

Property Perfect Public Company Limited
and its subsidiaries
Report and consolidated interim financial statements
For the three-month and nine-month periods ended
30 September 2009

Review report of Independent Auditor

To the Shareholders of Property Perfect Public Company Limited

I have reviewed the accompanying consolidated balance sheet of Property Perfect Public Company Limited and its subsidiaries as at 30 September 2009, the related consolidated statements of income for the three-month and nine-month periods ended 30 September 2009 and 2008, and the consolidated statements of changes in shareholders' equity and cash flows for the nine-month periods ended 30 September 2009 and 2008; and the separate financial statements of Property Perfect Public Company Limited for the same periods. These financial statements are the responsibility of the Company's managements as to their correctness and the completeness of the presentation. My responsibility is to issue a report on these financial statements based on my reviews.

I conducted my reviews in accordance with the auditing standard 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 the Company's and its subsidiaries' 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 reviews, 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 the consolidated financial statements of Property Perfect Public Company Limited and its subsidiaries and the separate financial statements of Property Perfect Public Company Limited for the year ended 31 December 2008 in accordance with generally accepted auditing standards and expressed an unqualified opinion on those statements under my report dated 27 February 2009. The consolidated and separate balance sheets as at 31 December 2008, as presented herein for comparative purposes, formed an integral part of the financial statements which I audited and reported on.

Siraporn Ouaanunkun
Certified Public Accountant (Thailand) No.3844

Ernst & Young Office Limited
Bangkok: 12 November 2009

Property Perfect Public Company Limited and its subsidiaries

Balance sheets

(Unit: Thousand Baht)

	<u>Consolidated financial statement:</u>		<u>Separate financial statement:</u>		
	<u>Note</u>	<u>30 September 2009</u>	<u>1 December 2008</u>	<u>30 September 2008</u>	<u>1 December 2007</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		763,009	455,046	688,284	428,607
Trade accounts receivable, net	3	25,091	33,803	23,188	30,188
Account receivable - land	4	35,358	35,358	35,358	35,358
Project development costs, net	5	8,441,142	8,931,082	6,807,938	7,085,146
Leasehold rights awaiting sale, net	##	60,718	60,718	60,718	60,718
Other current assets					
Advances to contractors, net		38,885	44,746	38,885	42,216
Prepaid expenses		11,164	14,680	11,164	14,680
Others		11,788	15,684	7,745	12,105
Total current assets		9,387,155	9,591,117	7,673,280	7,709,018
Non-current assets					
Restricted deposits		1,443	8,858	1,443	8,858
Advances to related company	2	-	-	1,500	1,500
Loans to related companies and interest rece	2	-	-	562,316	412,053
Investments in subsidiaries	6	-	-	541,057	541,057
Investment in associate	7	416,736	416,738	360,000	360,000
Other long-term investments, net		50,887	51,695	50,887	51,695
Land held for development, net	8	3,293,773	1,860,369	2,545,964	1,585,302
Advances for purchases of land	9	194,880	476,160	158,380	388,904
Property, plant and equipment, net	##	397,517	400,586	350,528	347,717
Leasehold rights, net		57,534	58,849	57,534	58,849
Other non-current assets					
Withholding tax deducted at source		37,031	40,932	36,716	36,716
Others		54,815	27,569	49,391	23,379
Total non-current assets		4,504,616	3,341,756	4,715,716	3,816,030
Total assets		13,891,771	12,932,873	12,388,996	11,525,048

The accompanying notes are an integral part of the financial statements.

Property Perfect Public Company Limited and its subsidiaries

Balance sheets (continued)

(Unit: Thousand Baht)

	<u>Consolidated financial statement:</u>		<u>Separate financial statement:</u>		
	<u>Note 30</u>	<u>September 2009</u>	<u>1 December 2008</u>	<u>30 September 2008</u>	
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)	
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	##	5,513	528,268	-	508,000
Trade accounts payable		389,203	472,884	333,234	402,828
Note payable	##	355,000	-	-	-
Loan from individual	##	-	31,000	-	-
Bills of exchange payable	##	483,960	-	483,960	-
Current portion of debentures	##	212,150	462,150	-	-
Creditors per rehabilitation plan	##	37,037	265,633	37,037	265,633
Current portion of long-term loans	##	397,665	233,096	273,196	228,880
Amounts due to related companies	2	-	-	81,246	83,954
Advance from director	2	80,000	80,000	-	-
Deposits and cash received in advance		87,444	112,236	72,263	103,685
Short-term provision	##	25,009	26,483	25,009	26,483
Other current liabilities					
Accrued interest		16,117	22,933	14,718	17,407
Accrued expenses		125,925	193,252	82,734	150,018
Others		59,145	53,720	58,466	53,569
Total current liabilities		<u>2,274,168</u>	<u>2,481,655</u>	<u>1,461,863</u>	<u>1,840,457</u>
Non-current liabilities					
Unsubordinated convertible debentures - liability component		811,695	809,154	811,695	809,154
Debentures, net of current portion	##	1,605,578	-	1,605,578	-
Long-term loans, net of current portion	##	2,271,642	2,721,340	1,965,289	2,336,094
Deposits and cash received in advance for sublease agreement		55,822	57,712	55,822	57,712
Long-term provisions	##	191,625	159,782	191,625	159,782
Total non-current liabilities		<u>4,936,362</u>	<u>3,747,988</u>	<u>4,630,009</u>	<u>3,362,742</u>
Total liabilities		<u>7,210,530</u>	<u>6,229,643</u>	<u>6,091,872</u>	<u>5,203,199</u>

The accompanying notes are an integral part of the financial statements.

Property Perfect Public Company Limited and its subsidiaries

Balance sheets (continued)

(Unit: Thousand Baht)

	<u>Consolidated financial statement:</u>		<u>Separate financial statement:</u>	
	<u>Note 30</u>	<u>September 2009</u>	<u>1 December 2008</u>	<u>30 September 2008</u>
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Shareholders' equity				
Share capital				
Registered				
1,092,000,000 ordinary shares of Baht 6 each	<u>6,552,000</u>	<u>6,552,000</u>	<u>6,552,000</u>	<u>6,552,000</u>
Issued and fully paid				
787,721,620 ordinary shares of Baht 6 each	4,726,330	4,726,330	4,726,330	4,726,330
Share discount	(44,093)	(44,093)	(44,093)	(44,093)
Unsubordinated convertible debentures - equity c	31,012	31,012	23,535	23,535
Unrealised loss				
Revaluation deficit on changes in value of inves	(6,483)	(5,397)	(6,483)	(5,397)
Retained earnings				
Appropriated - statutory reserve	159,100	159,100	159,100	159,100
Unappropriated	<u>1,819,211</u>	<u>1,837,859</u>	<u>1,438,735</u>	<u>1,462,374</u>
Equity attributable to the Company's shareholder:	6,685,077	6,704,811	6,297,124	6,321,849
Minority interest - equity attributable to				
minority shareholders of subsidiaries	<u>(3,836)</u>	<u>(1,581)</u>	-	-
Total shareholders' equity	<u>6,681,241</u>	<u>6,703,230</u>	<u>6,297,124</u>	<u>6,321,849</u>
Total liabilities and shareholders' equity	<u>13,891,771</u>	<u>12,932,873</u>	<u>12,388,996</u>	<u>11,525,048</u>
	-	-	-	-

The accompanying notes are an integral part of the financial statements.

