

N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

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**REVIEWED REPORT AND INTERIM FINANCIAL INFORMATION
FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2012 AND 2011**

AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

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

I have reviewed the accompanying consolidated statement of financial position of N.C. Housing Public Company Limited and its subsidiaries as at March 31, 2012 and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the three-month periods ended March 31, 2012 and 2011 and selected explanatory notes, and the statement of financial position of N.C. Housing Public Company Limited as at March 31, 2012, and the related statements of comprehensive income, changes in shareholders' equity and cash flows for the three-month periods ended March 31, 2012 and 2011. Management is responsible for the preparation and presentation of this interim financial information in accordance with the accounting standards No. 34 "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

SCOPE OF REVIEW

I conducted my review in accordance with auditing standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

CONCLUSION

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with the accounting standards No. 34 "Interim Financial Reporting".

COMPARATIVE STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2011

I have previously audited the consolidated financial statements and separate financial statements for the year ended December 31, 2011 of N.C. Housing Public Company Limited in accordance with generally accepted auditing standards and expressed an unqualified opinion on those statements in my report dated February 22, 2012, The consolidated statement of financial position and separate statement of financial position as at December 31, 2011, presented herewith for comparative purposes, was a part of the financial statements referred to above. I have not performed any auditing procedures since that date.

(Miss Wannisa Ngambuathong)
Certified Public Accountant
Registration No. 6838

Dharmniti Auditing Company Limited
Bangkok, Thailand
May 10, 2012
2012/605/0248

N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS
MARCH 31, 2012

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 and subsidiaries 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.

2. Basis of interim consolidated financial statements and operations

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

	Percentage of Holding by		Nature of Business
	direct and indirect		
	As at March 31, 2012	As at December 31, 2011	
<u>Subsidiaries</u>			
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
<u>Associated company</u>			
Ensure Home Co., Ltd.			
(Since March 31, 2011, associated company)	20.00	20.00	Real estate brokers
TPKS Real Estate Co., Ltd.	20.00	20.00	Real estate
(Associated company held by Ensure Home Co., Ltd.)			

2.2 These consolidated interim financial statements included the financial statements of N.C. Housing Public Company Limited and its subsidiaries and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2011. There have been no change in the composition of its subsidiaries during the period.

3. PRINCIPLES OF PREPARATION AND PRESENTATIONS OF FINANCIAL STATEMENTS

3.1. Basis for the preparation of interim financial statements

These interim financial statements are prepared in accordance with the Accounting Standard No. 34 (revised 2009) Interim Financial Reporting, and the requirements of the Securities and Exchange Commission (SEC). The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events, and situations and not intended to re-emphasis on the information previously reported. The interim financial statements should therefore, be read in conjunction with the financial statements for the year ended December 31, 2011.

The interim financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

The interim financial statements in Thai language are the official statutory financial statements of the Company. The interim financial statements in English language have been translated from the financial statements in Thai language version.

3.2 New accounting standards issued during the period and not yet effective

On March 15, 2012, the Federation of Accounting Professions (FAP) has issued the financial reporting standard TFRS 8: Operating Segments, which is effective for fiscal year beginning on or after January 1, 2013.

The management of the Company is evaluating the impact on the financial statements when this financial reporting standard is initially applied.

3.3 Significant accounting policies

The significant accounting policies used in preparing the interim financial statements are the same accounting policies used in the preparation of the annual financial statements for the year ended December 31, 2011.

4. TRANSACTIONS WITH RELATED PARTIES AND COMPANIES

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

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The significant transactions between the Company and its related parties and companies for the three-month period ended March 31, 2012 and 2011 are summarized as follows.

