

(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 2008 and 2007

(Unit: Thousand Baht)

Separate financial statements

	Note	Issued and paid-up share capital	Premium on ordinary shares	Revaluation	Cash receipts	Retained earnings		Total
				surplus (deficit) in investments	from share subscription	Statutory reserve	Unappropriated	
Balance as at 1 January 2007		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		182,480	195,187	-	(9,474)	-	-	368,193
Cash receipts from share subscription		-	-	-	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		-	-	-	-	-	(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
Balance as at 1 January 2008		8,673,061	9,256,878	53,244	19,263	1,080,674	2,806,950	21,890,070
Conversion of warrants of ordinary shares	14	1,247,073	1,285,042	-	(19,263)	-	-	2,512,852
Cash receipts from share subscription	16	-	-	-	28,819	-	-	28,819
Revaluation deficit in investments		-	-	(22,954)	-	-	-	(22,954)
Net income for the period		-	-	-	-	-	1,556,540	1,556,540
Dividend paid	20	-	-	-	-	-	(2,466,400)	(2,466,400)
Income tax from unpaid dividend		-	-	-	-	-	(4,090)	(4,090)
Balance as at 30 June 2008		9,920,134	10,541,920	30,290	28,819	1,080,674	1,893,000	23,494,837
		-	-	-	-	-	-	-

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 2008 and 2007

(Unit: Thousand Baht)

Consolidated financial statements											
	Note	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	Retained earnings		Minority	Total
								Statutory reserve	Unappropriated	interest - equity attributable to minority shareholders of subsidiaries	
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		182,480	195,187	-	-	(9,474)	-	-	-	-	368,193
Cash receipts from share subscription		-	-	-	-	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		-	-	-	-	-	-	-	(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>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>
Balance as at 1 January 2008		8,673,061	9,256,878	300,718	66,891	19,263	149,479	1,080,674	4,439,523	1,250,514	25,237,001
Conversion of warrants of ordinary shares	14	1,247,073	1,285,042	-	-	(19,263)	-	-	-	-	2,512,852
Cash receipts from share subscription	16	-	-	-	-	28,819	-	-	-	-	28,819
Revaluation deficit in investments		-	-	-	(69,838)	-	-	-	-	-	(69,838)
Translation adjustment		-	-	-	-	-	(80,386)	-	-	-	(80,386)
Net income for the period		-	-	-	-	-	-	-	1,791,939	(21,637)	1,770,302
Dividend paid	20	-	-	-	-	-	-	-	(2,466,400)	-	(2,466,400)
Income tax from unpaid dividend		-	-	-	-	-	-	-	(4,090)	-	(4,090)
Dividend paid to minority interest by subsidiaries		-	-	-	-	-	-	-	-	(2)	(2)
Balance as at 30 June 2008		<u>9,920,134</u>	<u>10,541,920</u>	<u>300,718</u>	<u>(2,947)</u>	<u>28,819</u>	<u>69,093</u>	<u>1,080,674</u>	<u>3,760,972</u>	<u>1,228,875</u>	<u>26,928,258</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 financial statements		Separate financial statements	
		30 June 2008 (Unaudited but reviewed)	31 December 2007 (Audited)	30 June 2008 (Unaudited but reviewed)	31 December 2007 (Audited)
Assets					
Current assets					
Cash and cash equivalents	2	781,241	1,027,218	517,038	864,993
Restricted bank deposits		80,165	-	-	-
Trade accounts receivable - net	3	10,417	6,973	-	-
Amounts due from and other receivable - related parties	2	6,154	212,797	14,379	215,886
Short-term loans to and accrued interest receivable					
from related parties	2	-	432	890,380	950,691
Inventories - net	4	22,150,766	20,891,064	19,711,454	18,109,596
Other current assets					
Withholding income tax		40,333	40,601	-	-
Advance payment for constructions		200,287	217,224	175,616	172,167
Deposits		260,216	245,316	256,246	230,915
Others		164,485	123,777	115,174	66,735
Total current assets		23,694,064	22,765,402	21,680,287	20,610,983
Non-current assets					
Investments in subsidiaries	5	-	-	2,730,704	2,730,704
Investments in associates - net	6	9,056,868	8,855,783	7,912,619	7,684,111
Other long-term investments - net	7	1,442,258	1,296,589	1,229,945	1,084,253
Land held for development - net	8	4,328,893	4,464,783	2,917,328	2,955,408
Land under contracts to buy and to sell - net		226,000	226,000	226,000	226,000
Property, plant and equipment - net	9	1,318,447	1,160,927	302,916	310,999
Leasehold rights - net	10	2,849,952	2,875,354	-	-
Other non-current assets					
Deposit to related party	2	7,810	7,446	7,810	7,446
Goodwill		72,000	72,000	-	-
Others		23,479	21,727	20,947	20,488
Total non-current assets		19,325,707	18,980,609	15,348,269	15,019,409
Total assets		43,019,771	41,746,011	37,028,556	35,630,392

