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>> Message from the Chairman

2006 had been a challenging year. Still, Robinson succeeded and continued to grow our business in the midst of several adverse factors impacting the Thai economy, including the sustained political uncertainties. These uncertainties continue to erode consumer confidence, causing them to become more cautious in their spending. And all of this has happened with the backdrop of sharply increased competition in the department store sector.

Despite the challenges, Robinson has been able to conduct business according to our set objectives. This included the continuing growth of sales by focusing on meeting customer demands and lifestyles. We coupled a constant offering of trendy products with new value-added customer services, such as fashion consultation and product knowledge, under the concept, "Robinson...Your Life Vitalizer". On the marketing side, Robinson placed emphasis on creating satisfaction and good relations with customers through our localized marketing strategy which included, for example, the introduction of a shopping campaign under the name "A Diamond Night" for customers in Udon Thani and the neighboring provinces. This strategy has helped enhance Robinson positive image as evident in the successful launch of The 1 Card. The program, which allows customers to accumulate points from their purchases, has attracted more than 600,000 members.

Another significant step forward in 2006 was the opening of our 20th branch in Ayudhaya. The "Robinson Ayudhaya" store has brought us closer and allowed us to bring fashionable goods and excellent services to our customers in Ayudhaya and its vicinities.

2006 was again a year of success to strive for the continuing satisfactory business operations. We have been able to overcome all of the obstacles caused by rapid change in market situation, political and economic uncertainties through a combination of business strategy that was suitable for the business environment, effective policy and appropriate allocation of budget, and financial discipline. We confident, these elements have enabled Robinson to maintain a strong financial health, and the readiness for continued expansion in order to achieve our goal to be the country's most renowned and preferred department store.

On behalf of the company's board of directors, I would like to take this opportunity to extend our sincere gratitude to management team and every staff members who have exerted their energy and determination efficiently including their dedication and teamwork to achieve our set objectives.

Once again, I conclude by expressing my thanks to shareholders, customers, partners, creditors, and the general public for all of your trust and support over the years.



(Sudhisak Chirathivat)
Chairman

>> General Information

Robinson Department Store Public Company Limited, registration number 010753600412 (previous number Bor Mor Jor 115) operates department stores under the name “Robinson” The Company currently has 20 branches around the country, comprising 10 branches in Bangkok and 10 provincial branches.

The Company has a registered capital of Baht 11,106,661,330 (1,110,661,133 common shares) with fully paid-up shares worth Baht 11,106,611,330 (1,110,661,133 common shares) at Baht 10 par value.

Head Office Address	2 Silom Road, Suriyawong, Bangrak, Bangkok 10500 Tel. 0-2266-3340-50 Fax. 0-2236-5533
Central Administration Office	139 Ratchadapisek Road, Dindaeng, Dindaeng, Bangkok 10400 Tel. 0-2245-4811 Fax. 0-2247-5325
Share Registrar	Thailand Securities Depository Co., Ltd. 62 The Stock Exchange of Thailand Building, 4 th & 7 th Floor, Ratchadapisek Road, Klongtoey, Klongtoey, Bangkok 10110 Tel. 0-2229-2800 Fax. 0-2359-1262-3
Auditor	KPMG Phoomchai Audit Co., Ltd. 22 nd Floor, Empire Tower, 195 South Sathorn Road, Yannawa, Sathorn, Bangkok 10120 Tel. 0-2677-2000 Fax. 0-2677-2222 Auditor: Ms. Wilai Buranakittisophon Certified Accountant Registration Number: 3920

Location

Robinson Department Store Pcl., Silom Branch	2 Silom Road, Suriyawong, Bangrak, Bangkok 10500 Tel. 0-2266-3340-50 Fax. 0-2236-5533
Robinson Department Store Pcl., Ratchadapisek Branch	139 Ratchadapisek Road, Dindaeng, Dindaeng, Bangkok 10400 Tel. 0-2248-2626-35, 0-2247-5300-9 Fax. 0-2642-2047
Robinson Department Store Pcl., Sukhumvit Branch	259 Sukhumvit Road, Klongtoey-Nue, Wattana, Bangkok 10500 Tel. 0-2651-1533-42, 0-2252-5122 Fax. 0-2651-1500
Robinson Department Store Pcl., Bangrak Branch	1522 Charoenkrung Road, Bangrak, Wattana, Bangkok, 10500 Tel. 0-2238-0052-61, 0-2267-3781-86 Fax. 0-2235-2467
Robinson Department Store Pcl., Bangkae Branch	110/5 Moo 9, Petchkasem Road, Bangwa, Phasricharoen, Bangkok, 10160 Tel. 0-2455-0143-45 Fax. 0-2454-8350
Robinson Department Store Pcl., Srinakarin Branch	904/1 Moo 6, Srinakarin Road, Nhong Bon, Pravej, Bangkok, 10260 Tel. 0-2721-8990-9 Fax. 0-2721-9066
Robinson Department Store Pcl., Rangsit Branch	161 Moo 2, Phaholyotin Road, Prachatipat, Thanyaburi, Patumtani 12130 Tel. 0-2958-0800-39 Fax. 0-2958-0899
Robinson Department Store Pcl., Ram Indhra Branch	5/7 Moo 7, Ram Indhra Road, Kannayao, Kannayao, Bangkok 10230 Tel. 0-2947-5320-62 Fax. 0-2947-5400
Robinson Department Store Pcl., Ladya Branch	99 Ladya Road, Somdejchaopraya, Klongsam, Bangkok 10230 Tel. 0-2437-0111, 0-2437-0104-5 Fax. 0-2439-4296
Robinson Department Store Pcl., Ratanathibet Branch	68/100 Moo 8 Ratanathibet Road, Bangkraso, Amphoe Muang, Nontaburi 11100 Tel. 0-2525-4420-29 Fax. 0-2526-9774
Robinson Department Store Pcl., Sriracha Branch	90/1 Sukhumvit Road, Sriracha, Chonburi 20110 Tel. 0-3877-1001-10 Fax. 0-3877-0999
Robinson Department Store Pcl., Ayutthaya Branch	126 Moo 3, Asia Road, Klong Suan Plu, Amphoe Phranakornsiayutthaya, Phranakornsiayutthaya 10300 Tel. 0-3522-9888 Fax. 0-3522-9878
CR Udonthani (Thailand) Co., Ltd.	277/2 Phajak Road, Makkaeng, Amphoe Muang, Udonthani 41000 Tel. 0-4224-2777 Fax. 0-4224-8780
CR Phuket (Thailand) Co., Ltd.	36 Dillhok-U-Thit 1 Road, Taladyai, Amphoe Muang, Phuket, 83000 Tel. 0-7625-6500-12 Fax. 0-7622-3304
CR Nakorn Sri Thammarat (Thailand) Co., Ltd.	89/201 Pattanakankukwang Road, Klang, Amphoe Muang, Nakorn Sri Thammarat 80000 Tel. 0-7531-8012-20 Fax. 0-7531-8010
CR Had Yai (Thailand) Co., Ltd.	9 Thammanoonvithi Road, Hadyai, Hadyai, Songkhla 90110 Tel. 0-7422-0150 Fax. 0-7422-0157
CR Chiang Mai (Thailand) Co., Ltd.	2 Mahidol Road, Haiya, Amphoe Muang, Chiang Mai 50100 Tel. 0-5320-3640-59 Fax. 0-5328-3129
CR Ubon Ratchathani (Thailand) Co., Ltd.	221 Chayangkoon Road, Naimuang, Amphoe Muang, Ubon Ratchathani 34000 Tel. 0-4524-1887, 0-4524-2866 Fax. 0-4524-1268
CR Ratchaburi (Thailand) Co., Ltd.	265 Sri Suriyawong Road, Namuang, Amphoe Muang, Ratchaburi 70000 Tel. 0-3231-0831 Fax. 0-3231-0866
CR Chantaburi (Thailand) Co., Ltd.	22/107 Moo 7 Chantanimitr, Amphoe Muang, Chantaburi 22000 Tel. 0-3934-0348-57 Fax. 0-3930-3114

>> Financial Highlights

Profit and loss Statement

(Unit : Million Baht)

	Consolidated		
	2006*	2005	2004
Revenues from Sales*	10,812	9,817	8,835
Total Revenue	14,200	10,955	9,941
Cost of Sales	8,382	7,642	6,900
Selling and Administrative Expenses	2,904	2,353	2,252
Net Profit (Loss)*	2,662	927	717

Balance Sheet

	Consolidated		
	2006*	2005	2004
Cash and Cash Equivalent	997	1,030	1,624
Current Assets	2,138	1,905	2,390
Total Assets	8,635	6,074	7,355
Current Liabilities	3,380	2,763	2,794
Total Liabilities	3,465	3,569	4,873
Issued and paid-up share capital	11,107	11,107	11,107
Retained Earnings (deficit)	992	(1,618)	1,157
Minority interests	140	138	181
Total Shareholders' Equity	5,169	2,506	2,482

Key Financial Ratios

		Consolidated		
		2006*	2005	2004
Liquidity Ratio	(time)	0.63	0.69	0.86
Average Collection Period	(days)	9.13	7.78	7.07
Average Selling Period	(days)	26.94	25.75	26.33
Average Payment Period	(days)	90.02	81.12	77.19
Gross Profit Margin	(%)	22.47	22.16	21.90
Net Profit Margin	(%)	18.75	8.46	7.21
Return on Equity	(%)	69.36	37.18	33.72
Return on Assets	(%)	36.19	13.81	9.79
Debt to Equity Ratio	(time)	0.67	1.42	1.96
Book Value Per Share	Baht	4.65	2.26	2.23
Basic Earning Per Share	Baht	2.40	0.83	0.65

*Remark: For the year ended 2006, the company and its subsidiaries recorded a gain from reversal of impairment loss on land and leasehold rights amounted of Baht 2,170.2 million and allowance for obsolete and slow-moving stock of Baht 227 million

>> History and Major Developments

- 1979 Robinson Department Store opened its first branch at Victory Monument.
- 1992 Robinson became the first department store company listed on The Stock Exchange of Thailand on 3 January 1992.
- 1995 The Central Retail Corporation group joined Robinson as a major shareholder and was jointly established CR Thailand Co., Ltd. in order to develop provincial department stores under the “Robinson” brand. Later, The Company proceeded to open new stores up to 20 branches.
- 1996 Robinson integrated its supermarket business with Central Group and formed a joint venture with Royal Ahold Co., Ltd., a Netherlands based supermarket operator. The resulting company, CRC Ahold Co., Ltd., began operating supermarkets under the “Tops Supermarket” brand. In December 1996 and May 1998, the Company sold its shares to Royal Ahold Co., Ltd.
- 1997 The Company was approved for the asset transfer transaction to Power Buy Co., Ltd., and CRC Sport Co., Ltd., respectively. Also, the Company granted right to those companies to utilize space in each branch in order to operate electrical appliance stores and sport accessories stores. The Company received income from those companies as income sharing on percentage of sales or fixed charge per square meter. In April 1998, the Company purchased 40% shareholdings in both companies.
- 1998 The Company announced a debt moratorium as a result of the sharp depreciation of the Baht following the sudden flotation of the currency on 2 July 1997
- 2000 On 2 May 2000, the Central Bankruptcy Court ordered rehabilitation of the Company as well as appointed Robinson Planner Co., Ltd as a Planner and as a Plan Administrator on 20 December 2000. The Company also decided to close its Don Muang branch due to unacceptable of return on investment.
- 2001 The Company closed its Victory Monument branch since lease agreement had terminated as well as this branch attributed an unacceptable of return on investment. This left the Company with a total of 18 branches. Of these 9 branches were in Bangkok and 9 in provincial locations. The Company also issued Notes to the unsecured financial creditors with a total value of Baht 4,766.7 million for principal and interest.
- 2002 The Company successfully implemented major steps set forth in its Rehabilitation Plan i.e. increasing its capital from Baht 1,480.8 million to Baht 14,808.8 million, proceeding the debt-to-equity conversion, proceeding a 25% capital reduction capital, and forgiveness of remaining debt. This achievement prompted the Stock Exchange of Thailand to consider approving resumption of trade in the Company’s ordinary shares in Commerce sector, effective 26 November 2002.
- 2003 In March, the Company waived the right to purchase new issuance shares from capital increase of CRC Sports Co., Ltd at its proportion. As a result, the Company’s shareholding in CRC Sports was reduced to 29.19%. In May, the Company re-launched its campaign to promote a new image using the concept of “Robinson...Your Life Vitalizer”. In December, the Company gained Court approval for an amendment of its Rehabilitation Plan to facilitate the repurchase of Notes under the VDRP.

- 2004 In January, Robinson SPV Co., Ltd., (SPV) signed a loan agreement with two financial institutions to secure funding for repurchase of Notes under the VDRP. The long-term loan was for up to Baht 2,700 million. At year-end 2004, the Company repurchased 15,899,277 units of Notes under the VDPR program, equal to 77.04% of total outstanding Notes. In addition, on 22 March, the Creditors' Meeting ordered by the Court, passed a resolution to elect three new directors representing unsecured financial creditors to replace resigning directors. On 8 December 2004, the Company acquired the remaining balance of shares from its local partner in CR Ratchaburi (Thailand) Co., Ltd., thereby increasing its shareholding from 49.99% to 99.99%. The acquisition stemmed from the need to improve management flexibility.
- 2005 The Company continued to run its "Robinson...Your Life Revitalizer" campaign in its retail businesses with the aim of generating continuous sales growth. The Company also launched one new branch, at Rattathibet, while continuously renovating and modernizing its existing stores across the country to create a more colourful and lively ambiance. In addition, product selections with variety of assortment were readjusted to tie in with Robinson's target customer groups and reflect its new image. On 19 December 2005, the Company has proceeded the early redemption on remaining notes which resulted in the completion of the Company's rehabilitation plan.

Major changes and development of the company in the year 2006

- 1 February The Company, in cooperation with General Card Services Co., Ltd., launched "Robinson Visa Card".
- 6 February The Central Bankruptcy Court considered the petition and ordered the termination of the Company's rehabilitation plan after its successful completion.
- 15 March CR Ratchaburi (Thailand) Co., Ltd. needed to undertake a financial restructuring program in order to ease its financial burden with CR (Thailand) Co., Ltd. A shareholders meeting between CR Ratchaburi (Thailand) Co., Ltd. passed a special resolution that the company must increase its capital through a total of 4,765,000 shares, to be sold to existing shareholders at Baht 100 per share, amounted to Baht 475,600,000. The whole amount of increased capital will be used to repay the financial debt to CR (Thailand) Co., Ltd.
- 20 June The Company, in cooperation with companies in the Central Retail Group, launched "The 1 Card", which accumulates points when shopping at any of the participating shops.
- 16 November The Company opened a new branch Robinson Ayutthaya as its 20th branch on the Asia-Ayutthaya Road. The Company signed a rental and service contract with Khlong Suan Plu Co., Ltd. for a rental period of 22 years. Service areas are 10,800 square meters. An investment of Baht 347 million was used to pay for the leasehold rights, decoration, and operation systems. The branch was officially opened on 23 November 2006 to serve customers in Ayutthaya and the neighboring provinces. An area with high growth potential, it previously had no modern department store providing a whole array of fashion products to match customer's personalities and lifestyles.

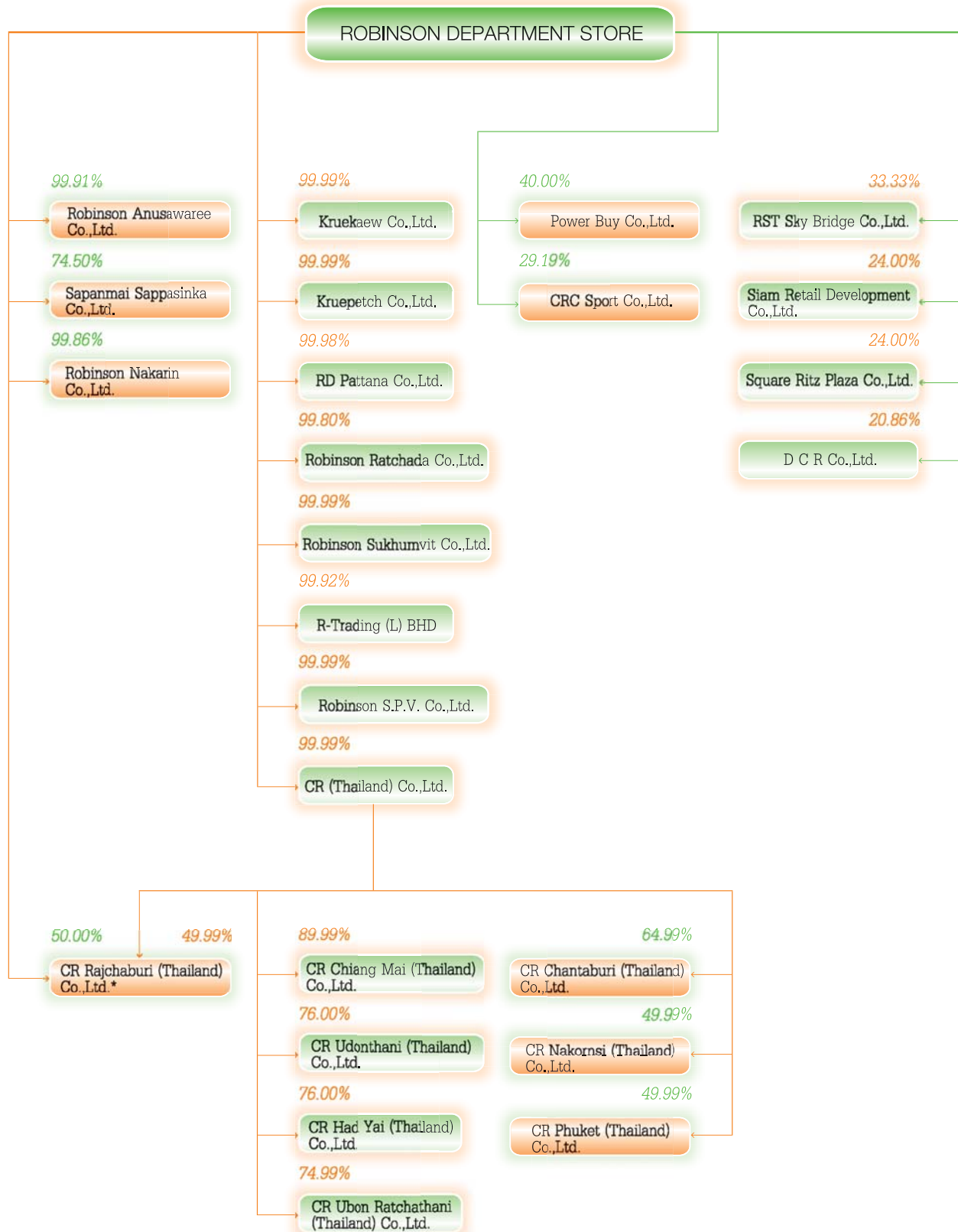
Robinson Department Store Public Company Limited currently has 20 branches around the country, comprising of 10 branches in Bangkok and 10 provincial branches as follows;

	Companies	Name	Date of Opening
1	Robinson Department Store Pcl., Silom Branch	Robinson Silom	1/12/1984
2	Robinson Department Store Pcl., Ratchadapisek Branch	Robinson Ratchada	11/11/1989
3	Robinson Department Store Pcl., Sukhumvit Branch	Robinson Sukhumvit	1/12/1990
4	Robinson Department Store Pcl., Bangrak Branch	Robinson Bangrak	11/11/1992
5	Robinson Department Store Pcl., Bangkae Branch	Robinson Bangkae	1/12/1993
6	Robinson Department Store Pcl., Srinakarin Branch	Robinson Seconsquare	21/08/1994
7	Robinson Department Store Pcl., Rangsit Branch	Robinson Future Park Rangsit	18/03/1995
8	Robinson Department Store Pcl., Ram Indhra Branch	Robinson Fashion Island	1/06/1995
9	Robinson Department Store Pcl., Ladya Branch	Robinson Ladya	1/11/1996
10	Robinson Department Store Pcl., Sriracha Branch	Robinson Sriracha	31/05/1997
11	Robinson Department Store Pcl., Ratanathibet Branch	Robinson Ratanathibet	15/06/2005
12	Robinson Department Store Pcl., Ayutthaya Branch	Robinson Ayutthaya	16/11/2006
13	CR Udonthani (Thailand) Co., Ltd.	Robinson Chareonsri Udonthani	30/08/1995
14	CR Phuket (Thailand) Co., Ltd.	Robinson Ocean Phuket	12/10/1995
15	CR Nakorn Sri Thammarat (Thailand) Co., Ltd.	Robinson Ocean Nakornsri	27/10/1995
16	CR Had Yai (Thailand) Co., Ltd.	Robinson Had Yai	1/12/1995
17	CR Chiang Mai (Thailand) Co., Ltd.	Robinson Chiang Mai	26/01/1996
18	CR Ubon Ratchathani (Thailand) Co., Ltd.	Robinson Yingyong Ubon	1/06/1996
19	CR Ratchaburi (Thailand) Co., Ltd.	Robinson Ratchaburi	1/11/1996
20	CR Chantaburi (Thailand) Co., Ltd.	Robinson Chantaburi	16/01/1998

Business Goal

As a leading retail operator, we strive to be the most preferred department store with widest market coverage in Thailand, offering merchandises to best fit our customer lifestyle with innovative store format and services.

