



บ้านกลางกรุง บ้านกลางเมือง *The City*



# Asian Property Development

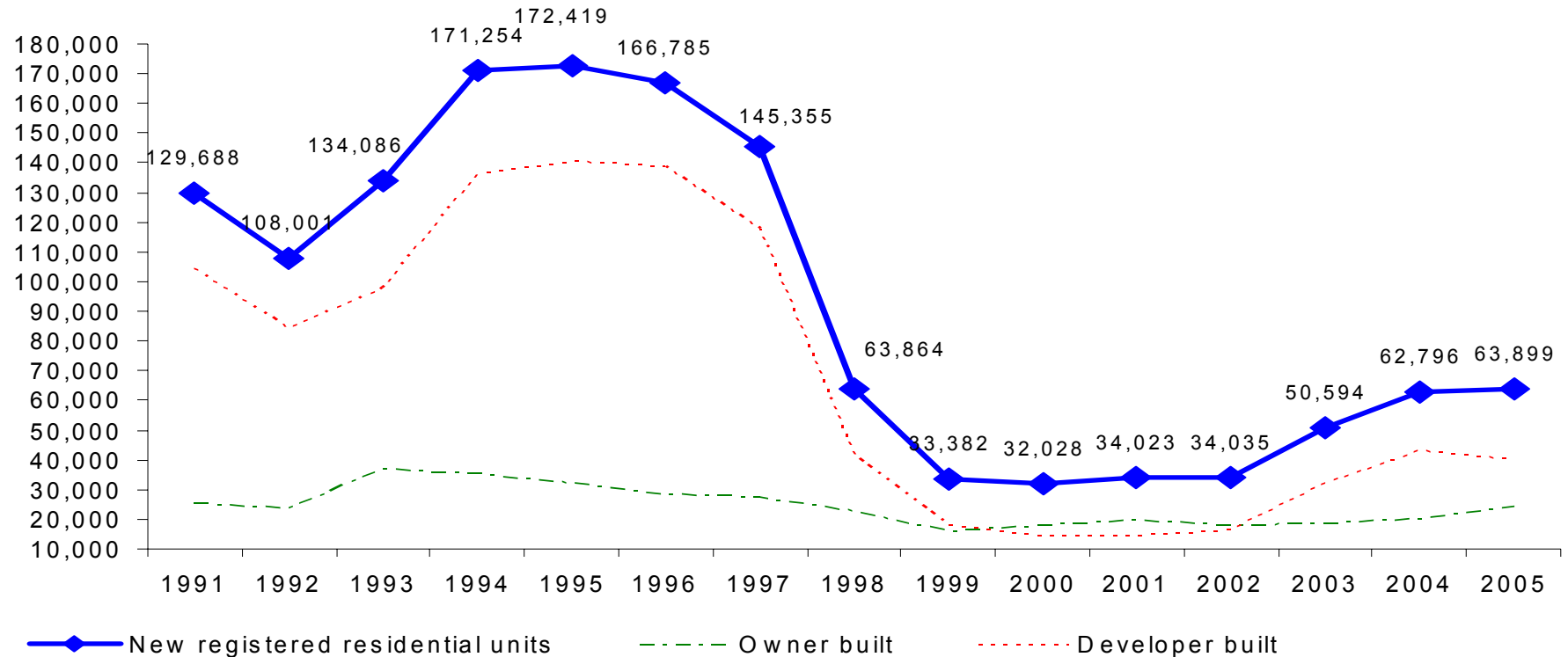
13 July 2006

# What are Differences of Property Market Between Bangkok and Developed Cities?

---

	Bangkok	Developed Countries
Domination	Newly-built housing market	Secondary market
CBD area	Large (sattelite town)	Limited
Law & regulations of construction and development (ie. construction restriction, zoning)	Eased	Restricted
Population & age structure	High growth stage	Declining growth stage
Land plots for development	Plenty	Limited
Land purchase	Local brokers	Auction (bidding process)
Property assets	Residential development	Rental income

# House Registration Numbers



	Jan - Dec 2004	Jan - Dec 2005	Growth (%)
Total	62,796	63,899	1.8%
Owner-Built	19,859	24,064	21.2%
Developer-built	42,937	39,835	-7.2%

# New Registered Residential Units during Jan – Dec 2005

	Jan - Dec 2004	Jan - Dec 2005	Growth (%)
Single Detached Houses	44,248	44,436	0.4%
Owner-Built	17,617	21,769	23.6%
Developer-built	26,631	22,667	-14.9%

	Jan - Dec 2004	Jan - Dec 2005	Growth (%)
Townhouses & Shophouses	16,363	13,455	-17.8%
Owner-Built	2,242	2,295	2.4%
Developer-built	14,121	11,160	-21.0%

	Jan - Dec 2004	Jan - Dec 2005	Growth (%)
Condominiums	2,185	6,008	175.0%
Owner-Built			
Developer-built	2,185	6,008	175.0%

