

HOME PRODUCT CENTER PUBLIC COMPANY LIMITED AND SUBSIDIARIES

BALANCE SHEETS

AS AT JUNE 30, 2006 (UNAUDITED/REVIEWED ONLY)

AND AS AT DECEMBER 31, 2005 (AUDITED)

Baht : Thousand

Assets	Note	Consolidated		Parent company	
		June 30, 2006	December 31, 2005	June 30, 2006	December 31, 2005
Current assets					
Cash and cash equivalents	3	79,037	96,915	44,020	59,714
Accounts receivable - net	4	128,332	145,689	120,025	145,689
Inventories	5	3,013,092	2,321,256	3,013,092	2,321,256
Receivable - Revenue Department		100,483	60,310	100,483	60,310
Other current assets		260,870	240,893	259,527	240,569
Total current assets		3,581,814	2,865,063	3,537,147	2,827,538
Non-current assets					
Investment in subsidiaries	7	0	0	0	3,459
Property, plant and equipment - net	6	6,721,421	5,568,760	6,709,054	5,567,992
Intangible assets	8	655,024	563,181	655,014	563,181
Real estate foreclosed		4,174	4,174	4,174	4,174
Deposit for lease		25,671	25,421	25,671	25,421
Other non-current assets		1,633	1,451	1,633	1,451
Total non-current assets		7,407,923	6,162,987	7,395,546	6,165,678
Total assets		10,989,737	9,028,050	10,932,693	8,993,216

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, 2006 (UNAUDITED/REVIEWED ONLY)

AND AS AT DECEMBER 31, 2005 (AUDITED)

Baht : Thousand					
Liabilities and shareholders' equity	Note	Consolidated		Parent company	
		June 30, 2006	December 31, 2005	June 30, 2006	December 31, 2005
Current liabilities					
Bank overdrafts and short-term loans					
from financial institutions	9	73,000	241,338	73,000	241,338
Accounts payable		3,377,825	2,788,711	3,366,148	2,787,879
Current portion of long-term debt	10,12	298,066	223,799	298,066	223,799
Short-term loan from related party		0	0	20,000	0
Assets payable		206,559	303,294	206,559	303,294
Deposits for goods		278,683	258,906	278,683	258,906
Other payables		101,817	134,709	102,772	134,709
Other current liabilities		366,143	299,305	350,179	298,967
Total current liabilities		4,702,093	4,250,062	4,695,407	4,248,892
Non-current liabilities					
Long-term liabilities under hire purchase					
agreement	10	13,803	17,188	13,803	17,188
Debentures	11	1,000,000	1,000,000	1,000,000	1,000,000
Long-term loans	12	1,915,000	626,000	1,915,000	626,000
Rental received in advance	17	597,940	497,057	597,940	497,057
Equity loss from investments					
in subsidiaries	7	0	0	7,305	0
Other non-current liabilities		141,526	110,502	83,863	76,839
Total non-current liabilities		3,668,269	2,250,747	3,617,911	2,217,084
Total liabilities		8,370,362	6,500,809	8,313,318	6,465,976

HOME PRODUCT CENTER PUBLIC COMPANY LIMITED AND SUBSIDIARIES

BALANCE SHEETS (Cont.)

AS AT JUNE 30, 2006 (UNAUDITED/REVIEWED ONLY)

AND AS AT DECEMBER 31, 2005 (AUDITED)

		Baht : Thousand			
Liabilities and shareholders' equity (Cont.)	Note	Consolidated		Parent company	
		June 30, 2006	December 31, 2005	June 30, 2006	December 31, 2005
Shareholders' equity					
Share capital					
Authorized share capital					
977,343,641 commom shares of					
Baht 1 each	16	977,344		977,344	
987,500,000 common shares of Baht 1 each			987,500		987,500
Issued and paid-up share capital					
954,526,719 common shares of					
Baht 1 each	15	954,527		954,527	
947,310,416 common shares of Baht 1 each			947,310		947,310
Paid-in capital					
Premium on share capital	15	555,694	555,694	555,694	555,694
Retained earnings					
Appropriated					
Legal reserve	14	78,300	64,400	78,300	64,400
Unappropriated		1,030,854	959,836	1,030,854	959,836
Total shareholders' equity		2,619,375	2,527,240	2,619,375	2,527,240
Minority interest		0	1	0	0
Total shareholders'equity including					
minority interest		2,619,375	2,527,241	2,619,375	2,527,240
Total liabilities and shareholders' equity		10,989,737	9,028,050	10,932,693	8,993,216