>> Structure of the Company and its subsidiaries



The Company and its subsidiaries

Name	Paid-up Capital (Baht)	Nature of Business
Robinson Department Store Pcl.	11,106,611,000	Retail, including department stores in Bangkok and upcountry areas, under “Robinson” brand. Bangkok branches include: Silom, Ratchadaphisek, Sukhumvit, Bangrak, Bang Khae, Srinakarin, Fashion Island, Rangsit, Ladya and Sriracha.
CR (Thailand) Co., Ltd.	501,000,000	Holding company to jointly invest in department store business under the “Robinson” brand in eight provinces.
CR Ratchaburi (Thailand) Co., Ltd.	102,500,000	Operating a department store in Ratchaburi.
CR Chiang Mai (Thailand) Co., Ltd.	220,000,000	Operating a department store in Chiang Mai
CR Hadyai (Thailand) Co., Ltd.	202,000,000	Operating a department store in Hadyai
CR Udonthani (Thailand) Co., Ltd.	225,000,000	Operating a department store in Udonthani
CR Ubon Ratchathani (Thailand) Co., Ltd.	71,000,000	Operating a department store in Ubon Rachathani
CR Chantaburi (Thailand) Co., Ltd.	130,000,000	Operating a department store in Chantaburi
CR Nakorn Sri Thammarat (Thailand) Co., Ltd.	280,000,000	Operating a department store in Nakorn Sri Thammarat
CR Phuket (Thailand) Co., Ltd.	177,000,000	Operating a department store in Phuket
Robinson Anusawaree Co., Ltd.	8,000,000	Dormant company
Sapanmai Sappasinka Co., Ltd.	20,000,000	Dormant company
Robinson Nakarin Co., Ltd.	105,000,000	Dormant company
Robinson Sukhumvit Co., Ltd.	100,000,000	Offer space rental within store
Robinson Ratchada	75,000,000	Offer space rental within store
Kruerkaew Co., Ltd.	40,000,000	Offer warehouse space for rent
Kruerpetch Co., Ltd.	11,250,000	Invest in businesses
R-Trading (L) BHD	50,000	Invest in businesses
Robinson S.P.V. Co., Ltd.	1,000,000	Repurchase Notes under VDRP
Power Buy Co., Ltd.	560,000,000	Operate specialty stores: Electrical Appliances
CRC Sport Co., Ltd.	370,000,000	Operate specialty stores: Sports Accessories
Siam Retail Development Co., Ltd.	500,000,000	} Owner and management of Fashion Island shopping complex (Ramindra)
Square Ritz Plaza Co., Ltd.	125,000,000	
RD Pattana Co., Ltd.	3,000,000	Land development
D C R Co., Ltd.	428,200,000	Business investment
R.S.T. Sky bridge Co., Ltd.	46,995,000	Build and manage the sky train connection to department store

Income Structure

Type of Income/Company	% of shareholding	2006		2005		2004	
		Million Baht	%	Million Baht	%	Million Baht	%
Net Sales							
Robinson Department Store Pcl.		6,731.09	47.40	6,150.21	56.14	5,296.26	53.27
Subsidiaries		4,080.49	28.74	3,666.77	33.47	3,538.74	35.60
- CR Ratchaburi	99.99						
- CR Chiang Mai	89.99						
- CR Hadyai	76.00						
- CR Udonthani	76.00						
- CR Ubon Ratchathani	74.99						
- CR Chantaburi	64.99						
- CR Nakorn Sri Thammarat	49.99						
- CR Phuket	49.99						
Rental and service Income		702.27	4.95	671.79	6.13	639.07	6.43
Share of profit from investments in Certain associated companies		132.51	0.93	101.56	0.93	101.1	1.02
Other business		2,553.60	17.98	365.09	3.33	366.25	3.68
Total Income		14,199.96	100.00	10,955.42	100.00	9,941.42	100.00

Income Structure from Sales

Categories of Products	income (%)		
	2006	2005	2004
- SOFTLINE	85.31	85.21	84.81
- HARDLINE	14.24	14.27	14.54
- OTHERS	0.45	0.52	0.67

>> Nature of business

Product lines

Current products can be divided into 2 main categories as follows:

1. Soft Line products reflecting modern preferences and fashion trends, with the main categories as follows:

- Men's and Ladies' wear
- Cosmetics and accessories
- Leather goods
- General goods for children

This line emphasizes brand names, modernity, quality, variety, and fashion. The nature of product has rapid change. Customers' purchase decisions depend on current trends.

2. Hard line product can be divided into the following categories:

- Home furnishings
- Automobiles accessories and equipment
- Toys, gifts and gift shop products

This product line emphasizes quality, functionality, feature, variety, and modernity. Customers' purchase decisions depend on product feature, functions and prices.

To provide the above products, not only the leading brands which preferred by the customer but the Company has also developed its own product design, which is different from general products available on the market. The Company has selected new products with interesting feature and designs in order to increase product variety and differentiate itself from its competitors. These products are available only at Robinson under the name Only @ Robinson and can be divided into categories as follows:

Private Label Products: These comprise products whose brands are developed by the Company itself. The Company considers and selects only the products demanded by customers and provides them at reasonable price with emphasis on good quality and modern style. Available throughout 20 stores, the products can be divided into the following categories:

Product group	Brand
Kitchenware and bedroom items	R*Home, Home Genius
Fashion and ladies' wear	FOF, Ohayo, Chee, Vivienne, Tasha, Taj, FOFAccessories
Ladies' shoes and bags	FOF
Men's wear	Pacific Union, Snap, True Blue, Otoko, Beyond Basic
Children's products	Cheeze, Abloom, Young Bum, Tomato, Bunny & Duck, BeyondBasic

Exclusive Brand Products: These comprise products which are produced domestically as well as imported international brands which are exclusively available at Robinson. This is part of the Company's differentiation strategy. The products are then positioned in stores where customer demand for such products and purchasing power is most conducive. This type of products includes:

Product group	Brand
Fashion and ladies' wear	Allure, Centro Moda, I.E., Ying & Yang, Gloria

One-Price Products 'Just Buy': A variety of products which are sold at Baht 25 and Baht 52 consisting of products for teenagers and young professionals. Consumer products such as accessories, cosmetics, stationary, gifts, and home products are also included.

Market and Competitive Environment

Competitors

1. Operators of department stores include chain department stores and local department stores. The main chain department stores are Central Group and The Mall Group with a combined number of 23 branches consisting of 19 branches in Bangkok and 4 branches in upcountry including Chiang Mai, Had Yai, Nakorn Ratchasima, and Phuket.
2. Other retail business operators include discounted stores/super centres, and various types of shopping mall such as Central World, Esplanade, King Power, Platinum Mall, and Union Mall.

Retail Business Overview

In the first half of 2006, the Thai economy saw a continual growth from the previous year and slowdown during the second half with an increase in economic growth from 4.5% in 2005 to 5.0% in 2006. The export sector was the main factor in supporting. Domestic consumption had decreased due to concern about economy and political factors. For overall retail sector, the growth rate has declined from 7.1% in 2005 to 0.1% in 2006 (source: The Bank of Thailand) due to a decrease in consumers confidence in the economy. Consumers were also more careful for spending in the second half of the year. However, modern trade business experienced a continual growth from last year with 13% of the growth rate due to the opening of a lot of new branches of specialty stores, convenience stores, and discount stores/super centres, while the department store business saw a growth of 12%.

Regarding overall department store business during the previous year, the department store segment has just one new store opening which was Robinson Ayudhaya, Ayudhaya Province, while 3 department stores invested in refurbish their entire store including Emporium, Central Chidlom, and Zen. Furthermore, other forms of shopping centres were opened including Central World, Esplanade, King Power, Platinum Mall, and Union Mall. This has resulted in an increase in competition especially in the central of Bangkok area. Operators have employed various marketing strategies to stimulate consumer spending such as the introduction of marketing activities, sales promotion activities, and discounts. There was not much competition among department stores in the upcountry due to the fact that there are not many operators of department stores in each province and their locations and customer target groups are different.

Regarding consumer behaviour, a concern over economic and political uncertainty has prompted consumers' to be more careful with spending. Meanwhile, consumers tended to respond to changes in fashion rapidly. Consumers also had more lifestyle choices due to easy access to various forms of media whose ways of presenting vary greatly. Therefore, consumer demand focused on products that were up-to-date, varied, worthwhile, fashionable, and modern. The tendency to buy products by credit card or personal loan has continuously increased. Apart from products that satisfy consumers' needs, excellent service is also an important thing that operators of department stores must emphasize as well.

Procurement of products and services

The Company's procurement of products is conducted from the centre. The merchandising line at head office is responsible for controlling in purchase, price negotiation, payment conditions and inventory management in each store to be at a level as set by the Company. A computerized system has been utilized to control and follow up the sales and inventory for accurate and efficient management. The Company has purchased products from over 2,000 suppliers both domestically and internationally. Domestic purchases emphasized modern, brand named products that comply with trendy, are of high quality, are worthwhile, different, and varied

in terms of variety and assortment subject to the need of our targeted customers. In terms of international purchases, the Company itself contacted international suppliers by sending its staff to survey products and negotiate directly with international manufacturers and suppliers. However, the Company does not enter into exclusive purchase agreements with specific suppliers. Imported products are mainly from Singapore, China, Korea, Hong Kong, India, and Japan. The main purpose of international purchases is to offer different, modern, new and prominent products in the categories of clothing, accessories, children's products, toys, and kitchenware.

Concerning payment conditions, the Company has employed 2 systems, namely a consignment basis of approximately 78% of sales and credit base of 22%.

Competitive Strategy

Product

'Continually keeping up with fashion trends and providing products with a difference.'

The Company places emphasis on providing products that are of great variety, fine quality, are fashionable, modern and comply with the lifestyles and personalities of customers and are at a price level that is appropriate for its consumer group. The Company also emphasizes the provision of excellent service and information on product uses to customers as a value added service for easy decision making.

During the past year, the Company has provided fashion products including clothing, cosmetics, shoes, home furnishing items, home-use appliances with emphasis on differentiation of products.

Furthermore, the Company stresses the importance of an effective product management policy with the use of information technology systems. Attention has also been paid to ensure that there is a sufficient and complete product supply at all branches in order to meet customer demand. The Company also selects products that are different and outstanding, while continually offering new products such as exclusive collections, to customers in accordance with seasons and the various festivals that occur throughout the year. And each year, the Company also provides products in accordance with current market trends.

Service

'Excellence of services is a value added.'

The Company stresses the provision of excellent service to customers as an added value service, while enabling customers to make purchase decisions more easily. Services on offer include:

- Product suggestion and fashion consult as well as information on product uses to create customer confidence in buying products.
- Special services /activities that offer useful knowledge on product uses to customers in the form of activities which creates enjoyment in shopping, for example, 'Bra measurement' which provides a measurement service and recommendations on how to choose bra, 'Beauty's Paradise which introduced cosmetics, spa products and other services.
- Establishment of hospitable relations with customers by giving them a smile and a warm welcome in order to create a lasting impression and encourage repeated buying behaviour in the future.

Furthermore, the Company also places emphasis on its perfect facilities including clean restrooms, fitting rooms, resting area, relax room, parking areas, and connecting walkways to BTS stations. Regarding other

services, the Company selects leased shops which can satisfy the needs of selected customer groups and align with trends, including shops that provide various products, restaurants, and beauty salons so that each branch will serve as a one-stop shopping place.

Marketing

'To become a modern and most preferred department store'

The Company places emphasis on creating the Robinson brand strength through the use of various clear, advertisements and public relations media on a regular basis, so that customers will remember and be loyal to the Robinson brand. Mass media communication can be conducted by advertising in the newspaper or radio. Specific communication through leaflets and handbills has also been done. Creation of product differentiation has been communicated through billboards and leading magazines. Famous people with a personality that reminds people of Robinson have been used to serve as Robinson brand endorsers to and encourage people to think of Robinson.

The Company organizes main sales promotional programs in the form of event marketing or themed promotions quarterly in order to create a shopping atmosphere according to the seasons and festivals. The Company also implements a pricing strategy at regular intervals by organizing memorable and attractive sales promotion programs such as the Surprise Sales, First Come First Serve, Lod-Talai Stock, Hot Sales as well as sales promotion activities at specific departments of each branch. In addition, in 2006, the Company placed more emphasis on local marketing in response to the needs of customers in regional areas, especially in large provinces in order to stress its leading position and create opportunities for participating in various activities with customers. This helped increase sales, promote the Company's image, while creating good relations with local consumers.

Regarding the customer relations management, the Company, in cooperation with Central Retail Group, launched The 1 Card which accumulates points when goods are brought and can be redeemed for discounts or gifts. The objective is to launch this card and to expand the member customer group which will result in the development of the marketing strategy from the habitual customer database. The card was officially launched in June 2006. In addition, the Company also cooperated with General Card Services Co., Ltd. to launch the Robinson Visa Card under the concept: Adding more- than-expected happiness with people of the new generation as the target group in order to expand its customer base. The card will provide discounts when shopping at Robinson, reward redemption from accumulated points, special privileges for less instalment payments and longer instalment terms or buy first pay later and special discounts during birth months. The card can be divided into 2 levels including the classic card for those with more than Baht 15,000 of income and gold card for those with more than Baht 20,000 of income and a supplementary card for those over 18 years of age. The card was officially launched in February 2006.

Store and location

'Modern, new ambience'

The Company recognizes the importance of its locations, which allow great convenience for its target customer group. In addition, branch expansion in Bangkok and the suburbs as well as large provinces has also been emphasized in order to provide more convenience to targeted customers. The Company has currently a total of 20 branches both in Bangkok and provincial areas. Regarding its interior and exterior design, the Company stresses modernity, convenience, and brightness, while creating a new shopping ambience for customers' pleasurable experience. Shop decoration and product layout has been arranged in a consistent manner, allowing for customer convenience and easy access to products. Mannequins are also used to show fashion attire and to stimulate customer's awareness of ever-changing fashion trends.

Target Customers

The Company's main target groups include modern families and young professionals between the ages of 25-45 who have modern lifestyles and love to spend on popular fashion products at reasonable prices. Customers who fall into groups such as teenagers, students, and young professionals are those who demand inexpensive products with fashion. The branches that are located in tourist areas or areas with overseas residents in close proximity include Ratchadapisek, Silom, Sukhumvit, Bangrak, Phuket, Chiang Mai, Had Yai, and Sriracha. The Company launched the Tourist Card and VAT refund activities to allow convenience for overseas customers. In addition, special discounts and sales promotion activities have been organized especially for tourists.

The Company provides special services for habitual customers', who are members of The 1 Card and Robinson Visa Card including special privileges such as discounts, points accumulation when buying products and rewards redemption, Lifestyle monthly magazine delivered to members homes. Through this magazine, members are able to obtain news and information on sales promotion activities, new products, and special activities. At present, the Company has more than 600,000 members of The 1 Card, 98% of which have continuously visited the department store. There are currently 26,000 members of the Robinson Visa Card.

Adverse effect on the environment

None

>> Risk Factors

Risk associated with the competitive environment of the retail business

In 2006, Thailand's economy was affected by various negative factors such as rising global oil prices in the first three quarters of the year, the uncertainty of the political situation, the violence in the southern provinces, and the problem with heavy flooding. Such factors have caused consumers to lose confidence in the economy. Besides this, consumer purchasing power has continually slowed down due to the fact that as a group they are more careful about spending. Therefore, the overview of the retail business is rather stagnant. As for retail business under the category of department stores, during the past year there was heavy competition, especially in the inner Bangkok area. Most business operators employed various marketing strategies such as the introduction of marketing activities, sales promotions, and discounts in order to stimulate spending by high-end consumers. The Company's competitive strategy emphasized the creation of product and service difference by developing and selecting brand name products, increasing new product brands, providing interesting products and continually keeping pace with fashion trends consistent with the lifestyles of our targeted customer groups. In addition, The Company has adapted its sales promotion strategy by increasing marketing activities in branches that are located in the suburbs and other regional areas for regional marketing promotions in order to increase sales and create an image and increase loyalty towards Robinson.

Risk associated with the adjustment of related laws

The City Plan law has created direct effects on the expansion of certain segments of some retail businesses such as large scale retail stores which provide various consumer products. However, this law has produced an indirect effect on the expansion of department stores, as it is more difficult to develop new shopping complexes and the expansion of retail areas has since slowed down. The shopping complex is a major location for department store expansion, as it is a commercial point which provides a variety of products and services.

The announcement of unfair trade practices in commercial business has the objective of setting definitions and qualifications for trade operators who have power over markets, so that trade and business can be conducted independently and fairly. This also allows operators to know which action and qualification may be considered false according to the Trade Competition Act B.E. 2542. However, The Company has always set policies that adhere to and follow the law regarding fair trade practices in business operation. Throughout the years, The Company has developed a good relationship with its business partners both assistance and co-operation have been provided for a long time. Therefore, the announcement of a trade competition committee has had no effect towards The Company.

Regarding the (draft) retail business operation law which is currently being proposed to the cabinet, its objective is to directly supervise and monitor retail business. The law has been continually drafted and improved to include content regarding criteria, methods, and conditions for operating particular segments of retail business and the permission of branch expansion. The (draft) law has been created with the intention of creating balance between large scale retail businesses (which provides basic consumer necessities and use pricing strategies) and community retail businesses (grocery). Regarding this matter, The Company finds that the department store is a retail business which emphasizes fashion products, product variety, brand names, and provides other related one stop services. It is a retail business with particular features that are different from community retail businesses (grocery). Therefore, The Company's operation, management, and plans for expansion are not opposed to the idea and intentions of this (draft) law. It is unlikely that The Company will be directly affected by the (draft) law. There is a chance that The Company will be permitted to expand its operations, if the law is enforced.

Risk associated with the dependency of purchasing from suppliers

The Company diversified its purchases from more than 2,000 suppliers in order to increase variety and the differentiation of products in compliance with The Company's strategy, which also includes reducing dependency on large purchases from a single, specific supplier. However, The Company still has products that accounted for a total of 15.22% of sales in 2006, which were obtained from a single supplier whose products and brand name is very popular among customers. The Company also acts as a major partner in distributing products for such suppliers in both Bangkok and upcountry. Moreover, there has also been cooperation on the organization of marketing and promotional activities on a regular basis, as well as product management and supply chain management in order to provide sufficient products and decrease the exceeding amounts of product.

Risk associated with the dependency of leasehold

The Company owns land and buildings for 2 of its branches and owns rental contracts, subcontracts, and leasehold rights on land and buildings from existing owners for the remaining 18 of its department store branches. The lease contract is a result of the necessity to select high potential areas for operating department store business. Such land and/or buildings are not normally sold by their owners. They are instead leased out. In some cases, the cost for acquiring the rights to land and buildings are costly and not worth the investment, especially when compared to leasing. At present, the remaining term of such lease contracts is between 5 to 21 years. Moreover, certain parts of the contract already set conditions for contract renewal. Since both parties were involved with compiling these existing contracts, The Company accordingly expects the successful renewal of such contracts in the future.

Financial risk

Liquidity

As of 31 December 2006, The Company and its subsidiaries have current assets of Baht 2,138 million and current liabilities of Baht 3,380 million, representing a ratio of 0.63 times. The Company's current liabilities are mostly trade accounts payable and more than 80% of the trade accounts payable are those with the condition that payment will be made only when products are sold. The inventories as they appear in the balance sheets are products with actual buying conditions, which is a general feature of the retail business in the category of department store. The average selling period is shorter than the average payment period. Therefore, the fact that the amount of current liabilities is higher than the amount of current assets has not created any effect on The Company's normal liquidity.

Interest rates and foreign exchange rates

As of 31 December 2006, The Company has outstanding long term loan of Baht 123 million with interest rates at MLR. The Company has short-term credit facilities with interest rate referring to the interest rate of the financial market at time of withdrawal. As the amount of borrowings is not high, The Company expects that a change in such interest rates will not adversely affect business. Regarding the risk from foreign exchange rates caused by imported merchandise as a normal business transaction, The Company currently has a small credit line of letter of credit facility, compared to total amount of sales. Besides this, The Company also has a policy of making a contract to minimize the risk from unpredictable foreign exchange rates in advance and in the event of money market fluctuation.

>> Shareholders and Dividend Policy

On 31 December 2006, the company had a registered capital of Baht 11,106,611,330 with 1,110,661,133 paid-up capital shares, par value Baht 10 each.

Top 10 shareholder list as of 29 December 2006

Shareholders' Names	No. of Shares	%
1. C.R.G. Service Co., Ltd.	311,645,488	28.06
2. Central Retail Corporation Ltd.	286,162,660	25.77
3. HSBC (Singapore) Nominees Pte Ltd	54,717,745	4.93
4. The Bank of New York (Nominees) Limited	54,448,996	4.90
5. Credit Suisse Singapore Trust Account Clients	51,992,765	4.68
6. Goldman Sachs & Co	50,136,250	4.51
7. Norbax INC., 18	50,000,000	4.50
8. State Street Bank and Trust Company for Australia	32,914,600	2.96
9. State Street Bank and Trust Company for Switzerland	24,330,594	2.19
10. Vella Assets Ltd.	14,578,677	1.31

The company's ultimate shareholder is Central Retail Group (Chirathivat Family), which comprises of Central Retail Corporation Co., Ltd. and C.R.G Service Co., Ltd. They jointly hold the company's shares in aggregate of 53.83% of total outstanding shares.

