

N.C. HOUSING PUBLIC COMPANY LIMITED

**INTERIM CONSOLIDATED FINANCIAL STATEMENTS
AND FINANCIAL STATEMENTS AS AT MARCH 31, 2005 AND 2004**

AUDITOR'S REVIEW REPORT

To The Shareholders and Board of Directors of
N.C. Housing Public Company Limited

I have reviewed the accompanying consolidated balance sheet of N.C. Housing Public Company Limited and subsidiaries as at March 31, 2005, and the related consolidated statements of income, changes in shareholders equity, and cash flows for the three-month periods ended March 31, 2005 and 2004 and the balance sheet of N.C. Housing Public Company Limited as at March 31, 2005, and the related statements of income, changes in shareholders' equity, and cash flows for the three-month periods ended March 31, 2005 and 2004. These financial statements are the responsibility of the Company's management as to their correctness and completeness of the presentation. My responsibility is to issue a report on these financial statements based on my review.

I conducted my review in accordance with generally accepted auditing standards applicable to review engagements. This Standard requires that I plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. I have not performed an audit and, accordingly, I do not express an audit opinion.

Based on my review, nothing has come to my attention that causes me to believe that the accompanying financial statements are not presented fairly, in all material respects, in accordance with generally accepted accounting principles.

I have previously audited, in accordance with generally accepted auditing standards, the consolidated financial statements for the year ended December 31, 2004 of N.C. Housing Public Company Limited and subsidiary and the financial statements for the year ended December 31, 2004 of N.C. Housing Public Company Limited, and in my report dated February 25, 2005, I expressed an unqualified opinion on those financial statements. The consolidated balance sheet and the balance sheet as at December 31, 2004 presented herewith for comparative purposes only, were a part of the audited financial statements and I have already reported. I have not performed any audit procedure since that date.

(Mr. Pichai Dachanapirom)
Certified Public Accountant
Registration No. 2421

Dharmniti Auditing Company Limited
Bangkok, Thailand
May 12, 2005
2005/529/7025

"UNAUDITED"

"REVIEWED"

N.C. HOUSING PUBLIC COMPANY LIMITED

BALANCE SHEETS

ASSETS

| | | In Thousand Baht | | | | |
|-----------------------------|-------------------------------------|------------------|------------------|------------------|------------------|------------------|
| | | Consolidated | | The Company Only | | |
| | | As at March | As at December | As at March | As at December | |
| Note | | 31, 2005 | 31, 2004 | 31, 2005 | 31, 2004 | |
| CURRENT ASSETS | | | | | | |
| | Cash and cash equivalents | 3.3, 5 | 57,301 | 160,169 | 52,409 | 138,932 |
| | Current investment | 6 | 7,751 | 7,751 | 1,068 | 1,068 |
| | Notes receivable | | - | 891 | - | 891 |
| | Trade accounts receivable | 3.4, 7 | 10,587 | 23,527 | 9,326 | 7,004 |
| | Receivables from related parties | 4 | - | - | 1,685 | 1,209 |
| | Unbilled receivables - net | 3.2, 8 | - | - | - | - |
| | Accrued income - construction | | 62,072 | 52,887 | 1,665 | 766 |
| | Accrued income - commission | | 9,704 | 7,496 | - | - |
| | Short-term loan to related parties | 4, 9 | - | - | 18,785 | 45,390 |
| | Inventories - net | 3.5, 10 | 451,138 | 263,932 | 450,799 | 265,413 |
| | Property development | 3.6, 11 | 2,919,521 | 2,914,853 | 2,915,129 | 2,912,658 |
| | Construction materials | 3.5 | 151 | 265 | 151 | 265 |
| | Deposit for purchase of land | 25 | 18,200 | 35,121 | 18,200 | 35,121 |
| | Other current assets | | 20,273 | 27,281 | 12,880 | 20,887 |
| | Total current assets | | 3,556,698 | 3,494,173 | 3,482,097 | 3,429,604 |
| NON - CURRENT ASSETS | | | | | | |
| | Investment in subsidiaries | 3.7, 12 | - | - | 86,510 | 81,234 |
| | Property, plant and equipment - net | 3.8, 13 | 280,764 | 285,958 | 276,778 | 281,705 |
| | Withholding income tax | | 2,523 | 1,442 | 1,042 | - |
| | Other non-current assets | | 3,967 | 4,288 | 3,837 | 4,123 |
| | Total non-current assets | | 287,254 | 291,688 | 368,167 | 367,062 |
| | TOTAL ASSETS | | 3,843,952 | 3,785,861 | 3,850,264 | 3,796,666 |

Notes to interim financial statements form an integral part of these statements

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N.C. HOUSING PUBLIC COMPANY LIMITED
BALANCE SHEETS (CONT.)

~~LIABILITIES AND SHAREHOLDERS' EQUITY~~

| | | In Thousand Baht | | | | |
|--|--------------------------------------|------------------|----------------|------------------|----------------|-----------|
| | | Consolidated | | The Company Only | | |
| | | As at March | As at December | As at March | As at December | |
| Note | | 31, 2005 | 31, 2004 | 31, 2005 | 31, 2004 | |
| CURRENT LIABILITIES | | | | | | |
| Bank overdrafts and short - term loans | | | | | | |
| | from financial institutions | 14 | 321,503 | 316,271 | 318,222 | 315,856 |
| | Payable for purchase of land | 4 | 143,441 | 107,532 | 143,441 | 107,532 |
| | Notes payable | | 50,370 | 35,691 | 45,011 | 34,393 |
| | Trade accounts payable | | 117,397 | 86,384 | 105,819 | 65,345 |
| | Payable to related parties | 4 | 6,166 | 6,649 | 66,528 | 79,498 |
| | Short-term loan from related parties | 4, 17 | - | - | 17,524 | 15,124 |
| | Unrealized income | 3.2, 8 | 48,595 | 45,501 | 48,595 | 45,501 |
| | Accrued income tax | | 64,270 | 64,200 | 47,097 | 47,097 |
| | Accrued expense | | 22,812 | 38,512 | 22,149 | 36,095 |
| | Accrued commission | | 24,208 | 20,500 | 8,452 | 6,815 |
| | Accrued interest | 4 | 708 | 418 | 708 | 418 |
| | Other current liabilities | | 11,078 | 14,745 | 6,572 | 8,258 |
| | Total current liabilities | | 810,548 | 736,403 | 830,118 | 761,932 |
| NON - CURRENT LIABILITIES | | | | | | |
| | Long-term loans - net | 15 | 1,024,230 | 1,070,009 | 1,024,230 | 1,070,009 |
| | Retention | | 83,444 | 85,241 | 70,186 | 70,517 |
| | Total non-current liabilities | | 1,107,674 | 1,155,250 | 1,094,416 | 1,140,526 |
| TOTAL LIABILITIES | | | 1,918,222 | 1,891,653 | 1,924,534 | 1,902,458 |

Notes to interim financial statements form an integral part of these statements

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N.C. HOUSING PUBLIC COMPANY LIMITED
BALANCE SHEETS (CONT.)

~~LIABILITIES AND SHAREHOLDERS' EQUITY (CONT.)~~

| | | In Thousand Baht | | | |
|--|---------------------------------------|------------------|------------------|------------------|------------------|
| | | Consolidated | | The Company Only | |
| | | As at March | As at December | As at March | As at December |
| Note | | 31, 2005 | 31, 2004 | 31, 2005 | 31, 2004 |
| SHAREHOLDERS' EQUITY | | | | | |
| Share capital | | | | | |
| | Authorized share capital | 18 | | | |
| | 1,200,000,000 ordinary shares | | | | |
| | of Baht 1 each | <u>1,200,000</u> | <u>1,200,000</u> | <u>1,200,000</u> | <u>1,200,000</u> |
| Issued and paid-up share capital | | | | | |
| | 1,000,000,000 ordinary shares capital | | | | |
| | of Baht 1 each | 18 | 1,000,000 | 1,000,000 | 1,000,000 |
| Paid-in capital | | | | | |
| | Premium on share capital | 577,530 | 577,530 | 577,530 | 577,530 |
| Retained earnings | | | | | |
| | Appropriated - legal reserve | 20 | 15,900 | 15,900 | 15,900 |
| | Unappropriated | <u>332,300</u> | <u>300,778</u> | <u>332,300</u> | <u>300,778</u> |
| TOTAL SHAREHOLDER'S EQUITY | | <u>1,925,730</u> | <u>1,894,208</u> | <u>1,925,730</u> | <u>1,894,208</u> |
| TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY | | <u>3,843,952</u> | <u>3,785,861</u> | <u>3,850,264</u> | <u>3,796,666</u> |

Notes to interim financial statements form an integral part of these statements

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N.C. HOUSING PUBLIC COMPANY LIMITED

STATEMENTS OF INCOME

FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2005 AND 2004

| | | In Thousand Baht | | | |
|---------------------------------------|--------|------------------|----------------|------------------|----------------|
| | | Consolidated | | The Company Only | |
| | Note | 2005 | 2004 | 2005 | 2004 |
| REVENUES | | | | | |
| Sales | 3.2, 4 | 305,119 | 267,084 | 305,119 | 231,448 |
| Construction income | 3.2, 4 | 24,402 | 52,252 | 899 | - |
| Service income | 4 | 3,796 | 2,284 | - | - |
| Equity in net profit of subsidiaries | | - | - | 5,276 | 13,437 |
| Other income | 4 | 2,720 | 8,385 | 2,608 | 8,884 |
| Total Revenues | | <u>336,037</u> | <u>330,005</u> | <u>313,902</u> | <u>253,769</u> |
| EXPENSES | | | | | |
| Cost of sales | 3.2, 4 | 183,658 | 167,992 | 188,537 | 155,512 |
| Cost of construction | 3.2, 4 | 17,610 | 42,779 | 532 | - |
| Cost of service | | 789 | 903 | - | - |
| Selling and administrative expenses | 4 | 93,473 | 102,409 | 84,798 | 88,422 |
| Total Expenses | | <u>295,530</u> | <u>314,083</u> | <u>273,867</u> | <u>243,934</u> |
| Income before interest and income tax | | 40,507 | 15,922 | 40,035 | 9,835 |
| Interest expense | 4 | 6,343 | 6,056 | 6,543 | 5,379 |
| Income tax | 23 | 2,642 | 7,105 | 1,970 | 1,695 |
| Net income | | <u>31,522</u> | <u>2,761</u> | <u>31,522</u> | <u>2,761</u> |
| EARNINGS PER SHARE (Baht per share) | | | | | |
| Net income | 21 | <u>0.032</u> | <u>0.003</u> | <u>0.032</u> | <u>0.003</u> |

