

## โฮม โปรดัคส์ เซ็นเตอร์

สูงกว่าคาด

Consumer/  
Retail  
Overweight

## BUALUANG RESEARCH

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คำแนะนำพื้นฐาน: **ซื้อ**  
เป้าหมายพื้นฐาน: 12.60 บาท  
ราคา (21/02/12): 11.30 บาท

### Key Ratios & Statistics

Market cap	Bt65.95bn		
12-mth price range	Bt6.22/Bt11.80		
3-mth avg daily volume	Bt143.76m		
# of shares (m)	5,804.2		
Est. free float (%)	42.3		
Foreign limit (%)	30.0		
<b>Share price perf. (%)</b>	<b>1M</b>	<b>3M</b>	<b>12M</b>
Relative to SET	(5.5)	(4.0)	54.9
Absolute	1.8	14.1	69.4

### Financial summary

FY Ended 31 Dec	2011	2012E	2013E	2014E
Revenues (Btm)	28,363	34,502	39,704	44,054
Net profit (Btm)	2,005	2,843	3,506	3,991
EPS (Bt)	0.35	0.49	0.60	0.68
BLS/Consensus (x)	1.03	1.05	1.09	1.22
EPS growth (%)	22.5%	+40.9%	+23.3%	+13.8%
Core profit (Btm)	2,005	2,843	3,506	3,991
Core EPS (Bt)	0.35	0.49	0.60	0.68
Core EPS growth (%)	22.5%	+40.9%	+23.3%	+13.8%
PER (x)	32.7	23.2	18.8	16.5
Core PER (x)	32.7	23.2	18.8	16.5
EV/EBITDA (x)	16.3	14.2	12.2	10.8
PBV (x)	8.1	7.1	6.0	5.1
Dividend (Bt)	0.31	0.38	0.46	0.52
Dividend yield (%)	2.7	3.4	4.1	4.6
ROE (%)	27.9	32.6	34.4	33.2
Net gearing (x)	0.1	0.3	0.3	0.2

CG Rating - 2011



EARNINGS RESULTS

**สูงกว่าคาด:** HMPRO รายงานกำไรสุทธิไตรมาส 4/54 ที่ 618 ล้านบาทสูงกว่าที่เราคาด 14.4% และสูงกว่าที่ตลาดคาด 7% เนื่องจากอัตรากำไรขั้นต้นและรายได้อื่นๆที่สูงกว่าคาด

**ประเด็นหลักจากผลประกอบการ:** รายได้ขยายตัว 13.5% จากช่วงเดียวกันของปีก่อน และ 8% จากไตรมาสก่อนหน้า หนุนโดย 5 สาขาใหม่ในปีที่แล้ว (เปิด 2 สาขาในครึ่งแรกของปี 2554 และอีก 3 สาขาในครึ่งหลังของปี 2554) รวมถึงความต้องการซ่อมบ้านที่เพิ่มขึ้นมากหลังจากน้ำท่วม ซึ่งสามารถชดเชยรายได้ที่หายไปจากการปิด 8 สาขาชั่วคราวระหว่างน้ำท่วมได้ทั้งหมด

ยอดขายสาขาเดิมขยายตัว 4% ในไตรมาส 4/54 เนื่องจากคราวหนึ่งของรายได้จากงานโฮมโปรเอ็กซ์โปในช่วงที่สอง (10-16 ธ.ค.) จะเลื่อนไปรับรู้ในไตรมาส 1/55 หากไม่รวมผลกระทบของรายได้จากงานโฮมโปรเอ็กซ์โป ยอดขายสาขาเดิมเติบโตได้ถึง 8% ในส่วนของอัตรากำไรขั้นต้นนั้นอยู่ที่ 26.17% (ปรับตัวเพิ่มขึ้น 1.07%) ซึ่งสูงกว่าที่เราคาดไว้ที่ 25.66% เนื่องจากการเปลี่ยนแปลงของสัดส่วนสินค้าโดยเพิ่มสินค้าที่มีอัตรากำไรขั้นต้นสูงในขณะที่ยอดขายของงานเอ็กซ์โปซึ่งมีอัตรากำไรต่ำส่วนหนึ่งจะไปรับรู้ในไตรมาส 1/55

บริษัทประกาศจ่ายเงินปันผล 0.15 บาทต่อหุ้นโดยจะขึ้นเครื่องหมาย XD ในวันที่ 17 เม.ย. จ่ายวันที่ 27 เม.ย.