Dividend Policy

On 26 April 2006, a Shareholder's Meeting approved the Company's policy should set a policy for future dividend payment under normal circumstances at the rate of approximately 40% of the net profit from ordinary operations (after corporate income tax).

For the year 2006, through dividend payments, with profits and no retained losses, the company had sufficient cash flow for dividend payment. The company's board of directors has thus reached an agreement to pay dividends for the year 2006 to all shareholders at Baht 0.32 per share. This resolution will be presented at the 2007 Shareholder's Meeting which will be held on 27 April 2007 for final approval.

>> Management

Organization Structure

As of 31 December 2006, the organization structure consists of a board of directors and executives. The board of directors comprises the subcommittee which includes a board of executive officers and the audit committee with details as follows:

Board of Directors

1.	Mr. Sudhisak Chirathivat	Chairman
2.	Mr. Sudhitham Chirathivat	Vice Chairman
3.	Mr. Prin Chirathivat	Director
4.	Mr. Tos Chirathiva	Director
5.	Mr. Preecha Ekkunagul	Director and President
6.	Mr. Piya Nguiakaramahawongse	Director
7.	Mr. Pandit Mongkolkul	Director
8.	Mr. Somchai Aphiwattanapron	Director and Independent Director
9.	Mr. Phibul Phatharodom	Director and Independent Director
10.	Mr. Vithaya Chavananand	Director and Independent Director
	Mr. Parivat Sopasit	Secretary to Board of Directors

Authorized directors for the company signage are Mr. Sudhisak Chirathivat, or Mr. Sudhitham Chirathivat, or Mr. Prin Chirathivat, or Mr. Tos Chirathivat, or Mr. Preecha Ekkunagul, or Mr. Piya Nguiakaramahawongse, or Mr. Pandit Mongkolkul. Any two of these seven directors are authorized to jointly sign on behalf of the company with the company seal affix.

Scope of Duties and Responsibility of the Board of Directors

The board of directors carries out the company's activities in accordance with governing laws, the company's objectives and Article of Association, as well as the resolutions of shareholder meetings, the rules and regulations of the Stock Exchange of Thailand and the Securities Exchange Commission. Directors shall perform their duties in good faith, with due diligence and care in the best interests of shareholders. They shall also commit themselves to continuing good business ethics and take into account the benefits of all stakeholders. They shall provide reliable systems for accounting, financial reporting, and account auditing.

To perform their duties, the board of directors may assign directors or other persons to carry out any tasks under the supervision of the board of directors. Alternatively, the board of directors may assign a power of attorney to delegate specific tasks to other persons, as agreed by the board within the timeframe specified by the board.

The board of directors authority and responsibilities include:

1. To consider and approve policies, business plan, and the Company's annual budget.
2. To consider and approve any transactions made by the Company and its subsidiaries which may result in changes to the Company's financial status, liabilities, and capital structure.
3. To consider and approve an investment of assets with the amount above Baht 200 million per investment.
4. To consider and approve significant engagement in rental or service related to the real estate properties of the Company and its subsidiaries.
5. To consider and approve the significant activities i.e. selling, transferring, and getting rid of the Company and its subsidiaries' fixed assets.
6. To consider, approve or give their consent on connected transactions and transactions which may cause a conflict of interests between the Company or its subsidiaries and the concerned persons. The board should monitor compliance with the regulations of the Securities Exchange Commission and the Stock Exchange of Thailand.

7. To consider, approve, or give their consent on transactions concerning important issues, the acquisition and trading of assets, all the while ensuring compliance to the regulations of the Securities Exchange Commission and the Stock Exchange of Thailand.
8. To appoint and set duties and responsibilities of the committees.
9. To nominate directors and to consider and approve the appointment of a President.

Audit Committee

- | | | |
|----------------|------------------|--|
| 1. Mr. Somchai | Apiiwattanapron | Independent Director and Chairman of the Audit Committee |
| 2. Mr. Phibul | Phatharodom | Independent Director and Auditor |
| 3. Mr. Vithaya | Chavananand | Independent Director and Auditor |
| Mrs. Jantana | Sriviriyalertkul | Secretary to Audit Committee |

Scope of Duties and Responsibilities of the Audit Committee

1. Review the Company's financial reporting process to ensure accuracy and adequacy.
2. Ensure that the Company has an appropriate and effective internal control system and internal audit system.
3. Ensure compliance with securities and exchange laws and SET regulations, or laws concerning the Company's business.
4. Consider, select, nominate, and determine annual remuneration for the Company's auditor.
5. Consider the disclosure of company information in case of connected transactions or transactions which may cause a conflict of interests to ensure accuracy and completely.
6. Prepare a report on the audit committee's supervision of business, to be disclosed in the Company's annual report and signed by the chairman of the audit committee.
7. Perform other tasks assigned by the Company's board with the approval of the audit committee.

Term of Office

- | | |
|------------------------------------|---------|
| 1. Chairman of the audit committee | 3 years |
| 2. Auditors | 3 years |

Board of Executive Directors

- | | | |
|------------------|-------------|--------------------|
| 1. Mr. Sudhisak | Chirathivat | Chairman |
| 2. Mr. Sudhitham | Chirathivat | Executive Director |
| 3. Mr. Prin | Chirathivat | Executive Director |
| 4. Mr. Tos | Chirathiva | Executive Director |
| 5. Mr. Preecha | Ekkunagul | Executive Director |

Scope of Duties and Responsibilities of the Board of Executive Directors

1. Assign power of attorney to the president to act on behalf of the Company and set the scope of responsibilities for the president to operate day-to-day business.
2. Consider and submit relevant policies, business plan, and annual budget as proposed by the management before submission to the Company's board of directors for approval.
3. Approve an investment of assets at a credit limit up to Baht 200 million per investment. The board of executive directors should prepare a quarterly report on details of investments for the Company's board of directors.
4. Trade and transfer the Company's fixed assets with the amount up to Baht 100 million per item.
5. Consider and approve transactions related to banks and financial institutions. This is regarded as an ordinary trading business operation of the Company.

Executive Officers

1. Mr. Preecha	Ekkunagul	President
2. Ms. Narntaya	Chirathivat	Senior Vice President-Merchandising
3. Mr. Paul	Miller	Senior Vice President-Operations
4. Ms. Sirinij	Chokchairittikul	Vice President-Merchandising
5. Ms. Rattana	Anoontakaroon	Vice President-Merchandising
6. Mr. Gerard	McGurk	Vice President-Commercial Operations
7. Mr. Sukitti	Kittipassorn	Vice President-Operation System and Support
8. Mrs. Usara	Yongpiyakul	Vice President-Marketing
9. Mr. Parivat	Sopasit	Vice President-Finance and Administration

Notes

1. Mr. Paul Miller resigned as Senior Vice President-Operations effective from November 2006. The Company then appointed Mr. Gerard McGurk to take over the position. On 1 February 2007, at the meeting of the board of Executive Directors, Mr. Gerard McGurk was appointed as Senior Vice President-Operations.
2. Mrs. Rattana Anoontakaroon was appointed as Vice President-Merchandising effective from 1 December 2006.

Scope of Duties and Responsibilities of the President

1. Prepare policies, business plan, and annual budget, to be submitted to the board of executive directors for consideration and then to the board of directors for approval.
2. Manage the business according to the Company's policies and business plan as assigned by the Company's board of directors.
3. Approve disbursement of expenses as specified in the budget, and consider and approve investment of assets at a credit limit with the amount up to Baht 5 million per transaction.
4. To consider and approve the Company's engagement in rental or service of any movable properties which are considered as normal business operations.
5. To consider and approve the Company's engagement in rental or service of the real estate properties which are considered as normal business operations. The contract value shall not exceed Baht 50 million and/or three years of tenure.
6. Consider and approve policy of merchandising, trading policy, marketing, sales, and general asset administration.

Information of Board of Directors



Mr. Sudhisak Chirathivat

Age 61

Position

- Chairman/ Executive/ Chairman Board of Director (Authorized Director)

Education

- Bachelor Degree in Mathematics, St. Fisher College, U.S.A

Relationship among management

- Brother of Mr. Sudhitham and Mrs. Narttaya
- Uncle of Mr. Prin and Mr. Tos

No. of share holding None

Experiences

- 1994 - President of Industry and Retail Business Companies in Central Group
- 2000 - Chairman of the Executive Board Central Marketing Group Co.,Ltd
- 2001-Present - Executive Board Central Group of Companies
- 2003-Present - Director/Executive Board Central Pattana Pcl.
- Director/Executive Board Central Plaza Hotel Pcl.



Mr. Sudhitham Chirathivat

Age 59

Position

- Director/ Executive Director (Authorized Director)

Education

- Bachelor Degree in Electrical Engineering University of Maryland (College Park), USA
- MBA (Operations Research) Iona University, New York, USA
- Director Certification Program (DCP) 2003, Thai Institute of Directors Association
- Defense College Graduated - 4313 (Wor Por Ror Or - 4313)

Relationship among management

- Brother of Mr. Sudhisak and Mrs. Narttaya
- Uncle of Mr. Prin and Mr. Tos

No. of share holding None

Experiences

- 1990-2002 - President & Chief Executive Officer Central Pattana Pcl.
- 2002-Present - Executive Committee Retail and Real Estate, Central Group of Companies
- Chairman, Earth Care Co., Ltd.
- Executive Director, The Vintage Club Co.,Ltd.
- Director, Central Pattana Pcl.
- Director, Central Plaza Hotel Pcl.
- Director, Central Holding Co.,Ltd.
- Director, TT&T Pcl.
- 2006-Present - Member of the National Legislative Assembly



Mr. Prin Chirathivat

Age 44

Position

- Director/ Executive Director (Authorized Director)

Education

- Bachelor Degree, Skidmore College, U.S.A.
- MBA Sasin Graduate Institute of Business Administration, Chulalongkom University
- Director Certification Program (DCP) 2000,
Director Accreditation Program (DAP) 2005,
Audit Committee Program (ACP) 2005,
The Role of Chairman (RCM) 2005, Thai Institute of Directors Association

Relationship among management

- Nephew of Mr. Sudhitham, Mr. Sudhisak, and Mrs. Narttaya
- Brother of Mr.Tos

No. of share holding None

Experiences

- 1990-2002 - Executive Board, Central Department Store Co.,Ltd.
- 1998-2004 - Executive Board, Interlife John Hancock Insurance Pcl.
- 1999-2006 - Director, Indhra Insurance Pcl.
- 2002-2006 - Director, Dhanmitr Factoring Pcl.
- 1993-Present - Director/ Executive Board, Central Plaza Hotel Pcl.
- 1994-Present - Director/ Executive Board, Central Pattana Pcl.
- 1996-Present - Director/ Executive Board, Central Retail Corporation Co.,Ltd.
- 2002-Present - Executive Board, Central Group of Companies
- 1995-Present - Director, General Card Services Ltd.
- 1999-Present - Director, Malee Sampran Pcl.
- 2003-Present - Chairman of Audit Committee, Bualuang Securities Pcl.
- 2004-Present - Consultant, Market for Alternative Investment (MAI)
- Member of Board of University Affairs, Chiangrai Rajabhat University



Mr. Tos Chirathivat

Age 42

Position

- Director/Executive Director (Authorized Director)

Education

- BA Wesleyan University, CT, USA
- MBA (Finance) Columbia University, NY, U.S.A.

Relationship among management

- Nephew of Mr. Sudhisak, Mr. Sudhitham, and Mrs. Narttaya
- Brother of Mr.Prin

No. of share holding None

Experiences

- 1996-2001 - Chief Operational Officer, Central Retail Corporation Co.,Ltd.
- 2002-Present - Chief Executive Officer, Central Retail Corporation Co.,Ltd



Mr. Preecha Ekkunagul

Age 49

Position

- Director/ Executive Director (Authorized Director)

Education

- Bachelor Degree in Chemical Engineering, Chulalongkom University
- Master Degree (Industrial and Management), Asia Institute of Technology
- Director Certification Program (DCP) 2005,
Director Accreditation Program (DAP) 2004, Thai Institute of Directors Association

No. of share holding None

Experiences

- 1995-2000 - Managing Director, BigC Supercenter Pcl.
- 2000-2003 - President, CRC Power Retail Co.,Ltd.
- President, B2S Co.,Ltd.
- 2003-Present - President, Robinson Department Store Pcl.



Mr. Piya Nguiakaramahawongse

Age 49

Position

- Director (Authorized Director)

Education

- BS (Electrical Engineering) and BS (Management),
Massachusetts Institution of Technology, Cambridge, U.S.A.
- MBA and MS (Electrical Engineering), University of Southern California, Los Angeles, U.S.A.
- Director Certification Program (DCP) 2005, Thai Institute of Directors Association

No. of share holding None

Experiences

- 1984-1993 - Assistant Vice President, Bangkok Bank Pcl.
- 1993-1994 - Vice President, Samart Corporation Pcl.
- 1994-1997 - President, Siam Land Holding
- 1997-Present - Senior Vice President Finance and Account,
Central Retail Corporation Co.,Ltd
- Director, Robinson Planner Co.,Ltd.



Mr. Pandit Mongkolkul

Age 43

Position

- Director (Authorized Director)

Education

- Bachelor Degree in Accounting, Chulalongkorn University
- MBA (Finance and International Business)
Sasin Graduate Institute of Business Administration
- Director Certification Program (DCP) 2003, Thai Institute of Directors Association

No. of share holding 225 shares

Experiences

- 1992-Present - Financial and Investment Director, Central Department Store Co., Ltd.
- 1993-Present - Director, Earth Care Co., Ltd.
- 1996-Present - Director, Robinson Department Store Pcl. and Subsidiaries
- 2000-Present - Director, Robinson Planner Co., Ltd.
- 2004-Present - Chairman of the Executive Board, Dhanamitr Factoring Pcl.
- Director, CG Broker Co., Ltd.
- 2005-Present - Director, Andaman Capital Co., Ltd.
- 2006-Present - Director, Malee Sampran Pcl.



Mr. Somchai Apiwattanaporn

Age 55

Position

- Director/ Independent Director/ Chairman of the Audit Committee

Education

- Bachelor Degree in Accounting, RamKhamhaeng University
- Master of Art (Public Management), RamKhamhaeng University
- Defense College Graduated (Wor Por Ror Or -2546)
- Certified Public Accountant
- Director Certification Program (DCP) 2006,
Director Accreditation Program (DAP) 2004, Thai Institute of Directors Association

No. of share holding None

Experiences

- 2003-2004 - Chairman of Asset Management Committee, TMB Bank Pcl.
- Director, TMB Bank Pcl.
- 2003-Present - Deputy Director, Excise Department
- 2003-Present - Vice Chairman of Committee, Playing Card Factory Committee,
Excise Department, Ministry of Finance
- 2005-Present - Member of Federation of Accounting Professions,
Tax Accounting Committee
- Director, Liquor Distillery Organization
Excise Department, Ministry of Finance



Mr. Phibul Phatharodom

Age 72

Position

- Director/ Independent Director/ Audit Committee

Education

- Bachelor Degree (Accounting and Law), Thammasat University
- M.S. (Accounting) University of Kansas, U.S.A
- Director Accreditation Program (DAP) 2004, Audit Committee Program (ACP) 2005, Thai Institute of Directors Association

No. of share holding None

Experiences

- 1999-2005 - Independent Director/ Audit Committee, Central Plaza Hotel Pcl.
- 1969-Present - Partner/ Certified Public Accountant, Phatharatham Auditing Office



Mr. Vithaya Chavananand

Age 49

Position

- Director/ Independent Director/ Audit Committee

Education

- Bachelor Degree (Political Science Finance), Chulalongkorn University
- MBA, Webster University, U.S.A.
- Director Accreditation Program (DAP) 2006, Thai Institute of Directors Association

No. of share holding None

Experiences

- 1986-Present - Vice Chairman, Wijitpan Palm Oil Co.,Ltd.
- Managing Director, Wijitpan Palm Co.,Ltd.
- Deputy Marketing Director, Wijitpan Construction Co.,Ltd.

Information of Executive Officers

Mrs. Narttaya Chirathivat

Age 44

Position

- Director/ SVP-Merchandising

Education

- BS (Economic) University of Hartford, CT, USA.
- MBA University of Hartford Paris, France

Relationship among management

- Sister of Mr. Sudhisak, and Mr. Sudhitham
- Aunt of Mr. Prin and Mr. Tos

No. of share holding None

Experiences

- 1995-Present - SVP-Merchandising, Robinson Department Store Pcl.

Mr. Gerard McGurk

Age 40

Position

- VP-Commercial Operations

Education

- HND in Business Practices and Business Computer Practices, Dundee, College of Commerce
- 5'0' Grade-3'H'Level, Lawside RC Academy

No. of share holding None

Experiences

- 1998-2000 - District Manager, Robinson Department Store Pcl.
- 2000-2002 - Managing Director, Planer Sports China Limited
- Managing Director, TS Lifestyle Thailand Limited
- 2003-Present - VP-Commercial Operations, Robinson Department Store Pcl.

Mr. Sukitti Kittipassorn

Age 50

Position

- VP-Operation Systems and Support

Education

- Bachelor Degree in Pharmacology, Mahidol University
- MBA, Thammasat University

No. of share holding None

Experiences

- 1996-Present - VP Operation Systems and Support, Robinson Department Store Pcl.

Mr. Parivat Sopasit

Age 48

Position

- VP-Finance and Administration

Education

- Bachelor Degree in Accounting, Chulalongkorn University

No. of share holding None

Experiences

- 1995-2001 - Accounting and System Manager, Siam Gardian Glass Co.,Ltd.
- 2001-2003 - Accounting Director, CRC Power Retail Co.,Ltd.
- 2003-Present - VP-Finance and Administration, Robinson Department Store Pcl.

Miss. Usara Yongpiyakul

Age 41

Position

- VP-Marketing

Education

- Bachelor Degree in Marketing Management, ABAC
- MBA (Business Communication) Bentley College Boston, US

No. of share holding None

Experiences

- 1998-2000 - Senior Marketing Manager, Krungsri-GE Bank Card, GE Capital Thailand
- 2000-2003 - Customer (Non-Auto) Insurance Product Leader, GE Capital Thailand
- 2004-Present - VP-Marketing, Robinson Department Store Pcl.

Miss. Sirinij Chokchairittikul

Age 31

Position

- VP-Merchandising

Education

- Bachelor Degree in Communication Arts, Bangkok University
- MA (Communication) International Program, 1st HONOR (Golden Medal), Bangkok University

No. of share holding None

Experiences

- 1995-2002 - Regional Store Manager, Mark & Spencer (United Kingdom)
- Regional Store Manager, Marks & Spencer (Thailand)
- 2002-2005 - General Manager-Merchandise Ready to wear (Credit-Differentiate), Robinson Department Store Pcl.
- 2005-Present - VP-Merchandising, Robinson Department Store Pcl.

Miss. Ratana Anoontakaroon

Age 47

Position

- VP-Merchandising

Education

- B.B.A. (General Management) at Sukhothaimathirat University
- M.B.A. at National Institution of Development Administration Bangkok, Thailand

No. of share holding None

Experiences

- 1997-2006 - VP-General Merchandising, BigC Supercenter Pcl.
- 2006-Present - VP-Merchandising, Robinson Department Store Pcl.

Nomination of Directors and Executives

Nomination Procedure

Appointment of the company's directors shall be conducted according to the following regulations:

- The Company's directors need not to be the Company's shareholders. The third person who agrees to be the Company's director and is appointed by the general shareholders meeting can be the Company's directors.
- The Company's board of directors shall consist of not less than five directors and not less than half of those shall reside within the Kingdom.

Criteria and procedure for electing directors at the shareholders meeting are as follows:

- In vote for election of directors, majority vote shall be regarded and each shareholder shall have one vote per one share held by such shareholder.
- Each shareholder may exercise all the votes he/she has to electing each candidate nominated as a director.
- The candidates ranked in order descending from the highest number of votes received to the lowest shall be appointed as directors until the number of directors to be comprised or elected in such meeting is filled. In case the votes cast for candidates in descending order are tied, which would otherwise cause the number of directors to be exceeded, the chairman of the meeting shall have casting vote.
- Regarding the right of minor shareholders to appoint a director, the Company's regulations specify that each shareholder has one vote for one share. The cumulative voting is not applicable.

In 2007, shareholders shall have a chance to nominate any qualified person according to the Public Company Limited B.E. 2535 Act and notice of the Securities Exchange Commission to the Company's board of directors for consideration as the candidate. Then the nomination shall be submitted to the shareholders meeting for approval of appointment.

Remuneration of Directors and the Management

Monetary Remuneration

Board of Directors

Monetary remuneration of directors in the year 2006 comprising of meeting allowance and quarterly remuneration was paid to 10 directors and the audit committee at a total amount of Baht 805,000.

