



# Analyst Meeting

## **1Q'10 Results**

May 11, 2010

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HomePro is the leading home improvement retailer in Thailand.

Our products range cover 60,000 items. We operate 36 stores nationwide, providing complete services as One Stop Shopping to attain highest customer satisfaction.

The HomePro's stock is traded on the Thailand Stock Exchange (SET: hmpro).



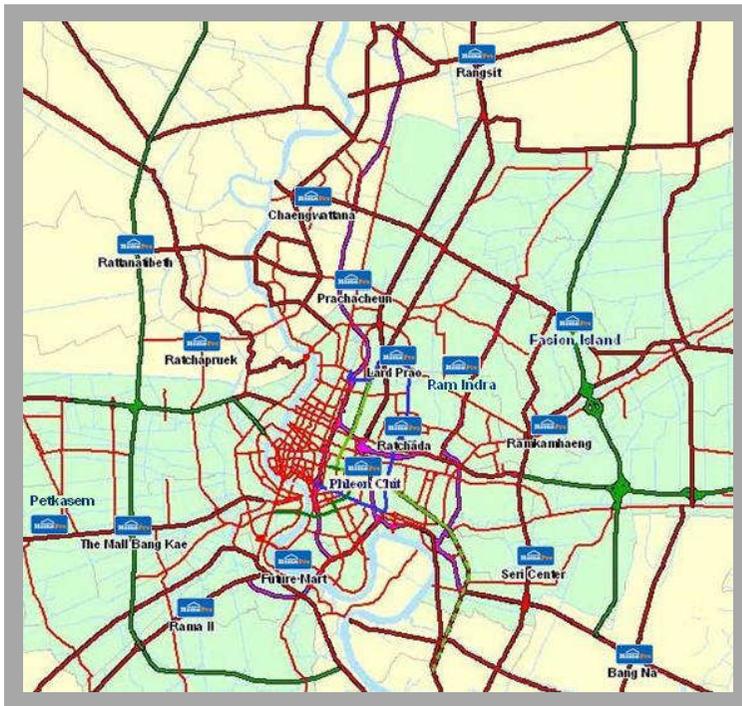
# Agenda

- Financial Result
- Business Outlook



# 1Q'10 Financial Results

- **17 Bangkok Stores**



- **19 Upcountry Stores**





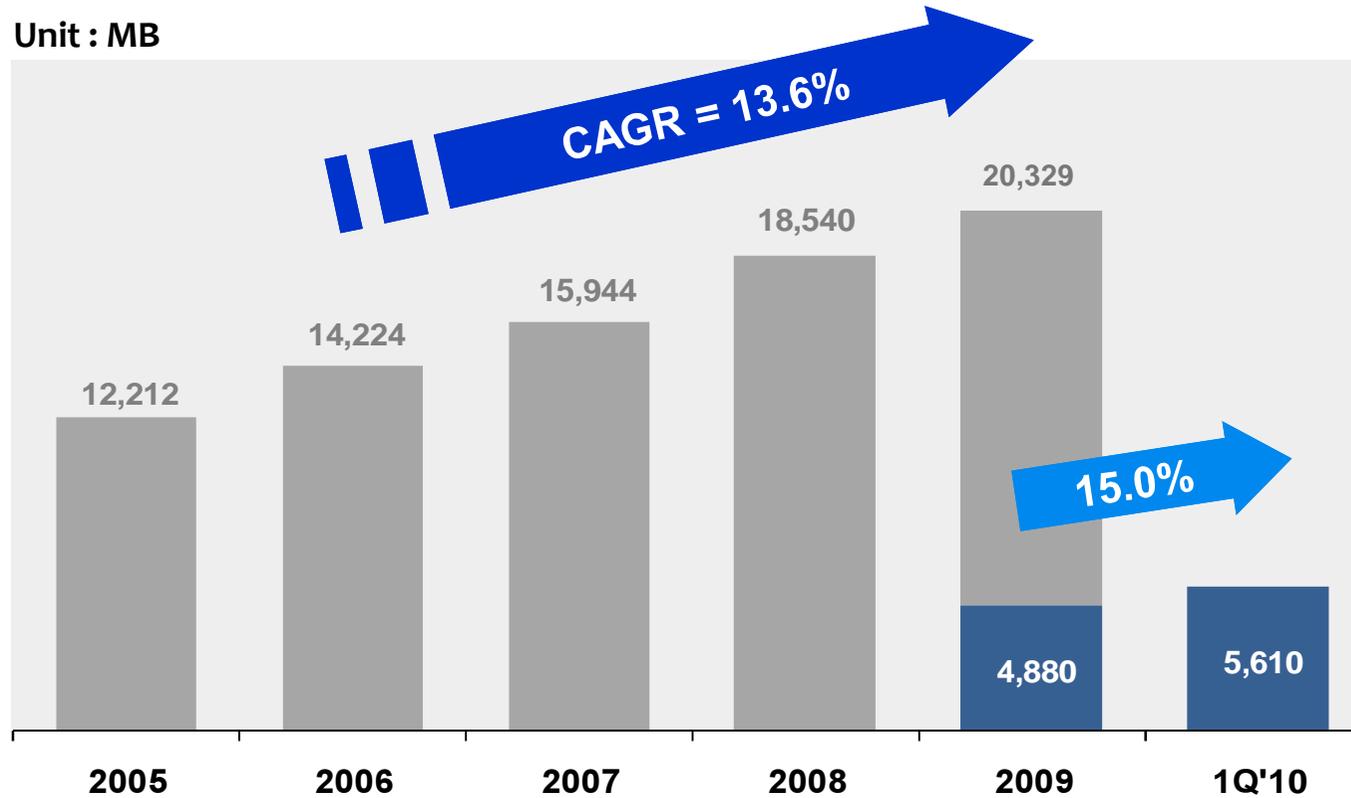
# P & L Summary

Unit : MB

	1Q'10	% on Sales	1Q'09	% on Sales	VAR	%G
<b>SALES</b>	5,610.2	100.0	4,879.8	100.0	▲ 730.5	15.0
