

Home Product Center Public Company Limited



Analyst Meeting 2010 Results

February 22, 2011

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HomePro is the leading home improvement retailer in Thailand.

Our products range cover 60,000 items. We operate 40 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).



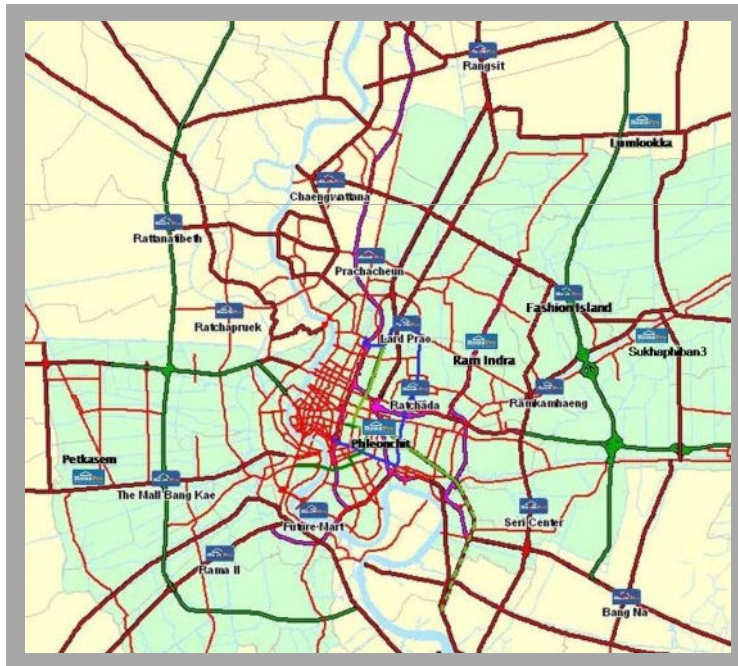
AGENDA

- Financial Results
- Industrial Outlook
- Business Outlook

