



Analyst Meeting

2015 Results

March 1, 2016

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HomePro is the leading home improvement retailer in Thailand.

Our product range covers 40,000 items.

We operate 77 stores nationwide, providing complete services as One Stop Shopping to attain highest customer satisfaction.

The HomePro's stock is traded on the Stock Exchange of Thailand (SET - hmpro, BB - hmpro:tb).

Agenda

- **2015 Financial Results**
- **Business Outlook**



Home Product Center Plc. : Operating HomePro in Thailand



Market Village Co., Ltd.

- Holds 99.99% of total shares
- Objective to manage rental space and provide utilities services to tenants.



Home Product Center (Malaysia) Sdn. Bhd.

- Holds 100% of total shares
- Objective to operate a retail business in Malaysia.



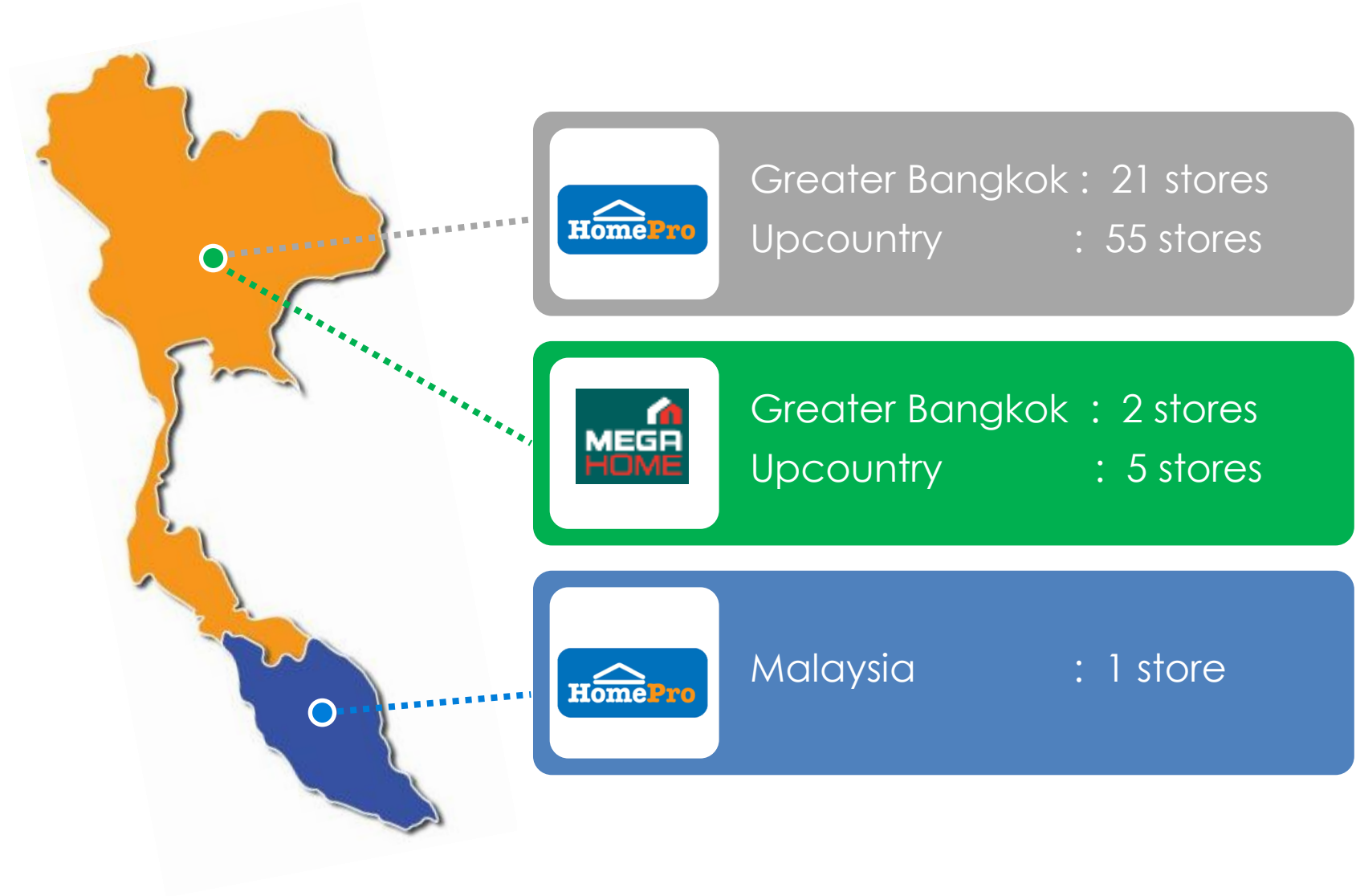
Mega Home Center Co., Ltd.