**แนวโน้ม:** ความต้องการในการซ่อมแซมบ้านหลังน้ำท่วมที่สูงจะยังคงหนุนกำไรสุทธิในไตรมาส 1/55 และเราคาดว่าบริษัทจะยังคงรายงานการเติบโตของกำไรสุทธิอย่างแข็งแกร่งในปี 2555 หนุนโดยการขยายสาขาเชิงรุก 8 สาขาและการเพิ่มสัดส่วนสินค้าเข้าสู่แบรนด์

**สิ่งที่เปลี่ยนแปลงไป:** เรายังคงประมาณการกำไรสุทธิปี 2555 และราคาเป้าหมายเท่าเดิม

**คำแนะนำ:** เรายังคงคำแนะนำ **ซื้อ** ด้วยราคาเป้าหมายปี 2555 ที่ 12.60 บาทอ้างอิงจากแนวโน้มการเติบโตของกำไรสุทธิที่แข็งแกร่งและแนวโน้มธุรกิจที่ดี

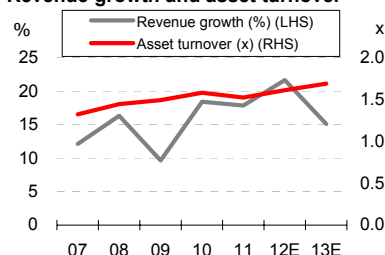
**Figure 1: 4Q11 results**

FY Ended 31 Dec (Btm)	4Q11	4Q10	YoY %	3Q11	QoQ %	2011	2010	YoY %
<b>Income Statement</b>								
Revenue	7,691	6,779	13	7,113	8	28,363	24,073	18
Cost of sales and services	(5,679)	(5,078)	12	(5,245)	8	(21,074)	(18,052)	17
EBITDA	1,211	990	22	1,008		4,075	3,267	
EBIT	264	137	93	277	(5)	984	611	61
Interest expense	(34)	(28)	24	(31)	12	(118)	(103)	14
Other income/exp.	668	618	8	475	41	2,060	1,795	15
Equity earnings from affiliates	0	0	<i>nm</i>	0	<i>nm</i>	0	0	<i>nm</i>
Extra items	0	0	<i>nm</i>	0	<i>nm</i>	0	0	<i>nm</i>
<b>EBT</b>	<b>898</b>	<b>727</b>	<b>24</b>	<b>722</b>	<b>24</b>	<b>2,927</b>	<b>2,303</b>	<b>27</b>
Corporate tax	(280)	(187)	50	(221)	27	(921)	(665)	39
Minority interest	0	(0)	<i>nm</i>	(0)	<i>nm</i>	(0)	(0)	<i>nm</i>
<b>Net profit (loss)</b>	<b>618</b>	<b>539</b>	<b>15</b>	<b>500</b>	<b>23</b>	<b>2,005</b>	<b>1,638</b>	<b>22</b>
Reported EPS	0.12	0.11	15	0.1	23	0.39	0.32	22
<b>Core net profit</b>	<b>618</b>	<b>539</b>	<b>15</b>	<b>500</b>	<b>23</b>	<b>2,005</b>	<b>1,638</b>	<b>22</b>
<b>Key ratios</b>								
Gross margin (%)	26.2	25.1		26.3		25.7	25.0	
EBITDA margin (%)	15.7	14.6		14.2		14.4	13.6	
EBIT margin (%)	3.4	2.0		3.9		3.5	2.5	
Tax rate (%)	31.2	25.8		30.7		31.5	28.9	
Net margin (%)	8.0	8.0		7.0		7.1	6.8	
Current ratio (x)	0.8	0.8		0.8		0.8	0.8	
Gearing ratio (x)	0.4	0.4		0.5		0.4	0.4	
Interest coverage (x)	(35.4)	(35.9)		(33.0)		8.4	5.9	
<b>Balance Sheet</b>								
Cash & Equivalent	1,977	1,417	40	1,737	14			
<b>Total assets</b>	<b>20,678</b>	<b>16,592</b>	<b>25</b>	<b>19,280</b>	<b>7</b>			
ST debts & current portion	304	735	(59)	634	(52)			
Long-term debt	2,708	2,007	35	3,008	(10)			
<b>Total liabilities</b>	<b>12,557</b>	<b>10,354</b>	<b>21</b>	<b>11,778</b>	<b>7</b>			
Retained earnings	1,648	1,263	30	1,030	60			
<b>Shareholders equity</b>	<b>8,121</b>	<b>6,238</b>	<b>30</b>	<b>7,501</b>	<b>8</b>			
Minority interests	0	0	(28)	0	(45)			
BV (Bt)	1.6	1.2	30	1.5	8			

