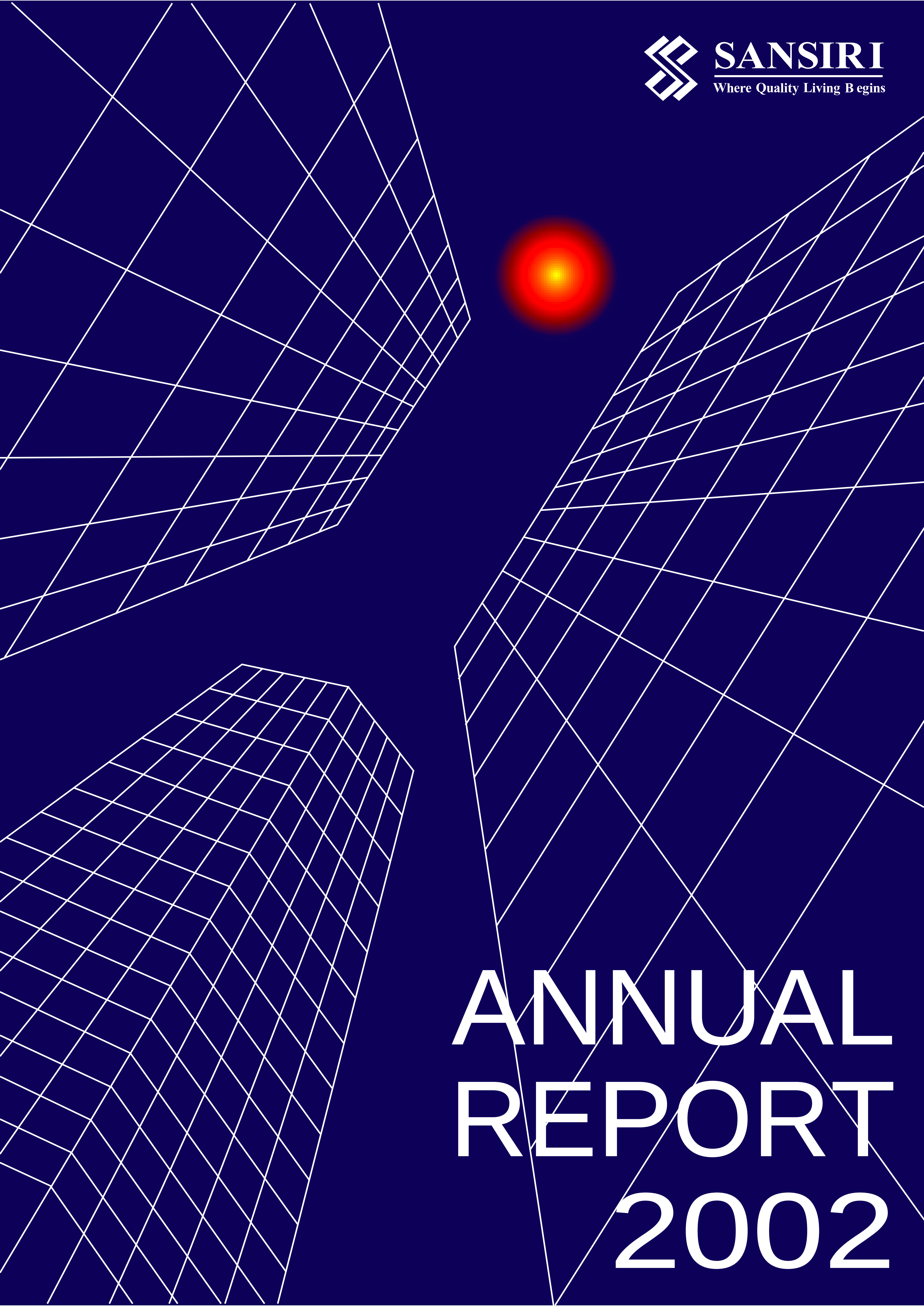


SANSIRI
Where Quality Living Begins

ANNUAL REPORT 2002

Message from the Chairman

The year 2002 is another year that Sansiri Public Company Limited (Sansiri) has significantly developed its businesses to become one of the country's leading property development firms. The Company's success started from the development of new styles and models of real estate projects to serve an increasing demand of property market, which has gradually expanded after the country's economy has improved. The property market's expansion helped driving the success of Sansiri

During last year, Sansiri had successfully launched its single-detached housing and condominium projects; namely, such as Narasiri Watcharapol Phase 2 and Phase 3 housing estate project, Narasiri Pinklao housing estate project and Sirisathorn condominium project. All these projects received a warm welcome from home buyers, enabling the Company to sell out all housing units within a short period of time. Apart from this, the Company's property projects for leasing, which are Siri Apartment on Wireless Road and on Sukhumvit 12, had also been fully occupied.

In August 2002, there was an important change in the Company and was considered as a new step for Sansiri after we were successful in finding new business partners and raised a capital fund of 2.6 billion baht, which have been used in supporting Sansiri' s 10 new housing projects planned, starting from buying land assets for the development of four single-detached housing projects, a condominium project, a commercial building and a hotel and resort business. A combined investment in these projects costs more than 20 billion baht and will certainly bring in attractive return in the near future.

Moreover, Sansiri is planning to put more investment in other property-related businesses with high growth potential such as building management and sales and marketing management. Other services, including consultancy service provided on property development and asset management for land developers, government agencies and financial institutions are also targeted. The Company will emphasize on the creation of high-quality projects with a goal to offer the best products to customers.

Regarding Sansiri Property Plus Limited, a subsidiary of Sansiri, it has become a leading company in the field of property and sales and marketing management. To build up a strong corporate identity, it changed its name into “Plus Property Partners Co., Ltd.” (Plus) Last year, Plus aside from successfully managing and marketing Sansiri' s real estate projects, had been recognized as the most successful project manager in Thailand with more than 50 major projects, covering a service area of 2.35 million square meters, under its management. Plus has now expanded its business base into property development business to benefit from the promising opportunity in the industry.

However, despite having plans for continuous investment expansion, Sansiri would still rely on its main policy to invest and run business with strong discipline and thoughtfulness in order to maintain the company’ s financial stability. We have a policy to keep our debt-to-equity ratio at 1 to 1 in developing any project. We will also invest only in projects in prime areas and with good environment and keep our presence in businesses that generate regular and continuous income, such as high-end apartment, hotel and resort. The policy was initiated in order to cope up with emergency cases like the economic crisis a few years ago.

We do have a strong intention to develop all projects at the highest quality standard, starting from the stage of choosing high-quality materials and vendors with a close monitoring of every stage of construction. Maintaining standard of services is another main concern of Sansiri in order to ensure that all customers be satisfied and feel they are part of the Sansiri family.

Meantime, Sansiri' s management and staff are always focusing on the importance of "good corporate governance" practices which enable the firm to have smoothly run its businesses and gained credibility among business partners, financial institutions, government agencies, shareholders, investors and general public throughout the past years.

Finally, Sansiri would like to thank all shareholders and customers for their full supports. I also would like to thank the Company' s management and staff for their devotion and hard works under the Company's motto which says "Sansiri, where quality living begins".

Kovit Poshyananda
(Mr. Kovit Poshyananda)
Chairman of the Board

Executive Summary

Owing to the continuous growth of the Thai economy, together with various supporting measures implemented by the government, including the cut in tax on property ownership transfer and specific business tax and lower interest rates in the banking sector, had resulted in a speedy improvement and growth of the real estate sector. However, it is noticeable that the industry's improvement evidently benefits only a group of experienced and highly professional developers with strong business fundamentals to sail through the crisis, high-expertise and dedicating personnel,sound financial base and credibility among business partners and consumers.

Capital fund is a major constraint of the property sector, particularly to certain small - to medium - scale developers. Commercial banks that provide financing facility for real estate projects put more stringent consideration on feasibility of projects and debt and equity proportion of developers, setting up stricter requirement on loan repayment - making it hard for small - and medium-scale companies to obtain financing and expand businesses.

Currently, local deposit and lending rates have come to a history - low level, which is a new phenomenon in Thailand that saving rates have reached a level that is even lower than the inflation rate. Apart from that, larger players could seek alternative funding source through issuing debt instruments, which enable them to sharply cut their borrowing costs. It is expected that the interest rate situation will benefit both developers and consumers alike.

As well as the financial sector, the building material industry was severely affected by the once sluggish real estate business. Several construction material companies were forced to seek new shareholders, revamp organization structure and cut productivity. The faster - than - expected recovery of the real estate business caused scarcity of certain building materials as manufacturers failed to adjust up productivity timely with the rapidly growing demand. Material prices, especially those of concrete, cement and steel, soared, pushing construction costs up by at least 30% from the pre - crisis period.

In 2002, the Company had been successful in expanding its businesses, launching the second and third phases of Baan Narasiri Watcharapol , Baan Narasiri Pinklao and Baan Sirisathorn Condominium in Soi Yen-arkaat. The Company managed to close sale of all the said projects within the year and started the operation of the second building of Siri Apartment Wireless, whose renovation completed in the third quarter.

In August, the Company had been successful in raising 2,597 million baht of fund through a recapitalization. The fund, together with additional loans from financial institutions, have been invested in both low- and high-rise real estate projects, including an acquisition of Sofitel Silom Hotel through acquiring shares of Richee Holding Alliance Company Limited.

For its property management business, the Company has achieved a satisfactory growth in number of projects as of the end of 2002. It manages 49 residential buildings, apartments, office buildings and governmental offices across the country.

In the year, Sansiri had a total revenue of 1,311 million baht, up 150 percent, and a net profit of 49 million baht, compared to a loss of 92 million baht a year earlier. Its total assets were 8,177 million baht and shareholders' equity at 3,288 million baht. Its revenue breakdowns were property sale revenue 66 percent, rental revenue 11 percent, property and asset management plus hotel business 19 percent and other revenues 3 percent.

Apart from having business ethic and possessing an ability to increase value and investment return for shareholders in the long run, basing on transparency, integrity, accountability and competitiveness, the Company has set up a unit to coordinate and provide information for investors and analysts.

Regarding the policy on human resource, which is the most important mechanism in mobilizing the Company's businesses, the Company has given highest priority on its human resource recruiting with the aim to recruit staff with proper qualification and competency. These employees will be provided with training courses in their careers in order to enhance them to work as a team in the Company. They are also provided with appropriate security and welfare scheme and staff relation activities in order to create sense of participation among them. All these things are aimed at making them valuable resources which will help derive the business success in the long-term.

Executive Summary

As the market trend of property market is continuously improving, it is expected that, in 2003, the supply of high-quality real estate projects, both low- and high-rise ones, will not be sufficient to meet the increasing demand. This is because most property development firms are still having limitation on capital raising and on seeking loans from financial institutions. This limitation will make them unable to launch new projects or expand existing ones.

The Company's current executive board, management, manpower and the Company's strong financial status have prompted the Company's to gain readiness in the continuous expansion and development of property development projects. Therefore, the Company has set up its business target by focusing more on the development of low-rise hosing estate projects, such as single-detached housing projects in inner Bangkok. The Company will emphasize more on research and development and marketing strategy in order to ensure that all these projects have highest quality standard and can really serve the need of the market.

During this year, the Company plans to launch its four news single-detached housing projects and about four condominium projects. And because the Company had previously succeeded in rental commercial buildings in Silom area, the Company will continue developing this type of project in the years to come.

Name of Issuer

Sansiri Public Company Limited engages in the real estate development business.

Head Office	16th Floor Siripinyo Building, 475 Sri Ayutthaya Road Thanon Phaya Thai Sub-district, Rajthevi District, Bangkok 10400
Registration Number	Bor Mor Jor. 589
Home Page	www.sansiri.com
Telephone	0-2201-3905-6
Fax	0-2201-3904

Risk Factors

Risk From Market Competition

Due to the continual improvement of the Thai economy, the government's aiding measures; relaxation of the ownership transfer fee and specific business tax, and the history-low local interest rates, the Thai real estate industry saw a quick recovery from the 1997 crisis, which forced more than half of developers to halt businesses. The remaining developers with professionalism, experienced manpower, strong financial fundamentals, and credibility among consumers and business partners stood to benefit from the up-cycle.

Competition in the real estate market tended to be more serious, especially in 2002, in which developers turned to high-quality production, satisfaction guarantee and post-sale service as the key success factors. Price competition also changed as developers used special-condition financial instruments to promote sale, banking on low lending rates in the banking industry and the tendency that rates were not likely to swing back anytime soon.

There appeared no oversupply in 2002 because of limitation in term of fund mobilization and credit acquisition from financial institutions faced by some developers, barring them from developing new projects and increase productivity.

Risk From Investment Fund Limitation

Capital restriction remained a crucial impediment for developers, especially the small- and middle-scale ones. Such the condition was caused by banks' hesitation to extend loans to the real estate sector due to their burden to set up huge provision on doubtful accounts and bad loans and the concern over a sustainable and stable recovery of the industry.

Only some commercial banks facilitated real estate project financing to developers, while non-bank lenders remained inactive. The active lenders had also come up with stricter consideration criteria set on project feasibility, tougher debt-to-equity ratio required on each and repayment terms, which to some extent discouraged small- middle-size players to expand businesses. Large-scale developers gained advantage over smaller ones, supported by their greater credibility in the eyes of commercial banks.

Risk From Higher Construction Cost

As well as the financial sector, the building material industry was severely affected by the once sluggish real estate business. Several construction material companies were forced to seek new shareholders, revamp organization structure and cut productivity. The faster-than-expected recovery of the real estate business caused scarcity of certain building materials as manufacturers failed to adjust up productivity timely with the rapidly growing demand. Material prices, especially those of concrete, cement and steel, soared, pushing construction costs up by at least 30% from the pre-crisis period.

Monetary Risk

Both deposit and lending rates in the market have been at a history-low level. It is also the first time that the local deposit rates have been even lower than the inflation rate. Other than borrowing directly from financial institutions, new options are available to large-scale developers in mobilizing capital fund through various debt instruments, which allow them to significantly cut financial costs.

The vast money supply in the financial sector is the main factor in depressing interest rates. Local financial institutions still cannot achieve their credit-extension target, forcing them to shoulder costs related to deposited money supply. Interest rate cut is a way that commercial banks implemented to survive the harder business environment.

Despite the favorable situation, risk remains there for developers, should the excessive liquidity condition be alleviated, allowing banks to extend more loans and hike rates. In such assumed situation, developers will be affected by the higher financial cost and the decreased public purchasing power. Seriousness of impact from abrupt increase in interest rates depends on each developer's ability to generate and realize revenues, their debt-to-equity ratios and repayment condition offered by lenders.

Nature of Businesses

(1) History, Change and Significant Development

Sansiri Public Company Limited was established in 1984 with a major interest in the property development activity. The Company faced a major change in 1999 when it entered into subscription agreement with American venture capital, Starwood Thailand Corporation (Starwood), which was run by Starwood Capital Group, LLC. Under the agreement, Sansiri granted Starwood with an option to subscribe and/or designate its affiliates to subscribe up to 51% of the total paid-up capital of the Company by 31 December 2002. However, such agreement had been terminated since 28 August 2002, opening the door for entry of a group of new investors, led by Step Balance Co. Ltd., which agreed to buy new shares and inject fund worth about 2.52 billion baht into the Company.

In 1998, the Company diversified from its flagship business of real estate development into the property management, asset management and brokerage service, run by its wholly owned subsidiary Sansiri Property Plus Limited (renamed as Plus Property Partners Co., Ltd). Last year, the Company reduced its ownership in Plus Property Partners Co., Ltd. to 60.48% from the previous 99.99% to give more opportunity for new strategic partners, which can help the group expand its customer base.

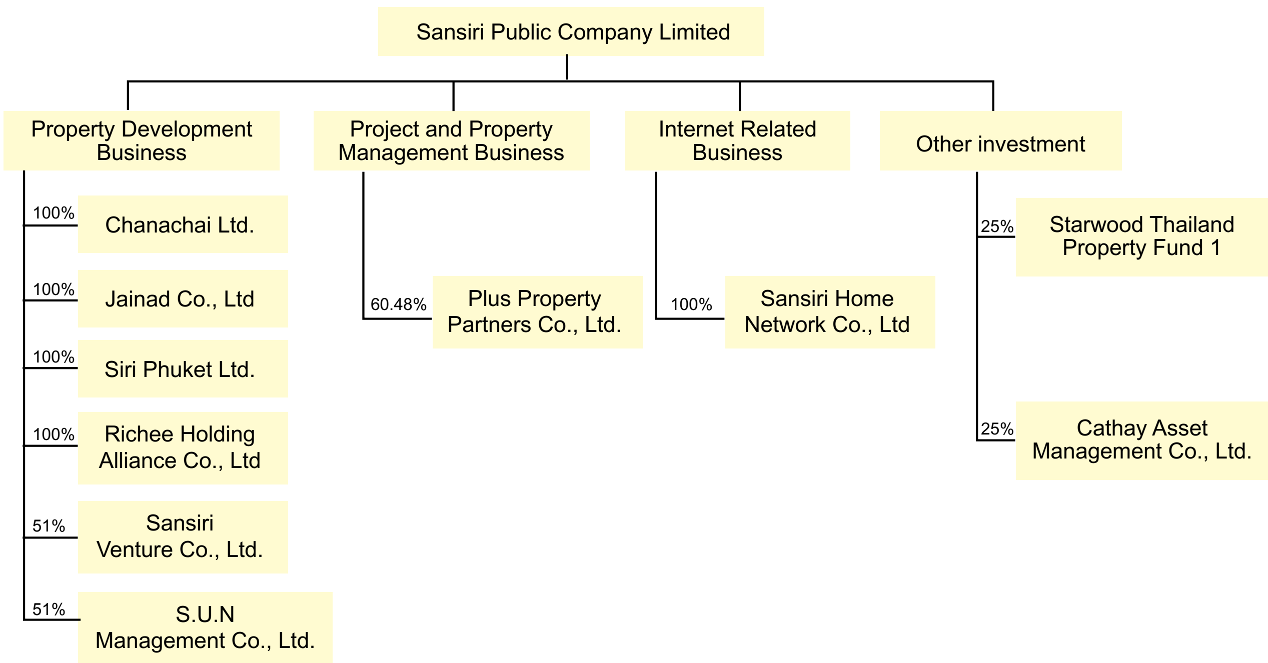
The Company also expanded into new businesses such as hotel and commercial building rental businesses through both its own direct investment and joint-venture deals with strategic partners.

1. Sansiri acquired an entire equity in Richee Holding Alliance Company Limited, which wholly owns Sofitel Silom Bangkok Hotel.
2. Sansiri joined forces with Univentures Plc. in setting up Sansiri Venture Co., Ltd. to develop condominium projects: Baan Sirisathorn, Baan Sirisathorn (Suan Plu) and Baan Sirisukhumvit Soi 13.
3. S.U.N. Management Co., Ltd, a joint venture between Sansiri, Univentures Plc. and Prestige Gift & Premium Ltd., developing Sun Square Silom, a commercial building project for long-term lease.
4. The Company also set up a wholly owned subsidiary Siri Phuket Ltd. to develop real estate projects on a land plot in Phuket, of which the acquisition is being processed.

(2) Business Overview

(a) Organization Structure

The group operates 4 business segments: property development, asset and property management, commercial services via an internet media and other businesses.



Sansiri Plc.

1. Property Development: Chanachai Ltd. (100%), Jainad Co., Ltd (100%), Siri Phuket Ltd. (100%), Richee Holding Alliance Co., Ltd. (100%), Sansiri Venture Co., Ltd. (51%), S.U.N. Management Co., Ltd. (51%).
2. Asset & Property Management: Plus Property Partners Co., Ltd. (60.48%)
3. Internet commercial service: Sansiri Home Network Co., Ltd. (100%)
4. Other businesses: Starwood Thailand Property Fund 1 (25%), Cathay Asset Management Co., Ltd. (20%)

(b) General Information About Subsidiaries and Affiliated Companies

1. Chanachai Ltd.

Head Office	475 Siripinyo Building Sri Ayutthaya Road Rajthevi, Bangkok
Nature of Business	Property Development
Telephone	0-2201-3905-6
Fax	0-2201-3904
Registered Shares	90,000 ordinary shares, 1,000 baht each.
Shareholding Percentage	100%

2. Jainad Co., Ltd

Head Office	475 Siripinyo Building Sri Ayutthaya Road Rajthevi, Bangkok
Nature of Business	Property Development
Telephone	0-2201-3905-6
Fax	0-2201-3904
Registered Shares	90,000 ordinary shares, 1,000 baht each.
Shareholding Percentage	100%

3. Siri Phuket Ltd.

Head Office	475 Siripinyo Building Sri Ayutthaya Road Rajthevi, Bangkok
Nature of Business	Property Development
Telephone	0-2201-3905-6
Fax	0-2201-3904
Registered Shares	100,000 ordinary shares, 10 baht each.
Shareholding Percentage	100%

4. Richee Holding Alliance Co., Ltd.

Head Office	555/5 SSP Tower I 4th Floor Sukhumvit 63 Klang Tan Nuea, Wattana, Bangkok
Nature of Business	Hotel
Telephone	0-2238-1991
Fax	0-2238-1999
Registered Shares	7,000,000 ordinary shares, 100 baht each.
Shareholding Percentage	100%

5. Sansiri Venture Co., Ltd.

Head Office	475 Siripinyo Building Sri Ayutthaya Road Rajthevi, Bangkok
Nature of Business	Property Development
Telephone	0-2201-3905-6
Fax	0-2201-3904
Registered Shares	300,000 ordinary shares, 10 baht each.
Shareholding Percentage	51%

6. S.U.N. Management Co., Ltd.

Head Office	475 Siripinyo Building Sri Ayutthaya Road Rajthevi, Bangkok
Nature of Business	Property Development
Telephone	0-2201-3905-6
Fax	0-2201-3904
Registered Shares	1,000,000 ordinary shares, 10 baht each.
Shareholding Percentage	51%

7. Plus Property Partners Co., Ltd.

(Renamed from the previous Sansiri Property Plus Ltd. on 25 November 2002)

Head Office	163 Rajapak Building 10th Floor Sukhumvit 21 Khlong Toei Nuea, Wattana, Bangkok
Nature of Business	Property, Asset and Sale Management
Telephone	0-2661-7555
Fax	0-2661-6633
Registered Shares	16,864,000 ordinary shares, 10 baht each.
Shareholding Percentage	60.48%

8. Sansiri Home Network Co., Ltd.

Head Office	475 Siripinyo Building Sri Ayutthaya Road Rajthevi, Bangkok
Nature of Business	Property Development
Telephone	0-2201-3905-6
Fax	0-2201-3904
Registered Shares	100,000 ordinary shares, 10 baht each.
Shareholding Percentage	100%

9. Starwood Thailand Property Fund I

Head Office	Represented by One Asset Management Ltd. 989 Siam Tower Building 24th Floor Rama I Road Patumwan Bangkok
Nature of Business	Property fund investing in commercial/residential properties.
Telephone	0-2659-8888
Fax	0-2659-8864
Registered Shares	3,148,182.8304 units, 10 baht each
Shareholding Percentage	25%

10. Cathay Asset Management Co., Ltd.

Head Office	475 Siripinyo Building Sri Ayutthaya Road Rajthevi, Bangkok
Nature of Business	Property Development
Telephone	0-2201-3400
Fax	0-2201-3405
Registered Shares	2,500,000 ordinary shares, 10 baht each.
Shareholding Percentage	20%

(c) Management Policy

On property development projects, the Company will be the core entity to supervise project development. The strategy is different from the Company's previous policy, under which separated subsidiaries were to be set up to be in charge of each development project. It has been evident that after project completion, those companies turned inactive. However, in operating joint-venture projects, the Company plans that establishment of new company to be directly responsible is required. Shareholding structure in those companies will be determined by agreement made between the Company and the third party.

For the 60.48%-owned Plus Property Partners Co., Ltd., whose operations involve services related to the real estate business; for instance, building management, asset management and sale management, the Company has designated this subsidiary to be independent and self-governed to boost management flexibility and to stand competitive in the business. To pave way for its future in the property development business, Plus plans to diversify into developing residential projects with a target on medium-income earners.

In managing its subsidiaries jointly run with partners, the Company gives full authority for directors' boards of each company, in which representatives of the Company share seats, to set management policy and allow managing director of each to be responsible for project management and general organization management in general.