- Holds 99.99% of total shares
- Objective to operate retail business under trade name “Mega Home”.



DC Service Center Co., Ltd.

- Holds 99.99% of total shares
- Objective to operate the warehousing and distribution.

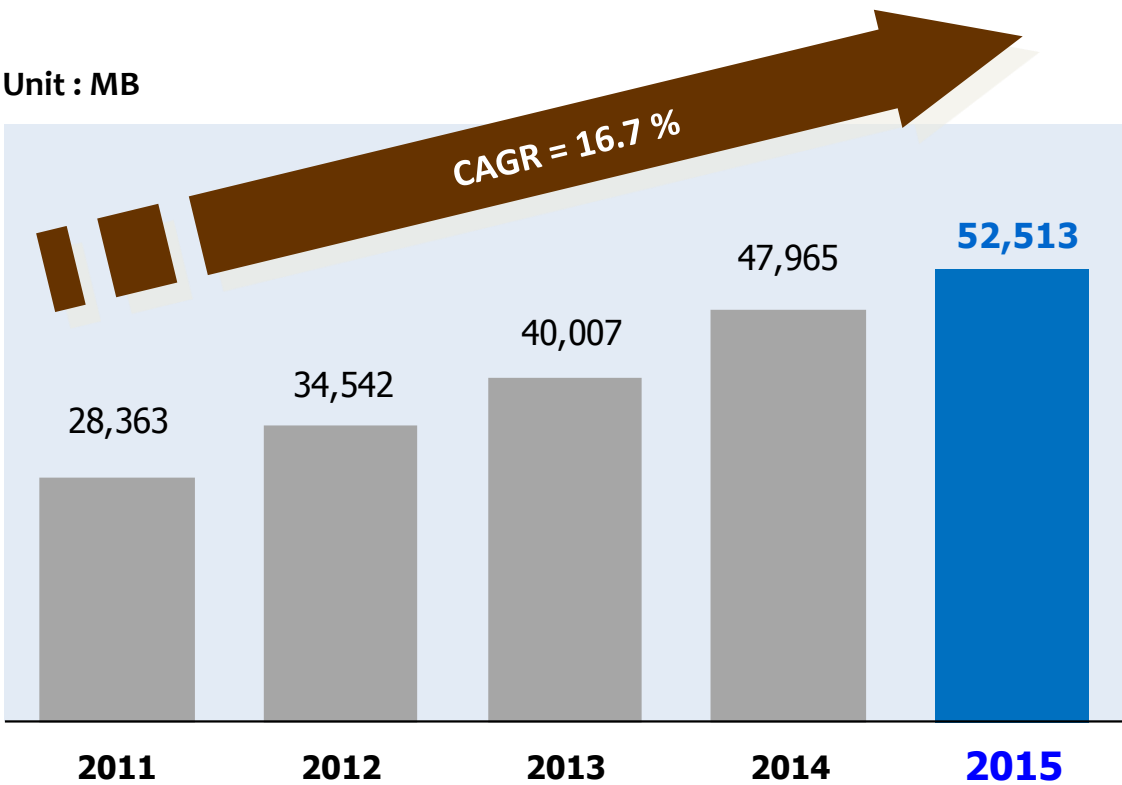


P & L Summary

Unit : MB

	2015	% on Sales	2014	% on Sales	VAR	% Growth
Sales	52,512.7	100.0	47,964.7	100.0	4,538.0	9.5
Other Income	3,730.5	7.1	3,243.9	6.8	486.6	15.0
Total Revenue	56,243.2	107.1	51,208.6	106.8	5,034.6	9.8
COGS	38,999.7	74.3	35,472.9	74.0	3,526.8	9.9
SG&A	12,283.0	23.4	11,118.7	23.2	1,164.2	10.5
Total Expenses	51,275.7	97.7	46,591.6	97.2	4,691.1	10.1
EBIT	4,960.5	9.4	4,617.0	9.6	343.5	7.4
Financial Exp.	543.7	1.0	466.0	1.0	77.7	16.7
Tax	918.0	1.7	837.6	1.7	80.3	9.6
Net Profit	3,498.8	6.7	3,313.3	6.9	185.5	5.6
Depreciation	2,720.7	5.2	2,264.5	4.7	456.2	20.1
EBITDA	7,681.2	14.6	6,881.5	14.3	799.7	11.6

