

HOME PRODUCT CENTER PUBLIC COMPANY LIMITED AND SUBSIDIARIES

BALANCE SHEETS

AS AT JUNE 30, 2005 (UNAUDITED/REVIEWED ONLY)

AND AS AT DECEMBER 31, 2004 (AUDITED)

Baht : Thousand				
Assets	Note	Consolidated	Parent company	
		June 30, 2005	June 30, 2005	December 31,2004
Current assets				
Cash and cash equivalents	4	59,304	54,340	105,024
Deposit with financial institutions - promissory notes	5	535,000	535,000	0
Accounts receivable - net	6	202,887	202,887	170,818
Inventories	7	2,342,470	2,342,470	2,167,975
Receivable - Revenue Department		32,263	32,262	62,186
Other current assets		159,647	159,638	151,501
Total current assets		3,331,571	3,326,597	2,657,504
Non-current assets				
Investment in subsidiaries	8	0	4,834	0
Property, plant and equipment - net	9	3,660,067	3,660,067	3,050,902
Intangible assets	10	568,820	568,820	464,221
Real estate foreclosed		4,174	4,174	4,174
Deposit for lease		27,054	27,054	27,189
Other non-current assets		2,030	2,030	4,829
Total non-current assets		4,262,145	4,266,979	3,551,315
Total assets		7,593,716	7,593,576	6,208,819

Notes to financial statements are parts of these financial statements.

HOME PRODUCT CENTER PUBLIC COMPANY LIMITED AND SUBSIDIARIES

BALANCE SHEETS (Cont.)

AS AT JUNE 30, 2005 (UNAUDITED/REVIEWED ONLY)

AND AS AT DECEMBER 31, 2004 (AUDITED)

Baht : Thousand

Liabilities and shareholders' equity	Note	Consolidated	Parent company	
		June 30, 2005	June 30, 2005	December 31,2004
Current liabilities				
Bank overdrafts and short-term loans				
from financial instituions	11	0	0	400,148
Accounts payable		2,585,803	2,585,665	2,445,627
Promissory notes	12	0	0	38,000
Current portion of long-term debt	13, 14	220,956	220,956	185,971
Assets payable		233,825	233,825	18,700
Deposits for goods		197,087	197,087	182,976
Other payables		81,490	81,490	104,748
Other current liabilities		223,888	223,887	254,161
Total current liabilities		3,543,049	3,542,910	3,630,331
Non-current liabilities				
Long-term liabilities from hire purchase agreement	13	17,680	17,680	13,458
Long-term loans	14	728,000	728,000	849,417
Debentures	15	1,000,000	1,000,000	0
Rental received in advance		306,911	306,911	81,031
Other non-current liabilities		22,863	22,863	24,802
Total non-current liabilities		2,075,454	2,075,454	968,708
Total liabilities		5,618,503	5,618,364	4,599,039

HOME PRODUCT CENTER PUBLIC COMPANY LIMITED AND SUBSIDIARIES

BALANCE SHEETS (Cont.)

AS AT JUNE 30, 2005 (UNAUDITED/REVIEWED ONLY)

AND AS AT DECEMBER 31, 2004 (AUDITED)

		Baht : Thousand		
Liabilities and shareholders' equity (Cont.)	Note	Consolidated	Parent company	
		June 30, 2005	June 30, 2005	December 31,2004
Shareholders' equity				
Share capital				
Authorized share capital				
987,500,000 common shares of Baht 1 each		987,500	987,500	987,500
Issued and paid-up share capital				
855,415,571 common shares of Baht 1 each		855,416	855,416	
756,089,030 common shares of Baht 1 each				756,089
Paid-in capital				
Premium on share capital		383,415	383,415	190,121
Retained earnings				
Appropriated				
Legal reserve	17	50,700	50,700	39,100
Unappropriated		685,681	685,681	624,470
Total shareholders' equity		1,975,212	1,975,212	1,609,780
Minority interest		1	0	0
Total shareholders'equity including				
minority interest		1,975,213	1,975,212	1,609,780
Total liabilities and shareholders' equity		7,593,716	7,593,576	6,208,819

Notes to financial statements are parts of these financial statements.