	Pricing basis	In Thousand Baht			
		Consolidated Financial Statements		Separate Financial Statements	
		For the three-month periods ended March 31,		For the three-month periods ended March 31,	
		2012	2011	2012	2011
<u>Transaction during the period</u>					
<u>Subsidiaries</u>					
Other income - office rental					
Quality Living Management Co., Ltd.	Baht 5,000 per month	-	-	15	15
Other income - utility charges					
Quality Living Management Co., Ltd.	Baht 1,401.87 per month	-	-	4	4
Construction cost					
N.C. Property Management Co., Ltd.	At cost plus 10%	-	-	7,032	-
Management fee					
Quality Living Management Co., Ltd.	Minimum Baht 30,000 per project	-	-	294	584
Utility charges					
N.C. Property Management Co., Ltd.	At cost	-	-	1	1
Interest expenses					
N.C. Property Management Co., Ltd.	At the rate of 0.50% p.a.	-	-	-	18
<u>Related parties</u>					
Purchase construction materials					
Sathaporn Wattana Trading Co., Ltd.	Market price	28,044	18,973	22,270	18,959
S.C. Construction And Decoration Co., Ltd.	Market price	31	30	31	30
Land rental expense					
Mrs. Patcharin Tanthathoedtham	Baht 55,000 per month	165	165	165	165
Interest expenses					
Manager of legacy					
- Mr. Namchai Tanthathoedtham	At the rate of 5.75% p.a.	-	1,650	-	1,650
Mr. Somchao Tanthathoedtham	At the rate of 5.75% p.a.	-	166	-	166

The significant outstanding balance as at March 31, 2012 and December 31, 2011 are as follow:-

	Type of relation	In Thousand Baht			
		Consolidated Financial Statements		Separate Financial Statements	
		As at March 31, 2012	As at December 31, 2011	As at March 31, 2012	As at December 31, 2011
<u>Payable to related parties</u>					
- N.C. Property Management Co., Ltd.	Subsidiary	-	-	9,185	7,407
- S.C. Construction And Decoration Co., Ltd.	Co-shareholder and director	257	226	257	226
- Sathaporn Wattana Trading Co., Ltd.	Co-shareholder and director	34,088	24,172	27,478	21,616
- Sathaporn Wattana Transport Partnership	Co-shareholder and director	24	24	24	24
		<u>34,369</u>	<u>24,422</u>	<u>36,944</u>	<u>29,273</u>
<u>Rental fee payable</u>					
- Mrs. Patcharin Tanthathoedtham	Share holder's relative	<u>165</u>	<u>-</u>	<u>165</u>	<u>-</u>

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As at March 31, 2012, 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.

Management benefit expenses for the three-month period ended March 31, 2012 and 2011.

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	For the three-month periods ended March 31,		For the three-month periods ended March 31,	
	2012	2011	2012	2011
<u>Management</u>				
Management benefit expenses				
Short-term employee benefits	7,273	6,449	7,236	6,413
Post-employment benefits	290	336	284	336
Total	<u>7,563</u>	<u>6,785</u>	<u>7,520</u>	<u>6,749</u>

MANAGEMENT BENEFIT EXPENSES

Management benefit expenses represents the benefits paid to the Company's management, such as salaries and related benefit including the benefit paid by other means. The Company's management is the persons who are defined under the Securities and Exchange Act. The management is comprised the managing director, deputy managing directors and senior managers.

5. TRADE ACCOUNTS RECEIVABLE

Trade accounts receivable consist of the following:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at March	As at December	As at March	As at December
	31, 2012	31, 2011	31, 2012	31, 2011
Real Estate				
Receivable from installment	331	331	331	331
Property manager services				
Management receivable	374	264	-	-
Total	705	595	331	331
<u>Less</u> Allowance for doubtful accounts	<u>(331)</u>	<u>(331)</u>	<u>(331)</u>	<u>(331)</u>
Trade accounts receivable-net	<u>374</u>	<u>264</u>	<u>-</u>	<u>-</u>

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Trade accounts receivable were classified by aging as follows:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at March	As at December	As at March	As at December
	31, 2012	31, 2011	31, 2012	31, 2011
Not yet due	374	264	-	-
Over 0 month to 3 months	-	-	-	-
Over 3 months to 6 months	-	-	-	-
Over 6 months to 12 months	-	-	-	-
Over 12 months	331	331	331	331
Total	705	595	331	331

