

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

**Balance sheets**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>		
		30 September	31 December	30 September	31 December
	<u>Note</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	2	726,405	1,027,218	482,319	864,993
Restricted bank deposits		24,845	-	-	-
Trade accounts receivable - net	3	9,689	6,973	-	-
Amounts due from and other receivable - related parties	2	2,579	212,797	13,895	215,886
Short-term loans to and accrued interest receivable					
from related parties	2	393	432	1,004,820	950,691
Inventories - net	4	23,668,574	20,891,064	21,199,333	18,109,596
Other current assets					
Withholding income tax		43,891	40,601	-	-
Advance payment for constructions		262,867	217,224	222,002	172,167
Deposits		66,480	245,316	62,018	230,915
Others		119,452	123,777	66,085	66,735
<b>Total current assets</b>		<b>24,925,175</b>	<b>22,765,402</b>	<b>23,050,472</b>	<b>20,610,983</b>
<b>Non-current assets</b>					
Investments in subsidiaries - net	5	-	-	2,705,704	2,730,704
Investments in associates - net	6	9,963,662	8,855,783	8,610,222	7,684,111
Other long-term investments - net	7	1,057,000	1,296,589	844,687	1,084,253
Land held for development - net	8	4,291,868	4,464,783	2,923,469	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	1,543,193	1,160,927	321,601	310,999
Leasehold rights - net	10	2,824,422	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		22,558	21,727	20,000	20,488
<b>Total non-current assets</b>		<b>20,008,513</b>	<b>18,980,609</b>	<b>15,659,493</b>	<b>15,019,409</b>
<b>Total assets</b>		<b>44,933,688</b>	<b>41,746,011</b>	<b>38,709,965</b>	<b>35,630,392</b>

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)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>		
		30 September	31 December	30 September	31 December
	<u>Note</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Bank overdrafts and short-term loans from financial institutions	11	1,112,044	8,870	1,090,173	-
Trade accounts payable - related parties	2	16,078	18,167	15,249	15,784
Trade accounts payable - unrelated parties		1,456,473	991,897	1,169,868	797,201
Amounts due to related parties	2	8,785	20,770	3,128	4,093
Short-term loans from and accrued interest payable to related parties	2	212,518	37,344	454,680	70,222
Current portion of long-term loans	12	654,734	32,716	438,073	-
Current portion of debentures	13	1,500,000	2,500,000	1,500,000	2,500,000
<b>Other current liabilities</b>					
Unearned revenue		298,087	252,107	234,745	197,231
Corporate income tax payable		189,236	507,346	136,988	425,843
Accrued expenses		408,065	339,009	358,373	287,408
Retention guarantees		172,550	165,632	116,011	120,980
Others		328,705	242,230	298,973	205,159
<b>Total current liabilities</b>		<b>6,357,275</b>	<b>5,116,088</b>	<b>5,816,261</b>	<b>4,623,921</b>
<b>Non-current liabilities</b>					
Long-term loans - net of current portion	12	5,038,147	5,738,014	3,164,209	3,509,644
Debentures - net of current portion	13	7,000,000	5,500,000	7,000,000	5,500,000
Other non-current liabilities		195,887	154,908	126,942	106,757
<b>Total non-current liabilities</b>		<b>12,234,034</b>	<b>11,392,922</b>	<b>10,291,151</b>	<b>9,116,401</b>
<b>Total liabilities</b>		<b>18,591,309</b>	<b>16,509,010</b>	<b>16,107,412</b>	<b>13,740,322</b>

