

N.C. HOUSING PUBLIC COMPANY LIMITED

**CONSOLIDATED FINANCIAL STATEMENTS AND FINANCIAL STATEMENTS
AS AT DECEMBER 31, 200₅ AND 200₄**

REPORT OF THE AUDITOR

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

I have audited the consolidated balance sheets of N.C. Housing Public Company Limited and subsidiaries as at December 31, 2005 and 2004, the related consolidated statements of income, changes in shareholders' equity and cash flows for the years then ended and the balance sheets of N.C. Housing Public Company Limited as at December 31, 2005 and 2004, the related statements of income, changes in shareholders' equity and cash flows for the years then ended. These financial statements are the responsibility of the Company's management as to their correctness and completeness of the presentation. My responsibility is to express an opinion on these financial statements based on my audits.

I conducted my audits in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audits provide a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of N.C. Housing Public Company Limited and subsidiaries as at December 31, 2005 and 2004, the consolidated results of their operations, the consolidated changes in their shareholders' equity and their consolidated cash flows for the years then ended and the financial position of N.C. Housing Public Company Limited as at December 31, 2005 and 2004, the results of its operations, the changes in its shareholders' equity and its cash flows for the years then ended in conformity with generally accepted accounting principles.

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

Dharmniti Auditing Company Limited
Bangkok, Thailand
February 20, 2006
2006/150/7436

N.C. HOUSING PUBLIC COMPANY LIMITED

BALANCE SHEETS

AS AT DECEMBER 31, 2005 AND 2004

		In Baht				
		Consolidated		The Company Only		
Note		2005	2004	2005	2004	
CURRENT ASSETS						
	Cash and cash equivalents	3.3, 5	62,652,033.48	160,169,021.36	35,441,253.98	138,932,403.60
	Current investment	6	8,002,399.71	7,750,905.53	1,095,639.76	1,067,684.33
	Notes receivable		-	891,109.00	-	891,109.00
	Trade accounts receivable	3.4, 7	5,558,824.12	23,526,650.60	5,322,852.12	7,003,713.00
	Receivables from related parties	4	-	-	111,298.97	1,209,054.36
	Unbilled receivables - net	3.2, 3.4, 8	12,066,800.00	-	12,066,800.00	-
	Accrued income - construction		4,665,186.91	52,886,643.79	2,631,074.76	766,355.14
	Accrued income - commission		5,565,361.85	7,495,982.97	-	-
	Short-term loan to related parties	4, 9	-	-	-	45,390,285.15
	Inventories - net	3.5, 10	665,568,952.52	263,932,087.26	664,357,628.25	265,412,477.92
	Property development	3.6, 11	3,025,125,813.24	2,914,853,209.42	3,021,556,203.06	2,912,658,058.36
	Construction materials	3.5	88,580.72	264,488.06	88,580.72	264,488.06
	Deposit for purchase of land	26	-	35,121,100.00	-	35,121,100.00
	Other current assets		20,449,092.40	27,281,468.04	13,466,070.46	20,886,623.05
	Total current assets		3,809,743,044.95	3,494,172,666.03	3,756,137,402.08	3,429,603,351.97
NON - CURRENT ASSETS						
	Investment in subsidiaries	3.7, 12	-	-	86,978,624.27	81,234,338.50
	Property, plant and equipment - net	3.8, 13	264,193,128.60	285,958,424.17	261,451,419.20	281,705,171.45
	Withholding income tax		3,550,426.32	1,442,177.86	273,871.84	-
	Other non-current assets		3,108,303.28	4,287,965.99	2,975,260.92	4,122,795.63
	Total non-current assets		270,851,858.20	291,688,568.02	351,679,176.23	367,062,305.58
	TOTAL ASSETS		4,080,594,903.15	3,785,861,234.05	4,107,816,578.31	3,796,665,657.55

Notes to financial statements form an integral part of these statements

N.C. HOUSING PUBLIC COMPANY LIMITED

BALANCE SHEETS (CONT.)

AS AT DECEMBER 31, 2005 AND 2004

LIABILITIES AND SHAREHOLDERS' EQUITY

		In Baht				
		Consolidated		The Company Only		
Note		2005	2004	2005	2004	
CURRENT LIABILITIES						
	Bank overdrafts and short - term loans					
	from financial institutions	14	768,338,098.76	316,271,125.11	767,682,775.40	315,855,973.34
	Payable for purchase of land		81,586,450.00	107,532,000.00	81,586,450.00	107,532,000.00
	Notes payable		31,226,774.75	35,691,182.45	30,286,457.28	34,393,263.33
	Trade accounts payable		55,865,194.70	86,383,547.94	54,243,890.40	65,344,806.17
	Payable to related parties	4	8,782,963.35	6,648,620.68	44,923,514.48	79,497,762.90
	Short-term loan from related parties	4, 17	-	-	9,023,805.68	15,123,805.68
	Unrealized income	3,2, 8	40,990,119.40	45,501,261.28	40,990,119.40	45,501,261.28
	Accrued income tax		-	64,200,410.46	-	47,096,981.08
	Accrued expenses		38,758,836.74	38,001,199.70	37,817,861.39	36,094,559.15
	Accrued commission		13,850,165.79	20,500,244.43	7,956,371.44	6,814,812.80
	Accrued interest	4	197,524.15	417,654.08	197,524.15	417,654.08
	Other current liabilities		7,410,770.07	15,255,257.54	6,600,773.49	8,258,302.30
	Total current liabilities		<u>1,047,006,897.71</u>	<u>736,402,503.67</u>	<u>1,081,309,543.11</u>	<u>761,931,182.11</u>
NON - CURRENT LIABILITIES						
	Long-term loans	15	949,028,564.61	1,070,009,476.35	949,028,564.61	1,070,009,476.35
	Retention		80,906,569.50	85,241,132.01	73,825,599.26	70,516,877.07
	Total non-current liabilities		<u>1,029,935,134.11</u>	<u>1,155,250,608.36</u>	<u>1,022,854,163.87</u>	<u>1,140,526,353.42</u>
	TOTAL LIABILITIES		<u>2,076,942,031.82</u>	<u>1,891,653,112.03</u>	<u>2,104,163,706.98</u>	<u>1,902,457,535.53</u>

Notes to financial statements form an integral part of these statements

N.C. HOUSING PUBLIC COMPANY LIMITED

BALANCE SHEETS (CONT.)

AS AT DECEMBER 31, 2005 AND 2004

LIABILITIES AND SHAREHOLDERS' EQUITY (CONT.)

	Note	In Baht			
		Consolidated		The Company Only	
		2005	2004	2005	2004
SHAREHOLDERS' EQUITY					
Share capital					
Authorized share capital	18				
1,200,000,000 ordinary shares					
of Baht 1 each		<u>1,200,000,000.00</u>	<u>1,200,000,000.00</u>	<u>1,200,000,000.00</u>	<u>1,200,000,000.00</u>
Issued and paid-up share capital					
1,100,000,000 ordinary shares capital					
of Baht 1 each	18	1,100,000,000.00		1,100,000,000.00	
1,000,000,000 ordinary shares capital					
of Baht 1 each	18		1,000,000,000.00		1,000,000,000.00
Paid-in capital					
Premium on share capital		577,530,000.00	577,530,000.00	577,530,000.00	577,530,000.00
Retained earnings					
Appropriated - legal reserve	20	20,872,237.47	15,900,000.00	20,872,237.47	15,900,000.00
Unappropriated		<u>305,250,633.86</u>	<u>300,778,122.02</u>	<u>305,250,633.86</u>	<u>300,778,122.02</u>
TOTAL SHAREHOLDER'S EQUITY		<u>2,003,652,871.33</u>	<u>1,894,208,122.02</u>	<u>2,003,652,871.33</u>	<u>1,894,208,122.02</u>
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY		<u>4,080,594,903.15</u>	<u>3,785,861,234.05</u>	<u>4,107,816,578.31</u>	<u>3,796,665,657.55</u>