(3) Revenue Structure

Revenue Structure by Business Groups 2000-2002

Products/Services	**Run by**	**Share** (%)	**2000**		**2001**		**2002**	
			mb.	%	mb.	%	mb.	%
1. Property for sale	Sansiri Plc.	-	-	-	285.04	53.92	868.22	66.24
	Chanachai Ltd.	100						
2. Property for rent	Sansiri Plc.	-	143.06	77.44	127.11	24.05	149.84	11.43
	Chanachai Ltd.	100						
3. Real estate project management	Sansiri Plc.	-	39.88	21.59	98.79	18.69	254.85	19.44
1 project management 2 building management 3 Hotel	Plus Property Partners Richee Holding Alliance	60.48 100						
4. Others			1.79	0.97	17.67	3.34	37.89	2.89
Total			184.73	100	528.61	100	1,310.80	100
Change (%)			(40.82)		186.15		147.97	

(4) Business Goal

Due to the impressive growth of the property market in 2002, its promising trend and the Company's strong financial fundamentals and readiness to expand businesses, the Company has set a goal to be active in developing low-rise real estate projects such as single-detached houses and townhouses and high-rise projects such as condominium and apartment in Bangkok's central business district. The successful sale of commercial building project on Silom Road has prompted the Company to step further into the property for long-term lease business. The past year also saw the Company expanded into the hospitality service business through acquiring the total shares in Richee Holding Alliance Company Limited, which owns Sofitel Silom Bangkok Hotel. The move came after a certain period that the Company made its debut into hotel and resort management.

In 2003, it is expected that the condominium market will continue to grow dramatically. The Company has set goal to develop at least four condominium projects around the Silom, Sathorn and Sukhumvit areas, believing in its expertise and experience in this market segment.

Business Operation

(1) Type of products and services

The Company's businesses can be categorized into 4 groups :

(1.1) Property Development Business

(a) Property development for sales

Comprising residential condominium in the central business district (CBD) on Sathon Rd., Rajdamri Rd., Ploenchit Rd. and Sukhumvit Rd. Target customer are medium to high-end. The Company's projects offer fully integrated services which is our major strength. Besides, the Company also develops single-detached house projects to meet market demand.

Current projects for sales include:

1. Baan Narasiri, Watcharapol (Phase I)

Project area	32 rai 2 ngan 37 square wah
Location	Watcharapol Rd., Ta-rang, Bang Khen, Bangkok
Details of project	101 units of single-detached house and 4 units of vacant land with utility space of approximately 145-335 square meters
Unit Size	101 units, 56-156 square wah
Sales Value	586 Million Baht
Construction period	April 2000 to October 2002
Target Group	Earners of 90,000-150,000 baht per month
Revenue Realization	Realize on progress of construction work
Land ownership	Sansiri Plc.
Progress of construction	100%
P rogress of Sales	97%

2. Baan Narasiri, Watcharapol (Phase II)

Project area	21 rai 2 ngan 47.5 square wah
Location	Watcharapol Rd., Ta-rang, Bang Khen, Bangkok
Details of project	63 units of single-detached house with utility space of approximately 184-300 square meters
Unit Size	72-158 Square Wah
Sales Value	385 Million baht
Construction period	February 2002 to January 2003
Target Group	Earners of 90,000 baht to150,000 baht per month
Revenue Realization	Realize on progress of construction work
Land ownership	Sansiri Plc.
Progress of construction	94%
P rogress of Sales	100%

3. Baan Narasiri, Watcharapol (Phase III)

Project area	4 rai 2 ngan 59.3 square wah
Location	Watcharapol Rd., Ta-rang, Bang Khen, Bangkok
Details of project	12 units of single-detached house with utility space of approximately 200-300 square meters
Unit Size	11 units and a vacant Land plot,
Sales Value	sized 82-165 square wah
Construction period	89 Million baht
Target Group	May 2002 to January 2003
Revenue Realization	Earners of 90,000 baht to150,000 baht per month
Land ownership	Realize on progress of construction work Sansiri Plc.
Progress of construction	65%
P rogress of Sales	100%

4. Baan Narasiri, Pinklao

Project area	17 rai 2 ngan 66.4 square wah
Location	Chimplee Rd., Chimplee, Taling-chan, Bangkok
Details of project	37 units of single-detached house with utility space of approximately 240-330 square meters
Unit Size	37 units, 100-169 square wah
Sales Value	316 Million baht
Investment Value	226 Million baht
Construction period	January 2002 to March 2003
Target Group	Earners of 150,000 baht per month
Revenue Realization	Realize on progress of construction work
Land ownership	Sansiri Plc.
Progress of construction	70%
P rogress of Sales	100%

5. Baan Narasiri, Sathorn-Wongwaen

Project area	84 rai
Location	Kanchanapisek Road, Bangkae, Bangkok
Details of project	single-deatched houses with utility space of 245-348 square meters
Unit Size	160 residential units, 100-330 square wah
Sales Value	2,100 million baht
Investment Value	1,500 million baht
Construction period	August 2002-June 2004
Target Group	Family income of over 120,000 baht per month
Revenue Realization	Realize on progress of construction work
Land ownership	Sansiri Plc.
Progress of construction	3%
P rogress of Sales	To be launched in June 2003

6. Baan Sirisathorn, Yen-arkaat)

Project Owner	Sansiri Venture Co., Ltd. (51% owned by Sansiri Plc.)
Project area	2 rai 72 square wah
Location	Yen-arkaat Road, Sathorn, Bangkok
Details of project	169-unit condominium with utility space of 40-135 square meters
Unit Size	169 units, 1-3 bedrooms
Sales Value	529 million baht
Investment Value	459 million baht
Construction period	September 2002-August 2003
Target Group	People living/working around Silom, Sathorn, Rama IV
Revenue Realization	Realize on progress of construction work
Land ownership	Sansiri Venture Co., Ltd.
Progress of construction	19%
P rogress of Sales	100%

Future profects for sales

7. Baan Sansiri Sukhumvit 67	
Project Owner	38 rai 1 ngan 33 square wah
Project area	Sukhumvit 67, Wattana, Bangkok
Location	96-unit single-detached house project with
Details of project	utility space of 363-466 square meters
Unit Size	96 units, 80-110 square wah
Sales Value	2,634 million baht
Investment Value	2,089 million baht
Construction period	January-October 2003
Target Group	Business owners, high-ranked executives
Revenue Realization	living/working in the CBD area and Sukhumvit
Land ownership	Realize on progress of construction work
Progress of construction	Sansiri Plc.
P rogress of Sales	0%

8. Housing Project, Sanambin-Nam	
Project area	103 rai 2 ngan 22 square wah
Location	Sanambin-Nam Road, Nontaburi
	336-unit single-detached house project with
Details of project	utility space of 150-320 square meters
Unit Size	336 units, 60-150 square wah
Sales Value	2,332 million baht
Investment Value	1,831 million baht
Construction period	February 2003-September 2005
Target Group	Family with a monthly income of 85,000 baht up
Revenue Realization	Realize on progress of construction work
Land ownership	Sansiri Plc.
Progress of construction	0%
P rogress of Sales	To be launched in the last quarter of 2003

9. Baan Ratchadamri	
Project area	3 ngan 79 square wah
Location	Ratchadamri Road, Pathumwan, Bangkok
Details of project	32-unit condominium with utilization space of 250-500 square meter per unit.
Unit Number	32 units, 3-4 bedrooms
Sales Value	943 million baht
Investment Value	609.6 million baht
Construction period	February 2003-December 2004
Target Group	Company executives, business owners, inner Bangkok residents
Revenue Realization	Realize on progress of construction
Land ownership	Sansiri Plc.

10. Baan Narasiri Pattanakarn	
Project area	90 rais
Location	Suanluang, Bangkok
Details of project	175-units single-detached housing project with utilization space of 220-365 square meter per unit.
Unit Number	175 units, 80-150 square wah
Sales Value	2,907 million baht
Investment Value	2,275 million baht
Construction period	January 2003-June 2005
Target Group	Those with household income of over 150,000 baht per month
Revenue Realization	Realize on progress of construction
Land ownership	Sansiri Plc.
Progress of construction	0.4 percent
P rogress of Sales	To be launched on the last quarter of 2003

11. Baan Sirisathorn Suanplu

Sansiri Venture Co., Ltd. (51 percent-owned by Sansiri Plc.)

Project area	1 rai 1 ngan 61.5 square wah
Location	Nanglinchi Road, Sahtorn, Bangkok
Details of project	75-unit condominium with utilization space of 50-135 square meter per unit.
Unit Size	75 units, 1-3 bedrooms
Sales Value	341 million baht
Investment Value	257.5 million baht
Construction period	February 2003-March 2004
Target Group	Business owners, inner Bangkok residents
Revenue Realization	Realize on progress of construction
Land ownership	Sansiri Venture Co., Ltd.

12. Baan Sirisukhumvit Soi 13

Sansiri Venture Co., Ltd. (51 percent-owned by Sansiri Plc.)

Project area	1 rai
Location	Sukhumvit 13, Sathorn, Bangkok
Details of project	73-unit condominium with utilization space of 50-135 square meter per unit.
Unit Size	73 units, 1-3 bedrooms
Sales Value	308 million baht
Investment Value	234 million baht
Construction period	February 2003-March 2004
Target Group	Business owners, inner Bangkok residents
Revenue Realization	Realize on progress of construction
Land ownership	Sansiri Venture Co., Ltd.

(b) Property development for rent

Comprising of office building and condominium for rent. The projects are located in prime area and offering fully integrated services with modernized architectural design, sufficient parking space and car parking automation.

Current project for rent includes:

1. Siripinyo Building

Project area	2 rai 3 ngan 13 square wah
Location	Sri Ayutthaya Rd.
Details of project	17-storey office building with a total space of 43,700 square meters and 450-cars parking space
Starting Year	The year 1992
Rental Area	8,369 Square meters
Average rental fee	300 baht per square meter per month (including service fee)
Investment Value	563 Million Baht
Construction period	1989 - 1992
Target Group	finance companies, banks and international companies
Revenue Realization	Realize as payment become due
Commencement date of revenue realization	1994
Accumulative realized Revenue	797 Million baht
Land ownership	Sansiri Plc. has been granted a 30 year leasehold right from Siripinyo Co., Ltd. starting from June, 1994 to May, 2024
Progress of construction	100%
Progress of Sales	99% of rental area

2. Siri Apartment Wireless Rd.

Project Area	3 rai 3 ngan 20 square wah (1,520 square wah)
Location	Wireless Road
Project Detail	5- and 6-storey buildings
Ujnit Number	18 units
Starting Year	August-2001
Rental Space	4,380 square meters
Rent	364 baht per square meter per month (including service fee)
Investment Value	100 million baht
Target Group	Expatriate Group
Revenue Realization	On monthly due
Commencement Date of Revenue Realization	2001
Accumulative realized Revenue	23 Million baht
Land Ownership	Lease from ML Suthada Kasemsant for 15 years from January 2000 to December 2014
Progress of Rents	6-storey building -100 percent 5-storey building - 100 percent

3. Siri Apartment Sukhumvit 12

Project Area	1 rai 1 ngan 22 square wah (522 square wah)
Location	Sukhumvit 12
Project Detail	4 - and 8-storey buildings
Ujnit Number	21 units
Starting Year	January 2001
Rental Space	4,334 square meters
Rent	325 baht per square meter per month (including service fee)
Investment Value	120 million baht
Target Group	Expatriate Group
Revenue Realization	On monthly due
Commencement Date of Revenue Realization	2001
Accumulative realized Revenue	31 Million baht
Land Ownership	Sansiri Plc.
Progress of Rents	4-storey building -100 percent 8-storey building - 100 percent

4. Sun Square Silom

Project Owner	S.U.N. Management Co., Ltd. (51 percent-owned by Sansiri Plc.)
Project Area	2 rai 3 ngan 92.7 square wah
Location	Silom 21-23, Bangrak, Bangkok
Project Detail	4-storey commercial buildings with a total utilization space of 8,599 square meters and parking space for 76 cars
Unit Number	37 units
Starting Year	November 2002
Rental Space	8,599 square meters
Sale Price	302 million baht
Investment Value	199 million baht
Construction Period	February 2003-November 2003
Target Group	Jewelry companies
Revenue Realization	Realize on the lease term, 30 years
Commencement Date of Revenue Realization	2003
Land Ownership	Lease from the Crown Property Bureau for 30 years from November 2003 to November 2033
Progress of Construction	0%
Progress of Sale	100%

5. Iris Resort Hotel Hua Hin

Project Area	3 rai 2 ngan 50.92 square wah (1,450.92 square wah)
Location	Hua Hin, Prachuab Khiri Khan
Project Detail	ix 2-storey hotel buildings with a reception building and a swimming pool
Unit Number	36 rooms
Date of Commencement	November 2003
Utility Space	1,300 square meters
Rate	2,300 baht per room per night (Or 1,916 per square meter per month) (including service fee)
Investment Value	75 million baht
Target	Both Thai and foreign tourists
Revenue Realization	On actual payment
Date of Commencement of Revenue Realization	2004
Land Ownership	Sansiri Plc.
Construction Progress	0%
Rental Progress	0%

Note: Please see the following tables for more details.

Details of Payment on Current Property for Sale/Rent
As of 31 December 2002

PROJECT	SALES VALUE (Million Baht) (1)	ACCUMULATED INSTALLMENTS DUE (2)		ACCUMULATED RECEIVABLE (3)		ACCUMULATED NSTALLMENT ACCOUNT RECEIVABLE (2) - (3)		REMAIN (1) - (2)	
		Million baht	Percentage of Sales Value	Million baht	Percentage of Accumulated Installments Due	Million baht	Percentage of Accumulated Installments Due	Million baht	Percentage of Sales Value
For Sales :									
Baan Sansaran	1,155	1,155	100.00	1,155	100.00	-	-	-	-
Baan Narasiri, Watcharapol	917	590	64.34	588	64.34	2	-	327	35.66
Baan Narasiri, Pinklao	316	87	27.53	86	27.53	1	-	229	72.47
Baan Sirisathorn	529	66	12.54	66	12.54	-	-	464	87
Sun Square Silom	302	31	10.27	31	10.27	-	-	-	-
For Sales :									
Siripinyo Building	797	797	100.00	797	99.58	-	-	-	-
Siri Apartment Wireless Rd.	23	23	100.00	23	100.00	-	-	-	-
Siri Apartment Sukhumvit 12	31	31	100.00	31	100.00	-	-	-	-

(2) Details of Overdue Payment Balance
As of 31 December 2002

PROJECT	Accumulated Aging		1 – 3 Months		3 – 6 Months		Over 6 Months	
	Number of Customers	Baht	Number of Customers	Baht	Number of Customers	Baht	Number of Customers	Baht
For Sale :								
Baan Narasiri, Watcharapol	10	1.76	10	1.76				
Baan Narasiri, Pinklao	11	0.70	11	0.70				
Sun Square Silom								
For Rent :								
Siripinyo Building	3	0.29					3	0.29

(1.2) Property Management
The following is the list of real estate projects and buildings managed by Plus Property Partner, including its clients in the areas of asset management and sale, renovation and engineering services:

No.	Project	Location	Service Provided	Employer
1	Siripinyo Building	Sri Ayutthaya Rd., Bangkok	Property Management - Office	Sansiri Plc.
2	Sitti Worakit	Silom Rd., Bangkok	Property Management - Office	Sitti Worakit Co., Ltd.
3	Government Housing Bank H/O	Rama IX Rd., Bangkok	Property Management - Office	Government Housing Bank
4	Ministry of Commerce	Sanambinnam Rd., Nonthaburi	Property Management - Office	Ministry of Commerce
5	SG Tower	Langsuan Rd., Bangkok	Property Management - Office	SG Land Co., Ltd
6	The Millenia	Langsuan Rd., Bangkok	Property Management - Office	SG Land Co., Ltd
7	Sirinrat	Rama IV Rd., Bangkok	Property Management - Office	Sirirat Condominium Juristic Person
8	Stock Exchange of Thailand	Ratchadaphisek Rd., Bangkok	Property Management - Office	Stock Exchange of Thailand
9	Ministry of Foreign Affair	Sri Ayutthaya Rd., Bangkok	Property Management - Office	Ministry of Foreign Affair
10	Baan Pleonjit	Soi Ruam Rudee 2, Bangkok	Property Management - Condominium	Baan Pleonjit Condominium Juristic Person
11	Baan Sansiri	Soi Mahadlek Luang 2, Bangkok	Property Management - Condominium	Chana Chai Co., Ltd
12	Baan Piyasathorn	Soi Suanploo, Bangkok	Property Management - Condominium	Baan Piyasathorn Condominium Juristic Person
13	Baan Prueksasiri I	Soi Petchaburi 11, Bangkok	Property Management - Condominium	Baan Prueksasiri I Condominium Juristic Person
14	Baan Prueksasiri II	Soi Suanploo, Bangkok	Property Management - Condominium	Baan Prueksasiri II Condominium Juristic Person
15	DS Tower I	Soi Sukhumvit 31, Bangkok	Property Management - Condominium	DS Tower I Condominium Juristic Person
16	Baan Nawarang	Soi Sukhumvit 61, Bangkok	Property Management - Condominium	Regent on the Park II Condominium Juristic Person
17	Regent on the Park II	Soi Sukhumvit 61, Bangkok	Property Management - Condominium	Regent on the Park II Condominium Juristic Person
18	Baan Kajanakom	Soi Phahonyothin 2, Bangkok	Property Management - Condominium	Baan Kajanakom Condominium Juristic Person
19	Sathorn House	Sathorn Rd., Bangkok	Property Management - Condominium	Sathorn House Condominium Juristic Person
20	Raintree Villa	Soi Sukhumvit 53, Bangkok	Property Management - Condominium	Raintree Villa Condominium Juristic Person
21	The Village	Bangna-Trad Rd., Bangkok	Property Management - Condominium	The Village Condominium Juristic Person
22	Top View Tower	Soi Sukhumvit 59, Bangkok	Property Management - Condominium	Top View Tower Condominium Juristic Person
23	Baan Kaimuk	Hua-Hin, Prachaub Khiri Khan	Property Management - Condominium	Baan Kaimuk Condominium Juristic Person
24	Baan Sansaran	Hua-Hin, Prachaub Khiri Khan	Property Management - Condominium	Baan Sansaran Condominium Juristic Person
25	Baan Somparsong	Sukhumvit Rd., Pattaya	Property Management - Condominium	Baan Somparsong Condominium Juristic Person
26	Hin-suay Nam-sai Condominium	Klang District, Rayong	Property Management - Condominium	Hin-suay Nam-sai Condominium Juristic Person
27	Phahonyothin Park Condominium	Soi Phahonyothin 14, Bangkok	Property Management - Condominium	Paholyotin Park Condominium Juristic Person
28	Dusit Avenue	Rajthevi Rd., Bangkok	Property Management - Condominium	Dusit Avenue Condominium Juristic Person
29	Varasupa Executive Place	Soi Phahonyothin 1, Bangkok	Property Management - Condominium	Varasupa Executive Place Condominium Juristic Person
30	Pathumwan Resort	Phayathai Rd., Bangkok	Property Management - Condominium	Pathumwan Resort Condominium Juristic Person
31	Pathumwan Place	Phayathai Rd., Bangkok	Property Management - Condominium	Pathumwan Resort Condominium Juristic Person
32	Pinklao Plaza Condominium	Borom Rajjajunanee Rd., Bangkok	Property Management - Condominium	Pinklao Plaza Condominium Juristic Person
33	Baan Sathorn	Soi Ngam Duplee, Bangkok	Property Management - Condominium	Baan Sathorn Condominium Juristic Person
34	Siri Apartment – Wireless	Wireless Rd., Bangkok	Property Management - Apartment	Sansiri PCL.
35	Siri Apt. – Sukhumvit12	Soi Sukhumvit 12, Bangkok	Property Management - Apartment	Sansiri PCL.
36	Wittayanivej Apartment	Phayathai Rd., Bangkok	Property Management - Apartment	Chulalongkorn University
37	Jakthip Court	Soi Sukhumvit 51, Bangkok	Property Management - Apartment	Jakthip Court Part Ltd.
38	Student Dormitory Thammasart University	Klong Luag District, Pathumthanee	Property Management - Dormitory	Thammasart University

No.	Project	Location	Service Provided	Employer
39	Medical School Dormitory Thammasart U.	Klong Luag District, Pathumthanee	Property Management - Dormitory	Thammasart University
40	Narasiri Housing Estate	Soi Watcharapol, Bangkok	Property Management - Housing Estate	Sansiri PCL.
41	Baan Suan Bangpa-in	Bang Pa-in District, Ayutthaya	Property Management - Housing Estate	Baan Bangpa-in Co., Ltd.
42	Nobel Choice – Pinklao	Kleb Klong Tavee Wattana Rd., Bangkok	Property Management - Housing Estate	Tisco Fiance PCL.
43	Baan Sra Suan	Hua-Hin, Prachaub Khiri Khan	Property Management - Housing Estate	Baan Sra Suan Housing Estate Committee
44	The Noble	Soi Ekamai 22, Bangkok	Property Management - Housing Estate	The Noble Housing Estate Committee
45	Laguna Park Ville	Mittrapab Rd., Khon Khang	M&E Maintenance	DBS Thai Danu Bank PCL.
46	Asian Games Village, Thammasat U.	Klong Luag District, Pathumthanee	M&E Maintenance	Thammasat University
47	Siam Cement H/O	Siam Cement Rd., Bangkok	M&E Maintenance	Siam Cement PCL.
48	Bangkok Capital Alliance	Thailand	Asset Maintenance	Bangkok Capital Alliance Co., Ltd.
49	Pana Siri Resort	Lopburi	Asset Maintenance	Parnot Nom Co., Ltd.

(1.3) Sansiri also involves in the internet media businesses, including high-speed internet access service and informative web site providing information about home buying and selling and home and living contents.

(1.4) The Company has invested in Starwood Thailand Property Fund I, which invests in acquiring commercial and residential buildings, for returns in the form of dividend from the fund. The two parties jointly bid for assets from the Financial Sector Restructuring Authority (FRA) in 1998 and managed them for higher resale prices. The Company also joins hands with Cathay Asset Management in running advisory services for real estate developers and other investment fund companies.

(2) Marketing and Competition

(a) Marketing

Competitive Strategy

The Company's management policy focuses mainly on the development of housing estate products to meet the real need of different targeted customer groups by creating value added of the products, offering high quality services to achieve clients' highest satisfaction. To come up with difference in quality of products and services from other rivals, the Company uses the following marketing and sales strategies;

Project's quality

1. New projects developed by the Company

The Company is confident that projects' development to derive highest quality is the top priority in building up of trust and reliability of the Company's projects in the long term. Therefore, the development projects on housing estate, real estate, apartment, condominium and office building are carefully designed and constructed. The outside structure and internal decoration are based on architectural and engineering principle. Materials used in the construction and decoration are carefully selected, aiming at maximizing beauty, classiness and utilization. The Company also gives high priority on project's central area, in which the Company aims to make it the most perfect common area in order to enhance good quality of life of the customers. The Company's customers had witnessed real intention of the Company from various past projects. From the mentioned strategy, both old and new customers are confident in the Company projects and a large number of them decided to buy and invest in the Company's projects and introduced the projects to their friends or relatives. The Company will also focus mainly on its property development project to meet the demand of each customer groups in different areas by using information derived from the Company's research studies. The information will cover all aspects, ranging from basic need for housing, models, exterior and interior decoration, space utilization, worthiness of investment. This information will be taken into account in order to ensure all projects of the Company serve the real need of customers. All projects of the Company will consist of four standards namely Safety and Security, Save Energy, Superior and Service that makes all property development projects run effectively and create confidence among clients.

A new housing project developed in 2002 was Baan Narasiri Pinklao, comprising 37 single-detached-house units with land sizes between 100-169 square wah and useable area of 240-330 square meters. The Company had applied new development concept to compete with other developers such as building show houses, pre-sale booking house and pre-built houses with new housing models based on customers' requirements. The Company clased the sales on this project at the end of the year.

2. The projects bought to develop by the Company

These projects were not originated and developed by the Company. The Company will buy these projects from former owners that have insufficient liquidity for further development. The Company will consider buying projects located in prime areas, in line with market's demand, including projects' quality in terms of architecture and engineering. The Company will improve and upgrade all interior decoration designs to meet the demand of customer. Buying projects to develop is one of the Company's strategies that can help reduce project costs. The Company will be able to buy the potential property projects at lower cost since former owners faced the lack of liquidity problem.

3. Projects that the Company handles the marketing and sales scheme

Because of the Company's success in handling sales and marketing scheme of many projects during the previous years, many property development projects' owners, both large and small firms, want the Company to manage the sales and marketing tasks. The Company has a policy to provide the service for projects that have high potential, located in prime areas and have competitive prices.