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

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at March	As at December	As at March	As at December
	31, 2012	31, 2011	31, 2012	31, 2011
	(For the three-month)	(For the year)	(For the three-month)	(For the year)
Beginning balance	331	297	331	297
Increase	-	34	-	34
Decrease	-	-	-	-
Ending balance	331	331	331	331

6. INVENTORIES

Inventories consist of

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at March	As at December	As at March	As at December
	31, 2012	31, 2011	31, 2012	31, 2011
Cost of houses for sales	333,262	321,140	333,262	321,140
Work in construction	3,122	643	-	-
Total	336,384	321,783	333,262	321,140
Less allowance for declining value of inventories	(8,945)	(670)	(8,945)	(670)
Inventories - net	327,439	321,113	324,317	320,470

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Changes in the allowance for declining value of inventories during the periods are as follows:-

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at March	As at December	As at March	As at December
	31, 2012	31, 2011	31, 2012	31, 2011
	(For the three-month)	(For the year)	(For the three-month)	(For the year)
Beginning balance	670	-	670	-
Increase	8,275	670	8,275	670
Decrease	-	-	-	-
Ending balance	8,945	670	8,945	670

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

	Consolidated Financial Statements / Separate Financial Statements			
	As at March 31, 2012		As at December 31, 2011	
	Unit	In Million Baht	Unit	In Million Baht
House for sales	73	333.26	83	321.14
The selling contracted house	(22)	(54.27)	(21)	(48.46)
House for sale - net	51	278.99	62	272.68

As at March 31, 2012 and December 31, 2011, inventories of the Company in the total amount of Baht 333.26 million and Baht 321.14 million, respectively, are mortgaged as collateral for some long-term loans with local financial institutions in the amount of Baht 1,342.73 million and Baht 1,542.98 million, respectively.

7. PROPERTY DEVELOPMENT COSTS AND LAND HELD FOR DEVELOPMENT

7.1 Actual property development costs consist of :

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at March	As at December	As at March	As at December
	31, 2012	31, 2011	31, 2012	31, 2011
Lands and land development costs	2,244,630	2,355,923	2,244,630	2,355,923
Utilities	649,958	549,219	649,958	549,219
Construction in progress	3,327,279	3,424,692	3,328,830	3,425,559
Interest capitalization	279,805	290,695	279,805	290,695
Total	6,501,672	6,620,529	6,503,223	6,621,396
<u>Less</u> transfer to inventory	(333,262)	(321,140)	(333,262)	(321,140)
transfer to cost of sale	(4,716,433)	(4,936,433)	(4,716,433)	(4,936,433)
Property development costs	1,451,977	1,362,956	1,453,528	1,363,823
<u>Less</u> allowance for declining value of property development costs	(35,711)	(40,486)	(35,711)	(40,486)
Property development costs - net	1,416,266	1,322,470	1,417,817	1,323,337

Changes in the allowance for declining value of property development costs during the periods are as follows:-

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at March	As at December	As at March	As at December
	31, 2012	31, 2011	31, 2012	31, 2011
	(For the three-month)	(For the year)	(For the three-month)	(For the year)
Beginning balance	40,486	-	40,486	-
Increase	-	40,486	-	40,486
Decrease	(4,775)	-	(4,775)	-
Ending balance	35,711	40,486	35,711	40,486

In the first quarter 2012, the allowance for declining value of property development costs decreased due to the return from transfer to inventories.

As at March 31, 2012 and December 31, 2011, the Company has lands and construction in the projects totalling of Baht 1,453.53 million and Baht 1,363.82 million, respectively, are mortgaged as collateral against credit facilities for some long-term loans with local financial institutions in the amount of Baht 1,342.73 million and Baht 1,542.98 million, respectively.

For the three-month periods ended March 31, 2012 and 2011, the Company recorded the related interest expense amounting to approximately Baht 6.53 million and Baht 8.31 million, respectively, as part of property development costs. The capitalization rate for calculate interest is 6.53% and 7.06%, respectively.