Notes to interim financial statements form an integral part of these statements

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"REVIEWED"

N.C.HOUSING PUBLIC COMPANY LIMITED
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE THREE-MONTH PERIODS END MARCH 31, 2005 AND 2004

| In Thousand Baht | | | | | |
|--------------------------------|------------------|----------------|-------------------|----------------|------------------|
| | Share capital | Premium on | Retained earnings | | Total |
| | issued and | share capital | Appropriated | Unappropriated | |
| Note | paid-up | | legal reserve | | |
| Consolidated | | | | | |
| Beginning balance, 2005 | 1,000,000 | 577,530 | 15,900 | 300,778 | 1,894,208 |
| Net income for the period 2005 | - | - | - | 31,522 | 31,522 |
| Appropriated - legal reserve | - | - | - | - | - |
| Ending balance, 2005 | <u>1,000,000</u> | <u>577,530</u> | <u>15,900</u> | <u>332,300</u> | <u>1,925,730</u> |
| Beginning balance, 2004 | 800,000 | - | - | 114,342 | 914,342 |
| Net income for the period 2004 | - | - | - | 2,761 | 2,761 |
| Capital - ordinary shares | 200,000 | - | - | - | 200,000 |
| - premium on share capital | - | 577,530 | - | - | 577,530 |
| Ending balance, 2004 | <u>1,000,000</u> | <u>577,530</u> | <u>-</u> | <u>117,103</u> | <u>1,694,633</u> |
| The Company Only | | | | | |
| Beginning balance, 2005 | 1,000,000 | 577,530 | 15,900 | 300,778 | 1,894,208 |
| Net income for the period 2005 | - | - | - | 31,522 | 31,522 |
| Appropriated - legal reserve | - | - | - | - | - |
| Ending balance, 2005 | <u>1,000,000</u> | <u>577,530</u> | <u>15,900</u> | <u>332,300</u> | <u>1,925,730</u> |
| Beginning balance, 2004 | 800,000 | - | - | 114,342 | 914,342 |
| Net income for the period 2004 | - | - | - | 2,761 | 2,761 |
| Capital - ordinary shares | 200,000 | - | - | - | 200,000 |
| - premium on share capital | - | 577,530 | - | - | 577,530 |
| Ending balance, 2004 | <u>1,000,000</u> | <u>577,530</u> | <u>-</u> | <u>117,103</u> | <u>1,694,633</u> |

Notes to interim financial statements form an integral part of these statements

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N.C. HOUSING PUBLIC COMPANY LIMITED

STATEMENTS OF CASH FLOWS

FOR THE THREE MONTH PERIODS ENDED MARCH 31, 2005 AND 2004

| | In Thousand Baht | | | |
|--|------------------|-----------|------------------|-----------|
| | Consolidated | | The Company Only | |
| | 2005 | 2004 | 2005 | 2004 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Net income | 31,522 | 2,761 | 31,522 | 2,761 |
| Add (less) Adjustment to reconcile net profit to net cash provided by (used in) operating activities : | | | | |
| Depreciation and amortization | 6,429 | 4,432 | 6,005 | 4,055 |
| Gain from write off retention | (917) | (6,289) | (917) | (6,289) |
| Equity in net profit of subsidiaries | - | - | (5,276) | (13,437) |
| Income from operating activities before change in operating assets and liabilities | 37,034 | 904 | 31,334 | (12,910) |
| Decrease (increase) in operating assets | | | | |
| Notes receivable | 891 | 30,124 | 891 | 30,124 |
| Trade accounts receivable | 12,940 | (588) | (2,322) | (674) |
| Receivables from related parties | - | (41) | (476) | 135 |
| Unbilled receivable | - | (399) | - | (399) |
| Accrued income - construction | (9,185) | (30,633) | (899) | - |
| Accrued income - commission | (2,208) | - | - | - |
| Short-term loan to related parties | - | - | 26,605 | (1,770) |
| Inventories | (187,327) | (56,109) | (185,507) | (34,006) |
| Property development | 14,392 | (162,846) | 16,589 | (175,498) |
| Construction materials | 114 | (24) | 114 | (24) |
| Deposit for purchase of land | - | (9,178) | - | (9,178) |
| Other current assets | 7,008 | (7,124) | 8,007 | (2,953) |
| Withholding income tax | (1,081) | 13,114 | (1,042) | 13,114 |
| Other non-current assets | 321 | (694) | 286 | (701) |

Notes to interim financial statements form an integral part of these statements

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N.C. HOUSING PUBLIC COMPANY LIMITED

STATEMENTS OF CASH FLOWS (CONT.)

FOR THE THREE MONTH PERIODS ENDED MARCH 31, 2005 AND 2004

| | In Thousand Baht | | | |
|--|------------------|------------------|------------------|------------------|
| | Consolidated | | The Company Only | |
| | 2005 | 2004 | 2005 | 2004 |
| Increase (decrease) in operating liabilities | | | | |
| Payable for purchase of land | 35,909 | - | 35,909 | - |
| Notes payable | 14,679 | (40,438) | 10,618 | (34,026) |
| Trade accounts payable | 31,902 | (10,685) | 41,363 | (18,890) |
| Payable to related parties | (483) | (1,493) | (12,970) | 6,593 |
| Unrealized income | 3,094 | (12,973) | 3,094 | (14,264) |
| Accrued income tax | 70 | 6,207 | - | 1,694 |
| Accrued expenses | (15,700) | (12,517) | (13,946) | (7,474) |
| Accrued commission | 3,708 | 5,711 | 1,637 | - |
| Accrued interest | 290 | (247) | 290 | (192) |
| Other current liabilities | (3,667) | (12,540) | (1,686) | (13,779) |
| Retention | (1,769) | - | (303) | 3,741 |
| Net cash provide by (use in) operating activities | <u>(59,068)</u> | <u>(302,469)</u> | <u>(42,414)</u> | <u>(271,337)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| Increase in property, plant and equipment | <u>(3,253)</u> | <u>(59,838)</u> | <u>(3,096)</u> | <u>(59,671)</u> |
| Net cash provided by (used in) investing activities | <u>(3,253)</u> | <u>(59,838)</u> | <u>(3,096)</u> | <u>(59,671)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | |
| Increase (decrease) in Bank overdrafts and short-term loans from | | | | |
| financial institutions | 5,232 | (20,424) | 2,366 | (20,424) |
| Increase (decrease) in short-term loan | | | | |
| from related parties | - | (1,900) | 2,400 | (28,077) |
| Increase (decrease) in hire purchase contract payable | - | 35 | - | 140 |
| Increase (decrease) in long-term loans | (45,779) | (84,298) | (45,779) | (100,198) |
| Proceeds from capital increase | - | 777,530 | - | 777,530 |
| Net cash provided by (used in) financing activities | <u>(40,547)</u> | <u>670,943</u> | <u>(41,013)</u> | <u>628,971</u> |

Notes to interim financial statements form an integral part of these statements

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N.C. HOUSING PUBLIC COMPANY LIMITED

STATEMENTS OF CASH FLOWS (CONT.)

FOR THE THREE MONTH PERIODS ENDED MARCH 31, 2005 AND 2004

| | In Thousand Baht | | | |
|--|------------------|---------|------------------|---------|
| | Consolidated | | The Company Only | |
| | 2005 | 2004 | 2005 | 2004 |
| Net increase (decrease) in cash and cash equivalents | (102,868) | 308,636 | (86,523) | 297,963 |
| Cash and cash equivalents, beginning of period | 160,169 | 121,898 | 138,932 | 112,650 |
| Cash and cash equivalents, ending of period | 57,301 | 430,534 | 52,409 | 410,613 |
| Supplemental disclosures of cash flows information | | | | |
| 1) Cash and cash equivalents this account consisted of :- | | | | |
| Cash in hand and at financial institutions | 57,301 | 430,534 | 52,409 | 410,613 |
| 2) Cash paid during the period for :- | | | | |
| Interest expense | 16,951 | 16,931 | 16,889 | 15,297 |
| Income tax | 3,653 | 2,870 | 3,012 | 2,003 |
| 3) For the three month periods of year 2005 and 2004, the Company had transferred deposit for purchase of land as part of property development amounting to Baht 16.92 million and Baht 30.00 million, respectively. | | | | |

Notes to interim financial statements form an integral part of these statements

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N.C. HOUSING PUBLIC COMPANY LIMITED

NOTES TO INTERIM FINANCIAL STATEMENTS

MARCH 31, 2005 AND 2004

1. GENERAL INFORMATION

(a) Legal status and address of the Company

The Company was registered to be a limited company on February 2, 1994 and converted to be The Public Company Limited under the Limited Public Company Act with the Ministry of Commerce on November 27, 2003, and the company name was changed to N.C. Housing Public Company Limited.

The address of its registered office is as follows: 1/765 Moo 17 Soi Amporn Paholyotin Rd.