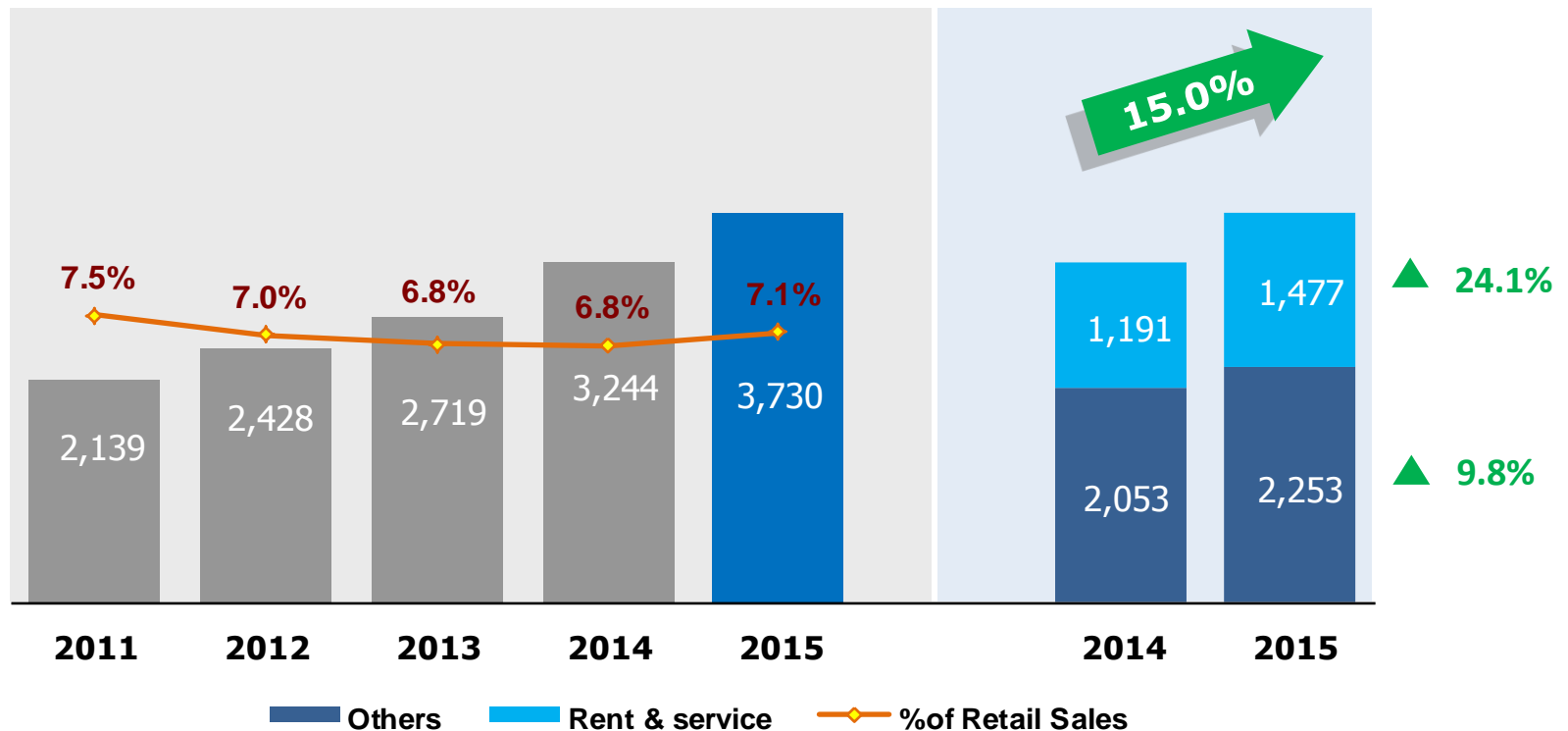
Sustainable Sales Growth



SSS Full year	2011	2012	2013	2014	2015
	6.3	6.8	3.7	5.0	-1.4

Rising Other Income

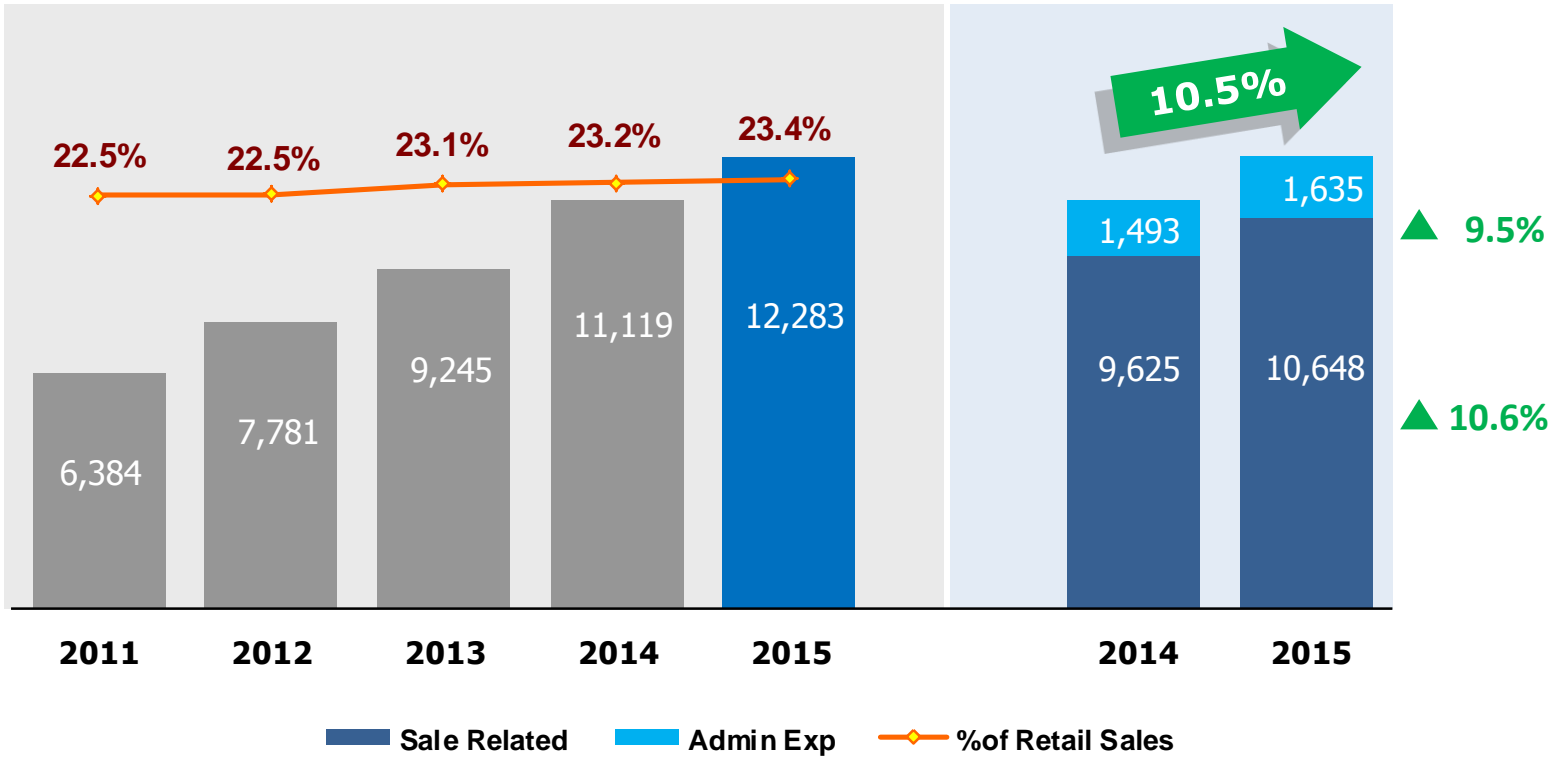
Unit : MB



- **Rental & Service Income** increasing from Suvarnabhumi and Hua-Hin Market Villages well as higher rental income from the additional HomePro's leasable areas.
- The increase in **Other Income** was mainly due to increasing joint-advertising income and in-store promotion with vendor as well as service income from "Home Care" program.

