

Home Product Center Public Company Limited and its subsidiaries

Statements of financial position

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2012	31 December 2011	31 March 2012	31 December 2011
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents	3	2,998,028	1,977,324	2,958,894	1,933,407
Trade and other receivables	3, 4	945,796	986,436	937,839	994,644
Inventories	5	4,386,809	4,382,496	4,386,809	4,382,496
Other current assets		129,436	108,269	127,317	105,570
Total current assets		8,460,069	7,454,525	8,410,859	7,416,117
Non-current assets					
Investments in subsidiaries	6	-	-	14,839	14,839
Investment properties	7	1,132,735	1,095,983	1,132,735	1,095,983
Property, plant and equipments	8	11,240,324	10,812,386	11,237,671	10,809,358
Computer software	9	192,687	189,548	192,398	189,250
Leasehold rights	10	1,073,739	1,059,396	1,073,739	1,059,396
Property foreclosed		3,230	3,230	3,230	3,230
Rental guarantee deposits	3	51,937	51,937	51,921	51,921
Other non-current assets		11,605	10,999	3,217	2,834
Total non-current assets		13,706,257	13,223,479	13,709,750	13,226,811
Total assets		22,166,326	20,678,004	22,120,609	20,642,928

The accompanying notes are an integral part of the financial statements.

Home Product Center Public Company Limited and its subsidiaries

Statements of financial position (continued)

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2012	31 December 2011	31 March 2012	31 December 2011
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	3, 12	7,819,387	7,291,779	7,788,739	7,261,163
Current portion of liabilities under financial lease agreements	13	5,105	3,720	5,105	3,720
Short-term loans from related party	3	-	-	90,000	90,000
Current portion of debentures	14	1,000,000	300,000	1,000,000	300,000
Income tax payable		598,106	438,008	598,106	438,008
Value added tax payable		2,120	41,642	1,585	41,123
Advances received from customers		898,357	768,901	898,357	768,901
Other current liabilities		339,359	271,849	336,135	269,789
Total current liabilities		10,662,434	9,115,899	10,718,027	9,172,704
Non-current liabilities					
Liabilities under financial lease agreements					
- net of current portion	13	14,966	8,420	14,966	8,420
Debentures - net of current portion	14	2,000,000	2,700,000	2,000,000	2,700,000
Provision for long-term employee benefits		95,685	91,352	95,685	91,352
Rental received in advances - net of current portion		472,439	477,850	472,439	477,850
Other non-current liabilities		187,527	163,187	107,752	87,084
Total non-current liabilities		2,770,617	3,440,809	2,690,842	3,364,706
Total liabilities		13,433,051	12,556,708	13,408,869	12,537,410

The accompanying notes are an integral part of the financial statements.

Home Product Center Public Company Limited and its subsidiaries

Statements of financial position (continued)

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2012	31 December 2011	31 March 2012	31 December 2011
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Shareholders' equity					
Share capital	15				
Registered share capital					
5,881,394,685 ordinary shares of Baht 1 each		5,881,395	5,881,395	5,881,395	5,881,395
Issued and fully paid-up					
5,837,989,953 ordinary shares of Baht 1 each (31 December 2011: 5,836,721,415 ordinary shares of Baht 1 each)		5,837,990	5,836,721	5,837,990	5,836,721
Share premium		636,728	636,330	636,728	636,330
Retained earnings					
Appropriated					
Statutory reserve - The Company		448,000	417,700	448,000	417,700
- Subsidiary		500	500	-	-
Unappropriated		1,810,173	1,230,140	1,789,022	1,214,767
Other components of shareholders' equity		(120)	(98)	-	-
Equity attributable to owners of the Company		8,733,271	8,121,293	8,711,740	8,105,518
Non-controlling interests of the subsidiary		4	3	-	-
Total shareholders' equity		8,733,275	8,121,296	8,711,740	8,105,518
Total liabilities and shareholders' equity		22,166,326	20,678,004	22,120,609	20,642,928
		-	-	-	-

The accompanying notes are an integral part of the financial statements.

.....
Directors
.....

