

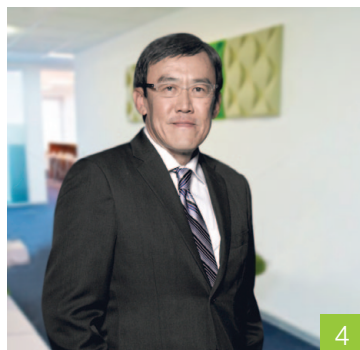
ANNUAL REPORT 2013 ROBINSON

VISION

ROBINSON is the most preferred department store with the widest market coverage in Thailand, offering merchandises to best fit our customer lifestyle with excellent services.

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1 Mr. Sudhisak Chirathivat
Chairman

2 Mr. Somchai Apiwattanaporn
Chairman of the Audit Committee/
Independent Director

3 Mr. Sudhitham Chirathivat
Vice Chairman

4 Mr. Vithaya Chavanand
Audit Committee/
Independent Director

5 Mr. Charan Mongkolchan
Audit Committee/
Independent Director

6 Mr. Yodhin Anavil
Audit Committee/
Independent Director

7 Mr. Kanchit Bunajinda
Director

8 Mr. Tos Chirathivat
Director

9 Mr. Prin Chirathivat
Director

10 Mr. Piya Nguiakaramahawongse
Director

11 Mr. Preecha Ekkunagul
Director/
President

12 Mr. Pandit Mongkolkul
Director

Message from the Chairman

To the Shareholders of Robinson Department Store Public Company Limited

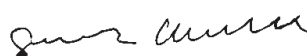
For two consecutively years, Robinson Department Store has fruitfully implemented its business plan which is targeted for a leap growth in store expansion. As a result, not only more new stores are inaugurated at strategic locations nationwide, but they have also been well received and enjoyed a splendid success in every region. Additionally, following regional lifestyle pattern which has shifted towards becoming more urbanized, consumers tend to pay more attention to both their appearance and dresses. Consequently, not only people's demands for premium-quality products with safety standard have significantly increased, but their preferences for trendy goods have also soared. These aforementioned factors, therefore, immensely benefit the Company's business operation and pave way for a more promising opportunity in expanding new stores to various regional areas. In doing so, Robinson Department Store firmly believes that it can timely respond to rising demands for lifestyle and fashion products via an introduction of fashionable and popular brands. To this end, it will enable the Company to fulfill its targeted goal in becoming the most preferred department store with the widest market coverage in Thailand.

The year 2013 is indeed another auspicious year for Robinson Department Store as the Company is, for the second time, ranked among the Forbes Asia Best Under a Billion (BUB) list which honours 200 leading public companies in the Asia Pacific region with growing performance and consolidated financial status. Aside from its strong commitment towards business excellence, Robinson Department Store has also placed a key emphasis on the principles of good governance, integrity and transparency. As a result, the Company has triumphantly achieved the corporate governance scoring at an excellent level - the highest level of the good governance assessment - for the fourth year running. Despite an unpromising backdrop of economic recession throughout the year 2013, Robinson department store has nevertheless managed to attain a satisfactory growth in its sales volume. This, coupled with a confidence in business implementation strategies given by the Company's Board of Directors as well as an efficient management by highly-talented team of executives, has generated a constant growth in the Company's business operation.

The year 2014 also marked another milestone achievement for Robinson Department Store as Mr. Alan Thomson has assumed a position of the new president of the Company, succeeding Mr. Preecha Ekkunagul who resigned. As the Company's President, Mr. Alan Thomson will take the role of gearing the Store forwards towards stellar success and further consolidated growth. In keeping with that, Mr. Alan Thomson is also entrusted with the responsibility of increasing the Company's higher profitability by means of expanding business operation into overseas market.

Indeed, the Company's Board of Directors firmly believe that Mr. Alan Thomson will be able to bring his 26 years of experience and expertise in local and overseas retail market management into pushing forwards the Company's targeted goal.

Finally, may I, on behalf of the Board of Directors, members of executives as well as every staff, extend my warm thanks for Mr. Preecha Ekkunagul in having laid, for the Company, a solid foundation and state-of-the-art operating system. Unquestionably, his contribution has tremendously helped the current work team and executives to efficiently manage already-operating stores and continues the local expansion plan in a more efficient and systematic manner. As for next year's business plan, Robinson Department Store, under the management of Mr. Alan Thomson, is aimed to expand more stores to cover every region nationwide, in parallel with equipping the business with readiness for the AEC (Asean Economic Community) arrival in 2015. Furthermore, the Company is committed to generate a healthy business growth on par with maintaining uncompromising standards of good governance. By leading a fair business operation as per good governance policy with regards to the utmost benefits of all stakeholders, Robinson Department Store, together with the society and environment, will be able to thrive towards future sustainable growth.



Mr. Sudhisak Chirathivat
Chairman

Robinson Department Store Public Company Limited



Mr. Preecha Ekkunagul
President



Mr. Gerard McGurk
Senior Vice President
Merchandising



Mr. Clive Frederick Coombes
Vice President
Merchandising Menswear & Differentiation



Mrs. Ratana Anontakaroorn
Vice President
Merchandising



Mrs. Orawan Tipsuwanporn
Vice President
Merchandising



Mr. Anan Tantipanyakun
Vice President
Operation



Mr. Sukitti Kittipassorn
Vice President
Business Analysis and Development



Miss Nujjaree Sunthadvanich
General Manager
Financial Controller

Message from the Management



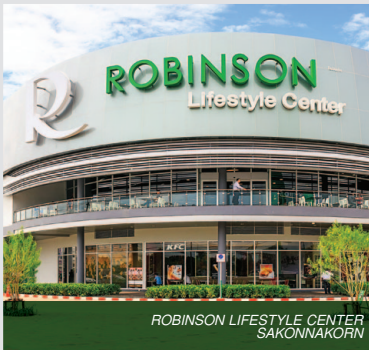
“A forefront company with a leap growth, Robinson Department Store flaunts a strong expertise in business model development, together with fast and constant store expansion strategy”

The year 2013 saw a number of unpromising challenges, ranging from persisting economic recession to a plummet in domestic consumption. However, thanks to a solid experience in department store management, Robinson Department Store strongly believes in its highly-efficient business operation which follows 5 key strategies - new store experience, fashion and differentiation, localized marketing and CRM, service excellence and sustainable corporate social responsibility. To this end, Robinson Department Store has geared towards fulfilling its 2012 business plan through continuously expanding its stores and, in doing so, has enabled the Company to boast the highest number of operating outlets covering strategic areas in 25 provinces nationwide. Indeed, all of the Company's regional stores are located at leading cities and relatively smaller towns with a potential for promising economic growth. That is, not only locals possess a high purchasing power, but they also have urbanised lifestyles and preferences for trendy brand names of current popularity.

Continuously expanding new stores to cover strategic areas

Robinson Department Store has implemented two formats of store expansion plan - expanding stores in conjunction with grand-scale shopping malls and developing its own Lifestyle Centre. Despite an economic fluctuation throughout 2013, Robinson Department Store has managed to launch new stores as per its scheduled plans and, thereby, has achieved a total of 34 stores - 10 in Bangkok and 24 in provincial areas. Featuring over 400,000-sq.m.-area department store and over 220,000-sq.m.-area plaza zone, the recently-operated outlets embrace a full spectrum of well-known stores, namely Supersport, B2S, Power Buy, Tops Supermarket, along with numerous banks and upscale restaurants. Having the store's floor plan clearly divided into various zones such as service zone, entertainment zone and technology zone, it is believed that these new stylish outlets will be able to best meet diverse demands of discerning customers.

The recently-inaugurated stores in 2013 include four Lifestyle Centres in Kanchanaburi, Sakonnakorn, Saraburi and Surin, while the other one store - Ubonratchathani 2 (the second store in Ubonratchathani province) is located within a grand-scale shopping mall. Every outlet is not only blessed with a strategic location in the city centre of each





Strategies towards
a sustainable growth

- New store experience
- Fashion and differentiation
- Localized marketing and CRM
- Service excellence
- Sustainable corporate social responsibility

province, but can also be easily accessed via convenient transportation. Furthermore, in order to maximise a refreshing, pleasurable shopping experience for customers, modernised architectural design is also entwined with a unique charm of local identity in every detail of interior decoration. In so doing, it is aimed that these new stores will become the city's landmark and a frequent rendezvous among local residents.

Stimulate a burgeoning shopping scene in Bangrak area through a major revamp of “Robinson Bangrak”

Robinson Department Store has once again revived a trendy fashion craze among locals on Bangrak Road. Boasting a prime location in Bangkok's Central Business District (CBD) where prestigious residences and hotels are situated, Robinson Bangrak has already held an immense number of regular customers. Following an extension of the store's rental contract for another one decade, Robinson Bangrak has undergone a major refurbishment for a more stylish and modernised look. Taking a period of four months from August to November 2013, the face-lifted store has so far enjoyed an exceedingly good response from customers. Tastefully decorated to extol a virtue of an ultimately fun-filled and exciting shopping complex, Robinson Bangrak is also equipped with a full range of service excellence. What's more, having on offer broad spectrum of popular fashion brands, together with a revamped rental zone which brings together leading banks, well-known restaurants and upscale beauty centers all under one roof, Robinson Bangrak has unquestionable become a highly desirable shopping venue and, therefore, attracts a huge crowd of shoppers to the Store.