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, 2006 AND 2005

(UNAUDITED/REVIEWED ONLY)

		Baht : Thousand			
	Note	Consolidated		Parent company	
		2006	2005	2006	2005
Revenues					
Sales		3,457,284	3,021,742	3,457,537	3,021,742
Other income		174,350	61,834	160,161	61,834
Total revenues		3,631,634	3,083,576	3,617,698	3,083,576
Expenses					
Cost of sales		2,642,584	2,380,990	2,642,584	2,380,990
Selling and administrative expenses		718,018	519,386	703,027	519,221
Equity loss from investments in subsidiaries		0	0	990	165
Total expenses		3,360,602	2,900,376	3,346,601	2,900,376
Profit before interest expenses and income tax		271,032	183,200	271,097	183,200
Interest expenses		(49,675)	(22,521)	(49,740)	(22,521)
Income tax		(63,626)	(45,179)	(63,626)	(45,179)
Profit before minority interest		157,731	115,500	157,731	115,500
Minority interest		0	0	0	0
Net profit		157,731	115,500	157,731	115,500
Basic earnings per share (Baht/share)					
Net profit	13	0.17	0.14	0.17	0.14
Diluted earnings per share (Baht/share)					
Net profit	13	0.16	0.13	0.16	0.13

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, 2006 AND 2005

(UNAUDITED/REVIEWED ONLY)

Baht : Thousand

	Note	Consolidated		Parent company	
		2006	2005	2006	2005
Revenues					
Sales		6,595,908	5,984,158	6,596,329	5,984,158
Other income		360,189	147,004	334,624	147,004
Total revenues		6,956,097	6,131,162	6,930,953	6,131,162
Expenses					
Cost of sales		5,059,899	4,699,762	5,059,899	4,699,762
Selling and administrative expenses		1,426,973	1,095,895	1,390,917	1,095,730
Equity loss from investments in subsidiaries		0	0	10,765	165
Total expenses		6,486,872	5,795,657	6,461,581	5,795,657
Profit before interest expenses and income tax		469,225	335,505	469,372	335,505
Interest expenses		(81,351)	(37,085)	(81,498)	(37,085)
Income tax		(112,139)	(81,480)	(112,139)	(81,480)
Profit before minority interest		275,735	216,940	275,735	216,940
Minority interest		0	0	0	0
Net profit		275,735	216,940	275,735	216,940
Basic earnings per share (Baht/share)					
Net profit	13	0.29	0.27	0.29	0.27
Diluted earnings per share (Baht/share)					
Net profit	13	0.29	0.26	0.29	0.26

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, 2006 AND 2005
(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, 2005		756,089	190,121	39,100	624,470	0	1,609,780
Warrants to purchase - common shares		99,327	193,294	0	0	0	292,621
Legal reserve		0	0	11,600	(11,600)	0	0
Dividend paid		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
Beginning balance as at January 1, 2006		947,310	555,694	64,400	959,836	1	2,527,241
Warrants to purchase - common shares	15	7,217	0	0	0	0	7,217
Legal reserve	14	0	0	13,900	(13,900)	0	0
Dividend paid	19	0	0	0	(190,817)	0	(190,817)
Net profit		0	0	0	275,735	0	275,735
Ordinary shares - minority interest		0	0	0	0	(1)	(1)
Ending balance as at June 30, 2006		954,527	555,694	78,300	1,030,854	0	2,619,375

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, 2006 AND 2005

(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, 2005		756,089	190,121	39,100	624,470	1,609,780
Warrants to purchase - common shares		99,327	193,294	0	0	292,621
Legal reserve		0	0	11,600	(11,600)	0
Dividend paid		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
Beginning balance as at January 1, 2006		947,310	555,694	64,400	959,836	2,527,240
Warrants to purchase - common share	15	7,217	0	0	0	7,217
Legal reserve	14	0	0	13,900	(13,900)	0
Dividend paid	19	0	0	0	(190,817)	(190,817)
Net profit		0	0	0	275,735	275,735
Ending balance as at June 30, 2006		954,527	555,694	78,300	1,030,854	2,619,375

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, 2006 AND 2005

(UNAUDITED/REVIEWED ONLY)