Notes to financial statements form an integral part of these statements

N.C. HOUSING PUBLIC COMPANY LIMITED
STATEMENTS OF INCOME
FOR THE YEARS ENDED DECEMBER 31, 2005 AND 2004

	Note	In Baht			
		Consolidated		The Company Only	
		2005	2004	2005	2004
REVENUES					
Sales	3.2, 4	1,464,679,914.88	2,305,573,164.50	1,464,679,914.88	2,098,601,047.40
Construction income	3.2, 4	45,805,479.63	197,306,447.13	2,564,485.98	766,355.14
Service income		13,680,407.59	18,586,736.13	-	-
Reversal of provision for declining value of inventories		-	562,421.34	-	562,421.34
Other income	4	10,374,780.76	26,008,009.57	9,014,755.59	23,090,295.90
Share of profit from investment, using the equity method		-	-	5,744,285.77	62,470,784.74
Total Revenues		<u>1,534,540,582.86</u>	<u>2,548,036,778.67</u>	<u>1,482,003,442.22</u>	<u>2,185,490,904.52</u>
EXPENSES					
Cost of sales	3.2, 4	966,045,935.31	1,579,242,662.24	972,660,174.97	1,434,578,166.18
Cost of construction	3.2, 4	31,615,933.61	133,944,870.93	1,936,372.29	434,808.04
Cost of service		3,014,377.89	4,460,905.06	-	-
Selling and administrative expenses	4	386,073,058.64	494,934,458.72	359,968,270.86	442,854,392.26
Loss from non refund withholding income tax		118,175.00	14,930,620.55	-	14,930,620.55
Total Expenses		<u>1,386,867,480.45</u>	<u>2,227,513,517.50</u>	<u>1,334,564,818.12</u>	<u>1,892,797,987.03</u>
Income before interest and income tax		147,673,102.41	320,523,261.17	147,438,624.10	292,692,917.49
Interest expense	4	28,343,882.40	22,310,909.21	29,071,616.49	20,645,363.99
Income tax	24	19,884,470.70	95,876,557.20	18,922,258.30	69,711,758.74
Net income		<u><u>99,444,749.31</u></u>	<u><u>202,335,794.76</u></u>	<u><u>99,444,749.31</u></u>	<u><u>202,335,794.76</u></u>
EARNINGS PER SHARE (Baht per share)					
Net income	21	<u>0.09</u>	<u>0.21</u>	<u>0.09</u>	<u>0.21</u>

Notes to financial statements form an integral part of these statements

N.C. HOUSING PUBLIC COMPANY LIMITED
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2005 AND 2004

	In Baht				Total
	Share capital issued and paid-up	Premium on share capital	Retained earnings		
			Appropriated legal reserve	Unappropriated	
Note					
Consolidated					
Beginning balance, 2004	800,000,000.00	-	-	114,342,327.26	914,342,327.26
Net income for the year 2004	-	-	-	202,335,794.76	202,335,794.76
Appropriated - legal reserve	-	-	15,900,000.00	(15,900,000.00)	-
Capital - ordinary shares	18 200,000,000.00	-	-	-	200,000,000.00
- premium on share capital	-	577,530,000.00	-	-	577,530,000.00
Ending balance, 2004	1,000,000,000.00	577,530,000.00	15,900,000.00	300,778,122.02	1,894,208,122.02
Net income for the year 2005	-	-	-	99,444,749.31	99,444,749.31
Appropriated - legal reserve	-	-	4,972,237.47	(4,972,237.47)	-
Dividend paid	22 -	-	-	(90,000,000.00)	(90,000,000.00)
Capital - ordinary shares	18 100,000,000.00	-	-	-	100,000,000.00
Ending balance, 2005	<u>1,100,000,000.00</u>	<u>577,530,000.00</u>	<u>20,872,237.47</u>	<u>305,250,633.86</u>	<u>2,003,652,871.33</u>
The Company Only					
Beginning balance, 2004	800,000,000.00	-	-	114,342,327.26	914,342,327.26
Net income for the year 2004	-	-	-	202,335,794.76	202,335,794.76
Appropriated - legal reserve	-	-	15,900,000.00	(15,900,000.00)	-
Capital - ordinary shares	18 200,000,000.00	-	-	-	200,000,000.00
- premium on share capital	-	577,530,000.00	-	-	577,530,000.00
Ending balance, 2004	1,000,000,000.00	577,530,000.00	15,900,000.00	300,778,122.02	1,894,208,122.02
Net income for the year 2005	-	-	-	99,444,749.31	99,444,749.31
Appropriated - legal reserve	-	-	4,972,237.47	(4,972,237.47)	-
Dividend paid	22 -	-	-	(90,000,000.00)	(90,000,000.00)
Capital - ordinary shares	18 100,000,000.00	-	-	-	100,000,000.00
Ending balance, 2005	<u>1,100,000,000.00</u>	<u>577,530,000.00</u>	<u>20,872,237.47</u>	<u>305,250,633.86</u>	<u>2,003,652,871.33</u>

Notes to financial statements form an integral part of these statements

N.C. HOUSING PUBLIC COMPANY LIMITED
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2005 AND 2004

	In Baht			
	Consolidated		The Company Only	
	2005	2004	2005	2004
CASH FLOWS FROM OPERATING ACTIVITIES				
Net income	99,444,749.31	202,335,794.76	99,444,749.31	202,335,794.76
Add (less) Adjustment to reconcile net profit to net cash provided by (used in) operating activities :				
Depreciation and amortization	26,881,404.21	23,280,900.15	25,262,343.37	21,619,554.00
Allowance for doubtful accounts	-	376,994.00	-	376,994.00
Reversal of provision for declining value of inventories	-	(562,421.34)	-	(562,421.34)
Gain from sale of fixed assets	(314,471.14)	(6,133,703.61)	-	(6,133,703.61)
Loss from non refund withholding income tax	118,175.00	14,930,620.55	-	14,930,620.55
Gain from write off trade account payable and retention	(1,836,160.42)	(6,288,890.73)	(1,222,416.60)	(6,288,890.73)
Share of profit from investment, using the equity method	-	-	(5,744,285.77)	(62,470,784.74)
Income from operating activities before change in operating assets and liabilities	124,293,696.96	227,939,293.78	117,740,390.31	163,807,162.89
Decrease (increase) in operating assets				
Notes receivable	891,109.00	32,355,550.05	891,109.00	32,355,550.05
Trade accounts receivable	17,967,826.48	(14,955,383.07)	1,680,860.88	(9,823.47)
Receivables from related parties	-	3,023.29	1,097,755.39	(484,588.76)
Unbilled receivables	(12,066,800.00)	-	(12,066,800.00)	-
Accrued income - construction	48,221,456.88	(13,643,078.01)	(1,864,719.62)	(766,355.14)
Accrued income - commission	1,930,621.12	(760,476.09)	-	-
Short-term loan to related parties	-	-	45,390,285.15	(13,090,285.15)
Inventories	(401,636,865.26)	(168,543,730.97)	(398,945,150.33)	(182,975,356.50)
Property development	(72,150,444.90)	(364,578,323.77)	(70,775,985.78)	(442,273,915.58)
Construction materials	175,907.34	(183,835.39)	175,907.34	(183,835.39)
Deposit for purchase of land	-	(35,121,100.00)	-	(35,121,100.00)
Other current assets	6,830,142.64	(13,155,686.70)	7,420,552.59	(11,773,920.79)
Withholding income tax	(2,226,423.46)	16,359,356.31	(273,871.84)	16,620,364.44
Other non-current assets	1,179,662.71	(1,287,802.53)	1,147,534.71	(1,234,518.53)

