

9 November 2015

Subject : Management Discussion and Analysis of third quarter ended 30 September 2015
Attn. : Director and Manager
The Stock Exchange of Thailand
Encls. : A copy of Reviewed Financial Statements for the third quarter ended 30
September 2015

The Company, Land and Houses Public Company Limited, would like to submit the reviewed financial statements for period of the third quarter ended 30 September 2015, for your information and publication.

According to the Company's third quarter income statements ended 30 September 2015, the Company and its subsidiaries recorded net profit of 1,481.66 million baht while the same period last year the Company and its subsidiaries recorded net profit of 1,730.74 million baht, decreased 249.08 million baht or 14.39% because of the following;

1. In the third quarter of 2015, the Company recorded sales income in an amount of 5,331.75 million baht while the same period last year the Company recorded sales income, in an amount of 5,965.19 million baht, decreased 633.44 million baht or 10.62%.
2. In the third quarter of 2015, the Company recorded gross profit margin of 34.20%, while the same period last year the Company recorded gross profit margin of 36.26%, decreased 2.06% as a result of a decrease of sales of single detach house and a decrease of gross profit margin from sales of condominium.

The Company's gross margin is decreased 339.7 million baht result from No.1 and 2.

3. Details of the Company's rental and services income compared to last year are as follows:

(million baht)

	Quarter 3 rd /2015	Quarter 3 rd /2014
Rental and services income	517.48	603.33
Cost	294.47	302.66
Gross profit	223.01	300.67

4. In the third quarter of 2015, Share of profit from investment in associates was 550.44 million baht, while the same period last year the Company recorded share of profit from investment in associates in an amount of 583.92 million baht. decreased 33.48 million baht
5. In the third quarter of 2015, the Company recorded the administration expenses in an amount of 426.27 million baht while the same period last year recorded 425.48 million baht.
6. In the third quarter of 2015, the Company recorded the selling expenses in the amount of 220.43 million baht while the same period last year recorded 294.62 million baht, decreased 74.19 million baht as the sales promotion expenses is decreased.
7. In the third quarter of 2015, the Company recorded finance cost in an amount of 67.12 million baht while the same period last year recorded 98.20 million baht, decreased 31.08 million baht because the interest rate is reduced.
8. In the third quarter of 2015, the Company recorded income tax expenses in an amount of 261.54 million baht, decreased of 40.47 million baht compared to the same period last year that the Company recorded income tax expenses in an amount of 302.01 million baht.

In the period of 9 months in 2015, the Company and its subsidiaries recorded the net profit in an amount of 4,531.39 million baht while the same period last year recorded the net profit margin in an amount of 5,136.97 million baht, decreased 605.58 million baht or 11.79% because of the followings;

1. In the first nine months of 2015, the Company recorded sales income in an amount of 15,940.71 million baht while the same period last year the Company recorded sales income, in an amount of 18,596.38 million baht, decreased 2,665.67 million baht or decreased by 14.28%.
2. In the first nine months of 2015, the Company recorded gross profit margin of 33.53%, while the same period last year the Company recorded gross profit margin of 36.35%, decreased by 2.82% as a result of a decrease of sales of single detach house and a decrease of gross profit margin from sales of condominium.

The Company's gross profit is decreased 1,414.57 million baht result from no. 1 and 2.

3. In the first nine months of 2015, the Company recorded net profit after tax from sales of an apartment building in USA. in an amount of 223.61 million baht.

4. Details of the Company's rental and services income compared to last year are as follows:

(million baht)

	9 months 2015	9 months 2014
Rental and services income	1,489.28	1,624.18
Cost	925.85	1,001.52
Gross profit	563.43	622.66

5. In the first nine months of 2015, the Company recorded the administration expenses in an amount of 1,300.46 million baht while the same period last year recorded 1337.29 million baht, decreased 36.83 million baht as a result of the Company's expenses control.
6. In the first nine months of 2015, the Company recorded the selling expenses in the amount of 626.02 million baht while the same period last year recorded 733.03 million baht, decreased 107.01 million baht as the sales promotion expenses is decreased.
7. In the first nine months of 2015, the Company recorded finance cost in an amount of 209.64 million baht while the same period last year recorded 403.71 million baht, decreased 197.07 million baht because the interest rate is decreased.
8. In the first nine months of 2015, the Company recorded income tax expenses in an amount of 770.33 million baht, decreased of 153.58 million baht compared to the same period last year that the Company recorded income tax expenses in an amount of 923.91 million baht.

Please be informed accordingly.

Yours sincerely,

Mr. Adisorn Thananan-narapool
Managing Director