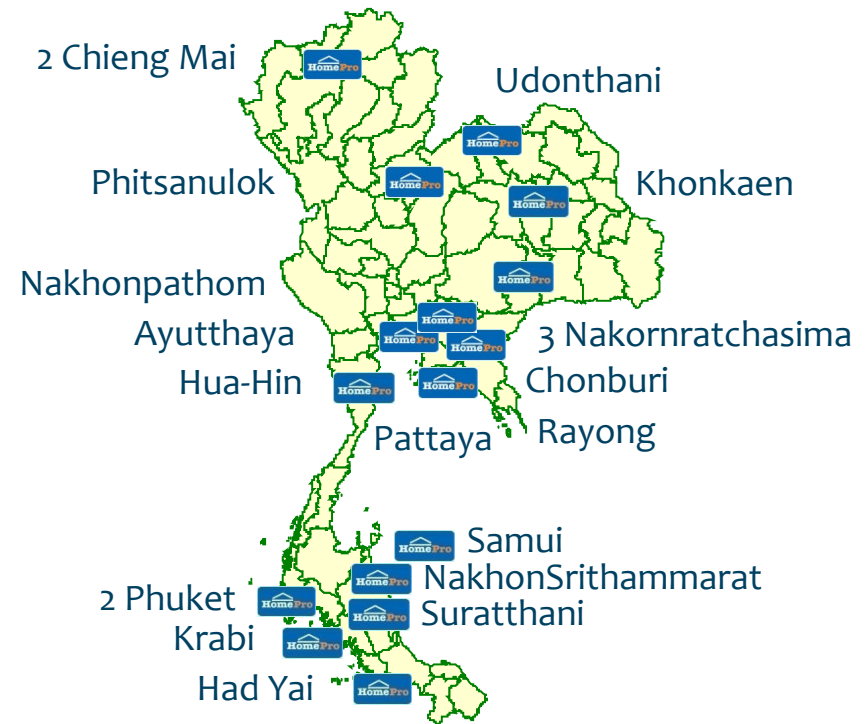


2010 FINANCIAL RESULTS

- 19 Greater Bangkok Stores



- 21 Upcountry Stores





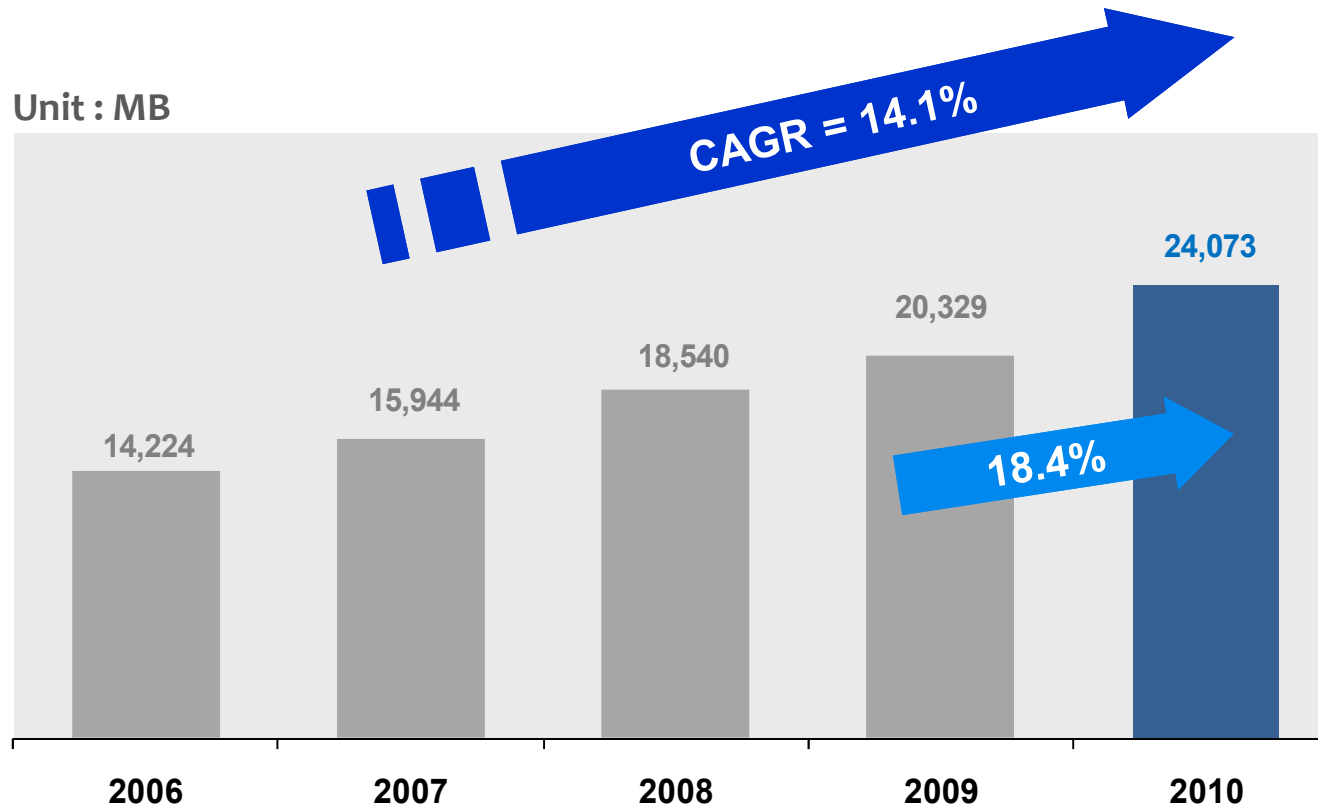
P & L Summary

Unit : MB

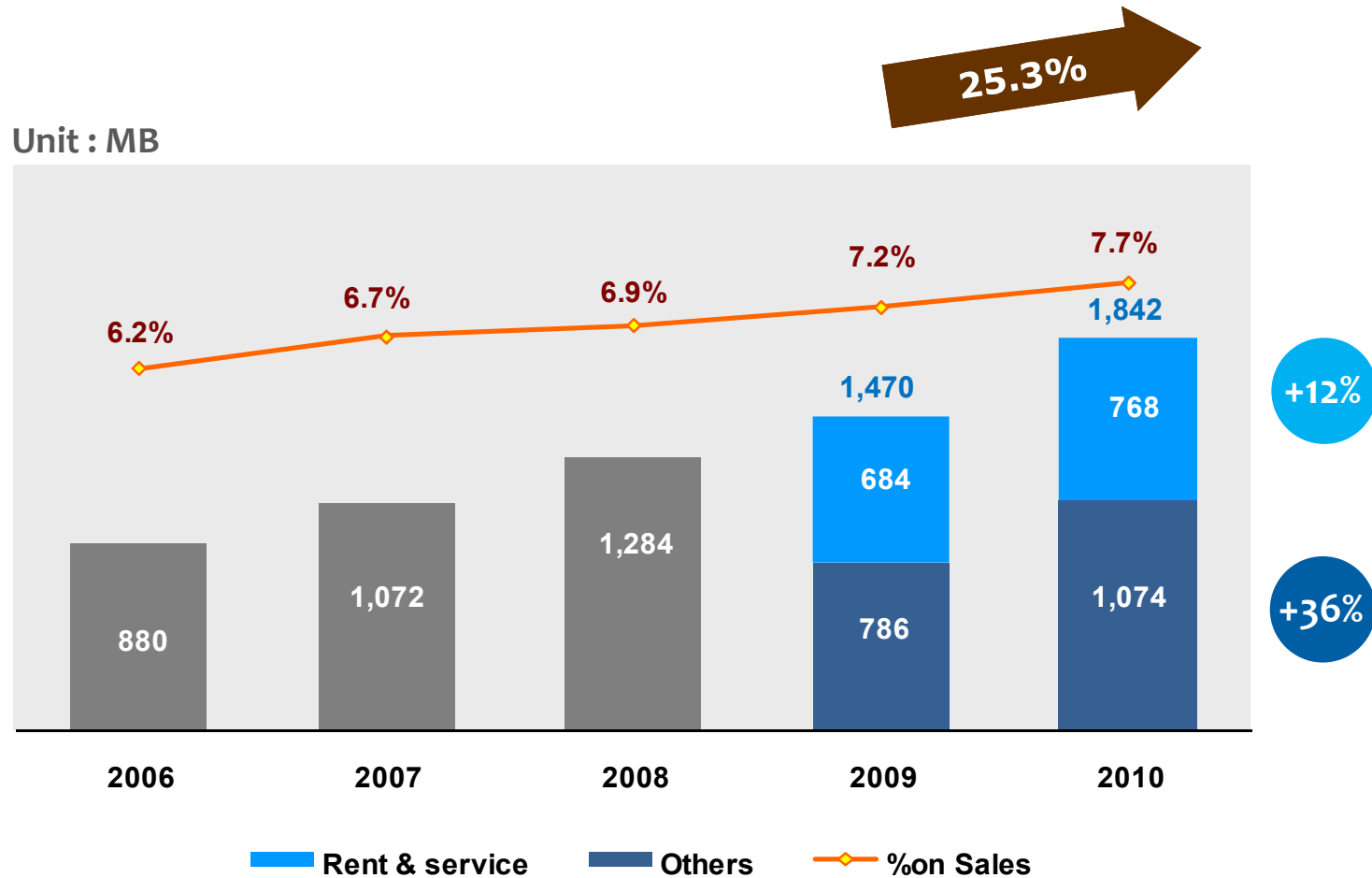
	2010	% on Sales	2009	% on Sales	VAR	%G
SALES	24,072.8	100.0	20,329.1	100.0	▲ 3,743.6	18.4
Rental & Service	767.7	3.2	684.2	3.4	▲ 83.5	12.2
Other Income	1,074.4	4.5	785.7	3.9	▲ 288.7	36.7
Total Revenue	25,914.9	107.7	21,799.1	107.2	▲ 4,115.8	18.9
COGS	18,052.2	75.0	15,395.1	75.7	▲ 2,657.1	17.3
Selling Exp	4,493.7	18.7	3,819.3	18.8	▲ 674.4	17.7
Admin Exp	962.5	4.0	843.0	4.1	▲ 119.5	14.2
Total Expenses	23,508.4	97.7	20,057.3	98.7	▲ 3,451.1	17.2
Earning before FIN Exp. & TAX	2,406.5	10.0	1,741.7	8.6	▲ 664.8	38.2
Financial Exp.	103.5	0.4	113.1	0.6	▼ 9.6	8.5
TAX	664.6	2.8	497.7	2.4	▲ 166.8	33.5
Net Profit	1,638.4	6.8	1,130.9	5.6	▲ 507.6	44.9