HOME PRODUCT CENTER PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF INCOME

FOR THREE MONTHS ENDED JUNE 30, 2005 AND 2004

(UNAUDITED/REVIEWED ONLY)

Baht : Thousand			
	Note	Consolidated	Parent company
		2005	2005 2004
Revenues			
Sales		3,021,742	3,021,742 2,372,643
Other income		61,834	61,834 48,862
Total revenues		3,083,576	3,083,576 2,421,505
Expenses			
Cost of sales		2,380,990	2,380,990 1,876,795
Selling and administrative expenses		519,386	519,221 418,984
Equity loss from investments in subsidiaries		0	165 0
Total expenses		2,900,376	2,900,376 2,295,779
Profit before interest expenses and income tax		183,200	183,200 125,726
Interest expenses		(22,521)	(22,521) (6,746)
Income tax		(45,179)	(45,179) (31,458)
Net profit		115,500	115,500 87,522
Basic earnings per share (Baht/share)			
Net profit	18	0.14	0.14 0.12
Diluted earnings per share (Baht/share)			
Net profit	18	0.13	0.13 0.11

Notes to financial statements are parts of these financial statements.

HOME PRODUCT CENTER PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF INCOME

FOR SIX MONTHS ENDED JUNE 30, 2005 AND 2004

(UNAUDITED/REVIEWED ONLY)

		Baht : Thousand		
	Note	Consolidated	Parent company	
		2005	2005	2004
Revenues				
Sales		5,984,158	5,984,158	4,599,302
Other income		147,004	147,004	88,230
Total revenues		6,131,162	6,131,162	4,687,532
Expenses				
Cost of sales		4,699,762	4,699,762	3,649,642
Selling and administrative expenses		1,095,895	1,095,730	798,644
Equity loss from investments in subsidiaries		0	165	0
Total expenses		5,795,657	5,795,657	4,448,286
Profit before interest expenses and income tax		335,505	335,505	239,246
Interest expenses		(37,085)	(37,085)	(12,528)
Income tax		(81,480)	(81,480)	(59,616)
Net profit		216,940	216,940	167,102
Basic earnings per share (Baht/share)				
Net profit	18	0.27	0.27	0.22
Diluted earnings per share (Baht/share)				
Net profit	18	0.26	0.26	0.21

Notes to financial statements are parts of these financial statements.

HOME PRODUCT CENTER PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR SIX MONTHS ENDED JUNE 30, 2005 AND 2004
(UNAUDITED/REVIEWED ONLY)

Consolidated							Baht : Thousand
	Note	Issued and paid-up share capital	Premium on share capital	Legal reserve	Retained earnings (Deficit)	Minority Interest	Total
Beginning balance as at January 1, 2004		753,000	190,121	20,000	352,689	0	1,315,810
Legal reserve		0	0	8,400	(8,400)	0	0
Dividend paid		0	0	0	(90,360)	0	(90,360)
Net profit		0	0	0	167,102	0	167,102
Ending balance as at June 30, 2004		753,000	190,121	28,400	421,031	0	1,392,552
Beginning balance as at January 1, 2005		756,089	190,121	39,100	624,470	0	1,609,780
Warrants to purchase - common shares 19		99,327	193,294	0	0	0	292,621
Legal reserve 17		0	0	11,600	(11,600)	0	0
Dividend paid 21		0	0	0	(144,129)	0	(144,129)
Net profit		0	0	0	216,940	0	216,940
Ordinary shares - minority interest		0	0	0	0	1	1
Ending balance as at June 30, 2005		855,416	383,415	50,700	685,681	1	1,975,213

Notes to financial statements are parts of these financial statements.

HOME PRODUCT CENTER PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR SIX MONTHS ENDED JUNE 30, 2005 AND 2004

(UNAUDITED/REVIEWED ONLY)

Parent company		Baht : Thousand				
	Note	Issued and paid-up share capital	Premium on share capital	Legal reserve	Retained earnings (Deficit)	Total
Beginning balance as at January 1, 2004		753,000	190,121	20,000	352,689	1,315,810
Legal reserve		0	0	8,400	(8,400)	0
Dividend paid		0	0	0	(90,360)	(90,360)
Net profit		0	0	0	167,102	167,102
Ending balance as at June 30, 2004		753,000	190,121	28,400	421,031	1,392,552
Beginning balance as at January 1, 2005		756,089	190,121	39,100	624,470	1,609,780
Warrants to purchase - common shares	19	99,327	193,294	0	0	292,621
Legal reserve	17	0	0	11,600	(11,600)	0
Dividend paid	21	0	0	0	(144,129)	(144,129)
Net profit		0	0	0	216,940	216,940
Ending balance as at June 30, 2005		855,416	383,415	50,700	685,681	1,975,212

Notes to financial statements are parts of these financial statements.

