid-up					
10,025,702,523 ordinary shares of Baht 1 each (2007: 8,673,061,416 ordinary shares of Baht 1 each)		10,025,702,523	8,673,061,416	10,025,702,523	8,673,061,416
Premium on ordinary shares		10,643,375,083	9,256,878,361	10,643,375,083	9,256,878,361
Premium on share capital of associates		300,718,026	300,718,026	-	-
Unrealised gain (loss)					
Revaluation surplus (deficit) in investments	23	(55,049,879)	66,891,214	(125,770,700)	53,243,790
Cash receipts from share subscription	20, 21	154,000	19,262,689	154,000	19,262,689
Translation adjustment		47,647,636	149,479,296	-	-
Retained earnings					
Appropriated - Statutory reserve	24	1,080,673,720	1,080,673,720	1,080,673,720	1,080,673,720
Unappropriated		3,913,684,984	4,439,522,835	1,459,021,415	2,806,950,238
Equity attributable to the parent's shareholders		25,956,906,093	23,986,487,557	23,083,156,041	21,890,070,214
Minority interest - equity attributable to minority shareholders of subsidiaries		1,182,709,576	1,250,514,301	-	-
<b>Total shareholders' equity</b>		<b>27,139,615,669</b>	<b>25,237,001,858</b>	<b>23,083,156,041</b>	<b>21,890,070,214</b>
<b>Total liabilities and shareholders' equity</b>		<b>46,156,447,418</b>	<b>41,746,011,451</b>	<b>39,490,961,773</b>	<b>35,630,392,096</b>
		0	0	0	0

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

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Directors  
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Land and Houses Public Company Limited and its subsidiaries

Income statements

For the years ended 31 December 2008 and 2007

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2008	2007	2008	2007
<b>Revenues</b>					
Sales income		15,409,653,448	18,651,599,369	11,301,133,504	14,722,076,669
Rental and services income		360,594,575	49,363,363	-	-
Other income					
Dividend from investment in subsidiaries and associates		-	-	951,276,875	1,656,685,526
Gain from investments	25	3,301,705	299,050	53,487,712	177,874,471
Interest income		23,200,954	39,472,176	71,437,516	101,356,676
Infrastructure service income		163,571,256	186,714,593	133,208,564	154,613,696
Others		47,744,788	92,148,075	68,833,577	80,941,200
<b>Total revenues</b>		<b>16,008,066,726</b>	<b>19,019,596,626</b>	<b>12,579,377,748</b>	<b>16,893,548,238</b>
<b>Expenses</b>					
Cost of sales and services		10,461,559,188	12,953,811,737	7,801,955,874	10,151,119,581
Cost of rental and services		302,463,793	90,441,954	-	-
Selling expenses		621,982,897	1,389,192,967	477,406,493	1,074,978,261
Administrative expenses		1,025,893,679	997,594,509	815,406,609	818,717,773
Other expenses					
Loss from impairment of investment in subsidiary		-	-	25,000,000	-
Loss from impairment of projects		22,720,621	6,186,966	-	-
Loss from impairment of land held for development		76,036,900	-	-	-
Loss from impairment of other assets		28,285,000	-	28,285,000	-
Loss from sale of property, plant and equipment		2,759,672	7,684,498	2,501,038	6,780,342
<b>Total expenses</b>		<b>12,541,701,750</b>	<b>15,444,912,631</b>	<b>9,150,555,014</b>	<b>12,051,595,957</b>
Income before finance cost and corporate income tax		3,466,364,976	3,574,683,995	3,428,822,734	4,841,952,281
Finance cost		(202,849,834)	(195,281,882)	(128,694,581)	(178,581,440)
Share of income from investment in associates		1,023,592,195	785,157,334	-	-
Income before corporate income tax		4,287,107,337	4,164,559,447	3,300,128,153	4,663,370,841
Corporate income tax		(927,357,347)	(1,064,360,632)	(694,668,480)	(893,115,374)
<b>Net income for the year</b>		<b>3,359,749,990</b>	<b>3,100,198,815</b>	<b>2,605,459,673</b>	<b>3,770,255,467</b>
<b>Net income attributable to:</b>					
Equity holders of the parent		3,427,550,645	3,158,937,635	2,605,459,673	3,770,255,467
Minority interests of the subsidiaries		(67,800,655)	(58,738,820)		
		<b>3,359,749,990</b>	<b>3,100,198,815</b>		

