

**N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

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**INTERIM CONSOLIDATED FINANCIAL STATEMENTS AND FINANCIAL STATEMENTS  
FOR THE THREE - MONTH AND SIX - MONTH PERIODS ENDED JUNE 30, 2008 AND 2007**

## REVIEW REPORT OF THE AUDITOR

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

I have reviewed the accompanying consolidated balance sheet of N.C. Housing Public Company Limited and subsidiaries as at June 30, 2008 and the related consolidated statements of income for the three - month periods and six-month periods ended June 30, 2008 and 2007 and the consolidated statements of changes in shareholders equity, and cash flows for the six-month periods then ended June 30, 2008 and 2007, and the balance sheet of N.C. Housing Public Company Limited as at June 30, 2008, and the related statements of income for the three-month periods and six-month periods ended June 30, 2008 and 2007, changes in shareholders' equity, and cash flows for the six-month periods then ended June 30, 2008 and 2007. 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 and financial statements for the year ended December 31, 2007 of N.C. Housing Public Company Limited and in my report dated February 28, 2008, expressed an unqualified opinion on those financial statements. The consolidated balance sheet and balance sheet as at December 31, 2007 presented herewith for comparative purposes only, were a part of the audited financial statements. I have not performed any audit procedure since that date.

(Miss Chantra Wongsri - Udornporn)  
Certified Public Accountant  
Registration No. 4996

Dharmniti Auditing Company Limited  
Bangkok, Thailand  
August 14, 2008  
2008/893/8767

**“UNAUDITED”**

**“REVIEWED”**

**N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**BALANCE SHEETS**

**“UNAUDITED”**

**“REVIEWED”**

**N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**BALANCE SHEETS (CONT.)**

**“UNAUDITED”**

**“REVIEWED”**

**N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**BALANCE SHEETS (CONT.)**

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

**“UNAUDITED”**

**“REVIEWED”**

**N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**STATEMENTS OF INCOME**

**FOR THE THREE - MONTH PERIODS ENDED JUNE 30, 2008 AND 2007**

**"UNAUDITED"**

**"REVIEWED"**

**N.C. HOUSING PUBLIC COMPANY LIMITED**

**STATEMENTS OF INCOME**

**FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2008 AND 2007**

**“UNAUDITED”**

**“REVIEWED”**

**N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**

**FOR THE SIX - MONTH PERIODS ENDED JUNE 30, 2008 AND 2007**

**“UNAUDITED”**

**“REVIEWED”**

**N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**STATEMENTS OF CASH FLOWS**

**FOR THE SIX - MONTH PERIODS ENDED JUNE 30, 2008 AND 2007**

**“UNAUDITED”**

**“REVIEWED”**

**N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**STATEMENTS OF CASH FLOWS (CONT.)**

**FOR THE SIX - MONTH PERIODS ENDED JUNE 30, 2008 AND 2007**

**"UNAUDITED"**

**N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**JUNE 30, 2008 AND 2007**

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 12130, Thailand.

(b) Nature of the Company's business

The Company operates its principal business as a real estate developer for trade in various areas such as house for sell including the land development, providing construction services, condominium for sell, providing rental space in club house, etc.

(c) Employees

As at June 30, 2008 and 2007, the Company and subsidiaries have 163 employees and 176 employees, respectively (135 employees and 145 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		For the three-month periods ended	
	June 30,		June 30,	
	2008	2007	2008	2007
Depreciation	4,307	5,832	4,197	5,452
Employee benefit cost	16,972	20,607	15,461	18,611
Directors' remuneration	80	80	80	80

	In Thousand Baht			
	Consolidated		The Company Only	
	For the six-month periods ended		For the six-month periods ended	
	June 30,		June 30,	
	2008	2007	2008	2007
Depreciation	8,754	11,483	8,523	11,110
Employee benefit cost	33,850	39,241	30,853	35,224
Directors' remuneration	200	190	200	190

## 2. BASIS OF INTERIM FINANCIAL STATEMENT PREPARATION AND PRINCIPLES OF CONSOLIDATION

### 2.1 Basis for preparation of interim financial statements

2.1.1 The interim financial statements are prepared on a full financial statements basis which are required to conform to accounting standard determined on Thai Accounting Standards No. 35 Financial Reporting (newly adjusted in 2007) as a result of in respect of Thai Accounting Standards No. 41 Interim Financial Reporting (newly adjusted in 2007). Moreover, these are also including related interpretations and guidelines promulgated by the Federation of Accounting Professions, applicable rules and regulations of the Securities and Exchange Commission and with generally accepted accounting principles in Thailand.

### 2.1.2 Adoption of new accounting standards during the period

Since 2007, The Federation of Accounting Professions (FAP) has issued Notification No.38/2550 dated September 21, 2007 and No. 62/2550 dated December 7, 2007 regarding Thai Accounting Standards (TAS), which were announced in the Royal Gazette. The Notifications require mandating of the new Thai Accounting Standards (Revised 2007) which consist of 10 sets of standards instead of using the cancelled pervious versions.

TAS 25 Cash Flow Statements

TAS 33 Borrowing Costs

TAS 49 Construction Contracts

TAS 35 Financial Reporting and Presentation

TAS 39 Changes in Accounting Policies and Estimates, and Corrections of Errors

TAS 41 Interim Financial Reporting

TAS 29 Leases (cancelled TAS 7 Hire-purchase)

TAS 31 Inventory

TAS 43 Business Combinations

TAS 51 Intangible Assets (newly accounting standard)

Thai Accounting Standards that mentioned above are effective for the financial statements for fiscal years beginning on or after January 1, 2008. The management has assessed the effect of these revised accounting standards and classified them subject to its material impact level to the Company's financial statement as follows:

Revised Thai Accounting Standards that have insignificant impact to the Company's financial statement are the Thai Accounting Standards No. 25, 33, 49, 35, 39, 41, 29 and 31. The management believes that these revised accounting standards will not have significant impact to the Company's financial statement.

Revised Thai Accounting Standards that have no any impact to the Company's financial statement are the Thai Accounting Standards No. 43 and 51. The management believes that these revised accounting standards will not precisely relevant to the Company's business.

2.2 Basis of interim consolidated and operations

2.2.1 The accompanying interim 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
	direct and indirect		
	As at June	As at December	
	30, 2008	31, 2007	
N.C. Property Management Co., Ltd.	100.00	100.00	Contractor and project management
Quality Living Management Co., Ltd.	100.00	100.00	Property management service
N.C. Estate Co., Ltd.	100.00	100.00	Real estate developer (Non - operating)

2.2.2 The acquisition of subsidiaries are recorded by Purchase Method.

2.2.3 Significant intercompany transactions between the Company and subsidiaries have been eliminated.

2.2.4 The interim consolidated financial statements are prepared by using uniform accounting policies for transaction alike and other events in similar circumstances.

2.3 Significant accounting policies

The Company and Subsidiaries prepare of the interim financial statements for the three- month periods and six-month periods ended June 30, 2008 and 2007 with the same accounting policies used in the preparation of the annual financial statements for the year ended December 31, 2007.