..... Director

(Unaudited but reviewed)

Property Perfect Public Company Limited and its subsidiaries**Income statements****For the three-month periods ended 30 September 2009 and 2008**

(Unit: Thousand Baht, except earnings per share expressed in Baht)

	<u>Consolidated financial statement:</u>		<u>Separate financial statement:</u>		
	<u>Note</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Revenues					
Revenues from sales of land and houses		1,298,029	1,102,081	1,066,691	902,556
Revenues from sales of residential condominium		90,848	644,069	90,848	644,069
Other income					
Interest income		10	10	11,484	7,944
Revenues from forfeiture of down payments		1,312	3,756	1,219	3,683
Others		16,993	14,133	15,815	13,605
Total revenues		1,407,192	1,764,049	1,186,057	1,571,857
Expenses					
Cost of sales of land and houses		907,215	744,964	741,283	617,059
Cost of sales of residential condominium units		57,420	408,294	57,420	408,294
Selling expenses		61,351	83,948	54,102	72,090
Administrative expenses		162,984	177,501	136,652	153,678
Management's remuneration	2	13,913	11,963	10,273	9,085
Loss arising from minimum revenue guarantee		5,653	-	5,653	-
Total expenses		1,208,536	1,426,670	1,005,383	1,260,206
Income before share of income (loss) from investment					
in associate, finance cost and corporate income tax		198,656	337,379	180,674	311,651
Share of income (loss) from investment in associate		(2,355)	8,495	-	-
Income before finance cost and corporate income tax					
income tax		196,301	345,874	180,674	311,651
Finance cost		(72,983)	(68,898)	(63,312)	(56,508)
Income before corporate income tax		123,318	276,976	117,362	255,143
Corporate income tax	##	(42,535)	(8,991)	(32,357)	-
Net income for the period		80,783	267,985	85,005	255,143
Net income (loss) attributable to:					
Equity holders of the parent		82,903	267,985	85,005	255,143
Minority interests of the subsidiaries		(2,120)	-	-	-
		80,783	267,985		
Earnings per share ##					
Basic earnings per share (Baht)					
Net income attributable to equity holders of the		0.105	0.340	0.108	0.324
Diluted earnings per share (Baht)					
Net income attributable to equity holders of the		0.104	0.312	0.107	0.298

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Property Perfect Public Company Limited and its subsidiaries**Income statements****For the nine-month periods ended 30 September 2009 and 2008**

(Unit: Thousand Baht, except earnings per share expressed in Baht)

	<u>Consolidated financial statement:</u>		<u>Separate financial statement:</u>		
	<u>Note</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Revenues					
Revenues from sales of land and houses		3,395,346	3,946,596	2,697,406	3,407,248
Revenues from sales of residential condominium		705,637	1,668,278	705,637	1,668,278
Revenue from sale of land		-	7,119	-	7,119
Other income					
Interest income		183	1,141	28,346	21,544
Revenues from forfeiture of down payments		7,620	12,393	7,302	11,772
Others		69,744	47,070	64,442	41,602
Total revenues		<u>4,178,530</u>	<u>5,682,597</u>	<u>3,503,133</u>	<u>5,157,563</u>
Expenses					
Cost of sales of land and houses		2,357,856	2,792,089	1,863,289	2,440,327
Cost of sales of residential condominium units		521,210	1,083,071	521,210	1,083,071
Cost of sale of land		-	3,500	-	3,500
Selling expenses		184,167	280,107	167,738	255,721
Administrative expenses		483,474	503,288	413,743	441,269
Management's remuneration	2	54,165	45,011	43,572	36,704
Loss arising from minimum revenue guarantee		8,629	35,500	8,629	35,500
Total expenses		<u>3,609,501</u>	<u>4,742,566</u>	<u>3,018,181</u>	<u>4,296,092</u>
Income before share of income (loss) from investment					
in associate, finance cost and corporate income tax		569,029	940,031	484,952	861,471
Share of income (loss) from investment in associate		(2)	6,080	-	-
Income before finance cost and corporate income tax		<u>569,027</u>	<u>946,111</u>	<u>484,952</u>	<u>861,471</u>
Interest expenses		(214,146)	(199,157)	(165,246)	(177,613)
Income before corporate income tax		<u>354,881</u>	<u>746,954</u>	<u>319,706</u>	<u>683,858</u>
Corporate income tax	##	(92,249)	(26,511)	(59,810)	-
Net income for the period		<u>262,632</u>	<u>720,443</u>	<u>259,896</u>	<u>683,858</u>
Net income (loss) attributable to:					
Equity holders of the parent		264,887	720,443	259,896	683,858
Minority interests of the subsidiaries		(2,255)	-	-	-
		<u>262,632</u>	<u>720,443</u>		
Earnings per share ##					
Basic earnings per share (Baht)					
Net income attributable to equity holders of the		<u>0.336</u>	<u>0.915</u>	<u>0.330</u>	<u>0.868</u>
Diluted earnings per share (Baht)					
Net income attributable to equity holders of the		<u>0.333</u>	<u>0.844</u>	<u>0.326</u>	<u>0.804</u>

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Property Perfect Public Company Limited and its subsidiaries

Cash flow statements

For the nine-month periods ended 30 September 2009 and 2008

(Unit: Thousand Baht)

	<u>Consolidated financial statement:</u>		<u>Separate financial statement:</u>	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Cash flows from operating activities				
Net income before tax	354,881	746,954	319,706	683,858
Adjustments to reconcile net income before tax to net cash provided by (paid from) operating activities:				
Share of loss (income) from investment in asso	2	(6,080)	-	-
Depreciation and amortisation	49,564	50,752	42,790	44,331
Amortisation of prepaid expense	16,095	17,263	14,586	10,143
Amortisation of premium on debentures	2,541	2,442	2,541	2,442
Provision for unconverted debentures	42,298	38,524	42,298	38,524
Amortisation of deferred debenture issuing cost	1,178	-	1,178	-
Rental received in advance recognition	(3,090)	(3,096)	(3,090)	(3,096)
Allowance for loss on impairment of investment	(219)	248	(219)	248
Loss arising from minimum revenue guarantee	8,629	35,500	8,629	35,500
Loss (gain) on sales of property, plant and equij	(18,262)	221	(18,262)	221
Interest income	(4,820)	-	(4,820)	-
Dividend income	(183)	(1,141)	(28,346)	(21,544)
Interest expenses	126,655	142,478	91,488	135,166
Income from operating activities before changes in operating assets and liabilities	575,269	1,024,065	468,479	925,793
Decrease (increase) in operating assets				
Trade accounts receivable	8,712	7,958	7,000	7,755
Project development costs	1,120,101	434,481	888,942	839,439
Advances to contractors	5,861	(7,356)	3,331	(7,357)
Prepaid expenses	(12,579)	(26,046)	(11,070)	(18,925)
Other current assets	3,896	(5,873)	4,360	1,834
Other non-current assets	(27,246)	(7,572)	(26,011)	(1,790)
Increase (decrease) in operating liabilities				
Trade accounts payable	(83,681)	12,894	(69,594)	(18,837)
Amounts due to related companies	-	-	(2,708)	1,793
Deposits and cash received in advance	(24,792)	(50,508)	(31,422)	(51,443)
Cash paid for minimum revenue guarantee	(40,367)	(13,568)	(40,367)	(13,568)
Other current liabilities	(62,136)	(22,364)	(62,514)	(24,922)
Cash from operating activities	1,463,038	1,346,111	1,128,426	1,639,772
Cash paid for interest expenses	(238,654)	(270,287)	(186,376)	(245,868)
Cash paid for corporate income tax	(76,434)	(73,416)	(39,100)	(51,039)
Interest income	183	1,141	-	-
Return of withholding tax	3,459	-	-	-
Net cash from operating activities	1,151,592	1,003,549	902,950	1,342,865