Projects' Location

The Company acknowledges the importance of high standard of livings condition of customer, therefore, it selects the best location for its property development projects. The Company also considers the potential of future development and expansion of town into the project site. The projects' location, both in the heart of Bangkok and its nearby provinces must have good environmental surrounding, sufficient transportation system and easy access to public service systems such as expressway, shopping centers and schools. All these factors will help customers happily stay in the housing projects and have high quality of living standard.

The Central Public Area Development

All housing estate projects of the Company will have a central public area that is properly designed and developed to meet a community's requirement. This is because the Company recognizes the importance of community's living standard and therefore the Company will develop a comprehensive central public area, ranging from housing estate center club and clubhouse equipped with swimming pool, tennis court, health club, sauna room, meeting room and public garden. These facilities will enhance customers live in the compound with happiness

The Utilization of Each Housing Unit

Each housing unit of the Company's projects will be designed and positioned to suit with hot climate atmosphere and to really serve the demand of owners. Each house's rooms and other utilization space is designed to suit with land area and with utility functions to make owner have good living standard.

Clear Identification of Target Groups For Each Project

Prior to the beginning of each project, the Company will study the market in terms of demand and supply, market segmentation, target group, and clear product positioning of each project. Therefore, these factors enable our project development, price setting, and marketing strategy to win advantage over others in the market.

Competent management, marketing and sales teams

The Company is managed by the competent team that has many years of experience in the field of property development projects on single-detached housing, apartment, condominium and office building. The team will carry out a feasibility study of each project set in the Company's business development plan before coming up with final project model. The marketing team, comprising public relations, customer service, research and sales departments, will conduct a research study on customer's behavior and demand, and rivals' strategies and movement in order to formulate target group customers and the potential products' characteristics. After that marketing team of each project will start working by coordinating with project development department in the development of products and products' price setting in line with products' quality, market's demand and competition on the market.

In order to create flexibility in the management of various projects, the Company had, in 2002, improved the project management methodology by dividing departments that are responsible for the tasks into two units - the strategic Business Unit (SBU) 1 and 2. SBU 1 will take responsibility on the low-rise property development projects such as housing estate projects, while the SBU 2 will oversee the development of high-rise building including office buildings, commercial buildings, apartments and condominiums. Each SBU will equip with experts on project development planning, engineering and marketing which will enable the unit to immediately make decision on important issues and result in effectiveness of the projects.

Apart from this, the Company also uses the integrated marketing communication strategy to create more effective sales channel. This includes the publicity of marketing and sales promotion information in which the presentation style has been developed to be up-to-date and suit with target groups. Electronic media is also used in publicizing campaigns, particularly the Company's web site-www.sansiri.com that was developed to have nice look and feel and easy to navigate. Information distributing through the E-News Letter to specific targeted customer groups is also being utilized.

Regarding the sales force, competent and experienced sales staff will contact customers that expressed their interest in particular projects. The sales staff will be well trained on looking after clients, on project presentation and on construction information providing. They will study background and characteristic of each customer before approaching them by using a direct sales approach.

The building up of good customer relations and after-sale service

The Company sticks on its policy to offer the best service, based on good relation with the customer, both in sales approach and after sales service through the continuous providing of correct and reliable information. These include information on the project's constructional progress, knowledge on property purchasing and the coordination on material changes and the survey on customer's satisfaction in order to improve the products and services, which is the key factor of the business success that derived the Company's reputation for years. The customers were confident in the Company's property development projects and many of them bought houses from more than one project. The good relationship with customers can also help expand the Company's customer base to new customer groups through the old customer channel.

With the Company's years of experience in the field of property development and management projects on high-rise buildings, commercial buildings and housing estates, including the establishment of juristic individual to manage each project, the house owners can have better quality living in the Company's sound environment compounds.

The Company has set up a "Sansiri Club" as a center for building up good relationship with customers. Customer-related activities are periodically held opening a chance for customers to participate in. Many benefits are offering to members of the club

Characteristic of club member and targeted customer groups

The customer of the Company and its affiliate can be categorized as the following;

Customer of residential projects

They are customers that have bought houses and living units from the Company. Most of them are individual groups or families of medium to high income earning statuses looking for living places in the heart of the city or business areas that are well equipped with facilities. These customer groups don't want to encounter with the traffic congestion problem and need utmost privacy. Some of them are newly married and want to separate from their big families. Many of them buy living suits as an investment scheme, aiming to earn regular income such as from rent.

Customer of condominium management

The Company currently has 35 buildings under its management. Of these, 12 buildings are the Company's and its affiliate's projects, while the remaining 23 buildings belong to other property development companies.

Customer of apartment projects

All existing customers of the Company's apartments are foreigners working in Thailand. This group of customers wants to stay in business areas with convenient transportation. They like rooms decorated in convention style and equipped with facilities and security system. The rental contract term is normally about 1-2 years.

Customer of office buildings

Most customers of office building for rent are companies that want to have office at the center of business area. They need convenient transportation and facilities including security system which the Company has already provided. The rental contract term is about 3 years. Four major customers at the Company's Siripinyo building renting space of more than 10 percent of the total space each are Small and Medium Enterprise Development Bank of Thailand, Loxley Information Technology Limited, Professional Computer Limited and Total Access Communication Group (TAC). Since the Company's office buildings are located in prime areas and are provided with facilities, customers are willing to make long-term contracts.

Sales methodology and sales channel

Since the Company's property products are offered for sale at considerably high prices and it takes time for decision-making, the sales methodology will be different from other consumer products. The Company then comes up with the following sales methodology and sales channel;

The Company's sale team

The sales team of the Company is one of main factors that brings in success in the development of residential projects. The sales staff are well trained on details of the Company's projects with intensive experience in providing information to customer. The salespersons have to study background of prospected clients before approaching them to present the Company's projects details. They will prepare sales-kit to support their presentation enabling them to effectively provide details on the Company's projects. The also collect customer's data through the questionnaire sending, a technique that can help sales department precisely provide information to targeted customer groups. By this technique, the department can also analyze the customers' demand for booking, purchasing or renting the project space. Customers can exercise their demand both at the Company's head office, project site's offices and through e-ommerce system. The Company is the country's first company that introduced e-commerce home sale facility.

Marketing promotion

Direct Sales

The Company uses a direct sales approach by sending direct mail, contacting through telephone or telemarketing and other media channels such as e-mail. The marketing department will be responsible for carrying out study to map out characteristics of potential customers of each project. After that, it will select targeted customer groups in accordance with the mapped out characteristic, and then they will send the project information to them and invite them to visit the project sites. Marketing department will also take responsibility for following up of sales progress, the regularity of information sending and systematically prepare customer base data in order to be able to approach the targeted customer.

Advertising, public relations and sales promotion campaigns

Apart from utilizing the direct sales approach, the Company has also launched marketing promotion and public relations campaigns through advertising agencies and various media in a form of integrated marketing communication. This is aimed to create the highest effective ability in information providing to the Company customers.

1.) The Company has hired Batey Ads (Thailand) Co.,Ltd. as an advisor firm for launching marketing campaigns trough mass media such as printed media, radio and billboard. This advisory firm will also help planning utilization of new forms of media, including web sites related to targeted customer groups and media channels at BTS stations. The firm plans both the quantitative and qualitative aspects of each media to ensure that information will reach the targets.

2.) The Company has prepared various marketing tools to support the Company's direct sales approach such as brochure, CD-ROM web site, mocked up houses, project's models, including a preparation of staff before opening of each property development project. This is to ensure that potential customer will be provided with full information of the projects.

3.) The Company has also come up with continuous sales promotion campaigns that will attract and encourage customer to make decision such as price reduction and giveaways. The sales promotion campaigns will be launched simultaneously with the advertising campaigns to draw attention from customers. The Company had joined in various residential project exhibitions exposing its products to the public. The campaigns will be made throughout the year using new sales promotion strategies.

4.) The Company has continuously launched its publicity campaigns to its targeted customer groups. The campaigns will include project's detail provision before opening of each project, on the opening of the project and during construction process. The Company also emphasizes on the building up of good relationship with customers and mass media. Commercial-related articles were also published in printing media, while seminar, workshop and other public activities were organized in order to build up the Company's image.

Company's Assets

Land

Details of Assets of Sansiri and Subsidiaries as of 31 December 2002

Single-detached housing projects

Projects and locations	Project types	Project area	Development Cost	Land ownership	Liability
1. Baan Narasiri Watcharapol Phase I	Single-detached house and land	32 - 2 - 37 rai	176.73 million baht	Sansiri Plc.	Placed as collateral on loan from SCB
2. Baan Narasiri Watcharapol Phase II	Single-detached house and land	21 - 2 - 47.5 rai	125.39 million baht	Sansiri Plc.	Placed as collateral on loan from SCB
3. Baan Narasiri Watcharapol Phase III	Single-detached house and land	4 - 2 - 59.3 rai	26.15 million baht	Sansiri Plc.	Placed as collateral on loan from Glogal Thai
4. Baan Narasiri Pinklao	Single-detached house and land	17 - 2 - 66.4 rai	69.27 million baht	Sansiri Plc.	Placed as collateral on loan from SCB
5. Baan Narasiri Sathorn Wongwaen	Single-detached house and land	84 rai	340.45 million baht	Sansiri Plc.	Placed as collateral on loan from SCB
6. Baan Sansiri Sukhumvit 67	Single-detached house and land	38 - 1 - 33 rai	968.66 million baht	Sansiri Plc	-

Condominium projects

Projects and locations	Project type	Project area	Development Cost	Land ownership	Liability
7. Baan Sirisathorn	Condominium	2 - 0 - 72 rai	79.80 miilion baht	Sansiri Venture Co., Ltd.	-
8. Baan Ratchadamri	Condominium	0 - 3 - 79 rai	133.10 million baht	Sansiri Plc	-

Residential Building for Rent

Projects and locations	Project types	Project area	Development Cost	Land ownership	Liability
1. Sofitel Silom Bangkok Hotle	37-storey five star hotel with 454 rooms	1 - 1 - 87 rai	2,113.80 million baht	Richee Holding Alliance Co., Ltd.	Placed as collateral for loan from BAY
2. Siri Apartment Sukhumvit 12	4- and 8-storey buildings with 6 and 15 units respectively	1 - 1 - 22 rai	97 million baht	Sansiri Plc	Placed as collateral for loan from SICCO
3. Siri Apartment Wireless Road	4- and 8-storey buildings with 6 and 15 units respectively	3 - 3 - 20 rai	-	15-year lease contract expiring on December 2024	

Noted: Siri Apartment, Wireless Road, is operated on a 15-year lease contract with annual lease fee of 3 million baht in 1st-5th year, 3.6 million baht in 6th-10th year and 4.2 million baht in 11th-15th year

Office Building For Rent

Projects and locations	Project types	Project area	Development Cost	Land ownership	Liability
1. Siripinyo Building, Sri Ayuthaya Road	17-storey building with 18,369 square meters of space	2 - 3 -13 rai	365.39 million baht	30-year lease contract expiring on May 2024	Placed as collateral for loan from SICCO

Future Plan

The Company has acquired a few high-potential land assets for future project development and expects to complete construction and sale of each on schedules. The policy on future project development has more emphasis on the condominium market, in which Sansiri has more expertise, reputation and client base. The limited new condominium supply in inner Bangkok also provides greater opportunity for the Company to conveniently dominate shares in the segment.

On low-rise real estate development, the Company is determined to further expand this business with a focus on high-potential land assets in convenient locations and post-sale services. The Company believes its primary goal to build a prime-quality community creates good living conditions for the residents. On long-term investment, the Company has invested adequately in hotel, apartment and office building businesses to maintain its ability to generate steady revenue and stabilize its cash flow position.

Legal Disputes

The Company and its subsidiaries have no ongoing legal cases or disputes, which may cause negative impacts on assets of the Company or its subsidiaries in which the Company has more than 5 percent of interest, as of the end of 2002. There is also no case that materially affect businesses of the Company or any other cases arising from its normal course of its business operations.

Capital Structure

(1) Company's Equity

As of 31 December 2002, the Company registered a capital of 11,021,782,780 baht, from which 8,670,316,750 was paid-up capital. The registered capital comprises 1,102,178,278 ordinary shares with a par price of 10 baht each.

The Company on 11 February 2003 reduced its capital to 9,423,624,276.90 baht through writing down the shares' par value to 8.55 baht from the previous 10 baht, causing its paid-up capital to decline to 7,413,120,846.90 baht. Total ordinary share number after the recapitalization now stands at 867,031,678 with a par value of 8.55 baht apiece.

(2) Shareholders

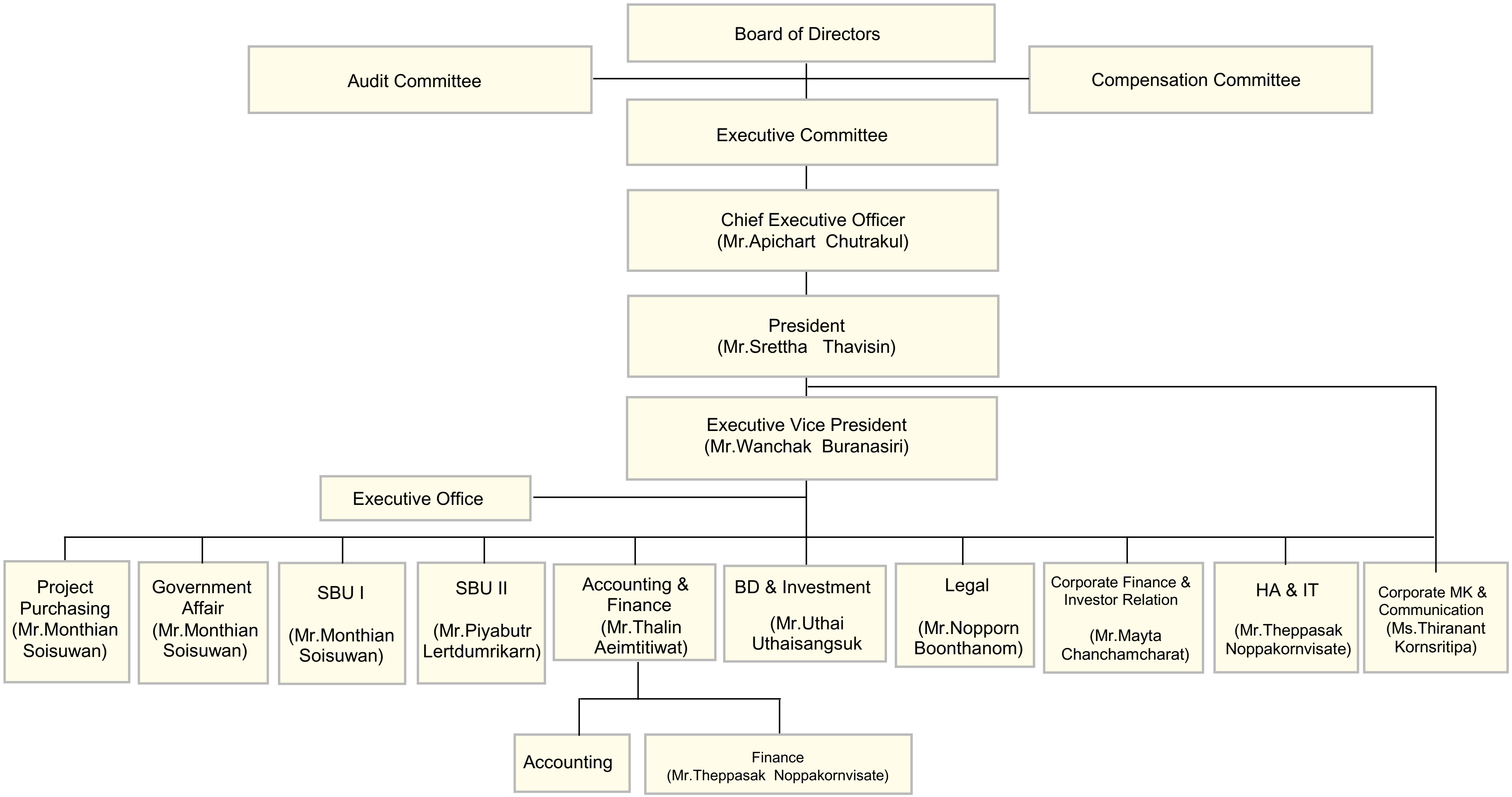
The following table demonstrates names of the Company's 10 largest shareholders as of 23 January 2003..

Rank	Shareholders	Number of Shares	% of paid-up capital
1	Step Balance Ltd.	265,000,000	30.56
2	Morgan Stanley & Co International Limited	70,883,700	8.18
3	Capital Sign Investment Limited	40,000,000	4.61
4	Mr. Sakonthorn Siwaroroskul	40,000,000	4.61
5	Univenture Asset Management	35,106,700	4.05
6	Thai NVDR Ltd.	28,372,349	3.27
7	Starwood Thailand Country I Fund	27,708,500	3.20
8	PICTET & CIE	16,673,900	1.92
9	Krungthai Wattana Fund	16,158,100	1.86
10	Thai Farmers Bank Plc.	15,991,334	1.84
	Balance	555,894,583	64.11

(3) Dividend Payment Policy

The Company's board of directors has a policy to pay a dividends of not less than 50 percent of the Company's and its subsidiaries' after-tax profits under a normal business situation and practices.

Organization Chart
Sansiri Public Company Limited



(as of 15 February 2003)

Management

(1) Management Structure

The structure of the Company's management consists of company's board of directors, audit committee, compensation committee and executive committee.

(a) Board of Directors

As registered with the Business Development Department of the Commerce Ministry as of 14 February 2003, the Company's board of directors consists;

Rank	Board Members	Positions	Number of Presence at Board Meeting	Number of Absence from Meeting
1	Mr. Kovit Poshyananda	Chairman	11	1
2	Mr. Vasant Chatikavanij	Deputy Chairman	7	5
3	Mr. Chittin Sibunruang	Director	10	2
4	Mr. Apichart Chutrakul	Director	11	1
5	Mr. Srettha Thavisin	Director	9	3
6	Mr. Wanchak Buranasiri	Director	12	-
7	Mr. Visarl Chowchuvech	Independent Director	12	-
8	Miss Chitra Srisakorn	Independent Director	12	-
9	Mr. Thalin Aeimtitiwat	Director	12	-
10	Mr. Yongyutt Chaiprompraisith	Director	3	1
11	Mr. Nopporn Boonthanom	Director / Secretary to the Board	4	-

In 2002, there were a few changes in structure of the Company's board;

- Mr. Kenneth Andrew Munkacy resigned from the position of director on 16 May 2002
- Mr. Ryoichi Minami resigned from the position of director on 16 May 2002.
- Mr. Yongyutt Chaiprompraisith took the position of director on 3 October 2002.
- Mr. Nopporn Boonthanom took the position of director on 3 October 2002.

Authorization of the Board of Directors

Under the article of association of the Company, the board of directors are authorized to make decision and supervise company operations to be in line with its business objective, regulations, rulings of shareholders' meeting and laws. However, there are certain matters required by the Securities and Exchange Commission and the Stock Exchange of Thailand that directors are obliged to seek approval of the shareholders' meeting before implementing them. The article of association of the Company also authorizes the board of directors to appoint members of the executive committee to carry out the Company's day-to-day operations or such other activities as assigned by the board of directors in a bid to comply with the Company's policy and allocated budget designated by the board of directors. The executive committee are also responsible for filtering issues beyond their responsibility for the board of directors' consideration.

(b) The Audit Committee

The Company's Board of Directors, No. 11/2002, had ruled on 14 November 2002 that the previous Audit Committee, whose terms already expired, resume its duty for another three-year term. The Committee consists of three independent committee members and a secretary to the committee.

1. Mr Kovit Poshyananda	Chairman of the Audit Committee
2. Mr. Visarl Chowchuvech	Audit Committee Member
3. Miss Chitra Srisakorn	Audit Committee Member
4. Mr. Theppasak Noppakornvisat	Secretary to the Audit Committee

Scope of Works and Responsibility

1. To review the sufficiency, credibility and objectivity of the financial reports through coordinating with the external auditors and management responsible for preparing the quarterly and yearly financial statement.
2. To review the adequacy and effectiveness of internal control systems and internal audit functions by coordinating with the external auditors and internal auditors (if any).
3. To review compliance with the Securities and Exchange Commission Act, regulations of the Stock Exchange of Thailand and any other related legislations.
4. To consider and advise the selection of external auditors and auditing fee.
5. To consider compliance with all connected transaction disclosures or the conflict-of-interest disclosures.
6. To be responsible for any other matter assigned by the Board of Directors.
7. To report activities of the Audit Committee in the Company's annual report.

(c) Compensation Committee

The Company's Board of Directors, No. 3/2002, on 3 July 2002 appointed three members of the Compensation Committee, consisting of Mr. Kovit Poshyananda, Mr. Visarl Chowchuvech and Miss Chitra Srisakorn, to be responsible for advising the Company on its compensation policy, which mainly involves an allocation of the Company's stock options to directors, employees and the group's subsidiaries. The board had further appointed additional members of the Compensation Committee, consisting Mr. Chitin Sibunruang and Mr Vasant Chatikavanij. Presently, the Compensation Committee is joined by five non-executive members and a secretary to the committee.

1.	Mr. Kovit Poshyananda	Chairman
2.	Mr. Visarl Chowchuvech	Committee Member
3.	Miss Chitra Srisakorn	Committee Member
4.	Mr. Chittin Sibunruang	Committee Member
5.	Mr. Vasant Chatikavanij	Committee Member
6.	Mr. Wanchak Buranasiri	Committee Secretary

Scope of Works and Responsibility

1. Indicate names of directors and employees eligible to take more than 5 percent of the stock options in each lot of allocations.
2. Make decision on the amount of stock options to be provided to directors and employees of the Company, should they are eligible to take more than 5 percent of the stock options in each lot of allocations.
3. Advise the Company on reason and benefit to the Company, should it have to provide any director or employee with more than 5 percent of the stock options in each lot of allocations.
4. Consider and approve adjustment of salary, benefit, welfare and employment condition of the Company's chairman and president.
5. Advise the Company on policy and principle in deriving compensation and other benefits to senor executives of the Company.

(d) Executive Committee

The Executive Committee consists of;

1.	Mr. Apichart Chutrakul	Chairman of Executive Committee
2.	Mr. Srettha Thavisin	Deputy Chairman of Executive Committee
3.	Mr. Wanchak Buranasiri	Committee Member
4.	Mr. Thalin Aeimtitiwat	Committee Member
5.	Mr. Yongyutt Chaiprompraseth	Committee Member
6.	Mr. Monthian Soisuwan	Committee Member
7.	Mr. Theppasak Noppakornvisat	Committee Member
8.	Mr. Mayta Chanchamcharat	Committee Member
9.	Mr. Uthai Uthaisangsuk	Committee Member
10.	Miss Supitcha Chaipipat	Committee Member
11.	Mr. Nopporn Boonthanom	Committee Member
12.	Mr. Piyabutr Lertdumrikarn	Committee Member and Committee Secretary

Scope of Works and Responsibility

1. Supervise the Company's day-to-day operation it is in line with the policy and budget set by the board of directors; and ensure that designated business plan, direction, strategy, organization structure and organization management; detect the effectiveness of the Company's budget allocation and its compliance with the economy and market competition and follow up on achievement of each tasks and objectives planned.
2. Proceed with any task as assigned by the board of directors and approve the Company's operation processes as authorized by the board.
3. Screen any other issue beyond its authorization and bring such matter to a consideration by the board of directors.