Name	Position	Attendance/No. of Meeting		Total Remuneration (Baht)
		Board of Directors	Audit Committee	
1. Mr. Sudhisak Chirathivat	Chairman	3/3		63,333.33
2. Mr. Sudhiham Chirathivat	Vice Chairman	2/3		53,333.33
3. Mr. Prin Chirathivat	Director	3/3		63,333.33
4. Mr. Tos Chirathivat	Director	3/3		63,333.33
5. Mr. Preecha Ekkunagul	Director and President	3/3		63,333.33
6. Mr. Piya Nguiakaramahawongse	Director	2/3		53,333.33
7. Mr. Pandit Mongkolkul	Director	3/3		63,333.33
8. Mr. Somchai Apiwattanapron	Chairman of Audit Committee/ Independent Director	2/3	3/3	131,666.67
9. Mr. Phibul Phatharodom	Audit Committee/ Independent Director	3/3	3/3	125,000.00
10. Mr. Vithaya Chavananand	Audit Committee/ Independent Director	3/3	3/3	125,000.00

The remuneration for the previous board of directors, including Mr. Pandit Mongkolkul and Mr. Pracha Phatayakorn who received monthly remuneration payments while in the position, amounted to Baht 80,000 per person or a total of Baht 160,000. Term of directorship of such directors expired on 26 April 2006 after the general shareholders meeting for the year 2006 appointed an entirely new board of directors.

Total remuneration for members of the entire board in the year 2006 which was approved at the year 2006 general shareholders meeting was not exceeding Baht 4,000,000 (not including remuneration for Mr. Preecha Ekkunagul who held another position as president). The board of directors has the right to determine the total remuneration of each director as deemed appropriate.

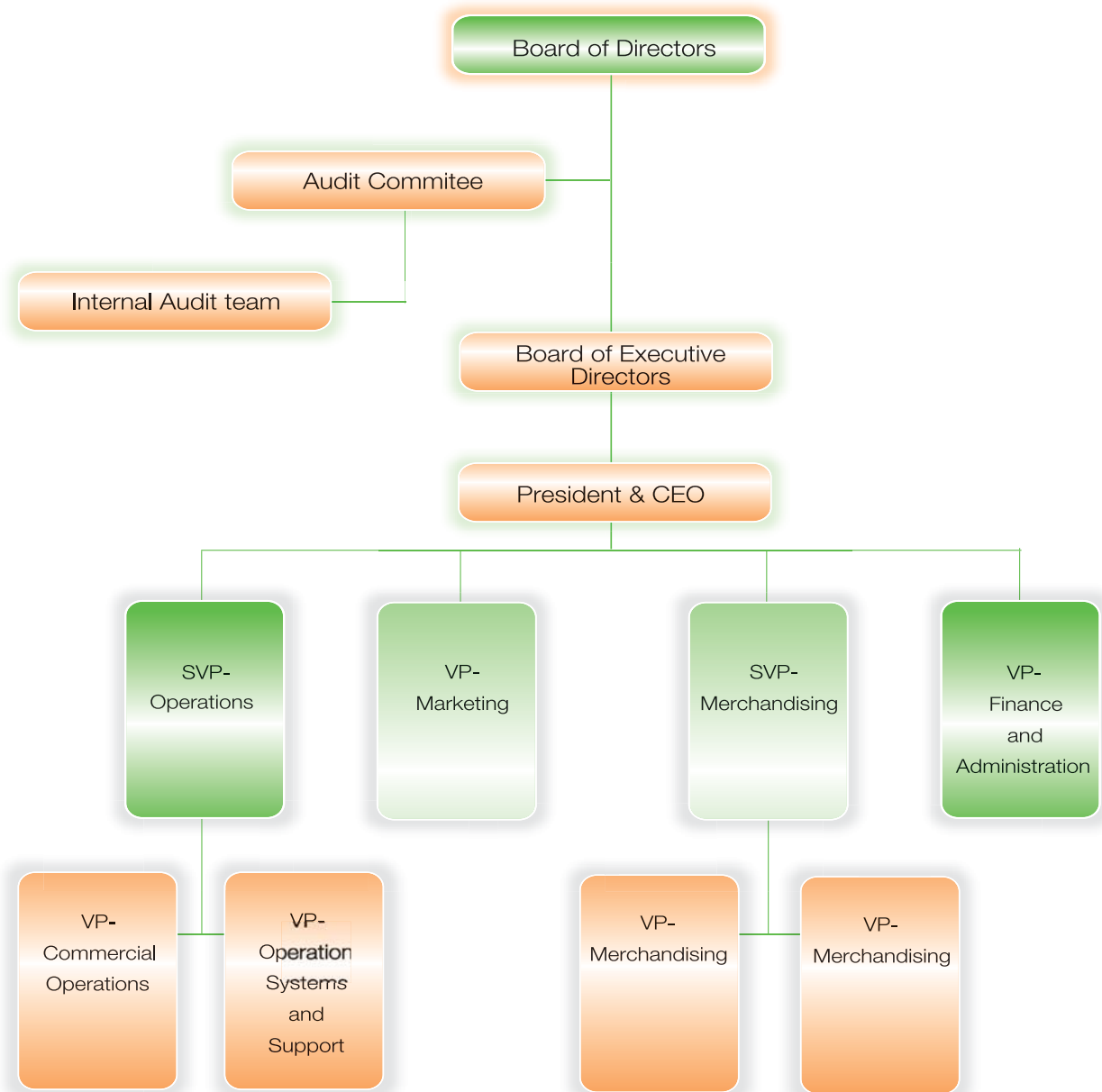
Management

The management consists of 9 executive officers taking the positions of president, senior vice president, and vice president, as well as management who are also regarded as board members. Remuneration for executives in the year 2006 comprising of monthly salary, bonus, provident fund, and other remuneration (car allowance) amounted to Baht 37,972,486.

Non-Monetary Remuneration

None

Organization Chart



>> Principles of Good Corporate Governance

1) Rights of Shareholders

The Company has set up good practices to protect the statutory rights of shareholders as follows:

- It is the shareholders' right to obtain relevant news and accurate information on the Company in a timely manner before making decisions. It also includes the right to receive stock certificates, to transfer shares, and to receive dividends.
- The Company should facilitate shareholders to attend the shareholders' meetings both in terms of venue preparation and proper time setting.
- The Company should provide shareholders, in advance of meetings, with meeting notices that contain all agenda items, each with the board of directors' opinion, complete support data and details of the documents that need to be presented during said meetings. All information regarding shareholders meetings and the proxy form should be posted on the Company's website.
- At the meeting, chairman of the Company's board of directors' inform the procedures governing of voting and vote counting. The minutes of the meeting must be complete and accurately recorded and presented along with the voting results of each agenda item, this must also be provided on the Company's website.
- The Company should encourage its board of directors, sub-committee, president, chairman of the sub-committee, and president to attend the shareholders' meetings. Shareholders should be able to express their opinions and ask questions related to the Company's operation.

2) Equitable Treatment of Shareholders

The Company has policies for the equitable treatment of shareholders. These includes the right of minority shareholders to nominate candidates for director positions, to propose any agenda items to the Company's board of directors for consideration in advance of the board of directors meeting to set up agendas for the shareholders' meetings. Shareholders who cannot attend the meeting should be able to vote by proxy or appoint an independent director as their proxy. For director election, shareholders are able to vote on individual nominees. Shareholders are also encouraged to use the proxy forms which enable shareholders to specify their votes. (Proxy Form B)

The Company supervises the use of inside information by requesting that new executives report the holding of securities and also the transfer of securities to the Securities and Exchange Commission (SEC) pursuant to section 59 under the Securities and Exchange Act B.E. 2535. In addition, the Company also clearly specifies the duties and responsibilities of the executives and organization units by prohibiting executives or any persons who have inside information from disclosing such information to outsiders or non-engaged persons, except if the disclosure is made to the public as specified in the regulations of the Stock Exchange of Thailand. Any violation shall be subject to disciplinary action according to the company's regulations.

3) The Role of Stakeholders in Corporate Governance

Apart from shareholders, the Company takes into account all groups of stakeholders, making sure that they are treated fairly and in accordance with their legal rights as specified in the laws that concern stakeholders and/or through mutual agreements with the company. The Company realizes that all stakeholders play a supportive role in the Company's long-running success with details as follows:

Employees: The Company treats its staff according to the regulations set out under the labour and social welfare law, respects staff's individual rights, and provides proper remuneration and welfare benefits, as in accordance with industry standards.

Partners and/or Creditors: The Company strictly observes and adheres to all its obligations to partners. It has regulations to prohibit executives or staff from performing any illegal or unethical practices against partners and/or creditors by admitting or asking for any properties or benefits. Should there be any evidence or information of unethical practice the Company or partners and/or creditors must inform or disclose such information for joint consideration to find a solution to the problem in order to prevent any losses which may occur in the future.

Customers : The Company conducts its business rightly and equitably. It is capable of responding to the customers' needs by providing quality products at reasonable prices and excellent service. The Company has a policy of strictly preventing the confidential information of customers becoming public. Customers can make complaints or any queries at the customer relations department or via the company's website. The Company should take corrective action and/or respond, as necessary.

Competitors : The Company abides by the framework, rules and ethics of fair competition, and will not destroy the reputation of its competitors through pricing strategy or any unethical strategies.

Community and Environment : The Company has continually supported activities which are beneficial to the community and environment. It will not take any illegal action or support any illegal action which exploits natural resources or is harmful to the community. In addition, the Company, in cooperation with the Corporate Social Responsibility Department of the Central Retail Group, launches a variety of activities for the community and society.

4) Disclosure and Transparency

The Company emphasizes the importance of the disclosure of company information including financial reports and business information correctly, accurately, transparently and on a timely basis through the communication channel of the SET and the Company's website www.robinson.co.th. For investor relations, the Company assigns the financial management and investor relations division to be responsible for investor relations duties in order to communicate important and beneficial information to the institutional investors, shareholders, stock analysts, press and general public. In the year 2006, investor relation activities included a non-deal road show between company executives, international investors, and analysts, along with securities companies, press release meetings, investor and analysts' company visits, and conference calls to acquire information on the Company's performance. Investors can contact the Company's investor relations section at tel. 0 2248 2626 ext. 732, 733 or E-mail: ir@robinson.co.th. This will serve as a communications channel between the Company, shareholders and investors.

Regarding the quality of financial reports, the Company's board of directors is responsible for consolidated financial statements of the company and its subsidiaries (approved by the Company's auditor) as well as financial information presented in the annual report. The board of directors appoints the audit committee which consists of an independent committee responsible for the quality of financial reports and internal control system. For the year 2006 financial report, the board of directors has the opinion that such financial statements are prepared in accordance with Thai General Accepted Accounting Principles by the adoption of the appropriate accounting policy and consistent practice of that policy, including the disclosure of substantial information in the Notes to the financial statements of the Company and its subsidiaries.

committee with non-executive, independent directors and a team of independent internal auditors was also set up to be responsible for the quality of financial statements and internal control system.

5) Responsibilities of the Board

1. Board Structure

In 2006, the appointed board of directors consisted of directors with various qualifications in terms of skills and experience in managing retail business and department stores, as well as expertise in particular fields such as accounting, finance, and law. The board of directors comprises ten members including:

- 1 Management Director
 - 6 Non-Management Directors
 - 3 Independent Committees
- (Independent Committees are 30%)

The company disclosed details and information of each director at other companies in attachment 1 of the 56-1 form. This included the disclosure of documents for the general shareholders' meeting on the agenda of appointing committee.

2. Committee

Since the current board of directors was appointed for the first time to carry out the duty of the Plan Administrator after the completion of the Rehabilitation Plan, the board of directors thus, fully understands the need to set up a subcommittee for good governance and for the benefit of both the company and general shareholders after the Company returned to its normal operation. In previous year, great emphasis was placed on the internal control system in terms of the Company's operation, financial statements, and compliance with the Company's rules and regulations. The board of directors set up an audit committee as required by the SET's listing rules. The independent chief internal auditor acts as a secretary to the audit committee. The board of directors also set up the board of executive officers to consider and approve company's business transactions as indicated in the scope of duty. However, the board of directors agrees to set up additional subcommittees in 2007 including remuneration and nomination committees, a working group for corporate governance, and risk management working group.

3. Roles and Responsibilities of the Board

Apart from the aforementioned roles, duties and responsibilities of the board and subcommittee, the Company's board of directors set a written code of business conduct for directors and employees as a guideline for practices which cover important areas such as practices to partners, customers, and employees' mission statements with emphasis on loyalty, integrity, business ethics, conflict of interest and law.

Directors are also responsible for the consolidated financial statements and financial information presented in the annual report. The Company's financial statements are prepared in accordance with nationally accepted accounting standards with emphasis on the adoption of appropriate accounting policies and disclosure of substantial and clear information in the Notes to the financial statements. The auditing committee with non-executive, independent directors and a team of independent internal auditors was also set up to be responsible for the quality of financial statements and internal control system.

4. Board Meetings

In 2006, the Company held 3 meetings of the board of directors appointed at the general shareholders' meeting on 26 April 2006 after the Central Bankruptcy Court ordered the termination of the rehabilitation process. Future board meetings will be organized at least 4 times annually or every 3 months. The secretary to the board will notify each director of the meeting schedule in advance. The meeting schedule for the entire year is set in advance.

At the board meeting, the chairman of the board, the president, and the secretary to the board set the meeting agenda together. Important issues will be submitted to the board of executive directors and/or the auditing committee for careful consideration and opinion expression before being proposed during the board meeting. Meeting documents which can be disclosed in written form or disclosed in advance without any effect to the Company will be sent to directors in advance.

The Company appropriately allocates the meeting time for each agenda brought to discussion. During the meeting, the chairman encourages careful consideration. In the case that any board member is involved in the proposed agenda, that board member will not participate in the decision making process.

5. Board and Management Training

The Company encourages all directors to undergo training at the Thai Institute of Directors as well as other institutions in order to enhance their knowledge and understanding and to enable them to further develop the Company's corporate governance system.

Social responsibility

Particular emphasis has been placed on creating a good relationship with customers, local communities, and society. The company has continually organized public relation activities and special activities during the past year. Activities that promote family relations, the importance of children, and social activities have been introduced. The Company also serves as a medium to take donations such as money and other necessary items, while providing cooperation to the government sector in launching various campaigns. These include assistance to the flood victims in Ayudhaya province, support of the 60 Million Good Deeds for the King project, support of the From Fathers to Children's Hearts, the Children's Heart Disease Foundation, and monetary donations for the Pra Dabot Foundation.

In addition, the company cooperated with the Central Group implementing a policy of social responsibility with emphasis on 4 main operations namely 1) educational promotion by building libraries for the community or schools in need 2) renovation of historical sites such as temples, or historical places that deserve preservation and conservation of Thai culture and traditions have a tendency to fade away, 3) Sports and 4) Fostering and provision good cooperation to any foundations.

Supervision on Inside Information

The Company has clearly established its scope of duty and responsibility of all employees in the form of Job Description and has trained them to accurately understand their duties and the Company's regulations. However, some duties may occasionally cause inside information to be revealed to employees and perhaps to the public without permission. Therefore, the Company specifically details that only concerned employees can be informed of such important inside information especially in the case of financial information, by utilizing a computerized system to limit access of information by any particular level of authority. The Company will disclose information to those concerned during the appropriate time and only without contravention to the related regulations of the Stock Exchange of Thailand and other applicable laws. In addition, the Company clearly states the rules for employee use of inside information. The Company also has regulations in connection with the disclosure of confidential information. If an investigation finds that an employee has disclosed confidential information or financial information without permission, said employee shall be subject to strict punishment by the investigative committee in accordance with the company's regulations.

In the case where the Company hires outside contractors to perform particular tasks the Company requests that a contract should be made in terms of protection of confidential information which may be disclosed due to the nature of the task performed. The hired party must ensure that its staff are under obligation to protect clients' confidentiality. The staff and executives of the hired party are prohibited from using such disclosed inside information to buy or sell shares issued by the Company either for their own benefit or that of others.

>> Inter-Company Transactions

The Company enters various transactions with its subsidiaries, joint-venture companies and other related companies. Certain assets, liabilities, income, costs and expenses of the Company and its subsidiaries also involve inter-company transactions. These businesses are related through sharing the same share holders and/or directors, as disclosed in Note 4 of the Company's financial statement. Details of major transactions during the year ended 31 December 2006 can be summarized as follows:

Details of Major Transactions

Subject	Related Company	Relationship with					Inter-company value 31 Dec. 2006 (Million Baht)		
		Subsidiaries	Joint-ventures	Main Shareholders	Joint shareholders	Joint Directors			
Income Rentals and Services	Robinson Sukhumvit Co., Ltd.	X					572.60		
	CR Hadyai (Thailand) Co., Ltd.	X							
	CR Udonthani (Thailand) Co., Ltd.	X							
	CR Phuket (Thailand) Co., Ltd.	X							
	CR Nakorn Sri Thammarat (Thailand) Co., Ltd.	X							
	CR Chiang Mai (Thailand) Co., Ltd.	X							
	CR Ubon Ratchathani (Thailand) Co., Ltd.	X							
	CR Ratchaburi (Thailand) Co., Ltd.	X							
	CR Chantaburi (Thailand) Co., Ltd.	X							
	Power Buy Co., Ltd.		X			X			
	CRC Sport Co., Ltd.			X		X			
	B2S Co., Ltd.				X	X			
	CRC Power Retail Co., Ltd.				X	X			
	Office Club (Thailand) Co., Ltd.				X	X			
	Group of Central Food Retail Co., Ltd.				X	X			
	Central Department Co., Ltd.			X		X			
	Central Retail Corporation Co., Ltd.				X	X			
	CDS Restaurant Co., Ltd.				X				
	Central Pattana Group Pcl.				X	X			
	Textral Textile Co., Ltd.				X				
	RIS Co., Ltd.				X				
	Central Watson Co., Ltd.				X	X			
	Group of Central Restaurant Group Co., Ltd. (Auntie Anne's, Pizza Hut, Mister Donut, KFC)				X				
	Financial Services	CR Hadyai (Thailand) Co., Ltd.	X						7.19
		CR Udonthani (Thailand) Co., Ltd.	X						
		CR Chiang Mai (Thailand) Co., Ltd.	X						
CR Ubon Ratchathani (Thailand) Co., Ltd.		X							
CR Ratchaburi (Thailand) Co., Ltd.		X							
CR Chantaburi (Thailand) Co., Ltd.		X							

Subject	Related Company	Relationship with					Inter-company value 31 Dec. 2006 (Million Baht)
		Subsidiaries	Joint-ventures	Main Shareholders	Joint shareholders	Joint Directors	
	Power Buy Co., Ltd. CRC Sport Co., Ltd. Group of Central Food Retail Co., Ltd. B2S Co., Ltd. CRC Power Retail Co., Ltd.	X X			X X X X X	X X	
Management fees	Robinson Sukhumvit Co., Ltd. Kruerkaew Co., Ltd. RD Pattana Co., Ltd. CR Hadyai (Thailand) Co., Ltd. CR Udonthani (Thailand) Co., Ltd. CR Phuket (Thailand) Co., Ltd. CR Nakorn Sri Thammarat (Thailand) Co., Ltd. CR Chiang Mai (Thailand) Co., Ltd. CR Ubon Ratchathani (Thailand) Co., Ltd. CR Ratchaburi (Thailand) Co., Ltd. CR Chantaburi (Thailand) Co., Ltd.	X X X X X X X X X X X					98.83
Interests	Robinson Anusawaree Co., Ltd. Robinson Ratchada Co., Ltd. Robinson Sukhumvit Co., Ltd. Robinson Nakarin Co., Ltd. Kruerpetch Co., Ltd. Robinson S.P.V Co., Ltd. CR (Thailand) Co., Ltd. CR Hadyai (Thailand) Co., Ltd. CR Udonthani (Thailand) Co., Ltd. CR Phuket (Thailand) Co., Ltd. CR Nakorn Sri Thammarat (Thailand) Co., Ltd. CR Chiang Mai (Thailand) Co., Ltd. CR Ubon Ratchathani (Thailand) Co., Ltd. CR Ratchaburi (Thailand) Co., Ltd. CR Chantaburi (Thailand) Co., Ltd.	X X X X X X X X X X X X X X X					539.81
Expenses Purchases of Merchandise	Central Trading Co., Ltd. Central Garment Factory Co., Ltd. Cetrac International Ltd.		X X X	X			644.47

Subject	Related Company	Relationship with					Inter-company value 31 Dec. 2006 (Million Baht)
		Subsidiaries	Joint-ventures	Main Shareholders	Joint shareholders	Joint Directors	
	Textral Textile Co., Ltd. Earth Care Co., Ltd. Central Department Co., Ltd.		X X X	X			
Rentals/Services	Central Pattana Group Pcl. Tiang Chirathivat Co., Ltd.				X X	X X	77.92
Management fees	Central Retail Corporation Co., Ltd.			X		X	62.63
Interests	Robinson Sukhumvit Co., Ltd. Kruerkaew Co., Ltd. RD Pattana Co., Ltd. Central Retail Corporation Co., Ltd. CR (Thailand) Co., Ltd. CR Phuket (Thailand) Co., Ltd. Group of Central Food Retail Group Co., Ltd.	X X X X X X		X		X X	207.77
Financial support Via subsidiaries	PB Logistic Co., Ltd. CRC Sport Co., Ltd. CR Hadyai (Thailand) Co., Ltd. CR Udonthani (Thailand) Co., Ltd. CR Phuket (Thailand) Co., Ltd. CR Nakorn Sri Thammarat (Thailand) Co., Ltd. CR Chiang Mai (Thailand) Co., Ltd. CR Ubon Ratchathani (Thailand) Co., Ltd. CR Ratchaburi (Thailand) Co., Ltd. CR Chantaburi (Thailand) Co., Ltd.		X X X X X X X X X X				2,490.78

Necessary Inter-company Transactions

Merchandise purchases: The Company purchases popular brand products from relevant suppliers and acts as sole distributor of those products. The same merchandising policy is followed with other suppliers. Prices are negotiated with a view to achieving the highest gross profit margin. Such products must be currently available in the market and competitive with similar products offered by other department stores.