Baht : Thousand

	Consolidated		Parent company	
	2006	2005	2006	2005
Cash flows from operating activities				
Net profit	275,735	216,940	275,735	216,940
Minority interest	(1)	0	0	0
Adjustment net profit (loss) to cash receipt (disbursement)				
Equity (gain) loss from investments in subsidiaries	0	0	10,765	165
Depreciation	205,570	116,315	204,575	116,315
Amortization of intangible assets	18,837	14,239	18,836	14,239
Increase (Decrease) in allowance for damage goods	(59)	9,295	(59)	9,295
(Gain) Loss from sales of assets	4,144	13,217	4,144	13,217
(Increase) Decrease in accounts and notes receivable	17,357	(32,069)	25,664	(32,069)
(Increase) Decrease in inventories	(691,777)	(183,790)	(691,777)	(183,790)
(Increase) Decrease in other current assets	(19,976)	(8,146)	(18,957)	(8,136)
(Increase) Decrease in receivable - Revenue				
Department	(40,173)	29,924	(40,173)	29,924
(Increase) Decrease in deposit for lease	(250)	135	(250)	135
(Increase) Decrease in other non-current assets	(182)	2,799	(182)	2,799
Increase (Decrease) in accounts and notes payable	589,114	140,177	578,268	140,038
Increase (Decrease) in other payables	(32,893)	(23,258)	(31,937)	(23,258)
Increase (Decrease) in accrued interest expenses	134	1,908	134	1,908
Increase (Decrease) in deposit from sales of goods	19,778	14,110	19,778	14,110
Increase (Decrease) in other current liabilities	66,704	(32,182)	51,078	(32,182)
Increase (Decrease) in rental received in advance	100,883	225,881	100,883	225,881
Increase (Decrease) in other non-current liabilities	31,025	(1,939)	7,024	(1,939)
Net cash provided by (used in) operating activities	543,970	503,556	513,549	503,592

HOME PRODUCT CENTER PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (Cont.)

FOR SIX MONTHS ENDED JUNE 30, 2006 AND 2005

(UNAUDITED/REVIEWED ONLY)

Baht : Thousand

	Consolidated		Parent company	
	2006	2005	2006	2005
Cash flows from investing activities				
(Increase) Decrease in investment in subsidiaries	0	0	0	(4,999)
Received from sales of assets	284	290	284	290
(Increase) Decrease in intangible assets	(110,679)	(118,838)	(110,670)	(118,838)
Paid for assets payable	(303,294)	(18,699)	(303,294)	(18,699)
Purchase of fixed assets	(1,156,101)	(505,163)	(1,143,505)	(505,163)
Net cash provided by (used in) investing activities	(1,569,790)	(642,410)	(1,557,185)	(647,409)
Cash flows from financing activities				
Received (Paid) for bank overdrafts and				
short-term loans from financial institutions	(168,338)	(400,148)	(168,338)	(400,148)
Paid for promissory notes	0	(38,000)	0	(38,000)
Increase (Decrease) in short-term loan				
from related party	0	0	20,000	0
Received from debentures	0	1,000,000	0	1,000,000
Received from long-term loans	1,500,000	0	1,500,000	0
Paid for long-term loans	(136,000)	(89,417)	(136,000)	(89,417)
Increase (Decrease) in long-term liabilities				
from hire purchase agreement	(4,119)	7,207	(4,119)	7,207
Warrants - to purchase common shares	7,216	292,620	7,216	292,620
Dividend paid	(190,817)	(144,129)	(190,817)	(144,129)
Cash received from common shares	0	1	0	0
Net cash provided by (used in) financing activities	1,007,942	628,134	1,027,942	628,133
Net increase (decrease) in cash and cash equivalents	(17,878)	489,280	(15,694)	484,316
Cash and cash equivalents at the beginning of the period	96,915	105,024	59,714	105,024
Cash and cash equivalents at the end of the period	79,037	594,304	44,020	589,340

HOME PRODUCT CENTER PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (Cont.)

FOR SIX MONTHS ENDED JUNE 30, 2006 AND 2005

(UNAUDITED/REVIEWED ONLY)

Baht : Thousand

Consolidated		Parent company	
2006	2005	2006	2005

Additional disclosure of cash flows information

1. Cash paid during the period

Interest expenses	81,217	35,177	81,364	35,177
Income tax	108,694	90,732	106,851	90,732

2. Cash and cash equivalents

Cash and cash equivalents as at June 30, 2005 are included deposit with financial institutions in the form of promissory notes of Baht 535 million in the consolidated and the parents financial statements which are due at call.

Notes to financial statements are parts of these financial statements.