Returning over 25 years of consistent customer's patronage with Robinson Ratchadapisek Remarkable Sales

Due to the rental contract termination, Robinson Department Store, Ratchadapisek branch, was unfortunately closed down in March 2013. It is truly a regrettable event as the Store is one of Bangkok's foremost shopping malls where customers are familiar with and have developed a strong bond for over the past 25 years. As such, in order to express the Store's cordial thanks for customers' continued kind support, Robinson Department Store organised the “Robinson Ratchada Remarkable Sales” which enjoyed a resounding success and received an exceedingly warm welcome. However, in order to maintain the Company's trading opportunities, the Rama 9 branch - the new flagship store which is situated in the vicinity has also been launched to serve as a replacement for the former branch. Indeed, the Rama 9 branch can suitably respond to the discerning demands of those living in Ratchadapisek which has currently become Bangkok's next CBD and up-and-coming residential area.

Introducing cutting-edge products and marketing campaigns that respond to customers' shifting lifestyles

Despite an economic setback and a reduction in spending growth rate, customers still maintain demand for leading-edge products that best respond to their lifestyles. Realising this, Robinson Department Store has on offer a wide range of value-for-money products for which customers can easily make their purchase decision. Besides, a broad spectrum of first-rated house-



hold and kitchen appliances are also introduced so as to best cater to younger generation's lifestyle pattern that has shifted in accordance with the rise of new housing estates and condominium projects. In doing so, Robinson Department Store is able to successfully achieve a constant growth in its sales volume.

Taking a closer look at the Company's marketing strategies, a sequel of event promotion campaigns are continuously organised throughout the year so as to both attract more customers to visit the Store and to stimulate their spending demand. In keeping with that, a string of marketing campaigns which are exclusively held at Robinson Department Store namely I Go Jeans, the Ultimate Watch Fair and the Shopping Paradise have nowadays become much-anticipated events for customers. On top of that, numerous highlight events such as Robinson Expo at Queen Sirikit Center, Robinson Ratchada Remarkable Sales at Robinson Ratchadapisek and Countdown Sales at Robinson Bangrak have all helped contribute to a new height of exciting shopping experience which, thereby, efficiently stimulates consumers' spending and burgeoning shopping scene.

The rapidly expanding social media network, moreover, has provided Robinson Department Store with a great opportunity to directly and closely communicate with customers in a swiftly manner. Having numerous online communication channels such as Robinson website (www.robinson.co.th) on which the latest updates on fashion trends along with a string of unbeatable promotion campaigns are continuously disseminated, the Company's Facebook (www.facebook.com/pages/Robinson-Department-Store) also equips customers with another channel from which they can closely follow up the Store's latest news or participate in numerous activities. Recently, another communication channel - Instagram ([iloverobinson_lovefashion](https://www.instagram.com/iloverobinson_lovefashion)) - was launched and hence has enabled customers to closely keep up with the most up-to-date fashion trends in a relatively quicker manner. Indeed, the resounding success of Robinson Department Store's social media marketing campaigns is backed by almost 300,000 followers on both the Store's Facebook and Instagram in 2013.

Additionally, in order to timely respond to social media craze, Robinson Department Store is planning to unveil its online shopping site in 2014. Targeting at teenagers and younger generation who tend to search for and purchase their favourable products on an internet, Robinson Department Store online shopping site will be considered another effective channel in facilitating customers to get an easier access to the Store's complete product line.

Rewarding the society; striving towards a sustainable growth

From its inception, Robinson Department Store has always placed a paramount significance on social responsibility in every area of its operation. The Company not only has consistently extended its support for a string of worthwhile campaigns which focus on education, society and environment, but has also integrated social responsibility into its working process. Furthermore, Robinson Department Store has encouraged all levels of its staff, trading alliances, as well as customers to take part in helping contribute to loving society, in line with preserving and nurturing an environment for future sustainability.

Continue a solid foundation and poised towards a leap growth

Looking ahead, Robinson Department Store is committed to further expanding its stores to cover strategic areas nationwide, while remaining steadfast in introducing premium-quality products of current popularity at value-for-money prices together with service excellence for customers in every regional area. Having realised that rapidly blossoming economy, coupled with a fast-paced development in the Asean region, bring about an accelerating growth rate in retail and department store business, Robinson Department Store has, thereby, ensured to equip itself with readiness in every area of operation. Thanks to the state-of-the-art system and a solid foundation, the Company firmly believes that it can better cater to future market expansion and hence will be able to achieve a leap growth in many years to come.

The Management
Robinson Department Store Public Company Limited

Operating Results and Financial Status in 2013

As of 31 December 2013, the Company operated 34 stores, comprising of 10 stores in greater Bangkok and 24 stores in upcountry. The Company highly achieved the target to open 5 new stores in this year. Ratchadapisek branch was closed at the end of the first quarter 2013 due to leasehold right expired whereby Rama9 branch has been operated since 2011 to replace Ratchadapisek branch.

In year 2013, the Company was able to continue to generate revenue growth and constantly manage costs at an appropriate level. As a result, net profit was Baht 1,986 million, increasing by 19.8% last year. The details are as follow:

Income

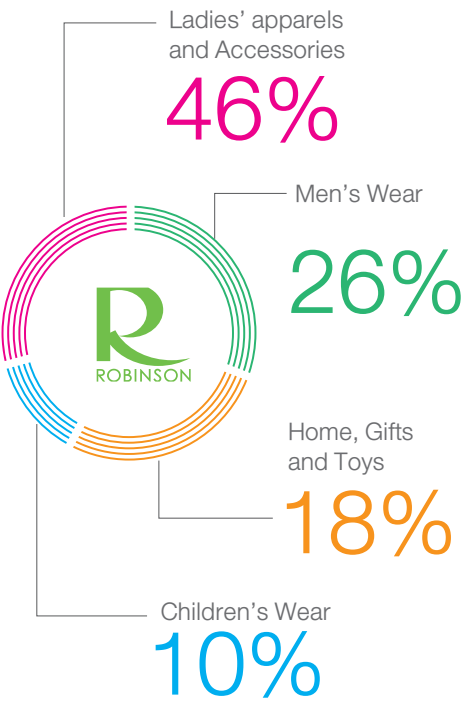
The Company had total income of Baht 26,396 million, increasing by Baht 2,884 million or 12.3% from last year. This increase was the results of;

- The net sales was Bath 24,300 million, increasing by Baht 2,680 million or 12.4% from last year. The existing stores sales growth was also at a decent level. This was due to the successful of merchandising that satisfy customer needs including the successful of marketing strategy i.e. offering exclusive campaigns for member customer, and conducting marketing events to stimulate spending. While, the 10 new stores opened during 2012- 2013 mostly were able to generate sales as targeted.
- The investment income was Baht 1,300 million, increasing by 210 million baht or 19.3% from last year. This is a result of increasing in rental income from the new stores under the Lifestyle Center format as well as higher rental income from existing rental area.
- The other income was Baht 796 million, decreasing by 6 million or 0.8% from last year. This was due to the reversal of impairment of investment company Bath 35 million and Baht 119 million in 2013 and 2012 respectively including Baht 46 million gain on disposal of investments in subsidiary in 2012.

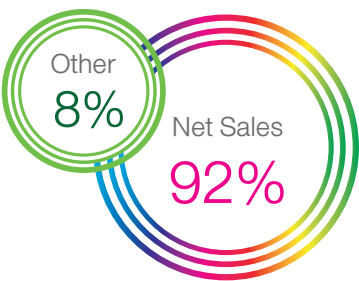
Cost of Sales of Goods (COGS)

COGS amount to Baht 18,386 million, increasing by Baht 2,076 million or 12.7% from last year. The COGS accounted to the 75.7% of the sale revenue increasing from 75.4% in last year. This was due to price discount campaign at Ratchadapisek branch before closing down during 1Q13. Beside, the Company was able to effectively control the cost and sales promotion management. The gross profit of the company amounted to Baht 5,914 million, increasing by Baht 604 million or 11.4% from last year.

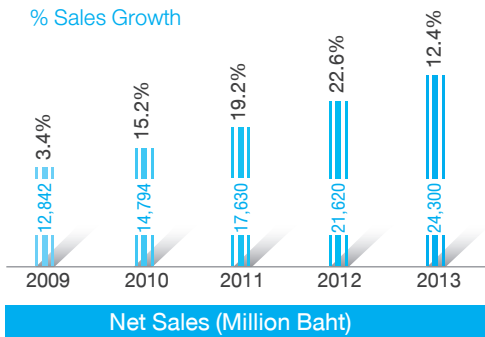
Sales Mix By Category in 2013



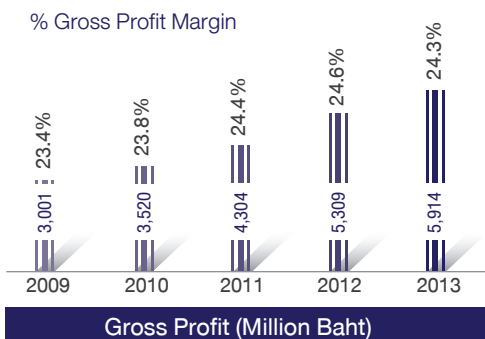
Revenue Breakdown in 2013



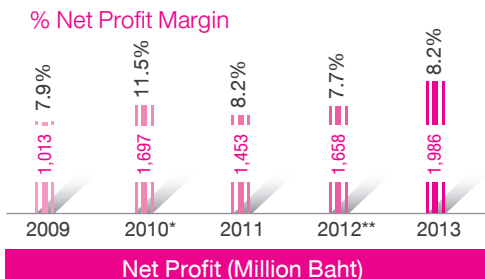
% Sales Growth



% Gross Profit Margin



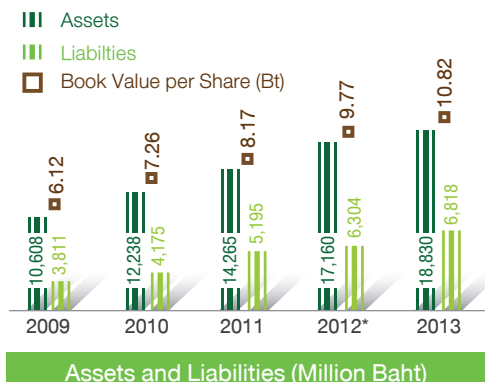
% Net Profit Margin



* Including the reversal of bad debts from debt repayment from associated company

** Restated

■ Assets
■ Liabilities
■ Book Value per Share (Bt)



* Restated

Selling and Administrative Expenses (SG&A)

SG&A expenses totaled Baht 5,686 million, an increasing of Baht 904 million or 18.9% from last year. This was due to an increase in pre-opening expenses and selling and administrative expenses of the new stores. While, the existing store's expenses were under well control at the efficient level.