Notes to financial statements form an integral part of these statements

N.C. HOUSING PUBLIC COMPANY LIMITED
STATEMENTS OF CASH FLOWS (CONT.)
FOR THE YEARS ENDED DECEMBER 31, 2005 AND 2004

	In Baht			
	Consolidated		The Company Only	
	2005	2004	2005	2004
Increase (decrease) in operating liabilities				
Payable for purchase of land	(25,945,550.00)	(485,778,000.00)	(25,945,550.00)	(461,923,000.00)
Notes payable	(4,464,407.70)	67,103,193.17	(4,106,806.05)	73,358,005.49
Trade accounts payable	(28,787,575.16)	(24,797,313.05)	(9,916,430.92)	(2,326,215.61)
Payable to related parties	2,134,342.67	890,544.79	(34,574,248.42)	28,845,273.86
Unrealized income	(4,511,141.88)	(58,221,168.07)	(4,511,141.88)	(48,395,604.47)
Accrued income tax	(64,200,410.46)	40,323,754.20	(47,096,981.08)	23,220,324.82
Accrued expenses	757,637.04	(24,748,208.73)	1,723,302.24	(19,926,125.84)
Accrued commission	(6,650,078.64)	20,500,244.43	1,141,558.64	6,814,812.80
Accrued interest	(220,129.93)	(19,391,000.66)	(220,129.93)	(19,336,078.47)
Other current liabilities	(6,989,444.43)	(33,428,508.74)	(1,657,528.81)	(24,207,851.39)
Retention	(5,054,267.80)	24,842,038.60	3,346,653.94	25,882,748.48
Net cash provide by (use in) operating activities	<u>(430,521,136.78)</u>	<u>(828,276,617.16)</u>	<u>(430,199,434.47)</u>	<u>(893,124,332.26)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Increase in current investment	(251,494.18)	(6,689,087.48)	(27,955.43)	(5,866.28)
Cash received from sale of fixed assets	443,925.23	15,003,000.00	-	15,003,000.00
Increase in property, plant and equipment	<u>(8,274,344.06)</u>	<u>(93,340,231.65)</u>	<u>(8,009,650.04)</u>	<u>(92,070,174.19)</u>
Net cash provided by (used in) investing activities	<u>(8,081,913.01)</u>	<u>(85,026,319.13)</u>	<u>(8,037,605.47)</u>	<u>(77,073,040.47)</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
Increase in Bank overdrafts and short-term loans from financial institutions	452,066,973.65	288,288,376.27	451,826,802.06	287,873,224.50
Decrease in short-term loan from related parties	-	(3,400,000.00)	(6,100,000.00)	(13,523,295.37)
Decrease in hire purchase contract payable	-	(894,681.00)	-	(789,564.00)
Decrease in long-term loans	(120,980,911.74)	(109,950,298.90)	(120,980,911.74)	(54,610,501.06)
Proceeds from capital increase	100,000,000.00	777,530,000.00	100,000,000.00	777,530,000.00
Dividend paid	<u>(90,000,000.00)</u>	<u>-</u>	<u>(90,000,000.00)</u>	<u>-</u>
Net cash provided by (used in) financing activities	<u>341,086,061.91</u>	<u>951,573,396.37</u>	<u>334,745,890.32</u>	<u>996,479,864.07</u>

Notes to financial statements form an integral part of these statements

N.C. HOUSING PUBLIC COMPANY LIMITED
STATEMENTS OF CASH FLOWS (CONT.)
FOR THE YEARS ENDED DECEMBER 31, 2005 AND 2004

	In Baht			
	Consolidated		The Company Only	
	2005	2004	2005	2004
Net increase (decrease) in cash and cash equivalents	(97,516,987.88)	38,270,460.08	(103,491,149.62)	26,282,491.34
Cash and cash equivalents, beginning of year	160,169,021.36	121,898,561.28	138,932,403.60	112,649,912.26
Cash and cash equivalents, ending of year	<u>62,652,033.48</u>	<u>160,169,021.36</u>	<u>35,441,253.98</u>	<u>138,932,403.60</u>
Supplemental disclosures of cash flows information				
1) Cash and cash equivalents this account consisted of :-				
Cash in hand and at financial institutions	<u>62,652,033.48</u>	<u>160,169,021.36</u>	<u>35,441,253.98</u>	<u>138,932,403.60</u>
2) Cash paid during the year for :-				
Interest expense	83,525,687.32	81,313,026.90	81,691,684.60	76,188,580.86
Income tax	86,311,304.62	55,813,811.13	66,293,111.22	46,491,433.92
3) In year 2005 and 2004, the Company had transferred deposit for purchase of land as part of property development amounting to Baht 35.12 million and Baht 31.84 million.				
4) In year 2005, the Company had transferred Property, plant and equipment as part of property development amounting to Baht 3.00 million.				
5) In year 2004, the Company had written off retention to decrease of property development amounting to Baht 18.14 million, as subcontractor failure.				

Notes to financial statements form an integral part of these statements

N.C. HOUSING PUBLIC COMPANY LIMITED
NOTES TO INTERIM FINANCIAL STATEMENTS
DECEMBER 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 December 31, 2005 and 2004, the Company and subsidiaries have 207 employees and 240 employees, respectively. (154 employees and 172 employees, respectively, for the Company only).

(d) Supplemental disclosures of expense information

Supplemental disclosures of expense information are as follows:

	In Baht			
	Consolidated		The Company Only	
	2005	2004	2005	2004
Depreciation	26,881,404.21	23,280,900.15	25,262,343.37	21,619,554.00
Employee benefit cost	86,843,453.92	95,491,753.41	71,286,637.79	75,992,596.28

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.		
	2005	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.	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 financial statements

The financial statements of the Company are prepared in accordance with generally accepted accounting principles and accounting standard prescribed in Accounting Act.

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 dues 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.

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 December 31, 2005 and 2004 are as follow:-

		In Baht			
		Consolidated		The Company Only	
	Type of relation	2005	2004	2005	2004
Receivable from related parties					
- Quality Living Management Co., Ltd.	Subsidiary	-	-	59,500.00	3,900.00
- N.C. Property Management Co., Ltd.	Subsidiary	-	-	51,798.97	1,172,154.36
- N.C. Estate Co., Ltd.	Subsidiary	-	-	-	33,000.00
		-	-	111,298.97	1,209,054.36
Short-term loan to related parties					
- N.C. Property Management Co., Ltd.	Subsidiary	-	-	-	45,390,285.15
Payable to related parties					
- Quality Living Management Co., Ltd.	Subsidiary	-	-	426,930.00	280,488.01
- N.C. Property Management Co., Ltd.	Subsidiary	-	-	35,861,585.61	72,677,070.11
- N.C. Estate Co., Ltd.	Subsidiary	-	-	-	96,343.58
- Sathaporn Wattana Partnership	Co-shareholding and directing	948,292.41	767,730.11	918,993.67	738,431.37
- S.C. Construction And Decoration Co., Ltd.	Co-shareholding and directing	138,494.28	504,759.69	138,494.28	504,759.69
- Sathaporn Wattana Trading Co., Ltd.	Co-shareholding and directing	7,674,534.27	5,372,130.88	7,555,868.53	5,196,670.14
- Sathaporn Wattana Transportation Partnership	Co-shareholding and directing	-	4,000.00	-	4,000.00
- Sathaporn Homemart (1999) Co., Ltd.	Co-shareholding and directing	21,642.39	-	21,642.39	-
		8,782,963.35	6,648,620.68	44,923,514.48	79,497,762.90
Short-term loan from related parties					
- N.C. Estate Co., Ltd.	Subsidiary	-	-	9,023,805.68	15,123,805.68
Accrued interest					
- Mr. Namchai Tanthathoedtham	Director	-	31,397.26	-	31,397.26
- Mr. Somchao Tanthathoedtham	Director	-	16,095.89	-	16,095.89
		-	47,493.15	-	47,493.15

		In Baht			
		Consolidated		The Company Only	
Pricing basis		2005	2004	2005	2004
<u>Transaction during the year</u>					
Other income - rental					
Quality Living Management Co., Ltd.	Agreed price not market price	-	-	60,000.00	60,000.00
N.C. Property Management Co., Ltd.	Agreed price not market price	-	-	120,000.00	120,000.00
N.C. Estate Co., Ltd.	Agreed price not market price	-	-	20,000.00	60,000.00
S.C. Construction And Decoration Co., Ltd.	Agreed price not market price	-	30,000.00	-	30,000.00
Other income - Utility					
Quality Living Management Co., Ltd.	At cost	-	-	16,822.44	17,289.73
N.C. Property Management Co., Ltd.	At cost	-	-	16,822.44	16,289.14
N.C. Estate Co., Ltd.	At cost	-	-	5,607.48	16,289.16
Interest income					
Quality Living Management Co., Ltd.	At the rate of 6% p.a.	-	-	-	102,723.28
N.C. Property Management Co., Ltd.	At the rate of 6% p.a.	-	-	634,070.88	1,681,013.38
N.C. Estate Co., Ltd.	At the rate of 4.5%-6% p.a.	-	-	-	1,328,805.99
Property development cost					
Quality Living Management Co., Ltd.					
- Gardening	At cost plus 19% - 67%	-	-	-	16,967,790.08
N.C. Property Management Co., Ltd.					
- Construction	At cost plus 10% - 15%	-	-	8,241,084.41	66,828,480.62
Utilities expense					
N.C. Property Management Co., Ltd.	Agreed price not market price	-	-	-	300,000.00
Repair expense					
Quality Living Management Co., Ltd.	At cost	-	-	-	450.00
Purchase construction materials					
Sathaporn Wattana Partnership	Market price	69,833.55	3,221,037.39	69,833.55	1,282,576.71
S.C. Construction And Decoration Co., Ltd.	Market price	84,139.61	2,011,822.53	75,543.61	2,008,562.53
Sathaporn Wattana Trading Co., Ltd.	Market price	36,163,875.77	12,075,345.90	35,320,608.29	11,904,319.53
Sathaporn Transportation Partnership	Market price	-	-	-	-
Sathaporn Homemart (1999) Co., Ltd.	Market price	146,836.20	-	146,836.20	-
Management fee					
Quality Living Management Co., Ltd.	In year 2005, minimum Baht 5,000 per project and In year 2004, minimum Baht 20,000 per project	-	-	2,224,500.00	3,070,000.00
Transportation expense					
Sathaporn Wattana Transportation Partnership	Market price	1,000.00	4,000.00	1,000.00	4,000.00
Other cost					
Sathaporn Wattana Trading Co., Ltd.	Market price	2,1000.00	-	-	-
Other expense - rental					
Mrs. Patcharin Tanthathoedtham	Baht 55,000 per month	660,000.00	660,000.00	660,000.00	660,000.00

