(Unaudited but reviewed)

Sansiri Public Company Limited and its subsidiaries
Notes to interim financial statements
For the three-month periods ended 31 March 2008 and 2007

1. General information

1.1 Corporate information

Sansiri Public Company Limited ("the Company") is a public company incorporated and domiciled in Thailand. The Company operates in Thailand and is principally engaged in property development.

The Company's top 5 major shareholders as at 14 February 2008, closed date of share transfer, are as following:

	Percentage of shareholding (base on paid-up capital)
1. Trendy Plan Investments Limited	10.86
2. Chase Nominees Limited 42	8.98
3. UOB Kay Hian Private Limited	7.81
4. Viriyah Insurance Company Limited	6.50
5. Natural Park Public Company Limited	4.26

Its registered address is at 475, Siripinyo Building, Sri Ayutthaya Road, Phayathai, Rajthevi, Bangkok.

1.2 Basis for the preparation of interim financial statements

These interim financial statements are prepared in accordance with Accounting Standards Pronouncement No. 41 (revised 2007) "Interim financial statements", with the Company choosing to present condensed interim financial statements. However, the Company has presents 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.

1.3 Basis of consolidation

These consolidated interim financial statements are prepared on the same basis as that applied for the preparation of the consolidated financial statements for the year ended 31 December 2007, with there being no changes in the structure of shareholding in subsidiaries during the current period except as the following:

a) The Board of Directors Meeting of the Company No.2/2008 held on 27 February 2008 passed the resolution approving the Company to acquire the additional 120,000 ordinary shares or equivalent to 40 percent of paid-up capital of Sansiri Venture Company Limited at a price of Baht 175.03 million. The transaction will be made into 2 installments:

The 1st installment: The Company will buy the 30,000 ordinary shares or equivalent to 10 percent of paid-up capital of Sansiri Venture Company Limited at a price of Baht 43.76 million within March 2008.

The 2nd installment: The Company will buy the 90,000 ordinary shares or equivalent to 30 percent of paid-up capital of Sansiri Venture Company Limited at a price of Baht 131.27 million within September 2008.

As at 24 March 2008, the Company already purchased the 1st installment of ordinary shares resulting to increase its shareholding in Sansiri Venture Company Limited from 60 percent to 70 percent.

b) The Board of Directors Meeting of Plus Property Company Limited (Plus) No.3/2008 held on 27 February 2008 passed the resolution approving Plus to acquire the additional 490,000 ordinary shares or equivalent to 49 percent of paid-up capital of Plus Property Space Company Limited at a price of Baht 49.70 million. In addition, the Board also approved Plus to acquire the additional 490,000 shares or equivalent to 49 percent of paid-up capital of Plus Property Venture Company Limited at a price of Baht 7.54 million. Each transactions will be made into 2 installments.

<u>Plus Property Space Company Limited</u>

The 1st installment: The Company will buy the 190,000 ordinary shares or equivalent to 19 percent of paid-up capital of Plus Property Space Company Limited at a price of Baht 19.27 million within March 2008.

The 2nd installment: The Company will buy the 300,000 ordinary shares or equivalent to 30 percent of paid-up capital of Plus Property Space Company Limited at a price of Baht 30.43 million within September 2008.

Plus Property Venture Company Limited

The 1st installment: The Company will buy the 190,000 ordinary shares or equivalent to 19 percent of paid-up capital of Plus Property Venture Company Limited at a price of Baht 2.92 million within March 2008.

The 2nd installment: The Company will buy the 300,000 ordinary shares or equivalent to 30 percent of paid-up capital of Plus Property Venture Company Limited at a price of Baht 4.62 million within September 2008.

As at 24 March 2008, Plus already purchased the 1st installment of ordinary shares resulting to increase its shareholding in Plus Property Space Company Limited and Plus Property Venture Company Limited from 51 percent to 70 percent.

As the date of acquisition, net asset value of Sansiri Venture Company Limited, Plus Property Space Company Limited and Plus Property Venture Company Limited comprised the following: -

(Unit: Thousand Baht)

	Sansiri Venture Company Limited	Plus Property Space Company Limited	Plus Property Venture Company Limited	Total
Assets				
Cash and deposits at financial institutions	216,888	29,412	8,483	254,783
Current assets	986,135	345,313	363,931	1,695,379
Non-current assets	1,333	166	1,233	2,732
Total assets	1,204,356	374,891	373,647	1,952,894
Liabilities				
Current liabilities	640,942	229,954	406,976	1,277,872
Non-current liabilities	635,000	176,700	-	811,700
Total liabilities	1,275,942	406,654	406,976	2,089,572
Net asset value	(71,586)	(31,763)	(33,329)	(136,678)
Percentage of investment	10	19	19	
Net asset value in the percentage of investment	(7,159)	(6,035)	(6,332)	(19,526)
Purchase price	43,760	19,270	2,920	65,950
Goodwill from acquisition of	50,919	25,305	9,252	85,476

subsidiaries

The followings are details of subsidiaries: -

Company's name	Nature of business	Percentage of shareholding		Assets as a percentage to the consolidated total assets as at		Revenues as a percentage to the consolidated total revenues for the three-month periods ended	
		31 March 2008	31 December 2007	31 March 2008	31 December 2007	31 March 2008	31 March 2007
		Percent	Percent	Percent	Percent	Percent	Percent
Directly owned							
Chanachai Ltd.	Property development	100	100	3.20	3.71	1.77	8.81
Rojnaruemit Ltd.	Property development	100	100	0.02	0.02	-	-
Plus Property Co., Ltd.	Property development	100	100	23.57	23.25	21.74	13.68
Sansiri Venture Co., Ltd.	Property development	70	60	4.62	4.53	2.52	-
S.U.N. Management Co., Ltd.	Property development	51	51	0.93	0.97	0.12	0.10
Sansiri Ram-Indra Ltd.	Property development	100	100	4.12	4.06	1.38	0.13
Prompt Pattana Property Ltd.	Property development	100	100	4.17	4.17	3.24	5.77
Club House Property Ltd.	Property development	100	100	-	-	-	0.23
Red Lotus Properties Ltd.	Property development	100	100	0.87	0.78	0.36	0.88
Pacific Challenge Holding Co., Ltd.	Property development	85	85	0.15	0.14	0.28	0.25
Papanan Ltd.	Provision of medical, aesthetics and medical spa	100	100	0.45	0.49	0.60	0.37
Indirectly owned							
Plus Property Venture Co., Ltd.	Property development	70	51	1.43	1.84	2.72	4.64
Sansiri Land Ltd.	Property development	100	100	0.15	0.20	0.37	0.01
Touch Property Co., Ltd.	Property development	100	100	0.17	0.25	0.73	-
Plus Property Space Co., Ltd.	Property development	70	51	1.44	1.29	0.01	-