(e) Top Managements

The Company's top managments consist of;

1. Mr. Apichart Chutrakul	Chief Executive Officer
2. Mr. Srettha Thavisin	President
3. Mr. Wanchak Buranasiri	Executive Vice President
4. Mr. Thalin Aeimtitiwat	Vice President – Accounting & Finance
5. Mr. Mayta Chanchamcharat	Vice President – Corporate Finance and Investor Relations
6. Mr. Nopporn Boonthanom	Vice President – Legal
7. Mr. Monthian Soisuwan	Vice President – Project Development 1
8. Mr. Piyabutr Lertdumrikarn	Vice President – Project Development 2
9. Mr. Theppasak Noppakornvisat	Vice President – Finance
10. Miss Thiranant Kornsritipa	Vice President – Corporate Marketing & Communication
11. Mr. Uthai Uthaisangsuk	Assistant Vice Prsident – Business Development & Acquisition

Note: Please see details about education and experience of managements

Details on the Directors and Managements

Name and Position (Sansiri)	Aged	Education	% of share held in the company	% of share increase (decrease) In 2002	Experience: Period	Experience: Position	Experience: Company (Type of Business)
1 Mr.Kovit Poshyananda (Authorized Director) - Chairman of the Bord - Chairman of Audit Committee - Chairman of the Compensation Committee	68	Doctor of Philosophy (Economics), Cornell University , U.S.A.	-	-	Present Present 1995-1996	Director Director Chairman	The National Research Council of Thailand The Government Pension Fund The Stock Exchange of Thailand
2 Mr.Vasant Chatikavanij - Deputy Chairman (Authorized Director) - Member of the Compensation Committee	47	MBA ,Chemical Engineering, Lehigh University, U.S.A.	0.02%	(100,000)	1999-Present 1999-Present 1998 –Present 1993 - Present 1992 - Present	Chairman Chairman Chairman Chairman Member of Executive Committee	Univentures Plc. PointAsia DotCom Co.,Ltd. Professional Computer Co.,Ltd. Loxley Business Information Technology Co,Ltd. Loxley Plc.
3 Mr.Chittin Sibunruang - Director (Authorized Director) - Member of the Compensation Committee	55	Master of Business Administration, University of Hartford, U.S.A.	0.03%	-	2000 –Present 1998 - Present 1975 - Present	Director Chairman Director and Secretary	Siam Food Plc. Sharp Thepnakorn Co.,Ltd. Thanakorn Co.,Ltd.
4 Mr.Apichart Chutrakul - Director (Authorized Director) - Chairman of the Executive Committee - Chief Executive Officer	43	MBA., University of San Diego , U.S.A.	0.25%	-	2003 - Present 2002 - Present 2002 - Present 2002 - Present 2000 - Present 2000 - Present 2000 - Present 2000 - Present 1998 - Present 1997 - Present 1996 - Present 1990-Present 1990-Present	Director Director Director Director Director Director Director Director Director Director Director and Member of the Executive Committee Director Director	Siri Phuket Limited S.U.N Management Co.,Ltd. Sansiri Venture Co.,Ltd. Richee Holding Alliance Co.,Ltd. Sansiri Home Network Co.,Ltd. Thai-Lysaght Co.,Ltd. Univentures Consulting Co.,Ltd. Univentures Asset Management Co.,Ltd. Plus Property Partners Co., Ltd. Forward System Co., Ltd. Univentures Plc. Chanachai Limited Jainad Company Limited

Details on the Directors and Managements

Name and Position (Sansiri)	Aged	Education	% of share held in the company	% of share increase (decrease) In 2002	Experience Period	Position	Company (Type of Business)
5 Mr.Srettha Thavisin - Director (Authorized directors) - Deputy Chairman of the Executive Committee - President	41	MBA., Finance, Claremont Gradute School, U.S.A.	0.32%	950,000	2003 - Present	Director	Siri Phuket Limited
					2002 - Present	Director	Richee Holding Alliance Co.,Ltd.
					2000 - Present	Director	Sansiri Home Network Co.,Ltd.
					2000 - Present	Director	Univentures Consulting Co.,Ltd.
					2000 - Present	Director	Univentures Asset Management Co.,Ltd.
					2000 - Present	Director	Thai-Lasaght Co.,Ltd.
					1999 - Present	Director	Forward System Co., Ltd.
					1998 - Present	Director	Plus Property Partners Co., Ltd.
					1996 - Present	Director and Member of the Executive Committee	Univentures Plc.
					1994 - Present	Director	Jainad Company Limited
					1990 - Present	Director	Chanachai Limited
6 Mr.Wanchak Buranasiri - Director (Authorized Director) - Member of the Executive Committee - Executive Vice President - Secretary to the Compensation Committee	38	Master of Engineering in Chemical Engineering, Imperial College of Science Technology and Medicine, University of London, England	0.19%	1,045,500	Present	Director	Siri Phuket Limited
					2002-Present	Director	S.U.N Management Co.,Ltd.
					2002-Present	Director	Sansiri Venture Co.,Ltd.
					2002-Present	Director	Richee Holding Alliance Co.,Ltd.
					2000-Present	Director	Sansiri Home Network Co.,Ltd.
					2000-Present	Director	Thai-Lasaght Co.,Ltd.
					2000-Present	Director	Univentures Consulting Co.,Ltd.
					2000-Present	Director	Univentures Asset Management Co.,Ltd.
							Plus Property Partners Co.,Ltd.
					1998-Present	Director	Forward System Co.,Ltd.
					1997-Present	Director	UniventuresPlc.
					1996-Present	Director and Member of the Executive Committee	
					1994-Present	Director	Jainad Company Limited
					1993-Present	Director	Regency One Co.,Ltd.
					1993-Present	Director	Chanachai Limited
7 Mr. Visarl Chowchuvech - Independent Director (Authorized Directors) - Member of the Audit Committee - Member of the Compensation	76	SM in Civil Engineering Massachusetts Institute of Technology, U.S.A.	0.001%	-	Present	Inspector General	Council of Engineer of Thailand

Details on the Directors and Managements

Name and Position (Sansiri)	Aged	Education	% of share held in the company	% of share increase (decrease) In 2002	Experience Period	 Position	 Company (Type of Business)
8 Ms. Chitra Srisakorn - Independent Director (Authorized Directors) - Member of the Audit Committee - Member of the Compensation Committee	72	High Certificate of Accounting , Thammasat University	0.010%	-	Present	Certificate Public Accountant Registration No.282	
9 Mr.Thalin Aeimtitiwat - Director (Authorized Director) - Member of the Executive Committee - Senior Vice President, Accounting & Finance	42	MBA., Western Michigan University, U.S.A.	-	-	2000-Present 2000-Present 1999-Present 1998-Present	Director Director Director Senior Vice President, Accounting & Finance	Jainad Company Limited Chanachai Limited Plus Property Partners Co.,Ltd. Sansiri Plc. Plus Property Partners Co.,Ltd.
10 Mr.Yongyutt Chaiprompraslth - Director (Authorized Director) - Member of the Executive Committee	38	MBA., New Hampshire College, U.S.A.	0.020%	-	Present 2000-Present 2000-Present 1997-1999	Director and Chief Executive Officer Director Director Vice President, Sale and Marketing	Jainad Company Limited Chanachai Limited Sansiri Plc.
11 Mr.Nopporn Boonthanom - Director (Authorized Director) - Member of the Executive Committee - Secretary to the Board - Vice President, Legal	39	Master of Law, Chulalongkorn University	-	-	2000-Present 2000-Present 1999-Present 1993 -1994	Director Director Director Legal Manager	Jainad Company Limited Chanachai Limited Plus Property Partners Co.,Ltd. Sansamran Co.,Ltd.
12 Ms. Supitcha Chaipipat - Member of the Executive Committee	41	MBA., (Accounting) Thammasat University	0.023%	-	2002-Present 2000-2002 1998-2000	Member of the Executive Committee President Deputy Managing Director Vice President, Human Resources & Information Technology	Sansiri Plc. Plus Property Partners Co.,Ltd. Sansiri Plc.

Details on the Directors and Managements

Name and Position (Sansiri)	Aged	Education	% of share held in the company	% of share increase (decrease) In 2002	Experience Period	Position	Company (Type of Business)
13 Mr.Monthian Soisuwan - Member of the Executive Committee - Vice President, Project Development 1	51	MINI MBA., Thammasat University	-	-	2000-Present	Vice President, Project Development 1 Executive Vice President	Sansiri Plc. Plus Property Partners Co.,Ltd.
14 Mr.Piyabutr Lertdumrikarn - Member of the Executive Director - Vice President, Project Development 2	43	MBA., New Hampshire College, U.S.A.	0.008%	(100,000)	1998-2000 Present	Vice President, Project Development 2 Managing Director	Sansiri Plc. Sansiri Home Network Co.,Ltd.
15 Mr.Theppasak Noppakornvisate - Member of the Executive Director - Vice President, Finance	36	Master in Accounting, Chulalongkorn University	-	(100,000)	2000-Present Present 1994	Vice President, Finance Finance Manager	Sansiri Plc. Waterford Property Co.,Ltd.
16 Mr. Mayta Chanchamcharat - Member of the Executive Director - Vice President,	38	MBA., Management and Administration, Indiana University, U.S.A.	-	-	2002-Present 1997- 2002	Vice President, Corporate Finance and Investor Relations Senior Manager, Head	Sansiri Plc. FORTIS BANK, BIBF
17 Mr. Uthai Uthaisangsuk - Member of the Executive Director - Assistant Vice President, Business Development and Investment	35	MBA., Middle Tennessee State University, U.S.A.	0.006%	-	2001-Present 1999 - 2001	Assistant Vice President, Business Development and Investment Senior Business Development & Investment Manager	Sansiri Plc. Sansiri Plc.
18 Ms. Thiranant Kornsritipa - Vice President, Corporate Market & Communication	37	MBA., University of North Texas, U.S.A.	-	-	Present 1997-2002	Vice President, Corporate Market & Communication Retail Operations Manager	Sansiri Plc. Prada (Thailand) Co.,Ltd. (Retail)

Details on the Management in the Subsidiaries Company, Associated Company or Related Company

The name of the Company	Company	Subsidiaries Company								Associated Company			Related Company
		1	2	3	4	5	6	7	8	1	2	2	1
The Name of the Director	Sansiri Plc.	Chanachai Limited	Jainad Company Limited	Sansiri Home Network Co., Ltd.	Siri Phuket Limited	Richee Holding Alliance Co., Ltd.	Plus Property Partners Co., Ltd.	Sansiri Venture Co., Ltd.	S.U.N. Management Co., Ltd.	Starwood Thailand Country Fund 1	Cathay Asset Management Co., Ltd.	Cathay Asset Management Co., Ltd.	Regency One Co., Ltd.
1 Mr. Kovit Poshyananda	x, xx	-	-	-	-	-	-	-	-	-	-	-	-
2 Mr. Vasant Chatikavanij	/	-	-	-	-	-	-	-	-	-	-	-	-
3 Mr. Chittin Sibunruang	/	-	-	-	-	-	-	-	-	-	-	-	-
4 Mr. Apichart Chutrakul	/, //	/	/	/	/	/	/	/	/	-	-	-	-
5 Mr. Srettha Thavisin	/, //	/	/	/	/	/	/	-	-	-	-	-	-
6 Mr. Wanchak Buranasiri	/, //	/	/	/	/	/	/	/	/	-	-	-	/
7 Mr. Visarl Chowchuvech	/, ///	-	-	-	-	-	-	-	-	-	-	-	-
8 Ms. Chittra Srisakorn	/, ///	-	-	-	-	-	-	-	-	-	-	-	-
9 Mr. Thalin Aeimtitiwat	/, //	/	/	-	-	/	/	-	-	-	-	-	-
10 Mr. Yongyutt Chaiprompasith	/, //	/	/	-	-	-	/	-	-	-	-	-	-
11 Mr. Nopporn Boonthanom	/, //	/	/	-	-	/	/	-	-	-	-	-	-
12 Ms. Supitcha Chaipipat	//	-	-	-	-	-	-	-	-	-	-	-	-
13 Mr. Monthian Soisuwan	//	-	-	-	-	-	-	-	-	-	-	-	-
14 Mr. Piyabutr Lertdumrikarn	//	-	-	/	-	/	-	/	/	-	-	-	-
15 Mr. Theppasak Noppakornvisat	//	-	-	-	-	-	-	-	-	-	-	-	-
16 Mr. Mayta Chanchamcharat	//	-	-	-	-	-	-	-	-	-	-	-	-
17 Mr. Uthai Uthaisangsuk	//	-	-	-	-	-	-	-	-	-	/	/	-
18 Ms. Thiranant Kornsritipa	-	-	-	-	-	-	-	-	-	-	-	-	-

X=Chairman of the Board xx=Chairman of the Audit Committee /=Director //=Member of the Audit Committee

Detail on the Subsidiaries' Director

Subsidiaries	Subsidiaries Company							
	1	2	3	4	5	6	7	8
Name of the Director	Chanachai Limited	Jainad Company Limited	Sansiri Home Network Co., Ltd.	Siri Phuket Limited	Richee Holding Alliance Co., Ltd.	Plus Property Partners Co., Ltd.	Sansiri Venture Co., Ltd.	S.U.N. Management Co., Ltd.
1 Mr. Apichart Chutrakul	/	/	/	/	/	/	/	/
2 Mr. Srettha Thavisin	/	/	/	/	/	/	-	-
3 Mr. Wanchak Buranasiri	/	/	/	/	/	/	/	/
4 Mr. Thalin Aeimtitiwat	/	/	-	-	/	/	-	-
5 Mr. Yongyutt Chaipromprasith	/	/	-	-	-	/	-	-
6 Mr. Nopporn Boonthanom	/	/	-	-	/	/	-	-
7 Mr. Piyabutr Lertdumrikarn	-	-	/	-	/	-	/	/
8 Mrs. Ornruedi Jearaditharporn	-	-	-	-	-	-	/	/
9 Mr. Khampol Poonsonee	-	-	-	-	-	-	/	/
10 Mr. Kriengsak Thiennukul	-	-	-	-	-	-	-	/
11 M.R. Priyanandana Rangsit	-	/	-	-	-	-	-	-
12 Mr. Pansak Rangsibhamanakul	-	/	-	-	-	-	-	-

Remark / = director

(2) Selection of Directors and Managements

The appointment of new directors to fill in a vacancy caused by directorial term expiration needs to be endorsed by the shareholders' meeting. However, in case that the vacant position stems from causes other than term expiration, the board of directors is entitled to appoint any appropriate person to be in charge for the remaining term, which must be more than 2 months. With regards to the appointment of independent and auditing directors, the Company selects persons widely recognized in the fields of both business and academics. The persons must be jointly nominated by the Chief Executive Officer and President.

The Selection of Directors through the Shareholders' Meeting

The appointment of company directors needs to be approved by a majority of shareholder meeting. All shareholders could cast one vote for each share they own in the Company. They can also cast vote on a particular candidate or a group of candidates. A third of directors in the board are to resigned in each year's annual shareholders' meeting, but they can be re-elected by shareholders' votes back to the board.

(3) Management Remuneration

(3.1) Financial Renumeration

(a) In 2002, 13 directors of Sansiri Plc. (including the directors who resigned during the year) received a total financial remuneration of 2,390,000 baht in the forms of meeting allowance and gratuity.

(b) In 2002, 8 members of the executive committee and top management received a total financial remuneration of 15,414,458 baht in the forms of salary, meeting allowance and gratuity.

(3.2) Other Benefits

(a) The offer of options to purchase company's ordinary shares to directors and employees of the Company and its subsidiaries with the details as followed.

At the shareholders' meeting, No. 1/2002, on 7 August 2002, the Company approved plan to offer the directors and employees of the Company and subsidiaries options to purchase warrants in the Company with a criteria and allocation approach to be mentioned below.

Details of the warrants

1. Type of warrants : Options to purchase the Company's ordinary shares, not transferable unless transfer condition specified in options.
2. Unit Number : 29,350,000 units
3. Par Value : -0- baht
4. Offered Price : -0- baht
5. Allocation to : The Company and subsidiaries' directors and employees
6. Exercising Ratio : 1:1
7. Exercising Price : 6 baht
8. Exercising Period : Within 5 years after the issuance date

Detail of Allocated Options to Directors

Rank	Board Members	Number of Allocated Option Units	% of Total Options
1	Mr. Kovit Poshyananda	1,000,000	3.41
2	Mr. Chittin Sibunruang	800,000	2.73
3	Mr. Vasant Chatikavanij	800,000	2.73
4	Mr. Visarl Chowchuvech	800,000	2.73
5	Miss Chitra Srisakorn	800,000	2.73
6	Mr. Apichart Chutrakul	3,000,000	10.22
7	Mr. Srettha Thavisin	3,000,000	10.22
8	Mr. Wanchak Buranasiri	3,000,000	10.22
9	Mr. Thalin Aeimtitiwat	1,500,000	5.11
	Total	14,700,000	50.09

Employees/directors allocated over 5 percent of warrants available are Mr. Apichart Chutrakul, Mr. Srettha Thavisin, Mr. Wanchak Buranasiri and Mr. Thalin Aeimtitiwat. The number of allocated options and percentage proportion is mentioned above.

The Securities and Exchange Commission allowed the Company to make the stock warrants offers as requested, yet the Company has not allocated any option under this program.

(*b*) Provident Fund

In 2002, the Company had not paid any financial contribution on its part to the directors' provident fund, except for executive directors, which are also the Company's employees. Total contribution to the 8 executives amounted to 1,366,375.87 baht

(4) Corporate Governance

The Company has a strong emphasis on good corporate governance, which is believed to bring about management transparency, maximize competitive advantage of the Company and add value to the Company's asset and equity. In order to build ground for good governance, the Company created an audit committee structure, which is composed of highly honored directors, which are independent from the Company's management. The committee is responsible for joining meetings held on a quarterly basis to supervise operations to ensure its transparency, integrity, accountability and competitiveness.

Besides, as part of the Company's shareholders and partners are foreigners, the Company is aware of the necessity of good governance in term of information disclosure, which is an important factor they consider when investing a company. The Company has developed its management of information system, accounting and business administration to be in line with international standards and responding with the need of those investors. It had also set up an investor relations division to handle the issues.

On its progress to comply with 15 corporate governance principles as required by the Stock Exchange of Thailand, the Company would like to report progress on this issue as followed;

1. Supervision of Company Operations

To add to transparency, competitiveness and credibility of the Company to create confidence among its shareholders, investors and any related parties, the Company fully supports the following practices:

- Impartiality toward its shareholders and interest holders
- Determination to bring about long-term value, careful managements, no conflict of interest and accountability
- Transparency and auditable operations with adequate disclosure of information
- Proper overall risk management

2. Shareholders' Rights

The Company holds 3 shareholders' meetings each year, consisting of one ordinary and two extraordinary ones. Schedules and agenda of meeting are provided to shareholders 7-10 days ahead of the meeting day. Opinions of the Company's directors are noted in each agenda to help shareholders make decision. Shareholders unable to attend meetings could cast their votes via independent directors. This year, the Company hopes to add more details about positive and negative angles of all agendas to enable shareholders to better understand situation and make decision .based on full awareness of all circumstances.

3. Interest Holders

The Company views the rights of all parties with interest in the Company, ranging from its employees, executives and external parties such as competitors, creditors and government agencies, as very important as they take part in pushing the Company to be competitive and profits, which lay ground to long-term success creation.

4. Shareholders' Meeting

Shareholders are fully entitled to supervise and question the Company's board of directors, whose members including chairman of the audit committee, chief operation officer, president and audit director joined every shareholders' meeting last year.

5. Leadership and Vision

The Company's board of directors designates and identifies roles of the governing boards of directors and executives and the Company's management and constantly communicates with all responsible internal parties on those role descriptions.

6. Conflict of Interest

To prevent conflict of interest from arising, the Company's board of directors closely watches transactions that could cause conflict through setting a policy to require transaction approval stages in written for all transactions by the Company itself or subsidiaries. Transaction of assets has to be in line with regulations of the Stock Exchange of Thailand governing transactions by listed companies and its related affiliates. The effort is to prevent executives and related concerns from using inside information of the Company for ones' own benefits.

The Company makes sure the board of directors is fully informed of all conflict of interest-involved matters and makes judgement on those. In line with the SET regulations, pricing and conditions of all biddings should be on the arm's length basis and clearly stated in its annual report and 56-1 forms.

7. Business Ethics

The Company has a strong emphasis on business ethics, which is believed to bring about management transparency, maximize competitive advantage of the Company and add value to the Company's asset and equity. It has well communicated with employees at all levels to strictly observe such the policy. Guideline and penalty for not complying with such policy are provided.

8. Balance of Non-executive Directors

The Company's board of 11 directors consists of 6 executive directors, 2 non-executive directors and 3 auditing directors. The Company has managed to have a total of 3 independent directors, which is about 27.27 percent of the total director number. Meantime, its 2 non-executive directors are widely recognized and high experience persons, not under control of the management. The Company considers its management as neutral due to the proper weight of non-executive and independent directors in the Company's board.

9. Separation of Authority of Certain Management Positions

- Chairman of the board is also a chairman of the audit committee and independent from the management as defined by the Stock Exchange of Thailand.
- Chairman of the board is not the same person as the Company's president in order to differentiate roles in supervising policy and governing day-to-day operations.

10. Director & Executive Remuneration

The Company has come up with transparent and clear guideline in setting up remuneration to be in line with the industry's average and adequate to maintain people with required qualifications.

Last year, the Company has set up a remuneration committee, consisting of auditing and non-executive directors to ensure the fairness and neutrality of remuneration consideration. The shareholders are also allowed to give their view on this matter.

11. Board of Directors' Meeting

The Company holds a board of directors' meeting on a quarterly basis with ongoing agendas clearly stated and measurement of achievement on constant check in advance of the meeting date. Agendas are to be sent to directors 7 days before the meeting to allow time for directors to study each issue. The past year saw 4 ordinary meetings and 8 extraordinary ones, details of which were recorded in written.

12. Sub-committees

The board of directors has appointed 3 sub-committees to help in managing and supervising the organization. In the past year, there were 4 meetings of the audit committee and a meeting of remuneration committee.

13. Internal Control and Inspection

The Company focuses on building a suitable internal control system through setting up a good organization structure to collaborate effective internal control system and utilization of generally accepted accounting principle, appropriate with its nature of business. Besides, the Company has made more intense on uprightness and ethics and in addition obviously and properly set apart duty and authorization of staff. The Company has written policy and rules with the right process when doing businesses with related parties. The Company also established an internal working group to inspect legal and internal policy compliance control among all departments. The internal committee reports directly to the audit committee and is evaluated by the committee as well.

On risk management, the Company highly sees the importance of managing risks, which could affect operations of the Company. It constantly identifies and evaluates risks on changing economic, financial, social, legal and industry competition situations so that the management can timely deal with them.

14. The Board of Directors' Report

The Company's board of directors is responsible for reviewing the sufficiency, credibility and objectivity of the financial reports by coordinating with the external auditors and management responsible for preparing the quarterly and yearly financial reports, which are subject to comply with generally accepted accounting standards.

The board will also have to make sure the Company has a strong internal control system to be sure all accounting records are correct and adequate for preservation of company's assets to prevent corruption or any irregularity. Part of the efforts to bring about transparency, the Company appointed an audit committee with independent directors to oversee quality of financial reports and internal control system.

The audit committee views that the Company has a sound organization management, which supports a good internal control system. The Company also has its policy, regulations and general practices in written statement, which is a good guideline in indicating scope of works and responsibility of both company's executives and employees in general. All mentioned factors give strong ground to ensure that the financial reports as of 31 December 2002 is highly reliable.

15. Investor Relations

The Company views it important to disclosure of information needed in making decision to invest in company's products or equity. It has set up an investor relations division to be responsible for distributing company information to investors, shareholders, analysts and the general public. The function can be contacted at Tel: 66-2201-3905, Fax: 66-2201-3904, www.sansiri.com or e-mail:IR@sansiri.com.

(5) Insider Information Management

The Company's management is responsible for delivering reports on shareholding structure of the Company to the Securities Exchange Commission when any change in the Company's share holding structure takes place. The measure is expected to help prevent the use of insider information in trading of the Company's shares.

Disclosure of company information is limited to certain group of executives responsible for each particular issue. Disclosure of information to non-related executives, employees and the public will be made on an equal basis.

(6) Employees :

(a) Total employees	108 persons
(b) Employees by departments	
1. Executive office	7 persons
2. Corporate Finance	2 persons
3. Project Development 1	23 persons
4. Project Development 2	10 persons
5. Corporate Marketing and Communication	9 persons
6. Accounting and Finance	
a. Accounting	13 persons
b. Finance	5 persons
7. Human Resources and Administration	
c. Human Resource	5 persons
d. Administration	9 persons
e. Information Technology	4 persons
8. Legal	10 persons
9 Business Development and Investment	
a. Business Development and Investment	5 persons
b. Product & Market Development	4 persons
c. Research & Development	2 persons

(c) Employee's Remuneration for the whole 2002 can be categorized as below:

- Salary	40,351,413.33 baht
- Provident Fund	2,813,939.06 baht
Total	43,165,352.39 baht

(d) Human Resources Development Plan

Sansiri is determined to develop its human resource with the aim to maximize the capacity and efficiency of the staff through providing them with the opportunity to attend seminars and training sessions, which could enhance their specific professional and day-to day working skills. The Company also promotes the development of in-house trainers, who could share their experience and expertise with their colleagues. In working for Sansiri, all employees are provided with various fringe benefits, including health insurance, to ensure the staff's well-being and create a good relationship between employees and the management, which brings about the synergy that will push the Company to future success.