Rental and service income: Specialty stores are run by affiliated companies and other companies that are expert in specialty merchandising of specific products that are popular among the Company's target customers. Specialty stores are also specially designed in unique, modern styles in accordance with the Company's concepts. Compensation is based either on a percentage of sales or a fixed rate. In addition, the Company provides space to affiliated companies to set up international money transferred counter services.

Income from financial services: This source of income is derived from affiliates who use the Company's secure room to store their cash receipts during the day. The service is a general service to be offered by other department stores in order to facilitate their tenants. The service fee charged to those related parties are at the same rates charged to other tenants and/or business partners

Management fee income: Collected from the Company's affiliates and subsidiaries for department store management, merchandising, marketing and use of the Robinson brand. The rate is based on a percent age of sales and/or other income, as per each joint venture agreement.

Management fee expenses: Paid to related company for accounting and financial management services, human resources, legal issues, and tax. The service provider is of specialised management expertise, so as to enable the Company to efficiently and effectively minimise related costs.

Lending and borrowing to and from subsidiaries: Centralization of the merchandising system involves making inter-company loans thru the current account system. Inter-company loan costs are referred to interest rates charged by local financial institutions, plus 0.5% to 1.5% or 1.25% to 2.5% interest margin per annum.

Measures and procedures for approval of inter-company transactions

The Company and its subsidiaries act in compliance with the Stock Exchange of Thailand's notice regarding measures, methods and disclosure of inter-company transactions of the listed company and under governance of the Plan Administrator.

Future policy and trends for inter-company transactions

The Company and its subsidiaries will continue their inter-company transactions, which are a necessary part of department store operation. Such transactions will be conducted in compliance with the Stock Exchange of Thailand rule and regulations. The pricing policy for inter-company transactions is as follows:

<i>Revenue from Sales and Services</i>	Market price must not be less than acquired price for particular merchandises or services.
<i>Received Interest</i>	The minimum loan and overdraft rate is based on local financial institutions, plus 0.5% to 1.5% interest margin per annum or a fixed rate.
<i>Paid Interest</i>	The saving interest rate is based on local financial institutions, plus 1.25% to 2.5% interest margin per annum or a fixed rate.
<i>Rental and service income</i>	The rate is based either on a percentage of sales using market prices or a fixed rate.
<i>Manage fee income</i>	The rate is based either on a percentage of sales or a fixed rate.

Internal Control

The Company realizes the importance of its Internal Control system. Therefore, as the Company has resumed its normal operations as of 2006, the Audit Committee, which is an independent committee, was appointed as approved by the shareholders meeting. The Audit Committee's responsibilities are to ensure an adequate, appropriate, and effective Internal Control System is applied that enables the Company to operate its business with accuracy, transparency, verifiability, and to prevent any damages, which may occur. The Internal Control system has been improved for ongoing effectiveness and efficiency. The Internal Audit section, which is independent from the management shall review operations and the information technology system of all departments to ensure that all staff in the organization comply with the Internal Control System requirements as set by the Company and continually report their performance directly to the Audit Committee on a regular basis. Communication and cooperation with management regarding audit results, observations, and suggestions was also conducted. In addition a jointly set criteria to resolve issues appropriately was installed. As designated, the Chairman of the Audit Committee shall report all audit results to the Board on regular basis.

Regarding auditor's opinions in the auditor's report, there was unqualified opinion with an emphasis of matter that can be considered an essential part in the Internal Control System of the Company's Accounting.

In terms of Risk Management, the Company realizes and stresses the importance of the consideration of risk factors, which are faced by the Company or may appear in the future. At present, the Company is conducting a study on appropriate guidelines and methods, while setting up a new section to support the Company's Risk Management scheme in order to encourage all departments in the organization to conduct risk management according to the set guidelines, while reporting the operation results of risk management to the Company's Board of Directors or other committees.

>> Audit Committee Report

Report of the Audit Committee

Dear Shareholders of Robinson Department Store Public Company Limited

By the resolution of the Annual General Meeting of Shareholders no.1/2006 on 26 April 2006, the appointed audit committee consisted of three independent directors with various qualifications in terms of skills, experience, as well as expertise in particular fields such as finance and accounting. The audit committee comprises; Mr. Somchai Apiwattanaporn-Chairman of the audit committee, Mr. Phibul Phatharodom and Mr. Vithaya Chavananand-audit committee. In 2006, the Audit Committee performed their duties and responsibilities as assigned by the Company's board of Directors in compliance with the regulations of the Stock Exchange of Thailand. The Committee held 3 meetings in all that participated among management, auditors and internal auditors according to the appropriate agendas. The Audit Committee reported, expressed their opinions, and offered suggestions as deemed necessary. Duties performed were, in summary, as follows:

Procedures for Making Financial Reports and the Disclosure of Information

The Audit Committee reviewed the procedures for making financial statements to ensure the accuracy and credibility of information disclosed in financial statements. The Audit Committee reviewed quarterly and annual financial statements to ensure compliance with Generally Accepted Accounting Practices. They also ensured that sufficient information, connected transactions, and transactions which may cause conflict of interest were disclosed.

Internal control system and internal audit

The Audit committee considered and provided recommendations on the annual audit plan and the audit report of the internal audit office. The Audit Committee supervised internal audit operations to ensure compliance with professional standards and to reasonably ensure that the internal control system was sufficiently appropriate in order to enable the organization to achieve its set objectives efficiently. The committee considered and supported workforce and internal audit personnel development. In addition, it also supported and agreed on utilizing "Audit Management System" from risk assessment procedures for business planning to the making of the audit report. It is expected that this system will start operating from the first quarter of 2007.

Compliance with regulations and related laws

The Audit Committee consistently reviewed the Company's compliance subjected to the securities and Stock Exchange law, regulations of the Stock Exchange of Thailand, and business related laws.

Disclosure of information of connected transactions

The Audit Committee considered the handling of transactions and supported the disclosure of information on related transactions or transactions which may cause conflict of interest on a regular basis.

Risk management

The Audit Committee shall support and follow up the setting of risk management procedures both at the Company level and branch level. It also encourages the exchange of knowledge and information related to risk and internal control, which has caused or may cause effects on the Company with the Risk Management Committee. This operation will commence by the first quarter of the year 2007.

Good Corporate Governance

The Audit Committee ensures good Corporate Governance procedures, while providing suggestions necessary for improving such procedures.

Selection and appointment of auditor

The Audit Committee determined remuneration for auditing fees and evaluated the qualification of nominated auditors, then proposed to the Company's board the appointment of Ms. Wilai Buranakittisophon Registration No. 3920, Mr. Thirdthong Thepmongkorn Registration No. 3787 and Mr. Vinij Siramongkol Registration No. 3378 from KPMG Phoomchai Audit Ltd. as the Company's Auditors for the year 2007 with remuneration to the amount of Baht 3,085,000. Remuneration for the Auditors of subsidiaries was Baht 3,484,000. Total remuneration for the Company and its subsidiaries was Baht 6,569,000 (six million five hundred and sixty-nine thousand baht net). This will be submitted to the shareholders meeting for their approval.

Self-assessment of the Audit Committee

Assessment of the Audit Committee's performance was conducted by asking all members of the Audit Committee to complete a questionnaire regarding the effectiveness of the Audit Committee. The performance assessment for the year 2006 was done on 16 February 2007 and yielded satisfactory results.

The Audit Committee concluded that the Company has appropriate and reliable procedures for making financial reports and the disclosure of information, as well as a sufficient internal control system.



(Mr. Somchai Apiwattanapron)
Chairman of the Audit Committee
February 2007

>> Statement of Directors Responsibilities

Responsibility Statement from the Board of Directors on the Disclosure of the Financial Report

The Board of Directors is responsible for financial statements of Robinson Department Store Public Company Limited and its subsidiary. The financial statements and information set out in Annual Report have been prepared in compliance with the generally accepted accounting principles in Thailand and other appropriate and consistent accounting policies and with careful consideration. Thus the company has disclosed all important information in the Notes under the Financial Statements, in a proper and highly transparent manner.

The Board of Directors provides and maintains appropriate and efficient internal control systems, ensuring that all accounting records are accurate, complete and sufficient to protect the Company's assets.

In this regard, the Board of Directors has appointed the Audit Committee, comprising independent directors, to review the financial reporting and internal audit procedures. The Audit Committee's Report is presented accordingly in this Annual Report.

The Board of Directors agrees that the overall internal control systems of Robinson Department Store Public Company Limited are satisfactory and creditable rationally for reliability on the financial statement of Robinson Department Store Public Company Limited and its subsidiary for the year ending 31 December 2006.

>> Management Discussion and Analysis

Revenue from Sales and Other

The Company and its subsidiaries generated a sales increase of Baht 995 million in 2006 or 10% increase and a gross profit increase of Baht 255 million, or 12% comparing to the year 2005. During the past year, the Company succeeded in merchandising management by continuously offering a variety of fashion goods in assortment, launching a large number of new product brands, while organizing seasonal sales promotions and festivals for the entire year. In addition, there was also new stores expansion in the middle of 2005 and end of 2006.

Regarding other revenue, the Company and its subsidiaries recognized the gain from investment in affiliated companies in 2006 to the sum of Baht 133 million, an increase of Baht 31 million or 30%, due to the higher operating income of such affiliated companies. The Company and its subsidiaries had a gain of Baht 2,170 million from reversal of impairment loss on land and leasehold rights.

Cost of Sales

In 2006, cost of sales of the Company and its subsidiaries was in the proportion of revenue from sales at 77.53%, a decrease from 77.84% from the previous year. Gross profit margin increased from 22.16% in 2005 to 22.47% in 2006. This was mainly due to merchandising management which emphasized the continual use of an effective goods purchasing policy and stock management policy. It also included appropriate sales promotion programs which were organized throughout the year.

Selling and Administrative Expenses

The Company and its subsidiaries were able to control selling and administrative expenses efficiently. Expenses amounted to Baht 2,904 million, an increase of Baht 551 million. This was due to expenses from ordinary operational costs of Baht 324 million which was caused by expenses from new stores, higher electricity costs as a result of rising oil prices, and recording one time expenses in provision of obsolete stock at Baht 227 million.

Net Profit and Interest Expenses

The Company and its subsidiaries incurred interest expenses and income tax saw an increase of Baht 211 million, as it was the first year that the Company started paying income tax after the tax relaxation period ended.

For the net profit after interest, tax, and net profit of minority shareholders, the Company and its subsidiaries recorded a net profit of Baht 2,662 million in 2006. Net profit not including special items, amounted to Baht 804 million and net profit from special items was Baht 1,857 million due to the reversal of impairment loss on land and leasehold rights.

Assets

As of 31 December 2006, total assets of the Company and its subsidiaries were Baht 8,635 million, an increase of Baht 2,560 million or 42% from the previous year with details as follows:

- An increase in inventories in the category of credit product of Baht 45 million, or 7.5% in response to increasing sales and new store opening.
- An increase in investments recorded by the equity method of Baht 132 million, or 24% due to a higher operating income of affiliated companies.
- An increase in land, leasehold rights, and leasehold improvement of Baht 2,231 million due to the fact that the Company recorded such assets by the cost method instead of the market price method, as the Company found that there was no indication of impairment on such assets. In addition, fixed assets increased due to an increase in investment from new store opening and existing store renovation.

Liabilities

As of 31 December 2006, total liabilities for the Company and its subsidiaries were Baht 3,465 million, a decrease of Baht 103 million or 3%. The decreased liabilities were mainly due to the repayment of loans to financial institutions, which amounted to Baht 827 million. However, the Company and its subsidiaries still saw an increase in trade accounts payable due to an increase in sales. Tax accounts payable increased due to recorded income tax payable. This was because it was the first year the Company started paying income tax after the tax relaxation period ended.

Shareholders Equity

As of 31 December 2006, shareholder's equity for the Company and its subsidiaries was Baht 5,169 million, an increase of Baht 2,664 million due to the reversal of impairment loss on assets and net profit from ordinary operations.

Liquidity and Cash flow

In 2006, net cash flow from operation of the Company and its subsidiaries amounted to Baht 1,324 million, a 12% increase from the previous year. Cash flows used for investment were Baht 610 million, an increase of Baht 292 million from the previous year. This was due to an increase in leasehold rights caused by investment in new store expansion. Net cash flow used for financing activities was Baht 748 million, a slight decrease from last year's Baht 710 million because in 2006 the Company did not have additional liabilities and the last installment of Notes were repaid at the end of 2005.

As of 31 December 2006, cash and cash equivalents for the Company and its subsidiaries amounted to Baht 997 million, a decrease of Baht 33 million from the previous year.

Auditor's Fee

Audit Fee

The Company and its subsidiaries paid audit fees to:

- The Company's auditor for the previous accounting year with a total of Baht 5,844,400.
- The audit office of the auditor, person, or business related to the auditor and the auditors office for the previous accounting year with a total of none.

Non-Audit Fee

None

Robinson Department Store
Public Company Limited
and its Subsidiaries

Annual financial
statements
and
Audit report of Certified
Public Accountant

For the years ended
31 December 2006 and 2005

To the Shareholders of Robinson Department Store Public Company Limited

I have audited the accompanying consolidated and separate balance sheets as at 31 December 2006, and the related statements of income, changes in shareholders' equity and cash flows for the year then ended of Robinson Department Store Public Company Limited and its subsidiaries, and of Robinson Department Store Public Company Limited, respectively. The Company's management is responsible for the correctness and completeness of information presented in these financial statements. My responsibility is to express an opinion on these financial statements based on my audit. The consolidated financial statements and separate financial statements of Robinson Department Store Public Company Limited and its subsidiaries, and of Robinson Department Store Public Company Limited, respectively, for the year ended 31 December 2005, before the restatement as described in Note 32 to the financial statements, were audited by another auditor whose report dated 27 February 2006 expressed an unqualified opinion on those statements.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provide a reasonable basis for my opinion.

In my opinion, the consolidated and separate financial statements referred to above present fairly, in all material respects, the financial position as at 31 December 2006, and the results of operations and cash flows for the year then ended of Robinson Department Store Public Company Limited and its subsidiaries, and of Robinson Department Store Public Company Limited, respectively, in accordance with generally accepted accounting principles.

I draw attention to Note 32 to the financial statements. In the preparation of the financial statements for the year ended 31 December 2006, the Group has changed its accounting policy for land, leasehold rights, and leasehold improvement from the revalued amount to the cost basis. The change has been made retroactively and the comparative financial statements have been adjusted accordingly. The effects on the financial statements of the change in accounting policy have been disclosed in note 32.



(Wilai Buranakittisophon)
Certified Public Accountant
Registration No. 3920

KPMG Phoomchai Audit Ltd.
Bangkok
16 February 2007

Robinson Department Store Public Company Limited and its Subsidiaries

Balance sheets

As at 31 December 2006 and 2005

Assets	Note	Consolidated		The Company	
		2006	2005 (Restated)	2006	2005 (Restated)
<i>(in Baht)</i>					
<i>Current assets</i>					
Cash and cash equivalents	5	996,834,360	1,030,216,786	733,858,095	113,589,557
Trade accounts receivable	4, 6	328,159,630	220,282,598	256,043,539	181,656,944
Short-term loans and advances to related parties	4, 32	-	-	1,623,105,364	1,537,672,529
Inventories	7	649,735,585	604,539,739	431,624,046	406,903,299
Other current assets	8	163,156,022	49,836,414	142,392,590	33,786,220
Total current assets		2,137,885,597	1,904,875,537	3,187,023,634	2,273,608,549
<i>Non-current assets</i>					
Investments accounted for using the equity method	9, 32	679,313,323	546,802,656	2,052,073,953	1,642,495,029
Other long-term investments	10	-	-	-	-
Long-term loans to related parties	4	-	-	61,223,493	61,223,493
Property, plant and equipment	11, 16, 32	1,996,825,253	1,593,332,104	1,257,223,338	896,666,238
Leasehold rights	12, 32	3,220,433,710	1,392,938,274	1,618,534,032	768,785,217
Goodwill	13	58,477,313	60,030,543	-	-
Other non-current assets	14, 16	541,732,369	576,274,363	339,678,841	368,495,884
Total non-current assets		6,496,781,968	4,169,377,940	5,328,733,657	3,737,665,861
Total assets		8,634,667,565	6,074,253,477	8,515,757,291	6,011,274,410

The accompanying notes are an integral part of these financial statements.

Robinson Department Store Public Company Limited and its Subsidiaries

Balance sheets

As at 31 December 2006 and 2005

Liabilities and shareholders' equity	Note	Consolidated		The Company	
		2006	2005 (Restated)	2006	2005 (Restated)
		<i>(in Baht)</i>			
<i>Current liabilities</i>					
Trade accounts payable	4, 15	2,349,997,771	1,842,059,039	1,468,512,954	1,072,411,890
Current portion of long-term loan	16	123,000,000	317,360,000	123,000,000	317,360,000
Short - term loans and advances from related parties	4, 16, 32	155,669,308	18,992,348	1,135,949,554	906,846,886
Income tax payable		83,997,519	7,019,727	74,059,886	-
Other current liabilities	17	667,429,336	577,272,875	524,618,174	465,297,959
Total current liabilities		3,380,093,934	2,762,703,989	3,326,140,568	2,761,916,735
<i>Non-current liabilities</i>					
Long-term loan from financial institution	16	-	632,640,000	-	632,640,000
Long-term loan from related party	4, 16	-	-	113,300,000	113,300,000
Excess of share of losses over costs of investments in subsidiaries accounted for using the equity method	9	-	-	47,121,637	81,588,537
Unearned lease income	4, 18	68,954,272	154,296,327	-	52,487,167
Other non-current liabilities	19	16,252,186	19,040,521	-	1,996,460
Total non-current liabilities		85,206,458	805,976,848	160,421,637	882,012,164
Total liabilities		3,465,300,392	3,568,680,837	3,486,562,205	3,643,928,899
<i>Shareholders' equity</i>					
<i>Share capital</i>					
Authorised share capital	20	11,106,611,330	11,106,611,330	11,106,611,330	11,106,611,330
Issued and paid-up share capital	20	11,106,611,330	11,106,611,330	11,106,611,330	11,106,611,330
Share discount	29	(7,217,474,659)	(7,217,474,659)	(7,217,474,659)	(7,217,474,659)
<i>Retained earnings (deficit)</i>					
Appropriated for legal reserve	21	148,415,000	96,215,000	148,415,000	96,215,000
Unappropriated (deficit)		991,643,415	(1,618,006,160)	991,643,415	(1,618,006,160)
Total equity of the Company's shareholders		5,029,195,086	2,367,345,511	5,029,195,086	2,367,345,511
Minority interest	32	140,172,087	138,227,129	-	-
Total shareholders' equity		5,169,367,173	2,505,572,640	5,029,195,086	2,367,345,511
Total liabilities and shareholders' equity		8,634,667,565	6,074,253,477	8,515,757,291	6,011,274,410

The accompanying notes are an integral part of these financial statements.

Robinson Department Store Public Company Limited and its Subsidiaries

Statements of income

For the years ended 31 December 2006 and 2005

	Note	Consolidated		The Company	
		2006	2005	2006	2005
			(Restated)		(Restated)
		(in Baht)			
<i>Revenues</i>					
Revenue from sale of goods	4	10,811,579,071	9,816,982,615	6,731,086,838	6,150,207,105
Rental and service income	4	702,274,905	671,788,394	429,157,311	412,612,190
Interest income	4, 22	22,509,181	19,338,112	349,305,012	451,580,707
Reversal of impairment loss on assets	11, 12	2,170,235,275	-	1,054,745,761	-
Other income	23	360,852,222	345,750,901	373,895,353	354,817,316
Share of profits from investments accounted for using the equity method	9, 11	132,510,667	101,557,407	1,333,686,583	39,461,763
Total revenues		14,199,961,321	10,955,417,429	10,271,876,858	7,408,679,081
<i>Expenses</i>					
Cost of sale of goods	4	8,381,825,838	7,641,775,272	5,213,325,073	4,783,335,931
Selling and administrative expenses	4, 24	2,903,835,617	2,352,624,597	2,186,685,100	1,693,707,575
Total expenses		11,285,661,455	9,994,399,869	7,400,010,173	6,477,043,506
Profit before interest and income tax expenses		2,914,299,866	961,017,560	2,871,866,685	931,635,575
Interest expense	4, 26	35,477,762	2,480,492	38,509,982	4,408,811
Income tax expense	27	192,891,657	15,246,367	171,507,128	-
Profit after tax		2,685,930,447	943,290,701	2,661,849,575	927,226,764
Net profit of minority interest		(24,080,872)	(16,063,937)	-	-
Net profit		2,661,849,575	927,226,764	2,661,849,575	927,226,764
Basic earnings per share	28, 32	2.40	0.83	2.40	0.83

The accompanying notes are an integral part of these financial statements.