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7.2 OBLIGATION AND COMMITMENT UNDER REAL ESTATE PROJECTS

	Consolidated Financial Statements / Separate Financial Statements	
	As at March 31, 2012 (For the three- month)	As at December 31, 2011 (For the year)
Number of projects on hand, beginning of period	16	15
Number of closing projects	-	1
Number of newly open projects	-	2
Number of projects on hand, ending of period	<u>16</u>	<u>16</u>
Contracted sales value (In million Baht)	6,662.74	7,163.78
As percentage of total current projects value	61.73	61.62

As at March 31, 2012 and December 31, 2011, the Company has the obligation and the commitment to complete the public utility development project for projects on hand in the amount of Baht 112.33 million and Baht 144.68 million, respectively.

7.3 LAND HELD FOR DEVELOPMENT

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at March 31, 2012	As at December 31, 2011	As at March 31, 2012	As at December 31, 2011
Beginning balance	1,370,819	1,408,599	1,370,462	1,404,690
Increase	<u>1,857</u>	<u>339,549</u>	<u>1,857</u>	<u>339,549</u>
Total	1,372,676	1,748,148	1,372,319	1,744,239
<u>Less</u> transfer to property development costs	(37,694)	(210,327)	(37,694)	(210,327)
decrease for sell	<u>-</u>	<u>(167,002)</u>	<u>-</u>	<u>(163,450)</u>
Land held for development	<u>1,334,982</u>	<u>1,370,819</u>	<u>1,334,625</u>	<u>1,370,462</u>

As at March 31, 2012 and December 31, 2011, the Company and subsidiary have mortgaged land held for development as collateral against credit facilities for long-term loans with

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local financial institutions in the amount of Baht 1,342.73 million and Baht 1,542.98 million, respectively.

8. DEPOSIT PLEDGED AS COLLATERAL

As at March 31, 2012 and December 31, 2011, the Company had fixed deposit amounting to Baht 0.87 million, which are pledged as collateral for customer's loan and gasoline.

As at March 31, 2012 and December 31, 2011, the subsidiary had fixed deposit amounting to Baht 0.22 million, which are pledged as collateral for bank over drafts limit and issue the bank guarantee to the government sector.

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

9. INVESTMENTS IN ASSOCIATED COMPANY AND SUBSIDIARIES

	Paid up shares		Ownership		Amount	
	(In Thousand Baht)		(%)		(In Thousand Baht)	
	As at	As at	As at	As at	As at	As at
	March	December	March	December	March	December
	31, 2012	31, 2011	31, 2012	31, 2011	31, 2012	31, 2011
<u>AT COST</u>						
<u>Associated company</u>						
Ensure Home Co., Ltd.	2,000	2,000	20	20	400	400
<u>Subsidiaries</u>						
N.C. Property Management Co., Ltd.	10,000	10,000	100	100	11,864	11,864
Quality Living Management Co., Ltd.	1,000	1,000	100	100	-	-
					11,864	11,864
<u>Less</u> Allowance for declining value of investment					-	-
Investments in associated company and subsidiaries- net					11,864	11,864

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10. PROPERTY, PLANT AND EQUIPMENT

Movements of the property, plant and equipment account for the three-month period ended March 31, 2012 are summarized as follows.

	In Thousand Baht	
	Consolidated financial statements	Separate financial statements
At cost		
Balance as at December 31, 2011	336,112	331,395
Acquisitions during the period	3,068	2,846
Disposals and write-off during the period	(2,318)	(2,318)
Balance as at March 31, 2012	<u>336,862</u>	<u>331,923</u>
Accumulated depreciation		
Balance as at December 31, 2011	(157,774)	(153,800)
Depreciation for the period	(3,278)	(3,225)
Accumulated depreciation on disposals and write-off	2,318	2,318
Balance as at March 31, 2012	<u>(158,734)</u>	<u>(154,707)</u>
Net book value		
Balance as at December 31, 2011	<u>178,338</u>	<u>177,595</u>
Balance as at March 31, 2012	<u>178,128</u>	<u>177,216</u>

As at March 31, 2012 and December 31, 2011, land, building and sale office's building including land and some of the clubhouse building in the total amount of Baht 111.39 million (net book value amount of Baht 70.51 million and Baht 71.63 million, respectively) are mortgaged as collateral against the overdrafts and loans from two commercial banks in the total amount of Bath 35 million.

