

Home Product Center Public Company Limited and its subsidiary
Balance sheets

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	31 March 2009	31 December 2008	31 March 2009	31 December 2008
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents	5	846,680	603,788	817,969	579,895
Trade accounts receivable - net	2, 5	135,989	134,983	128,017	130,268
Inventories - net	3	2,814,460	2,728,079	2,814,460	2,728,079
Value added tax receivable		-	11,263	-	11,263
Other receivables	5	255,660	297,520	267,212	304,448
Other current assets		63,711	70,845	49,763	58,369
Total current assets		4,116,500	3,846,478	4,077,421	3,812,322
Non-current assets					
Investment in subsidiary	4	-	-	4,999	4,999
Property, plant and equipments - net	6	8,838,942	8,613,171	8,828,566	8,602,414
Computer software - net	7	126,013	130,162	126,007	130,156
Leasehold rights - net	8	715,936	722,964	715,936	722,964
Property foreclosed		4,174	4,174	4,174	4,174
Rental guarantee deposits	5	38,391	38,391	38,391	38,391
Other non-current assets		14,855	13,732	2,721	2,964
Total non-current assets		9,738,311	9,522,594	9,720,794	9,506,062
Total assets		13,854,811	13,369,072	13,798,215	13,318,384

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

Home Product Center Public Company Limited and its subsidiary

Balance sheets (continued)

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	31 March 2009	31 December 2008	31 March 2009	31 December 2008
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans from					
financial institutions	9	295,611	124,824	295,611	124,824
Trade accounts payable	5	3,929,880	3,697,158	3,924,857	3,692,452
Current portion of liabilities under finance lease					
agreements	10	7,656	9,296	7,656	9,296
Short-term loans from related party	5	-	-	60,000	60,000
Current portion of debentures	11	160,000	660,000	160,000	660,000
Current portion of long-term loans	12	486,240	300,000	486,240	300,000
Payables from purchases of assets		106,374	113,838	106,374	113,838
Accrued expenses		361,060	380,941	343,842	365,069
Value added tax payable		17,488	-	17,178	-
Corporate income tax payable		263,323	166,963	263,323	166,963
Advances received from customers		611,198	443,928	611,198	443,928
Other payables	5	181,968	198,310	173,566	187,112
Other current liabilities		110,537	108,293	108,430	106,646
Total current liabilities		6,531,335	6,203,551	6,558,275	6,230,128
Non-current liabilities					
Liabilities under finance lease agreements					
- net of current portion	10	7,116	5,470	7,116	5,470
Debentures - net of current portion	11	850,000	890,000	850,000	890,000
Long-term loans - net of current portion	12	613,760	675,000	613,760	675,000
Rental received in advance	20.2	537,382	542,794	537,382	542,794
Other non-current liabilities		116,894	96,046	43,665	30,229
Total non-current liabilities		2,125,152	2,209,310	2,051,923	2,143,493
Total liabilities		8,656,487	8,412,861	8,610,198	8,373,621

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

Home Product Center Public Company Limited and its subsidiary

Balance sheets (continued)

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	31 March 2009	31 December 2008	31 March 2009	31 December 2008
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Shareholders' equity					
Share capital	13, 14				
Registered share capital					
1,986,468,146 ordinary shares of Baht 1 each		1,986,468	1,986,468	1,986,468	1,986,468
Issued and paid-up share capital					
1,933,660,026 ordinary shares of Baht 1 each					
(31 December 2008: 1,933,610,600 ordinary shares					
of Baht 1 each)		1,933,660	1,933,611	1,933,660	1,933,611
Share premium		566,810	566,804	566,810	566,804
Retained earnings					
Appropriated - statutory reserve		190,600	178,400	190,600	178,400
Unappropriated		2,507,252	2,277,394	2,496,947	2,265,948
Equity attributable to the Company's shareholders		5,198,322	4,956,209	5,188,017	4,944,763
Minority interest - equity attributable to					
minority shareholders of subsidiary		2	2	-	-
Total shareholders' equity		5,198,324	4,956,211	5,188,017	4,944,763
Total liabilities and shareholders' equity		13,854,811	13,369,072	13,798,215	13,318,384