Robinson Department Store Public Company Limited and its Subsidiaries

Statements of changes in shareholders' equity

For the years ended 31 December 2006 and 2005

	Note	Issued and paid-up share capital	Share discount, net	Fair value and revaluation surpluses	Consolidated Retained earnings (deficit)			Total equity of the Company's shareholders	Minority interest	Total shareholders' equity
					Legal reserve	Unappropriated	(in Baht)			
Balance at 1 January 2005		11,106,611,330	(10,919,678,429)	860,948,677	96,215,000	1,156,970,846	2,301,067,424	180,521,077	2,481,588,501	
Adjustment from change in accounting policy	32	-	-	(860,948,677)	-	-	(860,948,677)	(28,798,651)	(889,747,328)	
Adjustment at 1 January 2005	29	-	3,702,203,770	-	-	(3,702,203,770)	-	-	-	
Restated balance		11,106,611,330	(7,217,474,659)	-	96,215,000	(2,545,232,924)	1,440,118,747	151,722,426	1,591,841,173	
Changes in shareholders' equity for 2005		-	-	-	-	927,226,764	927,226,764	16,063,937	943,290,701	
Net profit		-	-	-	-	927,226,764	927,226,764	16,063,937	943,290,701	
Total recognised income and expense for the year		-	-	-	-	927,226,764	927,226,764	(29,559,234)	(29,559,234)	
Dividend	31	-	-	-	-	-	-	138,227,129	2,505,572,640	
Balance at 31 December 2005		11,106,611,330	(7,217,474,659)	-	96,215,000	(1,618,006,160)	2,367,345,511	24,080,872	2,685,930,447	
Changes in shareholders' equity for 2006		-	-	-	-	2,661,849,575	2,661,849,575	24,080,872	2,685,930,447	
Net profit		-	-	-	-	2,661,849,575	2,661,849,575	24,080,872	2,685,930,447	
Total recognised income and expense for the year		-	-	-	-	2,661,849,575	2,661,849,575	(22,135,914)	(22,135,914)	
Dividend	31	-	-	-	-	-	-	-	-	
Legal reserve	21	-	-	-	52,200,000	(52,200,000)	-	-	-	
Balance at 31 December 2006		11,106,611,330	(7,217,474,659)	-	148,415,000	991,643,415	5,029,195,086	140,172,087	5,169,367,173	

The accompanying notes are an integral part of these financial statements.

Robinson Department Store Public Company Limited and its Subsidiaries

Statements of changes in shareholders' equity
For the years ended 31 December 2006 and 2005

	Note	The Company				Total equity attributable to the Company's shareholders
		Issued and paid-up share capital	Share discount	Fair value and revaluation surpluses (in Baht)	Retained earnings (deficit)	
Balance at 1 January 2005		11,106,611,330	(10,919,678,429)	860,948,677	96,215,000	2,301,067,424
Adjustment from change in accounting policy	32	-	-	(860,948,677)	-	(860,948,677)
Adjustment at 1 January 2005	29	-	3,702,203,770	-	-	-
Restated balance		11,106,611,330	(7,217,474,659)	-	96,215,000	1,440,118,747
Changes in shareholders' equity for 2005		-	-	-	927,226,764	927,226,764
Net profit		-	-	-	-	-
Total recognised income and expense for the year		-	-	-	927,226,764	927,226,764
Balance at 31 December 2005		11,106,611,330	(7,217,474,659)	-	96,215,000	2,367,345,511
Changes in shareholders' equity for 2006		-	-	-	2,661,849,575	2,661,849,575
Net profit		-	-	-	-	-
Total recognised income and expense for the year		-	-	-	2,661,849,575	2,661,849,575
Legal reserve	21	-	-	-	52,200,000	(52,200,000)
Balance at 31 December 2006		11,106,611,330	(7,217,474,659)	-	148,415,000	5,029,195,086

The accompanying notes are an integral part of these financial statements.

Robinson Department Store Public Company Limited and its Subsidiaries

Statements of cash flows

For the years ended 31 December 2006 and 2005

	Consolidated		The Company	
	2006	2005 (Restated)	2006	2005 (Restated)
	<i>(in Baht)</i>			
<i>Cash flows from operating activities</i>				
Net profit	2,661,849,575	927,226,764	2,661,849,575	927,226,764
<i>Adjustments for</i>				
Depreciation and amortisation	581,142,896	454,952,260	372,905,261	290,592,587
Interest income	(22,509,181)	(19,338,112)	(349,305,012)	(451,580,707)
Interest expense	35,477,762	2,480,492	38,509,982	4,408,811
Bad debts and allowance for doubtful accounts (reversal)	(9,772,288)	1,002,484	(9,600,253)	(384,535)
Allowance for obsolete and slow-moving	212,826,218	2,595,574	218,320,853	353,558
Loss (Gain) on disposal of equipment	2,023,772	(1,829,284)	(24,766)	(1,638,164)
Net profit of minority interest	24,080,872	16,063,937	-	-
Share of profits from investments accounted for using the equity method	(132,510,667)	(101,557,407)	(1,333,686,583)	(39,461,763)
Loss from discontinuity of subsidiary	-	-	-	1,303,565
Earned lease income	(85,342,055)	(107,570,411)	(52,487,167)	(69,982,890)
Reversal of impairment loss on assets	(2,170,235,275)	-	(1,054,745,761)	-
Write-off withholding tax	1,830,653	-	-	-
Income tax expense	192,891,657	15,246,367	171,507,128	-
	1,291,753,939	1,189,272,664	663,243,257	660,837,226
<i>Changes in operating assets and liabilities</i>				
Trade accounts receivable	(98,104,744)	(20,588,731)	(72,491,590)	(22,730,300)
Inventories	(258,022,064)	(118,641,367)	(243,041,600)	(95,203,851)
Other current assets	(113,319,608)	27,010,066	(108,606,370)	20,490,273
Other non-current assets	36,628,772	(61,723,378)	25,968,829	(73,196,537)
Trade accounts payable	507,938,732	239,969,357	396,101,064	192,051,541
Other current liabilities	90,242,809	2,357,711	59,320,215	15,071,635
Other non-current liabilities	(2,788,335)	(3,061,945)	(1,996,460)	(2,661,945)
Income taxes paid	(130,067,730)	(73,066,061)	(97,447,242)	(29,695,429)
Net cash provided by operating activities	1,324,261,771	1,181,528,316	621,050,103	664,962,613

The accompanying notes are an integral part of these financial statements.

Robinson Department Store Public Company Limited and its Subsidiaries

Statements of cash flows

For the years ended 31 December 2006 and 2005

	Consolidated		The Company	
	2006	2005 (Restated)	2006	2005 (Restated)
	<i>(in Baht)</i>			
<i>Cash flows from investing activities</i>				
Interest received	22,509,182	19,338,112	10,962,200	3,821,969
Loan repaid by related parties	-	-	13,716,649,557	15,611,156,345
Loan to related parties	-	-	(12,294,843,609)	(14,758,795,915)
Purchase of property, plant and equipment	(434,778,354)	(346,189,965)	(320,041,458)	(304,288,858)
Sale of property, plant and equipment	16,421,266	9,251,267	8,222,286	9,017,306
Purchase of investment in subsidiaries	-	-	(271,550,000)	-
Increase in leasehold rights	(213,773,227)	-	(213,773,227)	-
Proceeds from discontinuity of subsidiary	-	-	-	58,753,419
Net cash (used in) provided by investing activities	(609,621,133)	(317,600,586)	635,625,749	619,664,266
<i>Cash flows from financing activities</i>				
Interest paid	(35,174,410)	(87,647,989)	(34,852,296)	(1,782,055)
Dividends paid	(22,135,914)	(29,559,234)	-	-
Proceeds from loans and advances from related parties	150,551,697	12,384,038	235,123,200	29,077,092
Repayment of loans and advances from related parties	(14,264,437)	(20,318,542)	(9,678,218)	(85,369,346)
Proceeds from loans from financial institutions	-	950,000,000	-	950,000,000
Repayment of loans from financial institutions	(827,000,000)	(1,795,044,911)	(827,000,000)	-
Repayment of amortising notes	-	(487,522,253)	-	(2,516,322,204)
Net cash used in financing activities	(748,023,064)	(1,457,708,891)	(636,407,314)	(1,624,396,513)
Net (decrease) increase in cash and cash equivalents	(33,382,426)	(593,781,161)	620,268,538	(339,769,634)
Cash and cash equivalents at beginning of year	1,030,216,786	1,623,997,947	113,589,557	453,359,191
Cash and cash equivalents at end of year	996,834,360	1,030,216,786	733,858,095	113,589,557

The accompanying notes are an integral part of these financial statements.

Robinson Department Store Public Company Limited and its Subsidiaries

Notes to the financial statements

For the years ended 31 December 2006 and 2005

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Robinson Department Store Public Company Limited and its Subsidiaries

Notes to the financial statements

For the years ended 31 December 2006 and 2005

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the directors on 16 February 2007.

1 General information

Robinson Department Store Public Company Limited, the “Company”, is incorporated in Thailand and has its registered office at 2 Silom Road, Suriyawong, Bangrak, Bangkok, Thailand.

The Company was listed on the Stock Exchange of Thailand in January 1992.

The principal activities of the Company and its subsidiaries are engaged in a chain of department stores under the brand of “Robinson”. The Company has also jointly invested with groups of business partners (Indirect subsidiaries) outside Bangkok through a holding company, CR (Thailand) Co., Ltd.. Details of the Company’s subsidiaries are as follows:

	Type of business	Country of incorporation	Ownership interest	
			2006	2005
<i>Direct subsidiaries</i>				
Robinson Anusawaree Co., Ltd.	Dormant Company	Thailand	99.91%	99.91%
Robinson Ratchada Co., Ltd.	Dormant Company	Thailand	99.80%	99.80%
Robinson Nakarin Co., Ltd.	Dormant Company	Thailand	99.86%	99.86%
Robinson Sukhumvit Co., Ltd.	Dormant Company	Thailand	99.99%	99.99%
Sapanmai Department Store Co., Ltd.	Dormant Company	Thailand	74.50%	74.50%
Kruerpetch Co., Ltd.	Investing Company	Thailand	99.99%	99.99%
Kruerkaew Co., Ltd.	Dormant Company	Thailand	99.99%	99.99%
CR (Thailand) Co., Ltd.	Investing Company	Thailand	99.99%	99.99%
R-Trading (L) BHD.	Investing Company	Malaysia	99.92%	99.92%
RD Pattana Co., Ltd.	Real Estate	Thailand	99.98%	99.98%
Robinson S.P.V. Co., Ltd.	Investing Company	Thailand	99.99%	99.99%
CR Rajchaburi (Thailand) Co., Ltd.	Department Store	Thailand	50.00%	50.00%
<i>Indirect subsidiaries</i>				
CR Udorn Thani (Thailand) Co., Ltd.	Department Store	Thailand	76.00%	76.00%
CR Phuket (Thailand) Co., Ltd.	Department Store	Thailand	49.99%	49.99%
CR Nakhon Sri Thammarat (Thailand) Co., Ltd.	Department Store	Thailand	49.99%	49.99%
CR Had Yai (Thailand) Co., Ltd.	Department Store	Thailand	76.00%	76.00%
CR Chiang Mai (Thailand) Co., Ltd.	Department Store	Thailand	89.99%	89.99%
CR Ubon Ratchathani (Thailand) Co., Ltd.	Department Store	Thailand	74.99%	74.99%
CR Chantaburi (Thailand) Co., Ltd.	Department Store	Thailand	64.99%	64.99%
CR Rajchaburi (Thailand) Co., Ltd.	Department Store	Thailand	49.99%	49.99%

Robinson Department Store Public Company Limited and its Subsidiaries

Notes to the financial statements

For the years ended 31 December 2006 and 2005

2 Basis of preparation of financial statements

The financial statements issued for Thai reporting purposes are prepared in the Thai language. This English translation of the financial statements has been prepared for the convenience of readers not conversant with the Thai language.

The financial statements are prepared in accordance with Thai Accounting Standards (“TAS”) including related interpretations and guidelines promulgated by the Federation of Accounting Professions (“FAP”) and with generally accepted accounting principles in Thailand.

The financial statements are presented in Thai Baht, rounded in the notes to the financial statements to the nearest thousand. They are prepared on the historical cost basis.

The preparation of financial statements in conformity with TAS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

3 Significant accounting policies

(a) Basis of consolidation

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interest in associates.

Significant intra-group transactions between the Company and its subsidiaries are eliminated on consolidation.

Subsidiaries

Subsidiaries are those companies controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of a company so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Associates

Associates are those companies in which the Group has significant influence, but not control, over the financial and operating policies. The consolidated financial statements include the Group’s share of the total recognised gains and losses of associates on an equity accounted basis, from the date that significant influence commences until the date that significant influence ceases. When the Group’s share of losses exceeds its interest in an associate, the Group’s carrying amount is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

Robinson Department Store Public Company Limited and its Subsidiaries

Notes to the financial statements

For the years ended 31 December 2006 and 2005

(b) Foreign currencies

Transactions in foreign currencies are translated to Thai Baht at the foreign exchange rates ruling at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to Thai Baht at the foreign exchange rates ruling at that date. Foreign exchange differences arising on translation are recognised in the statement of income.

(c) Cash and cash equivalent

Cash and cash equivalents comprise cash balances, call deposits and highly liquid short-term investments. Bank overdrafts that are repayable on demand are a component of financing activities for the purpose of the statement of cash flows.

(d) Trade and other accounts receivable

Trade and other accounts receivable (including balances with related parties) are stated at their invoice value less allowance for doubtful accounts.

The allowance for doubtful accounts is assessed primarily on analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

(e) Inventories

Inventories are stated at the lower of cost and net realisable value.

Cost is calculated using the weighted average cost formula and comprises all costs of purchase at invoice value.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

(f) Investments

Investments in subsidiaries and associates

Investments in subsidiaries and associates in the separate financial statements of the Company are accounted for using the equity method.

Investments in equity securities

Equity securities which are not marketable are stated at cost less impairment losses.

Disposal of investments

On disposal of an investment, the difference between net disposal proceeds and the carrying amount together with the associated cumulative gain or loss that was reported in equity is recognised in the statement of income.

Robinson Department Store Public Company Limited and its Subsidiaries

Notes to the financial statements

For the years ended 31 December 2006 and 2005

(g) *Property, plant and equipment*

Owned assets

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Depreciation

Depreciation is charged to the statement of income on a sum-of-the-year digits basis (except for property, plant and equipment acquired before 2001 which are depreciated on a straight-line basis) over the estimated useful lives of each part of an item of property, plant and equipment. The estimated useful lives are as follows:

Leasehold improvements	20	years
Buildings and construction	20	years
Buildings and construction improvements	5-20	years
Information system equipment	5-10	years
Building system equipment	5-10	years
Furniture, fixtures and office equipment	5	years
Transportation equipment	5	years

No depreciation is provided on freehold land or assets under construction.

(h) *Intangible assets*

Goodwill

Goodwill in a business combination represents the excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired. Negative goodwill in a business combination represents the excess of the fair value of the Group's share of the identifiable net assets acquired over the cost of acquisition.

Goodwill and negative goodwill are stated at cost less accumulated amortisation and impairment losses. Goodwill and negative goodwill arising on acquisition of shares in subsidiaries and associates in the Company's separate financial statements are included in investments.

The gain or loss on disposal of an entity includes the unamortised balance of goodwill relating to the entity disposed of.

Other intangible assets

Other intangible assets that are acquired by the Group are stated at cost less accumulated amortisation and impairment losses.

Robinson Department Store Public Company Limited and its Subsidiaries

Notes to the financial statements

For the years ended 31 December 2006 and 2005

Amortisation

Amortisation is charged to the statement of income on a straight-line basis from the date that intangible assets are available for use over the estimated useful lives of the assets. The estimated useful lives are as follows:

Leasehold rights	Over the lease periods
Goodwill	20 and 27 years

(i) Impairment

The carrying amounts of the Group's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognised in the statement of income.

Calculation of recoverable amount

The recoverable amount of assets is the greater of the assets' net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversals of impairment

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. However, an impairment loss in respect of goodwill is not reversed.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(j) Interest-bearing liabilities

Interest-bearing liabilities are recognised initially at cost.

(k) Trade and other accounts payable

Trade and other accounts payable (including balances with related parties) are stated at cost.

Robinson Department Store Public Company Limited and its Subsidiaries

Notes to the financial statements

For the years ended 31 December 2006 and 2005

(l) Provisions

A provision is recognised in the balance sheet when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

(m) Revenue

Revenue excludes value added taxes and is arrived at after deduction of trade discounts.

Sale of goods and services rendered

Revenue is recognised in the statement of income when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there is continuing management involvement with the goods or there are significant uncertainties regarding recovery of the consideration due, associated costs or the probable return of goods. Service income is recognised as services are provided.

Rental income

Rental income is recognised in the statement of income on a straight-line basis over the term of the lease.

Interest and dividend income

Interest income is recognised in the statement of income as it accrues. Dividend income is recognised in the statement of income on the date the Group's rights to receive payments is established.

(n) Expenses

Operating leases

Payments made under operating leases are recognised in the statement of income over the term of the lease.

Finance costs

Interest expenses and similar costs are charged to the statement of income in the period in which they are incurred.

(o) Income tax

Income tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Robinson Department Store Public Company Limited and its Subsidiaries

Notes to the financial statements

For the years ended 31 December 2006 and 2005

4 Related party transactions and balances

Related parties are those parties linked to the Group and the Company by common shareholders or directors. Transactions with related parties are conducted at prices based on market prices or, where no market price exists, at contractually agreed prices.

The pricing policies for particular types of transactions are explained further below:

Pricing policies

Sale of goods and services rendered	Market prices should not be lower than the cost of goods and/or services.
Interest income	Minimum loan rate or minimum overdraft rate of certain local financial institutions plus 0.5% per annum to 1.5% per annum or fixed rate.
Interest expense	Saving deposit rates of certain local financial institutions plus 1.25% per annum to 2.5% per annum or fixed rate.
Rental and service fees	Certain percentages of sales with a reference to the related market prices or fixed amount.
Management fees	Certain percentages of sales or fixed amount.