Sustainable Sales Growth



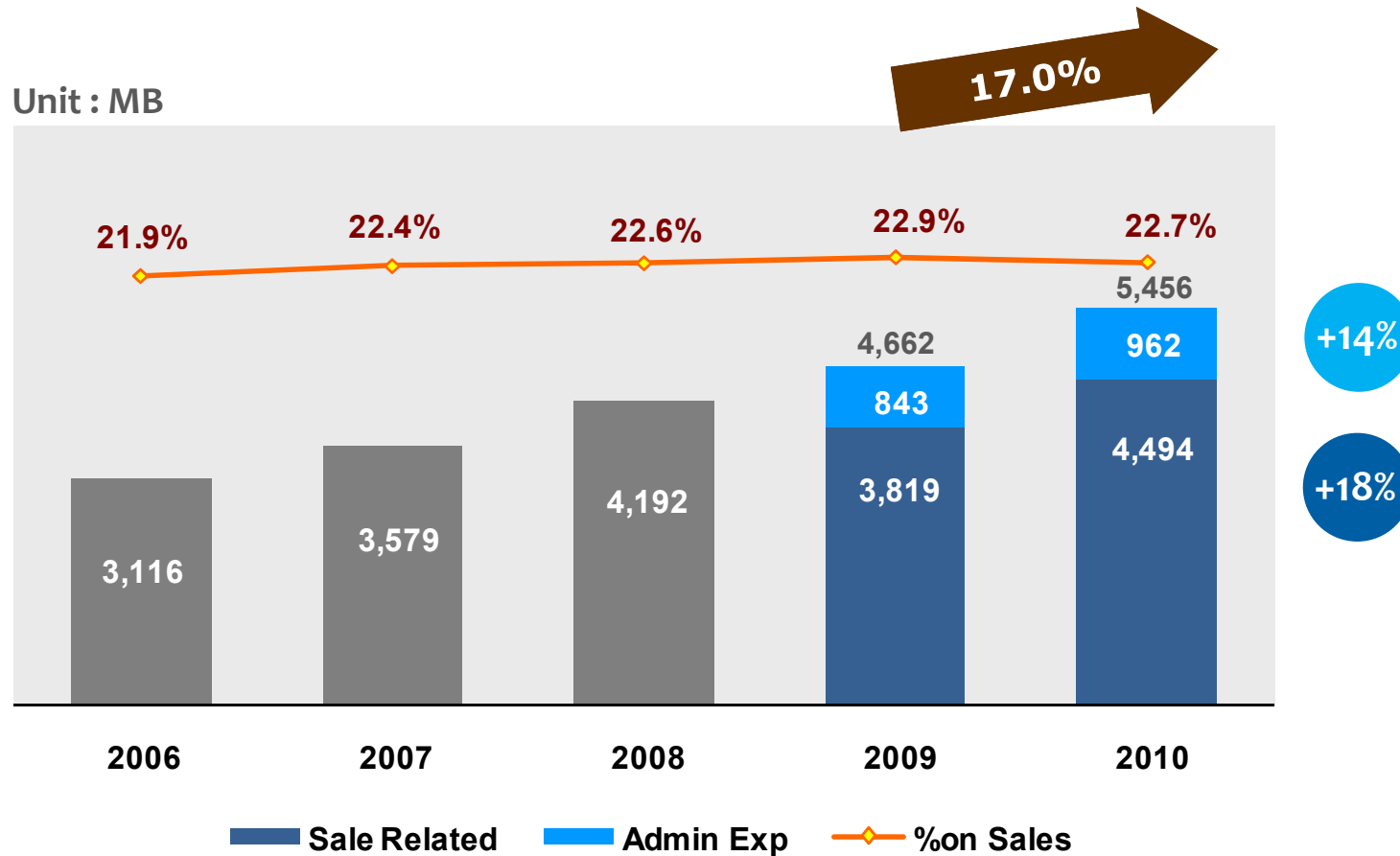
Rising Other Income



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



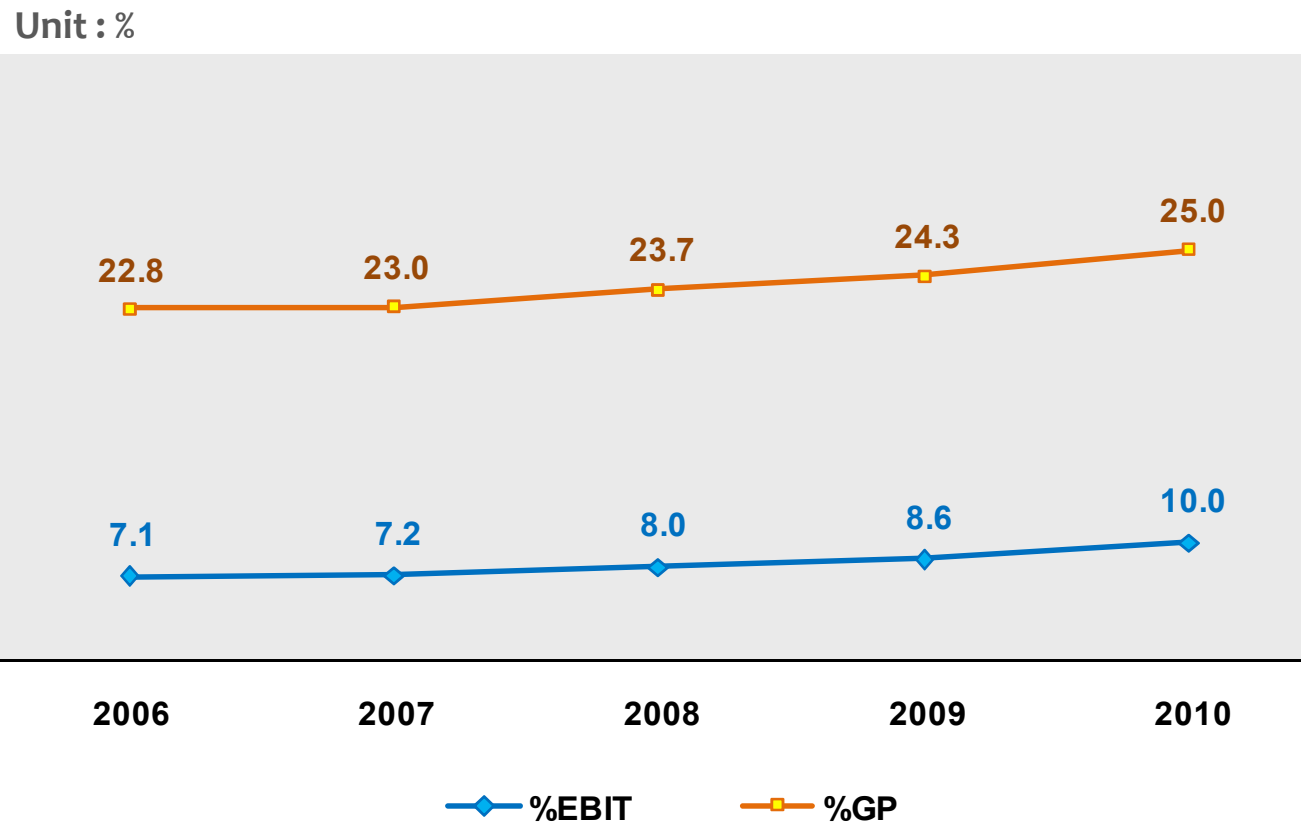
SG&A Expenses



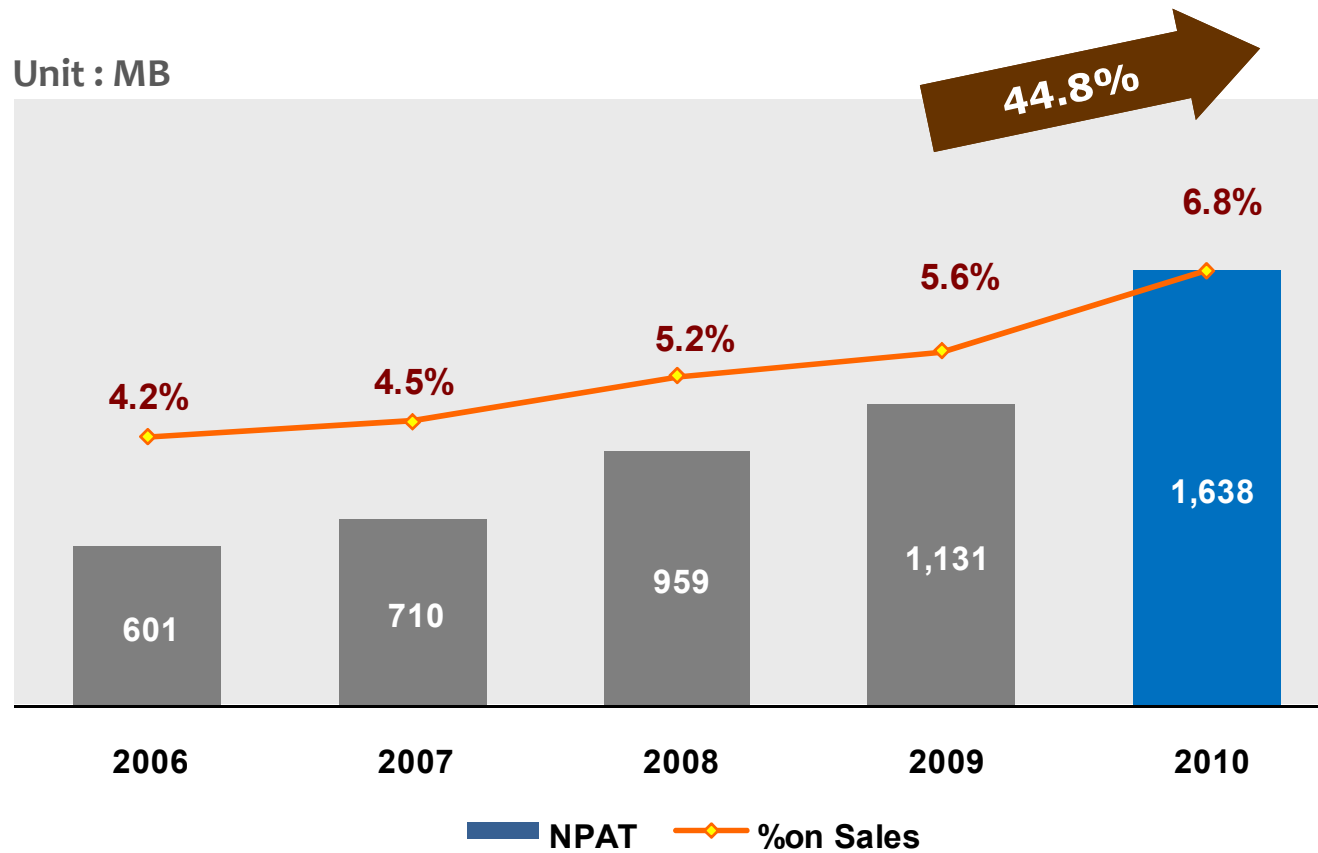
Rise in **SG&A** in baht term as a result of operational expenses of new stores, in particular, Salaries, Transportation, Cost of Services, Maintenance, and Pre-Operating Expenses but slightly declined as percentage of sales.