# New Registered Residential Units during Jan – Mar 2006

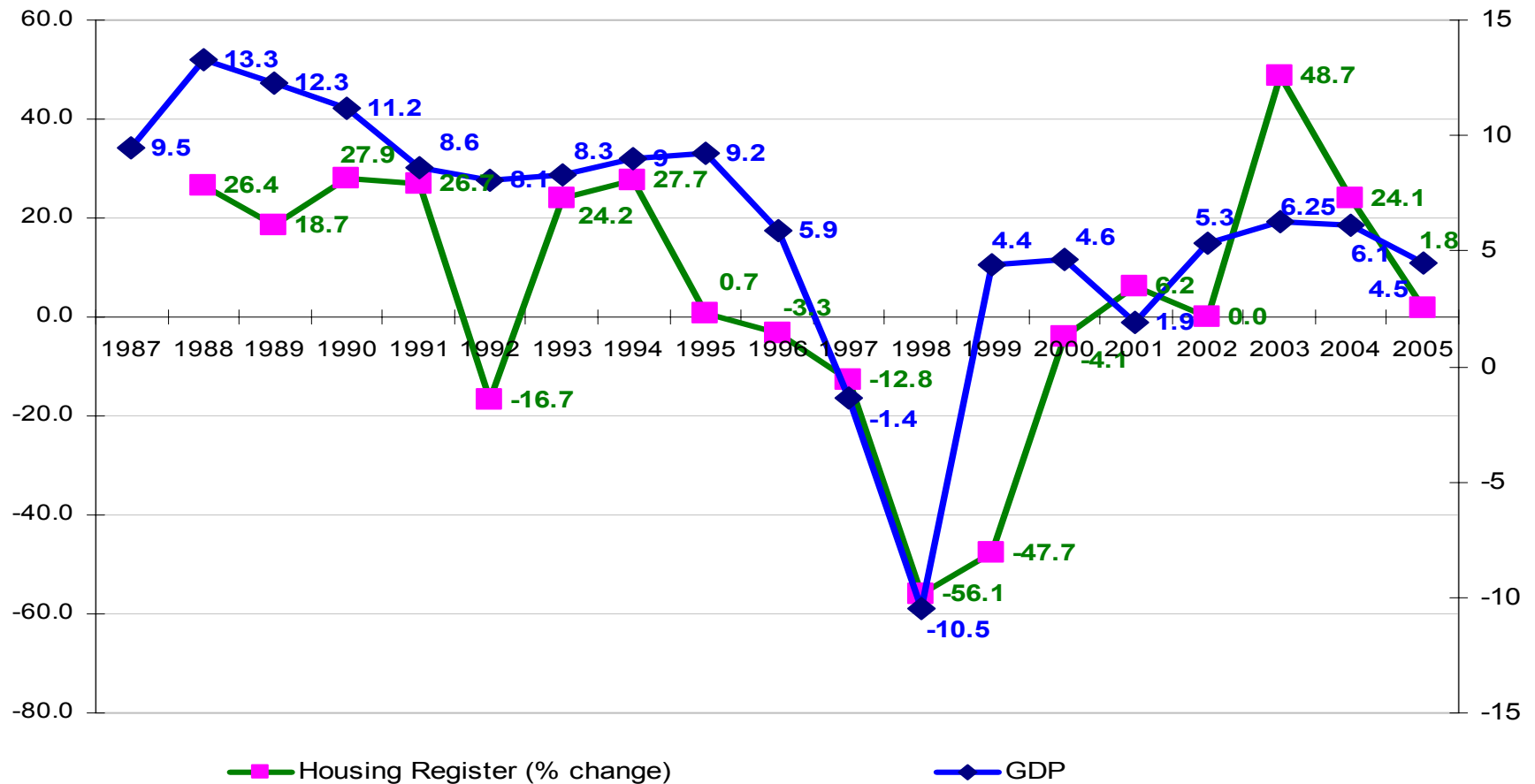
	Jan - Mar 2005	Jan - Mar 2006	Growth (%)
Total	16,709	15,564	-6.9%
Owner-Built	5,657	6,975	23.3%
Developer-built	11,052	8,589	-22.3%

	Jan - Mar 2005	Jan - Mar 2006	Growth (%)
Single Detached Houses	11,009	11,071	0.6%
Owner-Built	4,901	6,362	29.8%
Developer-built	6,108	4,709	-22.9%

	Jan - Mar 2005	Jan - Mar 2006	Growth (%)
Townhouses & Shophouses	4,044	3,745	-7.4%
Owner-Built	756	613	-18.9%
Developer-built	3,288	3,132	-4.7%

