

November 8, 2007

Subject The Effect of Changes in Accounting for Investments
Attention Director and Manager of the Stock Exchange of Thailand

Reference is made to Board Resolution 5/2007 dated November 8, 2007, approving the company's reviewed financial statement for the third quarter ended September, 30 2007.

The company would like to report on the effect of the changed its accounting policy regarding investment, which formerly reported investment using *the equity method*, now using *the cost method* in the separate financial statement. This adjustment caused net profit for the third quarter of year 2007 and 2006 on the consolidated financial statement amounting Baht 360.20 Million and Baht 223.82 Million respectively differ from the third quarter of year 2007 and 2006 on the separate financial statement amounting Baht 348.00 Million and Baht 200.65 Million as following

1. The difference of the figure in the third quarter of year 2007 on the consolidated financial statement and separated financial statement amounting Baht 360.20 Million and Baht 348.00 Million which is Baht 12.20 Million is mainly due to add the sharing loss from investment in Grand Unity Development Co., Ltd. amounting Baht 7.74 Million, deducting of the sharing profit from selling land to Pornsanti Co., Ltd. which is recognized as revenue in the third quarter by Baht 1.54 Million, booking interest received from lending to Pornsanti Co., Ltd. which has sold the rest of residential condominium in the third quarter by Baht 0.27 Million, sharing profit from investment in Pornsanti Co., Ltd. amounting Baht 13.22 Million and sharing profit from investment in Lumpini Property Management Co., Ltd. by Baht 4.91 Million.
2. The difference of the figure in the third quarter of year 2006 on the consolidated financial statement and separated financial statement amounting Baht 223.82 Million and Baht 200.65 Million which is Baht 23.17 Million is mainly due to add the dividend receiving from Grand Unity Development Co., Ltd. amounting Baht 8.00 Million, sharing loss from investment in Pornsanti Co., Ltd. amounting Baht 0.57 Million, and deducting of sharing profit from investment in Lumpini Property Management Co., Ltd. amounting Baht 31.73 Million and sharing profit from investment in Grand Unity Development Co., Ltd. amounting Baht 0.01 Million.

However, the change of accounting policy affected only on the separated financial statement. It does not have any effect on the consolidated financial statement and business fundamental.

Please be informed accordingly,

Best regards,

(Opas Sripayak)

Managing Director

L.P.N. Development Public Company Limited