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11. INTANGIBLE ASSETS

Movements of the intangible assets account for the three-month period ended March 31, 2012 are summarized as follows.

	<u>In Thousand Baht</u>
	<u>Consolidated</u>
	<u>financial</u>
	<u>statements/Separate</u>
	<u>financial statements</u>
At cost	
Balance as at December 31, 2011	5,031
Acquisitions during the period	388
Transfer in	825
Transfer out	(825)
Disposals and write-off during the period	-
Balance as at March 31, 2012	<u>5,419</u>
Accumulated amortization	
Balance as at December 31, 2011	(1,147)
Amortization for the period	(136)
Accumulated amortization on disposals and write-off	-
Balance as at March 31, 2012	<u>(1,283)</u>
Net book value	
Balance as at December 31, 2011	<u>3,884</u>
Balance as at March 31, 2012	<u>4,136</u>

12. BANK OVERDRAFTS AND SHORT-TERM LOANS FROM THE FINANCIAL INSTITUTIONS

This account consist of :-

	<u>In Thousand Baht</u>			
	<u>Consolidated Financial Statements</u>		<u>Separate Financial Statements</u>	
	<u>As at March</u>	<u>As at December</u>	<u>As at March</u>	<u>As at December</u>
	<u>31, 2012</u>	<u>31, 2011</u>	<u>31, 2012</u>	<u>31, 2011</u>
Bank overdrafts from the financial institutions	20,463	5,835	20,463	5,835
Short-term loans from the financial institutions	159,197	159,197	159,197	159,197
Total	<u>179,660</u>	<u>165,032</u>	<u>179,660</u>	<u>165,032</u>

	Credit line (Million Baht)		Rate	Due Date	Guarantee
	As at March	As at December			
	31, 2012	31, 2011			
Bank Overdraft					
The parent company					
- Siam Commercial Bank	25.00	25.00	MOR per annum	At called	- By the mortgage of the Company's land and construction on there. - By some directors.
- CIMB Thai	10.00	10.00	MOR per annum	At called	- By the mortgage of the Company's land and construction on there.
- UOB	20.00	20.00	6 months fix deposit plus 1.15% per annum	At called	- By some directors and the mortgage of the director's negotiable certificate of deposit.
Total Credit line	<u>55.00</u>	<u>55.00</u>			
Short-term loans					
The parent company					
- Bank of Ayudhya	35.00	35.00	MLR less 0.25% per annum	April 20, 2012	- By the mortgage of the director's land and construction on there.
- Siam Commercial Bank	124.20	124.20	MLR less 0.50% per annum	May 11, 2012 and September 14, 2012	- By the mortgage of the project's land and construction on there and construction in the future.
	<u>159.20</u>	<u>159.20</u>			
Total Credit line	<u><u>214.20</u></u>	<u><u>214.20</u></u>			

13. UNREALIZED INCOME

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at March	As at December	As at March	As at December
	31, 2012	31, 2011	31, 2012	31, 2011
Installment dues	6,232,923	6,774,810	6,232,923	6,774,810
Less recognized income	<u>(6,172,994)</u>	<u>(6,722,626)</u>	<u>(6,172,994)</u>	<u>(6,722,626)</u>
Unrealized income, which pending transfer of buy and sell land contract and receiving money over the amount of installment contract.	<u>59,929</u>	<u>52,184</u>	<u>59,929</u>	<u>52,184</u>

14. LIABILITIES UNDER FINANCE LEASE AGREEMENT

Liabilities under finance lease agreements consisted of :

	Consolidated Financial Statements / Separate Financial Statements (In Thousand Baht)					
	As at March 31, 2012			As at December 31, 2011		
	Principal	Deferred interest	Payment	Principal	Deferred interest	Payment
Current portion due within one year	762	29	791	881	36	917
Current portion due after one year not over three years	388	7	395	502	11	513
Total	1,150	36	1,186	1,383	47	1,430

As at March 31, 2012 and December 31, 2011, the Company has four hire-purchase agreements with the local leasing company to purchase vehicles in the amount of Baht 4,179,348 (Included VAT) with a term of repayment of 36 months at Baht 20,535 - 39,496 per month (Included VAT).