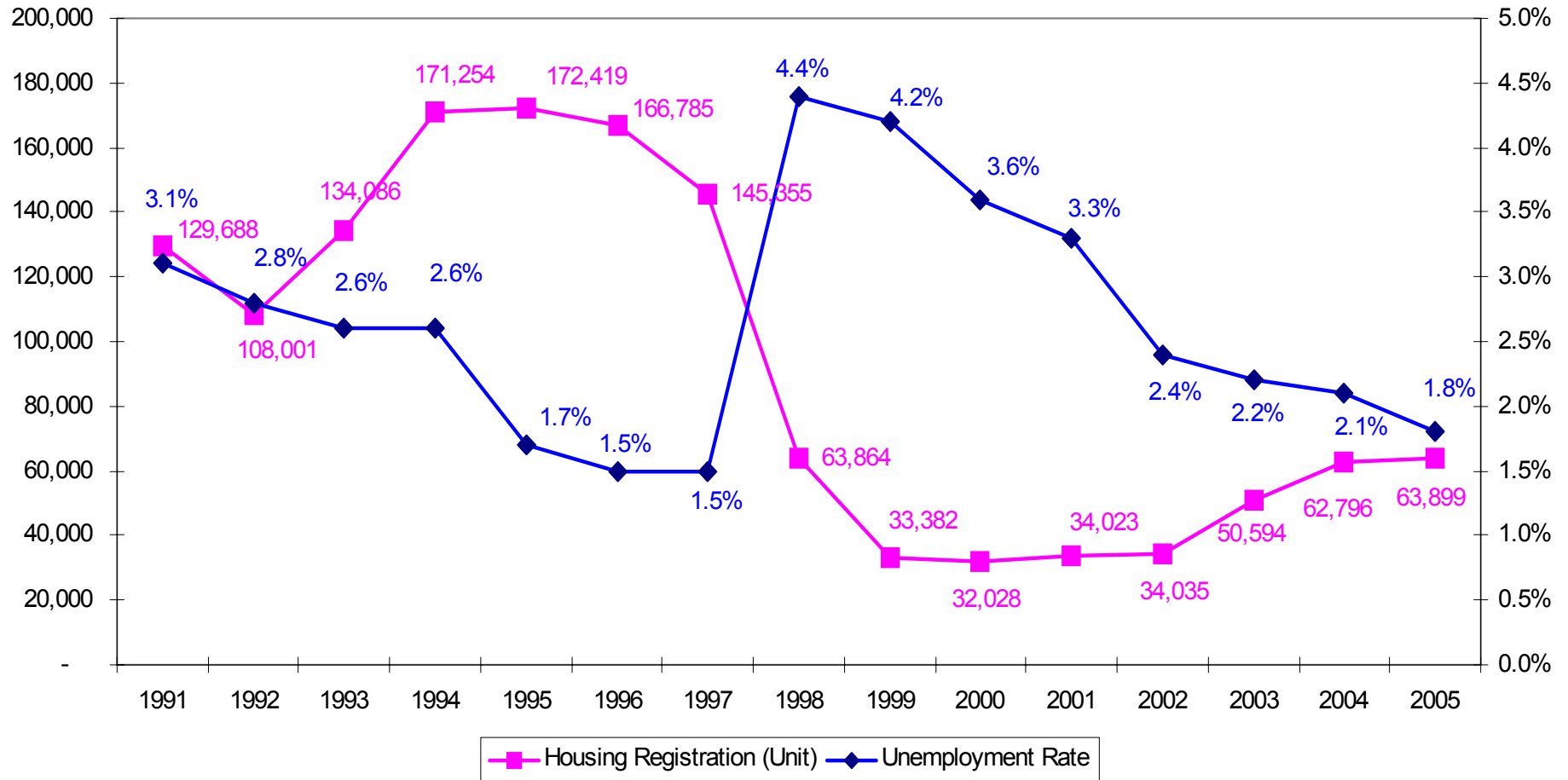
	Jan - Mar 2005	Jan - Mar 2006	Growth (%)
Condominiums	1,656	748	-54.8%
Owner-Built			
Developer-built	1,656	748	-54.8%

# Housing Registration Growth vs GDP Growth



Source: BOT, GHB, Asian Property Development

# Housing Registration (Unit) vs Unemployment Rate



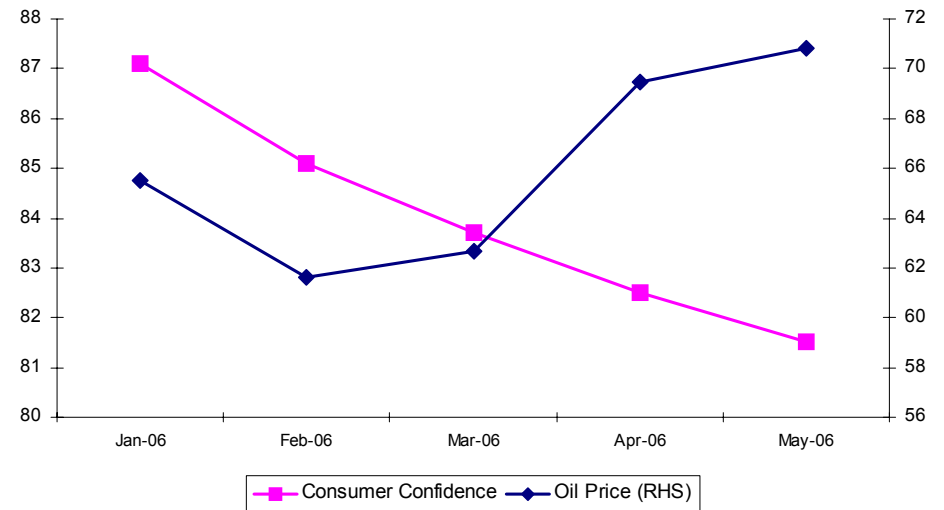
Source: BOT, GHB, Asian Property Development