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		
	<u>Note</u>	<u>30 June 2008</u>	<u>31 December 2007</u>	<u>30 June 2008</u>	<u>31 December 2007</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans from financial institutions	11	1,906,077	8,870	1,894,225	-
Trade accounts payable - related parties	2	23,817	18,167	22,576	15,784
Trade accounts payable - unrelated parties		1,080,125	991,897	851,142	797,201
Amounts due to related parties	2	8,184	20,770	3,979	4,093
Short-term loans from and accrued interest payable to related parties	2	87,682	37,344	272,570	70,222
Current portion of long-term loans	12	1,048,782	32,716	900,586	-
Current portion of debentures	13	1,500,000	2,500,000	1,500,000	2,500,000
Other current liabilities					
Unearned revenue		313,655	252,107	245,399	197,231
Corporate income tax payable		442,519	507,346	363,070	425,843
Accrued expenses		301,969	339,009	247,109	287,408
Retention guarantees		151,691	165,632	109,457	120,980
Others		286,776	242,230	247,614	205,159
Total current liabilities		7,151,277	5,116,088	6,657,727	4,623,921
Non-current liabilities					
Long-term loans - net of current portion	12	4,741,696	5,738,014	2,752,119	3,509,644
Debentures - net of current portion	13	4,000,000	5,500,000	4,000,000	5,500,000
Other non-current liabilities		198,540	154,908	123,873	106,757
Total non-current liabilities		8,940,236	11,392,922	6,875,992	9,116,401
Total liabilities		16,091,513	16,509,010	13,533,719	13,740,322

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		
	<u>Note</u>	<u>30 June 2008</u>	<u>31 December 2007</u>	<u>30 June 2008</u>	<u>31 December 2007</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Shareholders' equity					
Share capital	14				
Registered					
10,354,268,670 ordinary shares of Baht 1 each		<u>10,354,269</u>	<u>10,354,269</u>	<u>10,354,269</u>	<u>10,354,269</u>
Issued and paid-up					
9,920,133,809 ordinary shares of Baht 1 each					
(31 December 2007: 8,673,061,416 ordinary shares of Baht 1 each)		9,920,134	8,673,061	9,920,134	8,673,061
Paid-in capital					
Premium on ordinary shares		10,541,920	9,256,878	10,541,920	9,256,878
Premium on share capital of associates		300,718	300,718	-	-
Revaluation surplus (deficit) in investments	17	(2,947)	66,891	30,290	53,244
Cash receipts from share subscription	16	28,819	19,263	28,819	19,263
Translation adjustment		69,093	149,479	-	-
Retained earnings					
Appropriated - Statutory reserve		1,080,674	1,080,674	1,080,674	1,080,674
Unappropriated		<u>3,760,972</u>	<u>4,439,523</u>	<u>1,893,000</u>	<u>2,806,950</u>
Equity attributable to the Company's shareholders		<u>25,699,383</u>	<u>23,986,487</u>	<u>23,494,837</u>	<u>21,890,070</u>
Minority interest - equity attributable to minority shareholders of subsidiaries		1,228,875	1,250,514	-	-
Total shareholders' equity		<u>26,928,258</u>	<u>25,237,001</u>	<u>23,494,837</u>	<u>21,890,070</u>
Total liabilities and shareholders' equity		<u>43,019,771</u>	<u>41,746,011</u>	<u>37,028,556</u>	<u>35,630,392</u>
		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 2008 and 2007**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	<u>Note</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Revenues					
Sales		4,768,930	4,654,853	3,708,495	3,544,599
Rental and service income		93,048	720	-	-
Other income					
Gain from sales of investments		-	208	-	177,783
Dividend income		5,421	5,560	543,537	292,630
Others		57,547	72,784	64,897	84,389
Share of income from investments in associates	6	238,524	174,752	-	-
Total revenues		<u>5,163,470</u>	<u>4,908,877</u>	<u>4,316,929</u>	<u>4,099,401</u>
Expenses					
Cost of sale and services		3,228,565	3,265,244	2,526,557	2,472,258
Cost of rental and services		73,753	5,536	-	-
Selling and administrative expenses		362,444	418,735	290,359	340,282
Specific business tax and transfer fees		5,380	179,895	4,179	135,410
Share of loss from investments in associates	6	5,805	7,475	-	-
Loss from impairment of assets		-	2,990	-	-
Total expenses		<u>3,675,947</u>	<u>3,879,875</u>	<u>2,821,095</u>	<u>2,947,950</u>
Income before interest expenses and corporate income tax		<u>1,487,523</u>	<u>1,029,002</u>	<u>1,495,834</u>	<u>1,151,451</u>
Interest expenses		(27,627)	(34,712)	(6,611)	(35,636)
Corporate income tax		(347,765)	(302,558)	(291,517)	(249,825)
Net income for the period		<u>1,112,131</u>	<u>691,732</u>	<u>1,197,706</u>	<u>865,990</u>
Net income attributable to:					
Equity holders of the parent		1,115,153	699,935	1,197,706	865,990
Minority interests of the subsidiaries		(3,022)	(8,203)		
		<u>1,112,131</u>	<u>691,732</u>		
					(Unit: Baht)
Earnings per share					
	18				
Basic earnings per share					
Net income attributable to equity holders of the parent		0.11	0.08	0.12	0.10
Weighted average number of ordinary share (Thousand shares)		9,920,295	8,658,909	9,920,295	8,658,909
Diluted earnings per share					
Net income attributable to equity holders of the parent		0.11	0.07	0.12	0.09
Weighted average number of ordinary share (Thousand shares)		10,033,743	9,641,825	10,033,743	9,641,825