Under the term of lease agreement referred to above, the Company shall have to comply with certain conditions and restrictions as specified in the lease agreement.

Liabilities under finance lease agreement is guaranteed by the director of the Company.

Liabilities under finance lease agreement for the portion due within one year are presented under “current liabilities” in the statement of financial position.

15. LONG-TERM LOANS FROM THE FINANCIAL INSTITUTIONS

This account consists of :

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at March	As at December	As at March	As at December
	31, 2012	31, 2011	31, 2012	31, 2011
Long-term loans from local banks				
The first bank	237,624	206,933	237,624	206,933
The second bank	36,094	52,696	36,094	52,696
The third bank	2,969	14,439	2,969	14,439
The fourth bank	140,350	129,000	140,350	129,000

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Total	<u>417,037</u>	<u>403,068</u>	<u>417,037</u>	<u>403,068</u>
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Movements in the long-term loans account during the three-month period ended 31 March 2012 are summarized below.

	In Thousand Baht	
	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2012	403,068	403,068
Less: Repayment during the period	(40,777)	(40,777)
Add: Additional borrowings during the period	54,746	54,746
Balance as at 31 March 2012	<u>417,037</u>	<u>417,037</u>

	Credit line (Million Baht)		Interest rate	Guarantee
	As at March 31, 2012	As at December 31, 2011		
<u>Long-term loans</u>				
Parent company				
<u>The first bank</u>	563.49	704.24	MLR, MLR less 0.50-1.00% per annum	- By the mortgage of some the project's land and construction on there.
<u>The second bank</u>				
- The first credit line	236.99	236.99	MLR less 1.25% per annum	- By the mortgage of some the project's land and construction on there and related company.
- The second credit line	113.70	113.70	MLR less 1.00% per annum	- By the mortgage of some the project's land and contraction on there and land of related party.
<u>The third bank</u>	122.55	182.05	MLR plus 0.50% per annum	- By the mortgage of the project's land and construction on there and construction in the future.
<u>The fourth bank</u>	306.00	306.00	MLR less 0.50% per annum	- By the mortgage of the project's land and construction on there and construction in the future.
	<u>1,342.73</u>	<u>1,542.98</u>		

The Company has to repay the loan when received payment from its customers which normally

based on the dates of transferring a real estate title deed 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 statement of financial position.

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 debt-to-equity ratio, (5) not to pay dividend except the lender asses the payment not affect to ability of repayment loan, (6) not to decrease registered capital and to grant beneficiary of the asset protection insurance to the lender, etc.

16. EMPLOYEE BENEFIT OBLIGATIONS

Movement of employee benefit obligations for the three-month period ended March 31, 2012 shown as follow :-

	In Thousand Baht	
	Consolidated Financial Statements	Separate Financial Statements
Employee benefit obligations, beginning of the period	20,907	20,677
Current service costs	617	593
Interest cost	208	206
Employee benefit obligations, ending of the period	21,732	21,476
<u>Less</u> current portion due within one year	<u>(976)</u>	<u>(976)</u>
Net	<u>20,756</u>	<u>20,500</u>

17. ACCOUNT PAYABLE - LAND PENDING DEVELOPMENT

The Company had an obligation under the contract to buy and sell land of a real estate project with a company under the buy and sale agreement dated December 16, 2004. The contract to buy and to sell land requires the Company has to pay for the land, including the debt burden owing to the existing customers of the project as of March 31, 2012 and December 31, 2011 in the amount of Baht 115.77 million.