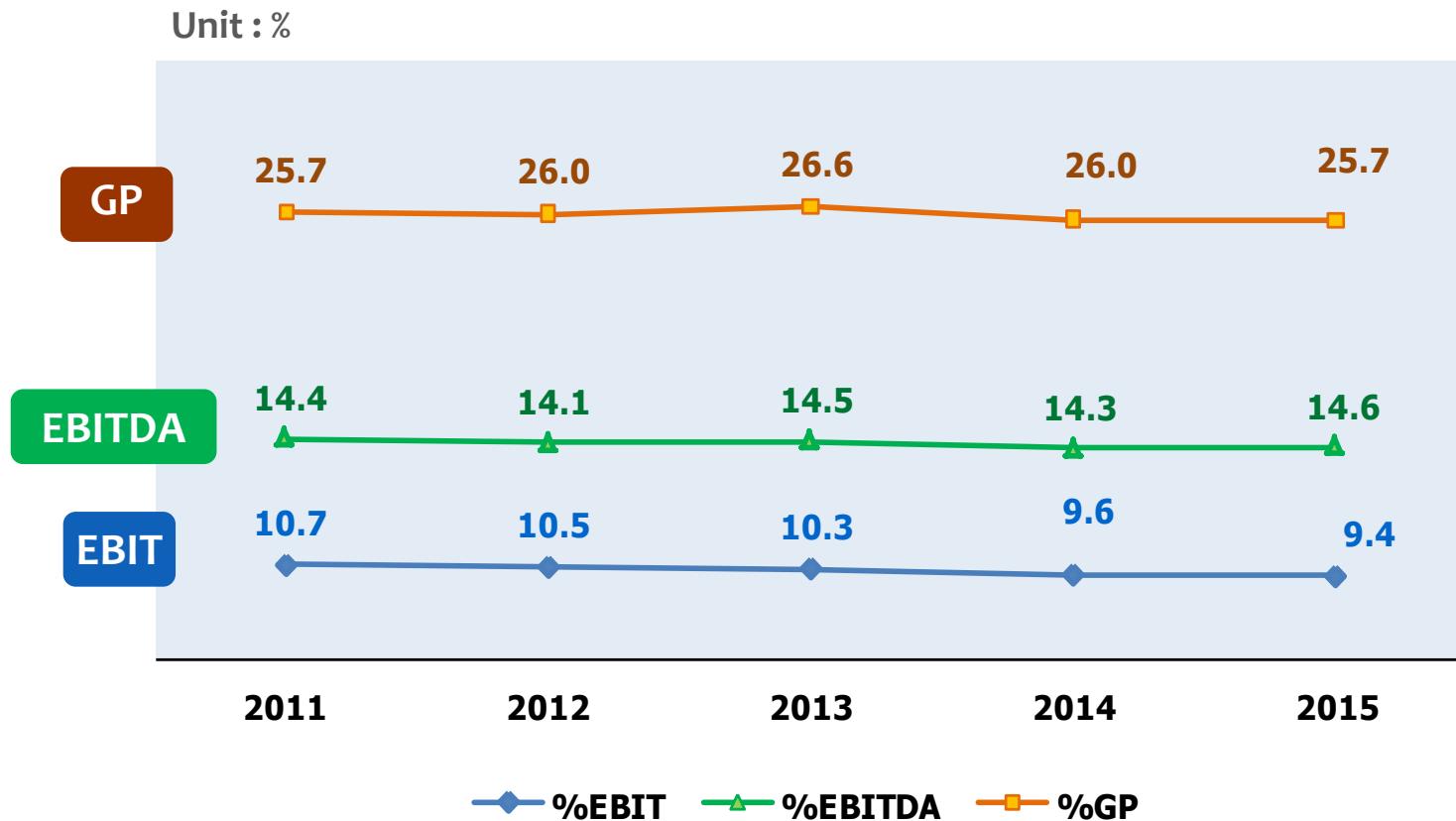
SG&A Expenses

Unit : MB