Share of Profit of Associates

The share of profit of associates was Baht 358 million, decreasing by Baht 44 million or 10.9% from last year. CRC Sport Co., Ltd. continuously generated a good growth. While, Power Buy Co., Ltd. highly affected from economic slowdown led consumer hold their spending on electrical products.

Net Profit

For year 2013, the Company reported tax expenses totaled Baht 456 million, decreasing by Baht 474 million from last year. This was due to the restating deferred tax in year 2012 according to the adoption of new accounting standard.

The net profit totaled Baht 1,986 million, increasing by Baht 328 million or 19.8% from last year. While, the core net profit* totaled Baht 1,592 million, increasing by Baht 77 million or 5.1% from last year as a result of growing total income, efficient cost control, and benefit of decreasing in corporate income tax rate.

* FY 2013, the core net profit is net profit excludes share of profit of associates, and the reversal of impairment of investment company. FY2012, the core net profit is net profit excludes share of profit of associates, the reversal of impairment of investment company, gain on disposal of investments in subsidiary, and the restating deferred tax.

Financial Status

(As of 31 December 2013 compared to 31 December 2012)

Assets

The total assets amounted to Baht 18,830 million, a decrease of Baht 1,670 million or 9.7% from 31 December 2012. The non-current assets increased by Baht 3,271 million due to an increase in fixed assets related to the new store expansion as well as an increase in investments in associates. While, current assets decreased by Baht 1,601 million from cash and current investment due to payment of construction cost of new stores and dividend.

Liabilities and Shareholders' Equity

The total liabilities amounted to Baht 6,818 million, increasing by Baht 513 million or 8.1% from 31 December 2012. This was due to an increase in trade accounts payables from business growth. While, the shareholders' equity amounted to Baht 12,013 million, increasing by Baht 1,157 million or 10.7% from 31 December 2012 due to an increase in retained earnings.

Liquidity

	2013	2012*	2011
Net cashflow from operating activities	3,190	3,179	2,520
Net cashflow used in investment activities	(3,241)	(1,762)	(3,036)
Net cashflow used in financing activities	(1,090)	(778)	(613)
Net cashflow increase (decrease)	(1,141)	639	(1,129)

*Restated

As of 31 December 2013, the Company has cash and cash equivalent in an amount of Baht 1,882 million, a decrease of Baht 1,141 million in cash. The details can be summarized as follows:

- **Net cash from operating activities** – The Company had net cash provided by operating activities in an amount of Baht 3,190 million, increasing only by Baht 11 million from the previous year. This is due to store expansion in many areas. Expenses in new stores were high compared to sales. Moreover, cash flow was used as a working capita owing to two reasons. A number of trade accounts receivable increased due to an increase in rental space of Lifestyle Center. There were more inventories than the previous year because demand was overestimated.
- **Net cash used in investing activities** – Regarding net cash used in investing activities, there was Baht 3,241 million increasing by Baht 1,478 million from the previous year. The Company increasingly invested in store expansion. This increased from the previous year in an amount of Baht 1,366 million. In addition, its associates did not pay any dividend in this year.
- **Net cash used in financing activities** – Baht 1,090 million was used in financing activities, increasing by Baht 313 million because the Company paid more cash dividends. This is due to the better business operation in 2012 compared to the business operation in 2011.

Capital Structure

As of 31 December 2013, the Company's capital structure comprised of total liabilities of Baht 6,818 million and total equity of Baht 12,013 million; therefore, the Company had liability to equity ratio equal to 0.6. Currently, the Company had no financial debts.

Financial Ratio Analysis

Liquidity ratio and Quick ratio

As of 31 December 2013, the Company's current ratio and quick ratio were 0.73 and 0.43, a decrease compared to the previous year rates of 1.04 and 0.76 respectively. The main reason was a decrease in cash and cash equivalent. However, trade accounts payable, trade accounts receivable and inventories are in a proper level as planned, even though a number of inventories temporarily increased in 2013. It is only a result of a slow-down economic and overestimated customer's demand.

Return on Equity

The Company's return on equity calculated from core business's profit, in 2013 was equal to 13.9%, a decrease from 15.2% in 2012. A Dupont analysis can be illustrated as follows:

Dupont Analysis	2013	2012
Net profit Margin* (%)	6.6%	7.0%
Total Assets Turnover (times)	1.35	1.38
Equity multiplier (times)	1.57	1.58

**Calculated from core business's profit, excluding non-recurring item and share of profit of associates*

In 2013, the Company's net profit from its main business decreased from 7.0% in 2012 to 6.6% due to an increase in expenses from store expansion and promotional campaigns before closing the Ratchadapisek branch in the first quarter of 2013. The Company maintained its efficiency in asset usage similarly to the previous year. Its total assets turnover slightly decreased from 1.38 in the previous year to 1.35. Also, the equity multiplier in 2013 was 1.57 almost equal to the previous year, that is, 1.58. The Company, in addition, had no financial debt.

Expansion and renovation plan

The Company achieved their store expansion target of 5 stores in the year 2013. There are 4 new stores under the format of the Lifestyle Center i.e. Kanjanaburi, Sakonnakorn, Saraburi and Surin, together with one new store is in the big shopping mall in Ubonratchathani.

For year 2014, the Company targets to expand another 5 new lifestyle centers in Thailand, and one new store in Hanoi, Vietnam.

Financial Highlights

(Unit : Million Baht)

Statements of comprehensive income	Consolidated		
	2013	2012*	2011
Revenue from sale of goods	24,300	21,620	17,630
Total income	26,396	23,512	19,075
Cost of sale of goods	18,386	16,310	13,327
Selling and administrative expenses	5,686	4,782	3,752
Share of profit of associates	358	402	205
Net profit	1,986	1,658	1,453

(Unit : Million Baht)

Statements of financial position	Consolidated		
	2013	2012*	2011
Cash and cash equivalents	1,882	3,023	2,384
Current assets	2,929	3,388	2,720
Non-current assets	14,020	10,749	9,161
Total assets	18,830	17,160	14,265
Current liabilities	6,629	6,147	5,064
Non-current liabilities	188	157	131
Total liabilities	6,818	6,304	5,195
Issued and paid-up share capital	3,943	3,943	3,943
Retained earnings	7,253	6,268	4,671
Total equity	12,013	10,856	9,070

* Restated

(Unit : Million Baht)

Key Financial Ratios	Consolidated		
		2013	2012* 2011
Liquidity ratio	(time)	0.73	1.04 1.01
Average collection period	(days)	9.95	9.24 9.85
Average selling period	(days)	29.30	27.47 28.42
Average payment period	(days)	85.71	86.64 86.18
Gross profit margin	(%)	24.34	24.56 24.41
Net profit margin	(%)	8.17	7.67 8.24
Return on equity	(%)	17.37	16.64 16.96
Return on assets	(%)	11.03	10.55 10.96
Debt to equity ratio	(time)	0.57	0.58 0.57
Book value per share	(Baht)	10.82	9.77 8.17
Basic earning per share	(Baht)	1.79	1.49 1.31
Dividend payout ratio**	(%)	50.34	48.45 49.69

* Restated

** The meeting of the company's Board of Directors no. 1/2014 passed the resolution of dividend payment to shareholders at the rate of Baht 0.90 per share. The resolution will be proposed to the 2014 Annual General Meeting of Shareholders on 3 April, 2014 to consider the approval of dividend payment.

Market & Retail Business

Competitors

Department store operators As the Company's direct competitor in terms of nearby location or sharing similar target groups, department store operators can be divided into

1. Chain Department Store, including

Central Group Having a total of 17 branches, this department store operator manages under the Brands :

- Central Department Store which targets at customers who have high purchasing power and adore luxury. A total of 16 Central Department Store branches can be divided into 10 in Bangkok and 6 in regional areas.
- Zen Department Store which targets at teenagers and new generation with high purchasing power. There is only Zen 1 Department Store branch in Bangkok.