Rental & Service	216.3	3.9	188.4	3.9	▲ 27.9	14.8
Other Income	229.4	4.1	172.2	3.5	▲ 57.2	33.2
<b>Total Revenue</b>	<b>6,056.0</b>	<b>107.9</b>	<b>5,240.4</b>	<b>107.4</b>	<b>▲ 815.6</b>	<b>15.6</b>
<b>COGS</b>	<b>4,276.4</b>	<b>76.2</b>	<b>3,733.6</b>	<b>76.5</b>	<b>▲ 542.8</b>	<b>14.5</b>
Selling Exp	1,032.7	18.4	928.1	19.0	▲ 104.6	11.3
Admin Exp	230.2	4.1	194.9	4.0	▲ 35.3	18.1
<b>Total Expenses</b>	<b>5,539.2</b>	<b>98.7</b>	<b>4,856.5</b>	<b>99.5</b>	<b>▲ 682.7</b>	<b>14.1</b>
Earning before FIN Exp. & TAX	516.8	9.2	383.9	7.9	▲ 132.9	34.6
Financial Exp.	23.7	0.4	30.8	0.6	▼ 7.0	22.8
TAX	153.5	2.7	111.1	2.3	▲ 42.5	38.3
<b>Net Profit</b>	<b>339.5</b>	<b>6.1</b>	<b>242.1</b>	<b>5.0</b>	<b>▲ 97.4</b>	<b>40.3</b>