		In Baht			
		Consolidated		The Company Only	
		2005	2004	2005	2004
Selling and administrative expense					
Quality Living Management Co., Ltd.					
- Activity expense	In year 2005, minimum Baht 45,000 per time and In year 2004, minimum Baht 50,000 per time	-	-	376,728.97	830,252.33
- Magazine	At cost plus 15%	-	-	835,820.00	223,738.32
Interest expense					
Quality Living Management Co., Ltd.	At the rate of 6% p.a.	-	-	35,063.01	3,369.86
N.C. Property Management Co., Ltd.	At the rate of 6% p.a.	-	-	84,410.96	205,384.21
N.C. Estate Co., Ltd.	At the rate of 6% p.a.	-	-	687,861.20	96,343.58
S.C. Construction And Decoration Co., Ltd.	At the rate of 6% p.a.	-	32,950.82	-	-
Mr. Namchai Tanthathoedtham	In year 2005, at the rate of 6.25% p.a. In year 2004, at the rate of 1% p.a.	626,284.24	31,397.26	626,284.24	31,397.26
Mr. Somchao Tanthathoedtham	In year 2005, at the rate of 6% p.a. In year 2004, at the rate of 1% p.a.	18,082.19	16,095.89	-	16,095.89
Purchase of assets					
Sathaporn Wattana Trading Co., Ltd.	Market price	21,644.11	-	-	-
Aikon Consulting Co., Ltd.	Market price	-	698,448.83	-	627,699.77

		Consolidated (In Baht)			
		2005		2004	
Pricing basis		At cost	Appraisal value from Land Department	At cost	Appraisal value from Land Department
Land sales					
Agreed price not market price					
N.C. Property Management Co., Ltd.		-	-	-	-
		The Company Only (In Baht)			
		2005		2004	
Pricing basis		At cost	Appraisal value from Land Department	At cost	Appraisal value from Land Department
Land sales					
Agreed price not market price					
N.C. Property Management Co., Ltd.		-	-	3,750,038.69	2,072,714.00

5. CASH AND CASH EQUIVALENTS

		In Baht			
		Consolidated		The Company Only	
		2005	2004	2005	2004
Cash in hand		32,676,159.00	117,889,850.00	32,626,891.00	117,858,050.00
Cash at bank - current accounts		1,841,562.18	18,663,235.04	387,306.54	2,235,406.83
Cash at bank - saving accounts		28,134,312.30	23,593,349.87	2,427,056.44	18,816,360.32
Cash at bank - 3 months fixed deposit		-	22,586.45	-	22,586.45
Total		<u>62,652,033.48</u>	<u>160,169,021.36</u>	<u>35,441,253.98</u>	<u>138,932,403.60</u>

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

6. CURRENT INVESTMENT

As at December 31, 2005 and 2004, the Company had current investment - fixed deposit amounting to Baht 802,863.07 and Baht 803,272.14, respectively. are pledged as collateral for customer's loan.

As at December 31, 2005 and 2004, the subsidiaries had current investment - saving accounts amounting to Baht 6,906,759.95 and 6,683,221.20 respectively, are pledged as collateral for credit limit and bank guarantee from bank.

Bank deposits are carried interest at the floating rate which are set by bank.

7. TRADE ACCOUNTS RECEIVABLE

Trade accounts receivable consist of the following:

	In Baht			
	Consolidated		The Company Only	
	2005	2004	2005	2004
Real Estate				
Receivable from installment	5,570,254.12	7,380,707.00	5,570,254.12	7,380,707.00
Contractor and project management				
Management receivable	137,000.00	918,100.00	-	-
Construction receivable	-	15,221,837.60	-	-
Property manager services				
Management receivable	98,972.00	383,000.00	-	-
Total	5,806,226.12	23,903,644.60	5,570,254.12	7,380,707.00
Less Allowance for doubtful accounts	<u>(247,402.00)</u>	<u>(376,994.00)</u>	<u>(247,402.00)</u>	<u>(376,994.00)</u>
Trade accounts receivable-net	<u>5,558,824.12</u>	<u>23,526,650.60</u>	<u>5,322,852.12</u>	<u>7,003,713.00</u>

The accounts receivable were aging as follows:

	In Baht			
	Consolidated		The Company Only	
	2005	2004	2005	2004
Over 0 month to 3 months	4,160,199.12	8,685,359.65	3,924,227.12	7,264,707.00
Over 3 months to 6 months	168,625.00	15,218,284.95	168,625.00	116,000.00
Over 6 months to 12 months	1,477,402.00	-	1,477,402.00	-
Total	<u>5,806,226.12</u>	<u>23,903,644.60</u>	<u>5,570,254.12</u>	<u>7,380,707.00</u>

Receivable from installment consist of

	Consolidated		The Company Only	
	2005	2004	2005	2004
Contracted sales value (In Million Baht)	<u>4,919.22</u>	<u>3,444.19</u>	<u>4,919.22</u>	<u>3,444.19</u>
Installment dues (In Baht)	4,279,841,509.73	4,990,027,803.73	4,279,841,509.73	4,772,274,451.23
Less Paid (In Baht)	<u>(4,274,271,255.61)</u>	<u>(4,982,647,096.73)</u>	<u>(4,274,271,255.61)</u>	<u>(4,764,893,744.23)</u>
Receivable from installment (In Baht)	<u>5,570,254.12</u>	<u>7,380,707.00</u>	<u>5,570,254.12</u>	<u>7,380,707.00</u>

8. UNBILLED RECEIVABLE / UNREALIZED INCOME

	In Baht			
	Consolidated		The Company Only	
	2005	2004	2005	2004
Installment dues	4,279,841,509.73	4,990,027,803.73	4,279,841,509.73	4,772,274,451.23
Less Recognized income	<u>(4,250,918,190.33)</u>	<u>(4,944,526,542.45)</u>	<u>(4,250,918,190.33)</u>	<u>(4,726,773,189.95)</u>
	<u>28,923,319.40</u>	<u>45,501,261.28</u>	<u>28,923,319.40</u>	<u>45,501,261.28</u>
It is consisted of				
Unbilled receivables	12,066,800.00	-	12,066,800.00	-
Unrealized income	<u>(40,990,119.40)</u>	<u>(45,501,261.28)</u>	<u>(40,990,119.40)</u>	<u>(45,501,261.28)</u>
	<u>(28,923,319.40)</u>	<u>(45,501,261.28)</u>	<u>(28,923,319.40)</u>	<u>(45,501,261.28)</u>

9. SHORT-TERM LOAN TO RELATED PARTIES

Short-term loan to related parties consist of

	In Baht			
	Consolidated		The Company Only	
	2005	2004	2005	2004
N.C. Property Management Co., Ltd.				
Balance, beginning of year	-	-	45,390,285.15	-
Additional during the year	-	-	68,000,000.00	176,935,719.10
Deduction during the year	-	-	<u>(113,390,285.15)</u>	<u>(131,545,433.95)</u>
Balance, ending of year	-	-	-	45,390,285.15
N.C. Estate Co., Ltd.				
Balance, beginning of year	-	-	-	27,850,000.00
Additional during the year	-	-	-	49,903,561.00
Deduction during the year	-	-	-	<u>(77,753,561.00)</u>
Balance, ending of year	-	-	-	-
Quality Living Management Co., Ltd.				
Balance, beginning of year	-	-	-	4,450,000.00
Additional during the year	-	-	-	-
Deduction during the year	-	-	-	<u>(4,450,000.00)</u>
Balance, ending of year	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>45,390,285.15</u>

