

HOME PRODUCT CENTER PUBLIC COMPANY LIMITED

BALANCE SHEETS

AS AT DECEMBER 31, 2004 AND 2003

Assets	Note	2004	Baht	2003
Current assets				
Cash and cash equivalents	2	104,966,368.10		36,291,871.62
Accounts receivable - net	3	170,817,952.67		121,235,696.40
Inventories	4	2,167,974,747.65		1,702,343,067.98
Receivable - Revenue Department		62,186,619.57		51,025,422.80
Other current assets		151,501,068.13		119,413,481.05
		<u>2,657,446,756.12</u>		<u>2,030,309,539.85</u>
Non-current assets				
Fixed deposit	5	57,310.84		14,651,345.07
Property, plant and equipment - net	6	3,050,902,023.96		1,998,387,992.92
Intangible assets	7	464,220,746.21		336,091,619.04
Real estate foreclosed		4,174,122.40		4,174,122.40
Rentention for lease		27,188,996.30		25,824,626.20
Other non-current assets		4,828,907.36		5,427,200.48
		<u>3,551,372,107.07</u>		<u>2,384,556,906.11</u>
Total assets		<u><u>6,208,818,863.19</u></u>		<u><u>4,414,866,445.96</u></u>

Notes to financial statements are parts of these financial statements.

HOME PRODUCT CENTER PUBLIC COMPANY LIMITED

BALANCE SHEETS (Cont.)

AS AT DECEMBER 31, 2004 AND 2003

Liabilities and shareholders' equity	Note	2004	Baht	2003
Current liabilities				
Bank overdrafts and short-term loans				
from financial institutions	8	400,147,663.12		527,110,595.17
Accounts payable		2,445,626,824.80		1,996,511,486.66
Promissory notes	9	38,000,000.00		0.00
Current portion of long-term debt	10,11,12	185,970,533.42		66,054,239.49
Assets payable	10	32,157,655.11		38,848,523.53
Deposits for goods		182,976,248.06		132,960,603.90
Other payables		104,748,136.98		64,600,083.48
Other current liabilities		254,161,259.82		192,293,235.03
Total current liabilities		<u>3,643,788,321.31</u>		<u>3,018,378,767.26</u>
Non-current liabilities				
Long-term loans	11	849,416,682.00		21,416,678.00
Rental received in advance		81,030,900.00		42,691,500.00
Other non-current liabilities		24,802,095.60		16,568,670.70
Total non-current liabilities		<u>955,249,677.60</u>		<u>80,676,848.70</u>
Total liabilities		<u>4,599,037,998.91</u>		<u>3,099,055,615.96</u>

HOME PRODUCT CENTER PUBLIC COMPANY LIMITED

BALANCE SHEETS (Cont.)

AS AT DECEMBER 31, 2004 AND 2003

Liabilities and shareholders' equity (Cont.)	Note	2004	Baht	2003
Shareholders' equity				
Share capital				
Authorized share capital				
987,500,000 common shares of Baht 1 each		987,500,000.00		987,500,000.00
Issued and paid-up share capital				
756,089,030 common shares of Baht 1 each	17	756,089,030.00		
753,000,000 common shares of Baht 1 each	17			753,000,000.00
Premium on share capital		190,121,460.61		190,121,460.61
Retained earnings				
Appropriated				
Legal reserve	13	39,100,000.00		20,000,000.00
Unappropriated		624,470,373.67		352,689,369.39
Total shareholders' equity		1,609,780,864.28		1,315,810,830.00
Total liabilities and shareholders' equity		6,208,818,863.19		4,414,866,445.96

Notes to financial statements are parts of these financial statements.

HOME PRODUCT CENTER PUBLIC COMPANY LIMITED

STATEMENTS OF INCOME

FOR THE YEARS ENDED DECEMBER 31, 2004 AND 2003

	Note	2004	Baht	2003
Revenues				
Sales		9,814,252,957.99		6,752,971,593.68
Other income		220,241,556.59		113,740,096.46
Total revenues		<u>10,034,494,514.58</u>		<u>6,866,711,690.14</u>
Expenses				
Cost of sales		7,736,333,241.16		5,327,226,153.34
Selling and administrative expenses		1,736,511,984.95		1,235,450,405.11
Total expenses		<u>9,472,845,226.11</u>		<u>6,562,676,558.45</u>
Profit before interest expenses and income tax		561,649,288.47		304,035,131.69
Interest expenses		(32,662,207.18)		(24,985,942.16)
Income tax		(147,746,077.01)		(72,412,589.99)
Net profit		<u>381,241,004.28</u>		<u>206,636,599.54</u>
Basic earnings per share				
Net profit	15	0.51		0.27
Diluted earnings per share				
Net profit	15	0.47		0.26

Notes to financial statements are parts of these financial statements.