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 2008 and 2007**

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2008	2007	2008	2007
Revenues					
Sales		8,447,144	8,562,613	6,561,488	6,442,412
Rental and service income		173,668	720	-	-
Other income					
Gain from sales of investments		3,302	299	53,488	177,874
Dividend income		11,271	5,613	550,911	651,412
Others		96,933	124,213	116,797	149,377
Share of income from investments in associates	6	480,467	306,424	-	-
Total revenues		9,212,785	8,999,882	7,282,684	7,421,075
Expenses					
Cost of sale and services		5,818,856	6,023,359	4,560,984	4,489,145
Cost of rental and services		146,187	5,536	-	-
Selling and administrative expenses		756,955	852,754	614,639	686,917
Specific business tax and transfer fees		127,770	328,553	98,767	245,099
Share of loss from investments in associate	6	5,580	13,694	-	-
Loss from impairment of assets	4	3,495	5,079	-	-
Total expenses		6,858,843	7,228,975	5,274,390	5,421,161
Income before interest expenses and corporate income tax		2,353,942	1,770,907	2,008,294	1,999,914
Interest expenses		(68,934)	(78,402)	(26,510)	(85,204)
Corporate income tax		(514,706)	(477,374)	(425,244)	(386,995)
Net income for the period		1,770,302	1,215,131	1,556,540	1,527,715
Net income attributable to:					
Equity holders of the parent		1,791,939	1,229,972	1,556,540	1,527,715
Minority interests of the subsidiaries		(21,637)	(14,841)		
		<u>1,770,302</u>	<u>1,215,131</u>		
					(Unit: Baht)
Earnings per share					
18					
Basic earnings per share					
Net income attributable to equity holders of the parent		0.19	0.14	0.17	0.18
Weighted average number of ordinary share (Thousand shares)		9,308,438	8,572,646	9,308,438	8,572,646
Diluted earnings per share					
Net income attributable to equity holders of the parent		0.18	0.13	0.16	0.16
Weighted average number of ordinary share (Thousand shares)		9,884,410	9,594,814	9,884,410	9,594,814

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

(Unaudited but reviewed)