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

Directors

Home Product Center Public Company Limited and its subsidiary

Income statements

For the three-month periods ended 31 March 2009 and 2008

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2009	2008	2009	2008
Revenues					
Sale of goods	5	4,879,767	4,200,069	4,880,299	4,200,307
Rental and service income	5	188,407	177,787	163,005	151,640
Other income	5	172,202	123,731	175,989	127,531
Total revenues		5,240,376	4,501,587	5,219,293	4,479,478
Expenses					
Cost of sales	5	3,733,576	3,206,549	3,733,576	3,206,549
Selling expenses	5	928,051	802,058	908,343	786,002
Administrative expenses	5	188,225	170,223	185,307	166,861
Management benefit expenses		2,360	2,280	2,360	2,280
Other expenses		4,272	9,425	4,264	9,330
Total expenses		4,856,484	4,190,535	4,833,850	4,171,022
Income before finance cost and corporate income tax					
income tax		383,892	311,052	385,443	308,456
Finance cost	5	(30,777)	(35,237)	(31,187)	(35,639)
Income before corporate income tax		353,115	275,815	354,256	272,817
Corporate income tax	15	(111,057)	(89,004)	(111,057)	(88,374)
Net income for the period		242,058	186,811	243,199	184,443
Net income attributable to:					
Equity holders of the parent		242,058	186,811	243,199	184,443
Minority interests of the subsidiary		-	-		
		242,058	186,811		

(Unit: Baht)

Earnings per share					
16					
Basic earnings per share					
Net income attributable to equity holders of the parent		0.13	0.10	0.13	0.10
Diluted earnings per share					
Net income attributable to equity holders of the parent		0.12	0.10	0.13	0.10

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

Home Product Center Public Company Limited and its subsidiary

Statements of cash flows

For the three-month periods ended 31 March 2009 and 2008

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2009	2008	2009	2008
Cash flows from operating activities				
Net income before tax	353,115	275,815	354,256	272,817
Adjustments to reconcile net income before tax to net cash provided by (paid for) operating activities:				
Depreciation and amortisation	190,678	175,631	189,679	174,677
Allowance (reversal) for doubtful accounts	(8,147)	3,466	(8,147)	3,466
Allowance for stock obsolescence	18,706	10,775	18,706	10,775
Loss from sales of assets	1,150	811	1,142	716
Allowance for impairment of assets	2,000	8,660	2,000	8,660
Unrealised exchange losses - net	-	48	-	48
Interest expenses	30,322	33,609	30,786	34,033
Income from operating activities before changes in operating assets and liabilities	587,824	508,815	588,422	505,192
Decrease (increase) in operating assets				
Trade accounts receivable	7,141	29,835	10,398	25,766
Inventories	(105,087)	(212,968)	(105,087)	(212,968)
Value added tax receivable	11,263	27,203	11,263	27,203
Rental guarantee deposits	-	758	-	774
Other receivables	41,860	60,456	37,236	59,379
Other current assets	7,134	2,468	8,606	(2,504)
Other non-current assets	244	(8,277)	244	(458)
Increase (decrease) in operating liabilities				
Trade accounts payable	232,722	148,620	232,404	150,530
Other payables	(16,342)	(5,587)	(13,546)	(5,446)
Advances received from customers	167,270	244,926	167,270	244,926
Value added tax payable	17,488	-	17,178	-
Accrued expenses	(18,141)	16,026	(19,486)	20,088
Other current liabilities	2,244	15,369	1,784	15,357
Rental received in advance	(5,412)	(5,428)	(5,412)	(5,428)
Other non-current liabilities	20,848	6,209	13,436	5,377
Cash from operating activities	951,056	828,425	944,710	827,788
Cash paid for interest expenses	(32,062)	(35,506)	(32,527)	(35,930)
Cash paid for corporate income tax	(16,064)	(13,871)	(14,697)	(13,241)
Net cash flows from operating activities	902,930	779,048	897,486	778,617

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

Home Product Center Public Company Limited and its subsidiary

Statements of cash flows (continued)