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)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 September	31 December	30 September	31 December
	<u>Note</u>	<u>2008</u>	<u>2007</u>	<u>2007</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)
<b>Shareholders' equity</b>				
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>
Issued and paid-up				
10,025,188,523 ordinary shares of Baht 1 each				
(31 December 2007: 8,673,061,416 ordinary shares of Baht 1 each)		10,025,189	8,673,061	10,025,189
Paid-in capital				
Premium on ordinary shares		10,643,375	9,256,878	10,643,375
Premium on share capital of associates		300,718	300,718	-
Revaluation surplus (deficit) in investments	17	(72,887)	66,891	(80,435)
Cash receipts from share subscription	16	514	19,263	514
Translation adjustment		27,791	149,479	-
Retained earnings				
Appropriated - Statutory reserve		1,080,674	1,080,674	1,080,674
Unappropriated		<u>3,138,759</u>	<u>4,439,523</u>	<u>933,236</u>
Equity attributable to the Company's shareholders		<u>25,144,133</u>	<u>23,986,487</u>	<u>22,602,553</u>
Minority interest - equity attributable to minority shareholders of subsidiaries		<u>1,198,246</u>	<u>1,250,514</u>	<u>-</u>
<b>Total shareholders' equity</b>		<u>26,342,379</u>	<u>25,237,001</u>	<u>22,602,553</u>
<b>Total liabilities and shareholders' equity</b>		<u>44,933,688</u>	<u>41,746,011</u>	<u>38,709,965</u>
		0	0	0

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

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Directors  
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(Unaudited but reviewed)

**Land and Houses Public Company Limited and its subsidiaries****Income statements****For the three-month periods ended 30 September 2008 and 2007**

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2008	2007	2008	2007
<b>Revenues</b>					
Sales		3,566,608	5,579,726	2,834,766	4,589,722
Rental and service income		102,876	5,537	-	-
Other income					
Dividend income		5,507	5,126	82,673	414,707
Others		58,175	83,875	68,822	92,188
Share of income from investments in associates	6	289,631	312,204	-	-
<b>Total revenues</b>		<b>4,022,797</b>	<b>5,986,468</b>	<b>2,986,261</b>	<b>5,096,617</b>
<b>Expenses</b>					
Cost of sale and services		2,431,963	3,809,090	1,948,424	3,115,786
Cost of rental and services		78,088	13,115	-	-
Selling and administrative expenses		366,610	420,150	293,986	337,157
Specific business tax and transfer fees		3,985	215,013	3,159	176,399
Share of loss from investments in associates	6	2,747	5,945	-	-
Loss from impairment of project	4	16,856	1,187	-	-
Loss from impairment of investment in subsidiary	5	-	-	25,000	-
Loss from impairment of land held for development	8	43,166	-	-	-
<b>Total expenses</b>		<b>2,943,415</b>	<b>4,464,500</b>	<b>2,270,569</b>	<b>3,629,342</b>
<b>Income before interest expenses and corporate income tax</b>		<b>1,079,382</b>	<b>1,521,968</b>	<b>715,692</b>	<b>1,467,275</b>
Interest expenses		(62,225)	-47,190	(45,272)	-45,508
Corporate income tax		(187,101)	-311,981	(147,286)	-291,188
<b>Net income for the period</b>		<b>830,056</b>	<b>1,162,797</b>	<b>523,134</b>	<b>1,130,579</b>
<b>Net income attributable to:</b>					
Equity holders of the parent		860,685	1,176,086	523,134	1,130,579
Minority interests of the subsidiaries		(30,629)	-13,289		
		<b>830,056</b>	<b>1,162,797</b>		
(Unit: Baht)					
<b>Earnings per share</b>	18				
<b>Basic earnings per share</b>					
Net income attributable to equity holders of the parent		0.09	0.14	0.05	0.13
Weighted average number of ordinary share (Thousand shares)		9,963,365	8,666,501	9,963,365	8,666,501
<b>Diluted earnings per share</b>					
Net income attributable to equity holders of the parent		0.09	0.12	0.05	0.12
Weighted average number of ordinary share (Thousand shares)		10,027,702	9,680,367	10,027,702	9,680,367