The Mall Group Having a total of 8 branches, this operator Market & Retail Business manages shopping mall and department store under the brands :

- The Mall targets at customers with intermediate purchasing power. There are a total of 6 The Mall branches - 5 in Bangkok and 1 in regional area.
- The Emporium (1 branch) and Siam Paragon (1 branch) which are both located in Bangkok and target at customers who have high purchasing power and adore luxury.

2. Other department store operators, including for example Tang Hua Seng Department Store, Tokyu Department Store, Isetan, and local department store operators of each regional area.

Other retail business operators Other retail business operators include discounted stores/super centers, and various types of shopping mall such as Central World, Esplanade, King Power, Platinum Mall, Crystal Park, Terminal 21, Mega Bangna etc.

These operators are the company's indirect competitors as they target at different groups of customer or different purposes of purchase.

Retail Business

In 2013, Thailand encountered an economic recession subsequent to a markedly low growth rate of 1% in private consumption. Indeed, the figure went in the similar direction as a slowdown in domestic economic growth rate. The main culprit for this unfortunate circumstance is a string of the government's economic stimulus policies in the previous year which has later translated into people's rising expenses and debt burden which, in turns, minimised their spending power and domestic consumption. The situation was also further aggravated by consumers' deep anxiety over economic trends following plummeting prices of agricultural products, lower-than-expected exports growth rate, along with volatile political climate. These aforementioned factors, backed by the Consumer Confidence Index (CCI) which constantly plunged throughout the year 2013, unquestionably provoked a negative impact upon overall domestic retail business.

Despite such unpromising backdrop, the year 2013, especially during the first half of the year, saw an inauguration of new shopping outlets. With rising new shopping malls occupying numerous strategic locations both in Bangkok and regional areas, coupled with new overseas operators, the retail business undoubtedly becomes increasingly intense. In addition, more well-known international fashion brands such as UNIQLO and H&M not only have expanded more branches in Bangkok and upcountry, but have also displayed a tendency to launch more outlets in the near future. Following a swelling number of residential projects in Bangkok and key cities, the year 2013 also

saw a strong consumers' demand for home-related products ranging from construction materials, furniture, bedding sets to home decorative items. Consequently, a number of new hardware stores selling building and decorative supplies have soared accordingly.

The year 2013 is also considered another year that department store business experienced a significant movement which, thereby, contributed to an even more competitive situation. Starting off with The Mall Group, development projects for large-scale luxury shopping malls on Sukhumvit Road and Bang Na have already been initiated, in parallel with a refurbishment of Emporium 1, Bang Kapi and Bang Khae branches so as to enhance the Store's competitive competency. Central Group, meanwhile, has inaugurated new stores in Chiang Mai and Hat Yai in 2013 yearend with an aim to better cater to consumers' high spending power and inbound tourists. Moreover, three more Central outlets are also scheduled to open in 2015. As for Robinson Department Store, five new stores have been launched for two consecutive years. Taking lifestyle centre as its theme, it is noted that these new stores are inaugurated in regional areas as, unlike the aggressive situation in Bangkok, the regional market is comparatively smaller with less intense business competition.

Due to an economic setback that provided an unfavourable shopping atmosphere, various operators adopted a number of diverse promotion campaigns, namely by offering special prices or extending further price reduction from the previous years, so as to attract customers and accelerate their purchase decision. In keeping with that, marketing strategies implemented among the Store's members still played a vital role in both maintaining customer base and enhancing the Store's sales volume. In partnership with credit card's management team, retail operators also employed numerous marketing strategies with credit card members as, in so doing, serves as a means to expand their customer base. The unbeatable marketing strategies organised include, for instance, giving extra discounts for every purchase made by certain credit

cards. Alternatively, customers can choose to redeem their credit card's accumulated points for products, extra discounts, cash back or interest-free installment payments. These aforementioned factors, therefore, have triggered a more aggressive competition in retail business compared to the previous years.

In terms of consumers' behaviour, it is undeniable that the current state-of-the-art technology is becoming increasingly efficient. This, coupled with high-speed internet which better strategically cover various areas nationwide, has enabled people to directly communicate and get access to information in a relatively speedier and easier manner. Moreover, thanks to a rising number of credit card holders, coupled with a highly-efficient and safe online payment, people have demonstrated more and more confident in making their online transaction. Consequently, it has led to a soaring popularity for online shopping and hence consumers nowadays not only show their interest, but also make their purchases via this truly convenient shopping channel. As a result, both large- and small-scale operators have now stepped into online trading and social network as it is fast and requires relatively lower budget. Realising this, grand-scale department stores are planning to launch online shopping service on their own websites. In doing so, it is believed to provide another channel to effectively reach customers, on par with maintaining the Store's market shares.

Since modern-day consumers can conveniently keep up with latest fashion trends, they are more likely to have a rapid response to fashion products. Nevertheless, consumers have become more prudent in their spending and hence displayed a strong tendency to look for value-for-money products. As a consequent, consumers now take into consideration the price, quality and image of each item carefully before making a purchase decision. Having developed a more specific demand, consumers nowadays tend to opt for shopping venues that can be both quickly and conveniently accessed. Besides, it is also undeniable that consumers' spending behaviour in regional areas has continuously shifted towards becoming more urbanised.

Policy and Business Structure

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.

History and major development

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 stores.

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 Baht following the sudden floatation 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 stores. Of these 9 stores 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 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. as 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 VDRP 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 a new store, at Rattana Thibet, while continuously

renovating and modernizing its existing stores across the country to create a more colorful 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.

2006

The Bankruptcy Court considered the petition and ordered the termination of the Company's rehabilitation plan. On April 2006, the Annual Ordinary General Meeting of shareholder was firstly held after the Company resumed the ordinary business operation. The Meeting unanimously approved the appointment 10 directors as the Company's Board of Directors, comprising of 3 independent directors. In November, the new store Robinson Ayutthaya was official opened as the 20th store of Robinson, the investment cost was approximately Baht 347 million.

2007

The Company made the first dividend payment after the order the termination of rehabilitation plan from The Bankruptcy Court, at the rate of Baht 0.32 per share. Pursuant to the resolution of the Extraordinary Shareholders' Meeting 1/2007 which held on June 19, 2007 that the Company decreased its capital through reducing par value from Baht 10 to Baht 3.55, an share premium and partial of retained earnings were transferred to set aside share discount according to the Federation of Accounting Professions (FAP) Announcement. On September 13, 2007, Department of Business Development of Ministry of Commerce completed amended the Company registered capital and Memorandum of Association. In September, the new branch Robinson Ocean Jungceylon was opened as the 21st store of Robinson. It's also 2nd Robinson store in Phuket.

2008

The Company closed Silom Branch in June 2008, as a result from Silom Asset Co., Ltd.,'s Baht 230 million purchase of rental rights and assets from the Company. Afterwards, following the Shareholders Meeting 1/2551, the meeting approved to make an adjustment in the Company's rule with regards to share repurchasing policy, and approved to commence its share repurchase program for financial management under the maximum Baht 536 million credit and not allowed to exceed 10% of the Company's already distributed shares; the program has commenced on November 24, 2008 and will run until May 22, 2008.

2009

Robinson Department Store launched two new branches in Chonburi Province and Khonkaen Province as its 22nd and 23rd branches respectively. These two grand-scale branches boast a total area of approximately 32,000 square meters. In addition, the company has also carried on its share repurchase program for financial management which was fully completed on 22 May 2009. As a result, the company was able to repurchase a total of 6,765,000 shares, making 0.61% of issued and paid-up share capital. The company's board of committees thereby approved to sell these repurchased shares by means of selling them in the Stock Exchange of Thailand (SET). The selling period of repurchased shares lasts from 23 November 2009 to 22 May 2012.

2010

Robinson Department Store launched a new branch in Trang Province as its 24th branches. With a total of over 650-million Baht budget invested, it is considered as "Robinson Lifestyle Center", the new business model of Robinson. Moreover, on 12 March 2010, the Company received the repayment from the loan agreement from an associated company, which had borrowed long time ago, in an amount of Baht 448 million and the Company recorded an allowance for doubtful account for the full amount of principal and interest receivable since 1998. Regarding the Board of Directors' resolution to resell the repurchased share in 2009, the Company began the resale on 18 August 2010. As of 31 December 2010, there are 3,674,800 repurchased shares which have not been disposed of yet.

2011

Robinson Department Store launched 3 new branches in both Bangkok and upcountry i.e. Chiangrai branch, Phitsanulok branch, and Rama 9 branch. The Rama 9 branch is now the new flagship store of the company in Bangkok with an area of more than 20,000 square meters. Furthermore, the company has finished reselling all of the remained repurchased shares on 28 April 2011. In addition, the company's stock has been selected to be one of the stocks for calculating SET 50 Index of the Stock Exchange of Thailand since January 2011. Moreover, the company was ranked by Forbes Asia as one of the 200 companies in the Asia Pacific region having continuous growth and strong financial position with a revenue less than 1,000 million US dollar or known as "Asia's 200 Best Under a Billion" for the first time. There were only 5 Thai companies which were ranked in year 2011.

2012

The Company started its aggressive store-expansion plan by opening new five stores, in Bangkok and upcountry. The stores are Suphanburi branch (under the Lifestyle Center project), Bangna branch, Suratthani branch, Bangkae branch and Lampang branch. Hence, at the end of 2012, the Company had 30 stores nationwide i.e.: 11 branches in Bangkok, and 19 branches in up-country. Moreover, the Company received interim dividend from its two associates, Power Buy Company Limited and CRC Sport Company Limited, in a total amount of Baht 1,385 million.