1.4 Accounting Standards which are effective for the current year

TAS 25 (revised 2007)	Cash Flow Statements
TAS 29 (revised 2007)	Leases
TAS 31 (revised 2007)	Inventories
TAS 33 (revised 2007)	Borrowing Costs
TAS 35 (revised 2007)	Presentation of Financial Statements
TAS 39 (revised 2007)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 41 (revised 2007)	Interim Financial Reporting
TAS 43 (revised 2007)	Business Combinations
TAS 49 (revised 2007)	Construction Contracts
TAS 51	Intangible Assets

These accounting standards became effective for the financial statements for fiscal years beginning on or after 1 January 2008. The management has assessed the effect of these accounting standards and believes that these accounting standards do not have any significant impact on the financial statements for the current period except for TAS 43 (revised 2007) which has an impact to the financial statements as following:

TAS 43 (revised 2007) "Business Combinations"

TAS 43 (revised 2007) does not require the amortisation of goodwill acquired in a business combination. Such goodwill is instead to be tested for impairment, and measured at cost less accumulated impairment losses. This accounting standard applies to goodwill arising from business combinations for which the agreement date is on or after 1 January 2008. Previously recognised goodwill can be accounted for prospectively, with the Company discontinuing the amortisation of the goodwill and instead testing for impairment, as from the beginning of the first fiscal year starting on or after 1 January 2008.

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 2007, except for the following change in the accounting policy.

Goodwill on business combination

Goodwill on business combination is presented in the balance sheet at cost less accumulated impairment loss.

2. Related party transactions

2.1 During the period, the Company and its subsidiaries had significant business transactions with related parties, which have been concluded on commercial terms and bases agreed upon ordinary course of business between the Company and those companies. Below is a summary of those transactions: -

(Unit: Thousand Baht)

	For the three-month periods ended 31 March				
	Consolidated financial statements		Separate financial statements		
	2008	2007	2008	2007	Pricing policy
Revenues from project sales					Cost plus certain margin
Subsidiaries					at rate of 25% - 36%
Plus Property Co., Ltd.	-	-	112	-	
Touch Property Co., Ltd.	-	-	1,264	-	
Related parties					
Related persons	42,974	11,571	42,974	11,571	
Total	42,974	11,571	44,350	11,571	

(Unaudited but reviewed)

(Unit: Thousand Baht)

	For the three-month periods ended 31 March				
	Consolidated financial statements		Separate financial statements		
	2008	2007	2008	2007	Pricing policy
Rental income					The same rate as other customers
Subsidiaries					
Plus Property Co., Ltd.	-	-	27	37	
Prompt Pattana Property Ltd.	-	-	89	86	
Touch Property Co., Ltd.	-	-	3	-	
Sansiri Land Ltd.	-	-	247	-	
Related party					Based on agreement (7)
National Education Development Co., Ltd.	7,710	4,340	7,710	4,340	
Total	7,710	4,340	8,076	4,463	
Revenues from business management					
Subsidiaries					
S.U.N. Management Co., Ltd.	-	-	-	300	Based on agreement (1)
Sansiri Venture Co., Ltd.	-	-	3,900	-	Based on agreement (6), (8), (9), (10)
Related party					Based on agreement (5)
J&W Development Co., Ltd.	1,147	-	1,147	-	
Total	1,147	-	5,047	300	
Interest income					Cost of fund plus certain percent
Subsidiaries					
Chanachai Ltd.	-	-	-	1,580	
Plus Property Co., Ltd.	-	-	11,234	1,716	
Club House Property Ltd.	-	-	-	2,887	
Sansiri Ram-Indra Ltd.	-	-	1,688	1,070	
Prompt Pattana Property Ltd.	-	-	13,302	1,278	
Siri Phuket Ltd.	-	-	-	182	
Red Lotus Properties Ltd.	-	-	462	304	
Papanan Ltd.	-	-	135	2,897	
Pacific Challenge Holding Co., Ltd.	-	-	822	1,288	
Total	-	-	27,643	13,202	

(Unaudited but reviewed)

(Unit: Thousand Baht)

	For the three-month periods ended 31 March				
	Consolidated financial statements		Separate financial statements		
	2008	2007	2008	2007	Pricing policy
Construction and material cost					
Subsidiaries					
Plus Property Co., Ltd.	-	-	870	1,710	Based on agreement (4)
Touch Property Co., Ltd.	-	-	13	-	Based on agreement in normal course of business
Related parties					Based on agreement in normal course of business
Siam Syntec Construction Plc.	50,085	84,614	7,059	-	
Décor Mart Co., Ltd.	14,992	59,974	4,379	33,255	
Grand Homemart Co., Ltd.	71,726	189	41,058	189	
General Engineering Plc.	17,127	64,731	14,143	6,674	
Total	153,930	209,508	67,522	41,828	
Project management fee					Based on agreement (2)
Subsidiary					
Plus Property Co., Ltd.	-	-	3,978	2,601	
Total	-	-	3,978	2,601	
Commission expense					Based on agreement (3)
Subsidiary					
Plus Property Co., Ltd.	-	-	27,156	23,082	
Total	-	-	27,156	23,082	
Interest expenses					1.50% - 9.12% per annum
Subsidiary					
S.U.N. Management Co., Ltd.	-	-	57	57	
Related companies					
Lehman Brothers Commercial Corporation Asia Limited	-	2,292	-	-	
J&W Development Co., Ltd.	502	563	-	-	
Space Development Co., Ltd.	1,150	-	-		
Directors of subsidiary	859	1,134	-	-	
Total	2,511	3,989	57	57	

Directors and management's remuneration

During the current period, the Company and its subsidiaries paid salaries, meeting allowances and gratuities to their directors and management totaling Baht 74.68 million (the Company only: Baht 70.80 million).