For the three-month periods ended 31 March 2009 and 2008

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2009	2008	2009	2008
Cash flows from investing activities				
Acquisition of software	(2,316)	(212)	(2,316)	(212)
Proceeds from sales of assets	386	287	386	284
Acquisition of assets	(413,956)	(262,194)	(413,330)	(261,643)
Net cash used in investing activities	(415,886)	(262,119)	(415,260)	(261,571)
Cash flows from financing activities				
Increase (decrease) in bank overdrafts and short-term loans				
from financial institutions	170,787	(56,440)	170,787	(56,440)
Increase in long-term loans	200,000	-	200,000	-
Increase (decrease) in liabilities under finance lease agreements	6	(124)	6	(124)
Repayment of debentures	(540,000)	(500,000)	(540,000)	(500,000)
Repayment of long-term loans	(75,000)	(75,000)	(75,000)	(75,000)
Converted warrants to share capital	55	60	55	60
Net cash used in financing activities	(244,152)	(631,504)	(244,152)	(631,504)
Net increase (decrease) in cash and cash equivalents	242,892	(114,575)	238,074	(114,458)
Cash and cash equivalents at beginning of period	603,788	235,075	579,895	219,650
Cash and cash equivalents at end of period	846,680	120,500	817,969	105,192
	-		-	
Supplemental cash flows information:				
Non-cash items consist of				
Decrease in payables from purchases of assets	7,464	75,911	7,464	75,911

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

(Unaudited but reviewed)

Home Product Center Public Company Limited and its subsidiary
Statements of changes in shareholders' equity
For the three-month periods ended 31 March 2009 and 2008

(Unit: Thousand Baht)

Consolidated financial statements								
Equity attributable to the parent's shareholders						Minority		
					Total equity	interest- equity		
					attributable to the	attributable to minority		
					parent's	of shareholders		
Note	Issued and paid-up		Appropriated		shareholders	subsidiary		Total
	share capital	Share premium	- statutory reserve	Unappropriated				
Balance as at 31 December 2007	1,924,920	555,694	130,700	1,712,162	4,323,476	2		4,323,478
Net income for the period	-	-	-	186,811	186,811	-		186,811
Unappropriated retained earnings transferred to statutory reserve	-	-	9,300	(9,300)	-	-		-
Converted warrants to share capital	13, 14	60	-	-	60	-		60
Balance as at 31 March 2008	1,924,980	555,694	140,000	1,889,673	4,510,347	2		4,510,349
Balance as at 31 December 2008	1,933,611	566,804	178,400	2,277,394	4,956,209	2		4,956,211
Net income for the period	-	-	-	242,058	242,058	-		242,058
Unappropriated retained earnings transferred to statutory reserve	-	-	12,200	(12,200)	-	-		-
Converted warrants to share capital	13, 14	49	6	-	55	-		55
Balance as at 31 March 2009	1,933,660	566,810	190,600	2,507,252	5,198,322	2		5,198,324

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

(Unaudited but reviewed)

Home Product Center Public Company Limited and its subsidiary

Statements of changes in shareholders' equity

For the three-month periods ended 31 March 2009 and 2008

(Unit: Thousand Baht)

Separate financial statements						
		Issued and paid-up	Retained earnings			
	Note	share capital	Share premium	Appropriated - statutory reserve	Unappropriated	Total
Balance as at 31 December 2007		1,924,920	555,694	130,700	1,706,189	4,317,503
Net income for the period		-	-	-	184,443	184,443
Unappropriated retained earnings transferred to statutory reserve		-	-	9,300	(9,300)	-
Converted warrants to share capital	13, 14	60	-	-	-	60
Balance as at 31 March 2008		<u>1,924,980</u>	<u>555,694</u>	<u>140,000</u>	<u>1,881,332</u>	<u>4,502,006</u>
Balance as at 31 December 2008		1,933,611	566,804	178,400	2,265,948	4,944,763
Net income for the period		-	-	-	243,199	243,199
Unappropriated retained earnings transferred to statutory reserve		-	-	12,200	(12,200)	-
Converted warrants to share capital	13, 14	49	6	-	-	55
Balance as at 31 March 2009		<u>1,933,660</u>	<u>566,810</u>	<u>190,600</u>	<u>2,496,947</u>	<u>5,188,017</u>

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