K.M. 26 Tambol Kukod Aumpur Lumlookka

Patumtanee.

(b) Nature of the Company's business

The Company's operation is a real estate developer.

(c) Employees

As at March 31, 2005 and 2004, the Company and subsidiaries have 233 employees and 243 employees, respectively. (166 employees and 177 employees, respectively, for the Company only).

(d) Supplemental disclosures of expense information

Supplemental disclosures of expense information are as follows:

| | In Thousand Baht | | | |
|-----------------------|---|--------|---|--------|
| | Consolidated | | The Company Only | |
| | For the three - month periods ended March 31, | | For the three - month periods ended March 31, | |
| | 2005 | 2004 | 2005 | 2004 |
| Depreciation | 6,429 | 4,432 | 6,005 | 4,055 |
| Employee benefit cost | 22,593 | 25,654 | 18,086 | 20,714 |

2. BASIS FOR CONSOLIDATION AND OPERATIONS

2.1 The accompanying consolidated financial statements include the accounts of N.C. Housing Public Company Limited and the following subsidiaries are owned directly and indirectly by the Company :-

| | Percentage of Holding by | | Nature of Business |
|--|------------------------------|-------------------------|-----------------------------------|
| | N.C Housing Public Co., Ltd. | | |
| | As at March 31, 2005 | As at December 31, 2004 | |
| N.C. Property Management Co., Ltd. | 100.00 | 100.00 | Contractor and project management |
| Quality Living Management Co., Ltd. | 100.00 | 100.00 | Property manager service |
| N.C. Estate Co., Ltd. (Formerly Rungruang Estate (2000) Co., Ltd. | 100.00 | 100.00 | Real estate developer |

- 2.2 The acquisition of subsidiaries are recorded by Purchase Method.
- 2.3 Significant intercompany transactions between the Company and subsidiaries have been eliminated.
- 2.4 The consolidated financial statements are prepared by using uniform accounting policies for like transaction and other event in similar circumstances.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis for preparation of interim financial statements

The interim financial statements are prepared in accordance with the Accounting Standard No. 41 “Interim Financial Statements” and the announcement of the Stock Exchange of Thailand re Accounting. These interim financial Statements are prepared as additional financial statement information for the year ended December 31, 2004 with the emphasis on the more current information about new activities, events, and situations and are not intended to re-emphasis on the information previously reported. The interim financial statement should therefore, be read in conjunction with the financial statements for the year ended December 31, 2004.

3.2 Recognition of revenues and expenses

The income from sales of land and houses are recognized on the percentage of completion method. The calculations is based on percentage of actual cost compare with total estimate cost excluded land cost.

The excess of buyers’ payment over the percentage of work completion is recorded as unrealized income. And the excess of work completion over buyers’ payment is recorded as unbilled receivable.

Allowance for cost of sales are based on the estimate cost of real estate project, which will be periodically reviewed in case the significant cost changes.

A subsidiary recognizes the income from construction on the percentage of completion method. The part of not dued is recognized as “Accrued income”

A subsidiary recognizes service income on accrual basis by the timing of agreement.

The Company and subsidiaries recognize expenses on the accrual basis.

3.3 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks and deposits at financial institutions which are promissory notes with original maturity of 3 months or less and excluded deposits which are pledged as collateral.

3.4 Allowance for doubtful accounts

The Company and subsidiaries provide allowance for doubtful accounts equal to the estimated collection losses that may be incurred in the collection of all receivables. The estimated losses are based on historical collection experience coupled with a review of the current status of existing receivables.

3.5 Inventories

Inventories are real estate for sale which are stated at the lower of cost or net realizable value. Cost is included land, land developing, construction and direct expense including interest.

Construction materials are valued at cost (first-in, first-out method) or net realizable value, whichever is lower.

3.6 Property development

Property development is stated at cost. Cost is included land, land developing, construction and direct expense including interest.

3.7 Investment in subsidiaries

Investments in subsidiaries are stated at equity method. Under the equity method, the investments are initially booked at cost and subsequently adjusted by equity gain (loss) in net income (loss) of subsidiaries according to the ratio of investment. The Company recognizes equity gain (loss) in net income (loss) of subsidiary in the statement of income

3.8 Property, plant and equipment

Land is stated at Cost.

Plant and equipment are stated at cost less accumulated depreciation.

Depreciation is calculated by the straight-line method, based on the estimated useful lives of the assets as follows:

| | |
|---|----------|
| Buildings | 20 years |
| Building improvement | 20 years |
| Machinery and equipments | 5 years |
| Sample house and sales office buildings | 5 years |
| Office equipments | 5 years |
| Furniture and fixtures | 5 years |
| Vehicles | 5 years |

3.9 Impairment of Assets

Assets are reviewed for impairment whenever events or changes in circumstances indicated that the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognized in current operations.

3.10 Related parties

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and

individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

3.11 Use of estimates in the preparation of financial statements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

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4. TRANSACTIONS WITH RELATED COMPANIES

The Company has certain transactions with its related companies. A portion of the Company’s assets, liabilities, revenues, cost and expenses arose from the transactions with the related companies which are related through common shareholdings and/or directorships. The effects of these transactions, which are in the normal course of business, were reflected in the accompanying financial statements on the basis determined by the companies concerned.

The significant transactions between the Company and its related companies reflected in the accompanying consolidated financial statements.

The significant outstanding balance at March 31, 2005 and December 31, 2004 are as follow:-

| | Type of relation | In Thousand Baht | | | |
|--|-------------------------------|----------------------|-------------------------|----------------------|-------------------------|
| | | Consolidated | | The Company Only | |
| | | As at March 31, 2005 | As at December 31, 2004 | As at March 31, 2005 | As at December 31, 2004 |
| Receivable from related parties | | | | | |
| - Quality Living Management Co., Ltd. | Subsidiary | - | - | - | 4 |
| - N.C. Property Management Co., Ltd. | Subsidiary | - | - | 1,683 | 1,172 |
| - N.C. Estate Co., Ltd. | Subsidiary | - | - | 2 | 33 |
| | | <u>-</u> | <u>-</u> | <u>1,685</u> | <u>1,209</u> |
| Short-term loan to related parties | | | | | |
| - N.C. Property Management Co., Ltd. | Subsidiary | - | - | 18,785 | 45,390 |
| | | <u>-</u> | <u>-</u> | <u>18,785</u> | <u>45,390</u> |
| Accrued rental | | | | | |
| - Mrs. Patcharin Tanthathoedtham | Shareholder’s family | 165 | - | 165 | - |
| | | <u>165</u> | <u>-</u> | <u>165</u> | <u>-</u> |
| Payable to related parties | | | | | |
| - Quality Living Management Co., Ltd. | Subsidiary | - | - | 55 | 281 |
| - N.C. Property Management Co., Ltd. | Subsidiary | - | - | 60,098 | 72,677 |
| - N.C. Estate Co., Ltd. | Subsidiary | - | - | 344 | 96 |
| - Sathaporn Wattana Partnership | Co-shareholding and directing | 948 | 768 | 919 | 738 |
| - S.C. Construction And Decoration Co., Ltd. | Co-shareholding and directing | 138 | 505 | 132 | 505 |
| - Sathaporn Wattana Trading Co., Ltd. | Co-shareholding and directing | 5,080 | 5,372 | 4,980 | 5,197 |
| - Sathaporn Wattana Transportation Partnership | Co-shareholding and directing | - | 4 | - | 4 |
| | | <u>6,166</u> | <u>6,649</u> | <u>66,528</u> | <u>79,498</u> |
| Short-term loan from related parties | | | | | |
| - N.C. Estate Co., Ltd. | Subsidiary | - | - | 16,124 | 15,124 |
| - Quality Living Management Co., Ltd. | Subsidiary | - | - | 1,400 | - |
| | | <u>-</u> | <u>-</u> | <u>17,524</u> | <u>15,124</u> |
| Accrued interest | | | | | |
| - Mr. Namchai Tanthathoedtham | Director | 548 | 31 | 548 | 31 |
| - Mr. Somchao Tanthathoedtham | Director | 16 | 16 | 16 | 16 |
| | | <u>564</u> | <u>47</u> | <u>564</u> | <u>47</u> |

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| | | In Thousand Baht | | | |
|--|--|-----------------------------------|-------|-----------------------------------|--------|
| | | Consolidated | | The Company Only | |
| | | For the three-month periods ended | | For the three-month periods ended | |
| | | March 31, | | March 31, | |
| Pricing basis | | 2005 | 2004 | 2005 | 2004 |
| Transaction during the period | | | | | |
| Other income - rental | | | | | |
| | Quality Living Management Co., Ltd. | Agreed price not market price | - | - | 15 |
| | N.C. Property Management Co., Ltd. | Agreed price not market price | - | - | 30 |
| | N.C. Estate Co., Ltd. | Agreed price not market price | - | - | 15 |
| | S.C. Construction And Decoration Co., Ltd. | Agreed price not market price | - | 30 | - |
| Other income - Utility | | | | | |
| | Quality Living Management Co., Ltd. | At cost | - | - | 4 |
| | N.C. Property Management Co., Ltd. | At cost | - | - | 4 |
| | N.C. Estate Co., Ltd. | At cost | - | - | 4 |
| Interest income | | | | | |
| | Quality Living Management Co., Ltd. | At the rate of 6% p.a. | - | - | 51 |
| | N.C. Property Management Co., Ltd. | At the rate of 6% p.a. | - | - | 452 |
| | N.C. Estate Co., Ltd. | At the rate of 6% p.a. | - | - | 450 |
| Property development cost | | | | | |
| | Quality Living Management Co., Ltd. | | | | |
| | - Gardening | At cost plus 20% - 33% | - | - | 10,053 |
| | N.C. Property Management Co., Ltd. | | | | |
| | - Construction | At cost plus 10% - 15% | - | - | 5,224 |
| Purchase construction materials | | | | | |
| | Sathaporn Wattana Partnership | Market price | 70 | 1,496 | 70 |
| | S.C. Construction And Decoration Co., Ltd. | Market price | 9 | 34 | 4 |
| | Sathaporn Wattana Trading Co., Ltd. | Market price | 8,401 | - | 8,275 |
| Management fee | | | | | |
| | Quality Living Management Co., Ltd. | Minimum Baht 5,000 per project | - | - | 595 |
| Other expense - rental | | | | | |
| | Mrs. Patcharin Tanthathoedtham | Baht 55,000 per month | 165 | - | 165 |