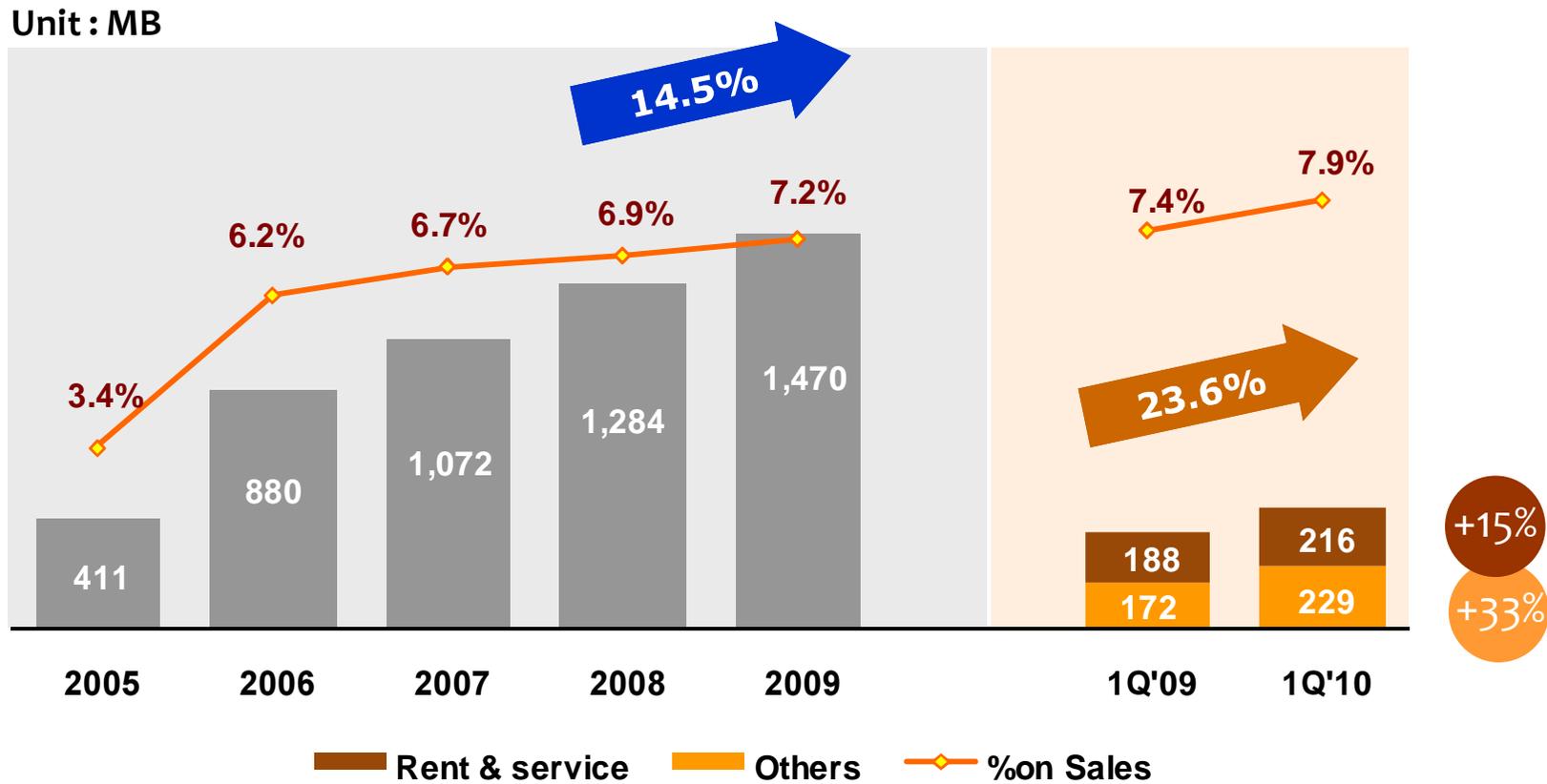


# Sustainable Sales Growth





# Rising Other Income

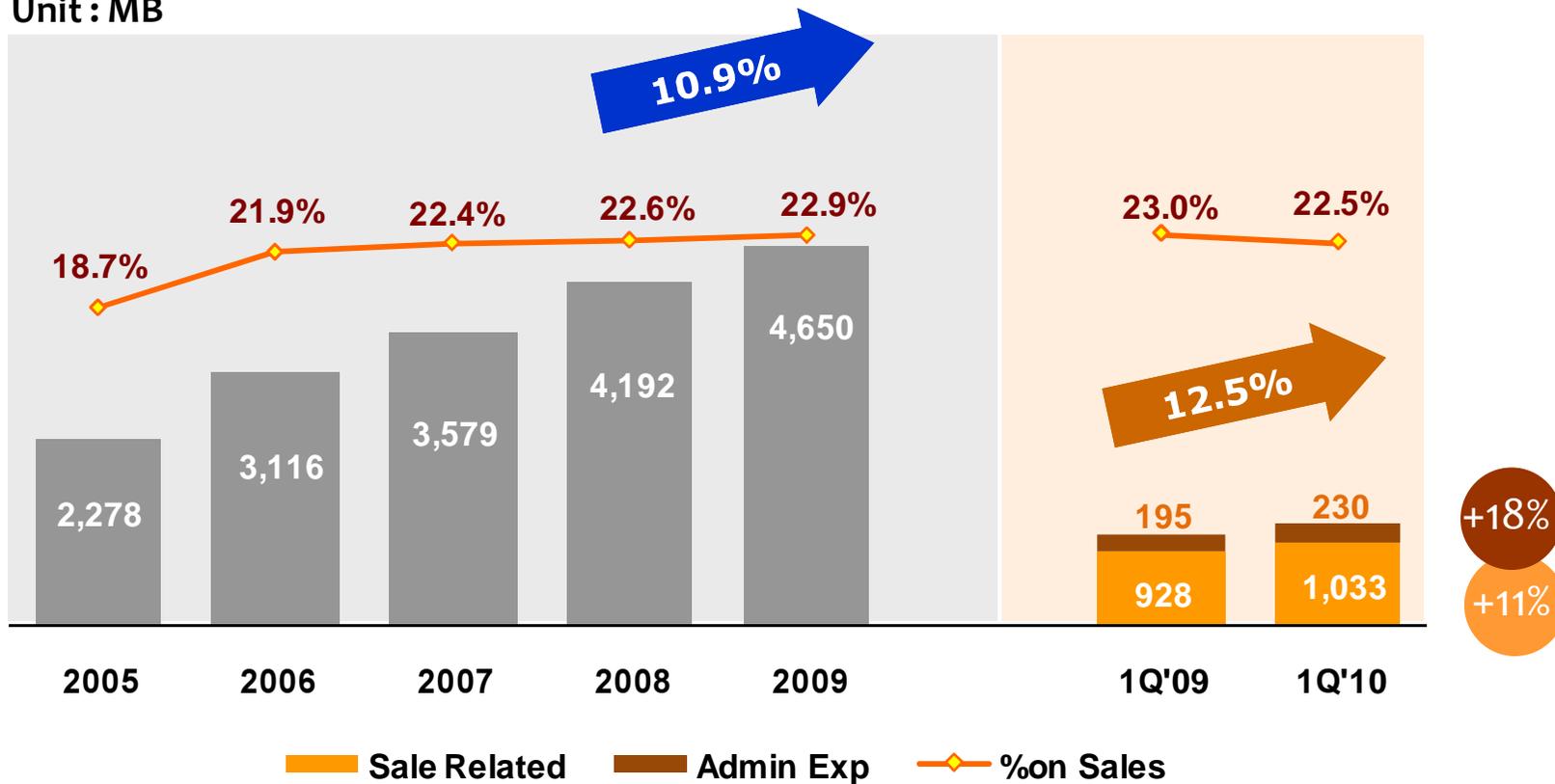


Increase in **Other Income** as contributed by increasing in Rental, Service and Advertising Fees.