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

Land and Houses Public Company Limited and its subsidiaries

Income statements (continued)

For the years ended 31 December 2008 and 2007

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
<b>Earnings per share</b>				
	28			
<b>Basic earnings per share</b>				
Net income attributable to equity holders of the parent	0.36	0.37	0.27	0.44
Weighted average number of ordinary share (Thousand shares)	9,653,362	8,621,690	9,653,362	8,621,690
<b>Diluted earnings per share</b>				
Net income attributable to equity holders of the parent	0.35	0.33	0.26	0.39
Weighted average number of ordinary share (Thousand shares)	9,922,374	9,647,885	9,922,374	9,647,885

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

**Land and Houses Public Company Limited and its subsidiaries**

**Cash flow statements**

**For the years ended 31 December 2008 and 2007**

(Unit: Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
<b>Cash flows from operating activities</b>				
Net income before tax	4,287,107,337	4,164,559,447	3,300,128,153	4,663,370,841
Adjustments to reconcile net income before tax to net cash provided by (paid from) operating activities:				
Inventory and land held for development decrease from transfer to cost of sales	9,734,924,542	12,262,906,193	7,185,201,775	9,603,259,368
Depreciation and amortisation	316,163,143	209,434,739	114,171,181	122,524,693
Share of income from investments in associates	(1,033,122,481)	(818,058,362)	-	-
Share of loss from investments in associates	9,530,286	32,901,028	-	-
Loss from impairment of investment in subsidiary	-	-	25,000,000	-
Loss from impairment of projects	22,720,621	6,186,966	-	-
Loss from impairment of land held for development	76,036,900	-	-	-
Loss from impairment of other assets	28,285,000	-	28,285,000	-
Loss from sales of property, plant and equipment	2,759,672	7,684,498	2,501,038	6,780,342
Allowance for doubtful debt	3,419,378	-	3,419,378	-
Gain from investments	(3,301,705)	(299,050)	(53,487,712)	(177,874,471)
Amortisation of goodwill	-	-23,148,959	-	-
Amortisation of withholding tax	134,935	7,246,951	-	-
Dividend received	(24,118,077)	(22,895,566)	(975,376,894)	(1,679,540,341)
Interest expenses	195,819,547	185,679,581	121,664,537	168,979,139
Income from operating activities before change in operating assets and liabilities	13,616,359,098	16,012,197,466	9,751,506,456	12,707,499,571
Decrease (increase) in operating assets				
Trade accounts receivables	(2,731,986)	(6,973,251)	-	-
Inventories	(12,418,740,900)	(10,731,832,977)	(10,861,162,091)	(9,284,590,578)
Land held for development	(8,715,482)	-	(5,721,559)	-
Amount due from and accounts receivables - related parties	212,207,868	(211,331,192)	207,980,348	(194,785,127)
Other current assets	204,363,742	(188,020,809)	167,626,881	(216,180,941)
Other non-current assets	(1,376,586)	(833,216)	(61,661)	(991,843)
Increase (decrease) in operating liabilities				
Trade accounts payables	339,104,243	(91,420,175)	347,572,198	(99,261,292)
Trade accounts payable and other payables - related parties	(9,626,799)	(2,180,939)	(1,260,866)	(4,797,095)
Other current liabilities	(45,067,781)	(65,306,963)	(26,190,952)	(70,294,389)
Other non-current liabilities	42,050,191	(28,694,259)	22,902,915	12,875,401
Cash flows from (used in) operating activities	1,927,825,608	4,685,603,685	(396,808,331)	2,849,473,707
Cash paid for interest expenses	(727,187,816)	(580,941,926)	(614,352,271)	(482,920,916)
Cash paid for corporate income tax	(1,047,373,261)	(928,091,106)	(887,981,580)	(757,525,603)
<b>Net cash flows from (used in) operating activities</b>	<b>153,264,531</b>	<b>3,176,570,653</b>	<b>(1,899,142,182)</b>	<b>1,609,027,188</b>

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

Land and Houses Public Company Limited and its subsidiaries

Cash flow statements (continued)