Home Product Center Public Company Limited and its subsidiaries

Statements of comprehensive income

For the three-month periods ended 31 March 2012 and 2011

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2012	2011	2012	2011
Profit or loss:					
Revenues					
Sales income		8,414,057	6,606,427	8,414,332	6,606,664
Rental and service income		243,510	223,707	205,703	188,193
Other income		330,522	264,929	335,061	269,532
Total revenues		8,988,089	7,095,063	8,955,096	7,064,389
Expenses					
Cost of sales		6,324,281	4,989,708	6,324,281	4,989,708
Selling expenses		1,571,182	1,228,421	1,546,065	1,206,897
Administrative expenses		260,520	236,945	259,451	235,747
Other expenses		-	6,958	-	6,958
Total expenses		8,155,983	6,462,032	8,129,797	6,439,310
Profit before finance cost and corporate income tax					
income tax		832,106	633,031	825,299	625,079
Finance cost		(29,189)	(26,510)	(29,894)	(26,834)
Profit before corporate income tax		802,917	606,521	795,405	598,245
Corporate income tax	17	(192,583)	(198,466)	(190,850)	(196,249)
Profit for the period		610,334	408,055	604,555	401,996
Other comprehensive income:					
Exchange differences on translation of financial statements in foreign currency		(22)	-	-	-
Other comprehensive income for the period		(22)	-	-	-
Total comprehensive income for the period		610,312	408,055	604,555	401,996
Profit attributable to:					
Equity holders of the Company		610,333	408,054	604,555	401,996
Non-controlling interests of the subsidiary		1	1		
		610,334	408,055		
Total comprehensive income attributable to:					
Equity holders of the Company		610,311	408,054	604,555	401,996
Non-controlling interests of the subsidiary		1	1		
		610,312	408,055		

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Home Product Center Public Company Limited and its subsidiaries

Statements of comprehensive income (continued)

For the three-month periods ended 31 March 2012 and 2011

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2012	2011	2012	2011
					(Unit: Baht)
Earnings per share	18				
Basic earnings per share					
Profit attributable to equity holders of the Company		<u>0.10</u>	<u>0.07</u>	<u>0.10</u>	<u>0.07</u>
Diluted earnings per share					
Profit attributable to equity holders of the Company		<u>0.10</u>	<u>0.07</u>	<u>0.10</u>	<u>0.07</u>

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Home Product Center Public Company Limited and its subsidiaries**Statements of cash flows**

For the three-month periods ended 31 March 2012 and 2011

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Cash flows from operating activities				
Profit before tax	802,917	606,521	795,405	598,245
Adjustments to reconcile profit before tax to net cash provided by (paid for) operating activities:				
Depreciation and amortisation	280,249	234,055	279,859	233,313
Reversal allowance for doubtful accounts	-	(812)	-	(812)
Decrease of inventory to net realisable value	22,088	17,631	22,088	17,631
Loss (gain) from sales of assets and written-off	(517)	5,991	(515)	5,991
Allowance for impairment of assets	2,000	23,218	2,000	23,218
Provision for long-term employee benefits	4,333	3,642	4,333	3,642
Unrealised exchange gain	(254)	(349)	(254)	(349)
Interest expenses	28,547	26,111	29,332	26,488
Income from operating activities before changes in operating assets and liabilities	1,139,363	916,008	1,132,248	907,367
Decrease (increase) in operating assets				
Trade and other receivables	40,640	21,335	56,805	21,441
Inventories	(26,401)	(156,841)	(26,401)	(156,841)
Value added tax receivable	-	28,231	-	28,231
Other current assets	(21,167)	(13,590)	(21,747)	(13,522)
Other non-current assets	(383)	(517)	(383)	(517)
Increase (decrease) in operating liabilities				
Trade and other payables	498,419	200,790	498,387	196,130
Advances received from customers	129,456	250,505	129,456	250,505
Value added tax payable	(39,522)	-	(39,538)	-
Other current liabilities	67,510	37,232	66,346	36,842
Rental received in advance	(5,411)	(5,412)	(5,411)	(5,412)
Other non-current liabilities	24,340	7,578	20,668	6,875
Cash from operating activities	1,806,844	1,285,319	1,810,430	1,271,099
Cash paid for interest expenses	(24,610)	(19,423)	(25,395)	(19,799)
Cash paid for corporate income tax	(32,707)	(25,357)	(30,752)	(23,539)
Net cash flows from operating activities	1,749,527	1,240,539	1,754,283	1,227,761

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Home Product Center Public Company Limited and its subsidiaries

Statements of cash flows (continued)