# SG&A Expenses

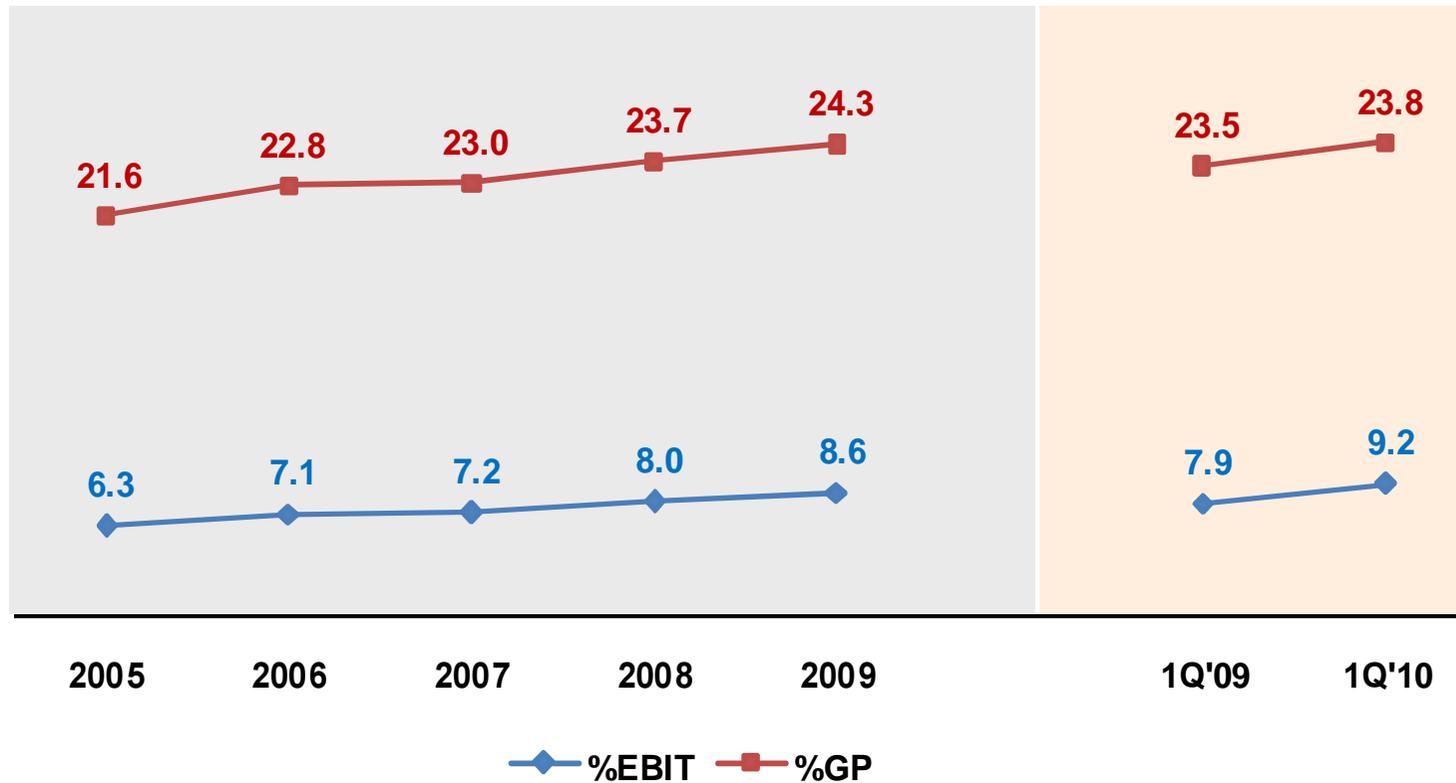
Unit : MB



Rise in **SG&A** in baht term as a result of operational expenses of new stores, in particular, Salaries, Transportation, Depreciation and Maintenance Expenses, but slightly declined as percentage of sales.