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Property Perfect Public Company Limited and its subsidiaries**Cash flow statements (continued)****For the nine-month periods ended 30 September 2009 and 2008**

(Unit: Thousand Baht)

	<u>Consolidated financial statement:</u>		<u>Separate financial statement:</u>	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Cash flows from investing activities				
Decrease in restricted deposits	7,415	182,615	7,414	182,615
Decrease in advances to related company	-	-	-	51,620
Increase in loans to related companies	-	-	(134,993)	(103,258)
Interest income	-	-	13,075	14,071
Dividend income	4,820	-	4,820	-
Increase in other long-term investments	(58)	(52,143)	(58)	(52,143)
Increase in land held for development	(1,157,229)	(206,805)	(1,110,242)	(206,805)
Increase in advances for purchases of land	(178,157)	(415,557)	(143,158)	(380,057)
Increase in property, plant and equipment	(47,136)	(42,532)	(46,242)	(35,924)
Proceeds from sales of property, plant and equipment	24,371	4	24,371	4
Net cash used in investing activities	(1,345,974)	(534,418)	(1,385,013)	(529,877)
Cash flows from financing activities				
Decrease in bank overdrafts and short-term loans from financial institutions	(522,755)	(53,641)	(508,000)	(38,641)
Increase in note payable	15,000	-	-	-
Decrease in loans from other company/individuals	(31,000)	(10,000)	-	-
Increase in bills of exchange payable	483,960	-	483,960	-
Decrease in long-term loans	(285,129)	(228,353)	(326,489)	(143,096)
Decrease in creditors per rehabilitation plan	(228,596)	-	(228,596)	-
Increase (decrease) in debentures	1,354,400	12,150	1,604,400	(450,000)
Dividend paid	(283,535)	(189,015)	(283,535)	(189,015)
Net cash from (used in) financing activities	502,345	(468,859)	741,740	(820,752)
Net increase (decrease) in cash and cash equivalents	307,963	272	259,677	(7,764)
Cash and cash equivalents as at beginning of period	455,046	424,056	428,607	397,596
Cash and cash equivalents as at end of period	763,009	424,328	688,284	389,832
	-	-	-	-

Supplemental cash flow information

Non-cash transactions

Transfer advances for purchases of land to project development

costs and land held for development	459,437	89,392	373,682	9,392
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Transfer land held for development to project development	480,419	1,545,435	480,419	1,545,435
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Transfer project development costs to property,

plant and equipment	3,067	-	3,067	-
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Transfer advances to related company to loans to

related companies	-	28,380	-	28,380
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Issue promissory notes to pay land costs	340,000	-	-	-
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The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Property Perfect Public Company Limited and its subsidiaries
 Statements of changes in shareholders' equity
 For the nine-month periods ended 30 September 2009 and 2008

(Unit: Thousand Baht)

	Consolidated financial statements									
	Equity attributable to the parent's shareholders							Minority interest -		
	Issued and paid share capital	Share discount	Share subscription received in advance	Unsubordinated convertible debentures equity component	Revaluation deficit on changes in value of investments	Retained earnings		Total equity attributable to the parent's shareholders	Minority equity attributable to minority shareholders of subsidiaries	Total
						Statutory reserve	Unappropriated			
Balance - as at 31 December 2007	4,724,947	(42,713)	2	23,535	-	119,100	1,262,327	6,087,198	-	6,087,198
Expense recognised directly in equity:										
Investments in available-for-sale securities										
Loss recognised in shareholders' equity	-	-	-	-	(3,308)	-	-	(3,308)	-	(3,308)
Net expense recognised directly in equity	-	-	-	-	(3,308)	-	-	(3,308)	-	(3,308)
Net income for the period	-	-	-	-	-	-	720,443	720,443	-	720,443
Total income and expenses for the period	-	-	-	-	(3,308)	-	720,443	717,135	-	717,135
Dividend paid	-	-	-	-	-	-	(189,015)	(189,015)	-	(189,015)
Increase in unsubordinated convertible debentures - equity component	-	-	-	7,477	-	-	-	7,477	-	7,477
Additional ordinary shares as a result of warrants exercised	1,383	(1,380)	(2)	-	-	-	-	1	-	1
Balance - as at 30 September 2008	<u>4,726,330</u>	<u>(44,093)</u>	<u>-</u>	<u>31,012</u>	<u>(3,308)</u>	<u>119,100</u>	<u>1,793,755</u>	<u>6,622,796</u>	<u>-</u>	<u>6,622,796</u>
Balance - as at 31 December 2008	4,726,330	(44,093)	-	31,012	(5,397)	159,100	1,837,859	6,704,811	(1,581)	6,703,230
Expense recognised directly in equity:										
Investments in available-for-sale securities										
Loss recognised in shareholders' equity	-	-	-	-	(1,086)	-	-	(1,086)	-	(1,086)
Net expense recognised directly in equity	-	-	-	-	(1,086)	-	-	(1,086)	-	(1,086)
Net income (loss) for the period	-	-	-	-	-	-	264,887	264,887	(2,255)	262,632
Total income and expenses for the period	-	-	-	-	(1,086)	-	264,887	263,801	(2,255)	261,546
Dividend paid (Note 23)	-	-	-	-	-	-	(283,535)	(283,535)	-	(283,535)
Balance - as at 30 September 2009	<u>4,726,330</u>	<u>(44,093)</u>	<u>-</u>	<u>31,012</u>	<u>(6,483)</u>	<u>159,100</u>	<u>1,819,211</u>	<u>6,685,077</u>	<u>(3,836)</u>	<u>6,681,241</u>

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Property Perfect Public Company Limited and its subsidiaries
Statements of changes in shareholders' equity (continued)
For the nine-month periods ended 30 September 2009 and 2008

(Unit: Thousand Baht)