Internal Control

Report from Audit Committee

In 2002, Sansiri' s audit committee had held meetings every quarters to review the Company's performance, internal control system, organization structuring, the revision of accounting policy, financial report, and the disclosure of accounting reports as required by the standardized accounting principle. After the auditing in 2002, the audit committee concluded that the Company had prepared up to general standard financial reports. The Company had correctly and precisely disclosed information in its financial reports. Regarding the internal control aspect, the Company had proven to have good organization structuring, enhancing good internal control system. Apart from this, the audit committee found that the Company has a clear-cut policy on its operation equipped with written regulations and operational methodologies. It has formulated duty, responsibility and the approval authorization. The Company has properly and appropriately set up working guidelines for the management and employees.

The audit committee has proposed to the Company's board of director to appoint Mr.Supoj Singsaneh, a licensed auditor of registered number of 2826, or Miss Somboon Suppasiripinyo, a licensed auditor of a registered number of 3731, of KPMG Audit (Thailand) Limited, as the Company's auditor for 2003, with a total remuneration of 900,000 baht (nine hundred thousand baht). The remuneration increases from last year by 25 percent due to the Company's significant expansion of projects and investment schemes.

Kovit Poshyananda
(Mr. Kovit Poshyananda)
Chairman of Audit Committee
February 13, 2003.

Inter-related Transactions

(1) Summary of the Inter-related transactions between the Company and the Potentially Conflicted Persons.

Name of the companies	Relationship with the Company	Inter-related transactions
Sansiri Venture Co., Ltd.	Having common directors and held shares by Sansiri Public Company Limited	Sansiri Public Company Limited granted loan in proportion to the amount invested by it, having accrued interest; and also rendered project management service, at the service fee of Baht 250,000.- per month.
S.U.N. Management Co., Ltd.	Having common directors and held shares by Sansiri Public Company Limited	Sansiri Public Company Limited granted loan in proportion to the amount invested by it, having accrued interest; and also rendered project management service, at the service fee of Baht 250,000.- per month.
Plus Property Partners Co., Ltd.	Having common directors and held shares by Sansiri Public Company Limited	Plus Property Partners Co., Ltd. rendered project sale and management services to sansiri Public Company and its subsidiaries, as per following details: 1. property management service (office building), including staff expenses at Baht 250,000.- per month. 2. property management service (residential apartment building), including staff expenses at Baht 182,000.- per month 3. project management service (residential), including staff expenses at Baht 246,000.- per month 4. sale management service (seeking tenants) at the rate equivalent to one month rent. 5. sale management service at the rate 1.5% of the sale value and incentive fee at the rate to be tied in with the sale plan, totaling not exceeding 3% of sale value.
Univentures Public Company Limited	Having common directors	Rent office space from Sansiri Public Company at the rate Baht 104,400 per month.
Univentures Consulting Co., Ltd.	Having common directors	Rent office space from Sansiri Public Company at the rate Baht 56,400 per month. Sansiri Public Company Limited engaged Univentures Consulting Co., Ltd. as its advisor regarding the issue and offering of its newly issued shares, at the fee of 1% of the total proceed invested in the company, but not exceeding 9.5 million Baht. Sansiri Venture Co., Ltd. engaged Univentures Consulting Co., Ltd. as its financial advisor at the fee of Baht 60,000 per month S.U.N. Management Co., Ltd engaged Univentures Consulting Co., Ltd. as its financial advisor at the fee of Baht 60,000 per month

(2) Necessity and reasonableness of the transaction

The above-mentioned inter-related transactions were entered into with sound reasonableness and as necessary so as to create the highest benefit to the Company and in accordance with business nature of the transaction. The remunerations, fees as well as other terms and conditions were set at the market rate comparable to those being offered to other persons or entities who have no relationship with the Company. No transfer pricing or interest were done between the Company and the potentially conflicted persons.

(3) Measure/approval procedure to enter into inter-related transaction

The said inter-related transactions must be approved in accordance with the procedure regarding the powers and responsibilities of the board of directors of the Company and the executive committee. The director and management staff who have interest in any transactions will not be able to approve them.

(4) Policy or tendency in entering into inter-related transaction

The Company has a policy to continue to enter into an inter-related transaction as long as the Company is of the opinion that it will provide the highest benefit to the Company under the particular circumstance and the time when the Company enters into, provide that the terms and conditions of the transaction will be in normal course of business, at the market price comparable to of the others.

However, the inter-related transactions to be entered into in the future, will be overlook by the Board of Directors and the Audit Committee to ensure that they are done in accordance with the law concerning securities and exchange, SET rules and regulation, and procedure concerning the disclosure of the connected transactions and the acquisition and disposition of asset of listed company or its subsidiaries.

Financial status and performance

(1) Financial Statement

(a) Conclusion of account auditing report

The following is an explanation of condition and observation of auditor, in accordance with the balance sheet of 2002.According to the auditor's condition and observation on 2002's balance sheet report which stated that a 5.74 million baht invested in a mutual fund was calculated and based on financial information of the mutual fund's balance sheet as of the end of December 31, 2002 and was prepared by the company without having been audited, the company would like to explain that during the period the auditor were auditing the company's accounting system, the mutual fund's balance sheet were being audited by the fund's auditor. The auditing process was expected to complete in March 2003.

Regarding an observation on the uncertainty of continuous operation of the company's affiliate firms, the company would like to explain that it was derived from huge accumulated losses from debt restructuring schemes. However, the company had continuously tried to improve its affiliate firms' financial status and operations.

Concerning on the case that the company had bought land area at a higher price than the first time selling price to repay debt in 2000, and the case of buying land area from individual that have connection with the company, the latter case has been resolved since the company had disclosed information as required by the Stock Exchange of Thailand (SET). For the first case, the company would like to explain as of the following;

In purchasing land area for property development projects, the company has restrict processes, requiring a feasibility study before making decision to buy. The two questioned projects are also under the same regulation. As observed that the purchasing price was higher than the transferred price for paying debt, it was because the selling was pressured from time limitation from creditor and was due to the land price at that time was comparatively low. Such situation didn't exist when the company bought back the land assets. However, the company had been able to sell the mentioned projects within two weeks during the third quarter of 2002, despite the fact that the project's construction was then only at 10 percent progress.

Financial Status and Results

(c) Table of Important Financial Ratios Analysis of the Fiscal Year 2002

SANSIRI PUBLIC COMPANY LIMITED AND SUBSIDIARIES

		Audited		
		2002	2001	2000
LIQUIDITY RATIO	**Times**	2.63	2.50	1.56
Current Ratio	**Times**	0.97	0.96	0.60
Quick Ratio	**Times**	(1.87)	0.28	(0.43)
Quick Ratio (Cash Basis)	**Times**	8.85	12.42	25.02
Receivable Turnover	**Days**	40.70	28.98	14.39
Collection Period	**Times**	0.41	0.55	-
Quick Inventory Turnover	**Days**	874.82	649.54	-
Inventory Turnover	**Days**	17.84	20.00	13.20
Accounts Payble Turnover	**Days**	20.18	18.00	27.27
Payment Period	**Days**	895.33	660.52	(12.88)
Cash Cycle				
PROFITABLE RATIO				
Gross Profit Margin	**%**	24.44	24.46	35.26
Net Profit Margin	**%**	3.76	(17.58)	406.07
Return on Equity	**%**	2.54	(14.60)	145.08
EFFICIENCY RATIO				
Return on Total Assets	**%**	0.99	5.01	30.70
Return on Fixed Assets	**%**	9.39	(7.23)	180.25
Asset Turnover	**Times**	0.26	0.29	0.08
FINANCIAL POLICY RATIO				
Debt to Equity Ration	**Times**	1.27	0.83	0.76
Interest Coverage	**Times**	2.05	(1.24)	(1.19)
Contingency Coverage	**Times**	0.02	(0.12)	(0.23)
Contingency Coverage (Cash Basis)	**Times**	2.26	(2.12)	(2.55)
Pay Out Ratio	**%**	-	-	-
Per Share				
Book Value Per Share	**Baht**	3.79	2.09	2.45
Earning Per Share	**Baht**	0.10	(0.33)	2.77
Dividend Per Share	**Baht**	-	-	-
Growth Ratio				
Total Assets	**(%)**	362.28	8.70	(34.32)
Total Liabilities	**(%)**	313.18	(5.37)	(51.97)
Revenue from Sales and Services	**(%)**	149.13	179.30	(21.24)
Administrative Expenses	**(%)**	51.37	(34.95)	(75.33)
Net Profit	**(%)**	153.01	(112.39)	157.99

(2) The explanation and analysis of financial status and performance

The company and its affiliate firms' financial status.

As of the end of 2002, the total asset increased to 8.178 billion baht, an increase of more than 6.4 billion baht or over 350 percent from 1.769 billion baht a year earlier. This was derived from a success in raising fund to 8.670 billion baht from new investors and commercial loans from financial institutions worth about 2.6 billion baht, provided for various property development projects. Because of these, the company major assets have significantly increased. The company cash flow and banking deposit went up to 1.442 billion baht. The asset items on investment cost for property development for sales project and land and buildings rose about 2.46 billion baht and 2.096 billion baht respectively.

The company's combined liability climbed up by more than four times to 4.889 billion baht, from a 1.183 billion baht registered in 2001. This was because more loans from financial institutions were obtained for property development projects and from the extension of payment to certain land owners from whom the company purchased land assets.

The shareholders' equity had also significantly surged, due to the success of the company's capital raising scheme. The paid up capital reached 5.87 billion baht, resulting in an increase in shareholders equity to 3.288 billion baht, more than five times from a year earlier of 586 million baht.

On the company's financial structural aspect, as of the end of 2002, the debt-to-equity ratio increased to 1.28 time from 0.82 time as of the end of 2001 as an aftermath of the company's policy to maintain the financial contribution from its part at a balance with loans from the financial supporters plus interest on loans at a ratio of 1 to 1. As of the end of 2002, the ratio consequently stood at 0.87 times.

The company's financial liquidity at the end of 2002 slightly improved. Its cashflow-to-liability ratio was 2.63 times, compared to 2.50 times in 2001, due to the success in capital raising and financial supports from financial institutions as mentioned above.

Performance of the company and its affiliated firms

The total revenue in 2002 increased to about 1.311 billion baht, up from 529 million baht of a year earlier by nearly 150 percent. The increase stemmed from higher revenue from projects sales, office buildings' rental fee and service fee. The company's strong effort to develop its marketing and sales strategies last year had prompted total sales of its projects' revenue to climb up by more than 200 percent from 285 million baht in 2001 to about 868 million baht. Income from rental fee and services had also increased to 370 million baht, up from a year earlier by 90 percent due to income on room and food & beverage from hotel business and increased fee-based income.

In 2002, the company posted a net profit of 49 million baht, a significant improvement from a net loss of 92 million baht in 2001. This was a result from a huge increased of combined revenue in 2002, particularly the realization of sale income from property development projects, which enable the company to cover all operation and interest costs.

On the expenditure side, the company's expenses on sales, marketing and management rose to 260 million baht, up from a year earlier by about 50 percent. However, the proportion of the expenditure and its total income went down from 32 percent in 2001 to 20 percent in 2002. This was because the company had continuously controlled its expenses and find strategies to effectively boost income in order to reduce an impact from expenses that could not be amortized over a longer period.

FINANCIAL STATEMENTS AND AUDITOR'S REPORT
SANSIRI PUBLIC COMPANY LIMITED
AND SUBSIDIARIES
FOR THE YEARS ENDED
DECEMBER 31, 2002 AND 2001

Auditor's Report

To the Shareholders of Sansiri Public Company Limited:

I have audited the consolidated balance sheets of Sansiri Public Company Limited and subsidiaries as at December 31, 2002 and 2001, and the related consolidated statement of income, changes in shareholders' equity and cash flows for the years then ended and the separate financial statements of Sansiri Public Company Limited for the same periods. The Company's managements are responsible for the correctness and completeness of information presented in these financial statements. My responsibility is to express an opinion on these financial statements based on my audit.

Except as described in the third paragraph, I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

As discussed in Note 3 to the financial statements, in the consolidated and the Company's financial statements for the year ended December 31, 2002 and 2001, investments in an associated company of Baht 8.82 million and Baht 5.15 million were accounted for using the equity method based on financial statements audited by another auditor. The share of profit from operations was attributable in the amount of Baht 0.44 million and Baht 0.04 million, and the Company recognized unrealized gain (loss) on available securities for sale amounting to Baht 3.28 million and Baht (1.87) million, respectively. Investments by equity method in mutual fund in the amount of Baht 5.74 million and Baht 9.92 million were calculated based on the financial statements for the year ended December 31, 2002 and 2001, prepared by the management and not audited by an auditor and from which the share of profit (loss) was attributable in the amount of Baht (0.07) million and Baht 1.64 million, respectively. The management informed me that the auditor of the fund had not yet finished audit work. I was unable to satisfy myself regarding the above transactions. However, in the first quarter of 2002 the Company had adjusted by decreasing the investment in mutual fund and statement of income in the amount of Baht 4.11 million based on financial statements for the year ended December 31, 2001, which was audited by other auditor, presented for comparative purpose, resulting in an accumulated deficit of the same amount at the beginning of 2002.

In my opinion, except for the effects of such adjustments, if any, as might have been necessary had I been able to satisfy myself from the matters as described in the third paragraph, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Sansiri Public Company Limited and subsidiaries as at December 31, 2002 and 2001, and the consolidated results of their operations, and cash flows for the years then ended and the separate financial positions as at December 31, 2002 and 2001, and results of their operations and cash flows of Sansiri Public Company Limited, for the years then ended, in conformity with generally accepted accounting principles.

I draw attention to Notes 1, 2, 3, 4 and 11 to the financial statements as follows:

1) Although the various plans carried out by the management in seeking out the new investors, increased share capital and restructuring debts, decreased the debts of the Company since 1998, the operations of the Company may still be affected by the economic conditions in Thailand and the Asia Pacific Region in general. In addition, certain subsidiaries still have going concern problem. These uncertainties will further affect the companies' operations.

2) The offsetting, forgiveness of debts between the parent company and its subsidiaries and dividend payment of the subsidiaries and disposal of the investments in the subsidiaries.

3) A subsidiary company had reviewed the estimated useful life of hotel building from 20 years to 40 years in order to comply with the real situation to be effected from August 20, 2002, onwards.

4) The deposit of land which is repurchased at a higher price than the selling price to repay debt and the purchase of and from related party which is disclosed in accordance with the process of SET.

Supot Singhasaneh
Certified Public Accountant
Registration Number 2826

KPMG Audit (Thailand) Limited
Bangkok, February 18, 2003

SANSIRI PUBLIC COMPANY LIMITED AND SUBSIDIARIES
BALANCE SHEETS AS AT DECEMBER 31, 2002 AND 2001

(Amounts in Baht)	Consolidated		The Company	
ASSETS	2002	2001	2002	2001
CURRENT ASSETS				
Cash on hand and at banks (Notes 4 and 5)	1,262,763,990.36	131,795,249.57	925,800,647.67	123,881,639.64
Shot - term investments - fixed deposits (Notes 4 and 5)	314,627,313.61	58,499,763.14	309,855,681.79	54,881,488.14
Notes recievable - financial institutions	55,012,239.38	-	5,012,239.38	-
Investment in securities - net (Notes 4 and 6)	330,400.00	330,400.00	330,400.00	330,400.00
Accounts, notes reveivable and unbilled completed work - net (Notes 2, 4 and 7)	213,987,803.41	73,809,284.09	171,054,541.81	61,894,535.25
Inventories - hotel (Notes 4 and 8)	7,986,254.25	-	-	-
Loans to related parties - net (Notes 2, 4 and 9)	8,437,500.00	8,437,500.00	332,612,203.38	39,976,607.23
Property development for sales - net (Notes 2, 4 and 10)	2,866,770,252.29	407,092,177.72	2,663,642,636.53	408,010,668.01
Advance payment for construction	29,396,128.80	248,000.32	374,188.55	248,000.32
Interest receivable (Notes 2 and 9)	925,439.51	709,784.77	5,702,363.09	1,137,612.20
Prepaid expenses	8,636,685.71	1,198,534.12	5,496,554,12	1,070,885.76
Deposits for land (Notes 2, 11)	216,706,818.00	-	211,611,818.00	-
Advance receivable - net	5,095,936.13	864,266.64	4,979,542.88	704,576.04
Value added tax	17,350,462.19	2,107,542.53	140,261.57	136,980.21
Other current assets	8,701,949.69	1,696,386.08	1,164,267.62	587,132.08
Total Current Assets	5,016,729,173.33	686,788,888.98	4,637,777,346.39	689,860,524.88
NON CURRENT ASSETS				
Investments in related parties - net (Notes 3,4 and 12)	16,127,279.19	12,521,609.96	748,946,991.68	24,013,047.37
Property development for rent - net (Notes 2 , 4, 10 and 17)	611,300,517.83	565,106,052.42	167,918,971.53	118,953,920.87
Land, leasehold, building and equipment - net (Notes 4 and 13)	2,576,167,847.14	478,496,493.36	453,883,813.67	461,967,510.05
Other non current assets				
Deferred interest on hire purchase	576,862.90	1,629,897.31	576,862.90	1,141,554.78
Deposits	24,636,665.47	23,017,819.12	22,209,919.89	21,296,434.26
Withholding tax	10,670,994.90	764,815.73	9,551,129.69	-
Deferred charge	1,160,088.20	494,045.99	1,995,601.45	1,196,293.15
Negative Goodwill (Notes 2 and 4)	(80,533,522.11)	-	-	-
Total Other Non Current Assets	(43,488,910.64)	25,906,578.15	34,333,513.93	23,634,282.19
Totel Non Current Assets	3,160,106,733.52	1,082,030,733.89	1,405,083,290.81	628,568,760.48
Total Assets	8,176,835,906.85	1,768,819,622.87	6,042,860,637.20	1,318,429,285.36

SANSIRI PUBLIC COMPANY LIMITED AND SUBSIDIARIES
BALANCE SHEETS AS AT DECEMBER 31, 2002 AND 2001

(Amounts in Baht)	Consolidated		The Company	
ASSETS	**2002**	**2001**	**2002**	**2001**
LIABILITIES AND SHAREHOLDERS' EQUITY				
CURRENT LIABILITIES				
Bank overdrafts and loans from financial institutions (Notes 14 and 22)	428,948,495.41	2,950,184.76	208,552,720.79	1,331,834.34
Accounts payable – construction	48,797,622.66	19,630,651.85	32,477,906.49	19,630,651.85
Promissory note – land (Notes 10)	836,982,000.00	-	836,982,000.00	-
Accounts payables – trade	33,698,020.63	5,718,915.58	921,950.69	430,700.99
Current portion of long – term debts (Notes 17, 18 and 22)	133,403,338.43	17,276,789.01	65,693,338.43	15,518,819.01
Construction retention	16,783,869.90	4,870,275.00	15,383,349.98	4,870,275.00
Loan from related parties (Notes 2 and 15)	61,201,000.00	10,000,000.00	-	-
Loan from other company	19,482,816.51	-	-	-
Advances received from customers	19,800,318.60	5,944,019.60	17,688,306.19	5,196,955.57
Unearned income (Notes 7)	94,661,963.13	22,955,849.73	29,584,967.06	22,955,849.73
Interest payables	120,653,926.32	116,819,748.67	651,232.88	-
Accrued expense (Notes 2)	67,920,642.86	29,506,352.98	23,877,596.15	21,177,908.56
Provision for possible loss (Notes 23)	9,100,338.44	27,138,228.30	478,075.00	19,352,351.00
Value added taxes	3,005,122.85	7,229,377.30	696,786.47	-
Other payable	6,253,318.59	724,816.69	316,152.67	338,590.28
Other current liabilities	8,453,701.30	3,555,811.41	3,374,974.44	1,829,244.62
Total Current Liabilities	1,909,146,495.63	274,321,020.88	1,236,679,357.24	112,633,180.95
NON CURRENT LIABILITIES				
Deferred leasehold revenue (Notes 4 and 10)	696,204,921.64	696,876,338.36	-	-
Long-term liabilities (Notes 17, 18 and 23)	2,229,481,799.00	158,523,338.00	991,316,799.00	34,486,138.00
Deposit for building rental	29,528,547.36	29,522,618.07	29,528,547.36	29,522,618.07
Deficit on investments (Notes 4 and 12)	-	-	554,317,652.25	549,082,971.15
Other liabilities	24,163,420.79	23,900,614.31	4,050,233.83	4,314,327.35
Total Non Current Liabilities	2,979,378,688.79	908,822,908.74	1,579,213,232.44	617,406,054.57
Total Liabilities	4,888,525,184.42	1,183,143,929.62	2,815,892,589.68	730,039,235.52

SANSIRI PUBLIC COMPANY LIMITED AND SUBSIDIARIES
BALANCE SHEETS AS AT DECEMBER 31, 2002 AND 2001

(Amounts in Baht)	Consolidated		The Company	
LIABILITIES AND SHAREHOLDERS' EQUITY	**2002**	**2001**	**2002**	**2001**
SHAREHOLDERS' EQUITY				
Share capital (Notes 19 and 28)				
Authorized share capital, 1,102,178,278 and 1,329,414,381 ordinary shares, Baht 10 par value in 2002 and 2001, respectively	11,021,782,780.00	13,294,143,810.00	11,021,782,780.00	13,294,143,810.00
Issued and paid-up share capital 867,031,678 and 280,031,678 ordinary shares, fully paid in 2002 and 2001, respectively	8,670,316,780.00	2,800,316,780.00	8,670,316,780.00	2,800,316,780.00
Premium on share capital (Notes 4)	987,863,079.21	987,863,079.21	987,863,079.21	987,863,079.21
Discount on share capital (Notes 4)	(4,158,592,854.80)	(874,637,854.80)	(4,158,592,854.80)	(874,637,854.80)
Unrealized gain (loss) on available securities for sales in associated company	2,599,254.50	(679,932.00)	2,599,254.50	(679,932.00)
Retained earnings (Deficit)				
Appropriated – legal reserve	11,279,621.66	11,279,621.66	11,279,621.66	11,279,621.66
Unappropriated	(2,286,497,833.05)	(2,335,751,644.23)	(2,286,497,833.05)	(2,335,751,644.23)
Equity in parent company held by subsidiaries	(2,606,583.20)	(1,974,988.04)	-	-
Total Shareholders' Equity of Parent Company	3,224,361,464.32	586,415,061.80	3,226,968,047.52	588,390,049.84
Minority interest in subsidiaries	63,949,258.11	(739,368.55)	-	-
Total Shareholders' Equity	3,288,310,722.43	585,675,693.25	3,226,968,047.52	588,390,049.84
Total Liabilities and Shareholders' Equity	8,176,835,906.85	1,768,819,622.87	6,042,860,637.20	1,318,429,285.36