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

10. INVENTORIES - NET

Inventories - net consist of

	In Baht			
	Consolidated		The Company Only	
	2005	2004	2005	2004
Houses for sales	665,359,062.17	262,908,411.87	664,357,628.25	265,412,477.92
Construction in progress	209,890.35	1,023,675.39	-	-
	665,568,952.52	263,932,087.26	664,357,628.25	265,412,477.92
Less: Allowance for declining value of inventories	-	-	-	-
Inventories - net	<u>665,568,952.52</u>	<u>263,932,087.26</u>	<u>664,357,628.25</u>	<u>265,412,477.92</u>

As at December 31, 2005 and 2004, the Company and subsidiaries have houses for sales totalling 179 units (179 units for the Company only) and 88 units (88 units for the Company only), respectively. The selling contracted houses are totalling 40 units (40 units for the Company only) and 45 units (45 units for the Company only), respectively, at cost of houses for sales totalling Baht 78.46 million (Baht 78.46 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.

11. PROPERTY DEVELOPMENT

11.1 Actual property development cost consist of

Consolidated (In Baht)											
As at December 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	555,993,501.05	2,792,053.43	14,069,214.04	-	-	-	22,359,362.07	595,214,130.59	-	-	595,214,130.59
Baan Pha Piyarom 3	79,847,660.00	17,112,769.50	41,273,164.18	237,054,693.06	4,965,489.83	-	12,740,705.23	392,994,481.80	(5,035,328.25)	(387,959,153.55)	-
Baan Pha Piyarom 6	112,997,047.00	24,134,093.68	67,064,022.37	392,052,063.01	-	-	19,942,503.50	616,189,729.56	(1,720,520.71)	(614,469,208.85)	-
Baan Pha Piyarom 7	107,844,985.14	30,307,659.96	39,538,416.28	160,990,129.06	-	-	32,524,712.77	371,205,903.21	(20,173,713.63)	(161,732,160.28)	189,300,029.30
Baan Pha Piyarom 8	38,844,530.43	18,717,085.20	26,603,234.31	82,759,790.32	-	-	3,738,769.31	170,663,409.57	(26,032,070.46)	(28,192,405.85)	116,438,933.26
Baan Pha Piyarom 9	100,384,883.97	21,519,865.33	34,540,320.37	74,622,896.47	15,779,965.12	-	6,465,925.13	253,313,856.39	(60,090,606.14)	(20,247,990.75)	172,975,259.50
Baan Pha Piyarom Liab Klong 7	71,817,500.00	11,298,806.46	-	-	-	-	1,944,178.22	85,060,484.68	-	-	85,060,484.68
Baan Pha Green Park Royal Pinklao	144,522,684.00	444,054.86	8,274,675.54	128,348,229.69	2,217,215.82	-	7,338,884.83	291,145,744.74	(97,388,369.00)	(193,757,375.74)	-
Baan Pha Green Park Pracha-Utid	194,199,096.72	52,370,563.06	88,679,824.48	144,274,718.43	14,375,364.02	-	22,311,535.09	516,211,101.80	(128,885,378.27)	(73,551,237.55)	313,774,485.98
Baan Pha Green park Rangsit 2	188,656,624.38	3,317,253.88	42,313,653.23	410,540,345.64	5,836,234.74	-	10,615,073.77	661,279,185.64	(23,557,863.78)	(637,721,321.86)	-
Baan Pha Green park Phutta-Monthon	131,426,638.68	25,529,529.94	38,581,463.59	194,730,051.89	1,680,944.00	-	8,253,888.31	400,202,516.41	(103,762,960.54)	(120,524,420.78)	175,915,135.09
Baan Narisa	121,420,800.00	1,222,062.89	10,759,643.74	133,367,391.93	-	715,955.62	9,476,965.36	276,962,819.54	(78,804,667.99)	(198,158,151.55)	-
Baan Pha Thanyathani	-	-	-	195,650,157.23	-	-	-	195,650,157.23	(42,665,834.74)	(130,339,203.91)	22,645,118.58
Baan Pha Thanyathani village 2	239,628,950.58	40,242,741.19	3,805,482.74	5,370,038.75	2,028,078.00	-	7,753,319.61	298,828,610.87	-	-	298,828,610.87
Baan Pha Thanyathani village 3	473,761,306.42	-	-	-	-	-	-	473,761,306.42	-	-	473,761,306.42
Baan Pha Rim Had Jomtien	76,358,841.61	10,114,750.89	54,982,735.95	178,045,850.71	10,288,959.79	-	14,710,815.43	344,501,954.38	(76,240,314.74)	(227,253,702.55)	41,007,937.09
Baan Pha Rim Had Jomtien 2	169,607,904.39	-	-	-	-	-	-	169,607,904.39	-	-	169,607,904.39
Khon Kan Condominium	8,700,899.83	58,279.99	28,632,446.61	39,926,924.38	-	995,173.65	2,320,978.91	80,634,703.37	-	-	80,634,703.37
Baan Pha Thani Klong 3	151,539,007.03	28,105,161.51	37,998,425.37	26,585,511.19	10,536,760.80	-	4,535,915.25	259,300,781.15	-	-	259,300,781.15
Baan Pha Thani Klong 3 Phase 2	30,660,992.97	-	-	-	-	-	-	30,660,992.97	-	-	30,660,992.97
	<u>2,998,213,854.20</u>	<u>287,286,731.77</u>	<u>537,116,722.80</u>	<u>2,404,318,791.76</u>	<u>67,709,012.12</u>	<u>1,711,129.27</u>	<u>187,033,532.79</u>	<u>6,483,389,774.71</u>	<u>(664,357,628.25)</u>	<u>(2,793,906,333.22)</u>	<u>3,025,125,813.24</u>

Consolidated (In 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	552,268,781.48	3,218,806.89	9,684,335.77	-	-	-	12,166,904.96	577,338,829.10	-	-	577,338,829.10
Baan Pha Piyarom 3	79,847,660.00	17,112,769.50	40,926,658.28	232,822,088.27	4,965,489.83	-	12,740,705.23	388,415,371.11	(30,432,968.37)	(345,765,997.65)	12,216,405.09
Baan Pha Piyarom 6	112,997,047.00	24,134,093.68	65,629,104.47	370,515,607.14	-	-	19,942,503.50	593,218,355.79	(37,180,811.98)	(451,861,840.70)	104,175,703.11
Baan Pha Piyarom 7	107,844,985.14	29,371,745.98	25,823,449.82	32,057,724.08	-	-	26,549,859.70	221,647,764.72	-	-	221,647,764.72
Baan Pha Piyarom 8	42,569,250.00	14,507,007.50	1,563,410.10	-	-	-	11,682,535.40	70,322,203.00	-	-	70,322,203.00
Baan Pha Piyarom 9	100,384,883.97	20,740,958.00	6,595,428.30	4,130,135.70	-	-	733,438.18	132,584,844.15	-	-	132,584,844.15
Baan Pha Green Park Royal Pinklao	144,522,684.00	444,054.86	8,016,821.37	117,458,795.24	1,468,215.82	-	4,127,657.49	276,038,228.78	(31,059,484.21)	(165,423,804.06)	79,554,940.51
Baan Pha Green ParkPracha-Utid	194,199,096.72	50,617,350.34	64,377,064.39	43,045,256.16	14,120,704.02	-	10,752,128.70	377,111,600.33	-	-	377,111,600.33
Baan Pha Green park Rangsit 2	188,656,624.38	3,317,253.88	41,485,946.99	351,674,515.79	5,836,234.74	-	10,615,073.77	601,585,649.55	(3,277,084.64)	(496,723,702.84)	101,584,862.07
Baan Pha Green park PhuttaMonthon	131,426,638.68	25,419,529.94	34,529,594.13	155,969,369.06	1,350,314.00	-	4,031,217.42	352,726,663.23	-	(81,239,050.12)	271,487,613.11
Baan Narisa	121,420,800.00	1,222,062.89	9,512,897.48	128,861,748.45	-	715,955.62	9,476,965.36	271,210,429.80	(118,679,254.80)	(152,531,175.00)	-
Baan Pha Thanyathani	-	-	-	132,094,313.51	-	-	-	132,094,313.51	(33,046,046.53)	(63,499,727.51)	35,548,539.47
Baan Pha Thanyathani village 2	556,772,276.00	560.00	-	-	-	-	1,075,261.09	557,848,097.09	-	-	557,848,097.09
Baan Pha Rim Had Jomtien	72,608,802.92	10,114,750.89	52,283,112.75	81,477,266.88	10,288,959.79	-	10,741,603.43	237,514,496.66	(11,736,827.39)	(66,303,787.36)	159,473,881.91
Baan Pha Rim Had Jomtien 2	169,607,904.39	3,750,038.69	-	-	-	-	-	173,357,943.08	-	-	173,357,943.08
Khon Kan Condominium	8,700,899.83	26,279.99	8,677,042.30	21,807,798.22	-	995,173.65	392,788.69	40,599,982.68	-	-	40,599,982.68
Baan Pha Rangsit Klong 2	38,753,220.00	8,128,832.26	13,499,522.29	107,914,953.90	-	-	799,124.08	169,095,652.53	-	(169,095,652.53)	-
	<u>2,622,581,554.51</u>	<u>212,126,095.29</u>	<u>382,604,388.44</u>	<u>1,779,829,572.40</u>	<u>38,029,918.20</u>	<u>1,711,129.27</u>	<u>135,827,767.00</u>	<u>5,172,710,425.11</u>	<u>(265,412,477.92)</u>	<u>(1,992,444,737.77)</u>	<u>2,914,853,209.42</u>