18. LEGAL RESERVE

According to the resolution on the Board of Directors Meeting No. 1/2012 held on February 22, 2012, the Company had appropriated its legal reserve in the amount of Baht 12 million of annual net income in 2011, and approval at the Annual General Meeting of the shareholders on April 25, 2012.

19. DIVIDEND

At the Board of Directors Meeting No. 1/2012 held on February 22, 2012, the Board of Directors approved a dividend payment for net income period of 2011 to all shareholders at Baht 0.07 per share amounting to Baht 83.02 million. The Company will pay the dividend on May 18, 2012. The dividend was approved by the 2012 Annual General Shareholders Meeting on April 25, 2012.

20. EARNINGS PER SHARE

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

		<u>Consolidated Financial Statements</u>		<u>Separate Financial Statements</u>	
		For the three-month periods		For the three-month periods	
		ended March 31,		ended March 31,	
		<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Profit for the period	(Thousand Baht)	(20,015)	8,485	(19,665)	8,546
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)	(0.017)	0.007	(0.017)	0.007

21. CORPORATE INCOME TAX

Corporate income tax for the year 2011 is calculated by multiplying from tax profits by the rate of 30% of net profits. Corporate income tax is calculated by multiplying earnings represents net profit before income tax for the period, after adding back certain expenses which are non-deductible for income tax computation purposes, and less certain transactions which are exemption or allowable from income tax.

According to the Royal Decree 530 (B.E. 2554) dated December 14, 2011 issued under the Revenue Code, regarding the reduction of income tax rates, corporate income tax for the year 2012 is calculated by multiplying from tax profits by the rate of 23% of net profits, and for the year 2013, onwards by the rate of 20% of net profits.

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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, as follow;

<u>Accounting Policy</u>	<u>Revenue Department Principle</u>	<u>Accounting Principle</u>
Recognition of 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 when the significant risk and rewards of ownership have been transferred to the buyer.
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 - public utilities of the project	To be depreciated as period cost, based on straight line, 5 years	Recognizing based on percentage of completion method.

Separate Financial Statements
(In Thousand Baht)

	For the three-month periods ended March 31,	
	2012	2011
Income before corporate income tax per book	(19,665)	16,213
Difference in income and expenses between A/C and tax		
<u>Add</u> (Less) Revenue on tax base	26,924	5,092
The different of cost of sale between tax and per book re : Por.61/2539	(14,275)	(1,144)
Add back expenses	6,200	5,397
Income before corporate income tax per tax	(816)	25,558
<u>Less</u> : Corporate income tax	-	(7,667)
(For the period 2012, tax computation at the rate of 23% For the period 2011, tax computation at the rate of 30%)		
Net income per tax	<u>(816)</u>	<u>17,891</u>

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22. FINANCIAL INFORMATION BY SEGMENT

	For the three-month period ended March 31, 2012 (In Thousand Baht)						
	Real Estate	Contractor	Property manager services	Total	Elimination		Consolidated
					DR.	CR.	
Revenues							
Sales	213,861	-	-	213,861	-	-	213,861
Construction income	-	7,032	-	7,032	(7,032)	-	-
Service income	-	-	1,494	1,494	(294)	-	1,200
Other income	1,859	107	1	1,967	(20)	-	1,947
Total revenues	215,720	7,139	1,495	224,354			217,008
Expenses							
Cost of sales	152,291	-	-	152,291	-	(9)	152,282
Cost of construction	-	6,339	-	6,339	-	(6,339)	-
Cost of service	-	-	915	915	-	-	915
Selling expenses	44,368	-	-	44,368	-	-	44,368
Administrative expenses	28,091	348	580	29,019	-	(314)	28,705
Management benefit expenses	7,520	-	43	7,563	-	-	7,563
Finance costs	3,115	-	2	3,117	-	-	3,117
Total expenses	235,385	6,687	1,540	243,612			236,950
Share of loss from investment in an associated company	-	-	-	8	-	-	8
Income before corporate income tax	(19,665)	452	(45)	(19,250)			(19,934)
Corporate income tax	-	81	-	81	-	-	81
Profit for the period	(19,665)	371	(45)	(19,331)			(20,015)
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income for the period	(19,665)	371	(45)	(19,331)			(20,015)
As at March 31, 2012							
Property, plant and equipment	177,216	649	263	178,128			178,128