3. 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 are as follows:-

The significant outstanding balance at June 30 , 2008 and December 31 , 2007 are as follow:-

	Type of relation	In Thousand Baht			
		Consolidated		The Company Only	
		As at June 30, 2008	As at December 31, 2007	As at June 30, 2008	As at December 31, 2007
<b>Receivable from related parties</b>					
- Quality Living Management Co., Ltd.	Subsidiary	-	-	-	6
- N.C. Property Management Co., Ltd.	Subsidiary	-	-	17	11
		-	-	17	17
<b>Payable to related parties</b>					
- Quality Living Management Co., Ltd.	Subsidiary	-	-	183	-
- N.C. Property Management Co., Ltd.	Subsidiary	-	-	18,355	18,576
- S.C. Construction And Decoration Co., Ltd.	Co-shareholding and directing	166	134	166	134
- Sathaporn Wattana Trading Co., Ltd.	Co-shareholding and directing	4,342	4,309	4,342	4,292
		4,508	4,443	23,046	23,002
<b>Short-term loan from related parties</b>					
- Quality Living Management Co., Ltd.	Subsidiary	-	-	3,500	3,500
- N.C. Estate Co., Ltd.	Subsidiary	-	-	1,724	1,724
- N.C. Property Management Co., Ltd.	Subsidiary	-	-	21,650	15,450
		-	-	26,874	20,674
<b>Short-term loan from directors</b>					
- Manager of legacy					
Mr.Namchai Tanthathoedtham *	Director	137,050	137,050	137,050	137,050
- Mr. Somchao Tanthathoedtham	Director	26,820	21,500	26,820	21,500
		163,870	158,550	163,870	158,550
<b>Accrued interest from short-term loan</b>					
- Quality Living Management Co., Ltd.	Subsidiary	-	-	21	62
- N.C. Property Management Co., Ltd.	Subsidiary	-	-	131	284
- N.C. Estate Co., Ltd.	Subsidiary	-	-	10	22
		-	-	162	368
<b>Accrued interest</b>					
- Manager of legacy					
Mr.Namchai Tanthathoedtham *	Director	4,271	4,254	4,271	4,254
- Mr. Somchao Tanthathoedtham	Director	412	162	412	162
		4,683	4,416	4,683	4,416
<b>Rental fee payable</b>					
- Mrs. Patcharin Tanthathoedtham	Shareholder's relative	330	-	330	-
<b>* Manager of legacy Mr.Namchai Tanthathoedtham</b>					
- Mr. Somchao Tanthathoedtham					
- Mr. Prasit Tanthathoedtham					
- Mr. Somnuek Tanthathoedtham					
- Mr. Sujin Thanthathoedtham					

		In Thousand Baht			
		Consolidated		The Company Only	
		For the three-month periods		For the three-month periods	
		end June 30,		end June 30,	
Pricing basis		2008	2007	2008	2007
<u>Transaction during the period</u>					
Other income - rental					
Quality Living Management Co., Ltd.	Baht 5,000 per month	-	-	15	15
N.C. Property Management Co., Ltd.	Baht 2,500 per month	-	-	8	8
Other income - Utility					
Quality Living Management Co., Ltd.	Baht 1,401.87 per month	-	-	4	4
N.C. Property Management Co., Ltd.	Baht 350.47 per month	-	-	1	1
Purchase construction materials					
S.C. Construction And Decoration Co., Ltd.	Market price	-	414	-	414
Sathaporn Wattana Trading Co., Ltd.	Market price	6,795	5,407	6,795	5,129
Management fee					
Quality Living Management Co., Ltd.	Minimum Baht 30,000 per project	-	-	417	446
Utility					
N.C. Property Management Co., Ltd.	At cost	-	-	4	-
Other expense - rental					
Mrs. Patcharin Tanthathoedtham	Baht 55,000 per month	165	165	165	165
Interest expenses					
Quality Living Management Co., Ltd.	In year 2008, at the rate of 2.375% p.a. In year 2007, at the rate of 7.50% p.a.	-	-	20	64
N.C. Property Management Co., Ltd.	In year 2008, at the rate of 2.375% p.a. In year 2007, at the rate of 7.50% p.a.	-	-	131	458
N.C. Estate Co., Ltd.	In year 2008, at the rate of 2.375% p.a. In year 2007, at the rate of 8.50% p.a.	-	-	10	247
Manager of legacy					
- Mr.Namchai Tanthathoedtham *	At the rate of 6.25% p.a.	2,135	1,924	2,135	1,924
Mr. Somchao Tanthathoedtham	At the rate of 6.25% p.a.	411	137	411	137

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		In Thousand Baht			
		Consolidated		The Company Only	
		For the six-month periods end June 30,		For the six-month periods end June 30,	
Pricing basis		2008	2007	2008	2007
<u>Transaction during the period</u>					
Other income - rental					
Quality Living Management Co., Ltd.	Baht 5,000 per month	-	-	30	30
N.C. Property Management Co., Ltd.	Baht 2,500 per month	-	-	15	15
Other income - Utility					
Quality Living Management Co., Ltd.	Baht 1,401.87 per month	-	-	8	8
N.C. Property Management Co., Ltd.	Baht 350.47 per month	-	-	2	2
Purchase construction materials					
S.C. Construction And Decoration Co., Ltd.	Market price	-	422	-	422
Sathaporn Wattana Trading Co., Ltd.	Market price	10,644	9,188	10,644	8,892
Acquisition of assets					
S.C. Construction And Decoration Co., Ltd.	Market price	32	-	32	-
Management fee					
Quality Living Management Co., Ltd.	Minimum Baht 30,000 per project	-	-	786	1,018
Utility					
N.C. Property Management Co., Ltd.	At cost	-	-	13	-
Utility (Servitude)					
N.C. Property Management Co., Ltd.	At cost	-	-	250	-
Other expense - rental					
Mrs. Patcharin Tanthathoedtham	Baht 55,000 per month	330	330	330	330
Interest expenses					
Quality Living Management Co., Ltd.	In year 2008, at the rate of 2.375% p.a. In year 2007, at the rate of 7.00%-7.50 p.a.	-	-	41	127
N.C. Property Management Co., Ltd.	In year 2008, at the rate of 2.375% p.a. In year 2007, at the rate of 7.00%-7.50 p.a.	-	-	235	956
N.C. Estate Co., Ltd.	In year 2008, at the rate of 2.375% p.a. In year 2007, at the rate of 7.75%-8.50 p.a.	-	-	20	509
Manager of legacy					
- Mr.Namchai Tanthathoedtham *	At the rate of 6.25% p.a.	4,271	3,587	4,271	3,587
Mr. Somchao Tanthathoedtham	At the rate of 6.25% p.a.	712	241	712	241

#### 4. CASH AND CASH EQUIVALENTS

		In Thousand Baht			
		Consolidated		The Company Only	
		As at June 30, 2008	As at December 31, 2007	As at June 30, 2008	As at December 31, 2007
Cash in hand		4,020	12,126	4,002	12,073
Cash at bank - current accounts		1,587	716	965	675
Cash at bank - savings accounts		1,421	2,288	715	750
Total		<u>7,028</u>	<u>15,130</u>	<u>5,682</u>	<u>13,498</u>

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

## 5. TRADE ACCOUNTS RECEIVABLE

Trade accounts receivable consist of the following:

	In Thousand Baht			
	Consolidated		The Company Only	
	As at June 30, 2008	As at December 31, 2007	As at June 30, 2008	As at December 31, 2007
Real Estate				
Receivable from installment	533	2,729	533	2,729
Contractor and project management				
Management receivable	6,234	6,069	-	-
Property manager services				
Management receivable	321	3	-	-
Total	7,088	8,801	533	2,729
Less Allowance for doubtful accounts	(533)	(247)	(533)	(247)
Trade accounts receivable-net	6,555	8,554	-	2,482

The accounts receivable were classified by aging as follows:

	In Thousand Baht			
	Consolidated		The Company Only	
	As at June 30, 2008	As at December 31, 2007	As at June 30, 2008	As at December 31, 2007
Over 0 month to 3 months	487	7,947	-	2,196
Over 3 months to 6 months	5,747	-	-	-
Over 6 months to 12 months	-	854	-	533
Over 12 months	854	-	533	-
Total	7,088	8,801	533	2,729

Changes in the allowance for doubtful accounts during the periods are as follows:-