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 2008 and 2007**

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2008	2007	2008	2007
<b>Revenues</b>					
Sales		12,013,752	14,142,339	9,396,254	11,032,134
Rental and service income		276,544	6,257	-	-
Other income					
Gain from sales of investments		3,302	299	53,488	177,874
Dividend income		16,778	10,739	633,584	1,066,119
Others		155,108	208,088	185,619	241,565
Share of income from investments in associates	6	770,098	618,231	-	-
<b>Total revenues</b>		<b>13,235,582</b>	<b>14,985,953</b>	<b>10,268,945</b>	<b>12,517,692</b>
<b>Expenses</b>					
Cost of sale and services		8,250,819	9,832,446	6,509,408	7,604,931
Cost of rental and services		224,275	18,651	-	-
Selling and administrative expenses		1,123,565	1,272,904	908,625	1,024,074
Specific business tax and transfer fees		131,755	543,566	101,926	421,498
Share of loss from investments in associate	6	8,327	19,242	-	-
Loss from impairment of project	4	20,351	6,269	-	-
Loss from impairment of investment in subsidiary	5	-	-	25,000	-
Loss from impairment of land held for development	8	43,166	-	-	-
<b>Total expenses</b>		<b>9,802,258</b>	<b>11,693,078</b>	<b>7,544,959</b>	<b>9,050,503</b>
<b>Income before interest expenses and corporate income tax</b>		<b>3,433,324</b>	<b>3,292,875</b>	<b>2,723,986</b>	<b>3,467,189</b>
Interest expenses		(131,159)	(125,592)	(71,782)	(130,712)
Corporate income tax		(701,807)	(789,355)	(572,530)	(678,183)
<b>Net income for the period</b>		<b>2,600,358</b>	<b>2,377,928</b>	<b>2,079,674</b>	<b>2,658,294</b>
<b>Net income attributable to:</b>					
Equity holders of the parent		2,652,624	2,406,058	2,079,674	2,658,294
Minority interests of the subsidiaries		(52,266)	(28,130)		
		<b>2,600,358</b>	<b>2,377,928</b>		
(Unit: Baht)					
<b>Earnings per share</b>					
18					
<b>Basic earnings per share</b>					
Net income attributable to equity holders of the parent		0.28	0.28	0.22	0.31
Weighted average number of ordinary share (Thousand shares)		9,528,341	8,604,275	9,528,341	8,604,275
<b>Diluted earnings per share</b>					
Net income attributable to equity holders of the parent		0.27	0.25	0.21	0.28
Weighted average number of ordinary share (Thousand shares)		9,925,607	9,637,398	9,925,607	9,637,398

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 nine-month periods ended 30 September 2008 and 2007**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2008	2007	2008	2007
<b>Cash flows from operating activities</b>				
Net income before tax	3,302,165	3,167,283	2,652,204	3,336,477
Adjustments to reconcile net income to net cash provided by (paid from) operating activities:				
Inventories and land held for development				
decrease from transfer to cost	7,682,793	9,311,569	6,025,310	7,195,415
Depreciation and amortisation	172,622	128,457	91,316	89,560
Share of income from investments in associates	(770,098)	(618,231)	-	-
Share of loss from investments in associate	8,327	19,242	-	-
Dividend income	(16,778)	(10,739)	(633,584)	(1,066,119)
Loss from impairment of assets	63,517	6,269	-	-
Allowance for doubtful accounts	3,419	-	3,419	-
Gain from sales of investments	(3,302)	(299)	(53,488)	(177,874)
Loss from impairment of investment in subsidiary	-	-	25,000	-
Loss (gain) from sales of clubhouses and equipment	2,204	(172)	1,945	(107)
Amortisation of goodwill	-	1,951	-	-
Amortisation of leasehold rights	65,854	2,040	-	-
Interest expenses	131,159	125,592	71,782	130,712
Income from operating activities before change in operating assets and liabilities	10,641,882	12,132,962	8,183,904	9,508,064
Decrease (increase) in operating assets				
Trade accounts receivable	(2,716)	(728)	-	-
Amounts due from and other receivable - related parties	210,218	(65,104)	201,991	(56,686)
Inventories	(9,968,250)	(6,703,863)	(8,728,108)	(5,637,596)
Other current assets	147,856	64,255	119,712	(5,048)
Land held for development	(5,722)	-	(5,722)	-
Other non-current assets	(1,195)	(1,080)	124	(1,083)
Increase (decrease) in operating liabilities				
Trade accounts payable and amounts due to related parties	(14,074)	(15,619)	(1,500)	(8,020)
Trade accounts payable - unrelated parties	443,148	(114,692)	372,667	(124,224)
Other current liabilities	186,397	4,459	169,038	(56,368)
Other non-current liabilities	40,979	(43,702)	20,185	10,388
Cash flows from operating activities	1,678,523	5,256,888	332,291	3,629,427
Cash paid for interest expenses	(492,816)	(412,704)	(398,144)	(347,501)
Cash paid for income tax	(1,039,076)	(882,038)	(868,618)	(720,017)
<b>Net cash from (used in) operating activities</b>	<b>146,631</b>	<b>3,962,146</b>	<b>(934,471)</b>	<b>2,561,909</b>