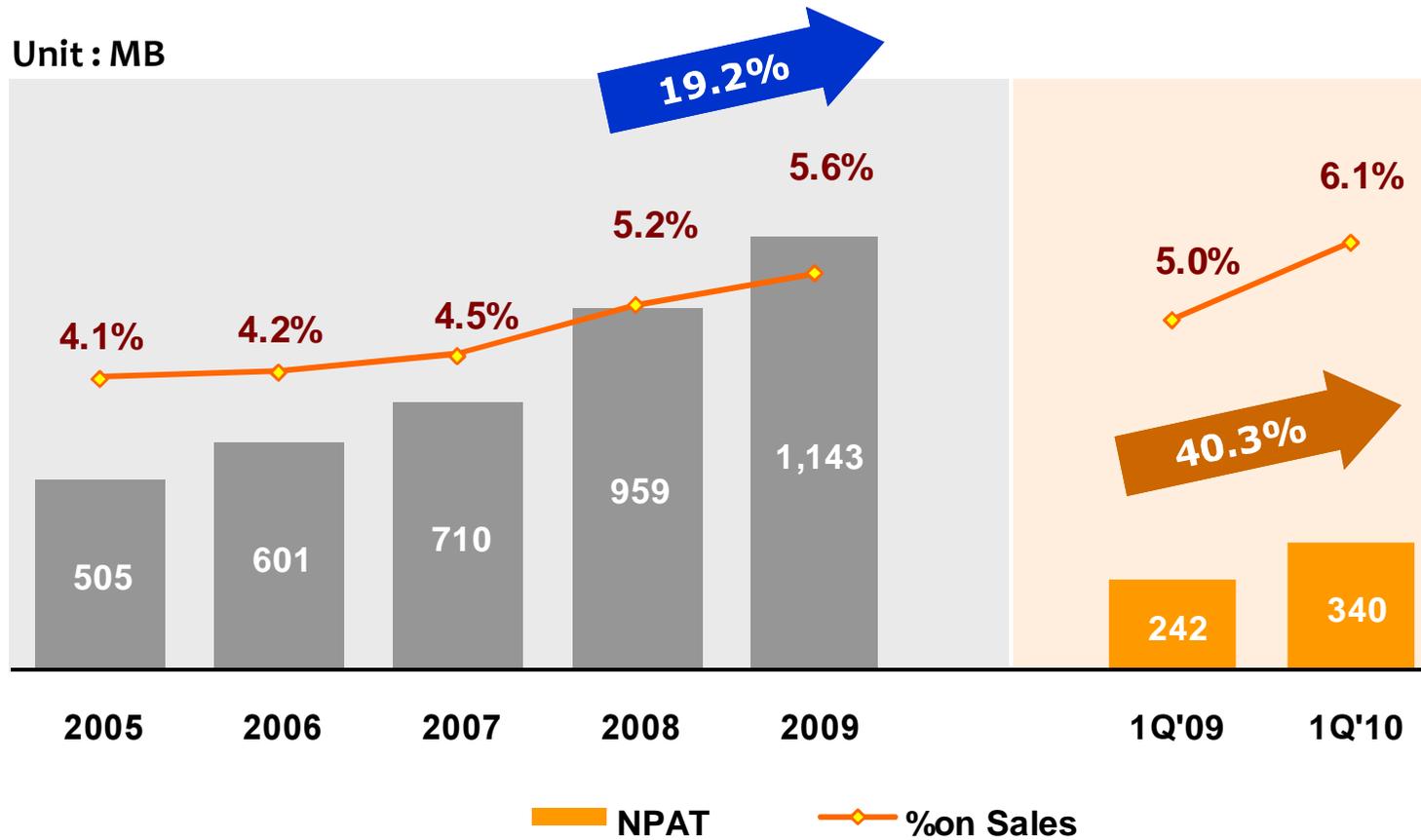
# GP & EBIT



GP increased as a result of sales of higher product mix with higher margin particularly house brand products.