	In Thousand Baht			
	Consolidated		The Company Only	
	As at June 30, 2008 (For the six-month)	As at December 31, 2007 (For the year)	As at June 30, 2008 (For the six-month)	As at December 31, 2007 (For the year)
Beginning balance	247	247	247	247
Increase	286	-	286	-
Decrease	-	-	-	-
Ending balance	533	247	533	247

## Receivable from installment consist of

		Consolidated		The Company Only	
		As at June	As at December	As at June	As at December
		30, 2008	31, 2007	30, 2008	31, 2007
Contracted sales value	(In Million Baht)	6,197.31	5,829.81	6,197.31	5,829.81
Installment dues	(In Thousand Baht)	5,704,637	5,362,454	5,704,637	5,362,454
<u>Less</u> collected amount	(In Thousand Baht)	(5,704,104)	(5,359,725)	(5,704,104)	(5,359,725)
Receivable from installment	(In Thousand Baht)	533	2,729	533	2,729

## 6. UNBILLED RECEIVABLE / UNREALIZED INCOME

		In Thousand Baht			
		Consolidated		The Company Only	
		As at June	As at December	As at June	As at December
		30, 2008	31, 2007	30, 2008	31, 2007
Installment dues		5,704,637	5,362,454	5,704,637	5,362,454
<u>Less</u> recognized income		(5,707,958)	(5,328,686)	(5,707,958)	(5,328,686)
		(3,321)	33,768	(3,321)	33,768
The transactions consist of					
Descriptions as below					
Unbilled receivables		35,640	19,486	35,640	19,486
Unrealized incomes collected from					
both the deposit of purchase					
and sale contract paid under					
20% of its contract amount					
and the excess installment					
over the project progression.		(32,319)	(53,254)	(32,319)	(53,254)
		3,321	(33,768)	3,321	(33,768)

## 7. INVENTORIES - NET

## Inventories - net consist of

		In Thousand Baht			
		Consolidated		The Company Only	
		As at June	As at December	As at June	As at December
		30, 2008	31, 2007	30, 2008	31, 2007
Houses and condominiums for sales		559,880	614,197	558,723	613,085
Construction in progress		-	7	-	-
		559,880	614,204	558,723	613,085
<u>Less</u> allowance for declining value of inventories		-	-	-	-
Inventories - net		559,880	614,204	558,723	613,085

The Company has commitment under the signed purchase and sale contract as follow:-

	Consolidated			
	As at June 30, 2008		As at December 31, 2007	
	Unit	In Million Baht	Unit	In Million Baht
House and condominiums for sales	336	559.88	196	614.20
The selling contracted house and condominiums	(73)	(79.22)	(31)	(60.75)
House and condominiums for sale - net	<u>263</u>	<u>480.66</u>	<u>165</u>	<u>553.45</u>

  

	The Company Only			
	As at June 30, 2008		As at December 31, 2007	
	Unit	In Million Baht	Unit	In Million Baht
House and condominiums for sales	336	558.72	196	613.08
The selling contracted house and condominiums	(73)	(79.22)	(31)	(60.75)
House and condominiums for sale - net	<u>263</u>	<u>479.50</u>	<u>165</u>	<u>552.33</u>

As at June 30, 2008 inventories of the project in the amount of Baht 558.72 million are mortgaged as collateral for long-term loans with two financial institutions in the amount of Baht 2,561.74 million (see note 14).

As at December 31, 2007 inventories of the project in the amount of Baht 613.08 million are mortgaged as collateral for long - term loans with two financial institutions in the amount of Baht 2,409.97 million. (see note 14).

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## 8. PROPERTY DEVELOPMENT

### 8.1 Actual property development cost consist of :

Consolidated (In Thousand Baht)											
As at June 30, 2008											
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	449,209	2,792	14,069	-	-	-	22,359	488,429	-	-	488,429
Baan Pha Piyarom 3	79,847	17,113	41,767	237,055	4,965	-	12,740	393,487	5,051	388,436	-
Baan Pha Piyarom 7	107,844	30,308	44,784	261,569	-	-	32,525	477,030	31,481	433,005	12,544
Baan Pha Piyarom 8	38,844	18,754	35,553	222,707	-	-	10,683	326,541	13,044	313,497	-
Baan Pha Piyarom 9	100,385	21,638	35,522	115,173	15,780	-	23,625	312,123	67,278	102,861	141,984
Baan Pha Piyarom 11	70,202	1,671	-	-	-	-	1,472	73,345	-	-	73,345
Baan Pha Green Park Royal Pinklao	144,523	444	8,275	131,087	2,217	-	7,339	293,885	19,575	274,310	-
Baan Pha Green Park Pracha-Utid	194,199	52,460	91,204	203,660	15,316	-	52,934	609,773	72,548	280,358	256,867
Baan Pha Green park Rangsit 2	188,657	3,317	42,314	411,349	5,836	-	10,615	662,088	2,924	659,164	-
Baan Pha Green park Phutta-Monthon	131,427	25,529	39,370	219,859	1,639	-	17,421	435,245	115,033	251,691	68,521
Baan Narisa	121,421	1,222	10,760	140,408	-	716	9,477	284,004	14,777	267,837	1,390
Baan Pha Thanyathani	-	-	-	233,555	-	-	-	233,555	23,399	196,373	13,783
Baan Pha Thanyathani village 2	240,005	54,294	62,986	76,495	29,850	-	38,731	502,361	72,243	98,467	331,651
Baan Pha Thanyathani village 3	473,761	1,581	-	-	-	-	4,804	480,146	-	4,804	475,342
Baan Pha Rim Had Jomtien	76,175	10,115	55,127	201,004	10,289	-	17,329	370,039	5,867	360,614	3,558
Baan Pha Rim Had Jomtien 2	163,492	-	-	-	-	-	-	163,492	-	-	163,492
Khon Kan Condominium	7,413	110	33,182	40,964	-	-	5,528	87,197	64,924	22,273	-
Baan Pha Green park Klong 3	151,525	28,222	49,855	115,840	10,599	-	25,339	381,380	46,281	151,580	183,519
Baan Pha Green park Klong 3 Phase 2	30,675	5,841	-	-	-	-	1,200	37,716	-	-	37,716
Baan Pha Piyarom 10	90,949	5,000	616	3,184	-	-	4,606	104,355	-	-	104,355
Baan Pha Rangsit Klong 7	17,452	10,784	9,124	27,705	-	-	2,182	67,247	5,455	13,520	48,272
	<u>2,878,005</u>	<u>291,195</u>	<u>574,508</u>	<u>2,641,614</u>	<u>96,491</u>	<u>716</u>	<u>300,909</u>	<u>6,783,438</u>	<u>559,880</u>	<u>3,818,790</u>	<u>2,404,768</u>

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Consolidated (In Thousand Baht)