2013

Robinson Department Store has continued its proactive approach in branch expansion. As such, five new stores were inaugurated, including four Lifestyle Centres in Kanchanaburi, Sakonnakorn, Saraburi, Surin and one branch in a shopping mall in Ubonratchathani. Having closed down its Ratchadapisek branch on 26 March 2013 due to the rental contract expired, Robinson Department Store therefore has a total of 34 stores nationwide as of 2013 yearend - 10 in Bangkok and 24 in provincial areas. In addition to that, Robinson Department Store was ranked among the prestigious list of top 200 Asia-Pacific companies with a consistent growth and consolidated financial status. Having been ranked among the Asia's 200 Best Under a Billion list in 2013, it is considered the second time after the Company was first ranked by Forbes Asia in 2011.

Major changes and development of the Company in the year 2013

February

On 28 February 2013, Robinson Department Store, **Kanchanaburi** branch, was officially inaugurated, marking it as the 30th branch of its kind. Regarded as the Company's third Lifestyle Centre-themed shopping mall, the branch embraces a full spectrum of fashion, lifestyle and entertainment zones which perfectly respond to trendy lifestyles of customers in the province.

March

In order to express its warm thanks for customers' continued kind support during the past 25 years, Robinson Department Store organised the "**Robinson Ratchada Remarkable Sales**" at Ratchadapisek branch. Due to the rental contract expired, the Ratchadapisek branch was closed down on 26 March 2013. However, the Rama 9 branch, which has been opened since 2011, is able to serve as a replacement for the former branch and thereby can well respond to the demand of nearby residents.

April

Robinson Ubonratchathani 2 branch, which is located in Central Plaza Ubon Ratchathani, was officially inaugurated, making it as the 31st branch of its kind and also the second branch in the province. As a fully-integrated shopping mall, **Robinson Ubonratchathani 2 branch** can well respond to the rising demands of locals in Ubonratchathani which is not only a large province, but also boasts a promising growth potential.

June

On 27 June 2013, Robinson Department Store inaugurated its 32nd branch - **Robinson Sakonnakorn** - marking it as the fifth of its kind in the northeastern region. Following lifestyle-centre theme, coupled with the store's interior design that stylishly combines shopping mall and plaza zones, the outlet has succeeded in responding to modernized lifestyle of customers. By creating a new height of convenient shopping complex, Robinson Sakonnakorn not only caters to the locals' needs in nearby provinces, but is also expected to respond to thriving economic growth along the border in the future.

August

The Company was listed in the Forbes Asia Best Under a Billion (BUB) 2013 list which honours 200 leading public companies in the Asia Pacific region with growing

performance and consolidated financial status. Indeed, it is the second time that the Company was ranked on this prestigious list since 2011.

As a company that has always placed the key emphasis on well-being and career advancement of its staff, Robinson Department Store is presented with the illustrious Excellent Labor Relation and Welfare Award 2013 from the Department of Labour Protection and Welfare.

October

For the 4th year running, Robinson Department Store has achieved the corporate governance scoring at an excellent level, under the Good Corporate Governance Assessment for Listed Companies 2013, by the Institute of Directors (IOD).

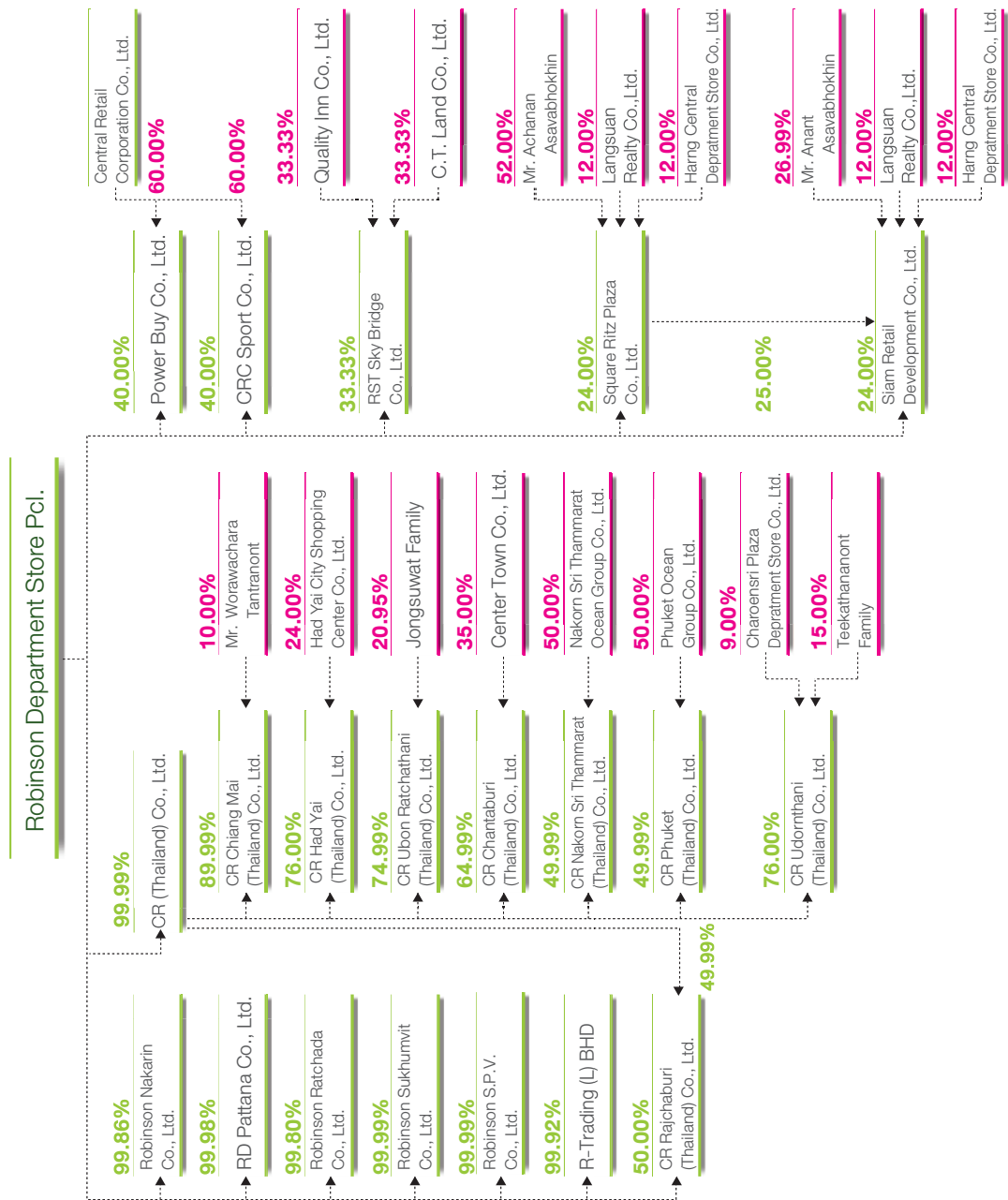
November

On 22 November 2013, **Robinson Saraburi**, which takes the lifestyle centre as its theme, was officially inaugurated and hence marking it as the 33rd branch of its kind. Located on an intersection between Phaholyothin and Mitra Phab roads, the outlet is not only conveniently accessed, but is also stylishly designed to cater to every discerning lifestyle of locals, nearby residents, along with Thai and foreign tourists.

December

After a temporary shutdown for refurbishment in August, Robinson Department Store, Bangrak branch, has resumed its operation in December 2013. Thanks to stylishly modern interior decoration, the revamped outlet is aimed to offer a more pleasurable and convenient shopping experience. Besides, in order to better respond to urbanized lifestyles of the Bangkokians, the plaza zone is expanded and hence more retail shops are increased. Moreover, on 20 December 2013, the Company also launched its 34th branch, Robinson Surin. Taking Lifestyle Centre as its theme, the latest branch is targeted to fulfill the Company's branch expansion plan into the lower northeastern region. In so doing, it has enabled Robinson Department Store to fully respond to discerning lifestyles and diverse demands of customers. It is also noted that Robinson Surin is marked as the 7th branch of its kind in the northeastern region,

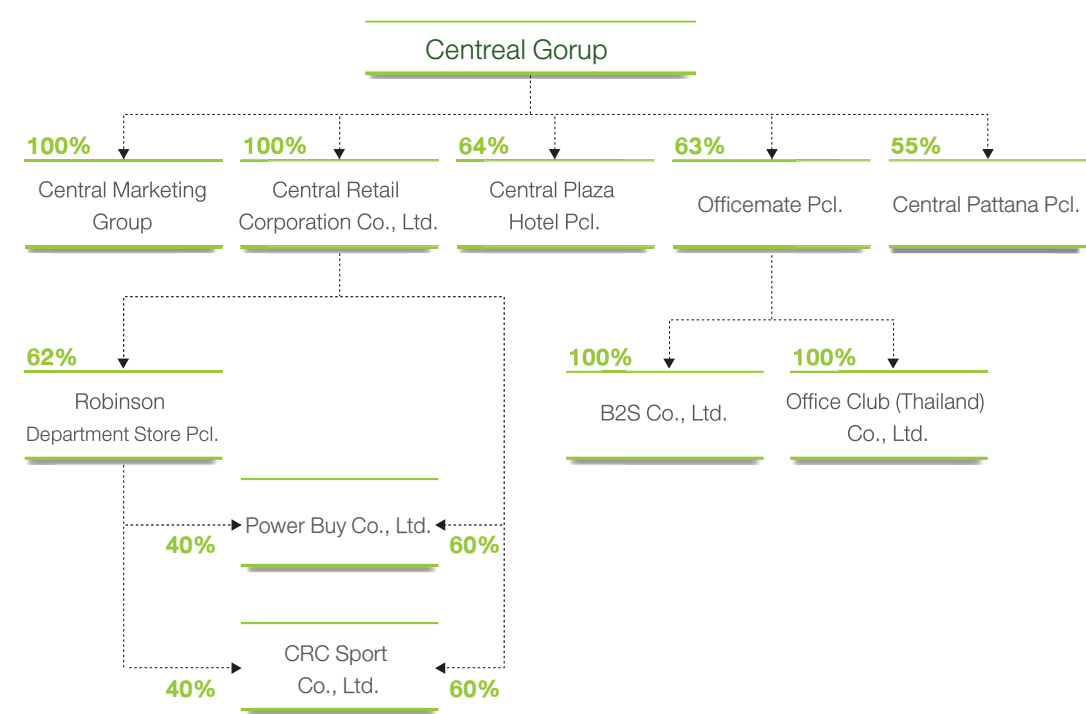
Structure of the Company and its subsidiaries