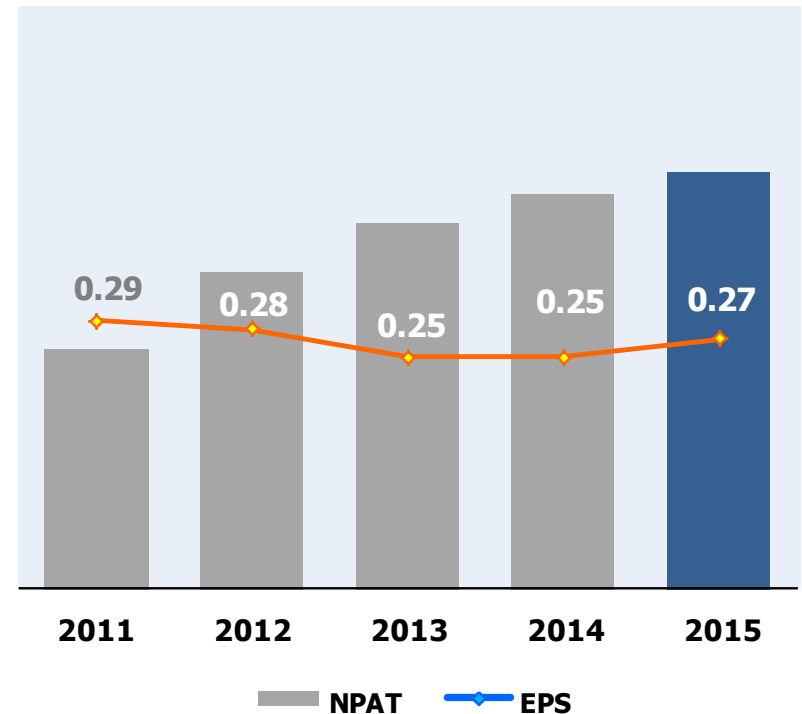
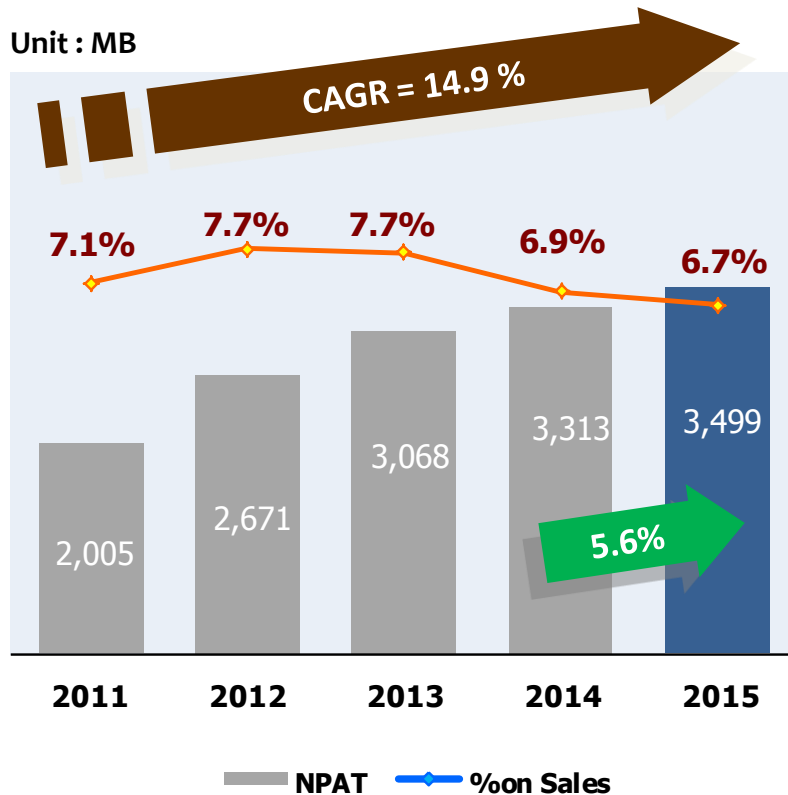