Transactions for the years ended 31 December 2006 and 2005 with related parties are summarised as follows:

	Consolidated		The Company	
	2006	2005	2006	2005
	<i>(in thousand Baht)</i>			
Revenue				
Revenue from sale of goods	-	-	83,635	70,959
Rental and service charges	447,905	396,503	318,316	289,774
Management fee income	7,158	6,879	103,374	102,950
Utility income	117,707	112,472	81,923	78,038
Interest income	-	-	338,343	447,759
Expenses				
Management fee expense	62,635	45,756	61,363	45,756
Interest expenses	3,034	1,435	6,172	2,861
Director remuneration	1,205	480	1,205	480

Robinson Department Store Public Company Limited and its Subsidiaries

Notes to the financial statements

For the years ended 31 December 2006 and 2005

Balances as at 31 December 2006 and 2005 with related parties are as follows:

Trade accounts receivable

	Consolidated		The Company	
	2006	2005	2006	2005
	<i>(in thousand Baht)</i>			
Robinson Sukhumvit Co., Ltd.	-	-	-	326
Kruerkaew Co., Ltd.	-	-	-	321
RD Pattana Co., Ltd.	-	-	267	267
CR Udorn Thani (Thailand) Co., Ltd.	-	-	4,198	4,382
CR Phuket (Thailand) Co., Ltd.	-	-	3,512	3,629
CR Nakorn Sri Thammarat (Thailand) Co., Ltd.	-	-	3,818	3,568
CR Had Yai (Thailand) Co., Ltd.	-	-	4,644	4,549
CR Chiang Mai (Thailand) Co., Ltd.	-	-	5,418	5,747
CR Ubon Ratchathani (Thailand) Co., Ltd.	-	-	1,251	1,687
CR Rajchaburi (Thailand) Co., Ltd.	-	-	2,678	3,160
CR Chantaburi (Thailand) Co., Ltd.	-	-	2,416	2,899
Power Buy Co., Ltd.	10,393	14,087	8,089	11,476
CRC Sport Co. Ltd.	7,196	6,313	4,885	4,127
B2S Co., Ltd.	7,939	7,770	6,147	6,271
Central Food Retail Co., Ltd.	36,111	15,151	31,292	9,639
Others	21,026	12,598	15,748	11,138
Total	82,665	55,919	94,363	73,186

Loans and advances to related parties

	Consolidated		The Company	
	2006	2005	2006	2005
	<i>(in thousand Baht)</i>			
Short-term				
Robinson Anusawaree Co., Ltd.	-	-	80,400	75,279
Robinson Ratchada Co., Ltd.	-	-	46,794	45,607
Robinson Nakarin Co., Ltd.	-	-	238,195	221,423
Kruerpetch Co., Ltd.	-	-	146,142	409,544
Robinson S.P.V. Co., Ltd.	-	-	1,127	1,061
Robinson Sukhumvit Co., Ltd.	-	-	12,154	10,583
RD Pattana Co., Ltd.	-	-	10,306	-
CR (Thailand) Co., Ltd.	-	-	4,123,683	4,959,079
Total	-	-	4,658,801	5,722,576
Less allowance for doubtful accounts provision for loss from investments in subsidiaries accounted for using the equity method (Note 9)	-	-	(11,982)	-
Net	-	-	1,623,106	1,537,673

Robinson Department Store Public Company Limited and its Subsidiaries

Notes to the financial statements

For the years ended 31 December 2006 and 2005

	Consolidated		The Company	
	2006	2005	2006	2005
	<i>(in thousand Baht)</i>			
Long-term				
Robinson Nakarin Co., Ltd.	-	-	61,223	61,223
Siam Retail Development Co., Ltd.	324,882	324,882	324,882	324,882
Rangsit Plaza Co., Ltd.	-	19,687	-	19,687
Total	324,882	344,569	386,105	405,792
Less allowance for doubtful accounts	(324,882)	(344,569)	(324,882)	(344,569)
Net	-	-	61,223	61,223
Total	-	-	1,684,329	1,598,896

Movements during the years on loans and advances to related parties are as follows:

	Consolidated		The Company	
	2006	2005	2006	2005
	<i>(in thousand Baht)</i>			
Short-term				
At 1 January	-	-	5,722,576	6,127,178
Increase	-	-	12,633,187	15,206,554
Decrease	-	-	(13,696,962)	(15,611,156)
At 31 December	-	-	4,658,801	5,722,576
Long-term				
At 1 January	344,569	344,569	405,792	405,792
Increase	-	-	-	-
Decrease	(19,687)	-	(19,687)	-
At 31 December	324,882	344,569	386,105	405,792

Trade accounts payable

	Consolidated		The Company	
	2006	2005	2006	2005
	<i>(in thousand Baht)</i>			
Central Trading Co., Ltd.	37,877	53,653	22,366	35,730
Central Garment Factory Co., Ltd.	24,176	33,795	12,724	19,721
Cetrac International Co., Ltd.	16,744	35,755	8,587	19,409
Central Department Store Co., Ltd.	4,079	4,036	3,987	3,837
Others	11,591	12,435	11,298	10,845
Total	94,467	139,674	58,962	89,542

Robinson Department Store Public Company Limited and its Subsidiaries

Notes to the financial statements

For the years ended 31 December 2006 and 2005

Loans and advances from related parties

	Consolidated		The Company	
	2006	2005	2006	2005
	<i>(in thousand Baht)</i>			
Short-term				
Kruerkaew Co., Ltd.	-	-	4,714	5,552
Robinson Ratchada Co., Ltd.	-	-	19,200	-
Robinson Sukhumvit Co., Ltd.	-	-	14,041	11,775
R - Trading (L) BHD.	-	-	880,049	880,093
CR Ratchaburi (Thailand) Co., Ltd.	-	-	67,116	-
PB Logistic Co., Ltd.	54,103	-	54,103	-
CRS Sport Co., Ltd.	60,997	-	60,997	-
RIS Co., Ltd.	16,779	2,380	14,474	2,086
Central Retail Corporation Co., Ltd.	19,485	15,515	16,652	4,963
Others	4,305	1,097	4,604	2,378
Total	155,669	18,992	1,135,950	906,847
Loan-term				
Robinson Sukhumvit Co., Ltd.	-	-	113,300	113,300
Total	155,669	18,992	1,249,250	1,020,147

Movements during the years on loans and advances from related parties are as follows:

	Consolidated		The Company	
	2006	2005	2006	2005
	<i>(in thousand Baht)</i>			
Short-term				
At 1 January	18,992	26,927	906,847	960,512
Increase	150,941	12,384	238,781	31,704
Decrease	(14,264)	(20,319)	(9,678)	(85,369)
At 31 December	155,669	18,992	1,135,950	906,847
Long-term				
At 1 January	-	-	113,300	113,300
Increase	-	-	-	-
Decrease	-	-	-	-
At 31 December	-	-	113,300	113,300

Robinson Department Store Public Company Limited and its Subsidiaries

Notes to the financial statements

For the years ended 31 December 2006 and 2005

Unearned lease income

	Consolidated		The Company	
	2006	2005	2006	2005
	<i>(in thousand Baht)</i>			
Central Food Retail Co., Ltd.	-	76,234	-	52,487

5 Cash and cash equivalents

	Consolidated		The Company	
	2006	2005	2006	2005
	<i>(in thousand Baht)</i>			
Cash at bank and on hand	114,264	55,393	65,537	57,344
Cash at bank - saving account	880,953	973,701	667,166	55,123
Short-term investment in fixed deposits	1,617	1,123	1,155	1,123
Total	996,834	1,030,217	733,858	113,590

6 Trade accounts receivable

	Note	Consolidated		The Company	
		2006	2005	2006	2005
		<i>(in thousand Baht)</i>			
Trade accounts receivable from related parties	4	82,665	55,919	94,363	73,186
Trade accounts receivable from other parties		248,370	175,409	161,971	111,665
Less allowance for doubtful accounts		(2,875)	(11,046)	(291)	(3,194)
Net		328,160	220,282	256,043	181,657

	Consolidated		The Company	
	2006	2005	2006	2005
	<i>(in thousand Baht)</i>			
Within credit terms	326,140	170,974	255,772	143,462
Overdue:				
Less than 3 months	1,571	48,438	-	37,504
3-6 months	718	640	302	627
6-12 months	89	404	76	51
Over 12 months	2,517	10,872	184	3,207
	331,035	231,328	256,334	184,851
Less allowance for doubtful accounts	(2,875)	(11,046)	(291)	(3,194)
Net	328,160	220,282	256,043	181,657

The normal credit term granted by the Group is 30 - 60 days.

Robinson Department Store Public Company Limited and its Subsidiaries

Notes to the financial statements

For the years ended 31 December 2006 and 2005

7 Inventories

	Consolidated		The Company	
	2006	2005	2006	2005
	<i>(in thousand Baht)</i>			
Merchandise - at cost	902,571	644,901	674,421	431,379
Less allowance for shortage, damage, obsolete and slow-moving inventories	(252,835)	(40,361)	(242,797)	(24,476)
Net	649,736	604,540	431,624	406,903

8 Other current assets

	Consolidated		The Company	
	2006	2005	2006	2005
	<i>(in thousand Baht)</i>			
Other receivable	105,416	12,584	104,973	10,959
Prepaid expenses	30,791	19,311	17,437	13,809
Advances payment	13,970	12,657	9,773	8,552
Others	12,979	5,284	10,210	466
Total	163,156	49,836	142,393	33,786

9 Investments accounted for using the equity method

	Note	Consolidated		The Company	
		2006	2005	2006	2005
		<i>(in thousand Baht)</i>			
Net book value at 1 January		546,803	445,393	(2,623,997)	(2,602,713)
Share of net profits of investments - equity method					
-from operation		132,510	101,557	218,197	39,461
-from reversal of impairment loss on assets	11	-	-	1,115,489	-
Additional investments in subsidiary		-	-	271,550	-
Disposal of subsidiary		-	-	-	(60,057)
Others		-	(147)	-	(688)
Net book value at 31 December		679,313	546,803	(1,018,761)	(2,623,997)

Robinson Department Store Public Company Limited and its Subsidiaries

Notes to the financial statements

For the years ended 31 December 2006 and 2005

Disclosed as:

		Consolidated		The Company	
	<i>Note</i>	2006	2005	2006	2005
		<i>(in thousand Baht)</i>			
Investments accounted for using the equity method		679,313	546,803	2,052,074	1,642,495
Excess of share of losses over costs of investments		-	-	(47,122)	(81,589)
Provision for excess of losses from investment in subsidiaries presented net of short-term loans	4	-	-	(3,023,713)	(4,184,903)
Net		<u>679,313</u>	<u>546,803</u>	<u>(1,018,761)</u>	<u>(2,623,997)</u>

Robinson Department Store Public Company Limited and its Subsidiaries

Notes to the financial statements

For the years ended 31 December 2006 and 2005

Investments accounted for using the equity method as at 31 December 2006 and 2005, are as follows:

	Ownership interest		Paid-up capital		Consolidated		Cost method		Equity method		
	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	
		(%)	(in thousand Baht)								
Associates											
CRC Sports Co., Ltd.	29.19	29.19	370,000	370,000	108,000	108,000	136,173	111,725			
Power Buy Co., Ltd.	40.00	40.00	560,000	560,000	224,000	224,000	543,140	435,078			
Siam Retail Development Co., Ltd.	24.00	24.00	500,000	500,000	120,000	120,000	10,194	10,194			
Square Ritz Plaza Co., Ltd.	24.00	24.00	125,000	125,000	30,000	30,000	29,858	29,858			
D C R Co., Ltd.	20.86	20.86	428,200	428,200	89,323	89,323	34,584	34,584			
					571,323	571,323	753,949	621,439			
Less allowance for impairment					(239,323)	(239,323)	(74,636)	(74,636)			
Net					332,000	332,000	679,313	546,803			

Robinson Department Store Public Company Limited and its Subsidiaries

Notes to the financial statements

For the years ended 31 December 2006 and 2005

	The Company							
	Ownership interest		Paid-up capital		Cost method		Equity method	
	2006	2005	2006	2005	2006	2005	2006	2005
	(in thousand Baht)							
<i>Subsidiaries</i>								
CR Rajchaburi (Thailand) Co., Ltd.	50.00	50.00	645,600	102,500	322,800	51,250	323,660	49,194
Robinson Sukhumvit Co., Ltd.	99.99	99.99	100,000	100,000	100,000	100,000	105,803	103,928
Sapanmai Department Store Co., Ltd.	74.50	74.50	20,000	20,000	14,900	14,900	15,424	15,237
Kruerkaw Co., Ltd.	99.99	99.99	40,000	40,000	40,000	40,000	39,869	39,270
Robinson S.P.V. Co., Ltd.	99.99	99.99	1,000	1,000	1,000	1,000	3,235	3,387
RD Pattana Co., Ltd.	99.98	99.98	3,000	3,000	3,000	-	156	-
R- Trading (L) BHD.	99.92	99.92	50	50	50	50	884,614	884,676
					481,750	207,200	1,372,761	1,095,692
<i>Associates</i>								
CRC Sports Co., Ltd.	29.19	29.19	370,000	370,000	108,000	108,000	136,173	111,725
Power Buy Co., Ltd.	40.00	40.00	560,000	560,000	224,000	224,000	543,140	435,078
Siam Retail Development Co., Ltd.	24.00	24.00	500,000	500,000	120,000	120,000	10,194	10,194
Square Ritz Plaza Co., Ltd	24.00	24.00	125,000	125,000	30,000	30,000	29,858	29,858
D C R Co., Ltd.	20.86	20.86	428,200	428,200	89,323	89,323	34,584	34,584
					571,323	571,323	753,949	621,439
Less allowance for impairment					(239,323)	(239,323)	(74,636)	(74,636)
Net			332,000	332,000	679,313	679,313	546,803	546,803
Total			813,750	539,200	2,052,074	1,642,495		

The Board of Directors' meeting held on 15 March 2006, approve the additional investments in shares of subsidiary by Baht 271.6 million.

Robinson Department Store Public Company Limited and its Subsidiaries

Notes to the financial statements

For the years ended 31 December 2006 and 2005

Provision for loss from investments in subsidiaries accounted for using the equity method

Investments in subsidiaries which had loss exceeding their investment value as at 31 December 2006 and 2005 are as follows:

	The Company								
	Ownership interest		Paid-up capital		Cost method		Equity method		
	2006	2005	2006	2005	2006	2005	2006	2005	
	(in thousand Baht)								
<i>Subsidiaries</i>									
Robinson Anusawaree Co., Ltd.	99.91	99.91	8,000	8,000	8,000	8,000	(80,433)	(75,504)	
Robinson Nakarin Co., Ltd.	99.86	99.86	105,000	105,000	104,853	104,853	(158,532)	(141,767)	
Kruerpetch Co., Ltd.	99.99	99.99	11,250	11,250	11,250	11,250	(146,130)	(137,092)	
CR (Thailand) Co., Ltd.	99.99	99.99	501,000	501,000	501,000	501,000	(2,666,550)	(3,879,525)	
RD Pattana Co., Ltd.	99.98	99.98	3,000	3,000	3,000	3,000	-	(1,755)	
Robinson Ratchada Co., Ltd.	99.80	99.80	75,000	75,000	74,850	74,850	(19,190)	(30,849)	
Total			702,953	702,953	702,953	702,953	(3,070,835)	(4,266,492)	

Net loss from investments in subsidiaries exceeding investment value accounted for using the equity method

(1,018,761) (2,623,997)

Robinson Department Store Public Company Limited and its Subsidiaries

Notes to the financial statements

For the years ended 31 December 2006 and 2005

10 Other long-term investment

Other long-term investments as at 31 December 2006 and 2005 are as follows:

	Ownership interest		Consolidated Paid-up capital		Investments value	
	2006	2005	2006	2005	2006	2005
		(%)	<i>(in thousand Baht)</i>			
Samakeesan (Dokya) Co., Ltd.	4.15	4.15	170,000	170,000	12,713	12,713
Rangsit Plaza Co., Ltd.	6.56	6.56	400,000	400,000	26,250	26,250
Wattanawana Co., Ltd.	19.58	19.58	600,000	600,000	117,500	117,500
Siam Family Mart Co., Ltd.	2.50	2.50	800,000	800,000	20,000	20,000
Less allowance for impairment			176,463		176,463	
Net			(176,463)		(176,463)	
			-		-	

	Ownership interest		The Company Paid-up capital		Investments value	
	2006	2005	2006	2005	2006	2005
		(%)	<i>(in thousand Baht)</i>			
Samakeesan (Dokya) Co., Ltd.	4.15	4.15	170,000	170,000	12,713	12,713
Rangsit Plaza Co., Ltd.	6.56	6.56	400,000	400,000	26,250	26,250
Siam Family Mart Co., Ltd.	2.50	2.50	800,000	800,000	20,000	20,000
Less allowance for impairment			58,963		58,963	
Net			(58,963)		(58,963)	
			-		-	

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11 Property, plant and equipment

Cost	Consolidated							Total	
	Land	Leasehold improvement	Building, constructions and improvement	Information system equipment	Building system equipment	Furniture, fixtures and office equipment	Transportation equipment		Under construction
At 1 January 2005	366,896	791,535	1,163,876	283,128	1,056,091	1,767,916	18,200	18,860	5,466,492
Change in accounting policy (Notes 32)	(185,998)	17,639	-	-	-	-	-	-	(168,359)
Restated balance	180,898	809,174	1,163,876	283,128	1,056,091	1,767,916	18,200	18,860	5,298,133
Additions	-	-	61,373	31,619	36,663	16,297	1,161	201,555	348,668
Transfer, net	-	-	102,532	1,020	36,093	18,108	-	(161,231)	(3,478)
Disposals	-	(150)	(1,647)	(11,640)	(9,157)	(144,865)	(2,648)	-	(170,107)
At 31 December 2005	180,898	809,024	1,326,134	304,127	1,119,680	1,657,456	16,713	59,184	5,473,216
Reversal of impairment loss	52,000	457,821	-	-	113,696	-	-	-	623,517
Additions	-	-	103,508	4,893	57,293	36,662	1,047	437,704	641,107
Transfer, net	-	-	81,469	12	178,900	7,533	-	(474,205)	(206,291)
Disposals	-	(3,458)	(10,473)	(29,403)	(11,751)	(138,512)	(3,311)	-	(196,908)
At 31 December 2006	232,898	1,263,387	1,500,638	279,629	1,457,818	1,563,139	14,449	22,683	6,334,641

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	Consolidated (in thousand Baht)							Total	
	Land	Leasehold improvement	Building, constructions and improvement	Information system equipment	Building system equipment	Furniture, fixtures and office equipment	Transportation equipment		Under construction
<i>Accumulated depreciation</i>									
At 1 January 2005	296	571,119	494,161	223,352	741,093	1,633,005	16,746	-	3,679,772
Change in accounting policy (Notes 32)	-	5,907	-	-	-	-	-	-	5,907
Restated balance	296	577,026	494,161	223,352	741,093	1,633,005	16,746	-	3,685,679
Depreciation charges for the year	-	47,294	89,413	26,287	126,283	66,691	922	-	356,890
Disposals	-	(30)	(428)	(10,654)	(4,398)	(144,527)	(2,648)	-	(162,685)
At 31 December 2005	296	624,290	583,146	238,985	862,978	1,555,169	15,020	-	3,879,884
Reversal of impairment loss	-	116,061	-	-	113,696	-	-	-	229,757
Depreciation charges for the year	-	58,852	133,649	27,547	132,688	52,796	1,106	-	406,638
Disposals	-	(1,514)	(5,279)	(30,986)	(6,789)	(130,593)	(3,300)	-	(178,463)
At 31 December 2006	296	797,689	711,516	235,544	1,102,573	1,477,372	12,826	-	4,337,816
<i>Net book value</i>									
At 31 December 2005	180,602	184,734	742,988	65,142	256,702	102,287	1,693	59,184	1,593,332
At 31 December 2006	232,602	465,698	789,122	44,085	355,245	85,767	1,623	22,683	1,996,825

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Cost	The Company										Total
	Land	Leasehold improvement	Building, constructions and improvement	Information system equipment	Building system equipment	Furniture, fixtures and office equipment	Transportation equipment	Under construction			
	<i>(in thousand Baht)</i>										
At 1 January 2005	240,000	732,931	357,113	237,694	664,405	1,257,666	11,692	14,190			3,515,691
Change in accounting policy (Notes 32)	(170,462)	17,640	-	-	-	-	-	-	-	-	(152,822)
Restated balance	69,538	750,571	357,113	237,694	664,405	1,257,666	11,692	14,190			3,362,869
Additions	-	-	54,411	22,598	26,026	9,189	1,161	194,382			307,767
Transfer, net	-	-	97,138	1,020	34,306	15,306	-	(151,248)			(3,478)
Disposals	-	(150)	(1,647)	(11,532)	(9,106)	(144,320)	(2,620)	-			(169,375)
At 31 December 2005	69,538	750,421	507,015	249,780	715,631	1,137,841	10,233	57,324			3,497,783
Reversal of impairment loss on assets	-	444,813	-	-	68,189	-	-	-			513,002
Additions	-	-	78,918	11,565	46,412	20,487	38	368,990			526,410
Transfers, net	-	-	65,470	397	130,166	5,335	-	(407,699)			(206,331)
Disposals	-	(1,568)	(8,147)	(17,689)	(4,315)	(77,275)	(2,749)	-			(111,743)
At 31 December 2006	69,538	1,193,666	643,256	244,053	956,083	1,086,388	7,522	18,615			4,219,121

Robinson Department Store Public Company Limited and its Subsidiaries

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For the years ended 31 December 2006 and 2005

	The Company							Total	
	Land	Leasehold improvement	Building, constructions and improvement	Information system equipment	Building system equipment	Furniture, fixtures and office equipment	Transportation equipment		Under construction
<i>Accumulated depreciation</i>									
At 1 January 2005	-	553,329	125,960	190,442	482,335	1,164,458	10,715	-	2,527,239
Change in accounting policy (Notes 32)	-	5,907	-	-	-	-	-	-	5,907
Restated balance	-	559,236	125,960	190,442	482,335	1,164,458	10,715	-	2,533,146
Depreciation charge for the year	-	43,534	43,432	19,271	76,273	46,753	704	-	229,967
Disposals	-	(30)	(428)	(10,559)	(4,347)	(144,012)	(2,620)	-	(161,996)
At 31 December 2005	-	602,740	168,964	199,154	554,261	1,067,199	8,799	-	2,601,117
Reversal of impairment loss on assets	-	112,984	-	-	68,189	-	-	-	181,173
Depreciation charge for the year	-	54,987	84,103	21,045	86,060	36,267	693	-	283,155
Disposals	-	(896)	(5,242)	(15,501)	(4,235)	(74,935)	(2,738)	-	(103,547)
At 31 December 2006	-	769,815	247,825	204,698	704,275	1,028,531	6,754	-	2,961,898
<i>Net book value</i>									
At 31 December 2005	69,538	147,681	338,051	50,626	161,370	70,642	1,434	57,324	896,666
At 31 December 2006	69,538	423,851	395,431	39,355	251,808	57,857	768	18,615	1,257,223

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In December 1999, the Company and its subsidiaries appraised the value of their land, leasehold rights and leasehold improvement. The appraisals were carried out by an independent appraiser using methodologies including Sales Comparison Approach (Market Approach), Discounted Cash Flow Analysis and Income Capitalisation Approach. The appraisals indicated that the valuation of these assets was lower than cost by Baht 3,406.9 million, which was charged to selling and administrative expenses in the financial statements for the year ended 31 December 1999. In March 2006, the Company and its subsidiaries reappraised the value of their land, leasehold rights and leasehold improvement. The appraisals were carried out by an independent appraiser using the Income Capitalisation Approach. The appraisals indicated that the valuation of these assets was higher than the net book value as at 31 March 2006 before netting off the impairment loss booked in 1999.

