

Home Product Center Public Company Limited and its subsidiary

Statements of financial position

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	31 March 2011	31 December 2010	31 March 2011	31 December 2010
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents		1,923,023	1,417,245	1,885,884	1,391,744
Trade accounts receivable - net	4	210,435	164,019	206,073	159,221
Inventories - net	6	3,853,442	3,714,232	3,853,442	3,714,232
Value added tax receivable		-	28,231	-	28,231
Other receivables - net	5	406,641	478,399	409,123	480,833
Other current assets		105,743	87,335	97,983	80,232
<b>Total current assets</b>		<b>6,499,284</b>	<b>5,889,461</b>	<b>6,452,505</b>	<b>5,854,493</b>
<b>Non-current assets</b>					
Investment in subsidiary	7	-	-	4,999	4,999
Investment properties - net	9	1,144,249	1,159,294	1,144,249	1,159,294
Property, plant and equipments - net	10	9,089,920	8,513,529	9,085,688	8,509,704
Computer software - net	11	142,911	130,201	142,583	129,864
Leasehold rights - net	12	828,327	831,392	828,327	831,392
Property foreclosed		4,174	4,174	4,174	4,174
Rental guarantee deposits		47,701	47,701	47,701	47,701
Other non-current assets		16,755	16,238	2,573	2,056
<b>Total non-current assets</b>		<b>11,274,037</b>	<b>10,702,529</b>	<b>11,260,294</b>	<b>10,689,184</b>
<b>Total assets</b>		<b>17,773,321</b>	<b>16,591,990</b>	<b>17,712,799</b>	<b>16,543,677</b>

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

Home Product Center Public Company Limited and its subsidiary

Statements of financial position (continued)

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	31 March 2011	31 December 2010	31 March 2011	31 December 2010
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Trade accounts payable		5,241,225	4,936,826	5,235,041	4,930,933
Current portion of liabilities under financial lease agreements	14	5,213	4,598	5,213	4,598
Short-term loans from related party	8	-	-	85,000	85,000
Current portion of debentures	15	690,000	730,000	690,000	730,000
Payables from purchases of assets		318,984	186,445	318,984	186,445
Accrued expenses		439,905	518,500	420,240	501,302
Corporate income tax payable		486,134	313,025	485,735	313,025
Advances received from customers		721,944	471,439	721,944	471,439
Other payables		236,056	254,732	227,580	248,156
Other current liabilities		255,837	218,605	253,191	216,349
<b>Total current liabilities</b>		<b>8,395,298</b>	<b>7,634,170</b>	<b>8,442,928</b>	<b>7,687,247</b>
<b>Non-current liabilities</b>					
Liabilities under financial lease agreements					
- net of current portion	14	9,870	6,906	9,870	6,906
Debentures - net of current portion	15	2,000,000	2,000,000	2,000,000	2,000,000
Provision for long-term employee benefits		80,428	76,786	80,428	76,786
Rental received in advance		494,086	499,498	494,086	499,498
Other non-current liabilities		143,999	136,421	69,236	62,361
<b>Total non-current liabilities</b>		<b>2,728,383</b>	<b>2,719,611</b>	<b>2,653,620</b>	<b>2,645,551</b>
<b>Total liabilities</b>		<b>11,123,681</b>	<b>10,353,781</b>	<b>11,096,548</b>	<b>10,332,798</b>

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

Home Product Center Public Company Limited and its subsidiary

Statements of financial position (continued)

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	31 March 2011	31 December 2010	31 March 2011	31 December 2010
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Shareholders' equity</b>					
Share capital	16				
Registered share capital					
4,426,605,527 ordinary shares of Baht 1 each		4,426,606	4,426,606	4,426,606	4,426,606
Issued and paid-up share capital					
4,354,918,555 ordinary shares of Baht 1 each					
(31 December 2010: 4,352,991,862 ordinary shares of Baht 1 each)		4,354,919	4,352,992	4,354,919	4,352,992
Premium on ordinary shares		623,256	621,807	623,256	621,807
Retained earnings					
Appropriated - statutory reserve		336,900	316,800	336,900	316,800
Unappropriated		1,334,560	946,606	1,301,176	919,280
Equity attributable to owners of the Company		6,649,635	6,238,205	6,616,251	6,210,879
Non-controlling interests of the subsidiary		5	4	-	-
<b>Total shareholders' equity</b>		6,649,640	6,238,209	6,616,251	6,210,879
<b>Total liabilities and shareholders' equity</b>		17,773,321	16,591,990	17,712,799	16,543,677