2015, **SG&A** represented 23.4% to sales comparing with 23.2% of the same period of the previous year. The main increase was due to the increase in salaries, depreciation, utilities cost and operating expenses of HomePro in Malaysia.

Profitability Ratio



2015, GP has decreased from 26.0% in the previous year to 25.7% due to the blended margin of HomePro business and Mega Home business which has a lower gross margin structure.



2015 **NPAT** growth by 5.6% but NPAT % to sales decreased from 6.9% to 6.7%.

EPS in 2014 taking full dilution impact of stock dividend at the ratio of 8:1 paid in November 2014 (interim). **EPS** in 2015 taking impact at ratio of 15:1 paid in May 2015 (Final).

■ AGM Update

XM : 4 March 2016

AGM : 7 April 2016

**Place : Grand Ballroom,
Mandarin Hotel
662 Rama 4 Rd.,
Bangrak, Bangkok**



■ Dividend

On 23 Feb 2016 the Board proposed to pay cash dividend at the rate of Baht 0.15 per share subject to shareholders approval on 7 April 2016.

XD : 12 April 2016

Payment date : 29 April 2016

Balance Sheet at a Glance

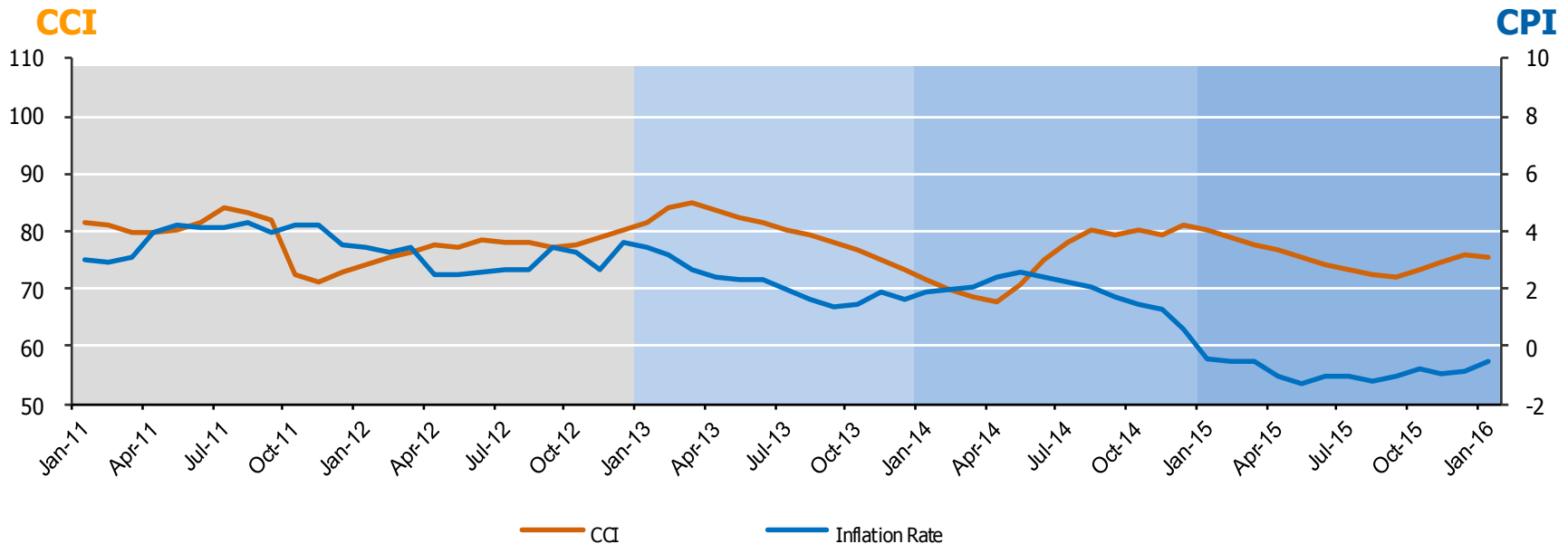
Unit : MB

	31 Dec 15	31 Dec 14	VAR	%
Cash & Deposit	2,698.1	2,434.8	263.3	10.8
Inventory	8,364.8	8,030.8	333.9	4.2
Land Building & Equipment	33,383.4	31,330.0	2,053.4	6.6
Others	2,544.8	2,517.2	27.6	1.1
Total Assets	46,991.0	44,312.8	2,678.2	6.0
Financial Debt	14,377.1	13,876.2	500.9	3.6
Account Payable	12,773.3	12,075.4	697.9	5.8
Others	2,938.0	2,659.6	278.4	10.5
Total Liabilities	30,088.4	28,611.2	1,477.2	5.2
Paid-Up Capital	13,151.2	12,329.3	821.9	6.7
Share Premium	646.3	646.3	-	-
Retain Earnings	3,105.1	2,726.0	379.1	13.9
Total Equities	16,902.6	15,701.6	1,201.0	7.6

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Thailand consumer confidence fell



Thailand Consumer Confidence Index (CCI) fell for the first time in four month in January to 75.5 decreasing from 76.1 in December.

Consumers were concerned about slow Thai economic recovery, global economic problems, China's economic slowdown, lower global stock exchange indices, lower oil prices, declining exports, drought and low prices for farm products, the UTCC said.