As at December 31, 2007

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	449,209	2,792	14,069	-	-	-	22,359	488,429	-	-	488,429
Baan Pha Piyarom 3	79,847	17,113	41,767	237,055	4,965	-	12,740	393,487	5,051	388,436	-
Baan Pha Piyarom 7	107,844	30,308	43,706	255,867	-	-	32,525	470,250	32,333	413,841	24,076
Baan Pha Piyarom 8	38,844	18,754	35,183	224,441	-	-	10,683	327,905	53,634	273,687	584
Baan Pha Piyarom 9	100,385	21,520	35,154	107,258	15,780	-	21,297	301,394	64,445	89,655	147,294
Baan Pha Piyarom 11	70,202	1,671	-	-	-	-	1,472	73,345	-	-	73,345
Baan Pha Green Park Royal Pinklao	144,523	444	8,275	130,714	2,217	-	7,339	293,512	19,271	274,241	-
Baan Pha Green Park Pracha-Utid	194,199	52,460	91,095	194,161	15,316	-	48,922	596,153	94,906	246,686	254,561
Baan Pha Green park Rangsit 2	188,657	3,317	42,314	411,349	5,836	-	10,615	662,088	2,923	659,165	-
Baan Pha Green park Phutta-Monthon	131,427	25,529	39,046	216,541	1,639	-	17,421	431,603	125,462	228,458	77,683
Baan Narisa	121,421	1,222	10,760	139,038	-	716	9,477	282,634	25,478	253,393	3,763
Baan Pha Thanyathani	-	-	-	226,362	-	-	-	226,362	23,928	189,516	12,918
Baan Pha Thanyathani village 2	239,965	54,294	61,003	61,665	29,850	-	33,707	480,484	72,286	71,143	337,055
Baan Pha Thanyathani village 3	473,761	1,546	-	-	-	-	4,804	480,111	-	4,804	475,307
Baan Pha Rim Had Jomtien	76,194	10,115	55,127	200,994	10,289	-	17,329	370,048	14,940	351,536	3,572
Baan Pha Rim Had Jomtien 2	163,492	-	-	-	-	-	-	163,492	-	-	163,492
Khon Kan Condominium	7,413	110	32,764	40,874	-	-	5,528	86,689	-	-	86,689
Baan Pha Green park Klong 3	151,525	28,222	49,423	105,557	10,599	-	22,886	368,212	75,437	110,748	182,027
Baan Pha Green park Klong 3 Phase 2	30,675	5,223	-	-	-	-	1,200	37,098	-	-	37,098
Baan Pha Piyarom 10	90,949	2,629	-	-	-	-	3,274	96,852	-	-	96,852
Baan Pha Rangsit Klong 7	17,452	10,784	4,539	7,525	-	-	1,546	41,846	4,103	2,500	35,243
	<u>2,877,984</u>	<u>288,053</u>	<u>564,225</u>	<u>2,559,401</u>	<u>96,491</u>	<u>716</u>	<u>285,124</u>	<u>6,671,994</u>	<u>614,197</u>	<u>3,557,809</u>	<u>2,499,988</u>

“UNAUDITED”

“REVIEWED”

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The Company Only (In Thousand Baht)

As at June 30, 2008

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	449,209	2,792	14,069	-	-	-	22,359	488,429	-	-	488,429
Baan Pha Piyarom 3	79,847	17,113	41,767	237,055	4,965	-	12,740	393,487	5,051	388,436	-
Baan Pha Piyarom 7	107,844	30,308	44,784	261,569	-	-	32,525	477,030	31,481	433,005	12,544
Baan Pha Piyarom 8	38,844	18,754	35,553	222,707	-	-	10,683	326,541	13,044	313,497	-
Baan Pha Piyarom 9	100,385	21,638	35,522	115,173	15,780	-	23,625	312,123	67,278	102,861	141,984
Baan Pha Piyarom 11	70,202	1,671	-	-	-	-	1,472	73,345	-	-	73,345
Baan Pha Green Park											
Royal Pinklao	144,523	444	8,275	131,087	2,217	-	7,339	293,885	19,575	274,310	-
Baan Pha Green Park											
Pracha-Utid	194,199	52,460	91,204	203,168	15,316	-	52,934	609,281	72,577	280,330	256,374
Baan Pha Green park Rangsit 2	188,657	3,317	42,314	411,349	5,836	-	10,615	662,088	2,924	659,164	-
Baan Pha Green park											
Phutta-Monthon	131,427	25,529	39,370	220,034	1,639	-	17,421	435,420	115,068	251,656	68,696
Baan Narisa	121,421	1,222	10,760	140,408	-	716	9,477	284,004	14,777	267,837	1,390
Baan Pha Thanyathani	-	-	-	233,555	-	-	-	233,555	22,178	197,594	13,783
Baan Pha Thanyathani village 2	239,629	54,294	62,987	76,514	29,850	-	38,731	502,005	72,243	98,467	331,295
Baan Pha Thanyathani village 3	473,761	1,581	-	-	-	-	4,804	480,146	-	4,804	475,342
Baan Pha Rim Had Jomtien	72,609	10,115	55,127	201,012	10,289	-	17,329	366,481	5,867	360,614	-
Baan Pha Rim Had Jomtien 2	163,492	-	-	-	-	-	-	163,492	-	-	163,492
Khon Kan Condominium	7,413	110	33,182	40,964	-	-	5,528	87,197	64,924	22,273	-
Baan Pha Green park Klong 3	151,525	28,222	49,855	115,840	10,599	-	25,339	381,380	46,281	151,580	183,519
Baan Pha Green park Klong 3											
Phase 2	30,675	5,841	-	-	-	-	1,200	37,716	-	-	37,716
Baan Pha Piyarom 10	90,949	5,000	616	3,184	-	-	4,606	104,355	-	-	104,355
Baan Pha Rangsit Klong 7	17,452	10,784	9,124	27,705	-	-	2,182	67,247	5,455	13,520	48,272
	<u>2,874,063</u>	<u>291,195</u>	<u>574,509</u>	<u>2,641,324</u>	<u>96,491</u>	<u>716</u>	<u>300,909</u>	<u>6,779,207</u>	<u>558,723</u>	<u>3,819,948</u>	<u>2,400,536</u>

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- 13 -

The Company Only (In Thousand Baht)

As at December 31, 2007

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	449,209	2,792	14,069	-	-	-	22,359	488,429	-	-	488,429
Baan Pha Piyarom 3	79,847	17,113	41,767	237,055	4,965	-	12,740	393,487	5,051	388,436	-
Baan Pha Piyarom 7	107,844	30,308	43,706	255,867	-	-	32,525	470,250	32,333	413,841	24,076
Baan Pha Piyarom 8	38,844	18,754	35,183	224,441	-	-	10,683	327,905	53,634	273,687	584
Baan Pha Piyarom 9	100,385	21,520	35,154	107,258	15,780	-	21,297	301,394	64,445	89,655	147,294
Baan Pha Piyarom 11	70,202	1,671	-	-	-	-	1,472	73,345	-	-	73,345
Baan Pha Green Park											
Royal Pinklao	144,523	444	8,275	130,714	2,217	-	7,339	293,512	19,271	274,241	-
Baan Pha Green Park											
Pracha-Utid	194,199	52,460	91,095	193,670	15,316	-	48,922	595,662	94,981	246,611	254,070
Baan Pha Green park Rangsit 2	188,657	3,317	42,314	411,349	5,836	-	10,615	662,088	2,924	659,164	-
Baan Pha Green park											
Phutta-Monthon	131,427	25,529	39,046	216,731	1,639	-	17,421	431,793	125,497	228,423	77,873
Baan Narisa	121,421	1,222	10,760	139,038	-	716	9,477	282,634	25,478	253,393	3,763
Baan Pha Thanyathani	-	-	-	226,362	-	-	-	226,362	22,706	190,738	12,918
Baan Pha Thanyathani village 2	239,629	54,294	61,003	61,664	29,850	-	33,707	480,147	72,286	71,143	336,718
Baan Pha Thanyathani village 3	473,761	1,546	-	-	-	-	4,804	480,111	-	4,804	475,307
Baan Pha Rim Had Jomtien	72,609	10,115	55,127	201,007	10,289	-	17,329	366,476	14,940	351,536	-
Baan Pha Rim Had Jomtien 2	163,492	-	-	-	-	-	-	163,492	-	-	163,492
Khon Kan Condominium	7,413	110	32,764	40,874	-	-	5,528	86,689	-	-	86,689
Baan Pha Green park Klong 3	151,525	28,222	49,423	105,557	10,599	-	22,886	368,212	75,437	110,748	182,027
Baan Pha Green park Klong 3											
Phase 2	30,675	5,223	-	-	-	-	1,200	37,098	-	-	37,098
Baan Pha Piyarom 10	90,949	2,629	-	-	-	-	3,274	96,852	-	-	96,852
Baan Pha Rangsit Klong 7	17,452	10,784	4,539	7,525	-	-	1,546	41,846	4,102	2,501	35,243
	<u>2,874,063</u>	<u>288,053</u>	<u>564,225</u>	<u>2,559,112</u>	<u>96,491</u>	<u>716</u>	<u>285,124</u>	<u>6,667,784</u>	<u>613,085</u>	<u>3,558,921</u>	<u>2,495,778</u>

As at June 30, 2008 and December 31, 2007, land and construction of some project in the amount of Baht 2,400.54 million and Baht 2,495.78 million, respectively, are mortgaged as collateral against credit facilities for long-term loans with two financial institutions in the amount of Baht 2,561.74 million and Baht 2,409.97 million respectively (see note 14).