	Separate financial statements							
	Issued and paid share capital	Share discount	Share subscriptions received in advance	Unsubordinated convertible debenture equity component	Revaluation	Retained earnings		Total
					deficit on changes in value of investment	Statutory reserve	Unappropriated	
Balance - as at 31 December 2007	4,724,947	(42,713)	2	23,535	-	119,100	893,120	5,717,991
Expense recognised directly in equity:								
Investments in available-for-sale securities								
Loss recognised in shareholders' equity	-	-	-	-	(3,308)	-	-	(3,308)
Net expense recognised directly in equity	-	-	-	-	(3,308)	-	-	(3,308)
Net income for the period	-	-	-	-	-	-	683,858	683,858
Total income and expenses for the period	-	-	-	-	(3,308)	-	683,858	680,550
Dividend paid	-	-	-	-	-	-	(189,015)	(189,015)
Additional ordinary shares as a result of warrants exercised	1,383	(1,380)	(2)	-	-	-	-	1
Balance - as at 30 September 2008	<u>4,726,330</u>	<u>(44,093)</u>	<u>-</u>	<u>23,535</u>	<u>(3,308)</u>	<u>119,100</u>	<u>1,387,963</u>	<u>6,209,527</u>
Balance - as at 31 December 2008	4,726,330	(44,093)	-	23,535	(5,397)	159,100	1,462,374	6,321,849
Expense recognised directly in equity:								
Investments in available-for-sale securities								
Loss recognised in shareholders' equity	-	-	-	-	(1,086)	-	-	(1,086)
Net expense recognised directly in equity	-	-	-	-	(1,086)	-	-	(1,086)
Net income for the period	-	-	-	-	-	-	259,896	259,896
Total income and expenses for the period	-	-	-	-	(1,086)	-	259,896	258,810
Dividend paid (Note 23)	-	-	-	-	-	-	(283,535)	(283,535)
Balance - as at 30 September 2009	<u>4,726,330</u>	<u>(44,093)</u>	<u>-</u>	<u>23,535</u>	<u>(6,483)</u>	<u>159,100</u>	<u>1,438,735</u>	<u>6,297,124</u>

The accompanying notes are an integral part of the financial statements.

Property Perfect Public Company Limited and its subsidiaries

Notes to consolidated interim financial statements

For the three-month and nine-month periods ended 30 September 2009 and 2008

1. General information

1.1 Corporate information

Property Perfect Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the property development and its registered address is 100/1 Vorasombat Building, 17th Floor, Rama 9 Road, Huaykwang, Bangkok.

1.2 Basis for preparation of interim financial statements

These interim financial statements are prepared in accordance with Accounting Standard No. 34 (revised 2007) “Interim Financial Reporting”, with the Company choosing to present condensed interim financial statements. However, the Company has presented the balance sheets, and the statements of income, changes in shareholders’ equity, and cash flows in the same format as that used for the annual financial statements.

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 circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

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 Thai language financial statements.

1.3 Basis of consolidation

These consolidated financial statements included the financial statements of Property Perfect Public Company Limited and its subsidiaries (“the Group”) and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2008. There has been no change in the composition of the Group during the current period.

1.4 Adoption of new accounting standards

In June 2009, the Federation of Accounting Professions has issued Notification No. 12/2552, regarding the renumbering of Thai Accounting Standards to match the corresponding International Accounting Standards. Therefore the numbers of Thai Accounting Standards as used in these financial statements are corresponded to those per this notification.

The Federation of Accounting Professions has issued Notification No. 86/2551 and 16/2552, mandating the use of new accounting standards, financial reporting standard and accounting treatment guidance as follows.

a) Accounting standards, financial reporting standard and accounting treatment guidance which are effective for the current year

Framework for Preparation and Presentation of Financial Statements (revised 2007)

TAS 36 (revised 2007)

Impairment of Assets

TFRS 5 (revised 2007)

Non-current Assets Held for Sale
and Discontinued Operations

Accounting Treatment Guidance for Leasehold right

Accounting Treatment Guidance for Business Combination under Common Control

These accounting standards, financial reporting standard and accounting treatment guidance became effective for the financial statements for fiscal years beginning on or after 1 January 2009. The management has assessed the effect of these standards and believes that Accounting Treatment Guidance for Business Combination under Common Control is not relevant to the business of the Company, while Framework for Preparation and Presentation of Financial Statements (revised 2007), TAS 36 (revised 2007), TFRS 5 (revised 2007) and Accounting Treatment Guidance for Leasehold right will not have any significant impact on the financial statements for the current period.

b) Accounting standards which are not effective for the current year

		<u>Effective date</u>
TAS 20	Accounting for Government Grants and Disclosure of Government Assistance	1 January 2012
TAS 24 (revised 2007)	Related Party Disclosures	1 January 2011
TAS 40	Investment Property	1 January 2011

However, TAS 24 (revised 2007) and TAS 40 allows early adoption by the entity before the effective date.

The management of the Company is still evaluating the effect of these three accounting standards and has not been able to reach a conclusion as to their effect to the financial statements for the year in which they are initially applied.

1.5 Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2008.

2. Related party transactions

During the periods, the Company and its subsidiaries had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

(Unit: Million Baht)

	Separate financial statements				Pricing policy
	For the three-month periods ended		For the nine-month periods ended		
	30 September		30 September		
	2009	2008	2009	2008	
<u>Transactions with subsidiaries</u>					
(Eliminated from the consolidated financial statements)					
Interest income	11.5	7.9	28.2	20.4	8.34 - 9.37% per annum
Club house management expenses	3.1	3.0	8.3	7.5	By agreement

(Unaudited but reviewed)

The outstanding balances of the above transactions are shown as separate items in the balance sheets as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2009	2008	2009	2008
		(Audited)		(Audited)
<u>Advances to related company</u>				
Bright Development Bangkok Company Limited	-	-	1,500	1,500
Advances to related company	-	-	1,500	1,500
<u>Loans to related companies and interest receivable</u>				
Loans to subsidiaries				
Estate Perfect Company Limited	-	-	131,606	298,713
Bright Development Bangkok Company Limited	-	-	395,294	100,294
Centrepoint Shopping Mall Company Limited	-	-	12,200	5,100
	-	-	539,100	404,107
Interest receivable				
Estate Perfect Company Limited	-	-	857	3,271
Bright Development Bangkok Company Limited	-	-	21,791	4,616
Centrepoint Shopping Mall Company Limited	-	-	568	59
	-	-	23,216	7,946
Loans to related companies and interest receivable, net	-	-	562,316	412,053
<u>Amounts due to related companies</u>				
Perfect Satellite Services Company Limited	-	-	1,246	1,065
Centrepoint Shopping Mall Company Limited	-	-	80,000	80,000
Bright Development Bangkok Company Limited	-	-	-	2,889
Amounts due to related companies	-	-	81,246	83,954
<u>Advance from director</u>				
Director	80,000	80,000	-	-
Advance from director	80,000	80,000	-	-

(Unaudited but reviewed)

During the nine-month period ended 30 September 2009, movements of loans to related companies were as follow:

(Unit: Thousand Baht)

	Balance as at	During the period		Balance as at
	1 January 2009	Increase	Decrease	30 September 2009
<i>Subsidiaries</i>				
Estate Perfect Company Limited	298,713	253,000	(420,107)	131,606
Bright Development Bangkok Company Limited	100,294	295,000	-	395,294
Centrepoint Shopping Mall Company Limited	5,100	7,100	-	12,200

Directors' and management's remuneration

During the three-month and nine-month periods ended 30 September 2009, the Company and its subsidiaries paid salaries, meeting allowances and remuneration to their directors and management totaling Baht 13.9 million and Baht 54.2 million, respectively (Separate financial statements: Baht 10.3 million and Baht 43.6 million, respectively) (2008: Baht 12.0 million and Baht 45.0 million, respectively (Separate financial statements: Baht 9.1 million and Baht 36.7 million, respectively)).

Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its related parties, as described in Note 24.4 a) to the interim financial statements.

3. Trade accounts receivable

As at 30 September 2009 and 31 December 2008, trade accounts receivable were classified by aging as follows:

(Unit: Thousand Baht)

	Consolidated financial statements				
	As at 30 September 2009				
	Less than 3 months	3 - 6 months	6 -12 months	Over 12 months	Total
Accounts receivable - installments	6,639	1,902	6,555	4,049	19,145
Accounts receivable at transfer date	3,103	-	2,040	11,096	16,239
Total	9,742	1,902	8,595	15,145	35,384
Less: Allowance for doubtful debts	-	-	-	(10,293)	(10,293)
Trade accounts receivable, net	9,742	1,902	8,595	4,852	25,091

(Unaudited but reviewed)

(Unit: Thousand Baht)

Consolidated financial statements					
As at 31 December 2008 (Audited)					
	Less than 3 months	3 - 6 months	6 -12 months	Over 12 months	Total
Accounts receivable - installments	15,036	5,370	6,108	2,496	29,010
Accounts receivable at transfer date	3,740	50	50	11,246	15,086
Total	18,776	5,420	6,158	13,742	44,096
Less: Allowance for doubtful debts	-	-	-	(10,293)	(10,293)
Trade accounts receivable, net	18,776	5,420	6,158	3,449	33,803

(Unit: Thousand Baht)

Separate financial statements					
As at 30 September 2009					
	Less than 3 months	3 - 6 months	6 -12 months	Over 12 months	Total
Accounts receivable - installments	5,554	1,284	6,405	4,049	17,292
Accounts receivable at transfer date	3,103	-	2,040	11,046	16,189
Total	8,657	1,284	8,445	15,095	33,481
Less: Allowance for doubtful debts	-	-	-	(10,293)	(10,293)
Trade accounts receivable, net	8,657	1,284	8,445	4,802	23,188

(Unit: Thousand Baht)

Separate financial statements					
As at 31 December 2008 (Audited)					
	Less than 3 months	3 - 6 months	6 -12 months	Over 12 months	Total
Accounts receivable - installments	12,341	5,250	6,108	2,496	26,195
Accounts receivable at transfer date	3,040	-	-	11,246	14,286
Total	15,381	5,250	6,108	13,742	40,481
Less: Allowance for doubtful debts	-	-	-	(10,293)	(10,293)
Trade accounts receivable, net	15,381	5,250	6,108	3,449	30,188

4. Account receivable - land

The account receivable was to be paid in installments, with the first installment due on 30 April 2009 and full settlement due within December 2009. However, the debtor requested postponement of payment, such that it would be made in two installments, with the first installment amounting to Baht 4.4 million (the Company received this on 6 November 2009) and the second installment, comprising the balance, to be paid within December 2009.

(Unaudited but reviewed)

5. Project development costs

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 September 2009	31 December 2008 (Audited)	30 September 2009	31 December 2008 (Audited)
Land costs	14,823,777	14,217,302	13,242,337	12,635,862
Development costs	7,297,826	6,960,773	6,649,150	6,343,428
Construction costs	20,167,654	18,832,022	18,633,248	17,529,694
Capitalised interest	4,461,310	4,351,344	4,160,328	4,068,788
Total	46,750,567	44,361,441	42,685,063	40,577,772
Less: Transferred to cost of sales	(36,706,451)	(33,821,534)	(34,280,133)	(31,892,898)
Transferred to settle debt under rehabilitation plan	(1,524,192)	(1,524,192)	(1,524,192)	(1,524,192)
	8,519,924	9,015,715	6,880,738	7,160,682
Less: Allowance for loss on diminution in value of projects	(78,782)	(84,633)	(72,800)	(75,536)
Project development costs, net	8,441,142	8,931,082	6,807,938	7,085,146

Movements in the allowance for loss on diminution in value of projects during the nine-month period ended 30 September 2009 are summarised below.

(Unit: Thousand Baht)

	Consolidated	Separate
	financial statements	financial statements
Balance as at 1 January 2009	(84,633)	(75,536)
Less: Allowance reversed during the period upon revenue recognition	5,851	2,736
Balance as at 30 September 2009	(78,782)	(72,800)

On 9 September 2009, the Company entered into an agreement to purchase and to sell land with a university at a price of Baht 900 million (having cancelled the agreement to purchase and to sell dated 9 April 2009). Under the agreement, the Company must construct a road in accordance with details in the agreement, establish an education fund amounting to Baht 20 million for the university and comply with conditions stipulated in the agreement. In addition, the Company is to be liable for a fine if the Company defaults on the agreement. Currently, the Company is complying with conditions stipulated in the agreement and preparing to transfer ownership of the land to the university.

The Company's and its subsidiaries' project land and construction thereon with a net book value of Baht 6,774.5 million as at 30 September 2009 (31 December 2008: Baht 8,352.7 million), have been mortgaged with financial institutions as collateral for credit facilities, guarantees and debentures.

During the nine-month period ended 30 September 2009, the Company transferred land held for development to project development costs amounting to Baht 480.4 million.

During the nine-month period ended 30 September 2009, the Company and its subsidiary included borrowing costs of Baht 110.0 million as cost of "Project development costs" (Separate financial statements: Baht 91.5 million). Interest is charged at rate of 5.0 - 7.3% per annum.

6. Investments in subsidiaries

Details of investments in subsidiaries as presented in separate financial statements are as follows:

Company's name	(Unit: Thousand Baht)	
	Separate financial statements	
	Cost	
	30 September 2009	31 December 2008
		(Audited)
Estate Perfect Company Limited	538,459	538,459
Perfect Satellite Services Company Limited	999	999
Bright Development Bangkok Company Limited	999	999
Centrepoint Shopping Mall Company Limited	600	600
Total	541,057	541,057

The ordinary shares of Bright Development Bangkok Company Limited have been pledged with a financial institution as collateral for debentures.

7. Investment in associate

This represents investment in ordinary shares in the following associate.