SANSIRI PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF INCOME
FOR THE YEARS ENDED DECEMBER 31, 2002 AND 2001

(Amounts in Baht)	Consolidated		The Company	
	2002	**2001**	**2002**	**2001**
REVENUES (Notes 2 and 4)				
Revenues from project sales (Note 20)	868,222,077.22	285,039,998.80	825,539,099.29	285,039,998.80
Revenues from project for rent (Note 21)	117,919,321.31	95,185,992.45	111,520,084.37	90,041,532.40
Revenues from business management (Note 21)	143,826,659.77	98,797,587.09	4,032,356.00	8,021,542.27
Revenues – room	77,422,500.89	-	-	-
Revenues – food and beverage	33,603,640.15	-	-	-
Revenues from leasehold rights written off	31,918,080.72	31,918,080.72	-	-
Interest income and dividend	10,738,346.54	5,369,219.97	16,181,657.55	6,955,326.55
Provision for possible loss reversion	18,874,276.00	-	18,874,276.00	-
Gain on sale of investments in subsidiary company	4,427,383.09	-	4,427,383.09	-
Gain (loss) on investments	(68,404.84)	269,490.84	-	(59,954.54)
Revenues from cancellation and rental seizing	-	2,493,783.37	-	400,000.00
Revenues from sales on leasehold	-	5,000,000.00	-	-
Other income	3,918,203.11	4,531,764.83	903,970.38	4,600,407.10
Total Revenues	1,310,802,083.96	528,605,918.07	981,478,826.68	394,998,852.58
EXPENSES (Notes 2 and 4)				
Cost for project sales	673,621,836.29	220,449,318.58	633,829,063.42	220,703,127.40
Cost for project for rent	66,132,920.95	60,027,318.41	60,370,456.55	51,456,698.99
Cost of business management	117,184,917.84	85,033,434.53	9,413,053.14	9,735,458.77
Cost – room	48,602,610.97	-	-	-
Cost – food and beverage	35,823,249.70	-	-	-
Leasehold and development costs written off	20,446,380.00	20,446,380.00	-	-
Selling and administrative expenses	210,867,746.06	170,832,934.40	160,838,171.56	128,625,910.34
Selling and administrative expenses – hotel	47,719,734.85	-	-	-
Net result from investment by equity method	148,083.24	2,755,149.07	63,198,272.92	67,403,075.56
Directors' remuneration	2,531,600.00	2,015,000.00	2,531,600.00	2,015,000.00
Total Expenses	1,223,079,079.90	561,579,534.99	930,180,617.59	479,939,271.06
Profit (Loss) before interest expenses and income tax	87,723,004.06	(32,973,616.92)	51,298,209.09	(84,940,418.48)
Interest expenses	(42,832,576.21)	(26,514,925.78)	(2,044,397.91)	(3,078,410.30)
Income tax	(4,696,655.32)	(1,107,030.21)	-	-
Net profit (loss) after interest expenses and income tax	40,193,772.53	(60,595,572.91)	49,253,811.18	(88,018,828.78)
Add minority interest in net loss	9,060,038.65	2,924,083.16	-	-
Net profit (loss) before extraordinary items	49,253,811.18	(57,671,489.75)	49,253,811.18	(88,018,828.78)
Extraordinary items – Loss on settlement of debts : related parties	-	-	-	(4,889,848.74)
- Loss on settlement of debts : others	-	(35,237,187.77)	-	-
Net profit (loss)	49,253,811.18	(92,908,677.52)	49,253,811.18	(92,908,677.52)
Basic earnings (loss) per share (Baht) (Note 4)				
Basic earnings (loss) before extraordinary items	0.10	(0.20)	0.10	(0.31)
Extraordinary items	-	(0.13)	-	(0.02)
Basic earnings (loss) per share	0.10	(0.33)	0.10	(0.33)

See note financial statements

SANSIRI PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CHANGE IN SHAREHOLDERS' EQUITY

FOR THE YEARS ENDED DECEMBER 31, 2002 AND 2001

(Amounts in Baht)

	Consolidated								
	Issued and paid-up share capital	Premium on share capital	Discount on share capital	Unrealized gain (loss) on available securities for sales in associated company	Minority interest	Retained earnings (deficit) Appropriated	Unappropriated	Equity in parent company held by subsidiaries	Total
Beginning balance as at January 1, 2002	2,800,316,780.00	987,863,079.21	(874,637,854.80)	(679,932.00)	(739,368.55)	11,279,621.66	(2,331,642,079.41)	(1,974,988.04)	589,785,258.07
Prior year's adjustment of investment (Notes 12 and 21.2)	-	-	-	-	-	-	(4,109,564.82)	-	(4,109,564.82)
Increased share capital	5,870,000,000.00	-	(3,283,955,000.00)	-	-	-	-	-	2,586,045,000.00
Net profit	-	-	-	-	-	-	49,253,811.18	-	49,253,811.18
Net result from minority interest	-	-	-	-	64,688,626.66	-	-	-	64,688,626.66
Adjust securities to be fair value	-	-	-	3,279,186.50	-	-	-	(631,595.16)	2,647,591.34
Ending balance as at December 31, 2002	8,670,316,780.00	987,863,079.21	(4,158,592,854.80)	2,599,254.50	63,949,258.11	11,279,621.66	(2,286,497,833.05)	(2,606,583.20)	3,288,310,722.43
Beginning balance as at January 1, 2001	2,800,316,780.00	987,863,079.21	(874,637,854.80)	1,190,000.00	2,198,101.73	11,279,621.66	(2,239,302,366.71)	(1,654,177.80)	687,253,183.29
Prior year's adjustment (Note 21.1)	-	-	-	-	-	-	(3,540,600.00)	-	(3,540,600.00)
Net loss	-	-	-	-	-	-	(92,908,677.52)	-	(92,908,677.52)
Net result from minority interest	-	-	-	-	(2,937,470.28)	-	-	-	(2,937,470.28)
Adjust securities to be fair value	-	-	-	(1,869,932.00)	-	-	-	(320,810.24)	(2,190,742.24)
Ending balance as at December 31, 2001	2,800,316,780.00	987,863,079.21	(874,637,854.80)	(679,932.00)	(739,368.55)	11,279,621.66	(2,335,751,644.23)	(1,974,988.04)	585,675,693.25

	Company								
	The CompanyIssued and paid-up share capital	Premium on share capital	Discount on share capital	Unrealized gain (loss) on available securities for sales in associated company	Minority interest	Retained earnings (deficit) Appropriated	Unappropriated	Equity in parent company held by subsidiaries	Total
Beginning balance as at January 1, 2002	2,800,316,780.00	987,863,079.21	(874,637,854.80)	(679,932.00)	-	11,279,621.66	(2,331,642,079.41)	-	592,499,614.66
Prior year's adjustment of investment (Notes 12 and 21.2)	-	-	-	-	-	-	(4,109,564.82)	-	(4,109,564.82)
Increased share capital	5,870,000,000.00	-	(3,283,955,000.00)	-	-	-	-	-	2,586,045,000.00
Net profit	-	-	-	-	-	-	49,253,811.18	-	49,253,811.18
Adjust securities to be fair value	-	-	-	3,279,186.50	-	-	-	-	3,279,186.50
Ending balance as at December 31, 2002	8,670,316,780.00	987,863,079.21	(4,158,592,854.80)	2,599,254.50	-	11,279,621.66	(2,286,497,833.05)	-	3,226,968,047.52
Beginning balance as at January 1, 2001	2,800,316,780.00	987,863,079.21	(874,637,854.80)	1,190,000.00	-	11,279,621.66	(2,239,302,366.71)	-	686,709,259.36
Prior year's adjustment (Note 21.1)	-	-	-	-	-	-	(3,540,600.00)	-	(3,540,600.00)
Net loss	-	-	-	-	-	-	(92,908,677.52)	-	(92,908,677.52)
Adjust securities to be fair value	-	-	-	(1,869,932.00)	-	-	-	-	(1,869,932.00)
Ending balance as at December 31, 2001	2,800,316,780.00	987,863,079.21	(874,637,854.80)	(679,932.00)	-	11,279,621.66	(2,335,751,644.23)	-	588,390,049.84

SANSIRI PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2002 AND 2001

(Amounts in Baht)	Consolidated		The Company	
	2002	**2001**	**2002**	**2001**
CASH FLOWS FROM OPERATING ACTIVITIES :				
Net profit (loss)	49,253,811.18	(92,908,677.52)	49,253,811.18	(92,908,677.52)
Adjustments to reconcile net profit (loss) to net cash provided by (used in) operating activities				
Depreciation and amortization	94,098,289.50	59,067,781.27	47,649,670.94	35,830,455.20
Negative goodwill	(1,499,528.89)	-	(1,499,528.89)	-
Allowance for doubtful debts	1,829,929.16	1,362,532.68	4,350.00	(403,694.18)
Allowance for contingent liabilities	-	1,364,212.08	-	1,364,212.08
Leasehold revenue amortization	(31,918,080.72)	(31,918,080.72)	-	-
Provision for possivle loss reversion	(18,874,276.00)	-	(18,874,276.00)	-
(Profit) Loss on sales of investments	700,000.00	(1,352,772.37)	-	(667,959.74)
Gain on disposal of assets	(59,786.97)	(179,077.45)	(377,536.37)	(245,500.37)
Gain on sale of investment in subsidiary companies	(4,427,383.09)	-	(4,427,383.09)	-
Revenues from seizing	-	(2,093,783.37)	-	-
Unrealized loss on investments	-	696,734.29	-	727,914.28
Unrealized gain on investments in parent company held by subsidiaries	(631,595.16)	(320,810.24)	-	-
Loss (Gain) on settlement of debts	(342,493.18)	35,237,187.77	-	4,889,848.74
Share of net loss in subsidiary and	148,083.24	2,775,149.07	64,697,801.81	67,403,075.56
assosiated companies	43,643.84	-	-	-
Interest expense				
Interest income	-	-	(260,016.65)	-
Net loss of minority interest	(9,060,038.65)	(2,924,083.16)	-	-
Other interest	-	11,220,396.52	7,378,499.99	8,107,288.43
Other revenues	-	(218,187.93)	-	-
DECREASE (INCREASE) IN OPERATING ASSETS				
Cash at bank with commitment and fixed deposits due over 3 months	(145,852,970.43)	(7,129,708.72)	(145,587,516.50)	(5,819,844.72)
Accounts, notes receivable and unbilled completed work	(128,100,779.95)	(66,724,150.68)	(109,164,356.56)	(57,265,114.24)
Inventories – hotel	(2,921,379.81)	-	-	-
Property development for sale	(1,625,379,949.57)	(50,635,375.90)	(1,421,333,843.52)	(51,244,567.11)
Advance payment for construction	(29,148,128.48)	19,124.96	(126,188.23)	19,124.96
Deposit for land	(216,706,818.00)	-	(211,611,818.00)	-
Other current assets	(15,212,929.56)	(3,196,699.76)	(14,254,010.22)	(2,077,513.69)
Other non current assets	(21,727,386.06)	(1,994,209.02)	(21,226,683.54)	(3,431,805.10)
INCREASE (DECREASE) IN OPERATING LIABILITIES :				
Construction payable	29,166,970.81	10,505,740.18	12,847,254.64	10,505,740.18
Accounts payable – trade	(110,315,041.74)	1,594,881.16	491,249.70	(1,080,919.55)
Construction retention	11,913,594.90	214,235.54	10,513,074.98	214,235.54
Advance received and unearned income from customer	85,562,412.40	14,096,532.68	19,120,467.95	13,950,495.30
Other current liabilities	17,832,497.91	20,201,118.87	420,999.15	(4,870,574.61)
Deferred leasehold revenue	31,246,664.00	-	-	-
Other liabilities	268,735.77	4,176,334.66	(258,164.23)	4,263,358.66
Net cash used in operating activities	(2,040,113,933.55)	(99,063,655.11)	(1,736,624,141.46)	(72,740,421.90)

(Amounts in Baht)	Consolidated		The Company	
	2002	**2001**	**2002**	**2001**
CASH FLOWS FROM INVESTING ACTIVITIES :				
Cash received from capital reduction of associated company	-	46,750,000.00	-	47,619,750.00
Decrease (Increase) in short term investments	(700,000.00)	10,223,684.36	-	9,667,959.74
Increase in note receivable – financial institutions	(55,012,239.38)	-	(5,012,239.38)	-
Increase in investments in related parties	20,262,281.41	(1,197,683.35)	(778,240,966.54)	(3,197,683.85)
Increase in loans to related parties	-	(8,437,500.00)	(297,435,596.15)	(11,950,066.13)
Cash paid for subsidiary	-	-	(7,378,499.99)	(8,500,000.00)
Increase in cost of property development for rent	(72,179,281.58)	(23,964,964.59)	(54,503,486.83)	(23,915,463.04)
Dividend income from subsidiary and associated companies	50,000.00	32,050,000.00	50,000.00	32,865,080.00
Proceed from sales of equipment	809,656.09	1,496,606.00	620,463.99	1,496,606.00
Payment on purchase of equipment	(23,531,343.29)	(21,270,258.14)	(10,440,915.33)	(16,417,943.18)
Payment on investment in subsidiary company	(687,219,913.55)	-	-	-
Net cash provided by (used in) investing activities	(817,520,840.30)	35,649,884.28	(1,152,341,240.23)	27,668,239.54
CASH FLOWS FROM FINANCING ACTIVITIES :				
Increase (decrease) in bank overdraft and loans from financial institutions	424,840,582.83	(1,931,461.31)	207,220,886.45	(2,650,511.86)
Increase in loan from related parties	61,201,000.00	7,000,000.00	-	-
Decrease in loan from other companies and person	(46,723,665.33)	-	-	-
Increase in long – term liabilities	1,000,505,180.42	3,051,665.01	1,007,005,180.42	3,156,355.01
Increase (decrease) in minority interest	73,009,996.76	(13,387.12)	-	-
Cash received from increase share capital	2,597,815,000.00	-	2,597,815,000.00	-
Cash payment for increase share capital	(11,770,000.00)	-	(11,770,000.00)	-
Net cash provided by financing activities	4,098,878,094.68	8,106,816.58	3,800,271,066.87	505,843.15
Net increase (decrease) in cash and cash equivalents	1,241,242,320.83	(55,306,954.25)	911,305,685.18	(44,566,339.21)
Cash and cash equivalents as at January 1, 2002 and 2001 (Notes 4 and 5)	174,706,789.96	230,013,744.21	167,714,072.06	212,280,411.27
Cash and cash equivalents as at December 31, 2002 and 2001 (Notes 4 and 5)	1,415,950,110.79	174,706,789.96	1,079,019,757.24	167,714,072.06
SUPPLEMENTARY CASH FLOWS INFORMATION :				
Cash paid during the periods :				
Interest expenses	27,582,022.28	10,835,423.42	26,950,050.48	2,975,637.12
Interest taxes	13,338,315.24	6,721,916.45	9,551,129.69	4,907,418.17

SANSIRI PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2002 AND 2001

NOTE 1 - ECONOMIC ENVIRONMENT AND BASIS OF FINANCIAL STATEMENT PRESENTATION

The operation of Sansiri Public Company Limited and its subsidiaries may continue to be influenced for the foreseeable future by the economic conditions in Thailand and the Asia Pacific Region in general. The financial statements of the companies reflect management' s current assessment of the impact of current economic conditions on the financial position of the companies. However, actual results could differ from management estimates.

The financial statements of the Company have been presented in accordance with the Notification of the Department of Commercial Registration dated September 14, 2001, issued under the Accounting Act B.E. 2543 and in conformity with generally accepted accounting principles practiced in Thailand, including additional disclosure as specified by the Notification of Securities and Exchange Commission and regulation of Stock Exchange of Thailand.

The financial statements of Sansiri Public Company Limited and subsidiaries have been presented on a going concern basis. The companies' ability to continue business as going concerns depends on the success of improvement plans implemented to increase revenues, to reduce costs and to negotiate the extension for repayment of debts and restructuring debts and to look for new investors, etc. The financial statements do not include any adjustments relating to the value or the recoverability of assets and classification of liabilities that might be necessary if the companies were not successful in continuing its business.

The Company's financial statements are prepared in the Thai language as required by Thai law, and translated into English for the convenience of a reader of the financial statements.

Certain amounts in the 2001 financial statements have been reclassified to conform to the 2002 financial statement presentation.

NOTE 2 - RELATED PARTY TRANSACTIONS

The Company has significant transactions with its related parties through shareholding and/or directors. The financial statements reflect the effects of these transactions on the basis determined by the companies concerned undernormal business terms.

2.1 The following significant balances and transactions occurred between the Company, and its related parties for the years ended December 31, 2002 and 2001 as follows:

(Amounts in Baht)

	Associated and		Associated and	
	2002	**2002**	**2001**	**2001**
Companies	Subsidiaries	Related Companies	Subsidiaries	Related Companies
Receivable from service and commission	20,074	67	19,563	9
Allowance for doubtful accounts	(19,467)	-	(19,467)	-
Advances	-	-	3	-
Loans to subsidiaries	324,175	8,438	28,539	8,438
Property development for sales	1,786	-	1,253	-
Property development for rent	443	-	264	-
Deferred commission	1,803	-	2,440	-
Prepaid expense	19	-	-	-
Retention	-	230	517	230
Interest receivable	4,845	322	450	118
Accrued expenses	1,734	-	1,907	-
Interest income	6,205	205	1,750	118
Revenue from business Management and commission	2,227	376	2,220	4,748
Rental income	198	413	712	413
Dividend income	5,563	50	-	32,050
Other income	-	171	-	-
Management fee	7,908	-	6,993	-
Selling and administrative expenses	7,988	-	2,123	-
Interest and rental expenses paid for subsidiary	7,378	-	10,859	-
Gain (loss) on sale of assets	(220)	-	5	-
Sales equipment	313	-	-	-
Purchase equipment	6,678	-	234	-

2.2 The Company charged interest on loans to subsidiaries at rates of 4.5% to 15% per annum; in 2001 transferred assets in settlement of debts (See note 17 to financial statements), and paid deposits for land purchases (See note 11.1 to financial statements). For investments made in related parties (See note 12 to the financial statements).curred between the Company, and its related parties for the years ended December 31, 2002 and 2001 as follows:

Subsidiary companies have loans from related parties (See note 15 to financial statements)

On June 25, 2002 the Company entered into an asset purchase agreement with a subsidiary company. The Company purchased office equipment and web pages for Baht 5.27 million. The final agreement provided for the offsetting of Baht 5.06 million against a loan amounting to Baht 4.8 million and interest receivable in the amount of Baht 0.26 million. The Company paid in the balance of Baht 0.21 million in cash.

The operating income and expenses were charged according to the nature of each type of work.

2.3 According to the minutes of a meeting held on November 14, 2002, of Plus Property Partners Co., Ltd, a subsidiary company, a resolution was passed approving the allocation of all the remaining profit of the said subsidiary company, as an interim dividend. This was to be paid to all the shareholders whose names were listed as at November 14, 2002. A payment of Baht 0.545 per share on the 10,200,000 outstanding share was made in December 2002 and amounted to in total Baht 5,562,950.28.

2.4 In the first quarter of the year 2001, the Company received a refund of Baht 3.44 million in respect of the advisory fee on investment previously paid to STARWOOD CAPITAL GROUP L.L.C.

2.5 At the Shareholders' Meeting held on February 15, 2001 and the Extraordinary Shareholders' Meeting held on March 5, 2001, it was resolved to reduce the share capital of Prakarn Limited from Baht 1,000,000 to Baht 250,000 by a decreasing of the par value of each share from Baht 1,000 to Baht 250 and leave the same number of shares outstanding at 1,000 shares.

At the Shareholders' Meeting held on February 15, 2001 and the Extraordinary Shareholders' Meeting held on March 5, 2001, it was resolved to decrease the share capital of Sanpinyo Limited from Baht 11,000,000 to Baht 2,750,000 by a decreasing of the par value of each share from Baht 100 to Baht 25 and leave the same number of shares outstanding at 110,000 shares.

At the Board of Directors' Meeting of Prakarn Limited held on June 26, 2001, it was resolved to pay an annual dividend of Baht 820 per share which in total amounted to Baht 820,000.

At the Shareholders' Meeting of Sanpinyo Limited held on February 15, 2001, it was resolved to pay an annual dividend Baht 76.50 per share which in total amounted to Baht 8,415,000.

2.6 Sanpinyo Limited, notified the parent company by a letter dated February 16, 2001 of its intent to offset debts. As at the date of this letter, parent company had an outstanding debt to Sanpinyo Limited in the amount of Baht 20.25 million, which consisted of remaining principal of Baht 20.23 million and interest payable as at February 15, 2001, in the amount of Baht 0.02 million. Additionally, Sanpinyo Limited had an outstanding dividend payable to the parent company in the amount of Baht 8.41 million, following the Board of Directors' meeting of Sanpinyo Limited held on February 7, 2001 which declared the dividend payment. Under this letter, Sanpinyo Limited agreed to offset some of the debt with the parent company. After the said debt settlement, the remaining debt of the parent company was Baht 11.84 million.

Sanpinyo Limited, informed the parent company by a letter of its intent to offset debt on June 29, 2001. It said that as at the date of this letter, the parent company had an outstanding debt to it in the amount of Baht 11.86 million, which consisted of the remaining principal of Baht 11.84 million and the interest payable as at June 28, 2001, in the amount of Baht 0.02 million. Additionally, Sanpinyo Limited had outstanding debts from a capital reduction with the parent company in the amount of Baht 8.25 million, as detailed in the Minutes of the Shareholders' Meeting held on February 15, 2001, and the Extraordinary Shareholders' meeting held on March 5, 2001 of Sanpinyo Limited. By this letter, Sanpinyo Limited agreed to full settlement of the debt with the parent company. And agreed to release the parent company from the remaining balance of Baht 3.61 million.

2.7 In 2002 and 2001 the Company had commitments as guarantor of the loans of related parties with domestic financial institutions.:

2.8 At the Extraordinary Shareholders' Meeting held on July 4, 2001 and July 19,2001, it was resolved to decrease the share capital of Prakarn Ltd. from Baht 250,000 to Baht 125,000 by a decrease in the par value of each share from Baht 250 to Baht 125 and to leave the same number of shares outstanding at 1,000 shares. The Company registered the decreased share capital on July 20,2001.

2.9 On September 21, 2001, the Company issued a letter confirming a waiver of subrogation with a related company which has undertaken debt restructuring. As the debt guarantor for the said subsidiary, with a 99 percent shareholding, under the debt restructuring agreement with a local commercial bank, the Company has agreed to be responsible for monetary debt repayment and payment of all expenses that may arise from the debt restructuring agreement for the said subsidiary. In this letter, the Company also expressed its intention to unconditionally waive all its subrogation rights from the subsidiary that resulted from debt repayment on behalf of the subsidiary due to the deficit in shareholders' equity and the subsidiary's inability to repay the debt.

In 2002, the parent company made payments on behalf of the subsidiary company to the bank in respect of interest expense in the amount of Baht 7.38 million. Such payment was recorded as an expense of the parent company. In 2001 arising from the debt restructuring of a subsidiary, the parent company made payment on behalf of the subsidiary to the bank in respect of interest expense in the amount of Baht 7.86 million and rental in the amount of Baht 3 million, arising from the debt restructuring of the subsidiary. Such payment was recorded as an expense of the parent company.

2.10 The Board of Directors' Meeting on August 14, 2001 passed a resolution to dispose of two subsidiaries namely Sanpinyo Co., Ltd. and Prakarn Co., Ltd. On December 28, 2001, the Company sold the investments at their book values for Baht 0.17 million and 0.19 million, respectively.

NOTE 3 - BASIS FOR CONSOLIDATION AND OTHER INFORMATION

Sansiri Public Company Limited engages in the real estate development business. The Company is located at 475 Siripinyo Building , Sri Ayutthaya Road, Payathai Rajthevi, Bangkok, Thailand.

The consolidated financial statements for the year ended December 31, 2002 and 2001 consisted of the financial statements of the parent company, Sansiri Public Company Limited, and subsidiary companies (See note 12 to financial statements) as follows:

Companies	**Percentage of Shareholding**	
	2002	**2001**
Chanachai Limited	99%	99%
Jainad Limited	99%	99%
Plus Property Partners Co., Ltd.	60.48%	99%
(Formerly : Sansiri Property Plus Limited)		
Sansiri Home Network Co., Ltd.	100%	100%
Richee Holding Alliance Co., Ltd.	100%	-
Sansiri Venture Co., Ltd.	51%	-
(Formerly : Absolute Business Co., Ltd.)		
S.U.N. Management Co., Ltd.	51%	-
Point Asia Access Co., Ltd.	-	55%
(Formerly : Sansiri Dot Com Limited)		

The financial statements for the year ended December 31, 2002 of a subsidiary company, Richee Holding Alliance Co., Ltd. was audited by another auditor from the same auditing company.

In the consolidated and the Company's financial statements for the year ended December 31, 2002 and 2001, the investments in an associated company of Baht 8.82 million and Baht 5.15 million accounted for under the equity method were calculated based on the financial statements audited by the other auditor. The related share of attributable profit amounted to Baht 0.44 million and 0.04 million, and the Company recognized an unrealized gain (loss) on securities available for sale amounting to Baht 3.28 million and Baht (1.87) million. An investment on the equity method in a mutual fund in the amount of Baht 5.74 million and 9.92 million was calculated based on the financial statements for the year ended December 31, 2002 and 2001, prepared by the management and not audited by an auditor. The share of profit (loss) attributable to the Company amounted to Baht (0.07) million and Baht 1.64 million. The management informed me that the auditor of the fund had not yet finished his audit work.

The consolidated and the Company's financial statements for the year ended December 31, 2001 have been revised to reflect the investment in the mutual fund using the equity method, investment was restated by equity method in mutual fund (See Note 12.2 to financial statements).

As at December 31, 2002 the financial statements of three subsidiaries, which are Chanachai Limited, Jainad Limited and Sansiri Home Network Limited, were examined by an auditor who issued a disclaim opinion due to the uncertainty of the business as a going concern.

As at December 31, 2001, the financial statements of three subsidiaries, which are Chanachai Limited, Jainad Limited and Point Asia access Limited (formerly : Sansiri Dot Com Limited), were examined by an auditor who issued a disclaim opinion due to the uncertainty of the business as going concern. In the case of Sansiri Home Network Limited, the auditor also drew attention to the ability of the Company to continue as a going concern. All significant inter company transactions have been eliminated in preparing the consolidated financial statements.

