

Home Product Center Public Company Limited and its subsidiary

Balance sheets

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2010	31 December 2009	31 March 2010	31 December 2009
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents	5	1,424,493	846,331	1,394,852	824,377
Trade accounts receivable - net	2,5	146,980	128,785	141,489	124,067
Inventories - net	3	2,986,960	2,905,138	2,986,960	2,905,138
Value added tax receivable		-	304	-	-
Other receivables	5	334,853	356,794	337,024	359,049
Other current assets		81,081	63,747	75,076	58,155
Total current assets		4,974,367	4,301,099	4,935,401	4,270,786
Non-current assets					
Investment in subsidiary	4	-	-	4,999	4,999
Property, plant and equipments - net	6	8,854,144	8,710,588	8,847,622	8,703,030
Computer software - net	7	97,986	92,116	97,980	92,110
Leasehold rights - net	8	731,136	703,000	731,136	703,000
Property foreclosed		4,174	4,174	4,174	4,174
Rental guarantee deposits	5	37,833	37,821	37,833	37,821
Other non-current assets		17,865	17,230	2,095	1,595
Total non-current assets		9,743,138	9,564,929	9,725,839	9,546,729
Total assets		14,717,505	13,866,028	14,661,240	13,817,515

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)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2010	31 December 2009	31 March 2010	31 December 2009
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Trade accounts payable	5	4,414,418	4,216,890	4,410,735	4,211,189
Current portion of liabilities under financial lease agreements	10	3,347	3,539	3,347	3,539
Short-term loans from related party	5	-	-	70,000	70,000
Current portion of debentures	11	160,000	160,000	160,000	160,000
Current portion of long-term loans	12	158,760	486,240	158,760	486,240
Payables from purchases of assets		116,691	119,220	116,691	119,220
Accrued expenses		324,088	365,410	304,688	347,969
Corporate income tax payable		382,066	247,190	382,066	247,190
Advances received from customers		732,475	423,898	732,475	423,898
Other payables	5	217,833	197,240	213,254	191,781
Other current liabilities		253,336	222,062	250,552	220,158
Total current liabilities		6,763,014	6,441,689	6,802,568	6,481,184
Non-current liabilities					
Liabilities under financial lease agreements					
- net of current portion	10	5,782	5,636	5,782	5,636
Debentures - net of current portion	11	1,690,000	1,030,000	1,690,000	1,030,000
Long-term loans - net of current portion	12	-	494,080	-	494,080
Rental received in advance		527,548	521,146	527,548	521,146
Other non-current liabilities		108,701	100,041	33,373	28,145
Total non-current liabilities		2,332,031	2,150,903	2,256,703	2,079,007
Total liabilities		9,095,045	8,592,592	9,059,271	8,560,191

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)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2010	31 December 2009	31 March 2010	31 December 2009
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Shareholders' equity					
Share capital	13,14				
Registered share capital					
3,794,213,851 ordinary shares of Baht 1 each		3,794,214	3,794,214	3,794,214	3,794,214
Issued and paid-up share capital					
3,708,810,368 ordinary shares of Baht 1 each					
(31 December 2009: 3,703,926,216 ordinary shares of Baht 1 each)		3,708,810	3,703,926	3,708,810	3,703,926
Share premium		598,952	594,317	598,952	594,317
Retained earnings					
Appropriated - statutory reserve		252,200	235,400	252,200	235,400
Unappropriated		1,062,494	739,790	1,042,007	723,681
Equity attributable to the Company's shareholders		5,622,456	5,273,433	5,601,969	5,257,324
Minority interest - equity attributable to minority shareholders of subsidiary		4	3	-	-
Total shareholders' equity		5,622,460	5,273,436	5,601,969	5,257,324
Total liabilities and shareholders' equity		14,717,505	13,866,028	14,661,240	13,817,515
		-	-	-	-

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

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Directors
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(Unaudited but reviewed)

Home Product Center Public Company Limited and its subsidiary

Income statements

For the three-month periods ended 31 March 2010 and 2009

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2010	2009	2010	2009
Revenues					
Sale of goods		5,610,239	4,879,767	5,610,350	4,880,299
Rental and service income		216,313	188,407	184,356	163,005
Other income		229,436	172,202	233,831	175,989
Total revenues		6,055,988	5,240,376	6,028,537	5,219,293
Expenses					
Cost of sales		4,276,381	3,733,576	4,276,381	3,733,576
Selling expenses		1,032,659	928,051	1,012,059	908,343
Administrative expenses		226,046	188,225	224,869	185,307
Management benefit expenses		2,335	2,360	2,335	2,360
Other expenses		1,780	4,272	1,768	4,264
Total expenses		5,539,201	4,856,484	5,517,412	4,833,850
Income before finance cost and corporate income tax					
income tax		516,787	383,892	511,125	385,443
Finance cost		(23,745)	(30,777)	(23,953)	(31,187)
Income before corporate income tax		493,042	353,115	487,172	354,256
Corporate income tax	15	(153,537)	(111,057)	(152,046)	(111,057)
Net income for the period		339,505	242,058	335,126	243,199
Net income attributable to:					
Equity holders of the parent		339,504	242,058	335,126	243,199
Minority interests of the subsidiary		1	-		
		339,505	242,058		

(Unit: Baht)

Earnings per share		16			
Basic earnings per share					
Net income attributable to equity holders of the parent		0.09	0.07	0.09	0.07
Diluted earnings per share					
Net income attributable to equity holders of the parent		0.09	0.07	0.09	0.07