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

Directors

(Unaudited but reviewed)

## Home Product Center Public Company Limited and its subsidiary

## Statements of comprehensive income

For the three-month periods ended 31 March 2011 and 2010

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2011	2010	2011	2010
			(Restated)		(Restated)
Profit or loss:					
Revenues					
Sale of goods		6,606,427	5,610,239	6,606,664	5,610,350
Rental and service income		223,707	216,313	188,193	184,356
Other income		264,929	229,436	269,532	233,831
Total revenues		7,095,063	6,055,988	7,064,389	6,028,537
Expenses					
Cost of sales		4,989,708	4,276,381	4,989,708	4,276,381
Selling expenses		1,228,421	1,043,881	1,206,897	1,023,281
Administrative expenses		236,945	220,477	235,747	219,300
Other expenses		6,958	1,780	6,958	1,768
Total expenses		6,462,032	5,542,519	6,439,310	5,520,730
Profit before finance cost and corporate income tax					
income tax		633,031	513,469	625,079	507,807
Finance cost		(26,510)	(23,745)	(26,834)	(23,953)
Profit before corporate income tax		606,521	489,724	598,245	483,854
Corporate income tax	18	(198,466)	(153,537)	(196,249)	(152,046)
Profit for the period		408,055	336,187	401,996	331,808
Other comprehensive income:					
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the period		408,055	336,187	401,996	331,808
Profit attributable to:					
Equity holders of the Company		408,054	336,186	401,996	331,808
Non-controlling interests of the subsidiary		1	1		
		408,055	336,187		
Total comprehensive income attributable to:					
Equity holders of the company		408,054	336,186	401,996	331,808
Non-controlling interests of the subsidiary		1	1		
		408,055	336,187		

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 comprehensive income (continued)

For the three-month periods ended 31 March 2011 and 2010

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2011	2010	2011	2010
			(Restated)		(Restated)
					(Unit: Baht)
<b>Earnings per share</b>	<b>19</b>				
Basic earnings per share					
Profit attributable to equity holders of the Company		0.08	0.07	0.08	0.07
Diluted earnings per share					
Profit attributable to equity holders of the Company		0.08	0.07	0.08	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****Cash flows statements****For the three-month periods ended 31 March 2011 and 2010**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2011	2010	2011	2010
		(Restated)		(Restated)
<b>Cash flows from operating activities</b>				
Profit before tax	606,521	489,724	598,245	483,854
Adjustments to reconcile profit before tax to net cash provided by (paid for) operating activities:				
Depreciation and amortisation	234,055	201,335	233,313	200,311
Reversal allowance for doubtful accounts	(812)	(12)	(812)	(12)
Allowance for stock obsolescence	17,631	15,149	17,631	15,149
Loss from sales and written-off of assets	5,991	1,930	5,991	1,918
Allowance for impairment of assets	23,218	-	23,218	-
Unrealised exchange gain - net	(349)	(196)	(349)	(196)
Interest expenses	26,111	23,036	26,488	23,295
Provision for long-term employee benefits	3,642	3,318	3,642	3,318
Income from operating activities before changes in operating assets and liabilities	916,008	734,284	907,367	727,637
Operating assets (increase) decrease				
Trade accounts receivable	(45,615)	(18,183)	(46,051)	(17,410)
Inventories	(156,841)	(96,971)	(156,841)	(96,971)
Value added tax receivable	28,231	304	28,231	-
Rental guarantee deposits	-	(12)	-	(12)
Other receivables	71,769	21,941	71,721	22,025
Other current assets	(18,409)	(17,334)	(17,751)	(16,921)
Other non-current assets	(517)	(499)	(517)	(500)
Operating liabilities increase (decrease)				
Trade accounts payable	304,748	197,724	304,457	199,742
Other payables	(18,675)	20,593	(20,576)	21,473
Advances received from customers	250,505	308,577	250,505	308,577
Accrued expenses	(85,283)	(46,265)	(87,751)	(48,223)
Other current liabilities	37,232	31,274	36,842	30,394
Rental received in advance	(5,412)	6,402	(5,412)	6,402
Other non-current liabilities	7,578	8,660	6,875	5,228
Cash flows from operating activities	1,285,319	1,150,495	1,271,099	1,141,441
Cash paid for interest expenses	(19,423)	(18,093)	(19,799)	(18,353)
Cash paid for corporate income tax	(25,357)	(18,797)	(23,539)	(17,170)
<b>Net cash flows from operating activities</b>	<b>1,240,539</b>	<b>1,113,605</b>	<b>1,227,761</b>	<b>1,105,918</b>