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| | | In Thousand Baht | | | |
|--|-------------------------------|-----------------------------------|------|-----------------------------------|------|
| | | Consolidated | | The Company Only | |
| | | For the three-month periods ended | | For the three-month periods ended | |
| | | March 31, | | March 31, | |
| Pricing basis | | 2005 | 2004 | 2005 | 2004 |
| Selling and administrative expense | | | | | |
| Quality Living Management Co., Ltd. | | | | | |
| - Activity expense | Minimum Baht 45,000 per each | - | - | 195 | 250 |
| - Magazine | At cost plus 9%-15% p.a. | - | - | 295 | - |
| Interest expense | | | | | |
| Quality Living Management Co., Ltd. | | | | | |
| | At the rate of 6% p.a. | - | - | 14 | - |
| N.C. Property Management Co., Ltd. | | | | | |
| | At the rate of 6% p.a. | - | - | - | 205 |
| N.C. Estate Co., Ltd. | | | | | |
| | At the rate of 6% p.a. | - | - | 248 | - |
| S.C. Construction And Decoration Co., Ltd. | | | | | |
| | At the rate of 6% p.a. | - | 22 | - | - |
| Mr. Namchai Tanthathoedtham | | | | | |
| | At the rate of 6.25% p.a. | 548 | - | 548 | - |
| Mr. Somchao Tanthathoedtham | | | | | |
| | At the rate of 6% p.a. | 18 | - | - | - |
| Purchase of assets | | | | | |
| Aikon Consulting Co., Ltd. | | | | | |
| | Market price | - | 384 | - | 384 |
| Sathaporn Wattana Trading Co., Ltd. | | | | | |
| | Agreed price not market price | 16 | - | - | - |

5. CASH AND CASH EQUIVALENTS

| | | In Thousand Baht | | | |
|---------------------------------------|--|------------------|----------------|------------------|----------------|
| | | Consolidated | | The Company Only | |
| | | As at March | As at | As at | As at |
| | | 31, 2005 | December | March | December |
| | | | 31, 2004 | 31, 2005 | 31, 2004 |
| Cash in hand | | 30,525 | 117,890 | 30,489 | 117,858 |
| Cash at bank - current accounts | | 21,101 | 18,663 | 17,853 | 2,235 |
| Cash at bank - saving accounts | | 5,652 | 23,593 | 4,044 | 18,816 |
| Cash at bank - 3 months fixed deposit | | 23 | 23 | 23 | 23 |
| Total | | <u>57,301</u> | <u>160,169</u> | <u>52,409</u> | <u>138,932</u> |

Saving accounts are carried interest at the floating rate which are set by bank.

6. CURRENT INVESTMENT

As at March 31, 2005 and December 31, 2004, the Company had current investment - fixed deposit amounting to Baht 803,272.14, are pledged as collateral for customer's loan. Fixed deposits are carried interest at the floating rate which are set by bank.

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7. TRADE ACCOUNTS RECEIVABLE

Trade accounts receivable consist of the following:

| | In Thousand Baht | | | |
|--------------------------------------|-------------------------|-------------------------------|-------------------------|-------------------------------|
| | Consolidated | | The Company Only | |
| | As at March 31, 2005 | As at December 31, 2004 | As at March 31, 2005 | As at December 31, 2004 |
| Real Estate | | | | |
| Receivable from installment | 9,703 | 7,381 | 9,703 | 7,381 |
| Contractor and project management | | | | |
| Management receivable | 890 | 918 | - | - |
| Construction receivable | - | 15,222 | - | - |
| Property manager services | | | | |
| Management receivable | 371 | 383 | - | - |
| Total | 10,964 | 23,904 | 9,703 | 7,381 |
| Less Allowance for doubtful accounts | (377) | (377) | (377) | (377) |
| Trade accounts receivable-net | 10,587 | 23,527 | 9,326 | 7,004 |

The accounts receivable were aging as follows:

| | In Thousand Baht | | | |
|----------------------------|-------------------------|-------------------------------|-------------------------|-------------------------------|
| | Consolidated | | The Company Only | |
| | As at March 31, 2005 | As at December 31, 2004 | As at March 31, 2005 | As at December 31, 2004 |
| Over 0 month to 3 months | 10,818 | 8,686 | 9,703 | 7,265 |
| Over 3 months to 6 months | 146 | 15,218 | - | 116 |
| Over 6 months to 12 months | - | - | - | - |
| Total | 10,964 | 23,904 | 9,703 | 7,381 |

Receivable from installment consist of

| | In Thousand Baht | | | |
|--|-------------------------|-------------------------------|-------------------------|-------------------------------|
| | Consolidated | | The Company Only | |
| | As at March 31, 2005 | As at December 31, 2004 | As at March 31, 2005 | As at December 31, 2004 |
| Contracted sales value (In Million Baht) | 3,991.33 | 5,599.13 | 3,991.33 | 5,381.38 |
| Installment dues (In Thousand Baht) | 3,139,111 | 4,990,028 | 3,139,111 | 4,772,274 |
| Less Paid (In Thousand Baht) | (3,129,408) | (4,982,647) | (3,129,408) | (4,764,893) |
| Receivable from installment (In Thousand Baht) | 9,703 | 7,381 | 9,703 | 7,381 |

8. UNBILLED RECEIVABLE / UNREALIZED INCOME

| | In Thousand Baht | | | |
|------------------------|-------------------------|-------------------------------|-------------------------|-------------------------------|
| | Consolidated | | The Company Only | |
| | As at March 31, 2005 | As at December 31, 2004 | As at March 31, 2005 | As at December 31, 2004 |
| Installment dues | 3,139,111 | 4,990,027 | 3,139,111 | 4,772,274 |
| Less Recognized income | (3,090,516) | (4,944,526) | (3,090,516) | (4,726,773) |
| | <u>48,595</u> | <u>45,501</u> | <u>48,595</u> | <u>45,501</u> |
| It is consisted of | | | | |
| Unbilled receivables | - | - | - | - |
| Unrealized income | (48,595) | (45,501) | (48,595) | (45,501) |
| | <u>(48,595)</u> | <u>(45,501)</u> | <u>(48,595)</u> | <u>(45,501)</u> |

9. SHORT-TERM LOAN TO RELATED PARTIES

Short-term loan to related parties consist of

| | In Thousand Baht | | | |
|-------------------------------------|-------------------------|----------------------------|-------------------------|----------------------------|
| | Consolidated | | The Company Only | |
| | As at March 31, 2005 | As at December 31, 2004 | As at March 31, 2005 | As at December 31, 2004 |
| N.C. Property Management Co., Ltd. | | | | |
| Balance, beginning of period | - | - | 45,390 | - |
| Additional during the period | - | - | 31,500 | 176,935 |
| Deduction during the period | - | - | (58,105) | (131,545) |
| Balance, ending of period | - | - | <u>18,785</u> | <u>45,390</u> |
| N.C. Estate Co., Ltd. | | | | |
| Balance, beginning of period | - | - | - | 27,850 |
| Additional during the period | - | - | - | 49,903 |
| Deduction during the period | - | - | - | (77,753) |
| Balance, ending of period | - | - | - | - |
| Quality Living Management Co., Ltd. | | | | |
| Balance, beginning of period | - | - | - | 4,450 |
| Additional during the period | - | - | - | - |
| Deduction during the period | - | - | - | (4,450) |
| Balance, ending of period | - | - | - | - |
| | <u>-</u> | <u>-</u> | <u>18,785</u> | <u>45,390</u> |

The short-term loan to related parties, promissory notes, carried interest at the rate of 6% per annum and due at call.

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10. INVENTORIES - NET

Inventories - net consist of

| | In Thousand Baht | | | |
|---|-------------------------|-------------------------------|-------------------------|-------------------------------|
| | Consolidated | | The Company Only | |
| | As at March 31, 2005 | As at December 31, 2004 | As at March 31, 2005 | As at December 31, 2004 |
| Houses for sales | 450,506 | 262,908 | 450,799 | 265,413 |
| Construction in progress | 632 | 1,024 | - | - |
| | 451,138 | 263,932 | 450,799 | 265,413 |
| Less Allowance for declining value of inventories | - | - | - | - |
| Inventories - net | <u>451,138</u> | <u>263,932</u> | <u>450,799</u> | <u>265,413</u> |

As at March 31, 2005 and December 31, 2004, the Company and subsidiaries have houses for sales totalling 126 units (126 units for the Company only) and 88 units (88 units for the Company only), respectively. The selling contracted houses are totalling 50 units (50 units for the Company only) and 45 units (45 units for the Company only), respectively, at cost of houses for sales totalling Baht 111.73 million (Baht 111.73 million for the Company only) and Baht 68.28 million (Baht 68.28 million for the Company only), respectively.

Inventories are mortgaged as collateral against credit from financial institutions.