For the three-month periods ended 31 March 2012 and 2011

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Cash flows from investing activities				
Acquisition of computer software	(8,267)	(18,018)	(8,267)	(18,018)
Acquisition of leasehold rights	(24,500)	(5,851)	(24,500)	(5,851)
Acquisition of property, plant and equipment	(649,997)	(672,988)	(649,990)	(671,848)
Acquisition of investment properties	(57,003)	(4,982)	(57,003)	(4,982)
Proceeds from sales of equipment	1,368	99	1,366	99
Proceeds from sales of investment properties' equipment	-	24	-	24
Net cash flows used in investing activities	(738,399)	(701,716)	(738,394)	(700,576)
Cash flows from financing activities				
Increase in liabilities under finance lease agreements	7,931	3,579	7,931	3,579
Repayment of debentures	-	(40,000)	-	(40,000)
Converted warrants to share capital	1,667	3,376	1,667	3,376
Net cash flows from (used in) financing activities	9,598	(33,045)	9,598	(33,045)
Translation adjustments	(22)	-	-	-
Net increase in cash and cash equivalents	1,020,704	505,778	1,025,487	494,140
Cash and cash equivalents at beginning of period	1,977,324	1,417,245	1,933,407	1,391,744
Cash and cash equivalents at end of period	2,998,028	1,923,023	2,958,894	1,885,884
	-		-	
Supplemental cash flows information:				
Non-cash items consist of				
Purchases of equipment for which no cash has been paid	25,506	132,539	25,506	132,539

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Home Product Center Public Company Limited and its subsidiaries

Statements of changes in shareholders' equity

For the three-month periods ended 31 March 2012 and 2011

(Unit: Thousand Baht)

Consolidated financial statements										
Equity attributable to owners of the Company										
	Note	Issued and fully paid-up share capital	Premium on ordinary shares	Retained earnings			Other components of equity Other comprehensive income Exchange differences on translation of financial statements in foreign currency	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiary	Total shareholders' equity
				Appropriated - statutory reserve		Unappropriated				
				The Company	Subsidiary					
Balance as at 1 January 2011		4,352,992	621,807	316,800	-	946,606	-	6,238,205	4	6,238,209
Converted warrants to share capital		1,927	1,449	-	-	-	-	3,376	-	3,376
Total comprehensive income for the period		-	-	-	-	408,054	-	408,054	1	408,055
Unappropriated retained earnings transferred to statutory reserve		-	-	20,100	-	(20,100)	-	-	-	-
Balance as at 31 March 2011		<u>4,354,919</u>	<u>623,256</u>	<u>336,900</u>	<u>-</u>	<u>1,334,560</u>	<u>-</u>	<u>6,649,635</u>	<u>5</u>	<u>6,649,640</u>
Balance as at 1 January 2012		5,836,721	636,330	417,700	500	1,230,140	(98)	8,121,293	3	8,121,296
Converted warrants to share capital	15	1,269	398	-	-	-	-	1,667	-	1,667
Total comprehensive income for the period		-	-	-	-	610,333	(22)	610,311	1	610,312
Unappropriated retained earnings transferred to statutory reserve		-	-	30,300	-	(30,300)	-	-	-	-
Balance as at 31 March 2012		<u>5,837,990</u>	<u>636,728</u>	<u>448,000</u>	<u>500</u>	<u>1,810,173</u>	<u>(120)</u>	<u>8,733,271</u>	<u>4</u>	<u>8,733,275</u>

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Home Product Center Public Company Limited and its subsidiaries

Statements of changes in shareholders' equity

For the three-month periods ended 31 March 2012 and 2011

(Unit: Thousand Baht)

Separate financial statements					
	Issued and		Retained earnings		Total
	paid-up	Premium on	Appropriated		shareholders'
Note	share capital	ordinary shares	- statutory reserve	Unappropriated	equity
Balance as at 1 January 2011	4,352,992	621,807	316,800	919,280	6,210,879
Converted warrants to share capital	1,927	1,449	-	-	3,376
Total comprehensive income for the period	-	-	-	401,996	401,996
Unappropriated retained earnings transferred to statutory reserve	-	-	20,100	(20,100)	-
Balance as at 31 March 2011	<u>4,354,919</u>	<u>623,256</u>	<u>336,900</u>	<u>1,301,176</u>	<u>6,616,251</u>
Balance as at 1 January 2012	5,836,721	636,330	417,700	1,214,767	8,105,518
Converted warrants to share capital	1,269	398	-	-	1,667
Total comprehensive income for the period	-	-	-	604,555	604,555
Unappropriated retained earnings transferred to statutory reserve	-	-	30,300	(30,300)	-
Balance as at 31 March 2012	<u>5,837,990</u>	<u>636,728</u>	<u>448,000</u>	<u>1,789,022</u>	<u>8,711,740</u>

The accompanying notes are an integral part of the financial statements.