In 2005, the Company successfully complied with the Business Reorganisation Plan and on 6 February 2006 the Central Bankruptcy Court issued an order to lift the Business Reorganisation requirement of the Company. Furthermore, the Company has generated profits from operations of Baht 927.2 million in 2005 (2004: 716.8 million).

The above factors indicate that the value of these assets is no longer impaired. Management has, accordingly, reversed the remaining balance of allowance for impairment in value of the assets as at 31 March 2006, totaling Baht 2,170.2 million, to the statements of income for the first quarter of 2006 as follows:

	Note	Consolidated (in thousand Baht)	The Company
Reversal of impairment loss on assets		2,170,235	1,054,746
Share of profits from investments accounted for using the equity method	9	-	1,115,489
Total		2,170,235	2,170,235

12 Leasehold rights

	Consolidated (in thousand Baht)	The Company
<i>Cost</i>		
At 1 January 2005	4,479,979	3,241,902
Change in accounting policy (Notes 32)	(1,526,212)	(1,452,072)
At 31 December 2005	2,953,767	1,789,830
Reversal of impairment loss on assets (Notes 11)	2,375,838	977,648
Addition	237,951	237,951
Disposal	(24,178)	(24,178)
At 31 December 2006	5,543,378	2,981,251
<i>Accumulated amortisation</i>		
At 1 January 2005	2,281,278	1,759,842
Change in accounting policy (Notes 32)	(810,442)	(794,333)
Amortisation charge for the year	89,993	55,536
At 31 December 2005	1,560,829	1,021,045
Reversal of impairment loss on assets (Notes 11)	599,363	254,731
Amortisation charge for the year	165,752	86,941
At 31 December 2006	2,322,944	1,362,717
<i>Net book value</i>		
At 31 December 2005	1,392,938	768,785
At 31 December 2006	3,220,434	1,618,534

Robinson Department Store Public Company Limited and its Subsidiaries

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16 Interest-bearing liabilities

	Note	Consolidated		The Company	
		2006	2005	2006	2005
<i>(in thousand Baht)</i>					
<i>Current</i>					
Current portion of long-term loan from financial institution - secured		123,000	317,360	123,000	317,360
Short-term loans from related parties - unsecured	4	155,669	18,992	1,135,950	906,847
		<u>278,669</u>	<u>336,352</u>	<u>1,258,950</u>	<u>1,224,207</u>
Non-current					
Long-term loan from financial institutions - secured		-	632,640	-	632,640
Long-term loan from subsidiary - unsecured	4	-	-	113,300	113,300
		<u>-</u>	<u>632,640</u>	<u>113,300</u>	<u>745,940</u>
Total		<u>278,669</u>	<u>968,992</u>	<u>1,372,250</u>	<u>1,970,147</u>

The period to maturity of interest-bearing liabilities, as at 31 December were as follows:

	Consolidated		The Company	
	2006	2005	2006	2005
<i>(in thousand Baht)</i>				
Within one year	278,669	336,352	1,258,950	1,224,207
After one year but within five years	-	632,640	-	632,640
After five years	-	-	113,300	113,300
Total	<u>278,669</u>	<u>968,992</u>	<u>1,372,250</u>	<u>1,970,147</u>

Secured interest-bearing liabilities as at 31 December were secured on the following assets:

	Consolidated		The Company	
	2006	2005	2006	2005
<i>(in thousand Baht)</i>				
Land	69,538	69,538	69,538	69,538
Building	141,763	165,893	141,763	165,893
Total	<u>211,301</u>	<u>235,431</u>	<u>211,301</u>	<u>235,431</u>

The currency of all interest-bearing liabilities is Thai Baht.

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On 15 December 2005, the Company entered into a loan agreement with a local financial institution totalling Baht 950 million. This loan bears interest at the minimum loan rate minus 1.5% per annum for the first year and minus 1.25% per annum during the second to the third years. The repayment of principal will be made in 36 monthly installments in amount specific in the agreement commencing from January 2006. The loan is collateralised by the mortgage of a portion of the Company's land and structures thereon under the credit line totalling Baht 1,500 million and a negative pledge for the Company's leasehold rights and structures thereon of the Company, maintaining minimum percentage of investment by Group of related companies and certain financial ratio as specified in the agreement.

During the year 2006, the Company had early repayment in amount to Baht 510 million which was under the condition of loan and had no bank charge from early payment.

17 Other current liabilities

	Consolidated		The Company	
	2006	2005	2006	2005
	<i>(in thousand Baht)</i>			
Accrued expenses	175,876	188,832	128,296	141,854
Deposits and advances received	68,281	60,971	35,292	30,919
Other accounts payable	194,384	116,191	159,579	97,541
Revenue Department payable	5,799	15,638	4,244	11,457
Others	223,089	195,641	197,207	183,527
Total	667,429	577,273	524,618	465,298

18 Unearned lease income

	Note	Consolidated		The Company	
		2006	2005	2006	2005
		<i>(in thousand Baht)</i>			
Unearned lease income					
- related party	4	-	76,234	-	52,487
- other parties		68,954	78,062	-	-
Total		68,954	154,296	-	52,487

19 Other non-current liabilities

	Consolidated		The Company	
	2006	2005	2006	2005
	<i>(in thousand Baht)</i>			
Accrued leasehold rights	15,199	15,599	-	-
Others	1,053	3,442	-	1,996
Total	16,252	19,041	-	1,996

Robinson Department Store Public Company Limited and its Subsidiaries

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20 Share capital

	<i>Par value (in Baht)</i>	<i>Number (thousand shares/in thousand Baht)</i>	<i>2006 Baht</i>	<i>Number</i>	<i>2005 Baht</i>
<i>Authorised</i>					
At 1 January					
- ordinary shares	10	1,110,661	11,106,611	1,110,661	11,106,611
At 31 December					
- ordinary shares	10	1,110,661	11,106,611	1,110,661	11,106,611
<i>Issued and fully paid</i>					
At 1 January					
- ordinary shares	10	1,110,661	11,106,611	1,110,661	11,106,611
At 31 December					
- ordinary shares	10	1,110,661	11,106,611	1,110,661	11,106,611

21 Reserves

Legal reserve

Section 116 of the Public Companies Act B.E. 2535 requires that a company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account ('legal reserve'), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

22 Interest income

<i>Note</i>	<i>Consolidated</i>		<i>The Company</i>	
	<i>2006</i>	<i>2005</i>	<i>2006</i>	<i>2005</i>
Interest income				
- related parties	4	-	338,343	447,759
- financial institutions		22,509	10,962	3,822
Total		22,509	349,305	451,581

23 Other income

	<i>Consolidated</i>		<i>The Company</i>	
	<i>2006</i>	<i>2005</i>	<i>2006</i>	<i>2005</i>
Utilities income	186,135	174,835	116,821	110,272
Promotion and advertising income	54,516	43,935	60,165	45,090
Management fee income	7,411	6,934	103,543	103,006
Income sharing and trade commissions	-	6,424	-	6,424
Others	112,790	113,623	93,366	90,025
Total	360,852	345,751	373,895	354,817

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24 Selling and administrative expenses

	Consolidated		The Company	
	2006	2005	2006	2005
	<i>(in thousand Baht)</i>			
Employee expenses	602,563	564,398	461,300	428,929
Promotion expenses	280,916	232,446	217,493	180,468
Utilities expenses	462,738	413,269	304,890	267,765
Depreciation and amortisation	574,729	454,572	372,905	290,674
Building expenses	236,347	192,651	208,663	156,631
Allowance for obsolete and slow-moving inventories	216,949	7,702	221,258	3,900
Others	529,594	487,587	400,176	365,341
Total	2,903,836	2,352,625	2,186,685	1,693,708

25 Personnel expenses

	Consolidated		The Company	
	2006	2005	2006	2005
	<i>(in thousand Baht)</i>			
Wages and salaries	403,928	375,706	308,254	284,542
Contribution to defined Contribution plans	5,056	4,391	4,420	3,734
Other	193,579	184,301	148,626	140,653
Total	602,563	564,398	461,300	428,929
	<i>(number of employees)</i>			
Number of employees as at 31 December	2,678	2,578	1,789	1,696

The Group has established contributory provident funds for its employees. Membership to the funds is on a voluntary basis. Contributions are made monthly by the employees at rates ranging from 3% to 5% of their basic salaries and by the Group from 3% to 5% of the employees' basic salaries. The provident funds are registered with the Ministry of Finance as juristic entities and are managed by a licensed Fund Manager.

26 Interest expense

	Note	Consolidated		The Company	
		2006	2005	2006	2005
		<i>(in thousand Baht)</i>			
Interest paid					
- related parties	4	3,034	1,435	6,172	2,861
- financial institutions		32,444	1,045	32,338	1,548
Total		35,478	2,480	38,510	4,409

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27 Income tax expense

	Consolidated		The Company	
	2006	2005	2006	2005
	<i>(in thousand Baht)</i>			
<i>Current tax expense</i>				
Current year	192,892	15,246	171,507	-

The Company and certain subsidiaries had no income tax expense for the year ended 31 December 2005 because of the utilization of tax loss carry forward.

28 Earnings per share

Basic earnings per share

The calculation of basic earnings per share for the year ended 31 December 2006 was based on the profit attributable to ordinary shareholders of Baht 2,661.8 million (2005: Baht 927.2 million) and the weighted average number of shares outstanding during the year of 1,110,661,133 (2005: 1,110,661,133).

29 Adjustment to shareholders' equity as at 1 January 2005

Shareholders' equity as at 1 January 2005 has been adjusted in accordance with the requirements of the circular issued by the Office of the Securities and Exchange Commission on 16 November 2005 ("Circular") to inform a guideline of the Federation of Accounting Professions dated 10 November 2005. The Circular requires listed companies which issue share capital at a discount to the par value of the issued shares and which subsequently undergo a capital reduction, either by canceling a portion of their issued and paid-up share capital or by reducing the par value of their shares, to apply the credit or premium arising from such capital reduction to set off against the share capital discount until such discount is eliminated before setting off any remaining balance of the credit or premium against the accumulated deficit.

The Company had previously applied the whole of the share premium arising from the capital reduction in 2002 to set off against the accumulated deficit without first setting off, and eliminating, the share capital discount. The Company has made adjustment to the shareholders' equity as at 1 January 2005 in compliance with the Circular by transferring Baht 3,702 million from the retained earnings brought forward in the financial statements as at 1 January 2005 to set off against the balance of share capital discount carried as at that date in the balance sheets. The total shareholders' equity as at 1 January 2005 is unaffected by this adjustment.

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30 Termination of the business reorganisation of the Company

The Plan Administrator filed an application with the Central Bankruptcy Court to terminate the Business Reorganisation of the Company after the Plan was considered as having been successfully implemented and completed by the Official Receiver in the report dated 3 February 2006. The application for termination had been approved by the Creditors. On 6 February 2006, the Central Bankruptcy Court ordered to terminate the Business Reorganisation of the Company.

31 Dividends

At the annual general meeting of the shareholders of the subsidiary held on 30 April 2005, the shareholders approved the appropriation of dividends of Baht 33.4 per share, amounting to Baht 59.12 million, from the net profit of year 2004. The dividend was paid to shareholders during 2005.

At the annual general meeting of the shareholders of the subsidiary held on 28 April 2006, the shareholders approved the appropriation of dividends of Baht 25.0 per share, amounting to Baht 44.25 million, from the net profit of year 2005. The dividend was paid to shareholders during 2006.

32 Change in accounting policy

The Group has changed its accounting policy for land, leasehold rights and leasehold improvement from revalued amount to the cost basis. The change has been made because, in the opinion of the directors, the new policy, which is the benchmark treatment given in Thai Accounting Standard 32 - *Property, Plant and Equipment*, facilitates tracking and comparison of the primary financial information of the Group over different financial periods and is more appropriate for the Group in the current financial and economic environment. The change has been made retroactively and the comparative figures as at 31 December 2005 and for the year ended 31 December 2005 have been adjusted accordingly.

The effects of the change in accounting policy on the financial statements as at 31 December 2006 and 2005 are as follows:

	Consolidated		The Company	
	2006	2005	2006	2005
		decreased		
		(in thousand Baht)		
Short-term loans and advances to related parties	-	-	26,803	28,496
Investments accounted for using the equity method	-	-	15,538	15,538
Property, plant and Equipment	175,250	174,266	159,714	158,729
Leasehold rights	556,738	635,981	504,603	581,171
Other non-current assets	2,546	1,909	2,545	1,273
Revaluation surplus	709,203	785,207	709,203	785,207
Minority interest	25,331	26,949	-	-

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For the years ended 31 December 2006 and 2005

The effects of the change in accounting policy on the financial statements for the years ended 31 December 2006 and 2005 are as follows:

	Consolidated		The Company	
	2006	2005	2006	2005
			Increased (decreased)	
			<i>(in thousand Baht)</i>	
Depreciation and amortization	(77,621)	(77,621)	(74,310)	(74,310)
Share of profits from investments accounted for using the equity method	-	-	(1,694)	(1,694)
Minority interest	1,617	1,617	-	-
Total	<u>(76,004)</u>	<u>(76,004)</u>	<u>(76,004)</u>	<u>(76,004)</u>

The effects of the change in accounting policy on the financial statements as at 31 December 2005 are summarized as follows:

	Consolidated		The Company	
	Previously reported	Restated	Previously reported	Restated
			<i>(in thousand Baht)</i>	
Short-term loans and advances to related parties	-	-	1,566,169	1,537,673
Investments accounted for using the equity method	-	-	1,658,033	1,642,495
Property, plant and equipment	1,767,598	1,593,332	1,055,395	896,666
Leasehold rights	2,028,919	1,392,938	1,349,956	768,785
Revaluation surplus	785,207	-	785,207	-
Minority interest	165,176	138,227	-	-

The effects of the change in accounting policy on the financial statements for the year ended 31 December 2005 are as follows:

	Consolidated		The Company	
	Previously reported	Restated	Previously reported	Restated
Net profit (in thousand Baht)	851,223	927,227	851,223	927,227
Basic earnings per share (in Baht)	0.77	0.83	0.77	0.83

33 Financial instruments

Financial risk management policies

The Group is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Group does not hold or issue derivative financial instruments for speculative or trading purposes.

Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows.

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As at 31 December 2006 and 2005, the Company and subsidiaries had risk from the changing value of financial instruments, from changing market interest rates as follows:

2006

	Floating interest rate	Fixed interest rate maturing in:			Total	Average interest rate	
		Consolidated				Floating	Fixed
		1 year or less	Over 1 to 5 Years	More than 5 Years			
		<i>(in thousand Baht)</i>					
<i>Financial assets</i>							
Cash at financial institutions	882,570	-	-	-	882,570	0.50 - 3.50	-
Restricted cash at bank	174,163	-	-	-	174,163	0.50 - 4.00	-
<i>Financial liabilities</i>							
Current portion of long-term loan from financial institution	123,000	-	-	-	123,000	MLR-1.25	-
Short - term loans and advances from related parties	155,669	-	-	-	155,669	Savings+ 2.50	4.00

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2006

	Floating interest rate	Fixed interest rate maturing in:			Total	Average interest rate	
		1 year or less	Over 1 to 5 Years	More than 5 Years		Floating (%)	Fixed
		The Company only					
		Fixed interest rate maturing in:					
		(in thousand Baht)					
<i>Financial assets</i>							
Cash at financial institutions	668,321	-	-	-	668,321	0.50 - 3.50	-
Restricted cash at bank	157,884	-	-	-	157,884	0.50 - 4.00	-
Short-term loans and advances to related parties	4,658,801	-	-	-	4,658,801	MLR-0.5	-
Long - term loans to related parties	-	-	-	386,105	386,105	-	6.00
<i>Financial liabilities</i>							
Current portion of long-term loan from financial institution	123,000	-	-	-	123,000	MLR-1.25	-
Short-term loans and advances from related parties	1,135,950	-	-	-	1,135,950	Savings + 2.50	4.00
Long-term loan from related party	-	-	-	113,000	113,000	-	2.00

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For the years ended 31 December 2006 and 2005

2005

	Floating interest rate	Fixed interest rate maturing in:			Total	Average interest rate	
		1 year or less	Over 1 to 5 Years (in thousand Baht)	More than 5 Years		Floating (%)	Fixed
<i>Financial assets</i>							
Cash at financial institutions	974,824	-	-	-	974,824	0.50-2.50	-
Restricted cash at bank	222,931	-	-	-	222,931	0.50-2.50	-
<i>Financial liabilities</i>							
Current portion of long-term loan from financial institution	317,360	-	-	-	317,360	MLR-1.5	-
Long-term loan from financial institution	632,640	-	-	-	632,640	MLR-1.5	-
Short - term loans and advances from related parties	18,992	-	-	-	18,992	MOR+1.5	-

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For the years ended 31 December 2006 and 2005

2005

	Floating interest rate	Fixed interest rate maturing in:			Total	Average interest rate	
		The Company only				Floating (%)	Fixed
		1 year or less	Over 1 to 5 Years (in thousand Baht)	More than 5 Years			
<i>Financial assets</i>							
Financial assets							
Cash at financial institutions	56,246	-	-	-	56,246	0.50-2.50	-
Restricted cash at bank	206,927	-	-	-	206,927	0.50-2.50	-
Short-term loans and advances to related parties	5,722,576	-	-	-	5,722,576	MOR+1.5	-
Long-term loans to related parties	-	-	-	405,792	405,792	-	6.00
<i>Financial liabilities</i>							
Current portion of long-term loan from financial institution	317,360	-	-	-	317,360	MLR-1.5	-
Long-term loan from financial institution	632,640	-	-	-	632,640	MLR-1.5	-
Short-term loans and advances from related parties	906,847	-	-	-	906,847	MOR+1.5	-
Long-term loan from related party	-	-	-	113,300	113,300	-	2.00

Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or a counterparty to settle its financial and contractual obligations to the Group as and when they fall due.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. At the balance sheet date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet. However, due to the large number of parties comprising the Group's customer base, Management does not anticipate material losses from its debt collection.

Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

Fair values

The fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. In determining the fair value of its financial assets and liabilities, the Group takes into account its current circumstances and the costs that would be incurred to exchange or settle the underlying financial instrument.

The Company and subsidiaries use the following methods and assumptions in estimate the fair values of financial instruments.

- Financial assets classified as current assets and accounts and notes payable - trade

The carrying amount approximates fair value because of the short period to maturity of those instruments.

- Long-term investments

Due to the fair value of long-term investment cannot be properly calculated, no disclosure is made.

- Loans from and loan to related parties

The fair value approximates carrying amounts stated in the balance sheets, since interest on financial instruments approximates market rates.

Robinson Department Store Public Company Limited and its Subsidiaries

Notes to the financial statements

For the years ended 31 December 2006 and 2005

34 Commitments

	Consolidated		The Company	
	2006	2005	2006	2005
	<i>(in thousand Baht)</i>			
<i>Capital commitments</i>				
Contracted but not provided for	23,000	24,000	-	-

The Company and its subsidiaries have lease agreements covering rental and service agreements with local certain companies. These agreements are for periods until the year 2025. The annual rental and service fees are payable as follows:

	Consolidated		The Company	
	2006	2005	2006	2005
	<i>(in thousand Baht)</i>			
<i>Operating lease commitments</i>				
Due within one year	192,660	192,660	167,779	167,779
Due after one year but within five years	770,642	770,640	671,117	671,116
Due after five years	997,347	1,190,018	651,087	818,867
Total	1,960,649	2,153,318	1,489,983	1,657,762

35 New and revised accounting standards not yet adopted

On 11 October 2006, the Federation of Accounting Professions (FAP) announced that the Thai Accounting Standard No. 44 (TAS No. 44) 'Consolidated Financial Statements and Accounting for Investments in Subsidiaries' is to be revised. FAP announcement No. 26/2006 requires a parent company which has investments in a subsidiary company, an entity under joint control, or an associate company, which is not classified as a "held for sale" investment, to record such investment in accordance with either the cost method or with the recognition and measurement basis for financial instruments (when an announcement is made), instead of the equity method currently used. This revision to TAS No. 44 is applicable to financial statements covering periods beginning on or after 1 January 2007, with early adoption encouraged.

The Company proposes to adopt the change in accounting treatment for its investments in subsidiary companies and associate companies for the Company's 2007 financial statements. The change in accounting treatment will be applied retrospectively and the Company's 2006 financial statements, which will be included in the Company's 2007 financial statements for comparative purposes, will be restated accordingly. The effect of the change on the Company's financial statements has not presently been determined by management. The consolidated financial statements of the Group will not be affected by the change.

36 Reclassification of accounts

Certain accounts in the 2005 financial statements have been reclassified to conform with the presentation in the 2006 financial statements.