The Company and its subsidiaries

Name	Paid-up Capital (Baht)	Nature of Business
Robinson Department Store Public Company Limited.	3,942,847,022	Retail, including department stores in Bangkok and upcountry areas, under “Robinson” brand. Bangkok branches include: Sukhumvit, Bangrak, Bangkae, Srinakarin, Fashion Island, Rangsit, Ladya, Rattathibet, Rama9, Sriracha, Ayutthaya, Chonburi, KhonKaen, Trang, Chaingrai, Pisanulook, Suphanburi, Bangna, Lumpang, Surattani, Kanchanaburi, Ubonratchathani 2, Sakonnakorn, Saraburi, and Surin
CR (Thailand) Co., Ltd.	3,201,000,000	Holding company to jointly invest in department store business under the “Robinson” brand in eight provinces
CR Ratchaburi (Thailand) Co., Ltd.	645,600,000	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 Ratchathani
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 Nakarin Co., Ltd.	105,000,000	Dormant company
Robinson Sukhumvit Co., Ltd.	100,000,000	Dormant company
Robinson Ratchada Co., Ltd.	75,000,000	Dormant company
R-Trading (L) BHD Ltd.	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
R.S.T. Sky bridge Co., Ltd.	49,395,000	Build and manage the sky train connection to department store

Relationship with business corporation of major shareholders



The Company is one of the businesses of the Central Group. A policy of the Group is to promote competitiveness by investing in related businesses including shopping center development, retail space rental, and importation, production and distribution of fashionable cloth and personal items. Another related business is management in a centralization style on supporting retail business. This creates economy of scale and expertise as well as increase potential in operation.

In addition, the Company has a policy on transaction with any person relating to the Company, details of which are specified in the “connected transaction” section.

Nature of Business

Income Structure

Revenue Type/Company	2013		2012		2011	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenue from sale of goods						
- Robinson Department Store Pcl. (1)	16,560	61.90	13,988	58.49	10,589	54.92
- Subsidiaries* (2)	7,740	28.93	7,632	31.91	7,042	36.52
Total revenue from sales of goods (1)+(2)	24,300	90.83	21,620	90.41	17,630	91.44
Investment income	1,300	4.86	1,090	4.56	953	4.94
Other income	796	2.98	802	3.35	493	2.55
Share of profit from associates	358	1.34	402	1.68	205	1.06
Total income	26,754	100.00	23,914	100.00	19,280	100.00

* Subsidiaries including CR Ratchaburi (Thailand) Co., Ltd. (Hold shares of 99.99%), CR Chiang Mai (Thailand) Co., Ltd. (Hold shares of 89.99%), CR Hadyai (Thailand) Co., Ltd. (Hold shares of 76.00%), CR Udonthani (Thailand) Co., Ltd. (Hold shares of 76.00%), CR UbonRatchathani (Thailand) Co., Ltd. (Hold shares of 74.99%), CR Chantaburi (Thailand) Co., Ltd. (Hold shares of 64.99%), CR Nakorn Sri Thammarat (Thailand) Co., Ltd. (Hold shares of 49.99%), CR Phuket (Thailand) Co., Ltd. (Hold shares of 49.99%)

Income Structure from sales

Categories of Products	Income (%)		
	2013	2012	2011
SOFTLINE	83.35	84.19	84.45
HARDLINE	16.03	15.32	15.09
OTHERS	0.62	0.49	0.46

Product Type

Currently, the Company operates the department Store business and has on offer two main lines of products as follows:

- 1. Soft Line Product** focusing on fashion and trend, this type of product includes reputable brand names and has a tendency to change rapidly. Besides, customers' purchasing decision mainly depends on

the current popularity of that time. Robinson Department Store, thereby, has on offer leading local and international brand name items which are of great popularity and premium quality. Softline products can be categorized into:

- Ladies' Wear
Comprising of ladies' wear, along with women's lingerie, the diverse array of items available under this product type not only keep up with the latest trends, but are also made available for teenagers to working women.
- Men's Wear
Comprising of fashionable men's wear, this product type includes clothes, shoes, bags, belts and men's underwear.

- Jeans

Comprising of jeans casual wear ranging from top, trousers to various types of skirt, a comprehensive range of items available are all from leading brands.

- Cosmetics and Accessories

Comprising of cosmetics, skincare products, jewelries and accessories, as well as ladies' shoes and bags. The store has on offer leading and well-known brands from both local and overseas.

- Children's Wear

Comprising of children's wear, shoes and utensils which cover all ages from newborn to grown-up kids. Sizes have also been expanded in order to suitably respond to children growth in every age bracket. Products of leading brands and highest quality are made available.

2. Hard Line Products Focusing on quality, function, model, and well as variety and modern style of product, this type of products are often chosen by customers with the main priority for modern style and its function. Hard line products include:

- Home Decoration & Household Apparatus

This type of product comprises of, for example, towels, beddings, kitchenware, home decoration items, household apparatus - all of which are guaranteed to have on offer in numerous designs, plus with the best quality and highest utility.

- Gifts and Toys

Comprising of gifts, knickknacks as well as toys for children in every age bracket, the highest standard and safety are primary concern for this type of product.

- Other types of product

Aside from the aforementioned types, Robinson Department Store has on offer other types of products namely automobile tools and equipments, just to name a few.

In addition, the Company has also developed its own product design, which is different from general products available on the market. Besides, the Company has selected new products with interesting feature and designs from both local and international markets in order to increase product variety and differentiate itself from competitors. Available only at Robinson (Only@ Robinson), the management for this type of products can be divided into main categories as follows:

Private Brand : These comprise products whose brands are developed by the Company itself in order to be presented throughout all stores. 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, the products can be divided into the following categories.

Exclusive Brand : these products are well-known international brands which are imported and exclusively available at Robinson.

Additionally, the Company provides the local popular brands which are produced special collection exclusively available at Robinson. These are part of the Company's differentiation strategy. The fashion products are then positioned in stores where customer demand for such distinct products from others and purchasing power is most conducive.

Private Brand

Kitchen small appliance and bedding
Cuizimate Thomas
Ella Marushi
Robinson* Home

Fashion and Ladies' wear
FOF
Ohayo
Chee
Vivienne
Tasha
Pacific Life
Viva Candy

Cosmetics
Bath & Body Therapy

Luggage
Robinson Luggage

Shoes, bags and Ladies' accessories
FOF

Men's wear
Pacific Union
Snap
Otoko
Beyond Basic
Jeans Studio
ZIO

Children product
Pumpkin Pie
Snap

Exclusive Brand

Fashion and Ladies' wear
Allure
Centro Moda
I.E
Ermis
Esensual
Yishion

Leather , and Ladies' wear
Perlini

Fashion and Men's wear
Yishion
Emilio Valentino

Cosmetics
David Jones

Fashion and Jeans
Pepe Jeans

R
ROBINSON

One Price 'Just Buy : A variety of products which are sold at Baht 35 and Baht 55 consisting of products for teenagers and young professionals.

Consumer products such as accessories, cosmetics, stationary, gifts, and home products are also included.

Competitive Strategy

Store Expansion and Refurbishment of the Already-existing Stores

The Company has foreseen an opportunity to expand department store business in various areas in Thailand; therefore, it has continuously planned to expand its store. At present, there are 2 models for store expansion. The first model is to expand its branch in any big mall and the second model is called “Lifestyle Center”, considering the format that best fits each potential area so as to serve customers in all areas. Moreover, quick expansion not only provides the Company with a store in a good location but also becomes the first store in such provincial area. This enables Robinson to become a recognized brand and build a good relationship with its customers. Thus, the Company receives advantage in competition in the long-run.

Regarding the “Lifestyle Center” concept, it is a shopping complex with about 30,000-35,000 sq.m. area which is tastefully designed with a strong emphasis on the perfect balance of floor-plan continuity between department store and plaza zones for customers’ utmost convenience and shopping pleasure. One-stop shopping mall with both variety and completeness of products and services is also considered in order to satisfy customers. This includes supermarket, specialty stores (for books, sport equipment, electrical apparatus, etc), restaurants, cinema, IT, banking zones and beauty services – all under one roof. This type of expansion is considered as another successful strategy because the Company receives good response from customers. This also helps boost the confidence in this format of the Company, suppliers, and partners constantly. Besides, such solid growth also facilitates the operation for the Company’s future store expansion plan.