Portions of the interest expense incurred for the three-month periods ended June 30, 2008 and 2007 amounting to approximately Baht 7.73 million and Baht 12.82 million, respectively were capitalized as part of property development cost for the period. The capitalization rate for calculate interest is 4.95% and 9.34%, respectively, and for the six-month periods ended June 30, 2008 and 2007 amounting to approximately Baht 15.78 million and Baht 32.07 million, respectively, were capitalized as part of property development cost for the period. The capitalization rate for calculate interest is 10.65% and 9.03%, respectively.

## 8.2 OBLIGATION AND COMMITMENT UNDER REAL ESTATE PROJECTS

	Consolidated		The Company Only	
	As at June 30, 2008	As at December 31, 2007	As at June 30, 2008	As at December 31, 2007
	(For six-month)	(For the year)	(For six-month)	(For the year)
Number of projects on hand, beginning of period	19	16	19	16
Number of closing projects	-	-	-	-
Number of newly open projects	-	3	-	3
Number of projects on hand, ending of period	19	19	19	19
Contracted sales value (In million Baht)	6,197.31	5,829.81	6,197.31	5,829.81
As percentage of total current projects value	55.93	51.65	55.93	51.65

As at June 30, 2008 and December 31, 2007 the Company has obligation and commitment to complete the public utility development project in the amount of Baht 202.23 million and Baht 210.20 million, respectively.

## 9. OTHER CURRENT ASSETS

Other current assets consist of the following :

	In Thousand Baht			
	Consolidated		The Company Only	
	As at June 30, 2008	As at December 31, 2007	As at June 30, 2008	As at December 31, 2007
Prepaid expense	2,863	2,032	2,843	2,007
Property - Expropriated	1,584	1,584	1,584	1,584
Receivables - the Revenue Department	895	946	884	914
Advance expense	3,589	10,917	-	-
Retention from construction services	2,009	2,009	-	-
Account receivable from lawsuit (see Note No. 23.6a)	560	560	560	560
Other current assets	1,509	1,582	1,359	1,556
Total	13,009	19,630	7,230	6,621
<u>Less</u> Allowance for doubtful accounts	(697)	(560)	(697)	(560)
Net	12,312	19,070	6,533	6,061

Changes in the allowance for doubtful accounts during the periods are as follows:-

	In Thousand Baht			
	Consolidated		The Company Only	
	As at June 30, 2008	As at December 31, 2007	As at June 30, 2008	As at December 31, 2007
	(For the six-month)	(For the year)	(For the six-month)	(For the year)
Beginning balance	560	560	560	560
increase	137	-	137	-
Decrease	-	-	-	-
Ending balance	697	560	697	560

As at June 30, 2008, the Company and subsidiary's land pending development from Pattaya as referred to title deed number 2050 had been taken back by the government and given compensation at Baht 1.44 million (Baht 1.41 million for the Company only). The payment received in advance of Baht 1.08 million (Baht 1.06 million for the Company only) was recorded in other current liabilities. At present, it is in the process of land ownership transfer.

## 10. DEPOSIT PLEDGED AS COLLATERAL

As at June 30, 2008 and December 31, 2007 the Company had fixed deposit amounting to Baht 0.75 million and Baht 0.87 million, respectively. They are pledged as collateral for customer's loan and gasoline.

As at June 30, 2008 and December 31, 2007 the subsidiaries had current investment - savings accounts amounting to Baht 7.00 million and Baht 6.98 million, respectively. They are pledged as collateral for Bank overdrafts limit and bank guarantee from bank (see note 13).

Bank deposits are carried interest at the floating rate of the bank.

## 11. INVESTMENT IN SUBSIDIARIES - AT COST METHOD

		The Company Only							
Type of business	Relationship	Paid - up share capital (In Thousand Baht)	Percentage of holding (%)	Cost Method (In Thousand Baht)		Equity Method (In Thousand Baht)		Dividend (In Thousand Baht)	
				As at June 30, 2008	As at December 31, 2007	As at June 30, 2008	As at December 31, 2007		
Subsidiaries :-									
N.C. Property Management Co., Ltd.	Contractor and Project management	Co - Shareholding/ Directing	10,000	100	11,865	11,865	55,496	55,746	-
N.C. Estate Co., Ltd.	Real Estate	Co - Shareholding/ Directing	2,000	100	80	80	4,091	4,781	-
Quality Living Management Co., Ltd.	Property manager service	Co - Shareholding/ Directing	1,000	100	-	-	4,604	4,205	-
					11,945	11,945	64,191	64,732	
<u>Less</u> Allowance for declining value of investment					-	-			
Investment in subsidiaries- net					11,945	11,945			

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

## 12. PROPERTY, PLANT AND EQUIPMENT - NET

Property, plant and equipment - net consist of

	Consolidated (In Thousand Baht)			
	Balance as at December 31, 2007	Additions	Deduction	Balance as at June 30, 2008
<u>At cost</u>				
Land - office	1,948	-	-	1,948
- clubhouse	92,973	-	-	92,973
Building- office	11,236	-	-	11,236
- clubhouse	132,828	-	-	132,828
Sample house and sale office building	38,810	-	-	38,810
Building improvement	6,258	-	-	6,258
Machinery and equipment	6,565	10	-	6,575
Office equipment	45,046	290	-	45,336
Furniture and fixtures	13,501	236	-	13,737
Vehicles	20,718	34	-	20,752
Construction in process	-	3,929	-	3,929
Total	369,883	4,499	-	374,382
<u>Less</u> Accumulated depreciation				
Building- office	(6,788)	(279)	-	(7,067)
- clubhouse	(33,515)	(3,521)	-	(37,036)
Sample house and sale office building	(32,494)	(825)	-	(33,319)
Building improvement	(2,018)	(155)	-	(2,173)
Machinery and equipment	(5,600)	(294)	-	(5,894)
Office equipment	(37,558)	(1,925)	-	(39,483)
Furniture and fixtures	(9,971)	(1,002)	-	(10,973)
Vehicles	(19,038)	(753)	-	(19,791)
Total	(146,982)	(8,754)	-	(155,736)
Property, plant and equipment - net	222,901			218,646

	The Company Only (In Thousand Baht)			
	Balance as at	Additions	Deduction	Balance as at
	December 31, 2007			June 30, 2008
<u>At cost</u>				
Land - office	1,948	-	-	1,948
- clubhouse	92,973	-	-	92,973
Building- office	11,236	-	-	11,236
- clubhouse	132,828	-	-	132,828
Sample house and sale office building	38,810	-	-	38,810
Building improvement	6,258	-	-	6,258
Machinery and equipment	5,231	10	-	5,241
Office equipment	43,263	217	-	43,480
Furniture and fixtures	13,282	236	-	13,518
Vehicles	16,111	32	-	16,143
Construction in process	-	3,929	-	3,929
<b>Total</b>	<b>361,940</b>	<b>4,424</b>	<b>-</b>	<b>366,364</b>
<u>Less Accumulated depreciation</u>				
Building- office	(6,788)	(279)	-	(7,067)
- clubhouse	(33,515)	(3,521)	-	(37,036)
Sample house and sale office building	(32,494)	(825)	-	(33,319)
Building improvement	(2,018)	(155)	-	(2,173)
Machinery and equipment	(4,531)	(193)	-	(4,724)
Office equipment	(36,137)	(1,812)	-	(37,949)
Furniture and fixtures	(9,772)	(987)	-	(10,759)
Vehicles	(14,442)	(751)	-	(15,193)
<b>Total</b>	<b>(139,697)</b>	<b>(8,523)</b>	<b>-</b>	<b>(148,220)</b>
<b>Property, plant and equipment - net</b>	<b>222,243</b>			<b>218,144</b>

Land, building and sale office's building including land and clubhouse's building in the total amount of Baht 111.39 million (net book value amount of Baht 87.42 million) are mortgaged as collateral against the loans and overdrafts from two commercial banks in the total amount of Baht 30 million (see note 13).