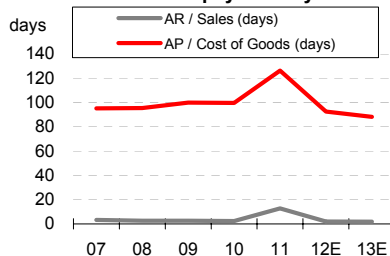
- Revenue was in line with our estimate
- GM fattened 107 bps on more house-branded products in the sales mix
- Earnings overshoot our estimate by 14.4%

Source: Company data

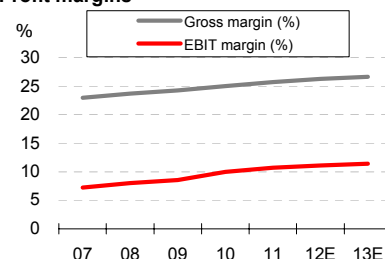
## Revenue growth and asset turnover



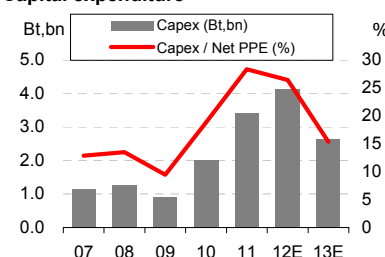
## A/C receivable &amp; A/C payable days