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 cash flows

For the three-month periods ended 31 March 2010 and 2009

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
Cash flows from operating activities				
Net income before tax	493,042	353,115	487,172	354,256
Adjustments to reconcile net income before tax to net cash provided by (paid for) operating activities:				
Depreciation and amortisation	201,335	190,678	200,311	189,679
Reversal allowance for doubtful accounts	(12)	(8,147)	(12)	(8,147)
Allowance for stock obsolescence	15,149	18,706	15,149	18,706
Loss from sales of assets	1,930	1,150	1,918	1,142
Allowance for impairment of assets	-	2,000	-	2,000
Unrealised exchange gain - net	(196)	-	(196)	-
Interest expenses	23,036	30,322	23,295	30,786
Income from operating activities before changes in operating assets and liabilities	734,284	587,824	727,637	588,422
Decrease (increase) in operating assets				
Trade accounts receivable	(18,183)	7,141	(17,410)	10,398
Inventories	(96,971)	(105,087)	(96,971)	(105,087)
Value added tax receivable	304	11,263	-	11,263
Rental guarantee deposits	(12)	-	(12)	-
Other receivables	21,941	41,860	22,025	37,236
Other current assets	(17,334)	7,134	(16,921)	8,606
Other non-current assets	(499)	244	(500)	244
Increase (decrease) in operating liabilities				
Trade accounts payable	197,724	232,722	199,742	232,404
Other payables	20,593	(16,342)	21,473	(13,546)
Advances received from customers	308,577	167,270	308,577	167,270
Accrued expenses	(46,265)	(653)	(48,223)	(2,308)
Other current liabilities	31,274	2,244	30,394	1,784
Rental received in advance	6,402	(5,412)	6,402	(5,412)
Other non-current liabilities	8,660	20,848	5,228	13,436
Cash from operating activities	1,150,495	951,056	1,141,441	944,710
Cash paid for interest expenses	(18,093)	(32,062)	(18,353)	(32,527)
Cash paid for corporate income tax	(18,797)	(16,064)	(17,170)	(14,697)
Net cash flows from operating activities	1,113,605	902,930	1,105,918	897,486

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 cash flows (continued)

For the three-month periods ended 31 March 2010 and 2009

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
Cash flows from investing activities				
Acquisition of computer software	(10,966)	(2,316)	(10,966)	(2,316)
Acquisition of leasehold rights	(35,800)	-	(35,800)	-
Proceeds from sales of assets	305	386	305	386
Acquisition of assets	(336,895)	(413,956)	(336,895)	(413,330)
Net cash used in investing activities	(383,356)	(415,886)	(383,356)	(415,260)
Cash flows from financing activities				
Increase in bank overdrafts and short-term loans				
from financial institutions	-	170,787	-	170,787
Increase in long-term loans	-	200,000	-	200,000
Increase (decrease) in liabilities under finance lease agreements	(46)	6	(46)	6
Increase of debentures	700,000	-	700,000	-
Repayment of debentures	(40,000)	(540,000)	(40,000)	(540,000)
Repayment of long-term loans	(821,560)	(75,000)	(821,560)	(75,000)
Converted warrants to share capital	9,519	55	9,519	55
Net cash used in financing activities	(152,087)	(244,152)	(152,087)	(244,152)
Net increase in cash and cash equivalents	578,162	242,892	570,475	238,074
Cash and cash equivalents at beginning of period	846,331	603,788	824,377	579,895
Cash and cash equivalents at end of period	1,424,493	846,680	1,394,852	817,969
	-		-	
Supplemental cash flows information:				
Non-cash items consist of				
Decrease in payables from purchases of assets	2,529	7,464	2,529	7,464

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 2010 and 2009

(Unit: Thousand Baht)

		Consolidated financial statements							
		Equity attributable to the parent's shareholders				Minority interest			
		Issued and paid-up		Retained earnings		Total equity	- equity attributable		
		share capital	Share premium	- statutory reserve	Unappropriated	attributable to the parent's shareholders	to minority shareholders of subsidiary	Total	
Note									
	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	
	Total 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	49	6	-	-	55	-	55	
	Balance as at 31 March 2009	<u>1,933,660</u>	<u>566,810</u>	<u>190,600</u>	<u>2,507,252</u>	<u>5,198,322</u>	<u>2</u>	<u>5,198,324</u>	
	Balance as at 31 December 2009	3,703,926	594,317	235,400	739,790	5,273,433	3	5,273,436	
	Net income for the period	-	-	-	339,504	339,504	1	339,505	
	Total income for the period	-	-	-	339,504	339,504	1	339,505	
	Unappropriated retained earnings transferred to statutory reserve	-	-	16,800	(16,800)	-	-	-	
	Converted warrants to share capital	4,884	4,635	-	-	9,519	-	9,519	
13	Balance as at 31 March 2010	<u>3,708,810</u>	<u>598,952</u>	<u>252,200</u>	<u>1,062,494</u>	<u>5,622,456</u>	<u>4</u>	<u>5,622,460</u>	

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 2010 and 2009

(Unit: Thousand Baht)

Separate financial statements						
	Note	Issued and paid-up share capital	Share premium	Retained earnings		Total
				- statutory reserve	Unappropriated	
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
Total income for the period		-	-	-	243,199	243,199
Unappropriated retained earnings transferred to statutory reserve		-	-	12,200	(12,200)	-
Converted warrants to share capital		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>
Balance as at 31 December 2009		3,703,926	594,317	235,400	723,681	5,257,324
Net income for the period		-	-	-	335,126	335,126
Total income for the period		-	-	-	335,126	335,126
Unappropriated retained earnings transferred to statutory reserve		-	-	16,800	(16,800)	-
Converted warrants to share capital	13	4,884	4,635	-	-	9,519
Balance as at 31 March 2010		<u>3,708,810</u>	<u>598,952</u>	<u>252,200</u>	<u>1,042,007</u>	<u>5,601,969</u>

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