The survey also found that the indices of consumers' confidence in the overall economy, job opportunities and future income fell.




Continuous margin expansion through Private Label



The main objective of the development and selection of private brand products is an adherence to build up value-added to customers. Therefore, the core element of private brand products is quality and worthiness. In addition to the Company's increase of variety of products, it had continued to develop and select products with quality to continuously provide worthiness to customers. To date, we have a total of 36 private brands and over 1,000 items.

2016 Store Expansion Plan



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■ 2016 No. of New stores		5	3-4	1
1Q	Chaipruek	26 Feb		
	Rama 3 (Relocation)	✓		
2Q	Rojana		✓	
	3 HomePro stores	✓		
2H	2 – 3 Mega Home stores		✓	
	1 Store in Malaysia			✓

■ Our stores in 2016

Total (stores)	80	10 - 11	2
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Our New Category, BIKE CLUB



Complete and Congenial for Bike Lovers

26 February 2016
@ Chaiyaprupek branch

Bike Club offers over 300 series of bicycle from the top leading brands along with full range of services covering professional bike fitting, repair services, test track, bike accessories, fitness zone, healthy food & café.

Bike Club established its first branch at HomePro Chaiyaprupek with an area of more than 1,000 sq.m. as the biggest integrated cycling store in AEC.

1Q'16 Marketing Highlight



Wow !!



Home Makeover

TV Reality

This is the first time in Thailand in which the qualified 10 families will receive improvement in their home. The show begins airing on Voice TV, channel 21 every Sunday at 4.00 pm

HomePro EXPO 23

11 – 20 March 2016 @ Impact Muangthong Thani

Home lovers enjoyed this event which offers a wide range of brand name from over 300 manufactures and distributors, home service and innovation, including special discounts from leading financial institution.



Q & A

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