

LPN/IR/11/50

6 August 2007

Subject: The 2<sup>nd</sup> Quarter Consolidated Financial Statements of L.P.N. Development Public Co., Ltd. and explanation on the Business Performance.

Attention: The Director and Manager  
The Stock Exchange of Thailand

Attachment: 1 set of Financial Statements (Thai and English Edition) as at the 2<sup>nd</sup> Quarter Year 2007 of L.P.N. Development Public Co., Ltd. its subsidiaries and joint company

According to the Act of Legislation of The Stock Exchange of Thailand Section 56 on disclosing information that the Company had to submit its financial statements within 45 days after the last day of the 2<sup>nd</sup> Quarter, we herewith submit to you 1 set of L.P.N. Development Public Co., Ltd., its subsidiaries and joint company's audited financial statements of 2<sup>nd</sup> Quarter Year 2007.

L.P.N. Development Public Co., Ltd. carries on the business of real estate (residential condominiums) development, at present having spread its customer base to medium-high and medium-low levels in the outer areas of the business center which are not far from the public mass transit systems. The success arose from the strategy of seeking new markets where there is still a high demand. The company develops each project with the main objective to meet the residents' needs and satisfactions, as well as to attach importance to the environment and neighboring communities in order to promote quality communities fitting the concept of a "Vibrant Community".

In Q2 of 2007 the company, its affiliates and joint companies had total revenues of Baht 1,941.82 Million, less than those of Baht 1,942.78 Million in the same period of 2006, or only 0.05 % less. In this quarter, the rate of the gross profit from sale slightly increased from 32.86% to 33.15%. This was the consequence of the efficiency in cost control. However, the net profit decreased by 9.74%, since the company launched 2 new projects and, therefore, had more expense for sale and management work by 7.81% to maintain the efficiency of sale and ownership transfer.

When considering the statement of cash flow on 30<sup>th</sup> June, 2007, the cash remained Baht 458.67 Million, increasing from Baht 448.66 Million in the same period of the previous year or 2.23% more because the joint companies started to repay the loan to the company amounting Baht 140 Million in the first 6 months of 2007.

The debt to equity ratio on 31<sup>st</sup> December, 2006 and 30<sup>th</sup> June, 2007 increased from 0.80:1 to 1:1 respectively. Moreover, interest-bearing debt also increased from 0.38:1 to 0.51:1 because there were continual investments and sale of new projects with a higher value and longer construction period than those in the previous year.

In Q3-4 of 2007, the company expects that there would be revenues recognition in succession and ownership transfer of another 2 projects as follows; Lumpini Place Phahon-Saphankhwai (ownership transfer in September, 2007) and Lumpini Place Pinklao 2 (ownership transfer in October, 2007).

Summarized Table

Item	Consolidated Financial Statement			Separate Financial Statement		
	Q2-2007	Q2-2006	% of Change	Q2-2007	Q2-2006	% of Change
1. Total Revenues (Million Baht)	1,941.82	1,942.78	(0.05%)	1,945.79	1,929.59	0.84%
2. Gross Margin (G/P) from Sales (%)	33.15%	32.86%	0.45%	32.22%	21.86%	0.36%
3. G/P from Rent & Services (%)	19.85%	58.22%	(42.92%)	4.33%	20.09%	(15.76%)
4. G/P from Management Service Fee (%)	35.66%	14.36%	21.30%	-%	-%	-%
5. G/P from Line 2 – 4 (Million Baht)	636.35	629.21	1.13%	606.67	603.44	0.54%
6. G/P from Line 2 – 4 (%)	33.11%	32.68%	0.43%	32.05%	31.82%	0.23%
7. Selling and Administrative Expenses (Million Baht)	218.74	202.89	7.81%	200.21	151.96	31.75%
8. Selling and Administrative Expenses (%)	11.26%	10.44%	0.82%	10.29%	7.88%	2.41%
9. E.B.I.T. (Million Baht)	432.41	441.45	(2.05%)	454.53	482.11	(5.72%)
10. E.B.I.T. (%)	22.27%	22.72%	(0.45%)	23.36%	24.99%	(1.63%)
11. Net Profit (Million Baht)	290.72	322.08	(9.74%)	317.07	355.47	(10.80%)
12. Net Profit (%)	14.97%	16.58%	(1.61%)	16.30%	18.42%	(2.12%)
13. Earning per Share (Baht)	0.20	0.22	(9.09%)	0.21	0.24	(12.50%)
14. Book value per Share (Baht)	2.40	2.06	16.50%	2.38	2.06	15.53%

Please be informed accordingly,

Yours sincerely,

(Opas Sripayak)  
Managing Director