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11. PROPERTY DEVELOPMENT

11.1 Actual property development cost consist of

Consolidated (In Thousand Baht)

As at March 31, 2005

| Project | Land | Land development | Utilities | Construction in progress | Sample houses | Sale office buildings | Interest capitalization | Total | Less transfer to inventory | Less transfer to cost of sale | Property development cost - net |
|------------------------------------|------------------|------------------|----------------|--------------------------|---------------|-----------------------|-------------------------|------------------|----------------------------|-------------------------------|---------------------------------|
| Baan Pha Thani Klong 6 | 555,993 | 3,428 | 15,128 | - | - | - | 46,469 | 621,018 | - | - | 621,018 |
| Baan Pha Piyarom 3 | 79,848 | 17,113 | 41,237 | 235,019 | 4,965 | - | 12,741 | 390,923 | (16,704) | (366,778) | 7,441 |
| Baan Pha Piyarom 6 | 112,997 | 24,134 | 66,079 | 387,971 | - | - | 19,943 | 611,124 | (32,310) | (529,687) | 49,127 |
| Baan Pha Piyarom 7 | 107,845 | 29,877 | 34,515 | 57,875 | - | - | 3,939 | 234,051 | (10,618) | (12,786) | 210,647 |
| Baan Pha Piyarom 8 | 38,845 | 17,943 | - | - | - | - | 1,423 | 58,211 | - | - | 58,211 |
| Baan Pha Piyarom 9 | 100,385 | 21,244 | 20,068 | 25,098 | 13,403 | - | 1,553 | 181,751 | - | - | 181,751 |
| Baan Pha Piyarom Liad Klong 7 | 71,818 | 464 | - | - | - | - | 310 | 72,592 | - | - | 72,592 |
| Baan Pha Green park Royal Pinklao | 144,523 | 444 | 8,033 | 125,589 | 1,468 | - | 4,736 | 284,793 | (63,254) | (165,747) | 55,792 |
| Baan Pha Green park Phacha-utid | 194,199 | 52,281 | 76,729 | 68,083 | 14,121 | - | 12,786 | 418,199 | (17,128) | - | 401,071 |
| Baan Pha Green park Rangsit 2 | 188,657 | 3,317 | 41,748 | 375,669 | 5,836 | - | 11,032 | 626,259 | (13,814) | (526,903) | 85,542 |
| Baan Pha Green park Phutta Manthon | 131,426 | 25,420 | 36,887 | 172,577 | 1,350 | - | 4,845 | 372,505 | (68,774) | (81,507) | 222,224 |
| Baan Narisa | 121,421 | 1,222 | 9,513 | 129,786 | - | 716 | 9,477 | 272,135 | (119,604) | (152,531) | - |
| Baan Pha Thanyathani | - | - | - | 148,257 | - | - | - | 148,257 | (44,456) | (77,508) | 26,293 |
| Baan Pha Thanyathani Village 2 | 556,772 | 27,040 | - | - | - | - | 4,174 | 587,986 | - | - | 587,986 |
| Baan Pha Rim Had Jomtien | 72,609 | 10,115 | 53,796 | 110,167 | 10,289 | - | 11,581 | 268,557 | (64,137) | (96,753) | 107,667 |
| Baan Pha Rim Had Jomtien 2 | 169,608 | 3,750 | - | - | - | - | - | 173,358 | - | - | 173,358 |
| Khon Kan Condominium | 8,701 | 26 | 15,711 | 32,713 | - | 995 | 655 | 58,801 | - | - | 58,801 |
| | <u>2,655,647</u> | <u>237,818</u> | <u>419,444</u> | <u>1,868,804</u> | <u>51,432</u> | <u>1,711</u> | <u>145,664</u> | <u>5,380,520</u> | <u>(450,799)</u> | <u>(2,010,200)</u> | <u>2,919,521</u> |

Consolidated (In Thousand Baht)

As at December 31, 2004

| Project | Land | Land development | Utilities | Construction in progress | Sample houses | Sale office buildings | Interest capitalization | Total | Less-transfer to inventory | Less. transfer to cost of sale | Property development cost - net |
|---------------------------------------|------------------|------------------|----------------|--------------------------|---------------|-----------------------|-------------------------|------------------|----------------------------|--------------------------------|---------------------------------|
| Baan Pha Thani Klong 6 | 552,269 | 3,219 | 9,684 | - | - | - | 12,167 | 577,339 | - | - | 577,339 |
| Baan Pha Piyarom 3 | 79,847 | 17,113 | 40,927 | 232,822 | 4,966 | - | 12,741 | 388,416 | (30,433) | (345,766) | 12,217 |
| Baan Pha Piyarom 6 | 112,997 | 24,134 | 65,629 | 370,516 | - | - | 19,942 | 593,218 | (37,181) | (451,862) | 104,175 |
| Baan Pha Piyarom 7 | 107,845 | 29,371 | 25,824 | 32,058 | - | - | 26,550 | 221,648 | - | - | 221,648 |
| Baan Pha Piyarom 8 | 42,569 | 14,507 | 1,563 | - | - | - | 11,683 | 70,322 | - | - | 70,322 |
| Baan Pha Piyarom 9 | 100,385 | 20,741 | 6,595 | 4,130 | - | - | 733 | 132,584 | - | - | 132,584 |
| Baan Pha Green Park Royal Pinklao | 144,523 | 444 | 8,017 | 117,458 | 1,468 | - | 4,128 | 276,038 | (31,059) | (165,424) | 79,555 |
| Baan Pha Green Park Pracha-Utid | 194,199 | 50,617 | 64,377 | 43,045 | 14,121 | - | 10,752 | 377,111 | - | - | 377,111 |
| Baan Pha Green park Rangsit 2 | 188,656 | 3,317 | 41,486 | 351,675 | 5,836 | - | 10,615 | 601,585 | (3,277) | (496,724) | 101,584 |
| Baan Pha Green park Phutta-Monthon | 131,427 | 25,420 | 34,530 | 155,969 | 1,350 | - | 4,031 | 352,727 | - | (81,239) | 271,488 |
| Baan Narisa | 121,421 | 1,222 | 9,513 | 128,862 | - | 716 | 9,477 | 271,211 | (118,680) | (152,531) | - |
| Baan Pha Thanyathani | - | - | - | 132,095 | - | - | - | 132,095 | (33,046) | (63,500) | 35,549 |
| Baan Pha Thanyathani village 2 | 556,772 | 1 | - | - | - | - | 1,075 | 557,848 | - | - | 557,848 |
| Baan Pha Rim Had Jomtien | 72,609 | 10,115 | 52,283 | 81,477 | 10,289 | - | 10,742 | 237,515 | (11,737) | (66,304) | 159,474 |
| Baan Pha Rim Had Jomtien 2 | 169,608 | 3,751 | - | - | - | - | - | 173,359 | - | - | 173,359 |
| Khon Kan Condominium | 8,701 | 26 | 8,677 | 21,808 | - | 995 | 393 | 40,600 | - | - | 40,600 |
| Baan Pha Rangsit Klong 2 | 38,754 | 8,129 | 13,499 | 107,914 | - | - | 799 | 169,095 | - | (169,095) | - |
| | <u>2,622,582</u> | <u>212,127</u> | <u>382,604</u> | <u>1,779,829</u> | <u>38,030</u> | <u>1,711</u> | <u>135,828</u> | <u>5,172,711</u> | <u>(265,413)</u> | <u>(1,992,445)</u> | <u>2,914,853</u> |

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The Company Only (In Thousand Baht)

As at March 31, 2005

| Project | Land | Land development | Utilities | Construction in progress | Sample houses | Sale office buildings | Interest capitalization | Total | Less transfer to inventory | Less transfer to cost of sale | Property development cost - net |
|------------------------------------|------------------|------------------|----------------|--------------------------|---------------|-----------------------|-------------------------|------------------|----------------------------|-------------------------------|---------------------------------|
| Baan Pha Thani Klong 6 | 555,993 | 3,428 | 15,128 | - | - | - | 46,469 | 621,018 | - | - | 621,018 |
| Baan Pha Piyarom 3 | 79,848 | 17,113 | 41,237 | 235,019 | 4,965 | - | 12,741 | 390,923 | (16,704) | (366,778) | 7,441 |
| Baan Pha Piyarom 6 | 112,997 | 24,134 | 66,079 | 388,007 | - | - | 19,943 | 611,160 | (32,310) | (529,687) | 49,163 |
| Baan Pha Piyarom 7 | 107,845 | 29,877 | 34,515 | 57,875 | - | - | 3,939 | 234,051 | (10,618) | (12,786) | 210,647 |
| Baan Pha Piyarom 8 | 38,845 | 17,943 | - | - | - | - | 1,423 | 58,211 | - | - | 58,211 |
| Baan Pha Piyarom 9 | 100,385 | 21,244 | 20,068 | 25,098 | 13,403 | - | 1,553 | 181,751 | - | - | 181,751 |
| Baan Pha Piyarom Liab Klong 7 | 71,818 | 464 | - | - | - | - | 310 | 72,592 | - | - | 72,592 |
| Baan Pha Green Park Royal Pinklao | 144,523 | 444 | 8,033 | 125,487 | 1,468 | - | 4,736 | 284,691 | (63,254) | (165,747) | 55,690 |
| Baan Pha Green Park Pracha-Utid | 194,199 | 52,281 | 76,729 | 68,083 | 14,121 | - | 12,786 | 418,199 | (17,128) | - | 401,071 |
| Baan Pha Green park Rangsit 2 | 188,657 | 3,317 | 41,748 | 375,559 | 5,836 | - | 11,032 | 626,149 | (13,814) | (526,903) | 85,432 |
| Baan Pha Green park Phutta-Monthon | 131,426 | 25,420 | 36,887 | 172,901 | 1,350 | - | 4,845 | 372,829 | (68,774) | (81,507) | 222,548 |
| Baan Narisa | 121,421 | 1,222 | 9,513 | 129,786 | - | 716 | 9,477 | 272,135 | (119,604) | (152,531) | - |
| Baan Pha Thanyathani | - | - | - | 147,210 | - | - | - | 147,210 | (44,456) | (77,508) | 25,246 |
| Baan Pha Thanyathani village 2 | 556,772 | 27,040 | - | - | - | - | 4,174 | 587,986 | - | - | 587,986 |
| Baan Pha Rim Had Jomtien | 72,609 | 10,115 | 53,796 | 110,424 | 10,289 | - | 11,581 | 268,814 | (64,137) | (96,753) | 107,924 |
| Baan Pha Rim Had Jomtien 2 | 169,608 | - | - | - | - | - | - | 169,608 | - | - | 169,608 |
| Khon Kan Condominium | 8,701 | 26 | 15,711 | 32,713 | - | 995 | 655 | 58,801 | - | - | 58,801 |
| | <u>2,655,647</u> | <u>234,068</u> | <u>419,444</u> | <u>1,868,162</u> | <u>51,432</u> | <u>1,711</u> | <u>145,664</u> | <u>5,376,128</u> | <u>(450,799)</u> | <u>(2,010,200)</u> | <u>2,915,129</u> |