Company's name	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	Equity method		Cost method	
	30 September	31 December	30 September	31 December
	2009	2008	2009	2008
		(Audited)		(Audited)
Krungthep Land Public Company Limited	416,736	416,738	360,000	360,000
Total	416,736	416,738	360,000	360,000

8. Land held for development

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	30 September	31 December	30 September	31 December
	2009	2008	2009	2008
		(Audited)	(Audited)	
Land costs	4,806,916	3,403,988	4,060,067	3,128,921
Development costs	127,663	98,123	127,662	98,123
Construction costs	18,409	17,473	17,450	17,473
Capitalised interest	487,540	487,540	487,540	487,540
Total	5,440,528	4,007,124	4,692,719	3,732,057
Less: Transferred to cost of sales	(350,702)	(350,702)	(350,702)	(350,702)
Transferred to restructure debt	(1,540,946)	(1,540,946)	(1,540,946)	(1,540,946)
Transferred to settle debt under rehabilitation plan	(151,117)	(151,117)	(151,117)	(151,117)
	3,397,763	1,964,359	2,649,954	1,689,292
Less: Allowance for loss on impairment	(103,990)	(103,990)	(103,990)	(103,990)
Land held for development, net	3,293,773	1,860,369	2,545,964	1,585,302

The land held for development with a net book value of Baht 2,442.0 million as at 30 September 2009 (31 December 2008: Baht 680.8 million) has been mortgaged with financial institutions as collateral for credit facilities, guarantees and debentures.

During the nine-month period ended 30 September 2009, the Company transferred land held for development to project development costs amounting to Baht 480.4 million.

(Unaudited but reviewed)

9. Advances for purchases of land

	(Unit: Thousand Baht)	
	Consolidated	Separate
	<u>financial statements</u>	<u>financial statements</u>
Balance as at 1 January 2009	476,160	388,904
Increase during the period	178,157	143,158
Title of plots of land transferred during the period	(459,437)	(373,682)
Balance as at 30 September 2009	<u>194,880</u>	<u>158,380</u>

As at 30 September 2009, the Company and its subsidiaries were contracted to purchase and to sell land amounting to Baht 565.4 million (Separate financial statements: Baht 353.7 million).

Approximately Baht 128.6 million (Separate financial statements: Baht 94.3 million) of the above balance represented advances paid to landowners by the Company and its subsidiaries under agreements to purchase and to sell land already signed with the landowners by agents, the Company and its subsidiary.

The remaining advances, amounting to approximately Baht 66.3 million (Separate financial statements: Baht 64.1 million), have been paid to agents in acquiring land (Baht 57.1 million paid to an agent who is a management of the Company) and agreements to purchase and to sell land are still in the process of being signed with the landowners.

10. Property, plant and equipment

Movements of the property, plant and equipment account during the nine-month period ended 30 September 2009 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	<u>financial statements</u>	<u>financial statements</u>
Net book value as at 1 January 2009	400,586	347,717
Acquisitions during period - at cost	47,136	46,242
Disposals during period - net	(6,110)	(6,110)
Transfer from project development costs	3,067	3,067
Depreciation for period	(47,162)	(40,388)
Net book value as at 30 September 2009	<u>397,517</u>	<u>350,528</u>

11. Leasehold rights awaiting sale

On 25 December 2007, the Company entered into an agreement to transfer leasehold rights to a subsidiary, with a contract value of Baht 200 million, of which Baht 80 million was paid on the contract date. The remaining balances are to be paid by the subsidiary on the date the transfer of leasehold rights is registered.

On 27 June 2008, the Company entered into an amended agreement to transfer leasehold rights to the subsidiary, whereby it is to make the remaining payment to the Company on the date the transfer of leasehold rights is registered, and no later than 30 September 2009. Subsequently on 26 June 2009, the agreement has been amended to extend the settlement date to be no later than 31 December 2009.

12. Short-term loans from financial institutions

The loans are subject to interest rates tied to the minimum loan rate (MLR) and the minimum overdraft rate (MOR) and are secured by guarantees provided by the Company and the Company's director, and by the mortgage of part of the Company's project land and construction. During the nine-month period ended 30 September 2009, the Company and its subsidiary made loan repayments amounting to Baht 523 million.

The loan agreements contain normal covenants relating to various matters as required in the normal course of business.

13. Note payable

A subsidiary issued promissory notes to pay land costs and other expenses to a land owner, who is a land broker. The promissory notes are due in installments, no later than 4 March 2010 and have no interest charges, and are availed by a financial institution. The aval is secured by a guarantee provided by the Company and the mortgage of the subsidiary's project land and construction.

14. Loan from individual

Loan from an individual, amounting to Baht 31 million, is subject to interest at a rate of 8.0% per annum and is secured by the mortgage of part of the subsidiary's project land and construction. During the current period, the subsidiary made loan repayment in full amounts.

15. Bills of exchange payable

On 14 August 2009, a meeting of the Company's Board of Directors passed a resolution to approve the issue of not more than Baht 1,000 million bills of exchange and during the current period, the Company issued bills of exchange amounting to Baht 484 million, subject to interest at a rate of 4.5% per annum. The bills of exchange are to be repaid within June 2010.

(Unaudited but reviewed)

16. Debentures

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2009	2008	2009	2008
		(Audited)		(Audited)
Secured debentures - Subsidiary	212,150	462,150	-	-
Secured debentures 1/2009	505,578	-	505,578	-
Secured debentures 2/2009#1	300,000	-	300,000	-
Secured debentures 2/2009#2	800,000	-	800,000	-
Total	1,817,728	462,150	1,605,578	-
Less: Current portion of subsidiary's debentures	(212,150)	(462,150)	-	-
Long-term debentures	1,605,578	-	1,605,578	-

Movement in debenture account during the nine-month period ended 30 September 2009 are summarised below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
Balance as at 1 January 2009	462,150	-	-	-
Add: Issue bond	1,620,000	1,620,000	1,620,000	-
Less: Repayment	(250,000)	-	-	-
Less: Deferred debenture issuing costs	(15,600)	(15,600)	(15,600)	-
Add: Amortisation of deferred debenture issuing costs	1,178	1,178	1,178	-
Balance as at 30 September 2009	1,817,728	1,605,578	1,605,578	-

The Company

The Annual General Meeting of the Company's shareholders held on 21 June 2006 and 30 April 2008 passed resolutions to approve the issue and offer of not more than Baht 3,200 million secured or unsecured debentures. The details are as follows:

- On 3 June 2009, the Company issued and offered 520,000 secured debentures with a par value of Baht 1,000 each, or a total value of Baht 520 million. The debentures mature on 3 June 2012, bear interest at a rate of 6% per annum and are secured by the mortgage of parts of the Company's project land and construction and a guarantee provided by a financial institution for debentures of Baht 260 million.
- On 14 August 2009, the Company issued and offered 300,000 secured debentures#1 with a par value of Baht 1,000 each, or a total value of Baht 300 million. The debentures mature on 14 February 2011, bear interest at a rate of 4.85% per annum and are secured by the mortgage of parts of the Company's project land and construction.
- On 14 August 2009, the Company issued and offered 800,000 secured debentures#2 with a par value of Baht 1,000 each, or a total value of Baht 800 million. The debentures mature on 14 August 2012, bear interest at a rate of 6% per annum and are secured by the mortgage of parts of the Company's project land and construction.

The subsidiary

On 27 May 2009, Bright Development Bangkok Company Limited entered into an amendment to the agreement with a financial institution, amending the details of the debentures, so that the debentures are to be paid in installments, are to be paid in full within February 2010, and bear interest at a rate of THBFIX plus 8.55256% per annum until November 2009 and interest at a rate of THBFIX plus 10.05256% per annum during December 2009 and February 2010.

Under the debenture agreement, there are normal covenants relating to various matters as required in the normal course of business.