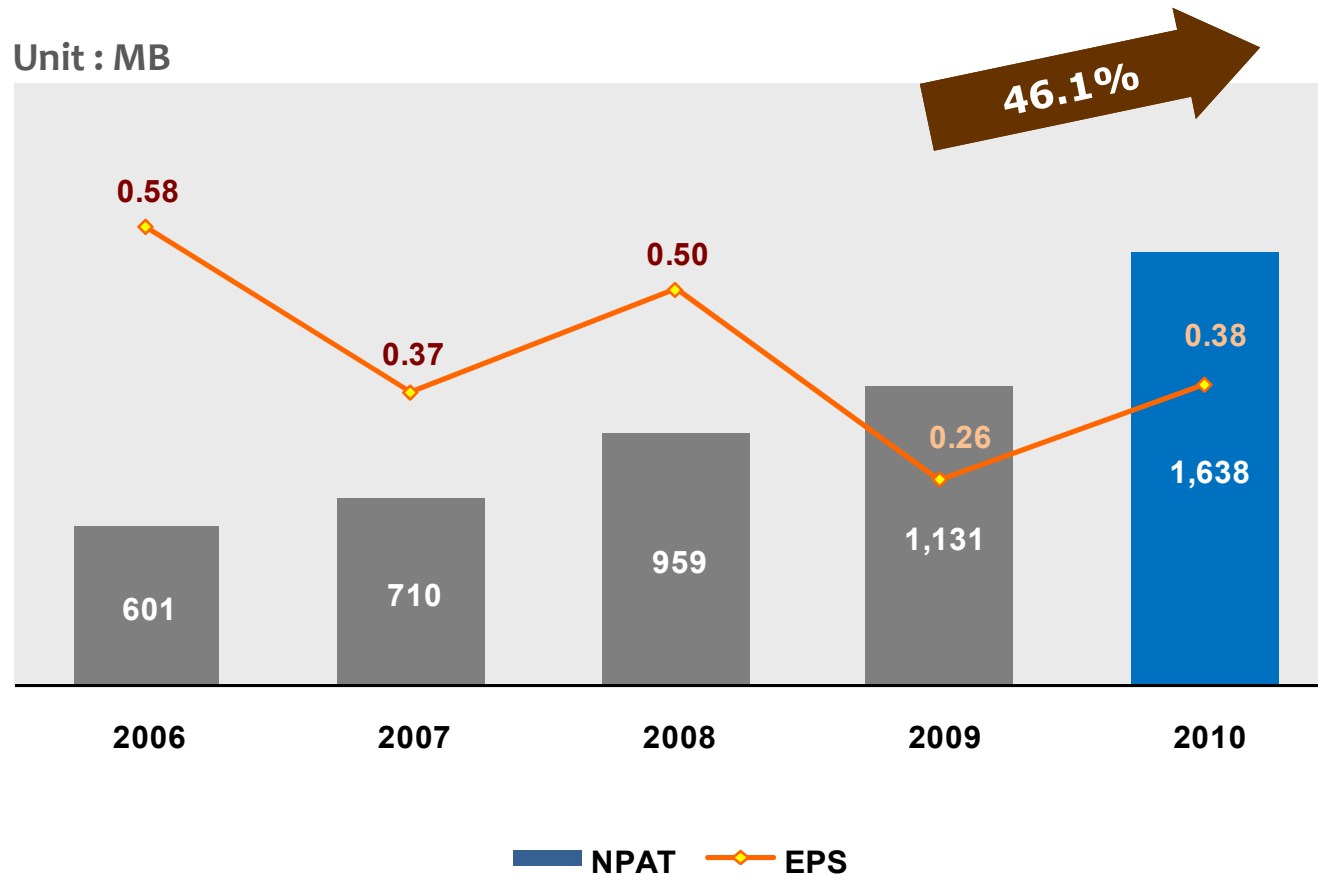
GP & EBIT



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

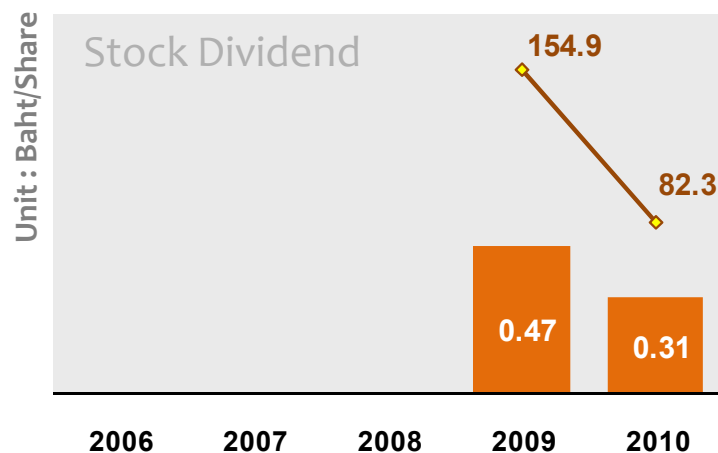
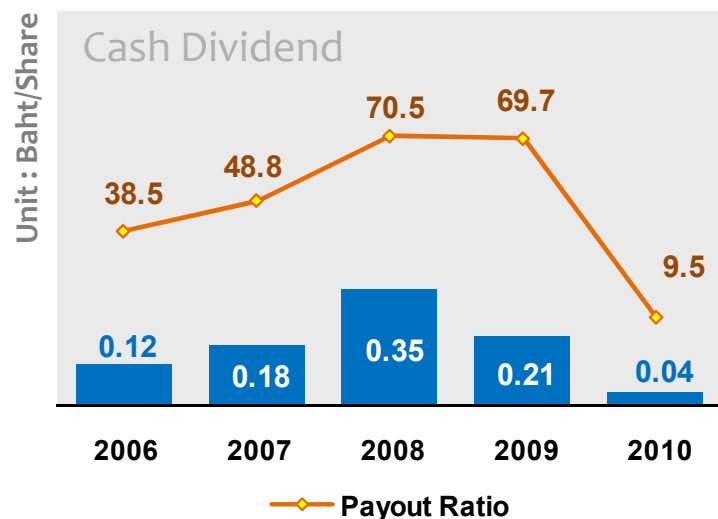


2010 NPAT growth by 44.8% and NPAT % to Sales increased over 2009 from 5.6% to 6.8%.



Note : In 2009, EPS taking full dilution impact of Stock Dividend at the ratio 10:9, and 2010 EPS taking full dilution impact at the ratio 6:1 of stock dividend paid on 29 October 2010.