Transactions, pricing policies and related contracts are as follow: -

(1) Revenue from business services provided for a period of 3 years, following completion of project development which in total amount Baht 5.40 million. Of this, Baht 3.60 million was paid in advance and the remaining amount is payable at a rate of Baht 0.05 million per month.

(2) Project management fees are charged at rates ranging from Baht 65,000 to Baht 332,254 per month, depended upon the size of the project.

(3) Commission expenses from sales of projects are charged at rates from 0.50 percent to 1.50 percent of selling price per the contracts, with payments divided between the time the customer executes the agreement and when the properties are transferred.

(4) A total of Baht 3,025,465 is charged for the right to use the "Plus" and "Condo One" trademark for projects. The Company paid 40 percent of this an advance, on the contract date, and the remaining 60 percent is charged monthly, over 26 months and 27 months.

(5) Management fee income for a period of 30 months as from April 2007 is charged at Baht 409,000 to Baht 596,000 per month. In case that the order of condominium units reach to 80 percent of project price, the Company will earn certain incentive of Baht 3 million and if earnings before interest expenses and income tax of the project excess specified amounts the Company will receive profit sharing as agreed rate.

(6) Management fee income starting from August 2007 to completion of project is charged at Baht 267,500 to Baht 400,000 per month. In case that the order of condominium units reach to 80 percent of project price, the Company will earn certain incentive of Baht 7 million. In addition a total of Baht 2,659,760 is charged for the right to use the "SIRI on 8" trademark.

(7) Management fee for "Saran Sport Club" for 2 years periods, starting from November 2006, is charged at Baht 60,000 per month.

(8) Management fee income starting from October 2007 to completion of project is charged at Baht 300,000 per month. In case that the order of condominium units reach to 80 percent of project price, the Company will earn certain incentive of Baht 10 million. In addition a total of Baht 6,225,115 is charged for the right to use the “Privé By Sansiri” trademark.

(9) Management fee income starting from October 2007 to completion of project is charged at Baht 350,000 per month. In case that the order of condominium units reach to 80 percent of project price, the Company will earn certain incentive of Bath 15 million. In addition a total of Baht 7,982,812 is charged for the right to use the “39 by Sansiri” trademark.

(10) Management fee income starting from November 2007 to completion of project is charged at Baht 250,000 per month. In case that the order of condominium units reach to 80 percent of project price, the Company will earn certain incentive of Baht 1.5 million. In addition a total of Baht 1,587,026 is charged for the right to use the “Preen by Sansiri” trademark.

The relationships between the Company, subsidiaries and their related parties are summarised below: -

Name of related parties	Relationship
Natural Park Plc.	Former major shareholder of the Company (during 2007, reduce percentage of holding from 24.61 percent to 4.26 percent)
Siam Syntec Construction Plc.	Common shareholder of the Company
Lehman Brothers Commercial Corporation Asia Limited	Shareholder of KNP Investments Pte. Ltd., who is a shareholder of Siri Phuket Ltd. (the Company sold investment in Siri Phuket Ltd. to KNP in December 2007)
Regency One Co., Ltd.	Held by Chanachai Ltd.
Univentures Asset Management Co., Ltd.	Shareholder of S.U.N. Management Co., Ltd.
Prestige Gift and Premium Co., Ltd.	Shareholder of S.U.N. Management Co., Ltd.
Univentures Plc.	Shareholder of Univentures Asset Management Co., Ltd. and Forward Systems Co., Ltd.
Forward Systems Co., Ltd.	Common shareholder with Univentures Asset Management Co., Ltd.
J & W Development Co., Ltd.	Shareholder of Plus Property Venture Co., Ltd.
Décor Mart Co., Ltd.	One of director is a major shareholder of J&W Development Co., Ltd.
Space Development Co., Ltd.	Shareholder of Plus Property Space Co., Ltd. and Sansiri Venture Co., Ltd.
Grand Homemart Co., Ltd.	Common director with J&W Development Co., Ltd.
National Education Development Co., Ltd.	Common director with J&W Development Co., Ltd.
General Engineering Plc.	Common director with the Company

2.2 The balances of the accounts as at 31 March 2008 and 31 December 2007 between the Company and those related companies are as follows: -

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2008	31 December 2007	31 March 2008	31 December 2007
Accounts receivable, note receivables and unbilled completed works				
Accounts receivable				
Subsidiaries				
Plus Property Co., Ltd.	-	-	7	10
Chanachai Ltd.	-	-	10	-
Sansiri Land Ltd.	-	-	86	16
Prompt Pattana Property Ltd.	-	-	31	54
Touch Property Co., Ltd.	-	-	1	2
Sansiri Venture Co., Ltd.	-	-	1,391	36,000
Sansiri Ram-Indra Ltd.	-	-	24	-
Papanan Ltd.	-	-	7	-
Total	-	-	1,557	36,082
Unbilled completed work				
Subsidiaries				
Plus Property Co., Ltd.	-	-	5,369	-
Touch Property Co., Ltd.	-	-	92	-
Related parties				
Related persons	16,489	-	16,489	-
Total	16,489	-	21,950	-
Total	16,489	-	23,507	36,082
Advance for subcontractors				
Related parties				
Siam Syntec Construction Plc.	11,681	15,805	19	19
Décor Mart Co., Ltd.	936	4,212	936	2,016
Grand Homemart Co., Ltd.	142	-	-	6,397
General Engineering Plc.	227	-	-	-
Total	12,986	20,017	955	8,432
Other receivables				
Subsidiaries				
Chanachai Ltd.	-	-	-	37,010
Related party				
Siam Syntec Construction Plc.	392	392	392	392
Total	392	392	392	37,402
Less: Allowance for doubtful accounts	(392)	-	(392)	-
Net	-	392	-	37,402