# Consumer confidence vs. Oil price

Consumer confidence vs. Oil price in 2005



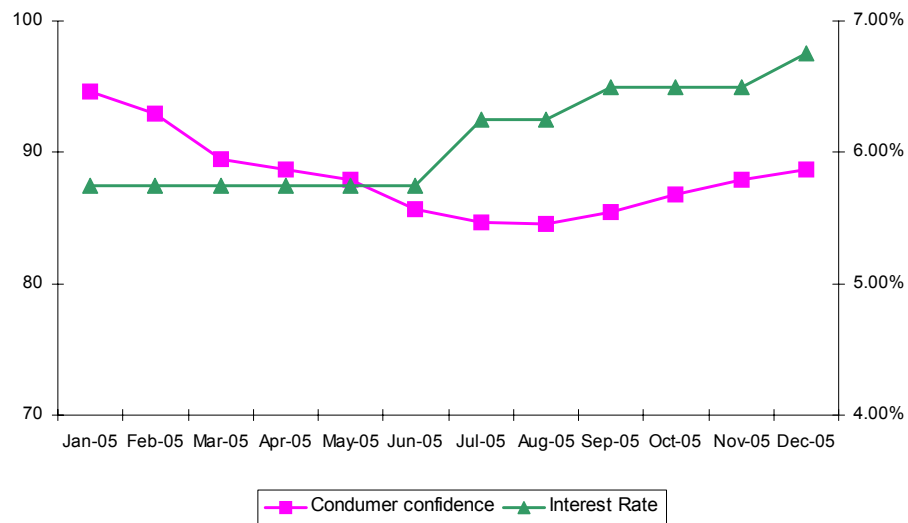
Consumer confidence vs. Oil price in 2006



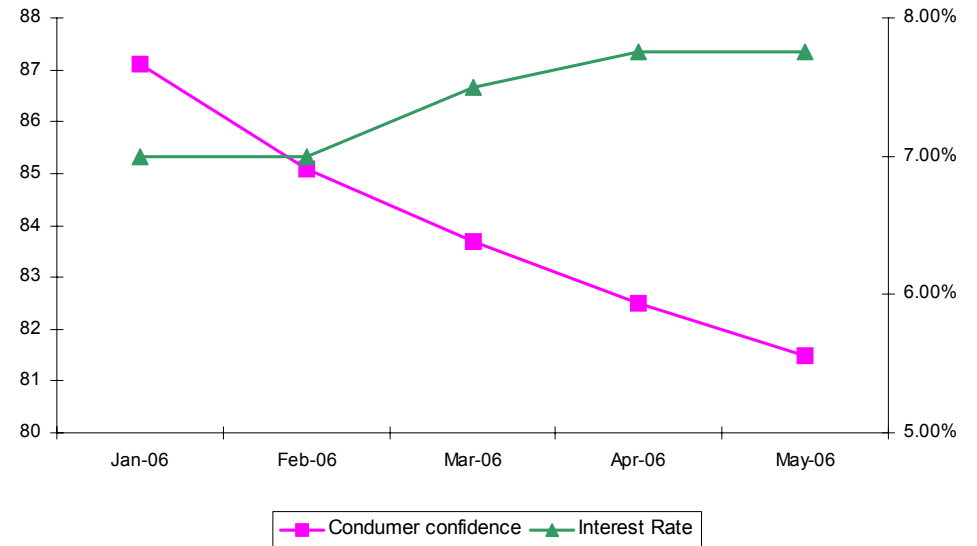


# Consumer confidence vs. Interest rate

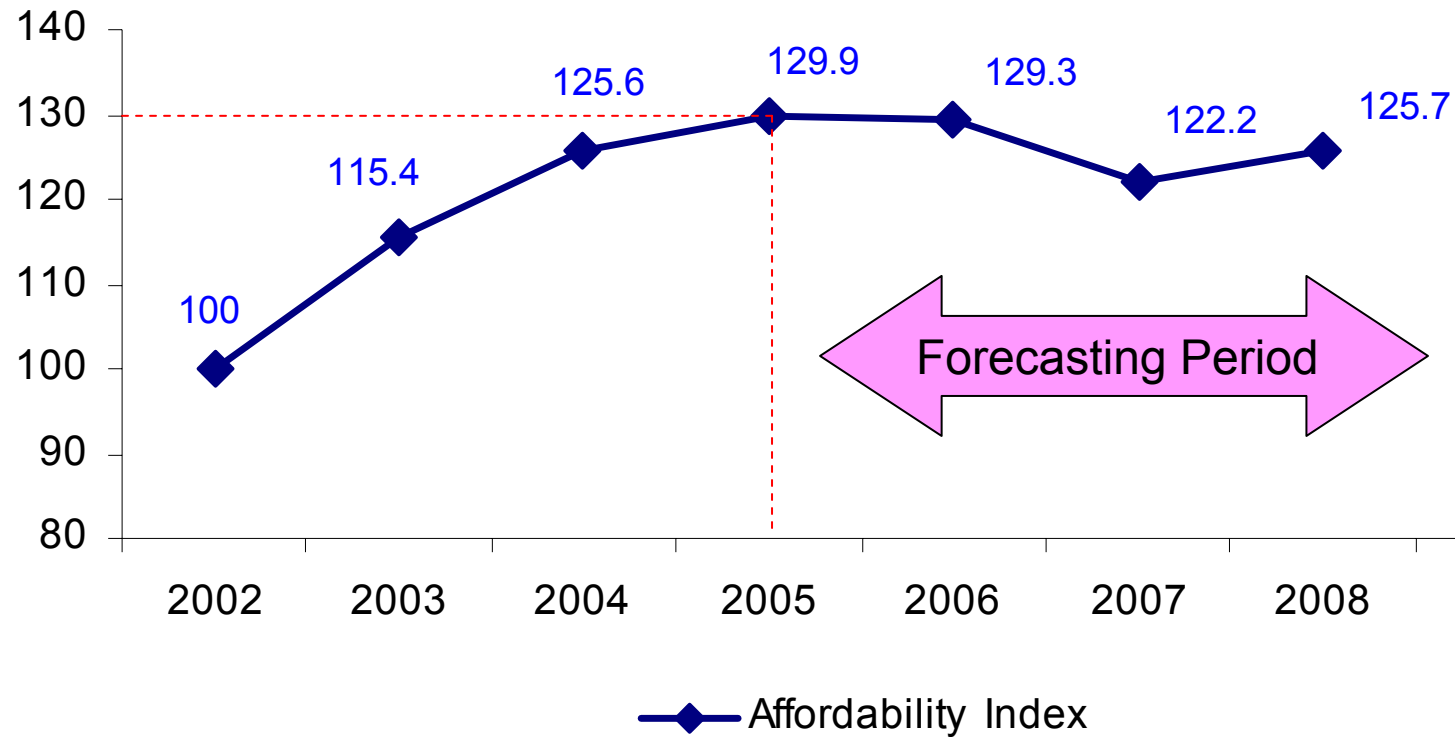
Consumer confidence vs. Interest rate in 2005