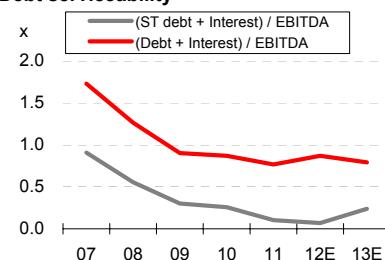
## Profit margins



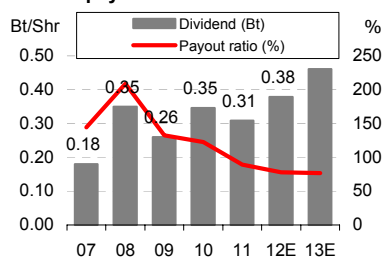
## Capital expenditure



## Debt serviceability



## Dividend payout



## PROFIT &amp; LOSS (Btm)

	2009	2010	2011	2012E	2013E
Revenue	20,329	24,073	28,363	34,502	39,704
Cost of sales and services	(15,395)	(18,052)	(21,074)	(25,440)	(29,119)
<b>Gross profit</b>	<b>4,934</b>	<b>6,021</b>	<b>7,289</b>	<b>9,062</b>	<b>10,584</b>
SG&A	(4,600)	(5,409)	(6,306)	(7,773)	(8,945)
<b>EBIT</b>	<b>334</b>	<b>611</b>	<b>984</b>	<b>1,289</b>	<b>1,640</b>
Finance costs	(113)	(103)	(118)	(131)	(149)
Other income/exp.	1,408	1,795	2,060	2,535	2,892
<b>EBT</b>	<b>1,629</b>	<b>2,303</b>	<b>2,927</b>	<b>3,692</b>	<b>4,383</b>
Corporate tax	(498)	(665)	(921)	(849)	(877)
<b>After-tax profit (loss)</b>	<b>1,131</b>	<b>1,638</b>	<b>2,005</b>	<b>2,843</b>	<b>3,506</b>
Minority interest	(0)	(0)	(0)	0	0
Equity earnings from affiliates	0	0	0	0	0
Extra items	0	0	0	0	0
<b>Net profit (loss)</b>	<b>1,131</b>	<b>1,638</b>	<b>2,005</b>	<b>2,843</b>	<b>3,506</b>
Reported EPS	0.20	0.28	0.35	0.49	0.60
Fully diluted EPS	0.20	0.28	0.35	0.49	0.60
<b>Core net profit</b>	<b>1,131</b>	<b>1,638</b>	<b>2,005</b>	<b>2,843</b>	<b>3,506</b>
Core EPS	0.20	0.28	0.35	0.49	0.60
<b>EBITDA</b>	<b>2,546</b>	<b>3,267</b>	<b>4,075</b>	<b>4,873</b>	<b>5,678</b>

## KEY RATIOS

	2009	2010	2011	2012E	2013E
Revenue growth (%)	9.6	18.4	17.8	21.6	15.1
Gross margin (%)	24.3	25.0	25.7	26.3	26.7
EBITDA margin (%)	12.5	13.6	14.4	14.1	14.3
Operating margin (%)	8.6	10.0	10.7	11.1	11.4
Net margin (%)	5.6	6.8	7.1	8.2	8.8
Core profit margin (%)	5.6	6.8	7.1	8.2	8.8
ROA (%)	8.3	10.8	10.8	13.3	14.9
ROCE (%)	15.1	20.0	19.9	23.1	24.3
Asset turnover (x)	1.5	1.6	1.5	1.6	1.7
Current ratio (x)	0.7	0.8	0.8	0.8	0.8
Gearing ratio (x)	0.4	0.4	0.4	0.4	0.4
Interest coverage (x)	22.5	31.6	34.6	37.1	38.1

## BALANCE SHEET (Btm)

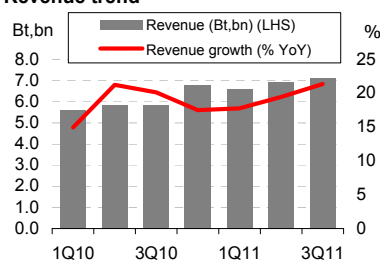
	2009	2010	2011	2012E	2013E
<b>Cash &amp; Equivalent</b>	<b>846</b>	<b>1,417</b>	<b>1,977</b>	<b>922</b>	<b>996</b>
Accounts receivable	145	164	986	178	195
Inventory	2,905	3,714	4,382	4,508	5,419
PP&E-net	9,510	10,639	12,065	15,665	17,158
Other assets	467	658	1,267	910	1,033
<b>Total assets</b>	<b>13,873</b>	<b>16,592</b>	<b>20,678</b>	<b>22,183</b>	<b>24,802</b>
Accounts payable	4,217	4,937	7,292	6,452	7,037
ST debts & current portion	650	735	304	200	1,193
Long-term debt	1,530	2,007	2,708	3,907	3,163
Other liabilities	2,267	2,675	2,253	2,292	2,342
<b>Total liabilities</b>	<b>8,663</b>	<b>10,354</b>	<b>12,557</b>	<b>12,851</b>	<b>13,735</b>
Paid-up capital	3,704	4,353	5,837	5,837	5,837
Share premium	594	622	636	620	628
Retained earnings	912	1,263	1,648	2,876	4,602
<b>Shareholders equity</b>	<b>5,210</b>	<b>6,238</b>	<b>8,121</b>	<b>9,332</b>	<b>11,067</b>
Minority interests	0	0	0	0	0
<b>Total Liab. &amp; Shareholders' equity</b>	<b>13,873</b>	<b>16,592</b>	<b>20,678</b>	<b>22,183</b>	<b>24,802</b>

