

L.P.N./Sorkor7/08

22 February 2008

Subject: 1. The 2007 Financial Statements of L.P.N. Development Public Co., Ltd.
2. Explanation on the change of more than 20% of the Business Performance.

Attention: The Director and Manager
The Stock Exchange of Thailand

Attachment: 1 set of Financial Statement (Thai and English Edition) as at the 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 60 days after the last day of the year, we herewith submit to you 1 set of L.P.N. Development Public Co., Ltd., its subsidiaries and joint company's audited financial statement of 2007 and the Company's explanation on the change of more than 20% of the Business Performance.

In 2007, LPN Development Public Company Limited (LPN), a condominium developer, has determined 4 corporate strategies to maintain leading position in residential condominium market, which are Differentiation, Focus Target Group, Cost Leadership and Corporate Environmental & Social Responsibility (CESR). LPN has given a great emphasis about CESR and, therefore, strictly complied with government regulations. LPN also carefully considers impacts not only on the company's established communities, but the neighboring communities as well. So the company has engaged in environment-concerned activities such as treating waste water to be used for plant watering, trash classification, energy conservation, increasing green both in and nearby the projects and help managing traffic, all of which are the major activities the company uses to create value for residents in the company's projects. All these activities are in line with the company's vision to ensure that good environment and society will co-exist with "Vibrant Communities" forever.

During 2007, the company, subsidiaries and joint company have total revenue of Baht 6,823.77 Million, an 35.92% increase from Baht 5,020.49 Million during 2006, as the company has transferred ownership of residential condominiums of Lumpini Place Narathiwat-ChaoPhraya, Lumpini Place Phahol-Saphan Kwai and Lumpini Place Pinklao 2, that valued Baht 6,176.47 Million; continued projects from 2006 valued Baht 356.83 Million; and a subsidiary has transfer an ownership of a project valued Baht 40.92 Million. Rental and service

revenues also increased by 58.01% from 2006. However, LPN has devalued a land plot on Narathiwas-Rajanakarin Road that LPN had bought since 2002 because the company cannot complete land acquisition as planned. So LPN has downscaled the projects and cut down land acquisition plan to make the project financially feasible. LPN expected that the future value from that land plot will be less than the book value. Therefore, based on conservative, prudent and risk management perspective principles, LPN impaired the land by Baht 250 Million. The gross margin has improved from 32.31% in the previous year to 34.67% during 2007. Moreover, the net profits highly improved by 21.24% as the company has implemented appropriate and effective corporate strategies.

For the cash flow for the year ended 31 December 2007, LPN reported Baht 454.82 Million of cash, up 65.18% from Baht 275.35 Million in the previous year. The increase was due to residential condominium ownership transfer and better than expected performance. LPN also received Baht 188.0 Million loan payment from joint company. The increased cash provide adequate liquidity in operating the future business.

Debt to equity ratio as of 31 December 2006 and 2007 were 0.80:1 and 0.88:1, respectively. The interest-bearing debt ratio increased from 0.38:1 to 0.45:1 over the same period as the company continued to invest in more new projects with higher value and longer duration than those launched in the previous year.

Summarized Table

Items	Consolidated Financial Statement			Company Only		
	2007	2006	% of Change	2007	2006	% of Change
1. Total Revenues (Million Baht)	6,823.77	5,020.49	35.92%	6,703.69	5,022.80	33.47%
2. Gross Margin (G/P) from Sales (%)	34.67%	32.31%	2.36%	33.68%	30.90%	2.78%
3. G/P from Rent & Services (%)	29.53%	25.99%	3.54%	13.92%	0.02%	13.90%
4. G/P from Management Service Fee (%)	36.02%	32.63%	3.39%	-%	-%	-%
5. G/P from Line 2 – 4 (Million Baht)	2,340.49	1,588.00	47.39%	2,212.49	1,466.92	50.83%
6. G/P from Line 2 – 4 (%)	34.65%	32.27%	2.38%	33.53%	30.69%	2.84%
7. Selling and Administrative Expenses (Million Baht)	753.57	585.84	28.63%	712.30	523.29	36.12%
8. Selling and Administrative Expenses (%)	11.04%	11.67%	(0.63%)	10.63%	10.42%	0.21%
9. Loss from impairment of land	250.00	-	100.00%	250.00	-	100.00%
10. E.B.I.T. (Million Baht)	1,392.92	1,097.00	26.98%	1,346.08	1,181.05	13.97%
11. E.B.I.T. (%)	20.41%	21.85%	(1.44%)	20.08%	23.51%	(3.43%)
12. Net Profit (Million Baht)	927.74	765.23	21.24%	909.80	868.34	4.77%
13. Net Profit (%)	13.60%	15.24%	(1.64%)	13.57%	17.29%	(3.72%)
14. Earning per Share (Baht)	0.63	0.52	21.15%	0.62	0.59	5.08%
15. Book value per Share (Baht)	2.59	2.24	15.63%	2.54	2.20	15.45%

Yours sincerely,

(Opas Sripayak)

Managing Director