Consumer confidence vs. Interest rate in 2006



# Affordability Index



# Source of Financing

---

	2004	2005	% Change
New Property Development Loan	46,146	28,587	(38.05)
New Bond Issued (Q1-Q3) (for Property Developers)	14,400	10,000	(30.55)

# Market Share of Large Property Developers (units)

---

	2002	2003	2004	2005	Q1 2006
House registration number by developers	16,342	31,996	42,937	39,835	8,589
Market share of major developers	64%	52%	43%	54%	65%

# Top 5 Product Launches in 2005

## By Units

	Unit	Proportion	% change
SDH 3-5 m	6,678	11.05	-15.9
TH 1-2 m	6,582	10.89	+3.7
TH <1 m	6,045	10.00	-29.1
Condo 1-2 m	5,887	9.74	+56.9
Condo <1 m	5,620	9.30	+143.6
Total		50.98	

## By Values

	Value	Proportion	% change
SDH 5-10 m	28,835	14.37	-29.6
SDH 3-5 m	26,169	13.04	-14.2
Condo >10 m	20,334	10.13	-26.0
SDH >10 m	18,159	9.05	-57.8
TH 1-2 m	9,619	4.79	+11.8
Total		51.38	

# Top 5 Product Launches in May 2006

## By Units

	Unit	Proportion
Condo 1-2 m	3,780	16.32
TH <1 m	2,414	10.42
Condo <1 m	2,213	9.56
TH 1-2 m	2,055	8.87
SDH 2-3 m	1,957	8.45
Total		53.63

## By Values

	Value	Proportion
SDH 5-10 m	10,600	17.20
SDH 3-5 m	7,803	12.66
Condo 1-2 m	5,427	8.81
SDH 2-3 m	5,025	8.16
Condo >10 m	4,776	7.75
Total		54.58

# Land Subdivision Permit

---

	2004	2005	% Change
Bangkok and Greater Bangkok	41,139	46,299	12.5%
Bangkok	15,906	18,433	15.9%
Greater Bangkok	25,233	27,866	10.4%

	Q1 2005	Q1 2006	% Change
Bangkok and Greater Bangkok	10,744	8,530	-20.6%

# Construction Permit (2004-2005)

<b>LOW RISE</b>		<b>2004</b>	<b>2005</b>	<b>% change</b>
Bangkok and Greater Bangkok	(by no. building)	72,601	40,873	-43.7%
	(by sq.m.)	16,034,095	9,535,356	-40.5%
Bangkok	(by no. building)	32,433	19,583	-39.6%
	(by sq.m.)	8,764,116	5,635,100	-35.7%
Greater Bangkok	(by no. building)	40,168	21,290	-47.0%
	(by sq.m.)	7,269,979	3,900,256	-46.4%

<b>HIGH RISE</b>		<b>2004</b>	<b>2005</b>	<b>% change</b>
Bangkok and Greater Bangkok	(by no. building)	377	1,050	178.5%
	(by sq.m.)	658,838	1,180,725	79.2%
Bangkok	(by no. building)	13	66	407.7%
	(by sq.m.)	11,802	76,730	550.1%
Greater Bangkok	(by no. building)	364	984	170.3%
	(by sq.m.)	647,036	1,103,995	70.6%

Source: Real Estate Information Center, Government Housing Bank.

The figures derived from summarizing monthly data since the yearly data will be released by National Statistical office in Jun 06.

Thus, the data may be changed significantly thereafter.