The Company Only (In Baht)

As at December 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	555,993,501.05	2,792,053.43	14,069,214.04	-	-	-	22,359,362.07	595,214,130.59	-	-	595,214,130.59
Baan Pha Piyarom 3	79,847,660.00	17,112,769.50	41,273,164.18	237,054,693.06	4,965,489.83	-	12,740,705.23	392,994,481.80	(5,035,328.25)	(387,959,153.55)	-
Baan Pha Piyarom 6	112,997,047.00	24,134,093.68	67,064,022.37	392,052,063.01	-	-	19,942,503.50	616,189,729.56	(1,720,520.71)	(614,469,208.85)	-
Baan Pha Piyarom 7	107,844,985.14	30,307,659.96	39,538,416.28	160,990,129.06	-	-	32,524,712.77	371,205,903.21	(20,173,713.63)	(161,732,160.28)	189,300,029.30
Baan Pha Piyarom 8	38,844,530.43	18,717,085.20	26,603,234.31	82,753,955.57	-	-	3,738,769.31	170,657,574.82	(26,032,070.46)	(28,192,405.85)	116,433,098.51
Baan Pha Piyarom 9	100,384,883.97	21,519,865.33	34,540,320.37	74,622,896.47	15,779,965.12	-	6,465,925.13	253,313,856.39	(60,090,606.14)	(20,247,990.75)	172,975,259.50
Baan Pha Piyarom Liab Klong 7	71,817,500.00	11,298,806.46	-	-	-	-	1,944,178.22	85,060,484.68	-	-	85,060,484.68
Baan Pha Green Park											
Royal Pinklao	144,522,684.00	444,054.86	8,274,675.54	128,348,229.69	2,217,215.82	-	7,338,884.83	291,145,744. ⁷⁴	(97,388,369.00)	(193,757,375. ⁷⁴)	-
Baan Pha Green Park											
Pracha-Utid	194,199,096.72	52,370,563.06	88,679,824.48	143,953,538.11	14,375,364.02	-	22,311,535.09	515,889,921.48	(128,885,378.27)	(73,551,237.55)	313,453,305.66
Baan Pha Green park Rangsit 2	188,656,624.38	3,317,253.88	42,313,653.23	410,540,345.64	5,836,234.74	-	10,615,073.77	661,279,185.64	(23,557,863.78)	(637,721,321.86)	-
Baan Pha Green park											
Phutta-Monthon	131,426,638.68	25,529,529.94	38,581,463.59	195,029,580.36	1,680,944.00	-	8,253,888.31	400,502,044.88	(103,762,960.54)	(120,524,420.78)	176,214,663.56
Baan Narisa	121,420,800.00	1,222,062.89	10,759,643.74	133,367,391.93	-	715,955.62	9,476,965.36	276,962,819.54	(78,804,667.99)	(198,158,151.55)	-
Baan Pha Thanyathani	-	-	-	195,730,049.98	-	-	-	195,730,049.98	(42,665,834.74)	(130,339,203.91)	22,725,011.33
Baan Pha Thanyathani village 2	239,628,950.58	40,242,741.19	3,805,482.74	5,370,038.75	2,028,078.00	-	7,753,319.61	298,828,610.87	-	-	298,828,610.87
Baan Pha Thanyathani village 3	473,761,306.42	-	-	-	-	-	-	473,761,306.42	-	-	473,761,306.42
Baan Pha Rim Had Jomtien	72,608,802.92	10,114,750.89	54,982,735.95	178,173,873.07	10,288,959.79	-	14,710,815.43	340,879,938.05	(76,240,314.74)	(227,253,702.55)	37,385,920.76
Baan Pha Rim Had Jomtien 2	169,607,904.39	-	-	-	-	-	-	169,607,904.39	-	-	169,607,904.39
Khon Kan Condominium	8,700,899.83	58,279.99	28,632,446.61	39,926,924.38	-	995,173.65	2,320,978.91	80,634,703.37	-	-	80,634,703.37
Baan Pha Thani Klong 3	151,539,007.03	28,105,161.51	37,998,425.37	26,585,511.19	10,536,760.80	-	4,535,915.25	259,300,781.15	-	-	259,300,781.15
Baan Pha Thani Klong 3 Phase 2	30,660,992.97	-	-	-	-	-	-	30,660,992.97	-	-	30,660,992.97
	<u>2,994,463,815.51</u>	<u>287,286,731.77</u>	<u>537,116,722.80</u>	<u>2,404,499,220.27</u>	<u>67,709,012.12</u>	<u>1,711,129.27</u>	<u>187,033,532.79</u>	<u>6,479,820,164.53</u>	<u>(664,357,628.25)</u>	<u>(2,793,906,333.22)</u>	<u>3,021,556,203.06</u>