The fixed assets had been fully depreciated but still in use, as follows:

Transaction	In Thousand Baht			
	Consolidated		The Company Only	
	As at June	As at December	As at June	As at December
	30, 2008	31, 2007	30, 2008	31, 2007
Sample house and sale office building	11,292	11,282	11,292	11,282
Machinery and equipment	2,875	2,408	2,654	2,258
Office equipment	24,355	20,189	23,755	19,827
Furniture and fixtures	3,802	3,357	3,426	3,312
Vehicles	16,398	13,860	11,810	9,273
<b>Total</b>	<b>58,722</b>	<b>51,096</b>	<b>52,937</b>	<b>45,952</b>

**13. BANK OVERDRAFTS AND SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS**

This account consist of :-

	In Thousand Baht			
	Consolidated		The Company Only	
	As at June	As at December	As at June	As at December
	30, 2008	31, 2007	30, 2008	31, 2007
Bank overdrafts from financial institutions	41,137	49,319	36,747	45,095
Short-term loans	97,000	97,000	97,000	97,000
	<u>138,137</u>	<u>146,319</u>	<u>133,747</u>	<u>142,095</u>

  

	Credit line (Million Baht)		Rate	Due Date	Guarantee
	As at June	As at December			
	30, 2008	31, 2007			
<u>Bank Overdraft</u>					
The parent company					
- Siam Commercial Bank	20	20	MOR per annum	At called	- By the mortgage of the Company's land and construction on there. - By some director
- Bankthai	10	10	MOR per annum	At called	- By the mortgage of the Company's land and construction on there.
	<u>30</u>	<u>30</u>			
The subsidiary	5	5	2008 : At the rate of Fixed deposit rate plus 2.00% 2007 : Since Jan. - May at the rate of MOR per annum Since Jun. at the rate of Fixed deposit rate plus 2.00%	At called	- By the subsidiary's savings account
Total Credit line	<u>35</u>	<u>35</u>			
<u>Short-term loans</u>					
The parent company					
- Bank of Ayudhya	35	35	MLR less 0.25% per annum (In year 2008, at the rate of 6.875% per annum . In year 2007, at the rate of 6.875-7.50% per annum)	25 <sup>th</sup> July 2008	-
- Bankthai					
<u>The first loan</u>	50	50	Three months fixed deposit rate plus 2.00% (In year 2008, at the rate of 4.50%-5.00% per annum In year 2007, at the rate of 4.50- 6.75%per annum)	91 days since the loan date	- By the director's three months fixed deposits - By some director
<u>The second loan</u>	12	12	Three months fixed deposit rate plus 2.00% (In year 2008, at the rate of 5.00% per annum In year 2007, at the rate of 4.50-6.25% per annum)	94 days since the loan date	- By some director
	<u>97</u>	<u>97</u>			
Total Credit line	<u>132</u>	<u>132</u>			

Under the terms of the agreements, the Company shall strictly comply with the conditions of agreements.

In addition, the Company has to comply with the terms and conditions as specified in the loan agreement, such as (1) not to sell, dispose, transfer, give rent, pledge, or mortgage the Company's loan collaterals, (2) not to commit any obligation that would result in letting other persons have control or rights in the Company's assets, (3) not to engage into any liability or obligation over Baht 10 million per time except approved by the bank, (4) to maintain a proper financial ratio, (5) to require approval from the bank prior to dividend distribution, (6) not to decrease registered capital and to grant beneficiary of the asset protection insurance to the lender, etc.

#### 14. LONG-TERM LOANS

This account consist of

	In Thousand Baht			
	Consolidated		The Company Only	
	As at June 30, 2008	As at December 31, 2007	As at June 30, 2008	As at December 31, 2007
Loans from local banks				
The first credit line	339,996	450,237	339,996	450,237
The second credit line	392,193	393,020	392,193	393,020
Total	<u>732,189</u>	<u>843,257</u>	<u>732,189</u>	<u>843,257</u>

	Credit line (Million Baht)		Rate	Guarantee
	2008	2007		
<u>Long-term loans</u>				
<u>First loan</u>				
- Siam Commercial Bank	1,784.74	1,632.97	In year 2008 and 2007 : MLR, MLR less 0.50-1.00% per annum (In year 2008, at the rate of 6.375-7.25% per annum In year 2007, at the rate of 6.375-7.50% per annum)	- By the mortgage of the project's land and construction on there.
<u>Second loan</u>				
- Bankthai	777.00	777.00	MLR plus 0.50% per annum (In year 2008, at the rate of 7.625 -8.00% per annum In year 2007, at the rate of 7.625 - 8.25% per annum)	- By the mortgage of the project's land and construction on there.
	<u>2,561.74</u>	<u>2,409.97</u>		

The first credit line

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 7 and 8)

In addition, the Company has to comply with the terms and conditions as specified in the loan agreement, such as (1) not to sell, dispose, transfer, give rent, pledge, or mortgage the Company's loan collaterals, (2) not to commit any obligation that would result in letting other persons have control or rights in the Company's assets, (3) not to engage into any liability or obligation over Baht 10 million per time except approved by the bank, (4) to maintain a proper financial ratio, (5) to require approval from the bank prior to dividend distribution, (6) not to decrease registered capital and to grant beneficiary of the asset protection insurance to the lender, etc.

The second credit line

The Company had to repay the full loan amount within three years from the date of the land mortgage (on December 29, 2004). On January 4, 2008, the Company submitted a request for repayment extension of the loan to December 29, 2010. However, the Company did not estimate the current portion of long-term loans due within one year for this loan amount to be classified under current liabilities in the balance sheet (see note 7 and 8).

In addition, the Company has to comply with the terms and conditions as specified in the loan agreement, such as sending progress report on sales, transfers and construction to the lender each month and managing the Company to increase housing sales by at least 50 units per year (starting from year 2008).

## 15. LOAN FROM DIRECTORS

	In Thousand Baht			
	Consolidated		The Company Only	
	As at June	As at December	As at June	As at December
	30, 2008	31, 2007	30, 2008	31, 2007
	(For six-month)	(For the year)	(For six-month)	(For the year)
Balance, beginning of period	158,550	84,450	158,550	84,450
Addition during the period	20,400	108,300	20,400	108,300
Deduction during the period	(15,080)	(34,200)	(15,080)	(34,200)
Balance, ending of period	<u>163,870</u>	<u>158,550</u>	<u>163,870</u>	<u>158,550</u>

Loan from directors incurred mainly intended to utilize for the Company's working capital and loan repaid.

Loan from directors carried interest rates at 6.25% per annum and will be paid when requested.