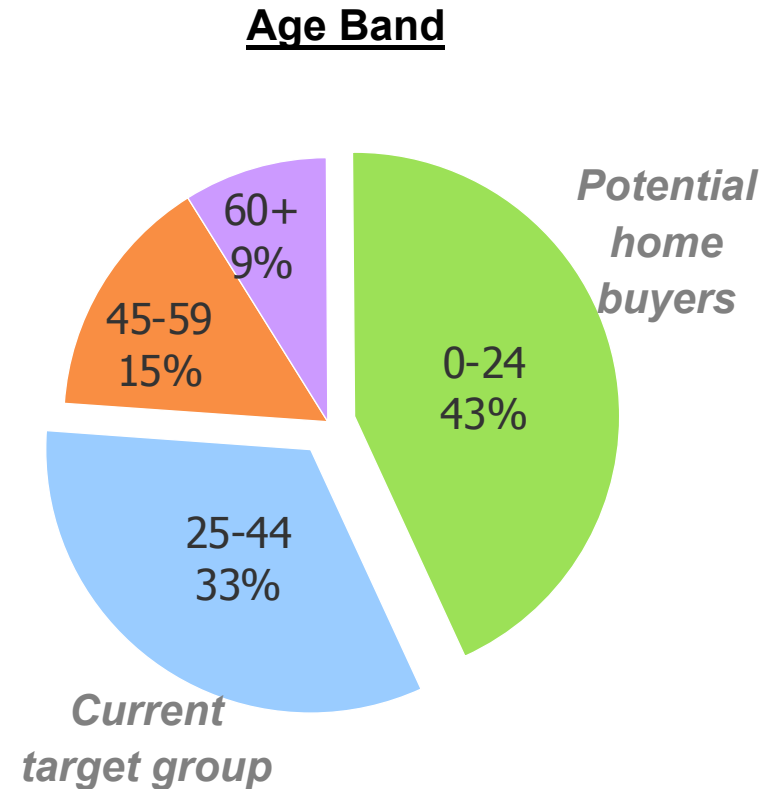
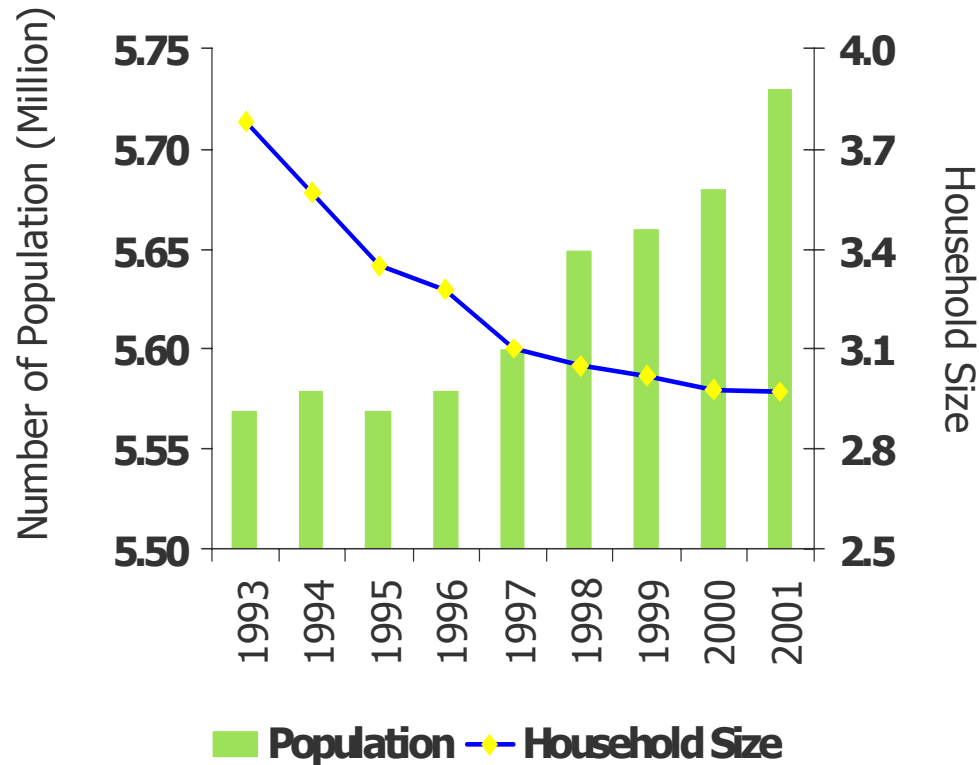


# Construction Permit (Q1 2006)

---

<b>LOW RISE</b>		<b>Q1 2005</b>	<b>Q1 2006</b>	<b>% change</b>
Bangkok and Greater Bangkok	(by no.of building)	40,392	30,992	-23.3%
	(by sq.m.)	6,200,076	5,387,446	-13.1%
<b>HIGH RISE</b>				
Bangkok and Greater Bangkok	(by no.of building)	532	128	-75.9%
	(by sq.m.)	378,116	189,774	-49.8%

# Supportive Demographics



# Housing Demand per Year

---

- **National Economic and Social Development**

(Government, issued 2002)

**123,075 units/year**

- Low income

**64,985 units**

- Medium to High income

**58,090 units**

- **Kasikorn Research Center**

(Kasikorn Bank, issued 2004)

**92,700 units/year**

- Low income

**40,000 units**

- Medium to High income

**52,700 units**

- **Fiscal Policy Research Institute Foundation**

(Government Agency, issued 2004)