For the years ended 31 December 2008 and 2007

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2008	2007	2008	2007
<b>Cash flows from investing activities</b>				
Decrease in current investments	-	621,131,212	-	621,131,212
Decrease in short-term loans to and accrued interest receivables from related parties	280,068	148,870	257,848,356	572,973,479
Cash received from borrower	9,109,308	-	-	-
Cash paid for purchase of subsidiary	-	-	-	(547,200,000)
Cash paid for purchase of associates	(773,023,986)	(384,247,800)	(773,023,986)	(384,247,800)
Cash received from decrease capital of associates	147,824,061	485,542,632	147,824,061	485,542,632
Dividend received from subsidiaries	-	-	549,259,170	1,006,283,530
Dividend received from associates	402,017,705	650,401,996	402,017,705	650,401,996
Dividend received from others	24,118,077	22,895,566	24,100,019	22,854,815
Cash received from sales of other long-term investments	32,739	720,544	-	151,743
Cash paid for purchase of other long-term investments	(168,773,273)	-	(168,773,273)	-
Proceeds from sales of property, plant and equipment	805,547	192,421	502,534	127,000
Cash paid for purchase of building and equipment	(676,516,068)	(1,726,873,674)	(141,949,262)	(92,169,552)
Cash paid for leasehold rights	(26,171,861)	(253,853,341)	-	-
<b>Net cash flows from (used in) investing activities</b>	<b>(1,060,297,683)</b>	<b>(583,941,574)</b>	<b>297,805,324</b>	<b>2,335,849,055</b>
<b>Cash flows from financing activities</b>				
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	1,936,639,100	(3,230,647,060)	1,925,000,000	(3,235,000,000)
Increase (decrease) in short-term loans from related parties	210,400,000	9,000,000	140,000,000	(80,000,000)
Cash paid for debentures	(2,500,000,000)	(1,000,000,000)	(2,500,000,000)	(1,000,000,000)
Increase in domestic debentures	3,000,000,000	2,000,000,000	3,000,000,000	2,000,000,000
Cash paid for long-term loans	(467,927,288)	(3,445,865,833)	(199,625,920)	(3,233,717,833)
Increase in long-term loans	160,000,000	3,857,200,000	160,000,000	2,750,700,000
Cash received from exercise of warrants	2,720,029,140	412,482,693	2,720,029,140	412,482,693
Proceeds from increase in share capital of subsidiary from minority interest	-	364,800,000	-	-
Dividend paid to minority interest by subsidiaries	(4,070)	(5,916)	-	-
Dividend paid	(3,946,154,319)	(2,317,338,087)	(3,946,154,319)	(2,317,338,087)
<b>Net cash flows from (used in) financing activities</b>	<b>1,112,982,563</b>	<b>(3,350,374,203)</b>	<b>1,299,248,901</b>	<b>(4,702,873,227)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>205,949,411</b>	<b>(757,745,124)</b>	<b>(302,087,957)</b>	<b>(757,996,984)</b>
Cash and cash equivalents at beginning of year	1,027,218,330	1,784,963,454	864,992,783	1,622,989,767
<b>Cash and cash equivalents at end of year</b>	<b>1,233,167,741</b>	<b>1,027,218,330</b>	<b>562,904,826</b>	<b>864,992,783</b>
	0	0	0	0

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

Land and Houses Public Company Limited and its subsidiaries

Cash flow statements (continued)

For the years ended 31 December 2008 and 2007

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
<b>Supplemental cash flow information</b>				
Non-cash items				
Purchases of building and equipment recorded as liabilities	16,635,428	23,478,231	-	-
Increase (decrease) in revaluation surplus in investments	(121,941,093)	116,265,978	(179,014,490)	101,893,384
Increase (decrease) in translation adjustment	(101,831,660)	115,416,514	-	-
Transfer inventory to land held for development (book value)	12,215,433	40,545,806	12,215,433	40,545,806
Transfer land held for development to inventory (book value)	150,400,378	-	52,589,895	-
Transfer leasehold rights to assets under construction	15,301,902	14,547,117	-	-
Transfer deposit for leasehold rights to leasehold rights	-	250,000,000	-	-
Transfer other non-current assets to leasehold rights	-	115,750	-	-
Transfer assets under construction to leasehold rights	-	1,442,477,493	-	-
Transfer equipment to leasehold rights	794,091	-	-	-
Interest recorded as cost of land, building and equipment	4,335,664	37,977,560	-	-
Interest recorded as cost of project	512,485,654	461,654,324	477,853,132	408,883,627

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

Land and Houses Public Company Limited and its subsidiaries

Statements of change in shareholders' equity

For the years ended 31 December 2008 and 2007

(Unit: Baht)