In addition to store expansion plan, the Company also has a plan to renovate its existing stores annually. The refurbishment includes an improvement of the product display position, the furniture and counters at various department so as to maintain the store’s fashionable image, as well as an incorporation of state-of-the-art interior lighting system to other design renovation. All of these aforementioned efforts have been achieved so as to stimulate and attract a continuous customers’ attention and, hence, eventually make them become the store’s regular patrons. In doing so, moreover, it is believed to bring about the most efficient space management for the Company.

Following the Company’s rapid store expansion which includes 5 new stores in 2012, the year 2013 also saw a continued implementation of such plan and, therefore, 5 new stores were also inaugurated in regional areas. These new outlets include four lifestyle centres in Kanchanaburi, Sakonnakorn, Saraburi and Surin and one store which is located within a grand-scale shopping mall in Ubonratchathani 2. Furthermore, three already-existing stores – Bangrak, Chiang Mai and Hat Yai – have also undergone a major refurbishment. However, due to the rental contract termination, Robinson Ratchadaphisek had to be unfortunately closed down. Nevertheless, the Rama 9 branch, which has been opened since 2011, is able to serve as a replacement for the former branch and can well respond to the demand of nearby residents. Therefore, as of 2013 yearend, Robinson Department Store boasts a total of 34 stores nationwide, comprising of 10 stores in Bangkok and 24 stores in regional areas.

Consequently, the Company is able to successfully maintain its leading position as a department store with the highest number of stores covering strategic locations across the country.

Merchandising Management

The Company continuously improves the product lines so as to timely and suitably responds to the ever rapidly shifting demand of current consumers. Having realized that modern consumers tend to get access and keep pace with the latest fashion trend in a relatively easier manner, the Company has always ensured that it selects only the premium-quality products from popular brands with fashionable designs. More importantly, those meticulously-selected products are made available at reasonable prices and, therefore, enable the customers' easy purchase decision. This is Robinson's main policy. Furthermore, the company has continuously developed its Only@Robinson product line which includes Private Brand and Exclusive Brand. Thanks to the product management by a specially-designated team and the executive members, it is believed that the carefully-chosen products can truly and suitably fulfill every customized demand.

In 2013, the Company continuously presented new brands and collection particularly trendy and popular fashion. This was to stimulate customers' demand and their re-purchase. In addition to that, special collections exclusively available at Robinson Department Store have been introduced so as to differentiate the Store from competitors, on par with providing more diverse options for customers. Besides, more new international brands have also been added in order to respond to the niche market with a high spending power and a craze for luxurious and well-known fashion brands. In so doing, the Company is able to successfully expand its customer base. In keeping with that, more

event marketing campaigns have been scheduled in conjunction with new products introduction so as to create a better brand recognition as well as to gain customers' attention, boosting the sale volume in each of those stores. In the second half of the year, however, Thailand encountered a slowdown in economic growth, while consumers' confidence in the country's economic situation constantly plunged. Realising this, Robinson Department Store timely adjusted its strategy by means of introducing more value-for-money product lines. In doing so, the Store was able to better respond to shifting demands of customers.

The Company also expanded its customer base to new generation by selecting unique brands matching with customers' lifestyle. New brands were selected into Robinson's Private Brand and Exclusive Brand such as Pepe' Jeans, Yishion, FOF, Emilio Valentino and Zio. The Company strengthened these brands by marketing campaigns through various media. Therefore, customers can easily access into these products. These products also attracts new customers in Robinson stores.

Marketing Strategies

The Company has implemented the Localized Marketing strategy which has enabled the Company to properly introduce a sequel of marketing campaigns suitably as per diverse specifications in each location and efficiently stimulate customers' purchasing demand. Various marketing campaigns such as fashion shows are organized so as to attract customers. Customers are also invited to participate in the Company's activities especially in special or festive events as in doing so, it not only increase their shopping frequency, but also strengthen the good relations among local customers. However, since an economic slowdown in 2013 had an impact upon customers' spending power, Robinson Department Store accordingly adjusted its marketing

strategies. To this end, more marketing activities were organised, in line with expos and a string of promotion campaigns so as to stimulate customers' purchase demand. In addition, the Company in collaboration with many business alliances launched campaigns known as exclusive promotion. This aimed to specially treat Robinson's customers. This strategy could well strengthen the Company's marketing and increase sales.

The Company adopted marketing strategy that focused on building a good relationship with the 1 Card members or "T1C", a member card for point accumulation. Cardholders can enjoy other benefits such as news about new brand, promotional news and other special privileges as so to satisfy customers. This also enhanced good relationship between the Company and customers. In 2013, the Company was able to increase the number of T1C members by over 200,000 and increase sales contributed by cardholders via special promotions exclusively for cardholders.

Apart from T1C members, there were regular members who hold Robinson credit card known as "Robinson-KBank Credit Card". The Company collaborated with Kasikorn Bank PCL to issue this credit card in late 2011. The Company, therefore, could expand its credit-card customers quickly and strengthen its image. The Company and Kasikorn Bank PCL also launched many sales promotions to cardholders under our executives' condition. This quickly increased the Company's sales as a number of credit cardholders.

Moreover, the Company creates recognition of Robinson and repeats its modern image through PR and advertising campaigns in leading fashion magazines which reflects the Company's fashionable

image. In addition to that, the Company's website has also undergone a major facelift which hence enables users to get access to the Company's information and keep themselves updated with the latest promotion campaigns in a relatively easier manner. Plus, more PR campaigns have also been launched on the highly popular online social network which serves as another efficient communication channel with customers, particularly among teenagers and new generation. In 2013, Robinson Department Store boasts a total of over 170,000 followers on its Facebook fan page (www.facebook.com/pages/Robinson-Department-Store), together with over 110,000 followers on its Instagram ([iloverobinson_ilovefashion](https://www.instagram.com/iloverobinson_ilovefashion)).

Service Excellence

Service excellence is considered another integral factor for customers' purchasing decision. It also reinforces the brand loyalty, which eventually leads to their re-purchase. In turn, it will generate a steady growth in the Company's sale volume. Realizing such paramount significance, Robinson Department Store has continuously developed and upgraded its impeccable service standard, in parallel with introducing an extensive range of new services so as to create customers' maximum satisfaction and impression.

The Company has continuously has continually and rigorously developed the potentials of its back and front staff, particularly sale and cashier staff. To this end, the stringent standard of service excellence has been established for every staff with the main focus on creating a friendly shopping atmosphere and good first impression for all customers. The exceptional services range from staff's good personality including nice make-up known as Robinson's look to neat uniform. The Company also stresses on friendly atmosphere starting from warm greeting with a smile to a heartfelt

service with politeness, humbleness and utmost respect. Besides, every staff is required to be well-informed of every product and hence can offer accurate and useful information. One Stop Shopping Service is provided including a string of privileges from numerous promotion campaigns organized at certain periods of time. As a result, customers can shop at Robinson without difficulty.

Regarding services, the Company also provides Value Added Service, different from its competitors. It has continuously developed and improved such services which are customers' favorite. For instance, free make up and bra advisor are special service in cosmetic and lingerie wear. The Company added "Cooking Stylish" for its kitchenware department in order to please its customers. Trained employees will show cooking in various well-trained menus. These menus were cooked with Cuizimate, a beautiful, modern, useful, and famous kitchenware. So, each menu like meal, dessert, bakery and beverage is easily cooked. This new service was highly attracted by customers. It also create more spending atmosphere. This is not to mention the leading-edge "5 Minutes Speed of Service" at the Ladies and Gentlemen's shoes department, where staff will be on hand to provide shoes at the most suitable sizes for customers within 5 minutes. Besides, there is also an exclusive shoes cleaning service to best facilitate and provide the maximum convenience for customers.

The Company, furthermore, presents special service to its VIP customers having a high purchasing volume. The VIP members are entitled to an extensive range of services including the VIP Parking, the luxurious VIP Lounge which is well-equipped. The super convenient VIP Delivery, Personal Assistant, as well as

the Point Alert service, which provides a regular notification regarding accumulated points and promotion campaigns organized at a certain period of time, are included as well.

Sustainable Corporate Social Responsibility

Aside from its efficient implementation of business strategies, Robinson Department Store has always stressed its primary concern for community and social responsibility. A number of activities for social contributions and environmental preservation have been continually scheduled. Moreover, Robinson Department Store's strong commitment is clearly demonstrated through its active corporate social responsibility campaigns and a cultivation of good awareness among its staff with regard to social contribution and environmental preservation. The Company also integrated state-of-the-art E-Commerce system into the Company's operation so as to minimize the number of paper used in the office, in keeping with installing electricity-saving apparatus while launching an active campaign for energy saving as well as encouraged its staff and customers not to use plastic bags and use a tote bag instead, which helped decrease pollution and global warming. Furthermore, the Company has continuously extended its support for a number of annually-held worthwhile projects, for instance, the National Blood Center, Thai Red Cross Society, by means of launching PR campaign, jointly making a blood donation, together with hosting convenient venues for a blood donation. In addition, staff in every level and customers are also provided with a great opportunity to jointly participate in the Company's social and environmental campaigns so as to generate the maximum benefits for our society, community and environment.

