

Robinson set to open 25 new stores

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Robinson Department Store plans to invest 2.8 billion baht to open five new stores this year as part of a plan aimed at boosting revenues by 20%.

Jiraphan Thongtan, general manager for finance for Robinson, told investors at a briefing yesterday that the company would aim to open five new stores per year over the next five years.

Investment for each store is projected at 500 to 700 million baht, she said.

ROBINS reported 2011 sales of 17.63 billion baht, up from 14.79 billion the year before. The company reported 2011 profits of 1.45 billion baht, down from 1.69 billion the year before.

The company attributed sales growth

to an increase in house-brand sales, which accounted for 8% of total sales. Over the next two years, ROBINS expects house brands to account for 10% of total sales.

The profit decline in 2011 was attributed to lower sales in the fourth quarter due to the floods, as well as lower non-recurring income as ROBINS booked a 325-million-baht gain in 2010 for a reversal of bad debt reserves following the repayment of debt by associated companies.

Excluding non-recurring items and profits from associates, net profits in 2011 was 1.248 billion baht, an increase of 29.7% from the year before.

The company operated 25 stores at the end of 2011, nine in Bangkok and

the rest upcountry. The company opened a new Lifestyle Center in Suphan Buri this month, an 800-million-baht project with 8,000 square metres of office space and 5,000 sq m of rental space.

Other stores planned for this year include one in Bang Na in the second quarter, one in Bang Khae in the third quarter, one in Surat Thani in the fourth quarter, and one in Lampang in the fourth quarter.

Mrs Jiraphan said the store expansion programme would help boost gross profit margins, which stood at 24.4% at the end of 2011.

Shares of ROBINS on the Stock Exchange of Thailand yesterday closed at 49.75 baht, down 1.25 baht, in trade worth 70 million baht.