## 16. SHORT-TERM LOAN FROM RELATED PARTIES

	In Thousand Baht			
	Consolidated		The Company Only	
	As at June	As at December	As at June	As at December
	30, 2008	31, 2007	30, 2008	31, 2007
	(For six-month)	(For the year)	(For six-month)	(For the year)
N.C. Property Management Co., Ltd.				
Balance, beginning of period	-	-	15,450	28,824
Addition during the period	-	-	7,700	5,850
Deduction during the period	-	-	(1,500)	(19,224)
Balance, ending of period	-	-	21,650	15,450
N.C. Estate Co., Ltd.				
Balance, beginning of period	-	-	1,724	12,524
Addition during the period	-	-	-	300
Deduction during the period	-	-	-	(11,100)
Balance, ending of period	-	-	1,724	1,724
Quality Living Management Co., Ltd.				
Balance, beginning of period	-	-	3,500	3,300
Addition during the period	-	-	-	2,250
Deduction during the period	-	-	-	(2,050)
Balance, ending of period	-	-	3,500	3,500
	-	-	26,874	20,674

The short-term loans from related companies issued as promissory notes carried interest rate of 2.375% per annum in year 2008 and interest rate of 5.00% - 8.50% per annum in year 2007 and will be paid when requested.

## 17. FINANCIAL INSTRUMENTS

## a. 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. The significant financial assets and financial liabilities of the Company and its subsidiary comprise cash and cash equivalents, bank overdrafts and short-term loans from financial institutions, trade account receivable and payable including cheque, unbilled receivable, accrued income, loans, accrued expenses and retentions.

b. Interest Rate Risk

The Company and its subsidiary expose significant interest rate risks which arise from deposit at financial institutions, current investment in fixed deposit at bank, bank overdrafts and short-term loans from financial institutions, long-term loans from financial institutions, loan from director and loan from related company. 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.

c. 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.

18. 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 2007, two subsidiaries had appropriated its legal reserve at the amount of Baht 1.2 million as reserve fund until the reserve reaches 10% of the authorized share capital.

19. EARNINGS PER SHARE

Basic earning per share is calculated by dividing the net income for the period by the weighted average number of ordinary shares held by outside parties in issued and paid-up during the period.

		Consolidated		The Company Only	
		For the three-month periods ended		For the three-month periods ended	
		June 30,		June 30,	
		2008	2007	2008	2007
Net income for the period	(Thousand Baht)	3,580	(20,745)	3,979	(21,467)
Weighted average number of ordinary shares	(Thousand Shares)	1,185,985	1,185,985	1,185,985	1,185,985
Basic earning per share	(Baht per share)	0.003	(0.017)	0.003	(0.018)

  

		Consolidated		The Company Only	
		For the six-month periods ended		For the six-month periods ended	
		June 30,		June 30,	
		2008	2007	2008	2007
Net income for the period	(Thousand Baht)	(7,533)	(36,823)	(6,991)	(36,505)
Weighted average number of ordinary shares	(Thousand Shares)	1,185,985	1,185,985	1,185,985	1,185,985
Basic earning per share	(Baht per share)	(0.006)	(0.031)	(0.006)	(0.031)

20. 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 three-month periods ended June 30, 2008 and 2007 amounted to Baht 0.50 million and for the six-month periods ended June 30, 2008 and 2007 amounted to Baht 1.00 million.

The Company's contributions for the three-month periods ended June 30, 2008 and 2007 amounted to Baht 0.46 million and Baht 0.45 million, respectively, and for the six-month periods ended June 30, 2008 and 2007 amounted to Baht 0.93 Million and Baht 0.90 million, respectively.

21. CORPORATE INCOME TAX AND ITS CALCULATION

The Company computed corporate income tax based on the revenue and expense recognition principle in accordance with the Revenue Code and Instruction of the Revenue Department No. Por 61/2539 regarding the calculation of net profit and net income for real estate business, which differs from the accounting principles selected to apply in certain cases, such as recognition of revenue and cost of sales, capturing of interest expense and depreciation of assets under utilities system development for common facilities, etc.

In the year 2007, the Company computed corporate income tax, for projects launched in or after 2007, based on the principle of revenue and expense recognition in accordance with the Revenue Code and Instruction of the Revenue Department No. Tor.Por. 155/2549 regarding the calculation of revenue and expense of a company or partnership based on the accrual basis, in which revenues are recognized under the percentage of completion method, which is the same basis as the accounting principle as follows ;

<u>Accounting Policy</u>	<u>Revenue Department Principle</u>	<u>Accounting Principle</u>
Revenue from sales and cost of sales	Projects launched before 2007 - Recognizing revenue based on the installment due Projects launched after 2007 - Recognizing revenue based on percentage of completion method	Recognizing revenue based on percentage of completion method
Interest expenses	Capturing interest to cost of project until the project completing for sale only	Capturing interest to cost of project based on each unit of construction (house) until completing of such unit or ceases to capture interest when finishing of building of each unit (house)
Depreciation - property development system of the project	To be depreciated as period cost, based on straight line, 5 years	Recognizing based on percentage of completion method

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	In Thousand Baht	
	For the six-month periods end	
	June 30,	
	2008	2007
Net profit (loss) before per book	(6,991)	(36,505)
Difference in income and expenses between A/C and tax		
<u>Add</u> : Cost of sale not recognized as expenses by tax (depreciation of property development)	12,661	6,908
<u>Less</u> : Undue installment	(10,182)	9,554
Expenses - tax deductible re : Por. 61/2539	(2,349)	(4,202)
Interest expenses recognized as expenses re : Por. 61/2539	(6,893)	(20,630)
<u>Add</u> : Add back expenses	908	1,949
Net profit before income tax per tax	(12,846)	(42,926)
<u>Less</u> : Corporate income tax 25%	-	-
Net profit (loss) after income tax per tax	<u>(12,846)</u>	<u>(42,926)</u>

22. BUSINESS SEGMENT INFORMATION

Business segment information of the Company and subsidiaries is presented as follows:-

For the three-month period ended June 30, 2008 (In Thousand Baht)

	Real	Contractor	Project	Property manager	Total	Elimination		Consolidated
	Estate		management	services		DR.	CR.	
Revenues								
Sales	209,712	-	-	-	209,712	-	-	209,712
Construction income	-	-	-	-	-	-	-	-
Service income	-	-	-	1,373	1,373	(417)	-	956
Other income	1,106	137	-	23	1,266	(194)	-	1,072
Total revenues	210,818	137	-	1,396	212,351			211,740
Expenses								
Cost of sales	144,745	-	-	-	144,745	-	(40)	144,705
Cost of construction	-	-	-	-	-	-	-	-
Cost of service	-	-	-	687	687	-	-	687
Selling and administrative expenses	51,306	440	-	814	52,560	-	(450)	52,110
Directors' remuneration	80	-	-	-	80	-	-	80
Total expenses	196,131	440	-	1,501	198,072			197,582
Income before interest and income tax	14,687	(303)	-	(105)	14,279			14,158
Interest expenses	10,756	-	-	-	10,756	-	(162)	10,594
Income tax	-	(16)	-	-	(16)	-	-	(16)
Net income (loss)	3,931	(287)	-	(105)	3,539			3,580

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For the three-month period ended June 30, 2007 (In Thousand Baht)

	Real Estate	Contractor	Project management	Property manager services	Total	Elimination		Consolidated
						DR.	CR.	
Revenues								
Sales	164,791	-	-	-	164,791	-	-	164,791
Construction income	-	2,346	-	-	2,346	-	-	2,346
Service income	-	-	313	1,548	1,861	(466)	-	1,395
Other income	1,902	1,188	154	70	3,314	(797)	-	2,517
Total revenues	166,693	3,534	467	1,618	172,312			171,049
Expenses								
Cost of sales	114,436	-	-	-	114,436	-	(17)	114,419
Cost of construction	-	1,426	-	-	1,426	-	-	1,426
Cost of service	-	-	154	713	867	-	-	867
Selling and administrative expenses	61,285	949	130	855	63,219	-	(494)	62,725
Directors' remuneration	80	-	-	-	80	-	-	80
Loss from non refund withholding income tax	-	-	-	367	367			367
Total expenses	175,801	2,375	284	1,935	180,395			179,884
Income before interest and income tax	(9,108)	1,159	183	(317)	(8,083)			(8,835)
Interest expenses	12,232	-	-	-	12,232	-	(769)	11,463
Income tax	23	369	47	8	447	-	-	447
Net income	(21,363)	790	136	(325)	(20,762)			(20,745)