NOTE 4 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF MEASUREMENT

Revenues and Expenses Recognition

Revenues and expenses are recognized on an accrual basis.

- Revenues and costs of construction in progress are recognized on the percentage of completion method, which is based on the actual development cost compared to the total estimated development costs, not including cost of land.
- Deferred leasehold rights are recognized as revenue over the period of the lease agreement.
- Room revenues are recognized on an accrual basis during the guests stay.
- Food and beverage revenues are recognized after the food and beverages have been served.
- Leasehold and development costs are recognized as expenses over the period of the lease agreement.
- Interest income is recognized on the accrual basis, except for overdue interest income expected to be uncollectable which is recognized as it is received.
- Dividend income is recorded on the date it accrued.
- Gain (loss) on sale of securities is recognized on the date of sale.

Investments in Securities

- Trading investments in securities are stated at fair value.
- Other investments are stated at cost.
- Unrealized gain or loss arising on the revaluation of securities is reflected in the statement of income.
- Cost of sales on securities is determined by moving average method.

Allowance for Doubtful Accounts

- Allowance for doubtful accounts is an estimate of those amounts, which are expected to be uncollectable

Inventory - hotel

- Inventories - hotel represents food, beverages and others items, available for sale and are stated at the lower of average cost or net realizable value.

Cost of Property Development

- Cost of property development which consists of acquisition cost of land and leasehold rights, development expenses and direct expenses of projects including interest expenses during the construction period which occurred from loans for land, leasehold and development projects is stated at the lower of cost, net of allowance of diminution in value and net realizable value.

- As at December 31, 2002 and 2001, provision for loss on diminution in value of property development was Baht 10.87 million in the consolidated and the Company’s financial statements.

Investments in Related Parties

- Investments in subsidiary and associated companies are accounted for by the equity method.
- Investments in related companies are stated at cost, net of allowance of diminution in value.

Land, Leasehold, Building and Equipment

- Leasehold is stated at cost, net of allowance for diminution in value. Land is stated at cost, including cost of land and related expenses. Buildings and equipment are stated at cost less accumulated depreciation.

- Leasehold rights are amortized according to the period of the leasehold agreement.

- Depreciation is computed by the straight-line method over the estimated useful lives of the assets which ranged from 3 to 20 years.

- Depreciation in the hotel business is computed by the straight-line method based on the estimated useful lives of the assets as follows:

Hotel building	40 years
Hotel renovation	10 - 20 years
Furniture, fixtures and equipment	5 years
Hotel operating equipment	5 - 10 years

Change in accounting estimate

- On August 19, 2002 the Board of Directors' meeting passed a resolution to increase the estimated useful life of hotel buildings from 20 years to 40 years, to match the estimated useful life with its expected existence. This is effective from August 20, 2002 onwards.

- The effects of such change were reflected in a decrease in depreciation of hotel building from August 20, 2002 to December 31, 2002 amounting to Baht 13.15 million, a decrease in net loss of the same amount and a decrease in loss per share in the amount of Baht 2.27.

Revaluation

- A subsidiary company has the policy of revaluation of land, hotel buildings and hotel renovation by the categories of such assets.

- In June and October 2002, the subsidiary company commissioned an independent appraiser to appraise land, hotel building and hotel renovation. It applied the comparative market price for land and replacement cost less accumulated depreciation for hotel renovation.

- Land is presented at a revalued amount. Hotel buildings and hotel renovation are carried at their revalued amounts, less accumulated depreciation.

- Depreciation of the appraisal increase is calculated by the straight-line method over the remaining useful lives of such assets and recognized as an expense in the statements of income.

- Revaluation surplus of land, hotel buildings and hotel renovation is presented in shareholders' equity. Revaluation surplus of hotel buildings and hotel renovation is transferred to deficit, when the surplus is realized. Loss from revaluation is recognized in the statements of income.

Interest Capitalization

- Interest expense related to financing construction and project expenses has been capitalized as project costs up to the completion of construction or until the project development is suspended.

- In 2002, interest expenses were capitalized to project cost amounting to approximately Baht 28.94 million and Baht 25.98 million in the consolidated and the Company's financial statements, respectively.

- In 2001, interest expenses were capitalized to project cost amounting to approximately Baht 0.8 million in the consolidated and the Company's financial statements.

Deferred Charges

- Deferred charges which are presented in other non current assets, consist of business taxes and commission expenses of the project and are amortized by the percentage of completion method.

Foreign Currency Transactions

- Foreign currency transactions during the year are translated at the approximate rates of exchange ruling on the transaction dates. Unhedged foreign currency balances at the balance sheet date are translated at the exchange rates ruling on that date.

- Exchange gains and losses are included in determining income.

Provident Fund

- The provident fund of the Company complies with the Provident Fund Act B.E. 2530. The fund is independently maintained and therefore does not appear in the balance sheets

Income tax

- Income tax for each year is recognized on the accrual basis, which is based on the taxable profit for the year.

Accounting Estimation

- Preparation of financial statements in conformity with generally accepted accounting principles in Thailand requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent assets and liabilities. Actual results may differ from those estimates.

Cash and Cash Equivalents

- Cash and cash equivalents are cash on hand, cash at banks, fixed deposits due within 3 months and cash in transit, which are not pledged.

Negative Goodwill

- Negative Goodwill is the excess of the fair value of assets and liabilities in a subsidiary company over than cost of acquisition. The negative goodwill is amortised using the straight-line method of 20 years.

- Negative goodwill as at December 31, 2002 in the consolidated financial statements consisted of :

(Amounts : Thousand Baht)

Balance occurred during the year	82,033
Less Amortized as an income during the year	(1,500)
Balance	80,533

Premium (Discount) on Share Capital

- Premium (discount) on share capital is presented net of the expense of issuing share capital.

Basic Earnings (Loss) per Share

- Basic earnings (loss) per share is computed by dividing the net profit (loss) by the weighted average number of fully paid shares outstanding at the end of the years (486,228,938 shares) and the number of shares outstanding at end of the years for the year 2002 and 2001, respectively.

NOTE 5 - CASH AND CASH EQUIVALENTS

- Income tax for each year is recognized on the accrual basis, which is based on the taxable profit for the year.

Cash and cash equivalents at December 31, consisted of :

	Consolidated	
	2002	2001
	Baht	Baht
Balance occurred during the year	1,262,763,990.36	131,795,249.57
Less Amortized as an income during the year	314,627,313.61	58,499,763.14
Balance	(161.441,193.18)	(15,588,222.75)
Cash and cash equivalents	1,415,950,110.79	174,706,789.96

	2002	2001
	Baht	Baht
Cash and cash at banks	925,800,647.67	123,881,639.64
Short term investments - fixed deposits	309,855,681.79	54,881,488.14
Less Committed cash at banks and Short term investments-fixed deposits with commitment and fixed deposit with due over 3 months	(156,636,572.22)	(11,049,055.72)
Cash and cash equivalents	1,079,019,757.24	167,714,072.06

As at December 31, 2002 and 2001 committed cash at bank and fixed deposits are pledged to debts and/or commitments and secure letters of guarantees issued by banks.

NOTE 6 - SHORT - TERM INVESTMENTS - NET

Short - term investments - net as at December 31, 2002 and 2001, consisted of : (Amounts in Baht)

Cash and cash equivalents at December 31, consisted of :

	Consolidated			
	Capital securities	Unrealized gain on capital securities	Allowances for diminution in value	Fair value of capital securities
Trading Securities	330,400	-	-	330,400

	Company			
	Capital securities	Unrealized gain on capital securities	Allowances for diminution in value	Fair value of capital securities
Trading Securities	330,400	-	-	330,400

- In 2002, the loss on the sale of investments in the consolidated financial statements amounted to Baht 0.70 million.

- In 2001, the gain on sale of investments, in consolidated and the Company’s financial statements amounted to Baht 0.65 million and Baht 0.72 million, respectively.

NOTE 7 - ACCOUNTS RECEIVABLE, NOTE RECEIVABLE AND UNBILLED COMPLETED SERVICES – NET

	Consolidated		Company	
	2002	2001	2002	2001
	Baht	Baht	Baht	Baht
Sales with signed agreements	3,105,214,343.34	1,609,372,580.99	2,576,685,186.34	1,609,372,580.99
Total project sales	3,238,882,168.97	1,620,910,755.99	2,710,353,011.97	1,620,910,755.99
The ratio of sales with signed agreements and total project sale	95.87%	99.29%	95.07%	99.29 %

Unbilled completed work and unearned income.

	Consolidated		Company	
	2002	2001	2002	2001
	Baht	Baht	Baht	Baht
Installments due	1,050,842,688.27	258,525,291.66	984,412,714.27	258,525,291.66
Less : cash received	(1,047,950,351.27)	(258,525,291.66)	(981,608,847.27)	(258,525,291.66)
Installment accounts receivable	2,892,337.00	-	2,803,867.0	-

	Consolidated		Company	
	2002	2001	2002	2001
	Baht	Baht	Baht	Baht
Installments due	1,050,842,688.27	258,525,291.66	984,412,714.27	258,525,291.66
Less sales recognized to date	(1,111,613,826.02)	(284,919,398.80)	(1,110,260,848.09)	(284,919,398.80)
	(60,771,137.75)	(26,394,107.14)	(125,848,133.82)	(26,394,107.14)
The balance consisted of:				
Unbilled completed work	155,433,100.88	49,349,956.87	155,433,100.88	49,349,956.87
Unearned income	(94,661,963.13)	(22,955,849.73)	29,584,967.06	(22,955,849.73)
	60,771,137.75	26,394,107.14	125,848,133.82	26,394,107.14

Accounts receivable, note receivables and unbilled completed work - net as at December 31, 2002 and 2001 consisted of:

	Consolidated		Company	
	2002	2001	2002	2001
	Baht	Baht	Baht	Baht
Accounts receivable - ESCROW	639,700.00	8,364,743.00	639,700.00	8,364,743.00
Unbilled completed work	155,433,100.88	49,349,956.87	155,433,100.88	49,349,956.87
Service receivables	62,613,029.27	20,040,434.12	35,169,241.69	24,362,986.14
Total accounts and notes receivable and unbilled completed work	218,685,830.15	77,755,133.99	191,242,042.57	82,077,686.01
Less Allowance for doubtful accounts	(4,698,026.74)	(3,945,849.90)	(20,187,500.76)	(20,183,150.76)
Total accounts and notes receivable and unbilled completed work - net	213,987,803.41	73,809,284.09	171,054,541.81	61,894,535.25

Accounts receivable, note receivable and unbilled completed services - net as at December 31, 2002 and 2001 classified by the ageing of the receivable were as follows:

	Consolidated		Company	
	2002	2001	2002	2001
	Baht	Baht	Baht	Baht
Accounts receivable - ESCROW	639,700.00	8,364,743.00	639,700.00	8,364,743.00
Unbilled completed receivables	155,433,100.88	49,349,956.87	155,433,100.88	49,349,956.87
Over 1 - 3 months	56,093,857.18	15,924,873.46	14,981,740.93	4,179,835.39
Over 3 - 6 months	2,087,961.98	948,611.42	4,350.00	-
Over 6 - 12 months	806,400.60	426,123.18	-	-
Over 12 months	3,624,809.51	2,740,826.06	20,183,150.76	20,183,150.75
Less Allowance for doubtful accounts	(4,698,026.74)	(3,945,849.90)	(20,187,500.76)	(20,183,150.76)
Net	213,987,803.41	73,809,284.09	171,054,541.81	61,894,535.25

Note 8 INVENTORIES - HOTEL

Inventory - hotel as at December 31, 2002 consisted of :

	Baht
Food	2,663,272.85
Beverages	2,390,602.60
Supplies	1,883,863.26
Office Supplies	726,533.36
Fuel	131,311.25
Tobacco and others	190,670.93
Total	7,986,254.25

Note 9 LOAN TO RELATED PARTIES - NET

Loan to related parties - net as at December 31, 2002 and 2001 consisted of:

	Consolidated		The Company	
Subsidiary companies	2002	2001	2002	2001
- Chanachai Limited	Baht	Baht	Baht	Baht
- Jainad Limited	-	-	17,612,703.38	8,889,107.23
- Sansiri Home Network Co., Ltd.	-	-	320,000.00	-
- Sansiri Venture Co., Ltd.	-	-	21,628,000.00	19,650,000.00
- Richee Holding Alliance Co., Ltd.	-	-	60,129,000.00	-
- S.U.N. Management Co., Ltd.	-	-	220,915,000.00	-
Related companies	-	-	3,570,000.00	-
- Grand Unity Development Co.,Ltd.	8,437,500.00	8,437,500.00	8,437,500.00	8,437,500.00
- Regency One Co., Ltd.	5,000,000.00	5,000,000.00	-	-
Total	13,437,500.00	13,437,500.00	332,612,203.38	36,976,607.23
Less Allowance for doubtful accounts	(5,000,000.00)	(5,000,000.00)	(-)	(-)
Net	8,437,500.00	8,437,500.00	332,612,203.38	36,976,607.23

Changes in loans to related parties for the year ended December 31, 2002 were as follows :

	Consolidated	The Company
Subsidiary companies	Baht	Baht
Beginning balance	-	28,539,107.23
Increase during the year	-	410,318,000.00
Decrease during the year	-	(114,682,403.85)
Ending balance	-	324,174,703.38
Related companies		
Beginning balance	8,437,500.00	8,437,500.00
Increase during the year	-	-
Decrease during the year	-	-
Ending balance	8,437,500.00	8,437,500.00
Total	8,437,500.00	332,612,203.38

The Company charges interest to subsidiaries rates of between 4.5% and 15% per annum.

As at December 31, 2002, the Company had loans to related parties and interest receivable classified by the aging of the receivable as follows:

(Amounts in Baht)

	Consolidated		Consolidated	
	Principal	Interest receivable	Principal	Interest receivable
Undue	8,437,500.00	-	8,437,500.00	-
At call	-	-	324,174,703.38	-
Over 1 - 3 months	-	-	-	2,409,332.24
Over 3 - 6 months	-	-	-	2,048,412.50
Over 6 -12 months	-	204,580.48	-	345,457.19
Over 12 months	5,000,000.00	450,702.06	-	364,418.12
Less Allowance for doubtful accounts	(5,000,000.00)	(332,808.22)	(-)	(-)
Net	8,437,500.00	322,474.32	332,612,203.38	5,167,620.05

As at December 31, 2001, the Company had loans to related parties and interest receivable classified by the aging of the receivable as follows:

(Amounts in Baht)

	Consolidated		Consolidated	
	Principal	Interest receivable	Principal	Interest receivable
Undue	8,437,500.00	-	8,437,500.00	-
At call	-	-	28,539,107.23	-
Over 1 - 3 months	-	117,893.84	-	229,204.69
Over 3 - 6 months	-	-	-	258,606.65
Over 6 -12 months	-	-	-	79,869.93
Over 12 months	5,000,000.00	332,808.22	-	-
Less Allowance for doubtful accounts	(5,000,000.00)	(332,808.22)	(-)	(-)
Net	8,437,500.00	117,893.84	36,976,607.23	567,681.27

Note 10 Project Development Cost - net

Project development cost - net as at December 31, 2002 was as follows:

(Amounts in Baht)

	Total cost	Transfer to cost of sales/rent	Net	Allowance for devaluation	Consolidated outstanding balance - net	The Company outstanding balance-net
Land and project development cost for sale	5,165,255,363.03	(2,293,916,119.45)	2,871,339,243.58	(4,568,991.29)	2,866,770,252.29	2,663,642,636.53
Land and project development cost for rent	811,311,491.98	(193,711,752.15)	617,599,739.83	(6,299,222.00)	611,300,517.83	167,918,971.53
	5,976,566,855.01	(2,487,627,871.60)	3,488,938,983.41	(10,868,213.29)	3,478,070,770.12	2,831,561,608.06

Project development cost-net as at December 31, 2001 was as follows:

(Amounts in Baht)

	Total cost	Transfer to cost of sales/rent	Net	Allowance for devaluation	Consolidated outstanding balance - net	The Company outstanding balance-net
Land and project development cost for sale	2,070,977,729.80	(1,659,316,560.79)	411,661,169.01	(4,568,991.29)	407,092,177.72	408,010,668.01
Land and project development cost for rent	1,275,536,927.82	(704,131,653.40)	571,405,274.42	(6,299,222.00)	565,106,052.42	118,953,920.87
	3,346,514,657.62	(2,363,448,214.19)	983,066,443.43	(10,868,213.29)	972,198,230.14	526,964,588.88

The Land lease agreement for Baan Sansiri Project is for a period of 30 years, starting November 1, 1993.

Lung Suan Project is on leased land, which was initially for a period of one year from March 1, 1994 with option to continue the lease monthly until a notice of cancellation of the lease is served by the landlord, or by the lessee. Prior notice of 15 days of the cancellation is required. In 2001, the Company transferred this leasehold to a commercial bank to settle debts
(See note 17 to financial statements)

As part of the land purchase of a project for sale the Company issued promissory notes due in December 2003 to the seller/ his assignees in the amount of Baht 827.98 million aval by a commercial bank or on the date at the registration of the land transfer as per the condition of the agreement.

NOTE 11 - DEPOSITS FOR LAND

Parent Company

11.1 Under an agreement to buy land from a related party for Baht 738.05 million which was disclosed in accordance with the SET rules, the Company has already paid a deposit in the amount of Baht 147.61 million.

11.2 Under a memorandum of understanding made with a person regarding the intention to buy land for Baht 220 million, the Company paid a deposit in the amount of Baht 5 million so as to exercise the right to examine the condition of the land. In January 2003, a subsidiary company agreed to buy the land.

11.3 Under an agreement to buy land and buildings from a person in the amount of Baht 80 million, the Company had paid a land deposit in the amount of Baht 8 million. The land with buildings was previously used by the properties development project of a subsidiary company and during the mid-year 2000, the said subsidiary company sold it to the same person for Baht 52 million in order to repay a debt to a financial institution. Later in the third quarter of 2002, the Company entered into an agreement to cancel the land purchase instead. A subsidiary company entered into an agreement to buy land with the buildings in the amount of Baht 79.80 million, the payment of which had already been made.

11.4 Under an agreement to buy land from a company in the amount of Baht 540 million the Company paid a deposit in the amount of Baht 59 million.

Subsidiary company

11.5 A subsidiary company entered into an agreement to buy land from two persons in the amount of Baht 103.95 million. The subsidiary had already paid a land deposit in the amount of Baht 5.1 million. In January 2003, the subsidiary registered of the rights of transfer and paid a further amount of Baht 63 million.

NOTE 12 - INVESTMENTS IN RELATED PARTIES - NET

Investments in related parties - net as at December 31, 2002 and 2001

(Amounts : Thousand Baht)

	Paid up Capital		Percentage of Shareholding	Consolidated						Nature of Business
				Cost Method		Equity Method		Deficit on Investments		
Subsidiaries	2002	2001	2002	2002	2001	2002	2001	2002	2001	
Chanachai Limited	90,000	90,000	99%	101,524	101,524	-	-	(491,621)	(501,456)	Property Development
Jainad Limited	30,000	30,000	99%	51,950	51,950	-	-	(28,081)	(26,750)	Property Development
Plus Property Partners Co., Ltd. (Formerly : Sansiri Property Plus Limited)	168,640	12,000	60.48%	102,000	12,000	87,881	11,492	-	-	Office and Condominium Management
Point Asia Access Co., Ltd.	-	10,000	-	-	5,500	-	-	-	(902)	Internet Services and Telecommunication
Sansiri Home Network Co., Ltd.	1,000	1,000	100%	1,000	1,000	-	-	(24,459)	(19,975)	Internet Services
Richee Holding Alliance Co., Ltd.	700,000	-	100%	687,220	-	640,783	-	-	-	Hotel
Sansiri Venture Co., Ltd. (formerly : Absolute Business Co., Ltd.)	3,000	-	51%	1,484	-	-	-	(10,157)	-	Property Development
S.U.N. Management Co., Ltd.	10,000	-	51%	5,100	-	4,155	-	-	-	Property Development
Total investments in subsidiaries				950,278	171,974	732,819	11,492	(554,318)	(549,083)	
Associated companies										
Cathay Asset Management Co., Ltd.	25,000	25,000	20%	6,000	6,000	8,823	5,149	-	-	Financial and Investment Advisory Services
Starwood Thailand Property Fund 1	4,287	4,287	25%	8,034	8,034	5,742	5,810	-	-	Property Fund managed Assets of Financial Institutions
Total investments in associated companies				14,034	14,034	14,565	10,959	-	-	
Related companies										
Regency One Co., Ltd	200,000	200,000	10%	20,000	20,000	-	-	-	-	
Grand Unity Development Co.,Ltd.	50,000	50,000	3.12%	1,563	1,563	1,563	1,563	-	-	
Less Allowance for diminution in value				(20,000)	(20,000)	-	-	-	-	
Total investments in related companies - net				1,563	1,563	1,563	1,563	-	-	
Total investments in related parties - net				965,875	187,571	748,947	24,014	(554,318)	(549,083)	

In June 2002, a subsidiary company hired an independent appraiser, Thai Property Appraisal Vigers (Thailand) Co., Ltd., to appraise land, a hotel building and hotel renovations. On June 26, 2002 the independent appraiser valued the assets by category, which were land, hotel building and hotel renovation. The revaluation basis in the report date June 28, 2002 is summarized as follows:

- Land has been appraised at Baht 352,200,000.

- Hotel buildings and hotel renovation have been appraised at Baht 1,677,000,000.

In addition, in October 2002, a subsidiary company hired an independent appraiser, Thai Property Appraisal Vigers (Thailand) Co., Ltd., to appraise a plot of land. The independent appraiser revalued it on October 25, 2002. In his report dated October 31, 2002 the appraisal result was without appraising land value because it was under the compulsive obligation and under-developed. The cost of such land is equal to Baht 3.10 million.

- The aforementioned appraised values are based on their existing use and cost. It applied the comparative market price for land and replacement cost less accumulated depreciation for hotel building and hotel renovation.

- Depreciation and amortization for year ended December 31, 2002 was Baht 57.17 million and Baht 31.18 million in the consolidated and in the Company's financial statements, respectively.

- Depreciation and amortization for year ended December 31, 2001 was Baht 39.09 million and Baht 34.56 million in the consolidated and in the Company's financial statements, respectively.

- As at December 31, 2002 equipment at a cost of Baht 22.68 million and Baht 21.25 million in the consolidated and in the Company's financial statements, respectively was fully depreciated but still in use.

- As at December 31, 2001 equipment at a cost of Baht 20.72 million and 20.24 million in the consolidated and in the Company's financial statements, respectively was fully depreciated but still in use.

- The lease agreement is for 30 years, starting from June 1, 1994 to May 31, 2024.

NOTE 14 - BANK OVERDRAFTS AND LOANS FROM FINANCIAL INSTITUTIONS

	Consolidated		The Company	
	2002	2001	2002	2001
	Baht	Baht	Baht	Baht
Bank overdrafts	28,948,495.41	2,950,184.76	8,552,720.79	1,331,834.34
Promissory note - bank	200,000,000.00	-	-	-
Bill of exchange - Securities Company Limited and Asset Management Co., Ltd	200,000,000.00	-	200,000,000.00	-
Total	428,948,495.41	2,950,184.76	208,552,720.79	1,331,834.34

NOTE 15 - LOANS FROM RELATED PARTIES - NET

Loans from related parties - net as at December 31, consisted of:

	Consolidated	
	2002 Baht	2001 Baht
Related company		
Point Asia Dot Com Co., Ltd	-	10,000,000.00
Univentures Public Company Limited	59,836,000.00	-
Prestige Gift and Premium Company Limited	1,365,000.00	-
Total	61,201,000.00	10,000,000.00

	Consolidated Baht
Loans from related parties	
Beginning balance	10,000,000.00
Addition during the year	71,295,000.00
Deduction during the year	(20,094,000.00)
Ending balance as at December 31, 2002	61,201,000.00

NOTE 16 - DEBENTURE

At the Extraordinary Shareholders' Meeting held on August 7, 2002, it was resolved to offer debenture for sale totaling not more than Baht 2,000,000,000 or foreign currency equaled to Baht.