Dividend



2010 Dividend Payment:

On 16 Feb 2011 the Board proposed to pay stock dividend and cash dividend subject to shareholders approval on 5 April 2011 as follows:

1. **Stock Dividend**
: 6 current shares / 1 dividend share
2. **Cash Dividend** : Baht 0.0193/share

** Payment date : 29 April 2011

2010 Interim Dividend Payment:

1. **Stock Dividend**
: 6 current shares / 1 dividend share
2. **Cash Dividend** : Baht 0.0193/share

** Payment date : 29 October 2010

2009 Dividend Payment:

1. **Stock Dividend**
: 10 current shares/9 dividend shares
2. **Cash Dividend** : Baht 0.21/share

In determining dividend payments, HomePro will take into consideration its operating results, liquidity as well as long-term returns to shareholders.



Balance Sheet at a Glance

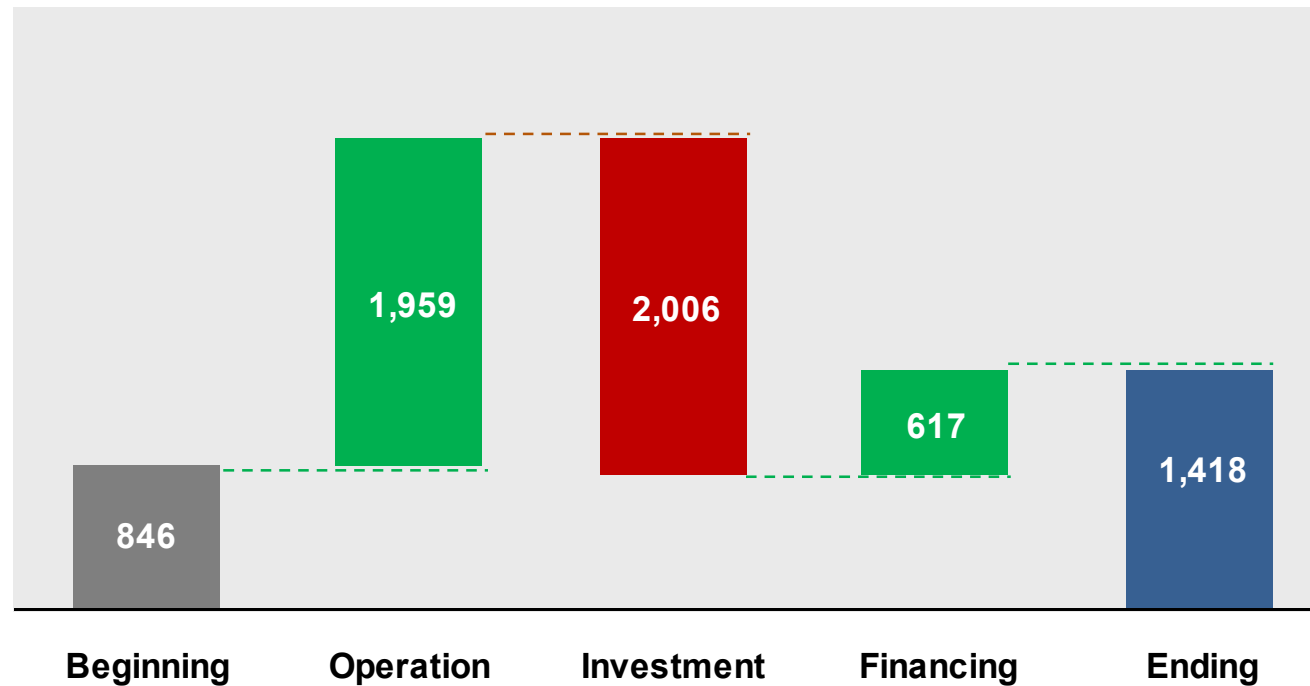
Unit : MB

	31 Dec 10	31 Dec 09	VAR	%
Cash & Deposit	1,417.2	846.3	▲ 570.9	67.5
Inventory	3,714.2	2,905.1	▲ 809.1	27.9
Land Building & Equipment	10,634.4	9,505.7	▲ 1,128.7	11.9
Others	826.1	608.9	▲ 217.2	35.7
Total Assets	16,592.0	13,872.8	▲ 2,719.2	19.6
Financial Debt	2,741.5	2,179.5	▲ 562.0	25.8
Account Payable	4,936.8	4,216.9	▲ 719.9	17.1
Others	2,675.5	2,266.5	▲ 408.9	18.0
Total Liabilities	10,353.8	8,662.9	▲ 1,690.9	19.5
Paid-Up Capital	4,353.0	3,703.9	▲ 649.1	17.5
Share Premium	621.8	594.3	▲ 27.5	4.6
Retain Earnings	1,263.4	911.7	▲ 351.7	38.6
Total Equities	6,238.2	5,209.9	▲ 1,028.3	19.7