<b>Consolidated financial statements</b>												
Equity attributable to the parent's shareholders												
	Note	Equity attributable to the parent's shareholders					Retained earnings		Total equity		Minority interest	Total
		Issued and paid-up share capital	Premium on ordinary shares	Premium on share capital of associates	Revaluation surplus (deficit) in investments	Cash receipts from share subscription	Translation adjustment	Statutory reserve	Unappropriated	attributable to the parent's shareholder		
<b>Balance as at 31 December 2006</b>		8,476,271,216	9,050,974,590	300,718,026	(49,374,764)	9,473,967	34,062,782	1,080,673,720	3,604,355,634	22,507,155,171	944,459,037	23,451,614,208
<b>Income and expenses recognised directly in equity:</b>												
Investment in available-for-sale securities												
Gain recognised in shareholders' equity		-	-	-	116,265,978	-	-	-	-	116,265,978	-	116,265,978
Translation adjustment		-	-	-	-	-	115,416,514	-	-	115,416,514	-	115,416,514
Income tax from unpaid dividend		-	-	-	-	-	-	-	(6,432,347)	(6,432,347)	-	(6,432,347)
<b>Net income and expenses recognised directly in equity</b>		-	-	-	116,265,978	-	115,416,514	-	(6,432,347)	225,250,145	-	225,250,145
Net income for the year		-	-	-	-	-	-	-	3,158,937,635	3,158,937,635	(58,738,820)	3,100,198,815
<b>Total income and expenses for the year</b>		-	-	-	116,265,978	-	115,416,514	-	3,152,505,288	3,384,187,780	(58,738,820)	3,325,448,960
Dividend paid	30	-	-	-	-	-	-	-	(2,317,338,087)	(2,317,338,087)	-	(2,317,338,087)
Share capital issued		196,790,200	205,903,771	-	-	(9,473,967)	-	-	-	393,220,004	-	393,220,004
Cash receipts from share subscription	20	-	-	-	-	19,262,689	-	-	-	19,262,689	-	19,262,689
Minority interest - equity attributable to minority shareholders of subsidiaries												
Dividend paid to minority interest by subsidiaries		-	-	-	-	-	-	-	-	-	(5,916)	(5,916)
Increase in ordinary shares of subsidiary - minority interest		-	-	-	-	-	-	-	-	-	364,800,000	364,800,000
<b>Balance as at 31 December 2007</b>		<u>8,673,061,416</u>	<u>9,256,878,361</u>	<u>300,718,026</u>	<u>66,891,214</u>	<u>19,262,689</u>	<u>149,479,296</u>	<u>1,080,673,720</u>	<u>4,439,522,835</u>	<u>23,986,487,557</u>	<u>1,250,514,301</u>	<u>25,237,001,858</u>

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

Land and Houses Public Company Limited and its subsidiaries

Statements of change in shareholders' equity (continued)

For the years ended 31 December 2008 and 2007

(Unit: Baht)

Consolidated financial statements												
Equity attributable to the parent's shareholders												
	Note	Issued	Premium on	Revaluation	Cash receipts	Translation	Retained earnings		Total equity	Minority	Total	
		and paid-up share capital	Premium on ordinary shares	share capital of associates	surplus (deficit) in investments		from share subscription	adjustment	Statutory reserve			Unappropriated
<b>Balance as at 31 December 2007</b>		8,673,061,416	9,256,878,361	300,718,026	66,891,214	19,262,689	149,479,296	1,080,673,720	4,439,522,835	23,986,487,557	1,250,514,301	25,237,001,858
<b>Income and expenses recognised directly in equity:</b>												
Investment in available-for-sale securities												
Loss recognised in shareholders' equity	23	-	-	-	(39,448,303)	-	-	-	-	(39,448,303)	-	(39,448,303)
Transfer to income statement on exercise												
of warrants	23	-	-	-	(82,492,790)	-	-	-	-	(82,492,790)	-	(82,492,790)
Translation adjustment		-	-	-	-	-	(101,831,660)	-	-	(101,831,660)	-	(101,831,660)
Income tax from unpaid dividend		-	-	-	-	-	-	-	(7,234,177)	(7,234,177)	-	(7,234,177)
<b>Net expenses recognised directly in equity</b>		-	-	-	(121,941,093)	-	(101,831,660)	-	(7,234,177)	(231,006,930)	-	(231,006,930)
Net income for the year		-	-	-	-	-	-	-	3,427,550,645	3,427,550,645	(67,800,655)	3,359,749,990
<b>Total income and expenses for the year</b>		-	-	-	(121,941,093)	-	(101,831,660)	-	3,420,316,468	3,196,543,715	(67,800,655)	3,128,743,060
Dividend paid	30	-	-	-	-	-	-	-	(3,946,154,319)	(3,946,154,319)	-	(3,946,154,319)
Share capital issued	20	1,352,641,107	1,386,496,722	-	-	(19,262,689)	-	-	-	2,719,875,140	-	2,719,875,140
Cash receipts from share subscription	21	-	-	-	-	154,000	-	-	-	154,000	-	154,000
Minority interest - equity attributable to minority shareholders of subsidiaries												
Dividend paid to minority interest by subsidiaries		-	-	-	-	-	-	-	-	-	(4,070)	(4,070)
<b>Balance as at 31 December 2008</b>		10,025,702,523	10,643,375,083	300,718,026	(55,049,879)	154,000	47,647,636	1,080,673,720	3,913,684,984	25,956,906,093	1,182,709,576	27,139,615,669
		0	0	0	0	0	0	0	0	0	0	0
		0	0	0	0	0	0	0	0	0	0	0