HOME PRODUCT CENTER PUBLIC COMPANY LIMITED
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2004 AND 2003

(Unit : Baht)

	Note	Issued and paid-up share capital	Premium on share capital	Legal reserve	Retained earnings (Deficit)	Total
Beginning balance as at						
January 1, 2003		750,000,000.00	184,121,460.61	9,500,000.00	201,552,769.85	1,145,174,230.46
Warrants to purchase						
common shares	17	3,000,000.00	6,000,000.00	0.00	0.00	9,000,000.00
Legal reserve	13	0.00	0.00	10,500,000.00	(10,500,000.00)	0.00
Dividend paid	19	0.00	0.00	0.00	(45,000,000.00)	(45,000,000.00)
Net profit		0.00	0.00	0.00	206,636,599.54	206,636,599.54
Ending balance as at						
December 31, 2003		753,000,000.00	190,121,460.61	20,000,000.00	352,689,369.39	1,315,810,830.00
Warrants to purchase						
common shares	17	3,089,030.00	0.00	0.00	0.00	3,089,030.00
Legal reserve	13	0.00	0.00	19,100,000.00	(19,100,000.00)	0.00
Dividend paid	19	0.00	0.00	0.00	(90,360,000.00)	(90,360,000.00)
Net profit		0.00	0.00	0.00	381,241,004.28	381,241,004.28
Ending balance as at						
December 31, 2004		756,089,030.00	190,121,460.61	39,100,000.00	624,470,373.67	1,609,780,864.28

Notes to financial statements are parts of these financial statements.

HOME PRODUCT CENTER PUBLIC COMPANY LIMITED
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2004 AND 2003

	2004	Baht	2003
Cash flows from operating activities			
Net profit	381,241,004.28		206,636,599.54
Adjustment net profit (loss) to cash receipt (disbursement)			
Depreciation	191,214,513.31		131,123,053.51
Amortization of intangible assets	21,270,303.00		13,029,960.41
Increase (Decrease) in allowance for damaged goods	(31,631,465.41)		25,772,977.56
(Gain) Loss from sales of assets	12,048,976.15		6,850,146.40
(Increase) Decrease in accounts and notes receivable	(49,582,256.27)		17,963,566.43
(Increase) Decrease in inventories	(434,000,214.26)		(482,242,280.51)
(Increase) Decrease in other current assets	(32,087,587.08)		(27,268,411.74)
(Increase) Decrease in receivable - Revenue Department	(11,161,196.77)		(16,395,242.48)
(Increase) Decrease in retention for lease	(1,364,370.10)		(8,439,200.00)
(Increase) Decrease in other non-current assets	598,293.12		3,452,240.11
Increase (Decrease) in accounts and notes payable	449,115,338.14		569,469,877.83
Increase (Decrease) in other payables	40,148,053.50		15,530,746.17
Increase (Decrease) in accrued interest expenses	123,959.27		(367,550.30)
Increase (Decrease) in deposit from sales of goods	50,015,644.16		64,739,107.67
Increase (Decrease) in other current liabilities	61,744,065.52		104,654,961.67
Increase in rental received in advance	38,339,400.00		41,240,700.00
Increase (Decrease) in other non-current liabilities	8,233,424.90		(2,956,929.96)
Net cash provided (used in) operating activities	694,265,885.46		662,794,322.31

HOME PRODUCT CENTER PUBLIC COMPANY LIMITED
STATEMENTS OF CASH FLOWS (Cont.)
FOR THE YEARS ENDED DECEMBER 31, 2004 AND 2003

	2004	Baht	2003
Cash flows from investing activities			
Decrease in fixed deposit	14,594,034.23		17,350,476.66
Received from sales of assets	2,717,324.22		1,554,466.83
(Increase) Decrease in intangible assets	(149,399,430.17)		(96,351,121.84)
Paid for assets payable	(38,848,523.53)		(47,156,181.95)
Purchase of fixed assets	(1,188,337,189.61)		(864,524,656.05)
Net cash provided (used in) investing activities	(1,359,273,784.86)		(989,127,016.35)
Cash flows from financing activities			
Received (Paid) for bank overdrafts and short-term loans from financial institutions	(126,962,932.05)		386,911,709.04
Paid for promissory notes	0.00		(15,500,000.00)
Received from long-term loans	1,028,500,000.00		63,300,000.00
Paid for long-term loans	(75,449,995.99)		(108,679,996.01)
Paid for loans of financial lease agreement	(7,084,990.00)		(8,501,988.00)
Increase (Decrease) in long-term liabilities from hire purchase agreement	1,951,283.92		(2,956,252.34)
Dividend paid	(90,360,000.00)		(45,000,000.00)
Warrants - to purchase common shares	3,089,030.00		9,000,000.00
Net cash provided (used in) financing activities	733,682,395.88		278,573,472.69
Net increase (decrease) in cash and cash equivalents	68,674,496.48		(47,759,221.35)
Cash and cash equivalents at the beginning of the period	36,291,871.62		84,051,092.97
Cash and cash equivalents at the end of the period	104,966,368.10		36,291,871.62
Additional disclosure of cash flows information			
Cash paid during the period			
Interest expenses	32,538,247.91		25,353,492.46
Income tax	115,436,260.49		44,116,431.89

Notes to financial statements are parts of these financial statements.