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The Company Only (In Thousand Baht)

As at December 31, 2004

| Project | Land | Land development | Utilities | Construction in progress | Sample houses | Sale office buildings | Interest capitalization | Total | Less transfer to inventory | Less transfer to cost of sale | Property development cost - net |
|---------------------------------------|------------------|------------------|----------------|--------------------------|---------------|-----------------------|-------------------------|------------------|----------------------------|-------------------------------|---------------------------------|
| Baan Pha Thani Klong 6 | 552,269 | 3,219 | 9,684 | - | - | - | 12,167 | 577,339 | - | - | 577,339 |
| Baan Pha Piyarom 3 | 79,847 | 17,113 | 40,927 | 232,822 | 4,966 | - | 12,741 | 388,416 | (30,433) | (345,766) | 12,217 |
| Baan Pha Piyarom 6 | 112,997 | 24,134 | 65,629 | 370,580 | - | - | 19,942 | 593,282 | (37,181) | (451,861) | 104,240 |
| Baan Pha Piyarom 7 | 107,845 | 29,371 | 25,824 | 32,058 | - | - | 26,550 | 221,648 | - | - | 221,648 |
| Baan Pha Piyarom 8 | 42,569 | 14,507 | 1,563 | - | - | - | 11,683 | 70,322 | - | - | 70,322 |
| Baan Pha Piyarom 9 | 100,385 | 20,741 | 6,595 | 4,130 | - | - | 733 | 132,584 | - | - | 132,584 |
| Baan Pha Green Park Royal Pinklao | 144,523 | 444 | 8,017 | 117,356 | 1,468 | - | 4,128 | 275,936 | (31,059) | (165,424) | 79,453 |
| Baan Pha Green Park Pracha-Utid | 194,199 | 50,617 | 64,377 | 43,045 | 14,121 | - | 10,752 | 377,111 | - | - | 377,111 |
| Baan Pha Green park Rangsit 2 | 188,656 | 3,317 | 41,486 | 351,675 | 5,836 | - | 10,615 | 601,585 | (3,277) | (496,724) | 101,584 |
| Baan Pha Green park Phutta-Monthon | 131,427 | 25,420 | 34,530 | 156,293 | 1,350 | - | 4,031 | 353,051 | - | (81,239) | 271,812 |
| Baan Narisa | 121,421 | 1,222 | 9,513 | 128,862 | - | 716 | 9,477 | 271,211 | (118,680) | (152,531) | - |
| Baan Pha Thanyathani | - | - | - | 133,078 | - | - | - | 133,078 | (33,046) | (63,500) | 36,532 |
| Baan Pha Thanyathani village 2 | 556,772 | 1 | - | - | - | - | 1,075 | 557,848 | - | - | 557,848 |
| Baan Pha Rim Had Jomtien | 72,609 | 10,115 | 52,283 | 81,763 | 10,289 | - | 10,742 | 237,801 | (11,737) | (66,304) | 159,760 |
| Baan Pha Rim Had Jomtien 2 | 169,608 | - | - | - | - | - | - | 169,608 | - | - | 169,608 |
| Khon Kan Condominium | 8,701 | 26 | 8,677 | 21,808 | - | 995 | 393 | 40,600 | - | - | 40,600 |
| | <u>2,583,828</u> | <u>200,247</u> | <u>369,105</u> | <u>1,673,470</u> | <u>38,030</u> | <u>1,711</u> | <u>135,029</u> | <u>5,001,420</u> | <u>(265,413)</u> | <u>(1,823,349)</u> | <u>2,912,658</u> |

Land and construction of the project are mortgaged as collateral against credit from financial institutions.

Portions of the Company and subsidiaries' interest expense incurred for the three-month periods ended March 31, 2005 and 2004 amounting to approximately Baht 10.6 million and Baht 9.9 million, respectively were capitalized as part of property development cost and portions of the Company's interest expense incurred for the three-month periods ended March 31, 2005 and 2004 amounting to approximately Baht 10.6 million and Baht 9.7 million, respectively, were capitalized as part of property development cost.

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11.2 OBLIGATION AND COMMITMENT UNDER REAL ESTATE PROJECTS

| | Consolidated | | The Company Only | |
|---|--|---|--|---|
| | As at March 31, 2005 (For three month) | As at Decembe 31, 2004 (For the year) | As at March 31, 2005 (For three month) | As at December 31, 2004 (For the year) |
| Number of projects on hand, beginning of the period | 13 | 12 | 13 | 11 |
| Number of closing projects | - | 3 | - | 2 |
| Number of newly open projects | 2 | 4 | 2 | 4 |
| Number of projects on hand, ending of the period | 15 | 13 | 15 | 13 |
| Contracted sales value (In million Baht) | 3,991.33 | 3,444.19 | 3,991.33 | 3,444.19 |
| As percentage of total projects value | 46.56 | 48.15 | 46.56 | 48.15 |

The Company and subsidiaries have obligation and commitment to complete utilities of developing projects in the amount of Baht 99.04 million (Baht 99.04 million for the Company’s only) million and Baht 130.93 million (Baht 130.93 million for the Company’s only) as at March 31, 2005 and December 31, 2004, respectively.

12. INVESTMENT IN SUBSIDIARIES - AT EQUITY METHOD

| Type of business | Relationship | The Company Only | | | | | | |
|-------------------------------------|-----------------------------------|--|---------------------------------|--------------------------------------|----------------------------------|----------------------|--------------------------------|---|
| | | Paid - up share capital (In Thousand Baht) | Percentage of holding (%) | Cost Method (In Thousand Baht) | Equity Method (In Thousand Baht) | | Dividend (In Thousand Baht) | |
| | | | | | March 31, 2005 | December 31, 2004 | | |
| Subsidiaries :- | | | | | | | | |
| N.C. Property Management Co., Ltd. | Contractor and Project management | Co - Shareholding/ Directing | 10,000 | 100.00 | 11,865 | 67,177 | 61,561 | - |
| N.C. Estate Co., Ltd. | Real Estate | Co - Shareholding/ Directing | 2,000 | 100.00 | 80 | 15,833 | 16,418 | - |
| Quality Living Management Co., Ltd. | Property manager service | Co - Shareholding/ Directing | 1,000 | 100.00 | - | 3,500 | 3,255 | - |
| | | | | | 11,945 | 86,510 | 81,234 | |

The Company has recognized the equity gain (loss) in subsidiaries based on the reviewed and audited financial statements.

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13. PROPERTY, PLANT AND EQUIPMENT - NET

Property, plant and equipment - net consist of

| | Consolidated (In Thousand Baht) | | | |
|--|--|----------------|----------------|------------------------------------|
| | Balance as at December 31, 2004 | Additions | Deduction | Balance as at March 31, 2005 |
| Land - office | 660 | - | - | 660 |
| - clubhouse | 93,204 | - | - | 93,204 |
| Building - office | 10,203 | - | - | 10,203 |
| - clubhouse | 64,587 | - | (2,139) | 62,448 |
| Sample house and sale office building | 35,913 | 1,838 | - | 37,751 |
| Building improvement | 5,956 | - | - | 5,956 |
| Machinery and equipments | 5,759 | 203 | - | 5,962 |
| Office equipments | 42,132 | 782 | - | 42,914 |
| Furniture and fixtures | 10,763 | 430 | - | 11,193 |
| Vehicles | 24,650 | - | - | 24,650 |
| Work in progress - clubhouse | 71,400 | - | - | 71,400 |
| Total | 365,227 | 3,253 | (2,139) | 366,341 |
| Less Accumulated depreciation | | | | |
| Building - office | (5,183) | (126) | - | (5,309) |
| - clubhouse | (12,462) | (1,657) | 121 | (13,998) |
| Sample house and sale office building | (13,019) | (1,778) | - | (14,797) |
| Building improvement | (1,090) | (74) | - | (1,164) |
| Machinery and equipments | (3,446) | (174) | - | (3,620) |
| Office equipments | (22,673) | (1,483) | - | (24,156) |
| Furniture and fixtures | (4,196) | (402) | - | (4,598) |
| Vehicles | (17,200) | (735) | - | (17,935) |
| Total | (79,269) | (6,429) | 121 | (85,577) |
| Property, plant and equipment net | 285,958 | | | 280,764 |
| | The Company Only (In Thousand Baht) | | | |
| | Balance as at December 31, 2004 | Additions | Deduction | Balance as at March 31, 2005 |
| Land - office | 660 | - | - | 660 |
| - clubhouse | 93,204 | - | - | 93,204 |
| Building - office | 10,203 | - | - | 10,203 |
| - clubhouse | 64,587 | - | (2,139) | 62,448 |
| Sample house and sale office building | 35,913 | 1,838 | - | 37,751 |
| Building improvement | 5,956 | - | - | 5,956 |
| Machinery and equipments | 4,514 | 100 | - | 4,614 |
| Office equipments | 40,502 | 728 | - | 41,230 |
| Furniture and fixtures | 10,525 | 430 | - | 10,955 |
| Vehicles | 18,895 | - | - | 18,895 |
| Work in progress - clubhouse | 71,400 | - | - | 71,400 |
| Total | 356,359 | 3,096 | (2,139) | 357,316 |
| Less Accumulated depreciation | | | | |
| Building - office | (5,183) | (126) | - | (5,309) |
| - clubhouse | (12,462) | (1,657) | 121 | (13,998) |
| Sample house and sale office building | (13,019) | (1,778) | - | (14,797) |
| Building improvement | (1,090) | (74) | - | (1,164) |
| Machinery and equipments | (3,144) | (113) | - | (3,257) |
| Office equipments | (22,161) | (1,415) | - | (23,576) |
| Furniture and fixtures | (4,125) | (390) | - | (4,515) |
| Vehicles | (13,470) | (452) | - | (13,922) |
| Total | (74,654) | (6,005) | 121 | (80,538) |
| Property, plant and equipment net | 281,705 | | | 276,778 |

Land, building and sale office building and land and clubhouse building are mortgaged as collateral against loan from commercial bank.