The Company Only (In 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	552,268,781.48	3,218,806.89	9,684,335.77	-	-	-	12,166,904.96	577,338,829.10	-	-	577,338,829.10
Baan Pha Piyarom 3	79,847,660.00	17,112,769.50	40,926,658.28	232,822,088.27	4,965,489.83	-	12,740,705.23	388,415,371.11	(30,432,968.37)	(345,765,997.65)	12,216,405.09
Baan Pha Piyarom 6	112,997,047.00	24,134,093.68	65,629,104.47	370,579,598.98	-	-	19,942,503.50	593,282,347.63	(37,180,811.98)	(451,861,840.70)	104,239,694.95
Baan Pha Piyarom 7	107,844,985.14	29,371,745.98	25,823,449.82	32,057,724.08	-	-	26,549,859.70	221,647,764.72	-	-	221,647,764.72
Baan Pha Piyarom 8	42,569,250.00	14,507,007.50	1,563,410.10	-	-	-	11,682,535.40	70,322,203.00	-	-	70,322,203.00
Baan Pha Piyarom 9	100,384,883.97	20,740,958.00	6,595,428.30	4,130,135.70	-	-	733,438.18	132,584,844.15	-	-	132,584,844.15
Baan Pha Green Park Royal Pinklao	144,522,684.00	444,054.86	8,016,821.37	117,356,361.51	1,468,215.82	-	4,127,657.49	275,935,795.05	(31,059,484.21)	(165,423,804.06)	79,452,506.78
Baan Pha Green Park Royal Pracha-Uttd	194,199,096.72	50,617,350.34	64,377,064.39	43,045,256.16	14,120,704.02	-	10,752,128.70	377,111,600.33	-	-	377,111,600.33
Baan Pha Green park Rangsit 2	188,656,624.38	3,317,253.88	41,485,946.99	351,674,515.79	5,836,234.74	-	10,615,073.77	601,585,649.55	(3,277,084.64)	(496,723,702.84)	101,584,862.07
Baan Pha Green park Phutta-Monthon	131,426,638.68	25,419,529.94	34,529,594.13	156,293,449.90	1,350,314.00	-	4,031,217.42	353,050,744.07	-	(81,239,050.12)	271,811,693.95
Baan Narisa	121,420,800.00	1,222,062.89	9,512,897.48	128,861,748.45	-	715,955.62	9,476,965.36	271,210,429.80	(118,679,254.80)	(152,531,175.00)	-
Baan Pha Thanyathani	-	-	-	133,077,875.17	-	-	-	133,077,875.17	(33,046,046.53)	(63,499,727.51)	36,532,101.13
Baan Pha Thanyathani village 2	556,772,276.00	560.00	-	-	-	-	1,075,261.09	557,848,097.09	-	-	557,848,097.09
Baan Pha Rim Had Jomtien	72,608,802.92	10,114,750.89	52,283,112.75	81,762,953.90	10,288,959.79	-	10,741,603.43	237,800,183.68	(11,736,827.39)	(66,303,787.36)	159,759,568.93
Baan Pha Rim Had Jomtien 2	169,607,904.39	-	-	-	-	-	-	169,607,904.39	-	-	169,607,904.39
Khon Kan Condominium	8,700,899.83	26,279.99	8,677,042.30	21,807,798.22	-	995,173.65	392,788.69	40,599,982.68	-	-	40,599,982.68
	<u>2,583,828,334.51</u>	<u>200,247,224.34</u>	<u>369,104,866.15</u>	<u>1,673,469,506.13</u>	<u>38,029,918.20</u>	<u>1,711,129.27</u>	<u>135,028,642.92</u>	<u>5,001,419,621.52</u>	<u>(265,412,477.92)</u>	<u>(1,823,349,085.24)</u>	<u>2,912,658,058.36</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 years ended December 31, 2005 and 2004 amounting to approximately Baht 52.0 million and Baht 36.6 million, respectively were capitalized as part of property development cost and portions of the Company's interest expense incurred for the years ended December 31, 2005 and 2004 amounting to approximately Baht 52.0 million and Baht 36.2 million, respectively, were capitalized as part of property development cost.

11.2 OBLIGATION AND COMMITMENT UNDER REAL ESTATE PROJECTS

	Consolidated		The Company Only	
	2005	2004	2005	2004
Number of projects on hand, beginning of the year	13	12	13	11
Number of closing projects	-	3	-	2
Number of newly open projects	3	4	3	4
Number of projects on hand, ending of the year	16	13	16	13
Contracted sales value (In million Baht)	4,919.22	3,444.19	4,919.22	3,444.19
As percentage of total projects value	43.83	48.15	43.83	48.15

As at December 31, 2005 and 2004 the Company and subsidiaries have obligation and commitment to complete utilities of developing projects in the amount of Baht 182.88 million (Baht 182.88 million for the Company's only) million and Baht 130.93 million (Baht 130.93 million for the Company's only), respectively.

12. INVESTMENT IN SUBSIDIARIES - AT EQUITY METHOD

		The Company Only						
Type of business	Relationship	Paid - up share capital (In Baht)	Percentage of holding (%)	Cost Method (In Baht)	Equity Method (In Baht)		Dividend (In Baht)	
					2005	2004		
Subsidiaries :-								
N.C. Property Management Ltd.	Contractor and Co., Project management	Co - Shareholding/ Directing	10,000,000.00	100.00	11,864,497.94	67,458,305.50	61,560,783.68	-
N.C. Estate Co., Ltd.	Real Estate	Co - Shareholding/ Directing	2,000,000.00	100.00	80,476.24	15,509,373.15	16,418,642.94	-
Quality Living Management Ltd.	Property manager Co., service	Co - Shareholding/ Directing	1,000,000.00	100.00	0.01	4,010,945.62	3,254,911.88	-
					11,944,974.19	86,978,624.27	81,234,338.50	

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

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

This account consist of :-

	In Baht			
	Consolidated		The Company Only	
	2005	2004	2005	2004
Bank overdrafts from financial institutions	4,680,564.51	66,271,125.11	4,025,241.15	65,855,973.34
Short-term loans	763,657,534.25	250,000,000.00	763,657,534.25	250,000,000.00
	<u>768,338,098.76</u>	<u>316,271,125.11</u>	<u>767,682,775.40</u>	<u>315,855,973.34</u>

As at December 31, 2005 and 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 and subsidiaries's saving accounts.

As at December 31, 2005 and 2004, the Company has short-term loan line with a financial institution totalling Baht 450 million and Baht 50 million, respectively, with interest rate at 6.00% 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 December 31, 2005 and 2004, the Company has short-term loan with provident funds and mutual funds totalling Baht 510 million and Baht 200 million respectively with interest rate at 4.25% per annum and interest rate at 4.00% per annum, respectively.

15. LONG-TERM LOANS

This account consist of

	In Baht			
	Consolidated		The Company Only	
	2005	2004	2005	2004
Loans from local banks				
The first credit line	571,479,597.61	730,009,476.35	571,479,597.61	730,009,476.35
The second credit line	377,548,967.00	340,000,000.00	377,548,967.00	340,000,000.00
Total	<u>949,028,564.61</u>	<u>1,070,009,476.35</u>	<u>949,028,564.61</u>	<u>1,070,009,476.35</u>

The first credit line.

As at December 31, 2005 and 2004, the Company has several long-term loans from a financial institutions totalling Baht 1,909.74 million and Baht 2,175.22 million, respectively. In year 2005, carrying interest rate at MLR, MLR less 0.50%-1.00% per annum and fixed rate 5.25% per annum and one year fixed deposit rate plus 3.50% per annum in year 2004, carrying interest rate at MLR, MLR less 1.00% annum and one year fixed deposit rate plus 3.50% per annum. (As at December 31, 2005 and 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 December 31, 2005 and 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 December 31, 2005 and 2004, carrying interest rate at 7.25% per annum and 6.25% per annum, respectively). 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 Baht			
	Consolidated		The Company Only	
	2005	2004	2005	2004
Balance, beginning of year	-	-	-	-
Addition during the year	129,500,000.00	117,500,000.00	127,500,000.00	117,500,000.00
Deduction during the year	<u>(129,500,000.00)</u>	<u>(117,500,000.00)</u>	<u>(127,500,000.00)</u>	<u>(117,500,000.00)</u>
Balance, ending of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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

Loan from directors in year 205 and 2004, carried interest rate at 6.00% - 6.25% per annum and 1.00%-1.50% per annum, respectively and due at call.

17. SHORT-TERM LOAN FROM RELATED PARTIES

	In Baht			
	Consolidated		The Company Only	
	2005	2004	2005	2004
N.C. Property Management Co., Ltd.				
Balance, beginning of year	-	-	-	26,747,101.05
Addition during the year	-	-	31,000,000.00	11,900,000.00
Deduction during the year	-	-	<u>(31,000,000.00)</u>	<u>(38,647,101.05)</u>
Balance, ending of year	-	-	-	-
N.C. Estate Co., Ltd.				
Balance, beginning of year	-	-	15,123,805.68	-
Addition during the year	-	-	3,500,000.00	15,123,805.68
Deduction during the year	-	-	<u>(9,600,000.00)</u>	-
Balance, ending of year	-	-	<u>9,023,805.68</u>	<u>15,123,805.68</u>
Quality Living Management Co., Ltd.				
Balance, beginning of year	-	-	-	-
Addition during the year	-	-	2,000,000.00	500,000.00
Deduction during the year	-	-	<u>(2,000,000.00)</u>	<u>(500,000.00)</u>
Balance, ending of year	-	-	-	-
S.C. Construction And Decoration Co., Ltd.				
Balance, beginning of year	-	1,900,000.00	-	1,900,000.00
Addition during the year	-	-	-	-
Deduction during the year	-	<u>(1,900,000.00)</u>	-	<u>(1,900,000.00)</u>
Balance, ending of year	-	-	-	-
	-	-	<u>9,023,805.68</u>	<u>15,123,805.68</u>

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.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 which the Company has already registered the incremental shares with the Department of Business Development on June 30, 2005 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.
- Offering date : June 30, 2005
- Secondary Market : The Company will undertake the process to have the Warrants listed in the Stock Exchange of Thailand within 45 days from the issuance date of the Warrants in pursuant to the related notifications. (The Stock Exchange of Thailand (SET) has granted a listing of certificates representing the rights to purchase shares (warrants) of N.C. Housing Public Company Limited No.1 (NCH-W1) from July 19, 2005. The SET has allowed warrants of NCH amounting 100,000,000 units to be traded on the SET under the sector of warrants to subscribe common shares using the trading name of “NCH-W1” commencing from July 19, 2005 onwards.)