17. Creditors per rehabilitation plan

During the nine-month period ended 30 September 2009, the Company made payments to creditors per rehabilitation plan for a total of Baht 229 million. The Company is in the process of arranging for the creditors to receive settlement of the remaining amount of Baht 37 million.

(Unaudited but reviewed)

18. Long-term loans

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate financial statements	
	30 September 2009	31 December 2008	30 September 2009	31 December 2008
		(Audited)		(Audited)
Long-term loans	2,669.3	2,954.4	2,238.5	2,564.9
Less: Current portion	(397.7)	(233.1)	(273.2)	(228.9)
Long-term loans - net of current portion	<u>2,271.6</u>	<u>2,721.3</u>	<u>1,965.3</u>	<u>2,336.0</u>

Movements in the long-term loan account during the nine-month period ended 30 September 2009 are summarised below.

	(Unit: Million Baht)	
	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2009	2,954.4	2,564.9
Add: Additional borrowings	2,269.0	1,607.8
Less: Repayment	(2,554.1)	(1,934.2)
Balance as at 30 September 2009	<u>2,669.3</u>	<u>2,238.5</u>

During the nine-month period ended 30 September 2009, the Company and its subsidiary entered into new loan agreements with six financial institutions. Details of the new loans are as follows:

The Company

- A facility of Baht 317 million, subject to interest at a rate of 7.00 - 7.25% per annum, is secured by the mortgage of part of the Company's project land and construction. It is to be repaid each time a plot of land with house is redeemed from mortgage, at a rate of not less than 70% of the selling price, which is not to be less than the amount informed to the bank. Any remaining balance is to be repaid within January 2012. As at 30 September 2009, the outstanding balance of this loan was approximately Baht 151.3 million.
- A facility of Baht 65 million, subject to interest at a rate tied to the minimum loan rate (MLR), is secured by the mortgage of part of the Company's project land and construction. It is to be repaid each time a plot of land with house is redeemed from mortgage, at a rate of not less than 60% of the selling price, which is not to be less than the amount informed to the bank. Any remaining balance is to be repaid within January 2011. As at 30 September 2009, the outstanding balance of this loan was approximately Baht 33.6 million.

- A facility of Baht 1,000 million, subject to interest at a rate tied to the minimum loan rate (MLR), is secured by guarantee provided by the mortgage of part of the Company's project land and construction. It is to be repaid each time condominium unit is redeemed from mortgage, at a rate of not less than 70% of the selling price, which is not to be less than the amount informed to the bank. Any remaining balance is to be repaid within June 2012. As at 30 September 2009, the outstanding balance of this loan was approximately Baht 165.5 million.
- A facility of Baht 180 million, subject to interest at a rate tied to the minimum loan rate (MLR), is secured by the mortgage of part of the Company's project land and construction. It is to be repaid each time a plot of land with house is redeemed from mortgage, at a rate of not less than 70% of the selling price, which is not to be less than the amount informed to the bank and not less than Baht 30 million in every 3 months. Any remaining balance is to be repaid within November 2010. As at 30 September 2009, the outstanding balance of this loan was approximately Baht 39.5 million.
- A facility of Baht 358 million, subject to interest at a rate of 7% per annum, is secured by the mortgage of part of the Company's project land and construction. It is to be repaid each time a plot of land with house is redeemed from mortgage, at a rate of not less than 70% of the selling price, which is not to be less than the amount informed to the bank. Any remaining balance is to be repaid within April 2013. As at 30 September 2009, the outstanding balance of this loan was approximately Baht 249.3 million.
- A facility of Baht 190 million, subject to interest at a rate tied to the minimum loan rate (MLR), is secured by the mortgage of part of the Company's project land and construction, shares of other company and the Company's director. It is to be repaid each time a plot of land with house is redeemed from mortgage, at a rate of not less than 60% of the selling price, which is not to be less than the amount informed to the bank. Any remaining balance is to be repaid within April 2011. As at 30 September 2009, the outstanding balance of this loan was approximately Baht 118.2 million.
- A facility of Baht 360 million, subject to interest at a rate tied to the minimum loan rate (MLR), is secured by the mortgage of part of the Company's project land and construction. It is to be repaid each time a plot of land with house is redeemed from mortgage, at a rate of not less than 70% of the selling price, which is not to be less than the amount informed to the bank. Any remaining balance is to be repaid within July 2012. As at 30 September 2009, the outstanding balance of this loan was approximately Baht 83.3 million.

The subsidiary

- A facility of Baht 500 million, subject to interest at a rate tied to the minimum loan rate (MLR), is secured by guarantee provided by the Company and the mortgage of part of the subsidiary's project land and construction. It is to be repaid each time a plot of land with house is redeemed from mortgage, at a rate of not less than 70% of the selling price, which is not to be less than the amount informed to the bank. Any remaining balance is to be repaid within February 2011. As at 30 September 2009, the outstanding balance of this loan was approximately Baht 77.2 million.
- A facility of Baht 720 million, subject to interest at a rate tied to the minimum loan rate (MLR), is secured by guarantee provided by the Company and the mortgage of part of the subsidiary's project land and construction. It is to be repaid each time a plot of land with house is redeemed from mortgage, at a rate of not less than 70% of the selling price, which is not to be less than the amount informed to the bank. Any remaining balance is to be repaid within September 2013. As at 30 September 2009, the outstanding balance of this loan was approximately Baht 220 million.
- A facility of Baht 19.7 million, subject to interest at a rate tied to the minimum loan rate (MLR), is secured by guarantee provided by the Company and the mortgage of part of the Company's project land and construction. It is to be repaid in installments at least Baht 900,000 each. Any remaining balance is to be repaid within September 2011. As at 30 September 2009, the outstanding balance of this loan was approximately Baht 18.9 million.

The loan agreements contain normal covenants relating to various matters as required in the normal course of business, including payment of a dividend.

19. Provisions

These comprise the following:

	(Unit: Thousand Baht)	
	Consolidated and separate	
	financial statements	
	<u>30 September 2009</u>	<u>31 December 2008</u>
Short-term provision		(Audited)
Provision for loss arising from minimum revenue guarantee	25,009	26,483
	25,009	26,483

(Unaudited but reviewed)

(Unit: Thousand Baht)

Consolidated and separate
financial statements

30 September 2009 31 December 2008
(Audited)

Long-term provisions

Provision for loss arising from minimum revenue guarantee	3,485	13,940
Provision for unconverted debentures	188,140	145,842
	<u>191,625</u>	<u>159,782</u>

Movements in provision account during the nine-month period ended 30 September 2009 are summarised below.

(Unit: Thousand Baht)

Consolidated and separate
financial statements

	<u>Short term provision</u>	<u>Long term provisions</u>
Balance as at 1 January 2009	26,483	159,782
Revise provision for loss arising from minimum revenue guarantee	8,629	-
Adjust amounts to be paid during the period	19,808	
Adjust provision for loss arising from minimum revenue guarantee from long-term to short-term	10,456	(10,456)
Adjust provision for unconverted debentures according to the life of the debentures	-	42,299
Total	<u>65,376</u>	<u>191,625</u>
Less: Paid for minimum revenue guarantee	<u>(40,367)</u>	-
Balance as at 30 September 2009	<u>25,009</u>	<u>191,625</u>

20. Corporate income tax

Interim corporate income tax of the Company and its subsidiaries were calculated on income before income tax for the period, after adding back expenses and deducting income which are disallowable for tax computation purposes, using the estimated effective tax rate for the year.