For the six-month period ended June 30, 2008 (In Thousand Baht)

	Real	Contractor	Project	Property manager	Total	Elimination		Consolidated
	Estate		management	services		DR.	CR.	
<b>Revenues</b>								
Sales	377,865	-	-	-	377,865	-	-	377,865
Construction income	-	-	-	-	-	-	-	-
Service income	-	-	-	2,629	2,629	(786)	-	1,843
Other income	3,517	734	-	47	4,298	(616)	-	3,682
<b>Total revenues</b>	<b>381,382</b>	<b>734</b>	<b>-</b>	<b>2,676</b>	<b>384,792</b>			<b>383,390</b>
<b>Expenses</b>								
Cost of sales	261,025	-	-	-	261,025	-	(316)	260,709
Cost of construction	-	-	-	-	-	-	-	-
Cost of service	-	-	-	1,345	1,345	-	-	1,345
Selling and administrative expenses	105,186	985	-	1,574	107,745	-	(855)	106,890
Directors' remuneration	200	-	-	-	200	-	-	200
Loss from non refund withholding income tax	489	-	-	-	489			489
<b>Total expenses</b>	<b>366,900</b>	<b>985</b>	<b>-</b>	<b>2,919</b>	<b>370,804</b>			<b>369,633</b>
Income before interest and income tax	14,482	(251)	-	(243)	13,988			13,757
Interest expense	21,587	-	-	-	21,587	-	(297)	21,290
Income tax	-	-	-	-	-	-	-	-
<b>Net income</b>	<b>(7,105)</b>	<b>(251)</b>	<b>-</b>	<b>(243)</b>	<b>(7,599)</b>			<b>(7,533)</b>
<b>As at June 30, 2008</b>								
Property, plant and equipment - net	218,144	207	-	295	218,646			218,646

For the six-month period ended June 30, 2007 (In Thousand Baht)

	Real	Contractor	Project	Property manager	Total	Elimination		Consolidated
	Estate		management	services		DR.	CR.	
<b>Revenues</b>								
Sales	377,907	-	-	-	377,907	-	-	377,907
Construction income	-	5,137	-	-	5,137	-	-	5,137
Service income	-	-	623	3,106	3,729	(1,018)	-	2,711
Other income	4,269	2,157	261	136	6,823	(1,647)	-	5,176
<b>Total revenues</b>	<b>382,176</b>	<b>7,294</b>	<b>884</b>	<b>3,242</b>	<b>393,596</b>			<b>390,931</b>
<b>Expenses</b>								
Cost of sales	271,840	-	-	-	271,840	-	(25)	271,815
Cost of construction	-	3,093	-	-	3,093	-	-	3,093
Cost of service	-	-	292	1,324	1,616	-	-	1,616
Selling and administrative expenses	125,931	2,338	284	1,682	130,235	-	(1,074)	129,161
Directors' remuneration	190	-	-	-	190	-	-	190
Loss from non refund withholding income tax	-	1,639	199	367	2,205	-	-	2,205
<b>Total expenses</b>	<b>397,961</b>	<b>7,070</b>	<b>775</b>	<b>3,373</b>	<b>409,179</b>			<b>408,080</b>
Income before interest and income tax	(15,785)	224	109	(131)	(15,583)			(17,149)
Interest expense	20,500	-	-	-	20,500	-	(1,592)	18,908
Income tax	33	620	75	38	766	-	-	766
<b>Net income</b>	<b>(36,318)</b>	<b>(396)</b>	<b>34</b>	<b>(169)</b>	<b>(36,849)</b>			<b>(36,823)</b>
<b>As at June 30, 2007</b>								
Property, plant and equipment - net	232,820	457	55	393	233,725			233,725

23. COMMITMENT AND CONTINGENT LIABILITIES

23.1 The Company have entered into several agreements in respect of leases of building , sales office building , land and the provision of related services.

Future minimum rentals and service charges payables under these agreements as at June 30, 2008 are as follows:

<u>Payable within:</u>	<u>Million Baht</u>
1 year	4.86
2 to 3 years	5.81

23.2 As at June 30, 2008 the Company and subsidiaries have contingent liabilities from letters of guarantees issued by two banks to government agency and third parties amounting to Baht 184.88 million (Baht 184.48 million for the Company only).

23.3 As at June 30, 2008 the Company had contingent liability from letters of guarantee issued by a bank on behalf of the subsidiary for electricity usage amounting to Baht 0.40 million.

23.4 As at June 30, 2008, the Company has contingent liabilities to a bank from the guarantee on the customer's loan amounting to Baht 0.75 million. (see note 10)

23.5 As at June 30, 2008 the Company have contingent liabilities from purchase of land as part of property development amounting to approximately Baht 58.09 million.

23.6 As at June 30, 2008, the Company has contingent liabilities arising from lawsuits as follows:

- a) A financial institution had filed two civil lawsuits demanding the Company as the loan guarantor to repay the loan with the principal borrower in the amount of Baht 1.86 million along with interest at 15% per annum to be calculated from the date of the filing of lawsuit until the date of full settlement (Baht 0.19 million calculated up to June 30, 2008). The financial institution above alleged the borrower for default on payments of the principal and interest under the terms of the loan agreement. Therefore, the Company as on behalf of the loan guarantor was then charged as the 2<sup>nd</sup> defendant co-borrower. At present, the case is in the process of the Court.

As at June 30, 2008, the ultimate outcome of the case is still indefinite. The management has assessed the damage of the lawsuit up to June 30, 2008 and provides a provision in the amount of Baht 0.56 million which is recorded under caption of current liabilities and recognized as an expense in the statement of income for the year 2007.

- b) A house buyer in the Company's project had filed a civil lawsuit demanding the Company to indemnify the losses resulting from the fire incident of Baht 1.5 million together with other expenses and interest at 15% per annum to be calculated from the date of the filing of lawsuit until the date of full settlement (Baht 0.31 million calculated up to June 30, 2008). The buyer demanded the Company to pay fire indemnity for the loss and damage to the buyer's home.

The management believes the Company doesn't have to pay indemnity for the case per said. As at June 30, 2008, the case is still under court process and the ultimate outcome is not yet determined.

#### 24. RECLASSIFICATION

24.1 Since quarter 1 of 2008, the Company has applied the Thai Accounting Standard no. 35 (amended in 2007) "Presentation of financial statements" and no. 25 (amended in 2007) "Cash flow statements" to the interim financial statements. Therefore, the formats of the presentations have been adjusted to conform to the accounting standards referred to above.

24.2 Certain amounts in the 2007 financial statement has been reclassified to conform to the 2008 financial statement, with no effect on previously reported net income or shareholder' equity.

	<u>In Thousand Baht</u>
	<u>The Company Only</u>
	<u>Increase (decrease)</u>
Payable to related parties	(367)
Accrued interest	367

24.3 Certain transactions in the cash flows statements for the six - month period ended June 30, 2007 have been reclassified to conform to the classifications in the six - month period ended June 30, 2008, with no effect on previously reported net income (loss) or shareholders' equity.

#### 25. AUTHORIZATION FOR ISSUE OF FINANCIAL STATEMENTS

These financial statements are authorized to issue by Company's directors on August 14, 2008.