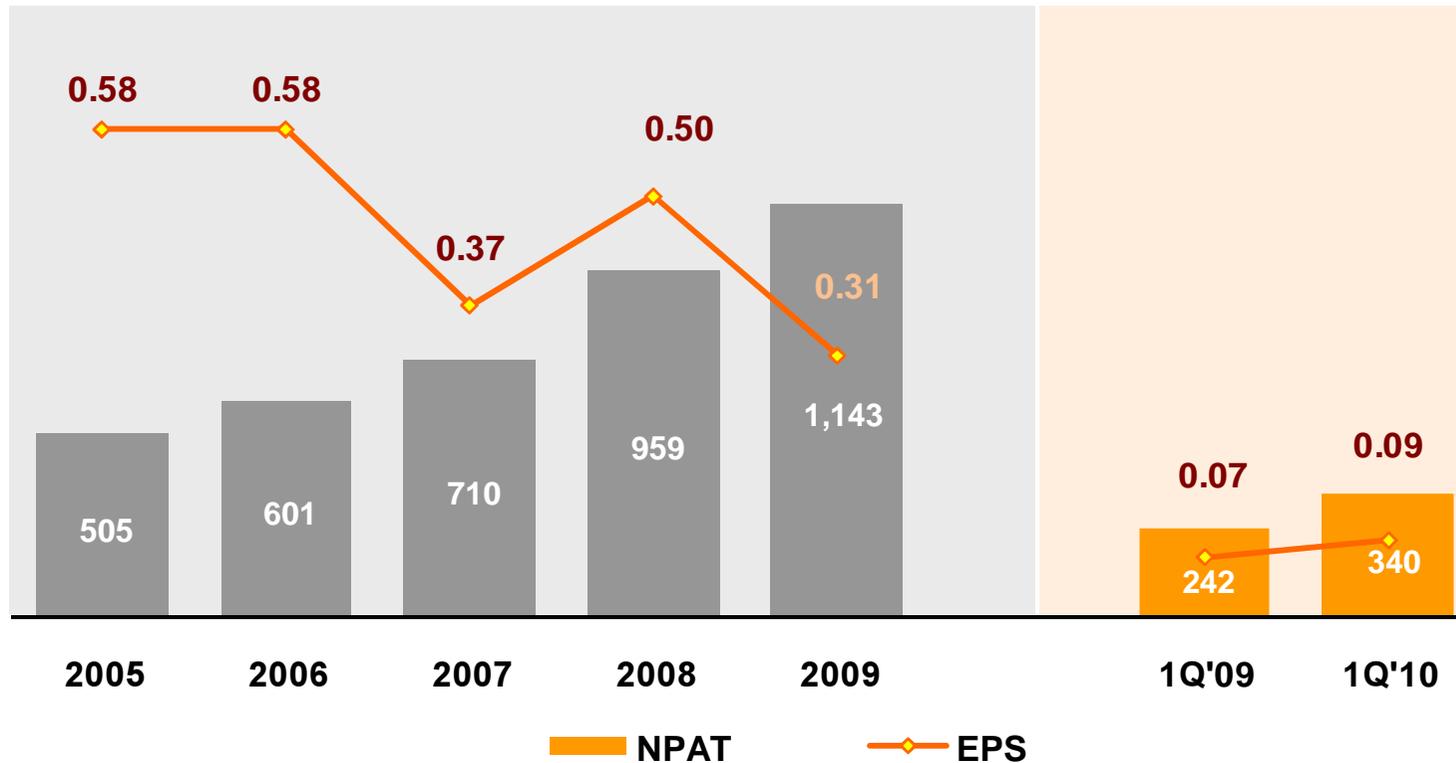


# Net Profit



1Q'10 NPAT growth by 40.3% and NPAT % to Sales increased over 1Q'09.

Unit : Baht



- Note :
- Equity raising 960 MB in DEC 2006 at ratio 1:1 of 1 Baht /share.  
Therefore, **EPS** since 2007 onward taking full dilution impact of 1:1.
  - EPS** in 2009 taking full dilution impact of Stock Dividend at the ratio 10:9.  
Before dilution, EPS should have been 0.59 Baht.