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2008	31 December 2007	31 March 2008	31 December 2007
Loans to related parties				
Subsidiaries				
Sansiri Ram-Indra Ltd.	-	-	892,317	929,117
Plus Property Co., Ltd.	-	-	845,000	585,000
Prompt Pattana Property Ltd.	-	-	810,648	831,116
Red Lotus Properties Ltd.	-	-	171,600	133,500
Papanan Ltd.	-	-	223,325	213,325
Pacific Challenge Holding Co., Ltd.	-	-	45,500	45,500
Related parties				
Univentures Asset Management Co., Ltd.	8,850	8,850	-	-
Prestige Gift & Premium Co., Ltd.	5,850	5,850	-	-
Regency One Co., Ltd.	5,000	5,000	-	-
Total	19,700	19,700	2,988,390	2,737,558
Less: Allowance for doubtful accounts	(5,000)	(5,000)	(233,797)	(233,797)
Net	14,700	14,700	2,754,593	2,503,761
Interest receivables				
Subsidiaries				
Sansiri Ram-Indra Ltd.	-	-	11,835	11,973
Prompt Pattana Property Ltd.	-	-	13,009	13,528
Red Lotus Properties Ltd.	-	-	2,449	1,987
Papanan Ltd.	-	-	3,448	3,313
Pacific Challenge Holding Co., Ltd.	-	-	822	-
Related parties				
Univentures Asset Management Co., Ltd.	33	33	-	-
Prestige Gift & Premium Co., Ltd.	22	22	-	-
Regency One Co., Ltd.	333	333	-	-
Total	388	388	31,563	30,801
Less: Allowance for doubtful accounts	(333)	(333)	-	-
Net	55	55	31,563	30,801
Deposits for rent and others				
Related parties				
Grand Homemart Co., Ltd.	12,288	-	9,590	-
Décor Mart Co., Ltd.	2,468	3,988	2,243	3,424
Total	14,756	3,988	11,833	3,424

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2008	31 December 2007	31 March 2008	31 December 2007
Accounts payable - construction and material cost				
Related parties				
Siam Syntec Construction Plc.	13,041	31,481	53	90
Forward Systems Co., Ltd.	152	398	152	32
Décor Mart Co., Ltd.	13,497	22,360	8,108	12,043
Grand Homemart Co., Ltd.	36,267	22,474	17,628	11,065
General Engineering Plc.	12,919	3,926	8,491	3,442
Total	75,876	80,639	34,432	26,672
Construction retention				
Subsidiary				
Touch Property Co., Ltd.	-	-	63	63
Related parties				
Siam Syntec Construction Plc.	29,043	34,449	3,877	4,003
General Engineering Plc.	1,385	2,374	-	94
Total	30,428	36,823	3,940	4,160
Short-term loans from related companies				
Subsidiary				
S.U.N. Management Co., Ltd.	-	-	15,300	15,300
Related parties				
J&W Development Co., Ltd.	8,400	27,200	-	-
Space Development Co., Ltd.	36,300	51,940	-	-
Directors of subsidiary	14,390	46,500	-	-
Total	59,090	125,640	15,300	15,300
Unearned income				
Subsidiary				
Touch Property Co., Ltd.	-	-	50	-
Related parties				
Related persons	384	71	384	71
Total	384	71	434	71
Accrued interest				
Subsidiary				
S.U.N. Management Co., Ltd.	-	-	573	516
Total	-	-	573	516
Other payables				
Subsidiaries				
Plus Property Co., Ltd.	-	-	24,043	26,092
Touch Property Co., Ltd.	-	-	589	1,378
Papanan Ltd.	-	-	1,030	-
Chanachai Ltd.	-	-	-	10
Prompt Pattana Property Ltd.	-	-	75	7
Total	-	-	25,737	27,487

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2008	31 December 2007	31 March 2008	31 December 2007
Deposits for building rental and others				
Subsidiaries				
Chanachai Ltd.	-	-	18	18
Plus Property Co., Ltd.	-	-	25	25
Prompt Pattana Property Ltd.	-	-	75	75
Sansiri Land Ltd.	-	-	285	285
Total	-	-	403	403

2.3 During the period, movement of loans to related parties were as follows: -

(Unit: Million Baht)

	Consolidated financial statements			
	Balance as at 1 January 2008	During the period		Balance as at 31 March 2008
		Increase	Decrease	
Related companies				
Univentures Asset Management Co., Ltd.	8.85	-	-	8.85
Prestige Gift & Premium Co., Ltd.	5.85	-	-	5.85
Regency One Co., Ltd.	5.00	-	-	5.00

(Unit: Million Baht)

	Separate financial statements			
	Balance as at 1 January 2008	During the period		Balance as at 31 March 2008
		Increase	Decrease	
Subsidiaries				
Sansiri Ram-Indra Ltd.	929.12	18.20	(55.0)	892.32
Plus Property Co., Ltd.	585.00	260.00	-	845.00
Prompt Pattana Property Ltd.	831.12	138.53	(159.00)	810.65
Red Lotus Properties Ltd.	133.50	38.10	-	171.60
Papanan Ltd.	213.32	10.00	-	223.32
Pacific Challenge Holding Co., Ltd.	45.50	-	-	45.50

As at 31 March 2008, loans to related parties are clean loans, due for repayment at call, and carry interest at rates of 1.50 - 7.25 percent per annum (31 December 2007: 1.50 - 7.25 percent per annum).

As at 31 March 2008, the Company and its subsidiaries have ceased recognition of interest on principal of loans to related parties amounting to Baht 19.70 million, because of default on interest payment for three consecutive installments (the Company only: Baht 2,143.39 million) (31 December 2007: the Company and subsidiaries: Baht 19.70 million, the Company only: Baht 1,623.68 million).

2.4 During the period, movements of loans from related parties are as follows: -

(Unit: Million Baht)

	Consolidated financial statements			
	Balance as at	During the period		Balance as at
	1 January 2008	Increase	Decrease	31 March 2008
Related parties				
J&W Development Co., Ltd.	27.20	-	(18.80)	8.40
Space Development Co., Ltd.	51.94	7.35	(22.99)	36.30
Directors of subsidiaries	46.50	-	(32.11)	14.39

(Unit: Million Baht)

	Separate financial statements			
	Balance as at	During the period		Balance as at
	1 January 2008	Increase	Decrease	31 March 2008
Subsidiary				
S.U.N. Management Co., Ltd.	15.30	-	-	15.30

As at 31 March 2008, loans from related parties comprise clean loans, due at call and carry interest at rates of 1.50 - 9.12 percent per annum (31 December 2007: 1.50 - 9.00 percent per annum).