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

Land and Houses Public Company Limited and its subsidiaries

Statements of change in shareholders' equity (continued)

For the years ended 31 December 2008 and 2007

(Unit: Baht)

Separate financial statements							
Note	Issued and paid-up share capital	Premium on ordinary shares	Revaluation surplus (deficit) in investments	Cash receipts from share subscription	Retained earnings		Total
					Statutory reserve	Unappropriated	
<b>Balance as at 31 December 2006</b>	8,476,271,216	9,050,974,590	(48,649,594)	9,473,967	1,080,673,720	1,360,465,205	19,929,209,104
<b>Income and expenses recognised directly in equity:</b>							
Investment in available-for-sale securities							
Gain recognised in shareholders' equity	-	-	101,893,384	-	-	-	101,893,384
Income tax from unpaid dividend	-	-	-	-	-	(6,432,347)	(6,432,347)
<b>Net income and expenses recognised directly in equity</b>	-	-	101,893,384	-	-	(6,432,347)	95,461,037
Net income for the year	-	-	-	-	-	3,770,255,467	3,770,255,467
<b>Total income for the year</b>	-	-	101,893,384	-	-	3,763,823,120	3,865,716,504
Dividend paid	30	-	-	-	-	(2,317,338,087)	(2,317,338,087)
Share capital issued		196,790,200	205,903,771	-	(9,473,967)	-	393,220,004
Cash receipts from share subscription	20	-	-	19,262,689	-	-	19,262,689
<b>Balance as at 31 December 2007</b>	<u>8,673,061,416</u>	<u>9,256,878,361</u>	<u>53,243,790</u>	<u>19,262,689</u>	<u>1,080,673,720</u>	<u>2,806,950,238</u>	<u>21,890,070,214</u>
<b>Balance as at 31 December 2007</b>	8,673,061,416	9,256,878,361	53,243,790	19,262,689	1,080,673,720	2,806,950,238	21,890,070,214
<b>Income and expenses recognised directly in equity:</b>							
Investment in available-for-sale securities							
Loss recognised in shareholders' equity	23	-	(96,521,700)	-	-	-	(96,521,700)
Transfer to income statement on exercise of warrants	23	-	(82,492,790)	-	-	-	(82,492,790)
Income tax from unpaid dividend		-	-	-	-	(7,234,177)	(7,234,177)
<b>Net expenses recognised directly in equity</b>	-	-	(179,014,490)	-	-	(7,234,177)	(186,248,667)
Net income for the year	-	-	-	-	-	2,605,459,673	2,605,459,673
<b>Total income and expenses for the year</b>	-	-	(179,014,490)	-	-	2,598,225,496	2,419,211,006
Dividend paid	30	-	-	-	-	(3,946,154,319)	(3,946,154,319)
Share capital issued	20	1,352,641,107	1,386,496,722	-	(19,262,689)	-	2,719,875,140
Cash receipts from share subscription	21	-	-	154,000	-	-	154,000
<b>Balance as at 31 December 2008</b>	<u>10,025,702,523</u>	<u>10,643,375,083</u>	<u>(125,770,700)</u>	<u>154,000</u>	<u>1,080,673,720</u>	<u>1,459,021,415</u>	<u>23,083,156,041</u>
	0	0	0	0	0	0	0
	0	0	0	0	0	0	0

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