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 nine-month periods ended 30 September 2008 and 2007**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2008</b>	<b>2007</b>	<b>2008</b>	<b>2007</b>
<b>Cash flows from investing activities</b>				
Increase in restricted bank deposits	(24,845)	-	-	-
Decrease in current investments	-	621,131	-	621,131
Decrease (increase) in short-term loans to and accrued interest receivable from related parties	39	(3,448)	(54,129)	663,806
Cash paid for purchase of subsidiary	-	-	-	(409,200)
Cash paid for purchase of associates	(749,205)	(384,248)	(749,205)	(384,248)
Cash received from decrease capital of associates	147,824	485,543	147,824	485,543
Dividend received from subsidiaries	-	-	214,807	670,477
Dividend received from associates	402,018	384,928	402,018	384,928
Dividend received from other companies	16,778	10,739	16,759	10,714
Cash received from sales of other long-term investments	33	721	-	152
Cash paid for purchase of other long-term investments	(168,773)	-	(168,773)	-
Proceeds from sales of equipment	803	192	501	127
Cash paid for purchase of building, equipment and leasehold rights	(551,388)	(1,797,153)	(104,364)	(77,387)
<b>Net cash from (used in) investing activities</b>	<b>(926,716)</b>	<b>(681,595)</b>	<b>(294,562)</b>	<b>1,966,043</b>
<b>Cash flows from financing activities</b>				
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	1,113,001	(2,256,172)	1,100,000	(2,260,000)
Increase (decrease) in short-term loans from and accrued interest payable to related parties	170,400	9,000	379,999	(150,000)
Cash received from long-term loans	160,000	3,786,200	160,000	2,750,700
Cash paid for long-term loan repayment	(237,849)	(3,167,226)	(67,362)	(3,024,561)
Cash paid for debenture redemption	(2,500,000)	(1,000,000)	(2,500,000)	(1,000,000)
Cash received from issue of debentures	3,000,000	2,000,000	3,000,000	2,000,000
Cash received from increasing in share capital	2,719,876	392,820	2,719,876	392,820
Proceed from increase in share capital of subsidiary from minority interest	-	272,800	-	-
Dividend paid to minority interest by subsidiaries	(2)	(3)	-	-
Dividend paid	(3,946,154)	(2,317,338)	(3,946,154)	(2,317,338)
<b>Net cash from (used in) financing activities</b>	<b>479,272</b>	<b>(2,279,919)</b>	<b>846,359</b>	<b>(3,608,379)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(300,813)</b>	<b>1,000,632</b>	<b>(382,674)</b>	<b>919,573</b>
Cash and cash equivalents at beginning of period	1,027,218	1,784,963	864,993	1,622,990
<b>Cash and cash equivalents at end of period</b>	<b>726,405</b>	<b>2,785,595</b>	<b>482,319</b>	<b>2,542,563</b>