2.5 Guarantees to related companies

As at 31 March 2008 and 31 December 2007, the Company and its subsidiaries have the following obligations in respect of guarantees provided to financial institutions for loans facilities: -

(Unaudited but reviewed)

(Unit: Million Baht)

Guarantor	Guarantee	31 March 2008	31 December 2007
Sansiri Plc.	Chanachai Ltd.	262	262
	Sansiri Ram-Indra Ltd.	510	510
	Prompt Pattana Property Ltd.	1,891	1,381
	Red Lotus Properties Ltd.	253	253
	Sansiri Venture Co., Ltd.	809	809
Total		3,725	3,215
Plus Property Co., Ltd.	Plus Property Venture Co., Ltd.	103	103
	Sansiri Land Ltd.	13	13
	Plus Property Space Co., Ltd.	269	269
Total		385	385
Prompt Pattana Property Ltd.	Sansiri Ram-Indra Ltd.	510	510
	Sansiri Plc.	710	-
Total		1,220	510
Club House Property Ltd.	Sansiri Ram-Indra Ltd.	510	510
	Prompt Pattana Property Ltd.	687	687
Total		1,197	1,197
Sansiri Ram-Indra Ltd.	Prompt Pattana Property Ltd.	987	987
J&W Development Co., Ltd.	Plus Property Venture Co., Ltd.	99	99
Space Development Co., Ltd.	Plus Property Space Co., Ltd.	259	259
	Sansiri Venture Co., Ltd.	540	540
Total		799	799

3. Cash and cash equivalents

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2008	31 December 2007	31 March 2008	31 December 2007
Cash, deposits at financial institutions and notes with maturity less than 3 months	2,157.00	1,859.41	1,337.91	1,148.44
Less: Short-term investments	(29.70)	(35.63)	(27.73)	(28.23)
Deposits at financial institutions subject to restrictions	(19.49)	(18.71)	(4.25)	(3.73)
Cash and cash equivalents	2,107.81	1,805.07	1,305.93	1,116.48

As at 31 March 2008 and 31 December 2007, restricted deposits at financial institutions of the Company and its subsidiaries have been pledged as collateral for loans and guarantees facilities issued by banks on behalf of the Company and its subsidiaries.

4. Accounts receivable, notes receivable and unbilled completed work

Accounts receivable, notes receivable and unbilled completed work as at 31 March 2008 and 31 December 2007 presented as follows: -

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2008	31 December 2007	31 March 2008	31 December 2007
Unbilled completed work	1,854.83	2,179.58	692.15	693.24
Notes receivable	51.86	30.65	-	-
Service receivables	62.97	59.56	16.90	51.92
Installment accounts receivable	62.75	37.11	29.14	15.09
Total	2,032.41	2,306.90	738.19	760.25
Less: Allowance for doubtful accounts	(14.38)	(11.42)	(3.44)	(1.37)
Accounts receivable, notes receivable and unbilled completed work - net	2,018.03	2,295.48	734.75	758.88
Sales with signed agreements	52,070.87	52,862.43	30,503.22	32,007.67
Total project sales	64,782.05	64,307.76	37,459.74	37,786.23
The ratio of sales with signed agreements to total project sales	80.38%	82.20%	81.43%	84.71%

(Unaudited but reviewed)

Unbilled completed work and unearned income presented as follows: -

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2008	31 December 2007	31 March 2008	31 December 2007
Installments due	36,774.12	34,130.17	23,761.07	22,122.08
Less: Cash received	(36,711.37)	(34,093.06)	(23,731.93)	(22,106.99)
Installment accounts receivable	62.75	37.11	29.14	15.09
Installments due	36,774.12	34,130.17	23,761.07	22,122.08
Less: Sales recognised to date	(35,874.84)	(33,655.25)	(23,186.09)	(21,565.23)
	899.28	474.92	574.98	556.85
The balance consisted of: -				
Unbilled completed work	1,854.83	2,179.58	692.15	693.24
Unearned income	(2,754.11)	(2,654.50)	(1,267.13)	(1,250.09)
Total	(899.28)	(474.92)	(574.98)	(556.85)

Accounts receivable, notes receivable and unbilled completed work as at 31 March 2008 and 31 December 2007 classified by the aging of the receivable are as follows: -

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2008	31 December 2007	31 March 2008	31 December 2007
Unbilled completed work	1,854.83	2,179.58	692.15	693.24
Trade accounts receivable and notes receivable				
Not yet due	61.42	41.47	9.41	10.82
Over due 1 - 3 months	82.93	48.87	30.92	46.55
Over due 4 - 6 months	5.48	10.47	0.39	5.46
Over due 7 - 12 months	6.82	7.26	3.94	2.09
Over due over 12 months	20.93	19.25	1.38	2.09
Total	2,032.41	2,306.90	738.19	760.25
Less: Allowance for doubtful accounts	(14.38)	(11.42)	(3.44)	(1.37)
Net	2,018.03	2,295.48	734.75	758.88

(Unaudited but reviewed)

5. Property development for sale - net

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2008	31 December 2007	31 March 2008	31 December 2007
Land	17,414.76	16,436.83	10,137.13	9,357.97
Construction cost and others	26,200.82	24,691.63	16,907.63	16,171.11
Capitalised financial costs	1,623.11	1,527.09	1,091.03	1,054.09
Total	45,238.69	42,655.55	28,135.79	26,583.17
Less: Accumulated transfer to cost of project	(30,430.58)	(28,569.11)	(20,934.73)	(19,751.44)
Accumulated transfer to property development for rent	(1,211.03)	(1,210.99)	(1,211.03)	(1,210.99)
Add: Amount reversed to property development for sale	531.81	428.81	531.81	428.81
Balance	14,128.89	13,304.26	6,521.84	6,049.55
Less: Allowance for loss on diminution in value of project	(59.00)	(59.00)	-	-
Net	14,069.89	13,245.26	6,521.84	6,049.55

5.1 As at 31 March 2008 and 31 December 2007, most of the land and construction thereon of projects of the Company and its subsidiaries were pledged as collateral for loans obtained from financial institutions.

5.2 As at 31 March 2008 and 31 December 2007, the estimated expense to the Company and subsidiaries of development and construction for completion of the opened projects (excluding the costs of land and construction already recorded) is Baht 14,952.93 million and Baht 10,764.03 million, respectively (the Company only: Baht 10,601.60 million and Baht 6,288.25 million, respectively).

5.3 During the current period, the Company and its subsidiaries included borrowing costs in the cost of property development amounting to Baht 96.02 million (the Company only: Baht 36.94 million).