## CASH FLOW (Btm)

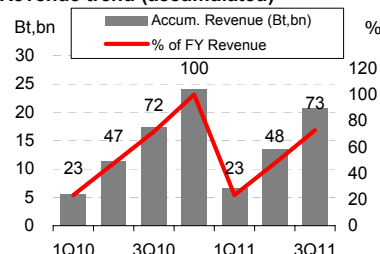
	2009	2010	2011	2012E	2013E
Net income	1,131	1,638	2,005	2,843	3,506
Depreciation and amortization	805	860	1,031	1,050	1,147
Change in working capital	320	(104)	537	(586)	(415)
FX, non-cash adjustment & others	199	229	257	0	0
<b>Cash flows from operating activities</b>	<b>2,454</b>	<b>2,625</b>	<b>3,830</b>	<b>3,307</b>	<b>4,238</b>
Capex (Invest)/Divest	(901)	(2,006)	(3,419)	(4,140)	(2,640)
Others	0	0	0	0	0
<b>Cash flows from investing activities</b>	<b>(901)</b>	<b>(2,006)</b>	<b>(3,419)</b>	<b>(4,140)</b>	<b>(2,640)</b>

Sources: Company data, Bualuang Research estimates

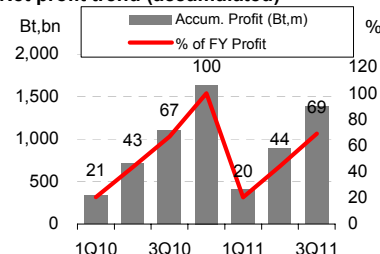
## Revenue trend



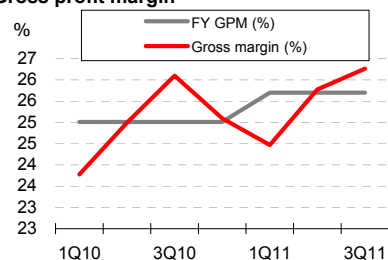
## Revenue trend (accumulated)



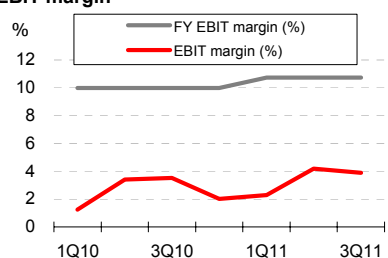
## Net profit trend (accumulated)



## Gross profit margin



## EBIT margin



## QUARTERLY PROFIT &amp; LOSS (Btm)

	4Q10	1Q11	2Q11	3Q11	4Q11
Revenue	6,779	6,606	6,953	7,113	7,691
Cost of sales and services	(5,078)	(4,990)	(5,161)	(5,245)	(5,679)
<b>Gross profit</b>	<b>1,702</b>	<b>1,617</b>	<b>1,792</b>	<b>1,868</b>	<b>2,012</b>
SG&A	(1,565)	(1,465)	(1,501)	(1,591)	(1,749)
<b>EBIT</b>	<b>137</b>	<b>151</b>	<b>291</b>	<b>277</b>	<b>264</b>
Finance costs	(28)	(27)	(26)	(31)	(34)
Other income/exp.	618	482	436	475	668
<b>EBT</b>	<b>727</b>	<b>607</b>	<b>701</b>	<b>722</b>	<b>898</b>
Corporate tax	(187)	(198)	(222)	(221)	(280)
<b>After-tax profit (loss)</b>	<b>539</b>	<b>408</b>	<b>479</b>	<b>500</b>	<b>618</b>
Minority interest	(0)	(0)	(0)	(0)	0
Equity earnings from affiliates	0	0	0	0	0
Extra items	0	0	0	0	0
<b>Net profit (loss)</b>	<b>539</b>	<b>408</b>	<b>479</b>	<b>500</b>	<b>618</b>
Reported EPS	0.11	0.08	0.09	0.10	0.12
Fully diluted EPS	0.09	0.07	0.08	0.09	0.11
<b>Core net profit</b>	<b>539</b>	<b>408</b>	<b>479</b>	<b>500</b>	<b>618</b>
Core EPS	0.09	0.07	0.08	0.09	0.11
<b>EBITDA</b>	<b>990</b>	<b>867</b>	<b>989</b>	<b>1,008</b>	<b>1,211</b>