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For the three-month period ended March 31, 2011 (In Thousand Baht)

	Real Estate	Contractor	Property manager services	Total	Elimination		Consolidated
					DR.	CR.	
Revenues							
Sales	293,112	-	-	293,112	-	-	293,112
Service income	-	-	1,364	1,364	(584)	-	780
Other income	2,923	20	24	2,967	(38)	-	2,929
Total revenues	296,035	20	1,388	297,443			296,821
Expenses							
Cost of sales	197,599	-	-	197,599	-	(9)	197,590
Cost of service	-	-	776	776	-	-	776
Selling expenses	41,730	-	-	41,730	-	-	41,730
Administrative expenses	30,247	103	558	30,908	-	(603)	30,305
Management benefit expenses	6,749	-	36	6,785	-	-	6,785
Finance cost	3,497	-	4	3,501	-	(18)	3,483
Total expenses	279,822	103	1,374	281,299			280,669
Income (loss) before corporate income tax	16,213	(83)	14	16,144			16,152
Corporate income tax	7,667	-	-	7,667	-	-	7,667
Profit for the period	8,546	(83)	14	8,477			8,485
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income for the period	8,546	(83)	14	8,477			8,485
As at March 31, 2011							
Property, Plant and equipment	176,416	-	162	176,578			176,578

23. COMMITMENT AND CONTINGENT LIABILITIES

23.1 The Company has entered into lease for the commercial buildings, sale office building, land and other services.

As at March 31, 2012, the Company is obligated to pay the rent and service as follows:

<u>Payable within:</u>	<u>Million Baht</u>
1 year	2.83
2 to 3 years	1.58

23.2 As at December 31, 2011, the Company and its subsidiaries had contingent liabilities from letters of guarantees issued by three banks to government agency and third parties, are as follows:

	<u>In Thousand Baht</u>	
	<u>Consolidated</u>	<u>Separate</u>
	<u>Financial Statements</u>	<u>Financial Statements</u>
- Guarantee for electricity, water and others	9.82	9.42
- Guarantee fund for maintenance to public utilities	96.97	96.97

23.3 As at March 31, 2012, the Company had contingent liabilities to a bank from the guarantee on the customer's loan amounting to Baht 0.65 million and gasoline amounting to Baht 0.22 million (see note 8).

23.4 As at March 31, 2012, the Company has contingent liabilities arising from lawsuits as follows:

A financial institution had filed one civil lawsuits demanding the Company as the loan guarantor to repay the loan with the principal borrowers who were the clients of the Company in the total amount of Baht 0.60 million along with interest at 7.5% per annum to be calculated from the date of the filing of lawsuit until the date of full settlement (Baht 0.21 million calculated up to March 31, 2012). The financial institution above alleged the borrowers 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 2nd defendant co-borrower.

As at March 31, 2012, the case has ended and the Court has ordered the principal loan and the guarantor to co-payment at the total amount of Baht 0.60 million with the interest rate 7.5 percent per year of the capital amount of Baht 0.50 million. If the holder fails to pay, the Court will order to seize the land and building to the auction for plaintiff. The management has estimated the damage that expected to be demanded for such case until March 31, 2012 in the amount of Baht 0.18 million, which is recorded under caption of other current liabilities. The management has expected that the damage will not more than the amount expected.

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24. RECLASSIFICATION

Certain amounts in the financial statements for the year ended December 31, 2011 have been reclassified to conform to the current year's classification but with no effect to previously reported net income or shareholders' equity.

25. AUTHORIZATION FOR ISSUE OF INTERIM FINANCIAL STATEMENTS

These interim financial statements are authorized to issue by Company's directors on May 10, 2012.