(Unaudited but reviewed)

6. Property development for rent

Movement of the property development for rent account during the three-month period ended 31 March 2008 are summarised below.

(Unit: Million Baht)

	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2008	1,515.21	1,024.59
Transfers in during period	0.10	0.10
Transfers out during period - net book value	(100.33)	(100.33)
Depreciation for period	(19.96)	(13.29)
Net book value as at 31 March 2008	1,395.02	911.07

As at 31 March 2008, the Company's leasehold which the net book value amounted Baht 234 million, were mortgaged to secure loans from financial institutions (31 December 2007: Baht 238 million).

7. Property development for rent and sale

Movement of the property development for rent and sale during the three-month period ended 31 March 2008 are summarised below.

(Unit: Million Baht)

	Consolidated financial statements
Net book value as at 1 January 2008	300.58
Acquisition during period	6.93
Transfers out during period - net book value	(1.65)
Depreciation for period	(4.44)
Net book value as at 31 March 2008	301.42

On 17 February 2006, Sansiri Ram-Indra Ltd. (as lessor) entered into an agreement (subsequently amended on 15 March 2007) to lease a plot of land of approximately 27 rai and construction thereon to a company. The lessor is to conduct building construction and improvements in accordance with the construction plans stipulated in the agreement with total cost of construction, including value added tax, to be not less than Baht 257 million. The lessor is to transfer the construction within 1 May 2007 and if the actual construction cost exceeds Baht 257 million for any reasons, the lessee agrees to absorb any such additional cost. The lease period is for 5 years 8 months from the date the lessor hand over the property. The lessee agrees to pay for rental to the lessor at the following rates:-

- From 1 June 2006, the transfer date for some of the assets, to 31 January 2007, the rental charge is Baht 0.10 million per month, with the lessee to pay full amount of such rental on 1 February 2007.
- From 1 February 2007 to the end of the lease, the lessee agrees to pay rental totaling Baht 151.80 million to the lessor on a quarterly basis, at a rate of Baht 5.31 million as from 1 February 2007 to 30 April 2007 and Baht 7.71 million per quarter, commencing 1 May 2007.

At the end of the lease, the lessee agrees to buy and the lessor agrees to sell the leased assets, at a price of Baht 14,026 per square wah for the land, and a price equal to the cost of construction paid by the lessor and the lessee for the construction thereon, with the lessor agrees to transfer ownerships of the leased assets to the lessee on the date following the end of the lease or on another date agreed by between the lessor and the lessee.

(Unaudited but reviewed)

8. Investments in subsidiaries

As at 31 March 2008 and 31 December 2007, investments in subsidiaries are as follows: -

(Unit: Million Baht)

	Paid-up capital		Percentage of shareholding		Investment at cost method		Allowance for loss on diminution in value of investments		Net investment	
	31 March 2008	31 December 2007	31 March 2008	31 December 2007	31 March 2008	31 December 2007	31 March 2008	31 December 2007	31 March 2008	31 December 2007
			(Percent)	(Percent)						
Subsidiaries - Directly owned										
Chanachai Ltd.	90.00	90.00	100	100	101.52	101.52	-	-	101.52	101.52
Rojnaruemit Ltd.	19.50	19.50	100	100	99.95	99.95	(98.01)	(98.01)	1.94	1.94
Plus Property Co., Ltd.	600.00	600.00	100	100	610.52	610.52	-	-	610.52	610.52
Sansiri Venture Co., Ltd.	3.00	3.00	70	60	46.16	2.40	-	-	46.16	2.40
S.U.N. Management Co., Ltd.	10.00	10.00	51	51	5.10	5.10	-	-	5.10	5.10
Sansiri Ram-Indra Ltd.	2.50	2.50	100	100	2.50	2.50	-	-	2.50	2.50
Prompt Pattna Property Ltd.	1.00	1.00	100	100	1.00	1.00	-	-	1.00	1.00
Club House Property Ltd.	1.00	1.00	100	100	1.00	1.00	-	-	1.00	1.00
Red Lotus Properties Ltd.	20.00	20.00	100	100	20.00	20.00	-	-	20.00	20.00
Pacific Challenge Holding Co., Ltd.	2.50	2.50	85	85	2.13	2.13	-	-	2.13	2.13
Papanan Ltd.	20.00	20.00	100	100	20.00	20.00	-	-	20.00	20.00
Total investments in subsidiaries					909.88	866.12	(98.01)	(98.01)	811.87	768.11

During the current period, the Company additional acquired investment in Sansiri Venture Co., Ltd. as discussed in Note 1.3.

9. Land, leasehold, building and equipment

Movement of the land, leasehold, building and equipment account during the three-month period ended 31 March 2008 are summarised below.

(Unit: Million Baht)

	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2008	655.76	446.83
Acquisitions during period	29.48	19.12
Transfers in during period	2.52	2.52
Transfers out during period - net book value	(2.34)	(2.04)
Depreciation for period	(25.25)	(12.25)
Net book value as at 31 March 2008	660.17	454.18

As at 31 March 2008, the Company's land and construction thereon and leasehold which the net book value amounted Baht 103.66 million, were mortgaged to secure loans from financial institutions (31 December 2007: Baht 105.20 million).

10. Bills of exchange and promissory notes

As at 31 March 2008, bills of exchange and promissory notes, which are not collateralized, carry interest at rates of 5.90 - 6.87 percent per annum (31 December 2007: 6.25 - 7.13 percent per annum).

11. Long-term loans

As at 31 March 2008 and 31 December 2007, long-term loans presented below: -

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2008	31 December 2007	31 March 2008	31 December 2007
Loans from financial institutions	6,736.04	5,884.86	2,266.13	2,014.96
Less: Current portion of long-term loans	(4,061.40)	(3,341.06)	(829.14)	(629.01)
Net	2,674.64	2,543.80	1,436.99	1,385.95

Most of long-term loans of the Company and its subsidiaries carry interest at the rates of MLR minus 1.5 percent per annum to MLR and are due for repayment at a percentage of the value of property transferred to customers.

Land and constructions of projects, leaseholds, investments in available-for-sale securities and deposits at financial institutions of the Company and its subsidiaries are mortgaged and pledged as collaterals for loans obtained from financial institutions.

Loans agreements contain certain covenants and restrictions, such as dividend payment, capital increase and decrease, loans guarantees and maintenance of a debt to equity ratio.