HOME PRODUCT CENTER PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR SIX MONTHS ENDED JUNE 30, 2005 AND 2004

(UNAUDITED/REVIEWED ONLY)

	Baht : Thousand		
	Consolidated	Parent company	
	2005	2005	2004
Cash flows from operating activities			
Net profit	216,940	216,940	167,102
Minority interest	0	0	0
Adjustment net profit (loss) to cash receipt (disbursement)			
Equity (gain) loss from investments in subsidiaries	0	165	0
Depreciation	116,315	116,315	84,414
Amortization of intangible assets	14,239	14,239	11,044
Increase (Decrease) in allowance for damage goods	9,295	9,295	13,291
(Gain) Loss from sales of assets	13,217	13,217	1,492
(Increase) Decrease in accounts and notes receivable	(32,069)	(32,069)	(35,832)
(Increase) Decrease in inventories	(183,790)	(183,790)	(171,265)
(Increase) Decrease in other current assets	(8,146)	(8,136)	(37,036)
(Increase) Decrease in receivable - Revenue Department	29,924	29,924	437
(Increase) Decrease in deposit for lease	135	135	0
(Increase) Decrease in other non-current assets	2,799	2,799	(839)
Increase (Decrease) in accounts and notes payable	140,177	140,038	183,089
Increase (Decrease) in other payables	(23,258)	(23,258)	(2,942)
Increase (Decrease) in accrued interest expenses	1,908	1,908	271
Increase (Decrease) in deposit from sales of goods	14,110	14,110	45,589
Increase (Decrease) in other current liabilities	(32,182)	(32,182)	(15,338)
Increase in rental received in advance	225,881	225,881	(725)
Increase (Decrease) in other non-current liabilities	(1,939)	(1,939)	6,960
Net cash provided (used in) operating activities	503,556	503,592	249,712

HOME PRODUCT CENTER PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (Cont.)

FOR SIX MONTHS ENDED JUNE 30, 2005 AND 2004

(UNAUDITED/REVIEWED ONLY)

	Baht : Thousand		
	Consolidated	Parent company	
	2005	2005	2004
Cash flows from investing activities			
(Increase) Decrease in fixed deposit	0	0	12,597
Increase in investment in subsidiaries	0	(4,999)	0
Received from sales of assets	290	290	178
(Increase) Decrease in intangible assets	(118,838)	(118,838)	(5,547)
Paid for assets payable	(18,699)	(18,699)	(38,849)
Purchase of fixed assets	(505,163)	(505,163)	(737,042)
Net cash provided (used in) investing activities	(642,410)	(647,409)	(768,663)
Cash flows from financing activities			
Received (Paid) for bank overdrafts and			
short-term loans from financial institutions	(400,148)	(400,148)	278,606
Paid for promissory notes	(38,000)	(38,000)	0
Received from debentures	1,000,000	1,000,000	0
Received from long-term loans	0	0	428,500
Paid for long-term loans	(89,417)	(89,417)	(65,950)
Paid for loans of financial lease agreement	0	0	(4,251)
Increase (Decrease) in long-term liabilities			
from hire purchase agreement	7,207	7,207	9,192
Warrants - to purchase common shares	292,620	292,620	0
Dividend paid	(144,129)	(144,129)	(90,360)
Cash received from common shares	1	0	0
Net cash provided (used in) financing activities	628,134	628,133	555,737
Net increase (decrease) in cash and cash equivalents	489,280	484,316	36,786
Cash and cash equivalents at the beginning of the period	105,024	105,024	36,292
Cash and cash equivalents at the end of the period	594,304	589,340	73,078

HOME PRODUCT CENTER PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (Cont.)

FOR SIX MONTHS ENDED JUNE 30, 2005 AND 2004

(UNAUDITED/REVIEWED ONLY)

	Baht : Thousand		
	Consolidated	Parent company	
	2005	2005	2004
Additional disclosure of cash flows information			
1. Cash paid during the period			
Interest expenses	35,177	35,177	12,257
Income tax	90,732	90,732	52,792
2. Cash and cash equivalents			

Cash and cash equivalents at the end of the period are included deposit with financial institutions in the form of promissory notes of Baht 535 million which are due at call.

Notes to financial statements are parts of these financial statements.