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

## Home Product Center Public Company Limited and its subsidiary

## Cash flows statements (continued)

For the three-month periods ended 31 March 2011 and 2010

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010 (Restated)	2011	2010 (Restated)
<b>Cash flows from investing activities</b>				
Acquisition of computer software	(18,018)	(10,966)	(18,018)	(10,966)
Acquisition of leasehold rights	(5,851)	(35,800)	(5,851)	(35,800)
Proceeds from sales of equipment	99	305	99	305
Proceeds from sales of investment properties' equipment	24	-	24	-
Acquisition of property, plant and equipment	(672,988)	(331,089)	(671,848)	(331,089)
Acquisition of investment properties	(4,982)	(5,806)	(4,982)	(5,806)
<b>Net cash used in investing activities</b>	<b>(701,716)</b>	<b>(383,356)</b>	<b>(700,576)</b>	<b>(383,356)</b>
<b>Cash flows from financing activities</b>				
Increase (decrease) in liabilities under				
finance lease agreements	3,579	(46)	3,579	(46)
Increase of debentures	-	700,000	-	700,000
Repayment of debentures	(40,000)	(40,000)	(40,000)	(40,000)
Repayment of long-term loans	-	(821,560)	-	(821,560)
Converted warrants to share capital	3,376	9,519	3,376	9,519
<b>Net cash used in financing activities</b>	<b>(33,045)</b>	<b>(152,087)</b>	<b>(33,045)</b>	<b>(152,087)</b>
<b>Net increase in cash and cash equivalents</b>	<b>505,778</b>	<b>578,162</b>	<b>494,140</b>	<b>570,475</b>
Cash and cash equivalents at beginning of period	1,417,245	846,331	1,391,744	824,377
<b>Cash and cash equivalents at end of period</b>	<b>1,923,023</b>	<b>1,424,493</b>	<b>1,885,884</b>	<b>1,394,852</b>
	-		-	
<b>Supplemental cash flows information:</b>				
Non-cash items consist of				
Purchases of equipment for which no cash has been paid	132,539	-2,529	132,539	-2,529

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 2011 and 2010

(Unit: Thousand Baht)

Consolidated financial statements								
Equity attributable to the parent's shareholders								
	Note	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings		Total equity attributable to shareholders of the Company	Equity attributable to non-controlling interests of the subsidiary	Total shareholders' equity
				Appropriated - statutory reserve	Unappropriated			
<b>Balance as at 31 December 2009</b>		3,703,926	594,317	235,400	676,274	5,209,917	3	5,209,920
Converted warrants to share capital		4,884	4,635	-	-	9,519	-	9,519
Total comprehensive income for the period (restated)	2	-	-	-	336,186	336,186	1	336,187
Unappropriated retained earnings transferred to statutory reserve		-	-	16,800	(16,800)	-	-	-
<b>Balance as at 31 March 2010</b>		<u>3,708,810</u>	<u>598,952</u>	<u>252,200</u>	<u>995,660</u>	<u>5,555,622</u>	<u>4</u>	<u>5,555,626</u>
<b>Balance as at 31 December 2010</b>		4,352,992	621,807	316,800	946,606	6,238,205	4	6,238,209
Converted warrants to share capital	16	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)	-	-	-
<b>Balance as at 31 March 2011</b>		<u>4,354,919</u>	<u>623,256</u>	<u>336,900</u>	<u>1,334,560</u>	<u>6,649,635</u>	<u>5</u>	<u>6,649,640</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 2011 and 2010

(Unit: Thousand Baht)

Separate financial statements						
		Issued and	Premium on	Retained earnings		Total
	Note	paid-up	ordinary shares	Appropriated	Unappropriated	shareholders'
		share capital		- statutory reserve		equity
Balance as at 31 December 2009		3,703,926	594,317	235,400	660,165	5,193,808
Converted warrants to share capital		4,884	4,635	-	-	9,519
Total comprehensive income for the period (restated)	2	-	-	-	331,808	331,808
Unappropriated retained earnings transferred to statutory reserve		-	-	16,800	(16,800)	-
Balance as at 31 March 2010		3,708,810	598,952	252,200	975,173	5,535,135
Balance as at 31 December 2010		4,352,992	621,807	316,800	919,280	6,210,879
Converted warrants to share capital	16	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		4,354,919	623,256	336,900	1,301,176	6,616,251

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