(Unaudited but reviewed)

Movements in the long-term loans account during the three-month period ended 31 March 2008 are summarised below.

(Unit: Million Baht)

	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2008	5,884.86	2,014.96
Add: Additional borrowings	1,388.91	522.79
Less: Repayment	(537.73)	(271.62)
Balance as at 31 March 2008	6,736.04	2,266.13

During the three-month period ended 31 March 2008, the Company and its subsidiaries entered into new loan agreements with commercial banks. Details of the new loans are as follows: -

a) The Company entered into agreements with local commercial banks granting new loans amounting to Baht 1,924.20 million, on which interest is charged at a rate of the Minimum Loan Rate less 1.50 percent per annum to MLR. Payments of principal are to be made at a percentage of the value of property transferred to customers and full payment is to be made within 2012. The loans are secured by land and construction of the projects. In addition, loan facilities of Baht 710 million is guaranteed by Prompt Pattana Property Limited.

b) Prompt Pattana Property Limited entered into an agreement with a local commercial bank granting a new loan amounting to Baht 580 million, on which interest is charged at a rate from the Minimum Loan Rate less 1.25 percent per annum. Payments of principal are to be made at a percentage of the value of property transferred to customers and full payment is to be made within 2013. The loan is secured by land and construction of the projects and guaranteed by the Company.

12. Investments in available-for-sales securities - property fund / other payable - property fund

In September 2005, the Company entered into an agreement with Baan Sansiri Property Fund to sell the Property Fund its 25-unit Baan Sansiri Project, a project for rent of the Company with booked value of approximately Baht 608 million for a total of Baht 850 million (including VAT). The Company has agreed to manage the project and has guaranteed the Property Fund rental totaling Baht 70 million per year. If rental revenues and property management charges received by the Property Fund form such properties are less than the guaranteed rental revenue, the Company is to compensate to the Property Fund for the shortfall. However, if rental revenue and property management charges total more than the guaranteed rental revenue, the excess amount belongs to the Company.

The Company has granted Baan Sansiri Property Fund put options to sell back which it invested to the Company, either in whole or in part, (in case of a partial sale, the Property Fund has to sell the land in plots, together with buildings/construction and all furniture and fixtures thereon) as the Property Fund deems appropriate, or to sell them to other companies or individuals on the fifth anniversary of the date ownership was transferred (“sell-back-date”).

The Company has recognized the above sales as loan from the Property Fund. As at 31 March 2008, the Company holds a 12.90 percent interest in the Property Fund. The fair value of such investment, Baht 113.87 million (31 December 2007: Baht 112.76 million) is recorded under “Long-term investments in available-for-sales securities-Property Fund”.

During the current period, the Company made rental payment of Baht 4.45 million to the Property Fund.

As at 31 March 2008 and 31 December 2007, investments in available-for-sales securities were pledged to secure loans from a financial institution.

13. Provisions

Provisions for liabilities on law suit, home care warrantee and loss from modification of condominium for the three-month period ended 31 March 2008 had the following movements: -

(Unit: Million Baht)

	Consolidated financial statements				Separate financial statements		
	Provisions for law suits	Provision for home care warrantee	Loss from modification of condominium	Total	Provision for home care warrantee	Loss from modification of condominium	Total
Beginning balance	3.58	44.11	-	47.69	30.06	-	30.06
Increase during the period	0.55	5.15	98.45	104.15	4.32	4.00	8.32
Decrease during the period	-	(7.58)	-	(7.58)	(6.39)	-	(6.39)
Ending balance	4.13	41.68	98.45	144.26	27.99	4.00	31.99

Detail of provision relate to loss from modification of condominium is described in Note 14.

14. Loss from modification of condominium

During the current period, the Public Works Department ordered the Company and its subsidiaries to modify condominiums which differed from plans subjected to approve in accordance with Building Control B.E. 2522. As a result, the subsidiaries reversed sales and cost of project sales net of Baht 49.76 million previously recognized in the income statement for the year ended 31 December 2007, including the write off of cost of unused property development amounting to Baht 211.24 million to expenses (the Company only: Baht 15.92 million). In addition, the Company and subsidiaries recorded provision for the cost of modifying the condominiums amounting to Baht 60.02 million (the Company only: Baht 4 million) and compensation together with interest as a result of termination of contracts that subsidiaries have to pay to customers amounting to Baht 58.32 million. The expenses are presented under “Loss from modification of condominium” in the income statement for the three-month period ended 31 March 2008.

Provision for the cost of modifying the condominiums net of partial payment during the period amounting to Baht 98.45 million is presented under provisions in the balance sheet.

15. The employee stock ownership program (ESOP)

The Company’s warrants are as follows: -

Type of warrant	Exercise price per share	Exercise ratio per 1 warrant	Number of warrants outstanding as at 1 January 2008	Number of warrants exercised during the period	Number of warrants expired during the period	Number of warrants outstanding as at 31 March 2008
ESOP# 4	5	1:1.30901	16,906,846	-	-	16,906,846

16. Commitments and contingent liabilities

16.1 Capital commitments

As at 31 March 2008 and 31 December 2007, the Company and its subsidiaries have the following capital commitments: -

a) The Company and its subsidiaries had commitments of Baht 4,577.96 million and Baht 3,147.63 million, respectively, under project construction agreements, decoration agreements, advisory service agreements and system development agreements (the Company only: Baht 1,607.8 million and Baht 1,658.11 million, respectively).

b) The Company and its subsidiaries had commitments of Baht 1,066.37 million and Baht 987.29 million, respectively, under land purchase agreements (the Company only: Baht 359.09 million and Baht 725 million, respectively).

16.2 Operating lease commitments

As at 31 March 2008, the Company and its subsidiaries have the following operating lease commitments: -

a) The Company and its subsidiaries have commitments for future payable relating to lease agreements in respect of the lease of land, land and buildings and office building space including services.