Land and Houses Public Company Limited and its subsidiaries**Cash flows statements****For the six-month periods ended 30 June 2008 and 2007**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2008	2007	2008	2007
Cash flows from operating activities				
Net income before tax	2,285,008	1,692,505	1,981,784	1,914,710
Adjustments to reconcile net income to net cash provided by (paid from) operating activities:				
Inventories decrease from transfer to cost	5,451,984	5,681,943	4,251,053	4,221,959
Depreciation and amortisation	116,575	79,876	62,024	58,065
Share of income from investments in associates	(480,467)	(306,424)	-	-
Share of loss from investments in associate	5,580	13,694	-	-
Dividend income	(11,271)	(5,613)	(550,911)	(651,412)
Loss from impairment of assets	3,495	5,079	-	-
Allowance for doubtful accounts	3,419	-	3,419	-
Gain from sales of investments	(3,302)	(299)	(53,488)	(177,874)
Loss (gain) from sales of clubhouses and equipment	1,529	(96)	1,270	(96)
Amortisation of prepaid interest	1,355	24,992	1,355	24,992
Amortisation of goodwill	-	1,301	-	-
Amortisation of leasehold rights	43,770	513	-	-
Interest expenses	68,934	78,402	26,510	85,204
Income from operating activities before change in operating assets and liabilities	7,486,609	7,265,873	5,723,016	5,475,548
Decrease (increase) in operating assets				
Trade accounts receivable	(3,444)	(1,524)	-	-
Amounts due from and other receivable - related parties	206,643	(68,150)	201,507	(58,585)
Inventories	(6,303,966)	(4,561,842)	(5,558,712)	(3,840,765)
Other current assets	(28,334)	158,820	(77,219)	72,078
Other non-current assets	(2,116)	(1,382)	(823)	(1,385)
Increase (decrease) in operating liabilities				
Trade accounts payable and amounts due to related parties	(6,936)	4,916	6,678	4,569
Trade accounts payable - unrelated parties	54,994	(163,461)	53,941	(169,369)
Other current liabilities	49,830	(81,988)	27,273	(144,712)
Other non-current liabilities	43,632	(48,767)	17,116	9,066
Cash flows from operating activities	1,496,912	2,502,495	392,777	1,346,445
Cash paid for interest expenses	(362,532)	(302,462)	(294,546)	(252,690)
Cash paid for income tax	(591,990)	(438,853)	(492,107)	(349,153)
Net cash from (used in) operating activities	542,390	1,761,180	(393,876)	744,602

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

(Unaudited but reviewed)

Land and Houses Public Company Limited and its subsidiaries
Cash flows statements (continued)
For the six-month periods ended 30 June 2008 and 2007

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Cash flows from investing activities				
Increase in restricted bank deposits	(80,165)	-	-	-
Decrease in current investments	-	621,131	-	621,131
Decrease in short-term loans to and accrued interest receivable from related parties	432	316	60,311	410,601
Cash paid for purchase of subsidiary and associates	(290,617)	(384,248)	(290,617)	(696,248)
Cash received from decrease capital of associates	147,824	485,543	147,824	485,543
Dividend received from subsidiaries	-	-	214,807	320,158
Dividend received from associates	324,843	325,659	324,843	325,659
Dividend received from other companies	11,271	5,613	11,261	5,595
Cash received from sales of other long-term investments	33	720	-	152
Cash paid for purchase of other long-term investments	(168,773)	-	(168,773)	-
Proceeds from sales of equipment	773	116	470	116
Cash paid for purchase of building, equipment and leasehold rights	(261,531)	(1,305,838)	(55,681)	(44,548)
Net cash from (used in) investing activities	<u>(315,910)</u>	<u>(250,988)</u>	<u>244,445</u>	<u>1,428,159</u>
Cash flows from financing activities				
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	1,884,126	(707,491)	1,881,144	(707,759)
Increase in short-term loans from and accrued interest payable to related parties	48,400	8,999	202,000	110,000
Cash received from long-term loans	160,000	1,418,600	160,000	750,700
Cash paid for long-term loan repayment	(140,252)	(812,348)	(16,939)	(716,236)
Cash paid for debenture redemption	(2,500,000)	(1,000,000)	(2,500,000)	(1,000,000)
Cash received from increasing in share capital	2,541,671	382,512	2,541,671	382,512
Proceed from increase in share capital of subsidiary from minority interest	-	208,000	-	-
Dividend paid to minority interest by subsidiaries	(2)	(2)	-	-
Dividend paid	(2,466,400)	(1,288,355)	(2,466,400)	(1,288,355)
Net cash used in financing activities	<u>(472,457)</u>	<u>(1,790,085)</u>	<u>(198,524)</u>	<u>(2,469,138)</u>
Net decrease in cash and cash equivalents	<u>(245,977)</u>	<u>(279,893)</u>	<u>(347,955)</u>	<u>(296,377)</u>
Cash and cash equivalents at beginning of period	<u>1,027,218</u>	<u>1,784,963</u>	<u>864,993</u>	<u>1,622,990</u>
Cash and cash equivalents at end of period	<u><u>781,241</u></u>	<u><u>1,505,070</u></u>	<u><u>517,038</u></u>	<u><u>1,326,613</u></u>
Supplemental cash flow information				
Non-cash items				
Purchases of building and equipment recorded as liabilities	33,234	163,829	-	-
Increase (decrease) in revaluation surplus (deficit) in investments	(69,838)	59,541	(22,954)	35,645
Transfer land held for development to inventories	135,890	-	38,080	-
Transfer leasehold rights to assets under construction	7,609	7,102	-	-
Transfer buildings to leasehold rights	794	-	-	-
Increase (decrease) in translation adjustment	(80,386)	14,431	-	-
Transfer deposit for leasehold rights to leasehold rights	-	250,000	-	-
Increase in other payable from purchase of investments in associates	35,518	-	35,518	-

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