NOTE 17 - SETTLEMENT OF DEBTS WITH FINANCIAL INSTITUTIONS

Subsidiaries

On September 1, 2000, a subsidiary company entered into a debt restructuring agreement with a commercial bank. As at June 30, 2000, such debt included principal of Baht 223.42 million and accrued interest of Baht 109.35 million. According to the agreement, the subsidiary would transfer its leasehold right on the Lung Suan project of the Bureau of the Crown Property to the amount of Baht 130.97 million of which Baht 30 million shall be paid by cash and used by the bank to subscribe for the increased share capital of the parent company in the amount of 5 million shares at Baht 5 par value. The subsidiary already made the Baht 30 million cash payment in the last quarter of 2000. As at September 20, 2001, the subsidiary made a memorandum on the amendment to the first debt restructuring with changes of conditions from the existing agreement as follows:

The subsidiary agreed to transfer the above leasehold land to the bank, at a transfer value of Baht 95.73 million, of which Baht 80.44 million was allocated to principal and Baht 15.29 million to interest. The subsidiary also agreed to repay accrued interest of Baht 6 million on the principal to the bank, for the period from December 2000 to September 2001. The parent company assumed responsibility for this accrued interest repayment on behalf of the subsidiary. For the remaining principal balance of Baht 122.98 million, the subsidiary agreed with the bank on the interest calculation as follows:

1st - 2nd years Interest is payable at 6 % per annum.
3rd - 6th years Interest is payable at the rate of the bank's MLR per annum.

For the principal of Baht 122.98 million, the subsidiary agreed to make repayment within the next 6 years with a grace period of two years for the principal. The repayment conditions are as follows:

1st - 2nd years Effective October 2001, repayment is to be made only for the whole amount of monthly interest.
3rd - 6th years Principal is to be repaid monthly in the amount of not less than Baht 2.57 million with a separate repayment of the whole amount of interest.

After compliance with all the conditions, the bank agreed to waive the full amount of the remaining interest. In addition, the subsidiary has prepared a memorandum of understanding on the transfer of the leasehold (construction) right between the bank and the Bureau of Crown Property.

Later in the fourth quarter, the subsidiary company repurchased the leasehold of Lung Suan project held by the Bureau of the Crown Property from the bank for Baht 97.20 million in order to sell the leasehold to a company for Baht 102.20 million. The buyer is responsible for the tax and related expenses on the sale of such leasehold, totaling Baht 7.16 million. As a result, the subsidiary company earned a profit from the sale of the leasehold in the amount of Baht 5 million. The Company already made an agreement to transfer the leasehold to such company on December 3, 2001.

NOTE 18 - LONG-TERM DEBTS

Long-term debts as at December 31, consisted of:

	Consolidated		The Company	
	2002	2001	2002	2001
	Baht	Baht	Baht	Baht
Loans from banks and finance company	2,355,098,999.43	160,839,127.01	1,049,223,999.43	37,864,127.01
Hire-purchase payables				
and installment payables	7,786,138.00	14,961,000.00	7,786,138.00	12,140,830.00
Total	2,362,885,137.43	175,800,127.01	1,057,010,137.43	50,004,957.01
Less current portion of				
long - term debts	(133,403,338.43)	(17,276,789.01)	(65,693,338.43)	(15,518,819.01)
	2,229,481,799.00	158,523,338.00	991,316,799.00	34,486,138.00

Parent Company

In March 2002, the Company obtained a loan facility under an agreement from a local bank of Baht 99.36 million for property development, the principal of which will be repaid within 3 years.

In June 2002, the Company entered into a credit support agreement with a local bank. The available line is divided into three and totals Baht 132.66 million, the limit on guarantee letters for the project amounted to Baht 5.5 million. These loans are to be used for property development. The repayment will be made within 20 months from the first date of withdrawal and will be paid every time in accordance with the conditions of the agreement.

In July 2002, the Company obtained a loan facility under an agreement from a finance company of Baht 77.20 million for property development, the principal of which will be repaid within 1 year and six months. Such loan is to be used for property development.

In July 2002, the Company obtained a loan facility under an agreement from a finance company with a contractual credit limit of Baht 375 million, repayable in 83 monthly installments in compliance with the conditions of the agreement. The Company is also required to make investments in the promissory notes for the finance company on monthly basis for 7 months in total in the amount of not less than Baht 1 million or until the total deposit reaches Baht 7.5 million. The loan is to be used for making debt repayments to other financial institutions and for property development.

In July 2002, the Company entered into a credit agreement with a local bank. The line is divided into a credit line of Baht 664.92 million and a guarantee letter facility for the project's public utilities in the amount of Baht 30 million. It is repayable within 4 years. Such loan is to be used for property development.

In August 2002, the Company obtained a loan facility under an agreement with a local bank. The long-term loan facility amounted to Baht 450 million and the promissory note facility to Baht 165 million. The loan is repayable within 3 years and six months. Such loan is to be used for property development

In November 2002, the Company obtained a loan facility under an agreement with a finance company for Baht 26.50 million, repayable in 84 monthly installments starting one year from the first month of the first withdrawal in compliance with the conditions of the agreement.

In March 2001, the Company entered into a credit support agreement with a local bank. The facility is divided into a bank overdraft in the amount of Baht 2 million, two contractual credit limits in the amount of Baht 205 million and a guarantee letter facility for the project in the amount of Baht 8 million. Such loan is to be used for operating activities and property development. The repayment will be made within 3 years from the first date of withdrawal and will be paid every time in accordance with the conditions of the agreement.

In 2001, the Company obtained a long-term loan facility and bank overdraft from a bank of Baht 90 million, the principal of which will be repaid within 3 years. Interest is payable monthly.

As at December 31, 2002, long term credit facility agreements amounted to Baht 3,817.13 million and Baht 2,321.13 million, and the undrawdown amounts were Baht 1,080.73 million and Baht 1,076.63 million, in the consolidated and the Company's financial statements, respectively.

Subsidiary Company

A subsidiary company obtained a loan facility under loan agreement dated May 30, 2001 and memorandum of understanding dated May 3, 2002 from a local bank. The amount according to the first agreement was Baht 1,200 million, and had already been drawn down as at December 31, 2002 in the amount of Baht 1,195.90 million. The first principal repayment was paid in June 2002 and in accordance with the conditions of the agreement. Principal and interest repayments are to be finished by June 30, 2012.

Later on December 24, 2002 the Company received a letter with additional covenants from the commercial bank changing the terms and obligations, the interest rate, repayment and the due date to finish repayments, and terms of repayment prior to due date principal and interest are to be paid off by September 30, 2012.

The current portion of long-term debt is presented under current liabilities.

NOTE 19 - SHARE CAPITAL

19.1. At the Board of Directors' Meeting held on July 3, 2002, it was resolved to allot 15,500,000 ordinary shares at Baht 5 per share to two funds under a subscription agreement made between the Company and Starwood Thailand Corporation on March 3, 1999. The Company registered the increased share capital on July 12, 2002.

19.2. At the Extraordinary Shareholders' Meeting held on August 7, 2002, it was resolved to reduce the authorized share capital of the Company from Baht 13,294,143,810 to Baht 3,013,282,780 by removing the non-issued authorized share capital of 1,028,086,103 shares. The remaining shares numbered 5,796,600.

In addition, it was resolved to increase the authorized share capital from Baht 3,013,282,780 to Baht 21,850,577,100 by issuing 1,883,729,432 new common shares of Baht 10 par value. This totaled Baht 18,837,294,320, and were allotted for sale as follows:

1) 571,500,000 ordinary shares of Baht 10 par value at price Baht 4.41 per share. The Company registered the increased paid up share capital on August 27, 2002.

2) The Company set aside shares for capital increase in the amount of 1,082,879,432 shares at Baht 5 each, in case Starwood Thailand Corporation exercises its right to apply for shares under the Share Subscription Agreement dated March 3, 1999, which could not be terminated unless the new investor handed over the assets to Starwood in return for termination of the said agreement.

3) The Company allocated shares for capital increase in the amount of 200,000,000 shares at the price not lower than 80% of the market price of its shares. The market price is calculated based on the weighted average price or the average closing price of shares traded by the companies listed on the Stock Exchange of Thailand not over 30 trading days before the date the Board of Directors had a resolution to offer the shares as assigned. The shares are to be allocated to the investors and/or institutional investors, totaling not over 35 investors, within the twelve-month period in accordance with the SEC Notification regarding conditions and measures for asking approval to offer newly issued shares. The Board of Directors will make judgment in defining details of such allocation.

4) 29,350,000 shares were issued to support the rights of shares purchase according to warrants for common stock to increase share for by directors and staff of the Company and subsidiaries in a limited amount for the fourth time at Baht 6 per share.

In addition, it was resolved to cancel the issue of share warrants for the remaining unalloted number of 226,000 shares in the second share option project to increase the Company's authorized share capital for the directors and staff of the Company and subsidiaries in a limited amount.

3. At the Extraordinary Shareholders' Meeting held on November 18, 2002 it was resolved to:

1) Decrease the authorized share capital of the Company from Baht 21,850,577,100 to Baht 11,021,782,780 by reducing the non-issued authorized share capital of 1,082,879,432 shares. These shares were being reserved for Starwood Thailand Corporation under a subscription agreement dated on March 3, 1999, but as the agreement had been cancelled. The remaining 35,146,600 shares that are authorized but not sold because they are shares being reserved for warrants and option for common stock. The Company registered decreased share capital on November 27, 2002.

2) Transfer the total existing amount of the reserve in line with Section 116 and the share premium reserve in line with Section 51 of the Public Company Limited Act to compensate its total deficits in accordance with the regulation prescribed in Section 119 of the Public Company Limited Act. (See note 28.2 to financial statement)

3) Decrease the Company's share capital from Baht 11,021,782,780 to Baht 9,423,624,276.90 by decreasing the share par value from Baht 10 per share to Baht 8.55 per share so as to use such amount to reduce the Company's deficits after having already reduced them with reserve and share premium reserve.

4) Change the offering price of shares for the capital increase and the discounts on these shares in the portion offered at the price lower than the registered value so as to be in agreement with the change of share value as a result of capital decrease as follows:

   1) 200,000,000 ordinary shares shall be issued at the price not lower than their par value and 80% of the market price of the Company's shares. The market price is calculated based on the weighted average price or the average closing price of shares traded by the companies listed on the Stock Exchange of Thailand not over 30 trading days before the date the Board of Directors had a resolution to offer the shares as assigned by the resolution of the Extraordinary Meeting of Shareholders No. 1/20002 held on August 7, 2002.

   2) 29,350,000 ordinary shares, Baht 6 each. (Share discount is determined in the amount of Baht 2.55 per share)

   3) 5,796,600 ordinary shares, Baht 5 each. (Share discount is determined in the amount of Baht 3.55 per share)

NOTE 20 - REVENUES FROM PROJECT SALES

In the first and second quarter of 2001, the Company changed certain contract values and adjusted the estimated project cost. As a result, revenues from project sales in the second quarter of 2001 decreased in the amount of approximately Baht 5.73 million and revenues from project sales in the first quarter of 2001 increased in the amount of approximately Baht 5.73 million.

NOTE 21 - PRIOR YEAR' S ADJUSTMENT

21.1 In 2000, the Company mistakenly recorded 2001 revenues from business management services and rental income in the amount of Baht 3.54 million as income for the year ended December 31, 2000. The Company had already adjusted the financial statements of 2000, accordingly to make a proper amendment. As the result basic loss per share for the year 2000 increased in Baht 0.01 per share.

21.2 In 2002, the Company adjusted its investment in a mutual fund (see note 12.2 to the financial statements)

NOTE 22 - ASSETS PLEDGED AS COLLATERAL

1. As at December 31, 2002 and 2001, the land and leasehold including the building of a parent company project and leasehold of buildings had been pledged as collateral against loans from banks and financial institutions.

2. As at December 31, 2002, the shares of a subsidiary company held by the parent company had been pledged as collateral against a loan from a bank.

3. In 2000, leasehold of a property development project for rent had been pledged as collateral against a loan from a bank. In 2001, the above leasehold has transferred to the bank for debt restructuring (see note 17 to the financial statements).

4. As at December 31, 2002, cash at bank of Baht 161.36 million and Baht 156.64 million in the consolidated and the Company's financial statements, respectively was pledged against debts and/or commitments and to secure letters of guarantees issued by banks.

   As at December 31, 2001, fixed deposits of Baht 15.59 million and Baht 11.05 million in the consolidated and the Company's financial statements, respectively were pledged against secure letters of guarantees issued by banks.

5. As at December 31, 2002, the subsidiary company Hotel's plot of land including the existing structures (balance per book totaled Baht 2,090.34 million) and structures to be constructed in the future were mortgaged as collateral for short-term and long-term loans with a domestic commercial bank in the amount of Baht 1,400 million.

6. As at December 31, 2002, the land of a subsidiary company project had been pledged as collateral against a loan from a finance company in the amount of Baht 48 million.

NOTE 23 - COMMITMENTS AND CONTINGENCIES

1) As at December 31, 2002, the Company had commitments resulting from project construction agreements, decoration agreements and developing system agreements of Baht 354.25 million and Singapore dollars 0.16 million in the consolidated financial statements and Baht 128.17 million and Singapore dollars 0.16 million in the Company's financial statements and from letters of guarantee issued by banks of Baht 161.36 million in the consolidated financial statements and Baht 156.64 million, in the Company's financial statements. In addition, the Company had commitments resulting from Golf Agreement in the Territory (Thailand, Myanmar, Cambodia and Laos) of pound 0.14 million

   As at December 31, 2001, the Company had commitments resulting from project construction and service agreements of Baht 103.98 million and Baht 107.39 million in the consolidated and the Company's financial statements and from letters of guarantee issued by banks of Baht 15.59 million and Baht 11.05 million in the consolidated and the Company's financial statements, respectively.

2) As at December 31, 2001, the Company, as co-defendant in a lawsuit had made provision for the repayment of principal and interest in the amount of Baht 18.24 million on the basis that the creditor of the Company had breached the agreement. In the first quarter of the year 2002, the said creditor filed a motion to withdraw this case; so the Company reversed the said provision of Baht 18.24 million.

3) As at December 31, 2002, the Company recognized the provision on contingent liabilities from being sued in the financial statements in the amount of Baht 9.10 million and Baht 0.48 million in the consolidated and the Company's financial statement, respectively.

   At December 31, 2001, the Company had a provision in the financial statements in respect of possible liabilities as a result of being sued in the amount of Baht 8.90 million and Baht 1.11 million in the consolidated and the Company's financial statement, respectivelys.

4) The Company had commitments resulting from a subscription agreement and a debt repayment agreement with Starwood Thailand Corporation in March 1999. The said company or its designated party can subscribe for shares in the Company under the agreements and the Company's regulations, up to 51% of the total issued shares by December 31, 2002. Later on June 24, 2002, the Company entered into the agreement to cancel the said agreements.

Subsidiary Company

1. On May 18, 2001 and December 14, 2001, a subsidiary company entered into a Hotel Management Agreement, in compliance with a letter dated April 29, 2002, with a company to operate and manage the Hotel under a trademark for a period of 12 years. The subsidiary company to pay a basic management fee at a percentage rate of the gross revenue per annum and an incentive fee at the percentage rate of the gross operational profit per annum. In addition, the company is entitled to an additional incentive fee in accordance with the conditions of the agreement.

NOTE 24 - LONG-TERM LEASE AGREEMENTS

1. On December 20, 1999 the Company entered into a lease contract for land for construction with a person, covering 15 years between January 1, 2000 and December 31, 2014, with total value of Baht 54 million. On an annual basis, payment of rent is made on the 10th of January according to the following details:

   1. Rent of the period between January 1, 2000 and December 31, 2004 is Baht 3.0 million per annum.

   2. Rent of the period between January 1, 2005 and December 31, 2009 is Baht 3.6 million per annum.

   3. Rent of the period between January 1, 2010 and December 31, 2014 is Baht 4.2 million per annum.

2. The Company entered into a rental agreement with a related company for office accommodation and for rent for a period of 30 years from June 1, 1994 to May 31, 2024. At the date of signing the agreement the Company paid total rental amount of approximately Baht 548.57 million. At the end of the contract, the Company must return the assets to the lessor. The Company cannot request anything from the lessor under the agreement.

3. A subsidiary company entered into a land rental agreement with the Royal Palace Office for construction of condominium for the Baan Sansiri Project for a period of 30 years from November 1, 1993. At the date of signing the agreement, the Company made a lump sum payment for rental in amount of Baht 117.70 million.

4. A subsidiary company entered into a land rental agreement with the Crown Property Bureau. Buildings and structures will be constructed on the land for rent. The agreement lasts 30 years from September 16, 2002 and the total rent is approximately Baht 88.04 million, which shall be paid in compliance with the terms of the agreement as follows

   1. On the date of signing the agreement, the Company has to pay the rent to the lessor in the amount of Baht 15.95 million.

   2. On the 13th month from the date of the agreement, the Company shall make payment of Baht 15.95 million.

   3. The Company agrees to make payment for the remaining rent together with the compound interest at the rate of 7 per annum based on the number of units derived from the registration of sublease.

      - The rent for the 1st-15th units is approximately Baht 0.72 million per unit.

      - The rent for the 16th-37th units is approximately Baht 2.06 million per unit.

5. A subsidiary entered into a building lease agreement for 3 years, which will expire in 2004. The monthly rental is Baht 142,400 and the said subsidiary also had a car leasing commitment which has no expiry date. The monthly rental is Baht 31,580.

NOTE 25 - EMPLOYEE INFORMATION

	Consolidated		The Company	
	2002 Baht	2001 Baht	2002 Baht	2001 Baht
Number of employee (persons)	1,146	452	120	88
Employee benefit expenses (million : Baht)	247.06	94.09	53.79	44.41

NOTE 26 - SEGMENT INFORMATION

Segment information for the year ended December 31, 2002

	Real estate	Management decoration and representative	Internet and telecommunication	Hotel	Total	Eliminated	Total
Revenue							
Revenue from project sales	826,892,077.22	41,330,000.00	-	-	868,222,077.22	-	868,222,077.22
Revenue from project for rent	118,438,111.31	-	-	-	118,438,111.31	(518,790.00)	117,919,321.31
Revenue from other business management	4,032,356.00	152,075,301.78	1,541,039.52	34,502,318.27	192,151,015.57	(48,324,355.80)	143,826,659.77
Revenue - room	-	-	-	171,847,376.70	171,847,376.70	(94,424,875.81)	77,422,500.89
Revenue - food and beverage	-	-	-	71,528,763.31	71,528,763.31	(37,925,123.16)	33,603,640.15
Revenue from leasehold right written off	31,918,080.72	-	-	-	31,918,080.72	-	31,918,080.72
Total	981,280,625.25	193,405,301.78	1,541,039.52	277,878,458.28	1,454,105,424.83	(181,193,144.77)	1,272,912,280.06
Expenses							
Cost of project sales	634,752,044.16	38,869,792.13	-	-	673,621,836.29	-	673,621,836.29
Cost of project for rent	67,932,920.95	-	-	-	67,932,920.95	(1,800,000.00)	66,132,920.95
Cost of other business management	9,413,053.14	108,486,607.12	1,846,579.50	22,250,777.30	141,997,017.06	(24,812,099.22)	117,184,917.84
Cost - room	-	-	-	128,454,809.10	128,454,809.10	(79,852,198.13)	48,602,610.97
Cost - food and beverage	-	-	-	78,968,393.45	78,968,393.45	(43,145,143.75)	35,823,249.70
Leasehold and development costs written off	20,446,380.00	-	-	-	20,446,380.00	-	20,446,380.00
Total	732,544,398.25	147,356,399.25	1,846,579.50	229,673,979.85	1,111,421,356.85	(149,609,441.10)	961,811,915.75
Gross profit (loss)	248,736,227.00	46,048,902.53	(305,539.98)	48,204,478.43	342,684,067.98	(31,583,703.67)	311,100,364.31
Fixed assets	456,570,720.60	11,018,037.13	-	2,113,808,170.77	2,581,396,928.50	(5,229,081.36)	2,576,167,847.14

SEGMENT INFORMATION IN 2001

Segment information for the year ended December 31, 2001

	Real estate	Management decoration and representative	Internet and telecommunication	Total	Eliminated	Total
Revenue						
Revenue from project sales	285,039,998.80	-	-	285,039,998.80	-	285,039,998.80
Revenue from project for rent	97,015,698.25	-	-	97,015,698.25	(1,829,705.80)	95,185,992.45
Revenue from other business management	8,021,542.27	102,069,336.76	4,958,694.20	115,049,573.23	(16,251,986.14)	98,797,587.09
Revenue from leasehold rights	31,918,080.72	-	-	31,918,080.72	-	31,918,080.72
Revenue from cancellation and rental seizing	2,493,783.37	-	-	2,493,783.37	-	2,493,783.37
Total	424,489,103.41	102,069,336.76	4,958,694.20	531,517,134.37	(18,081,691.94)	513,435,442.43
Expenses						
Cost of project sales	220,703,127.40	-	-	220,703,127.40	(253,808.82)	220,449,318.58
Cost of project for rent	61,827,318.41	-	-	61,827,318.41	(1,800,000.00)	60,027,318.41
Leasehold and development costs written off	20,446,380.00	-	-	20,446,380.00	-	20,446,380.00
Cost of other business management	9,735,458.77	72,273,070.17	11,482,755.06	93,491,284.00	(8,457,849.47)	85,033,434.53
Total	312,712,284.58	72,273,070.17	11,482,755.06	396,468,109.81	(10,511,658.29)	385,956,451.52
Gross profit (loss)	111,776,818.83	29,796,266.59	(6,524,060.86)	135,049,024.56	(7,570,033.65)	127,478,990.91
Fixed assets	463,995,112.47	6,580,829.49	8,206,546.39	478,782,488.35	(285,994.99)	478,496,493.36

NOTE 27 - FINANCIAL INSTRUMENTS

As at December 31, 2002 and 2001, the Company and subsidiaries have no policy to use any kinds of derivative financial instrument for speculation or commercial purposes.

Accounting Policies

Details of significant accounting policies and methods adopted, including the basis on which income and expenses are recognized, in respect of each class of financial assets or financial liabilities are disclosed in Note 4.

Credit Risk

The Company and its subsidiary have determined a risk management policy through analysis of their customers and counter parties' financial status, and also have defined the rules for credit approval and the debt collection period. In addition in the case of most of the customers of the property projects are quite good and requests for deposit made in advance. In the cases of customers whose receivables are expected to be uncollectable, the Company and subsidiaries will set up the allowance for doubtful accounts.

The Company believes that the maximum value of risk equals the carrying amount of debts deducted by allowance doubtful debts as presented in the balance sheet.

Interest Rate Risk

Financial assets of the Company have both fixed and floating interest rates.

Financial liabilities are loans for use in the operations and project development, which mostly have floating interest rates based on market rates given to good customers.

The Company does not use any financial instruments to reduce the uncertainty of future cash flows that may occur from changes in interest rates.

Liquidity Risk

Most of the Company's financial assets consist of cash and cash at banks, short-term investment - fixed deposit, note receivable – financial institutions and loans to related parties. The ability of fund mobilization to timely and adequately accommodate commitments under the financial instruments depends on the debt repayment capacity of project receivables, accounts receivable - services and related parties receivables.

Fair Value of Financial Instruments

The Company uses the methods and assumptions for estimating fair value of its financial instrument as follows:

Cash on hand and at banks, Short-term Investments - fixed deposits, Note receivable - financial institutions and loan to related parties : The book values are similar to the fair value since these financial instruments are held on a short term basis

Accounts, note receivable and unbilled completed work - net : The book values deduct provision for doubtful debts are close to the fair value since these financial instruments will be due and settled within a short period.

Investment in Subsidiaries - Investment in subsidiaries has no market value. The fair value can be reasonably calculated from the net assets of the subsidiary companies that are close to the carrying value in the balance sheet.

Bank overdrafts and loans from financial institutions, Accounts payable - construction, Accounts payable -trade, Accounts payable - others and Accrued expenses - The book values are close to the fair value since these financial instruments will be due in short period.

Long-term Loans : The book values are close to the fair value since this financial instrument has money market floating interest rates.

NOTE 28 - SUBSEQUENT EVENTS

28.1 According to the resolution of the Board of Directors' Meeting held on December 24, 2002, the Company established a new 100% owned subsidiary company, Siri Phuket Company Limited with an authorized fully paid capital of Baht 1 million, comprising 100,000 shares at Baht 10 each. The subsidiary company registered its establishment in January 2003.

28.2 On February 14, 2003, the Company registered to decrease the Company's share capital from Baht 11,021,782,780 to Baht 9,423,624,276.90 by decreasing the share value from Baht 10 per share to Baht 8.55 per share according to the resolution of the Extraordinary Shareholders' Meeting held November 18, 2002, in order to use the fund desired from the decrease in share capital to compensate the Company's accumulated deficit after having compensated them with reserve and share premium reserve.