## KEY RATIOS

	4Q10	1Q11	2Q11	3Q11	4Q11
Gross margin (%)	25.1	24.5	25.8	26.3	26.2
EBITDA margin (%)	14.6	13.1	14.2	14.2	15.7
Operating margin (%)	11.1	9.6	10.5	10.6	12.1
Net margin (%)	8.0	6.2	6.9	7.0	8.0
Core profit margin (%)	8.0	6.2	6.9	7.0	8.0
BV (Bt)	1.23	1.31	1.39	1.48	1.60
ROE (%)	36.2	25.3	27.9	27.5	31.6
ROA (%)	13.3	9.5	10.7	10.7	12.4
Current ratio (x)	0.8	0.8	0.8	0.8	0.8
Gearing ratio (x)	0.4	0.4	0.4	0.5	0.4
Interest coverage (x)	(35.9)	(32.7)	(37.5)	(33.0)	(35.4)

## QUARTERLY BALANCE SHEET(Btm)

	4Q10	1Q11	2Q11	3Q11	4Q11
<b>Cash &amp; Equivalent</b>	<b>1,417</b>	<b>1,923</b>	<b>1,484</b>	<b>1,737</b>	<b>1,977</b>
Accounts receivable	164	210	175	170	986
Inventory	3,714	3,853	4,249	4,237	4,382
PP&E-net	10,639	11,210	10,449	11,383	12,065
Other assets	658	577	1,788	1,753	1,267
<b>Total assets</b>	<b>16,592</b>	<b>17,773</b>	<b>18,144</b>	<b>19,280</b>	<b>20,678</b>
Accounts payable	4,937	5,241	5,465	5,147	7,292
ST debts & current portion	735	695	635	634	304
Long-term debt	2,007	2,010	2,009	3,008	2,708
Other liabilities	2,675	3,177	2,958	2,989	2,253
<b>Total liabilities</b>	<b>10,354</b>	<b>11,124</b>	<b>11,067</b>	<b>11,778</b>	<b>12,557</b>
Paid-up capital	4,345	4,355	5,102	5,106	5,837
Share premium	622	623	634	636	636
Retained earnings	1,263	1,671	1,341	1,030	1,648
<b>Shareholders equity</b>	<b>6,238</b>	<b>6,650</b>	<b>7,077</b>	<b>7,501</b>	<b>8,121</b>
Minority interests	0	0	0	0	0
<b>Total Liab.&amp;Shareholders' equity</b>	<b>16,592</b>	<b>17,773</b>	<b>18,144</b>	<b>19,280</b>	<b>20,678</b>

Sources: Company data, Bualuang Research

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Score Range	Number of Logo	Description
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70 – 79		Good
60 – 69		Satisfactory
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Below 50	No logo given	N/A

## BUALUANG RESEARCH – RECOMMENDATION FRAMEWORK

### STOCK RECOMMENDATIONS

**BUY:** Expected positive total returns of 15% or more over the next 12 months.

**HOLD:** Expected total returns of between -15% and +15% over the next 12 months.

**SELL:** Expected negative total returns of 15% or more over the next 12 months.

**TRADING BUY:** Expected positive total returns of 15% or more over the next 3 months.

### SECTOR RECOMMENDATIONS

**OVERWEIGHT:** The industry, as defined by the analyst's coverage universe, is expected to outperform the relevant primary market index over the next 12 months.

**NEUTRAL:** The industry, as defined by the analyst's coverage universe, is expected to perform in line with the relevant primary market index over the next 12 months.

**UNDERWEIGHT:** The industry, as defined by the analyst's coverage universe, is expected to underperform the relevant primary market index over the next 12 months.