2010 Funding Cash Flow

Unit : MB

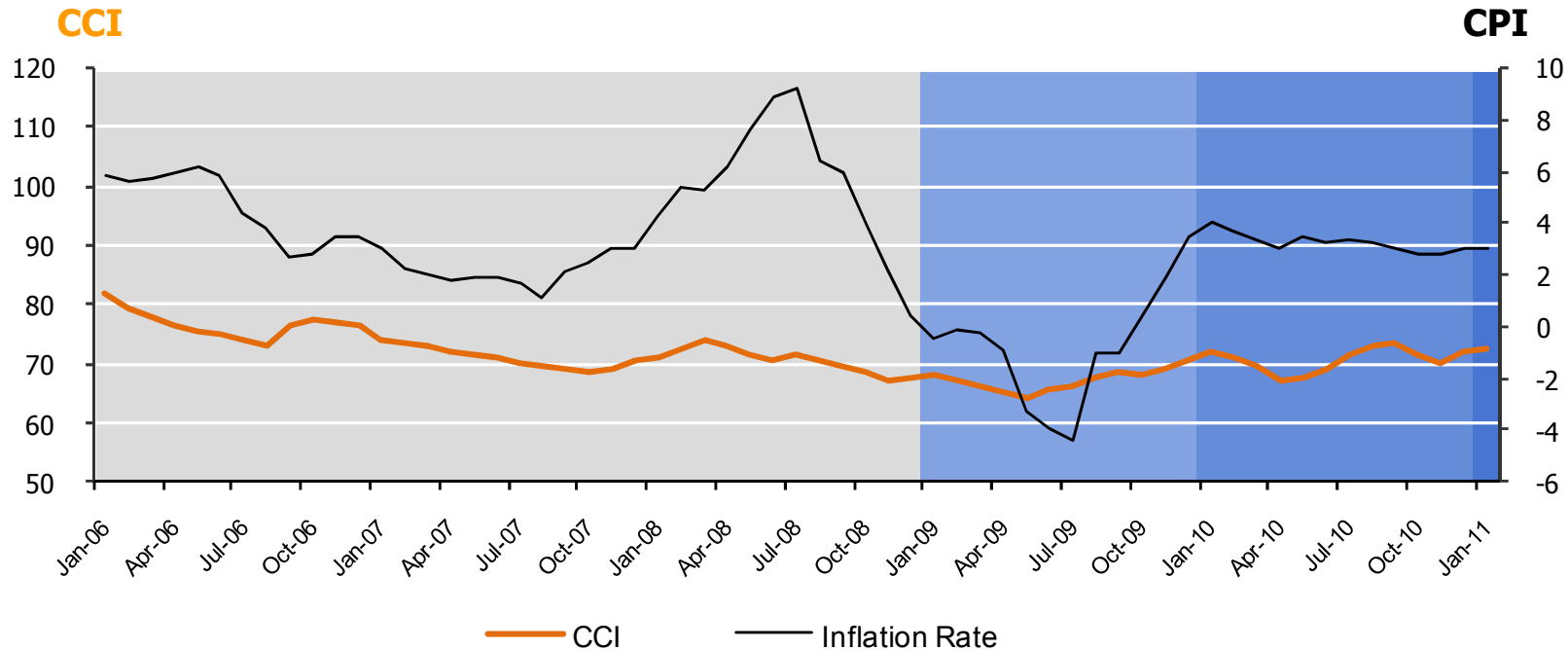


In 2010, new debenture of 1,700 MB were issued to replace bank loan and partial pay down debenture.



INDUSTRIAL OUTLOOK

CCI jumped to 72.6 in January



The CCI jumped from 71.9 in DEC 2010 to 72.6 in JAN 2011. Although Thailand is faced with several discrepancies, such as political demonstrations and border conflict with Cambodia, the CCI has improved for two consecutive months.

Positive factors were from the stability of agricultural product prices, the government’s Pracha Wiwat welfare scheme and the diesel subsidy to keep the price below 30 Baht per liter to the Finance Ministry’s economic growth projection of 4.5 percent.

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, but subject to further interpretation by the Council of State.

The Council of State (the government's legal adviser) has scrutinized in the details including the size of modern trade stores and the wording of the bill in 2010. The law is expected to be sent back to cabinet for approval in March 2011 and subsequently final pass by National Legislation Committee.



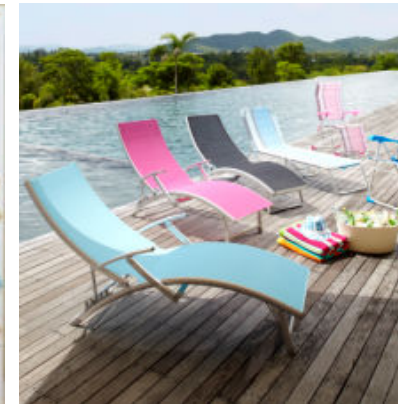


BUSINESS OUTLOOK



Continuous margin expansion through House Brand

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



2011 Store Expansion Plan

- 2010 Stores opened



- 2011 New stores opening plan

ChachurngChao	:	1H'11
Roi-et	:	2H'11
2 – 3 stores in Upcountry	:	2H'11

- Our stores targeted in 2011

Greater Bangkok	20 stores
Upcountry	24 - 25 stores
Total	44 - 45 stores



1Q'11 Marketing Highlight

- HomePro Expo in March



- HomePro Super Shock 3 – 27 February



- Professional Card /
Redesign Visa Card



- The Privileges by HomeCard





- **Computer Lab Construction**

Jan 2010 at Nakhon Ratchasima province.



- **Kids' Toilet**

2010

Nakhonpathom : 2 schools / 40 rooms

Nakhonratchasima : 3 schools / 49 rooms

Patumthani : 3 schools / 49 rooms

Since the beginning of the project

: 16 provinces / 745 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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