- Total Demand

**113,000 – 120,000 units/year**

- Development Built

**71,000 – 81,000 units**

---

---

# Projects Update

---

# Ongoing Projects (as of Jun 30, 2006)

	Type	Rai	No of units	Project value (Btm)	Launch year	Completion (last unit transferred)	% sold (in unit) (as of Jun 30, 2006)	Available for sales (Btm)
Place & Park	SDH	91.6	275	800		N/A		800
The City (Rama 5 - Pinklao)	SDH	90.0	258	1,700	Q3 2004	Q4 2007	59%	705
The City (Pinklao)	SDH	38.0	88	700	Q3 2004	Q4 2007	69%	215
Baan Klang Muang (British Town Srinakarin)	TH	43.5	413	1,630	Q1 2005	Q4 2007	62%	616
Baan Klang Krung (Siam - Patumwan)	Condo	4.7	580	2,900	Q1 2005	Q4 2007	98%	50
Baan Klang Muang (The Paris Ratchavibha)	TH	17.0	137	737	Q2 2005	Q4 2006	99%	5
Sydney Office Park (Ladprao 71)	TH	11.5	76	669	Q4 2005	Q3 2006	93%	44
Baan Klang Muang (Grand De Paris Ratchada)	TH	18.0	209	870	Q4 2005	Q2 2007	64%	316
Baan Klang Krung (Grande Vienna Rama III)	TH	18.2	205	1,420	Q4 2005	Q4 2006	87%	187
Baan Klang Krung (Grande Vienna Rama III)	SDH	13.1	24	500	Q4 2005	Q4 2007	25%	375
Baan Klang Muang (Luzern On-nut 46)	TH	26.1	299	880	Q4 2005	Q2 2008	27%	645
Baan Klang Muang (Monte-carlo Ratchavibha)	TH	26.9	261	1,273	Q1 2006	Q4 2007	37%	800
Klang Krung Office Park (San Francisco Bangna)	TH	19.0	110	1,040	Q1 2006	Q3 2007	59%	425
Vogue @ Siam	Condo	1.6	224	1,100	Q2 2006	Q4 2008	52%	530
Baan Klang Krung (The Nice Ratchavibha)	SDH	18.2	50	670	Q2 2006	Q4 2007	18%	549
Life @ BTS Tapra	Condo	4.1	661	1,100	Q3 2006	Q1 2009	11%	982
								<b>7,245</b>

Note: 1 rai = 0.4 acre = 0.16 hectare = 400 sq.w. = 1,600 sq.m., 1 sq.feet = 0.09 sq.m. , 1 sq.m. = 10.76 sq. feet

SDH = Single Detached Houses, TH = Townhouses

# Future Projects to be launched in 2006

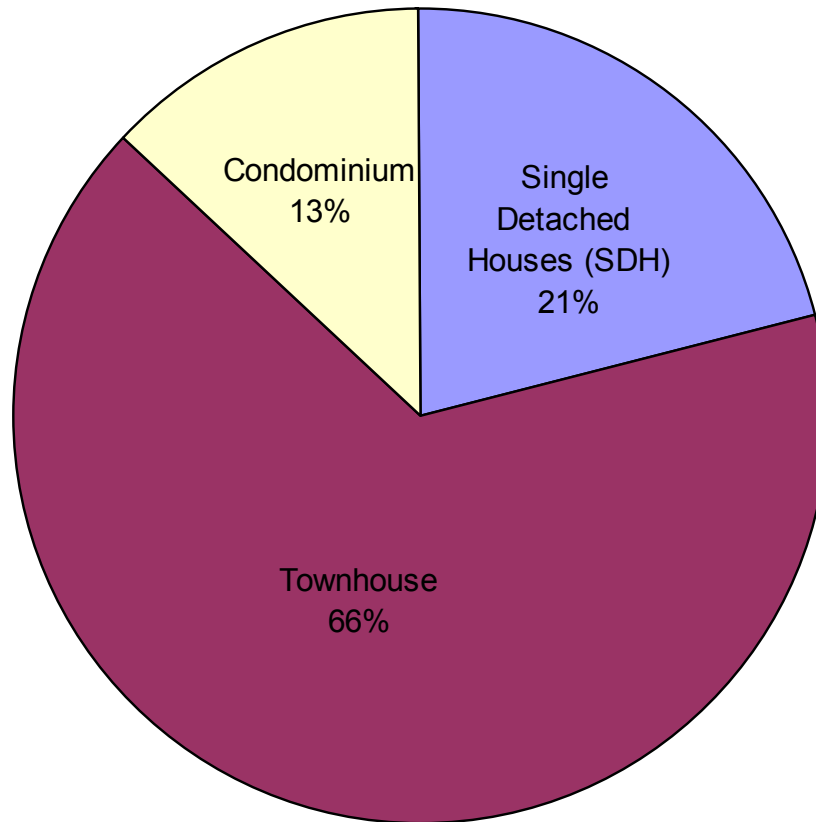
	Type	Rai	No of units	Project value (Btm)	Land acquisition	Launch year	Completion (last unit transferred)
Baan Klang Krung (Ratchayotin)	TH	35.6	329	1,400	Q3 2005	Q3 2006	Q4 2008
Baan Klang Muang (Srinakarin - Anamai)	TH	24.7	238	800	Q4 2005	Q4 2006	Q4 2008
Baan Klang Muang (Kaset Navamin)	TH	31.2	320	990	Q4 2005	Q4 2006	Q4 2008
Baan Klang Muang (Krungthep Kreeta) 1	TH	19.1	299	740	Q4 2005	Q4 2006	Q3 2008
Baan Klang Muang (Krungthep Kreeta) 2	TH	10.9	113	310	Q1 2006	Q1 2007	Q4 2008
Baan Klang Muang (Latpraklao)	TH	24.7	350	900	Q1 2006	Q4 2007	Q2 2010
<b>Total planned-to-be-launched projects</b>		<b>146.2</b>	<b>1,649</b>	<b>5,140</b>			