14. BANK OVERDRAFTS AND SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

This account consist of :-

| | In Thousand Baht | | | |
|---|-------------------------|-------------------------------|-------------------------|-------------------------------|
| | Consolidated | | The Company Only | |
| | As at March 31, 2005 | As at December 31, 2004 | As at March 31, 2005 | As at December 31, 2004 |
| Bank overdrafts from financial institutions | 36,503 | 66,271 | 33,222 | 65,856 |
| Short-term loans | 285,000 | 250,000 | 285,000 | 250,000 |
| | <u>321,503</u> | <u>316,271</u> | <u>318,222</u> | <u>315,856</u> |

As at March 31, 2005 and December 31, 2004 the Company and subsidiaries have overdraft line with local banks totalling Baht 35 million (Baht 30 million for the Company only) with interest at minimum overdraft rates. The overdrafts are guaranteed by the Company’s land and directors subsidiaries’s saving accounts.

As at March 31, 2005 and December 31, 2004, the Company has short-term loan line with a financial institution totalling Baht 85 million and Baht 50 million, respectively, with interest rate at 3.75% - 5.75% per annum and interest rate at 3.75% per annum, respectively. The short-term loans line are guaranteed by director’s asset and directors.

As at March 31, 2005 and December 31, 2004, the Company has short-term loan with provident funds totalling Baht 200 million with interest rate at 4.00% per annum.

15. LONG-TERM LOANS - NET FROM PORTION DUE WITHIN ONE YEAR

This account consist of

| | In Thousand Baht | | | |
|----------------------------------|-------------------------|-------------------------------|-------------------------|-------------------------------|
| | Consolidated | | The Company Only | |
| | As at March 31, 2005 | As at December 31, 2004 | As at March 31, 2005 | As at December 31, 2004 |
| Loans from local banks | | | | |
| The first credit line | 646,681 | 730,009 | 646,681 | 730,009 |
| The second credit line | 377,549 | 340,000 | 377,549 | 340,000 |
| Total | 1,024,230 | 1,070,009 | 1,024,230 | 1,070,009 |
| Less Portion due within one year | - | - | - | - |
| Net | <u>1,024,230</u> | <u>1,070,009</u> | <u>1,024,230</u> | <u>1,070,009</u> |

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The first credit line.

As at March 31, 2005 and December 31, 2004, the Company has several long-term loans from a financial institutions totalling Baht 1,956.32 million and Baht 2,175.22 million, respectively, carrying interest rate at MLR for the three month in year 2005, and rate at MLR, MLR-1.0% per annum and one year fixed deposit rate plus 3.5% per annum in year 2004. (As at March 31, 2005 and December 31, 2004, carrying interest rate at 4.50%-5.75% per annum). The Company has to repay the loan when the payments are made from its customers on the dates which real estate title deeds are transferred to the customers. The loan have to be fully settled within specify periods. However, the Company did not forecast the portion of the long-term loans, which is expected to be repaid within the next one year for presenting under the current liabilities in the balance sheet. Loan as per said was guaranteed by the Company’s land and construction of project. (See Note 10 and 11)

The second credit line.

As at March 31, 2005 and December 31, 2004, the Company has several long-term loans from a financial institution totalling Baht 760 million, carrying interest rate at MLR plus 0.5% per annum (As at March 31, 2005 and December 31, 2004, carrying interest rate at 6.25% per annum). The Company will repay the principal within three years, after the mortgaging of land, (On December 29, 2004). However, the Company did not forecast the portion of the long-term loans, which is expected to be repaid within the next one year for presenting under the current liabilities in the balance sheet. Loan as per said was guaranteed by the Company’s land including construction of project. (See Note 11)

16. LOAN FROM DIRECTORS

| | In Thousand Baht | | | |
|------------------------------|---|---|---|---|
| | Consolidated | | The Company Only | |
| | As at March 31, 2005 (For three month) | As at December 31, 2004 (For the year) | As at March 31, 2005 (For three month) | As at December 31, 2004 (For the year) |
| Balance, beginning of period | - | - | - | - |
| Addition during the period | 67,500 | 117,500 | 67,500 | 117,500 |
| Deduction during the period | (67,500) | (117,500) | (67,500) | (117,500) |
| Balance, ending of period | - | - | - | - |

Loan from directors are used for purchase of land and working capital and repay the loan.

Loan from directors carried interest rate at 6.00% - 6.25% per annum and 1.0%-1.5% per annum for the three month in year 2005 and in year 2004, respectively and due at call.

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17. SHORT-TERM LOAN FROM RELATED PARTIES

| | In Thousand Baht | | | |
|--|------------------|--------------|------------------|----------|
| | Consolidated | | The Company Only | |
| | As at March | As at | As at March | As at |
| | 31, 2005 | December 31, | 31, 2005 | December |
| | 2004 | (For three | 31, 2004 | |
| | (For the year) | month) | (For the year) | |
| | (For the year) | month) | (For the year) | |
| N.C. Property Management Co., Ltd. | | | | |
| Balance, beginning of period | - | - | - | 26,747 |
| Addition during the period | - | - | - | 11,900 |
| Deduction during the period | - | - | - | (38,647) |
| Balance, ending of period | - | - | - | - |
| N.C. Estate Co., Ltd. | | | | |
| Balance, beginning of period | - | - | 15,124 | - |
| Addition during the period | - | - | 3,500 | 15,124 |
| Deduction during the period | - | - | (2,500) | - |
| Balance, ending of period | - | - | 16,124 | 15,124 |
| Quality Living Management Co., Ltd. | | | | |
| Balance, beginning of period | - | - | - | - |
| Addition during the period | - | - | 2,000 | 500 |
| Deduction during the period | - | - | (600) | (500) |
| Balance, ending of period | - | - | 1,400 | - |
| S.C. Construction And Decoration Co., ltd. | | | | |
| Balance, beginning of period | - | 1,900 | - | 1,900 |
| Addition during the period | - | - | - | - |
| Deduction during the period | - | (1,900) | - | (1,900) |
| Balance, ending of period | - | - | - | - |
| | - | - | 17,524 | 15,124 |
| | - | - | - | - |

The short-term loans from related companies, promissory notes carried interest rate of 6% per annum and due at call.

18. SHARE CAPITAL

At the extraordinary meeting No. 1/2003, 2/2003 and 3/2003 held on September 4, 2003, September 29, 2003 and November 7, 2003, respectively, it was unanimously resolved to approve as follows:

To approve the increment of registered share capital from the former registered share capital of Baht 266,000,000 to Baht 800,000,000, the increment of register share capital of another Baht 534,000,000 divided into common stock of 5,340,000 shares at Baht 100 per share. The Company has already registered the incremental share with the Department of Business Development on September 30, 2003.

To approve the change of par value from former Baht 100 per share to Baht 5 per share. Then the paid-up share capital is to Baht 800,000,000 divided into 160,000,000 ordinary shares at per value of Baht 5 per share.

To approve the increment of registered share capital of another Baht 200,000,000 divided into new common stocks in number of 40,000,000 shares from the former registered share capital of Baht 800,000,000 aggregating to the new registered share capital of Baht 1,000,000,000 divided into common stock of 200,000,000 shares at per value of Baht 5 per share. The new common stocks are appropriated and publicly offered to general public which the Company has already registered the incremental shares with the Department of Business Development on December 11, 2003.

At the extraordinary meeting No.2/2004 held on October 5, 2004, it was unanimously resolved to approve as follows:

To approve the split in par value of the Company's ordinary shares from Baht 5 per share 200,000,000 shares to Baht 1.00 per share 1,000,000,000 shares. The split in par value has already been registered with the Ministry of Commerce on October 11, 2004.

At the board of directors' meeting No.7/2004 held on November 10, 2004, it was unanimously resolved to approve as follows:

To approve the increment of registered share capital of Baht 200,000,000 divided into new common stocks in number of 200,000,000 shares from the former registered share capital of Baht 1,000,000,000 aggregating to the new registered share capital of Baht 1,200,000,000 divided into common stock of 1,200,000,000 shares at per value of Baht 1 per share. In the amount of 100,000,000 shares newly issued ordinary shares to be offered for sales to existing shareholders at the ratio of 10 existing shares per 1 newly issued ordinary share at the price of Baht 1 per share and in the amount of 100,000,000 shares newly issued ordinary shares to be allocated to serve the exercise of right under the Warrant to purchase ordinary shares.