(Unit: Million Baht)

	Consolidated financial statements	Separate financial statements
Within 1 year	24.08	2.23
Thereafter	22.70	1.89
Total	46.78	4.12

b) The Company and its subsidiaries had commitments of Baht 17.86 million in relation to advertising and public relations for the projects (the Company only: Baht 14.65 million).

c) The significant long-term lease agreements are as follow: -

1. The Company entered into 15-year contract to lease land for construction from an individual, covering the period between 1 January 2000 and 31 December 2014, for a total of Baht 54 million. Payment of rental is made on an annual basis, according to the following details:-

   - 1st to 5th year Baht 3.0 million per annum
   - 6th to 10th year Baht 3.6 million per annum
   - 11th to 15th year Baht 4.2 million per annum

2. Chanachai Limited entered into a 30-year land rental agreement with the Royal Palace Office for construction of a condominium for the Baan Sansiri Project, covering the period from 1 November 1993 to 31 October 2023. Total amounts to Baht 117.70 million. On the agreement date, Chanachai Limited made an initial payment of Baht 30 million and the remainder is to be paid over the period of 30 years as stipulated in the agreement.

3. S.U.N. Management Company Limited entered into a land rental agreement with the Crown Property Bureau in order to construct buildings and structures on such land. The agreement is for 30 years, from 16 September 2002, and the total rental payable is approximately Baht 88.04 million. The subsidiary paid this rental in full in July 2004.

4. The Company entered into an agreement to rent building space from a related company for use as an office and for sub-lease for a period of 30 years from 1 June 1994 to 31 May 2024. On the agreement date, the Company paid the rental in a single payment of approximately Baht 548.57 million. At the end of the contract, the Company must return the rented space to the lessor and is not entitled to make any demands on the lessor.

16.3 Bank guarantees

As at 31 March 2008 and 31 December 2007, there were the outstanding bank guarantees for Baht 371.76 Million and Baht 537.13 million, respectively, issued by the banks in respect of requirements of the Company and subsidiaries arising in the normal course of business. These included letters of guarantee to guarantee contractual performance and to guarantee electricity use (the Company only: Baht 216.59 million and Baht 328.23 million, respectively).

16.4 Litigations

The Company and its subsidiaries have outstanding litigations regarding of breach of agreements to purchase and to sell and transgression. The total damages are Baht 21.93 million. However, the Company and subsidiaries are in the process of bringing disputes and because such litigations are not yet finalised so that the Company and its subsidiaries do not record such estimated losses to accounts.

17. Financial information by segment

The Company and its subsidiaries' main business is property development with its properties consisting of land and housing projects, residential condominium projects, serviced apartments for rent, and office buildings for rent, and also the provision of building management service, the hotel and medical spa business. The Company and its subsidiaries operate in the single geographic area of Thailand.

The financial information of the Company and its subsidiaries by real estate business, building management and hotel and medical spa business segment in the consolidated income statements for the three-month periods ended 31 March 2008 and 2007 are as follows:-

(Unit: Million Baht)

	For the three-month periods ended 31 March 2008 and 2007							
	Real estate		Building management		Hotel and Spa		Total	
	2008	2007	2008	2007	2008	2007	2008	2007
Revenues	2,442.8	2,568.4	82.2	71.0	21.1	14.7	2,546.1	2,654.1
Operating profit	462.3	482.0	33.5	26.1	4.7	2.9	500.5	511.0
Other income							31.8	35.6
Common expenses							(364.3)	(422.8)
Income before interest expenses and income tax							168.0	123.8
Loss from modification of condominium							(379.3)	-
Interest expenses							(8.0)	(25.2)
Corporate income tax							(60.1)	(56.1)
Net income (loss) for the period							(279.4)	42.5

The financial information in the consolidated balance sheets as at 31 March 2008 and 31 December 2007 by real estate business, building management business and hotel and medical spa business segment is as follows:-

(Unit: Million Baht)

	Real estate		Building management		Hotel and Spa		Total	
	31 March 2008	31 December 2007	31 March 2008	31 December 2007	31 March 2008	31 December 2007	31 March 2008	31 December 2007
Property development for sale - net	14,069.89	13,245.26	-	-	-	-	14,069.89	13,245.26
Property development for rent - net	1,395.01	1,515.21	-	-	-	-	1,395.01	1,515.21
Property development for rent and sale - net	301.42	300.58	-	-	-	-	301.42	300.58
Hotel and Spa - net	-	-	-	-	153.84	164.28	153.84	164.28
Land, leasehold, building and equipment - net							506.33	491.48
Other assets							5,219.48	5,351.57
Total assets							21,645.97	21,068.38

18. Subsequent events

On 29 April 2008, the Annual General Meeting of the Company's shareholders for the year 2008 passed the following resolutions.

18.1 Approve the dividend payment of Baht 0.23 per share, totalling Baht 338,934,599, from its operating income for the year ended 31 December 2007 to the Company's shareholders of 1,473,628,692 shares. The dividend will be paid on 28 May 2008.

18.2 Approve the decrease of the registered capital of the Company by canceling its registered but un-issued share in the number of 75,782 shares since these shares are reserved for the exercising right of the warrants issued under the ESOP # 2 Plan (lot 3) which currently they have already been expired on 14 March 2007

18.3 Approved the issuance and offering of 10-year debentures up to Baht 3,000 million or the equivalent in another currency for the purpose of future market expansion. The approval was also intended for the compliance with SEC's regulation, whereby the Annual General Meeting of shareholders must pass the resolution to issue and offer such debentures within one year after the Company proposed the debenture issuance to SEC.

18.4 Approve the issuance and offer of not more than 1,473,314,346 warrants to the existing shareholders. This is because the Extraordinary Meeting No. 1/2007, held on 18 January 2007, passed a resolution to increase the share capital of the Company by issuing new shares, of which part are to be allotted by private placement and part are to be used to support the exercise of warrants for which the Company plans to request approval and allot to the Company's existing shareholders in the ratio of 2 existing shares to 1 warrant, after the increase in share capital through private placement and register the change in share capital. However, up to date, the Company has not increased the share capital by private placement or issued the warrants approved by the Company's shareholders. Since approval was granted to comply with the SEC's regulations, whereby the Annual General Meeting of shareholders must pass a resolution to issue and offer warrants within one year after the Company proposes a warrant issue to the SEC. As a result the effective period of resolution to issue and offer warrants passed by Extraordinary Meeting No. 1/2007, held on 18 January 2007, has expired. However, since the Company still intends to offer warrants to its shareholders it will apply for approval to issue and the offer warrants again.

19. Reclassification

Certain amounts in the financial statements for the prior period have been reclassified to conform to the current period's classifications, but with no effect to previously reported net income or shareholders' equity.

20. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 12 May 2008.