No interim corporate income tax was payable for the three-month and nine-month periods ended 30 September 2008 since the Company had tax loss brought forward from previous years over its estimated net income for the year.

(Unaudited but reviewed)

21. Earnings per share

Consolidated financial statements						
For the three-month periods ended 30 September						
		Weighted		Earnings per share		
Net income		average number of				
<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	
Thousand Baht	Thousand Baht	Thousand shares	Thousand shares	Baht	Baht	
Basic earnings per share						
Net income attributable to equity holders of the parent	82,903	267,985	787,722	787,722	0.105	0.340
Effect of dilutive potential ordinary shares						
Warrants 8,872,576 units (2008: 8,872,576 units)	-	-	8,849	8,848		
Unsubordinated convertible debentures	-	21,225	-	131,680		
Diluted earnings per share						
Net income of ordinary shareholders assuming the conversion of dilutive potential ordinary shares	<u>82,903</u>	<u>289,210</u>	<u>796,571</u>	<u>928,250</u>	0.104	0.312
Separate financial statements						
For the three-month periods ended 30 September						
		Weighted		Earnings per share		
Net income		average number of				
<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	
Thousand Baht	Thousand Baht	Thousand shares	Thousand shares	Baht	Baht	
Basic earnings per share						
Net income attributable to equity holders of the parent	85,005	255,143	787,722	787,722	0.108	0.324
Effect of dilutive potential ordinary shares						
Warrants 8,872,576 units (2008: 8,872,576 units)	-	-	8,849	8,848		
Unsubordinated convertible debentures	-	21,225	-	131,680		
Diluted earnings per share						
Net income of ordinary shareholders assuming the conversion of dilutive potential ordinary shares	<u>85,005</u>	<u>276,368</u>	<u>796,751</u>	<u>928,250</u>	0.107	0.298

(Unaudited but reviewed)

Consolidated financial statements						
For the nine-month periods ended 30 September						
		Weighted		Earnings per share		
Net income		average number of				
<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	
Thousand Baht	Thousand Baht	Thousand shares	Thousand shares	Baht	Baht	
Basic earnings per share						
Net income attributable to equity holders of the parent	264,887	720,443	787,722	787,698	0.336	0.915
Effect of dilutive potential ordinary shares						
Warrants 8,872,576 units (2008: 8,872,576 units)	-	-	8,845	8,877		
Unsubordinated convertible debentures	-	62,589	-	131,680		
Diluted earnings per share						
Net income of ordinary shareholders assuming the conversion of dilutive potential ordinary shares	<u>264,887</u>	<u>783,032</u>	<u>796,567</u>	<u>928,255</u>	0.333	0.844

Separate financial statements						
For the nine-month periods ended 30 September						
		Weighted		Earnings per share		
Net income		average number of				
<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	
Thousand Baht	Thousand Baht	Thousand shares	Thousand shares	Baht	Baht	
Basic earnings per share						
Net income attributable to equity holders of the parent	259,896	683,858	787,722	787,698	0.330	0.868
Effect of dilutive potential ordinary shares						
Warrants 8,872,576 units (2008: 8,872,576 units)	-	-	8,845	8,877		
Unsubordinated convertible debentures	-	62,589	-	131,680		
Diluted earnings per share						
Net income of ordinary shareholders assuming the conversion of dilutive potential ordinary shares	<u>259,896</u>	<u>746,447</u>	<u>796,567</u>	<u>928,255</u>	0.326	0.804

Since the conversion to ordinary shares of the unsubordinated convertible debentures would increase earnings per share in the consolidated and separate financial statements for the three-month and nine-month periods ended 30 September 2009. Therefore the Company has not assumed conversion of unsubordinated convertible debentures in calculation of diluted earnings per share in the consolidated and separate financial statements for the three-month and nine-month periods ended 30 September 2009.

22. Financial information by segment

The Company's and its subsidiaries' operations involve principally a single industry segment, property development, and are carried on in the single geographic area of Thailand. As a result, all of the revenues, operating income and assets as reflected in these financial statements pertain to the aforementioned industry segment and geographic area.

23. Dividends

	<u>Approved by</u>	<u>Total dividends</u>	<u>Dividend per share</u>
Final dividend for 2008	Annual General Meeting of the shareholders on 30 April 2009	Baht 283.5 million	Baht 0.36

24. Commitments and contingent liabilities

24.1 Capital commitments

- a) The Company and its subsidiary had outstanding commitments of approximately Baht 2,086.3 million in respect of construction contracts of land and house projects and residential condominium units of which the Company and its subsidiary had already entered into contracts with subcontractors.
- b) The Company and its subsidiary had outstanding capital commitments of approximately Baht 436.8 million in respect of purchases of land.
- c) The subsidiary had outstanding capital commitments of approximately Baht 16.8 million in respect of land lease for real estate development.
- d) The subsidiary had outstanding commitments of approximately Baht 14.0 million in respect of a design contract for a shopping center and office project.
- e) The Company had an outstanding commitment in respect of a contract to construct no fewer than 1,000 residential units using a prefabrication system, and if the Company assigns the contractor to build fewer than 1,000 units, it must pay compensation of an amount stipulated in contract.

24.2 Operating lease commitments

The Company and its subsidiary have entered into several lease agreements in respect of the lease of land, vehicles, advertising board, office space and various services. The terms of the agreements are generally between 1 and 5 years. Operating lease agreements are non-cancellable.

As at 30 September 2009, future minimum lease payments required under these non-cancellable operating lease contracts were as follows.

	<u>Million Baht</u>
Payable within:	
Less than 1 year	45.8
1 to 5 years	26.2

During the nine-month period ended 30 September 2009, the Company and its subsidiaries recognised rental expenses of Baht 17.8 million (Separate financial statements: Baht 14.7 million).

24.3 Long-term service commitments

The Company has entered into clubhouse management agreements with its subsidiary. Under the conditions of these agreements, the Company is to pay monthly service fees as stipulated in the agreements. The fees for the period amounted to approximately Baht 8.7 million.

24.4 Guarantees

- a) The Company has guaranteed debentures and bank credit facilities of its subsidiaries amounting to Baht 2,623.6 million.
- b) As at 30 September 2009, there were outstanding bank guarantees of approximately Baht 740.1 million issued by the banks on behalf of the Company and its subsidiary in respect of certain performance bonds as required in the normal course of business. These included letters of guarantee amounting to Baht 480.1 million to guarantee the public utilities and Baht 260 million to guarantee the debentures.
- c) As at 30 September 2009, there was an outstanding letter of guarantee issued by a bank on behalf of the Company to guarantee minimum revenue of the Fund of Baht 55 million per year for a period of 5 years, ending on 31 December 2012.

25. Approval of financial statements

These financial statements were authorised for issue by the Company's authorised director on 12 November 2009.