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 nine-month periods ended 30 September 2008 and 2007**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2008</b>	<b>2007</b>	<b>2008</b>	<b>2007</b>
Supplemental cash flow information				
Non-cash items				
Purchases of building and equipment recorded as liabilities	21,428	137,886	-	-
Increase (decrease) in revaluation surplus (deficit) in investments	(139,778)	114,466	(133,679)	92,441
Transfer land held for development to inventories	137,447	-	39,636	-
Transfer inventories to land held for development	12,215	-	12,215	-
Transfer leasehold rights to assets under construction	11,456	10,700	-	-
Transfer buildings to leasehold rights	794	-	-	-
Increase (decrease) in translation adjustment	(121,688)	40,909	-	-
Transfer deposit for leasehold rights to leasehold rights	-	250,000	-	-
Exercise of warrants to investment in associate	274,533	-	274,533	-

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 2008 and 2007**

(Unit: Thousand Baht)

<b>Consolidated financial statements</b>											
	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	
<b>Balance as at 1 January 2007</b>		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		190,130	202,176	-	-	(9,474)	-	-	-	-	382,832
Cash receipts from share subscription		-	-	-	-	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		-	-	-	-	-	-	-	(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)
<b>Balance as at 30 September 2007</b>		<u>8,666,401</u>	<u>9,253,151</u>	<u>300,718</u>	<u>65,091</u>	<u>9,988</u>	<u>74,972</u>	<u>1,080,674</u>	<u>3,686,644</u>	<u>1,189,126</u>	<u>24,326,765</u>
<b>Balance as at 1 January 2008</b>		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	1,352,128	1,386,497	-	-	(19,263)	-	-	-	-	2,719,362
Cash receipts from share subscription	16	-	-	-	-	514	-	-	-	-	514
Revaluation deficit in investments		-	-	-	(139,778)	-	-	-	-	-	(139,778)
Translation adjustment		-	-	-	-	-	(121,688)	-	-	-	(121,688)
Net income for the period		-	-	-	-	-	-	-	2,652,624	(52,266)	2,600,358
Dividend paid	20	-	-	-	-	-	-	-	(3,946,154)	-	(3,946,154)
Income tax from unpaid dividend		-	-	-	-	-	-	-	(7,234)	-	(7,234)
Dividend paid to minority interest by subsidiaries		-	-	-	-	-	-	-	-	(2)	(2)
<b>Balance as at 30 September 2008</b>		<u>10,025,189</u>	<u>10,643,375</u>	<u>300,718</u>	<u>(72,887)</u>	<u>514</u>	<u>27,791</u>	<u>1,080,674</u>	<u>3,138,759</u>	<u>1,198,246</u>	<u>26,342,379</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 nine-month periods ended 30 September 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	
<b>Balance as at 1 January 2007</b>		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		190,130	202,176	-	(9,474)	-	-	382,832
Cash receipts from share subscription		-	-	-	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		-	-	-	-	-	(2,317,338)	(2,317,338)
Income tax from unpaid dividend		-	-	-	-	-	(6,432)	(6,432)
<b>Balance as at 30 September 2007</b>		<b>8,666,401</b>	<b>9,253,151</b>	<b>43,791</b>	<b>9,988</b>	<b>1,080,674</b>	<b>1,694,988</b>	<b>20,748,993</b>
<b>Balance as at 1 January 2008</b>		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	1,352,128	1,386,497	-	(19,263)	-	-	2,719,362
Cash receipts from share subscription	16	-	-	-	514	-	-	514
Revaluation deficit in investments		-	-	(133,679)	-	-	-	(133,679)
Net income for the period		-	-	-	-	-	2,079,674	2,079,674
Dividend paid	20	-	-	-	-	-	(3,946,154)	(3,946,154)
Income tax from unpaid dividend		-	-	-	-	-	(7,234)	(7,234)
<b>Balance as at 30 September 2008</b>		<b>10,025,189</b>	<b>10,643,375</b>	<b>(80,435)</b>	<b>514</b>	<b>1,080,674</b>	<b>933,236</b>	<b>22,602,553</b>
		-	-	-	-	-	-	-

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