The meeting of the board of directors of N.C. Housing Public Company Limited “The Company” No.2/2005 on May 12th, 2005 has established the closing date of the shareholders register book in order to determine shareholders’ entitlement to purchase the newly issued ordinary shares and to receive warrants to purchase the Company’s ordinary shares on May 27th, 2005.

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 2005 and 2004, the Company had additionally appropriated its legal reserve at the amount of Baht 20.87 million and Baht 15.90 million, respectively.

21. EARNINGS PER SHARE

Basic earning per share is calculated by dividing the net income for the years by the weighted average number of ordinary shares which are issued and paid-up during the year.

		Consolidated		The Company Only	
		2005	2004	2005	2004
Net income for the years	(Baht)	99,444,749.31	202,335,794.76	99,444,749.31	202,335,794.76
Weighted average number of					
ordinary shares	(Shares)	1,050,684,932	954,644,809	1,050,684,932	954,644,809
Basic earning per share	(Baht per share)	0.09	0.21	0.09	0.21

22. DIVIDEND

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 for the operating period of 2004 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. The Company paid the interim dividend on June 30, 2005.

At the Board of Directors Meeting No.1/2006 held on February 24, 2006, the board of directors passed the resolution to propose to the shareholders a dividend payment for the operating period of 2005 to all shareholders whose names appeared on the shareholders registration book as of May 3, 2006, 12.00 o'clock at Baht 0.05 per share amounting to Baht 55 million. The Company will pay the interim dividend on May 19, 2006

23. 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 B.E. 2530.

The Company and subsidiaries's contribution for the years ended December 31, 2005 and 2004 amounted to Baht 3,439,940.38 and Baht 3,278,420.31, respectively.

The Company's contributions for the years ended December 31, 2005 and 2004 amounted to Baht 3,060,476.92 and Baht 2,841,746.96, respectively.

24. 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.

25. BUSINESS SEGMENT INFORMATION

Business segment information of the Company and subsidiaries .

	For the year ended December 31, 2005 (In Baht)							
	Real	Contractor	Project	Property	Total	Elimination		Consolidated
	Estate		management	manager services		DR.	CR.	
Revenues								
Sales	1,464,679,914.88	-	-	-	1,464,679,914.88	-	-	1,464,679,914.88
Construction income	2,564,485.98	51,482,078.06	-	-	54,046,564.04	(8,241,084.41)	-	45,805,479.63
Service income	-	-	7,261,810.41	9,970,146.15	17,231,956.56	(3,551,548.97)	-	13,680,407.59
Other income	989,424.17	1,663,868.50	234,657.86	326,146.19	12,122,096.72	(1,747,315.96)	-	10,374,780.76
Share of profit from investments, using the equity method	5,744,285.77	-	-	-	5,744,285.77	(7,550,694.44)	1,806,408.67	-
Total revenues	1,482,886,110.80	53,145,946.56	7,496,468.27	10,296,292.34	1,553,824,817.97			1,534,540,582.86
Expenses								
Cost of sales	972,660,174.97	-	-	-	972,660,174.97	7,403,942.72	(14,018,182.38)	966,045,935.31
Cost of construction	1,936,372.29	36,186,365.16	-	-	38,122,737.45	-	(6,506,803.84)	31,615,933.61
Cost of service	-	-	560,311.40	2,454,066.49	3,014,377.89	-	-	3,014,377.89
Selling and administrative expenses	361,585,152.56	18,224,926.45	2,570,288.58	7,483,492.38	389,863,859.97	-	(3,790,801.33)	386,073,058.64
Loss from non refund withholding income tax	118,175.00	-	-	-	118,175.00	-	-	118,175.00
Total expenses	1,336,299,874.82	54,411,291.61	3,130,599.98	9,937,558.87	1,403,779,325.28			1,386,867,480.45
Income before interest and income tax	146,586,235.98	(1,265,345.05)	4,365,868.29	358,733.47	150,045,492.69	-	-	147,673,102.41
Interest expense	29,128,498.16	633,839.20	89,391.29	217.35	29,851,946.00	-	(1,508,063.60)	28,343,882.40
Income tax	18,922,258.30	-	888,800.35	73,412.05	19,884,470.70	-	-	19,884,470.70
Net income	98,535,479.52	(1,899,184.25)	3,387,676.65	285,104.07	100,309,075.99			99,444,749.31
As at December 31, 2005								
Property, plant and equipment - net	261,697,009.18	1,765,335.45	248,967.89	481,816.08	264,193,128.60			264,193,128.60

For the year ended December 31, 2004 (In Baht)

	Real Estate	Contractor	Project management	Property manager services	Total	Elimination		Consolidated
						DR.	CR.	
Revenues								
Sales	2,307,645,878.50	-	-	-	2,307,645,878.50	(2,072,714.00)	-	2,305,573,164.50
Construction income	766,355.14	266,664,250.60	-	-	267,430,605.74	(70,124,158.61)	-	197,306,447.13
Service income	-	-	12,392,431.53	25,137,119.54	37,529,551.07	(18,942,814.94)	-	18,586,736.13
Reversal of provision for declining value of inventories	562,421.34	-	-	-	562,421.34	-	-	562,421.34
Other income	23,409,654.64	6,200,566.97	288,152.99	205,708.05	30,104,082.65	(4,096,073.08)	-	26,008,009.57
Share of profit from investments, using the equity method	62,470,784.74	-	-	-	62,470,784.74	(62,470,784.74)	-	-
Total revenues	<u>2,394,855,094.36</u>	<u>272,864,817.57</u>	<u>12,680,584.52</u>	<u>25,342,827.59</u>	<u>2,705,743,324.04</u>			<u>2,548,036,778.67</u>
Expenses								
Cost of sales	1,596,774,564.54	-	-	-	1,596,774,564.54	-	(17,531,902.30)	1,579,242,662.24
Cost of construction	434,808.04	190,564,791.82	-	-	190,999,599.86	-	(57,054,728.93)	133,944,870.93
Cost of service	-	-	2,920,800.00	14,799,783.22	17,720,583.22	-	(13,259,678.16)	4,460,905.06
Selling and administrative expenses	462,171,118.87	28,758,050.44	1,246,445.25	7,428,152.73	499,603,767.29	-	(4,669,308.57)	494,934,458.72
Loss from non refund withholding income tax	14,930,620.55	-	-	-	14,930,620.55	-	-	14,930,620.55
Total expenses	<u>2,074,311,112.00</u>	<u>219,322,842.26</u>	<u>4,167,245.25</u>	<u>22,227,935.95</u>	<u>2,320,029,135.46</u>			<u>2,227,513,517.50</u>
Income before interest and income tax	320,543,982.36	53,541,975.31	8,513,339.27	3,114,891.64	385,714,188.58			320,523,261.17
Interest expense	22,113,849.68	3,600,091.30	-	102,723.28	25,816,664.26	-	(3,505,755.05)	22,310,909.21
Income tax	77,359,140.30	17,034,743.72	791,639.28	691,033.90	95,876,557.20	-	-	95,876,557.20
Net income	<u>221,070,992.38</u>	<u>32,907,140.29</u>	<u>7,721,699.99</u>	<u>2,321,134.46</u>	<u>264,020,967.12</u>			<u>202,335,794.76</u>
As at December 31, 2004								
Property, plant and equipment - net	<u>282,035,903.52</u>	<u>3,223,025.53</u>	<u>149,780.57</u>	<u>549,714.55</u>	<u>285,958,424.17</u>			<u>285,958,424.17</u>

26. COMMITMENTS AND CONTINGENT LIABILITIES

- a) As at December 31, 2005 the Company and subsidiaries have contingent liabilities from letters of guarantee issued by two banks to government entity and third parties on behalf of the Company and subsidiaries in the utilities amounting to Baht 173.72 million (Baht 173.05 million for the Company only).

- b) As at December 31, 2005 the Company had contingent liability from letters of guarantee issued by a bank on behalf of subsidiary in the electricity amounting to Baht 1 million.

27. AUTHORIZATION FOR ISSUE OF FINANCIAL STATEMENTS

These financial statements are authorized to issue by the management on