*Note: 1 rai = 0.4 acre = 0.16 hectare = 400 sq.w. = 1,600 sq.m., 1 sq.feet = 0.09 sq.m. , 1 sq.m. = 10.76 sq. feet*

*SDH = Single Detached Houses, TH = Townhouses*

# AP's Project Portfolio

---



## Summary of Projects (million Baht) (as of Jun 30, 2006)

---

Sales backlog as of Q1 2006	<b>5,087</b>
- Recognise in 2006	2,264
- Recognise (from Condo) in 2007&2008	2,823
 Additional sales backlog (1Apr - 30 Jun 2006)	 <b>1,445</b>
 Total sales backlog to be recognised	 <b><u>6,532</u></b>
 Backlog to be recognised as income in 2006	 <b>2,982</b>
Backlog to be recognised as income in 2007&2008	<b>3,550</b>



# Financial Summary

	Q1 2006	2005	Q4 2005	Q3 2005	Q2 2005	Q1 2005	2004	2003	2002
Revenues from Property Development (Btm)	1,546	4,490	1,499	1,174	1,092	725	4,793	4,312	2,408
YoY Chg (%)	113.2%	-6.3%	-25.9%	-8.2%	11.0%	43.1%	11.2%	79.0%	128.9%
Consolidated Revenues (Btm)	1,546	5,258	1,499	1,363	1,353	1,043	5,740	4,757	2,701
YoY Chg (%)	48.3%	-8.4%	-35.7%	-0.1%	3.2%	42.3%	20.7%	76.1%	110.8%
QoQ Chg (%)	3.1%		10.0%	0.7%	29.8%	-55.3%			
Gross profit from Property Development (Btm)	505	1,551	491	393	412	254	1,821	1,674	899
Gross margin from Property (%)	32.7%	34.5%	32.8%	33.5%	37.7%	35.1%	38.0%	38.8%	37.3%
Overall Gross profit (Btm)	505	1,683	491	435	448	309	2,004	1,771	993
Gross margin (%)	32.7%	32.0%	32.8%	31.9%	33.1%	29.7%	34.9%	37.2%	36.8%
Operating profit (Btm)	324	976	291	258	251	176	1,369	1,441	745
Operating margin (%)	21.0%	18.6%	19.4%	18.9%	18.6%	16.9%	23.9%	30.3%	27.6%
Net profit (Btm)	233	765	243	207	167	148	1,097	1,192	688
YoY Chg (%)	57.2%	-30.3%	-46.7%	-28.0%	-20.8%	3.3%	-7.9%	73.2%	160.0%
QoQ Chg (%)	-3.7%		17.2%	23.9%	12.4%	-67.4%			
EPS (Bt)	0.10	0.34	0.11	0.09	0.07	0.07	0.48	0.53	0.34
Total assets (Btm)	10,565	10,291	10,291	9,266	9,570	9,900	9,247	6,620	3,586
Equity (Btm)	4,213	3,983	3,983	3,824	3,708	4,259	4,266	3,325	1,706
Outstanding debt (Btm)	5,156	5,303	5,303	4,530	4,755	4,584	4,030	2,471	1,464
Net debt (Btm)	4,593	4,787	4,787	4,163	4,347	3,965	3,322	1,507	1,108
Net debt to equity (x)	1.09	1.20	1.20	1.09	1.17	0.93	0.78	0.45	0.65
ROE (%) (average equity)	N/A	18.5%	N/A	N/A	N/A	N/A	28.9%	47.4%	52.2%

Source: Asian Property Development

# Impact from Material Cost Rises (Assuming a 10% Rise in Raw Material Cost)

## Raw material costs

## Construction costs (incl. Labor)

## Total costs (incl. Land)

	Before Increase		After		Before Increase		After		Before Increase		After
	(%)				(%)						
Low cost housing :				Low cost housing :				Low cost housing :			
Structure	25	10.0	27.50	Material cost	75	10.0	82.500	Construction	80	7.5	86.00
Architecture&System	75	10.0	82.50	Labor cost	25	-	25.000	Land	20	-	20.00
			110.00				107.500				106.00
Medium-high cost housing :				Medium-high cost housing :				Medium-high cost housing :			
Structure	25	10.0	27.50	Material cost	75	10.0	82.500	Construction	50	7.5	53.75
Architecture&System	75	10.0	82.50	Labor cost	25	-	25.000	Land	50	-	50.00
			110.00				107.500				103.75
Condominium :				Condominium :				Condominium :			
Structure	40	10.0	44.00	Material cost	75	10.0	82.500	Construction	80	7.5	86.00
Architecture&System	60	10.0	66.00	Labor cost	25	-	25.000	Land	20	-	20.00
			110.00				107.500				106.00