To approve Warrants to Purchase Ordinary Shares to be offered to the existing shareholders are as follows:

| | | |
|---|---|---|
| Type | : | Warrants to Purchase Ordinary Shares of N.C.Housing Public Co., Ltd., specified name of the holder |
| Term | : | 1 year from the issuing date |
| Amount of warrants | : | 100,000,000 units (one hundred million units) |
| Offering for sale | : | to the existing shareholders of the Company who subscribed for new ordinary shares under its right at the ratio of 1 new ordinary share to 1 unit of warrant. |
| Amount of shares for the exercise of warrants | : | 100,000,000 shares, accounting for 9.09 percent of the total issued shares of the Company. |
| Offering price | : | Baht 0 per unit |
| Exercise ratio | : | 1 unit of Warrant : 1 ordinary share |
| Exercise price | : | Baht 1 per ordinary share |
| Exercise period | : | exercise date of the Warrants is 1 time on the last day that the Warrants are due for its one-year maturity period. In the event that the exercise date falls on any non-business day, the exercise date shall be postponed to the next business day. |
| Exercise condition | : | follow the rules of The Office of the Securities and Exchange Commission and The Stock Exchange of Thailand. |

19. FINANCIAL INSTRUMENTS

a. Accounting Policies

Details of significant accounting policies are disclosed in Note 3.

b. Financial Risk Management

The Company and subsidiaries manage their financial risk exposure on financial assets and financial liabilities in normal business by its internal management and control system and the Company and subsidiaries do not hold or issue any derivative instruments.

c. Interest Rate Risk

Interest rate risk arises from the potential for a change in interest rate to have an adverse effect on the Company and the subsidiary in the current reporting period and in future years.

d. Fair Value

The fair value of significant financial assets and financial liabilities does not differ from their carrying value except for the fair value of long-term investments and long-term debts which cannot be properly calculated, accordingly, no disclosure is made.

20. LEGAL RESERVE

Under the provision of the Public Limited Companies Act B.E.2535, the Company is required to appropriate at least 5% of its annual net income after deduction of the deficit brought forward (if any) as reserve fund until the reserve reaches 10% of the authorized share capital. The reserve is not available for dividend distribution.

In year 2004, the Company had additionally appropriated its legal reserve at the amount of Baht 15.90 million.

21. EARNINGS PER SHARE

Basic earning per share is calculated by dividing the net income (loss) for the periods by the weighted average number of ordinary shares which are issued and paid-up during the period.

| | Consolidated | | The Company Only | |
|--|---|---------|---|---------|
| | For the three-month periods ended March 31, | | For the three-month periods ended March 31, | |
| | 2005 | 2004 | 2005 | 2004 |
| Net income for the period (Thousand Baht) | 31,522 | 2,761 | 31,522 | 2,761 |
| Weighted average number of ordinary shares (Thousand Shares) | 1,000,000 | 819,780 | 1,000,000 | 819,780 |
| Basic earning per share (Baht per share) | 0.032 | 0.003 | 0.032 | 0.003 |

For comparison purposes, the Company has recalculated earnings per share for the periods ended March 31, 2004 by considering the weighted average number of ordinary shares which had changed in par value and in the number of shares in accordance with the amendment to par values and number of shares as per said in note 18.

22. PROVIDENT FUND

The Company established a contributory registered provident fund covering all permanent employees in accordance with the Provident Fund Act B.E.2530.

Under the provident fund plan, employees' and Company's contributions are equivalent to certain percentages of employees' basic salaries. The employees are entitled to the Company's contributions in accordance with the rules and regulations of the fund and on the length of service with the Company. The Company appointed a fund manager to manage the fund in accordance with the terms and conditions prescribed in the Provident Fund Act.

The Company and subsidiaries's contribution for the three month periods ended March 31, 2005 and 2004 amounted to Baht 836,066.94 and Baht 801,372.34, respectively.

The Company's contributions for the three-month periods ended March 31, 2005 and 2004 amounted to Baht 732,460.40 and Baht 693,315.34, respectively.

23. CORPORATE INCOME TAX

The Company computed corporate income tax to the revenue and expense recognition in accordance with the Revenue Department principles, which difference from a comply with the generally accepted accounting principal, such as recognition of the revenue from real estate sales and cost of sales etc.

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24. BUSINESS SEGMENT INFORMATION

Business segment information of the Company and subsidiaries.

| | For the three-month period ended March 31, 2005 (In Thousand Baht) | | | | | | | |
|---------------------------------------|--|---------------|--------------------|---------------------------|----------------|-----------------|---------|----------------|
| | Real Estate | Contractor | Project management | Property manager services | Total | Elimination DR. | CR. | Consolidated |
| Revenues | | | | | | | | |
| Sales | 305,119 | - | - | - | 305,119 | - | - | 305,119 |
| Construction income | 899 | 28,727 | - | - | 29,626 | (5,224) | - | 24,402 |
| Service income | - | - | 2,228 | 2,668 | 4,896 | (1,100) | - | 3,796 |
| Equity in net profit of subsidiaries | 5,276 | - | - | - | 5,276 | (5,276) | - | - |
| Other income | 2,991 | 425 | 32 | 94 | 3,542 | (822) | - | 2,720 |
| Total revenues | 314,285 | 29,152 | 2,260 | 2,762 | 348,459 | | | 336,037 |
| Expenses | | | | | | | | |
| Cost of sales | 188,537 | - | - | - | 188,537 | - | (4,879) | 183,658 |
| Cost of construction | 532 | 21,831 | - | - | 22,363 | - | (4,753) | 17,610 |
| Cost of service | - | - | 139 | 650 | 789 | - | - | 789 |
| Selling and administrative expenses | 85,725 | 6,419 | 484 | 2,018 | 94,646 | - | (1,173) | 93,473 |
| Total expenses | 274,794 | 28,250 | 623 | 2,668 | 306,335 | | | 295,530 |
| Income before interest and income tax | 39,491 | 902 | 1,637 | 94 | 42,124 | | | 40,507 |
| Interest expense | 6,585 | 472 | 36 | - | 7,093 | - | (750) | 6,343 |
| Income tax | 1,970 | 612 | 45 | 15 | 2,642 | - | - | 2,642 |
| Net income | 30,936 | (182) | 1,556 | 79 | 32,389 | | | 31,522 |
| As at March 31, 2005 | | | | | | | | |
| property, plant and equipment - net | 277,088 | 2,878 | 216 | 528 | 280,764 | | | 280,764 |

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For the three-month period ended March 31, 2004 (In Thousand Baht)

| | Real | Contractor | Project | Property | Total | Elimination | | Consolidated |
|---------------------------------------|----------------|---------------|----------------|---------------------|----------------|-------------|----------|----------------|
| | Estate | | managemen t | manager services | | DR. | CR. | (Restated) |
| Revenues | | | | | | | | |
| Sales | 267,084 | - | - | - | 267,084 | - | - | 267,084 |
| Construction income | - | 65,347 | - | - | 65,347 | (13,095) | - | 52,252 |
| Service income | - | - | 2,154 | 11,113 | 13,267 | (10,983) | - | 2,284 |
| Equity in net profit of subsidiaries | 13,437 | - | - | - | 13,437 | (13,437) | - | - |
| Other income | 8,886 | 290 | 10 | 256 | 9,442 | (1,057) | - | 8,385 |
| Total revenues | 289,407 | 65,637 | 2,164 | 11,369 | 368,577 | | | 330,005 |
| Expenses | | | | | | | | |
| Cost of sales | 183,481 | - | - | - | 183,481 | | (15,489) | 167,992 |
| Cost of construction | - | 42,779 | - | - | 42,779 | - | - | 42,779 |
| Cost of service | - | - | 730 | 7,917 | 8,647 | - | (7,744) | 903 |
| Selling and administrative expenses | 92,689 | 9,470 | 293 | 1,209 | 103,661 | - | (1,252) | 102,409 |
| Total expenses | 276,170 | 52,249 | 1,023 | 9,126 | 338,568 | | | 314,083 |
| Income before interest and income tax | 13,237 | 13,388 | 1,141 | 2,243 | 30,009 | | | 15,922 |
| Interest expense | 6,032 | 687 | 21 | 51 | 6,791 | - | (735) | 6,056 |
| Income tax | 2,410 | 4,071 | 126 | 498 | 7,105 | - | - | 7,105 |
| Net income | 4,795 | 8,630 | 994 | 1,694 | 1,6113 | | | 2,761 |
| As at March 31, 2004 | | | | | | | | |
| Property, plant and equipment - net | 276,192 | 3,680 | 113 | 190 | 280,175 | | | 280,175 |

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25. COMMITMENTS AND CONTINGENT LIABILITIES

- a) As at March 31, 2005 the Company and subsidiaries have contingent liabilities from letters of guarantee issued by a bank to government entity and third parties on behalf of the Company and subsidiaries in the utilities and commercial contract amounting to Baht 145.84 million (Baht 143.26 million for the Company only).
- b) As March 31, 2005, the Company had a agreement to purchase land and the commitment under agreement amounting to Baht 163.80 million.
- c) As at March 31, 2005, the Company had bank avaled promissory notes of Baht 43.44 million paid to land owners.
- d) As at March 31, 2005 the Company had contingent liability from letters of guarantee issued by a bank on behalf of subsidiary in the electricity and commercial contract amounting to Baht 1 million.
- e) As at March 31, 2005 the Company had committed to pay building's project construction amounting to Baht 23.4 million and Baht 34.74 million (including VAT), respectively.

26. SUBSEQUENT EVENT

At the Board of Directors Meeting No.1/2005 held on February 28, 2005, the board of directors passed the resolution to propose to the shareholders a dividend payment at Baht 0.09 per share amounting to Baht 90 million, and was accordingly approved by the shareholders' meeting No. 1/2005 held on April 28, 2005.

27. AUTHORIZATION FOR ISSUE OF FINANCIAL STATEMENTS

These financial statements are authorized to issue by the management on May 12, 2005.