# Balance Sheet at a Glance

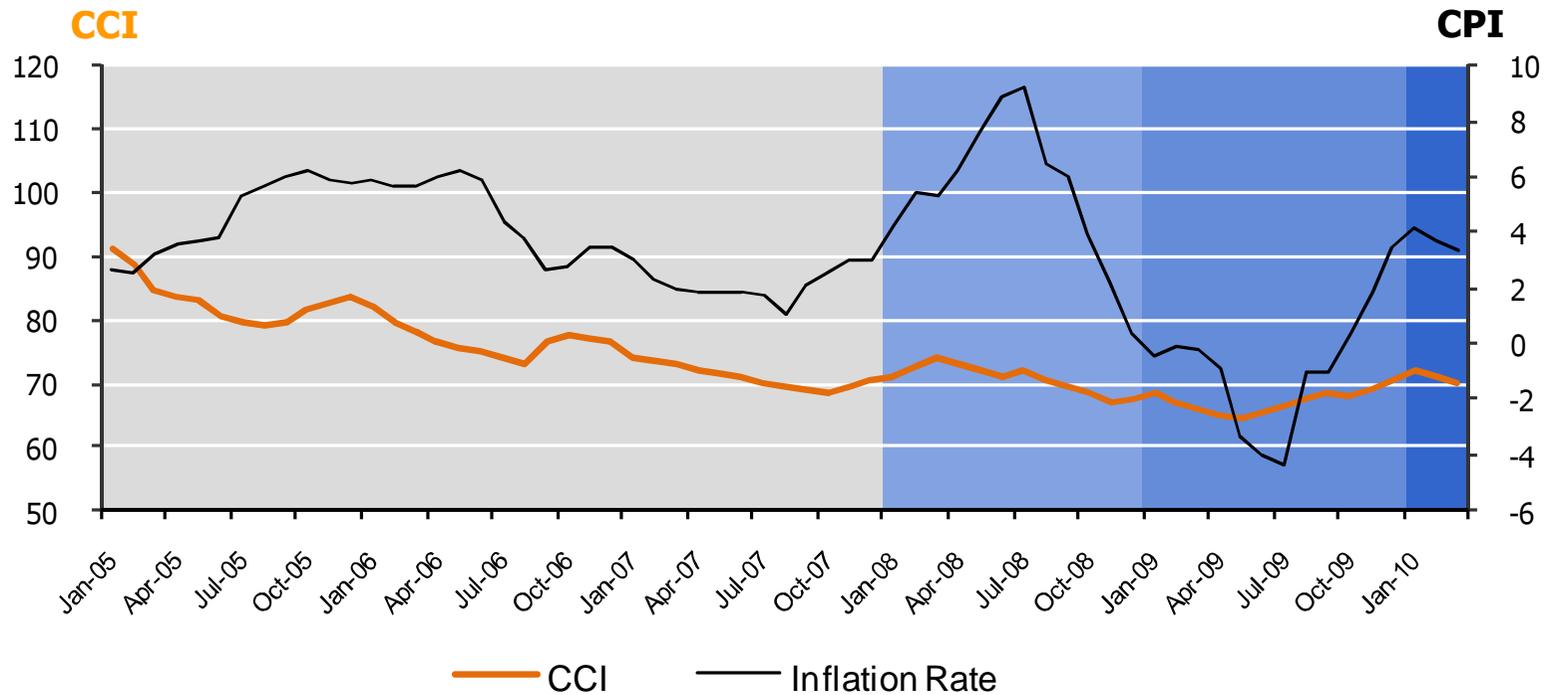
Unit : MB

	31 Mar 10	31 Dec 09	VAR	%
Cash & Deposit	1,424.5	846.3	▲ 578.2	68.3
Inventory	2,987.0	2,905.1	▲ 81.8	2.8
Land Building & Equipment	9,683.3	9,505.7	▲ 177.6	1.9
Others	622.8	608.9	▲ 13.9	2.3
<b>Total Assets</b>	<b>14,717.5</b>	<b>13,866.0</b>	<b>▲ 851.5</b>	<b>6.1</b>
Financial Debt	2,017.9	2,179.5	▼ 161.6	7.4
Account Payable	4,414.4	4,216.9	▲ 197.5	4.7
Others	2,662.7	2,196.2	▲ 466.5	21.2
<b>Total Liabilities</b>	<b>9,095.0</b>	<b>8,592.6</b>	<b>▲ 502.5</b>	<b>5.8</b>
Paid-Up Capital	3,708.8	3,703.9	▲ 4.9	0.1
Share Premium	599.0	594.3	▲ 4.6	0.8
Retain Earnings	1,314.7	975.2	▼ 339.5	34.8
<b>Total Equities</b>	<b>5,622.5</b>	<b>5,273.4</b>	<b>▲ 349.0</b>	<b>6.6</b>



# 1Q'10 Business Outlook

# CCI fell to lowest since November



Thailand's Consumer Confidence Index fell to 69.8 in March, the lowest since November, due to the protesters occupying a Bangkok district full of shopping malls and five-star hotels that hurt the retail, restaurant and tourist sectors and persuaded some foreign visitors to stay away.



# Regulation Update

## Upcoming Retail & Wholesales Business Act

The cabinet agreed in principle with the latest draft of the retail and wholesale act in Dec 09 submitted by Commerce Ministry.

The Council of State (the government's legal adviser) will be asked to scrutinized in the details including the size of modern trade stores and the wording of the bill. It would take about 6 months before the law is sent back for cabinet for approval and final pass by National Legislation Committee. And if passed, it is expected to be enforced by mid of 2010.





## **Extended Property Tax Holiday!!**

Thai government extended some property tax breaks, launched as part of its economic stimulus package, for two months to the end of May to help around 10,000 homebuyers who may not be able to complete house transfers.

The house transfer and mortgage registration fee each will be maintained at 0.01 percent before returning to 2 percent and 1 percent from the end of May. For the special business tax, which is now at 0.11 percent, will increase to 3 percent, when the tax scheme expires on March 28.



# Margin expansion through **House Brand**

An alternative choice of quality products with good value for money.





- **Computer Lab Construction**

*Jan 2010* at Nakhon Ratchasima province.

- **Kids' Toilet**

*Feb 2010*

Nakhon Patom : 2 schools / 41 rooms

Since the beginning of the project

: 12 provinces / 526 rooms

- **Planting Mangrove Forest**

To plant 100,000-Avicennia within 3-year  
at BangPu, Samutprakran Province.

*May 15,2010*



Q&A





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