Target Customers

The Company's major target groups include modern families and young professionals between the ages of 25-45 who have medium to high purchase power, have modern lifestyles, love to spend on popular fashion products and focus on quality of products at reasonable prices. In addition, customers who fall into groups such as teenagers, students, and young professionals are those who demand fashion products with affordable price.

Moreover, there are also customers, who are tourists such as Middle East customers, Asia customers, which are Chinese, Taiwanese, Korean and Vietnamese, etc, European tourists and foreigners who work in Thailand. The Company provides products matching to each group of customer at branches that are located in such group's areas or that are in close proximity with overseas residents including Sukhumvit, Bangrak, Phuket, Chiang Mai, Had Yai Sriracha and Chonburi. Besides, 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 loyal customers', who are members of The 1 Card including special privileges such as discounts, point accumulation and reward redemption, and also Lifestyle monthly magazine delivered to members. Through this magazine, members are able to obtain news and information on sales promotion activities, new products and special activities.

In addition, the Company also has customers using Robinson Credit Card. The card holders receive special services such as discounts, promotion activities

as well as special privileges as defined by the credit card company's management. Furthermore, at the end of 2011, the Company in collaboration with Kasikorn Bank PCL issued a credit card known as "Robinson - KBank Credit Card" which is separated into Classic Card and Platinum Card.

Procurement of Products and Services

In accordance with merchandising management policy, the Company has emphasized worthwhile product quality, when it placed in store, together with fashion, the current popularity, and diverse range of assortment, type, and model. These are also in meeting customer needs. As a result, the Company has purchased from over 2,000 suppliers both domestically and internationally in which firmly relationship for long.

Of local purchases, the Company has emphasized on brand-name, modern style, and varied of variety and assortment subject to the need of each target customers

Of international purchases, the Company 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 any specific suppliers. Imported products are mainly from Singapore, China, Korea, Hong Kong, India, Japan and Australia. The main purpose of overseas purchases is to offer new varieties of products that are different from its competitors.

The Company's procurement of products is operated from the head office. The merchandising line is responsible for controlling in purchasing, price negotiation, payment condition, and inventory

management of each store to be at an appropriated 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. Of supply chain management, the Company collaborated with Supply Chain Management unit of Central Retail Corporation Co., Ltd., a specialist unit with high capability to develop effective supply chain system, together with the suppliers to manage the Company's supply chain. In doing this, the system shall reduce suppliers overhead cost and be more response relevant to customer needs.

In terms of payment conditions, the company has employed two systems -a consignment basis which was amounted to approximately 75%-80% of cost of goods sold and credit base of 20%-25% respectively.

Environmental Impact

none

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Risk Factors

Seriously and continuously placing great significance on the risk management, the Risk Management Committee is responsible for the risk management policy and oversees the risk management guideline. The Risk Management Committee also follows up the operation to manage risk in every aspect in order to assure that risk management is sufficient, proper and able to manage the risk level to be in the acceptable level. The Risk Management Committee meeting is held quarterly. Also, the Company also has the Risk Management Working Team in order to manage the risk in the operating level, and the Risk Management Working Team meeting is held monthly. In the year 2013, the key risks having an effect upon the Company's business operation are as follows:

Strategic

Ability to respond to economic fluctuation and competition

The Company adhered to the careful business management and set up a system to punctually follow, assess, and monthly report the economic situation and other important situations to the Risk Management Working Team in order to be able to specify and adjust the risk management plan to match each risk in that time and to ensure that the Company reaches its goal in business operation as well as sets up risk management strategy for the possible risks in time. These plans and strategies will further be quarterly reported to Risk Management Committee.

In 2013, uncertainty on global economic recovery and Thai political conflict affected confidence on economy and customers' spending behavior. Competition in department store business is more tension as well.

In addition, as fashion brand stores such as Uniqlo and H&M is in the trend, the Company adjusted its business strategy to match with customers' need. It focused on marketing promotion and campaigns to stimulate customers' spending.

Still, the Company has paid attention to its main strategy, creation of competitiveness by presenting the unique product and new brand. This aims for more variety together with introducing products matching the customers' lifestyle plus the value-added service. The Company also emphasized on the marketing activities in both Bangkok branches and provincial branches so as to promote marketing in the area and to be memorable. Further, the Company deeply analyzed consumer's spending behavior so as to introduce promotion campaign better matching each group as well as continuously publicized the marketing to expand the member base. Apart from increasing sales, it also builds good image and customer loyalty to Robinson Department Store.

Regarding operation systems, the Company had on hand the highly-efficient operational management system which included the Logistic and Supply Chain merchandise management system which helped lessen some purchasing and transportation procedures. Furthermore, the Company had also integrated a top-of-the-range computer system in its inventory management to minimize risks of obsolete stocks and to quickly and appropriately respond to sales operation. Besides, the Company ensured the efficiency of its front office operating system, while the cutting-edge, follow-up system on marketing plans and on customer behavior.

In addition, having branches all over the country, it is considered as the good risk sharing in case of having an event affecting the Company's business operation in certain areas of the country as well. To illustrate, the flooding situation in the end of last year affected the operation in some branches only while other branches outside the flooded areas can operate normally. Therefore, the Company can maintain its good operation.

Operation

The Obsolete Stocks

The Company operates the department store business with emphasis on continually providing fashionable products as well as modern products. Hence, when consumers' trend has changed, the Company's products have become obsolete and cannot be sold. With regard to stock management the Company paid high attention to supply chain management system, while conducting ongoing stock monitoring for up-to-date inventory management. In addition, the Company has set an accounting policy that included provision for impairment of inventories in the credit stock category in the credit stock. While the rest products, the parties have agreed to be responsible for the case of obsolete stocks. Therefore, risk associated with the obsolete products has created no material effect on the Company's operation.

The dependency of purchasing from suppliers

The Company diversified its purchases from more than 2,000 suppliers in order to increase variety and differentiation of products in compliance with the Company's strategy, which also included reducing dependency on large purchases from a single, specific supplier. However, the Company still has products

that accounted for a total of 11% of sales in 2013, which were obtained from a major supplier whose products and brand name is very popular among many customers. The Company also acts as a major partner in distributing products for such suppliers in both Bangkok and provincial. Moreover, there has also been cooperation on the organization of marketing 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.

The dependency of leasehold for land and building

The Company owns land and buildings for 6 of its branches and has rental contracts, sublease contracts, and leasehold rights on land and buildings from existing owners for the rest of its department store branches. The said lease contracts are 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 term of leasehold for land and building contracts, the Company will enter into a long term contract which is about 30 years. Furthermore some contracts already set conditions for contract renewal. Since both parties involved were complying with these existing contracts, the Company accordingly expects the successful renewal of such contracts in the future.

In the case when the Company owned rental contract on buildings and depended on the management of its existing owner, the risk resulted from damage and losses of shopping complex buildings and other facilities due to lack of appropriate maintenance may

occur. However, the Company has cooperated and followed up the building maintenance service provided by the management of the shopping complex on a regular basis to ensure that the shopping complex buildings were safe and suitable for the Company's business operation.

In 2013, the lease agreement on the land where the Ratchadapisek branch was located was expired. The Company, as a consequence, closed the store on 26 March 2013. However, the Company launched its new store, Rama 9 branch, in 2011. This new branch is located in the same area as the Ratchadapisek branch so it can replace and preserve its base and market share in such area.

Accidental damages and natural disasters

Risk associated with accidental damages and natural disasters such as fire, flood, etc. including risks from casualties may cause damage to property and staff of the Company and disruption to the department store operation. However, the Company set a strict security policy, closely followed up, reported each branch's situation which might have damage and prepared a plan for readiness in risk management in every branches of the Company. This includes employee's evacuation drill and document removal in case of natural disaster or accident in each branch. Furthermore, the Company undertook insurance for damage of properties owned by the Company and properties under the Company's supervision as well as insurance policy which covered losses to the third party. Additionally, insurance for losses of income caused by business interruption was undertaken in case of temporary operation disruption of any of Robinson's stores.

With regard to, risk from epidemic in one period which may impact the department store business,

the Company closely followed the circumstance and strictly carried out the measure of the Ministry of Public Health on protection the pandemic such as keeping every area, inside and outside, of the department store, in particular in the important spots where having a lot of customers, and the air-conditioning system in the buildings clean.

Finance

Financial liquidity

With regard to the financial liquidity as of 31 December 2013, the Company had current assets of Baht 4,810 million and current liabilities of Baht 6,629 million, representing a current ratio of 0.73 times. Also, the Company had no financial debt. The Company's current liabilities are mostly trade accounts payable, which is a general feature of retail business in the category of department store. Moreover, most of the Company's trade accounts payable were trade accounts payable which have the condition that payment will be made only when products are sold, taking 75-80% of the product costs. The Company will pay the costs to the other party when the product is sold and paid by the customer. Hence, the existing amount of current liabilities has not created any effect on the Company's normal liquidity.

The Company has a policy regarding cash balance management by managing and investing in various forms such as bank deposit, commercial bank promissory note, government bond, and fund focusing on an investment in government bond and state enterprise bond so as to make sure that the Company will receive the principal and any specified return on investment.

Furthermore, regarding financing for preparation for branch expanding investment plan including continuous

investment in existing branch renovation every year, the Company always does a cashflow projection in the future and strictly disciplines in investment payment including continuously making good relationship and building high confidence to financial institutes. At present the Company, has been able to invest in the project as specified in the objective from the projected cashflow.

With regard to currency exchange risk, presently, the Company has a few international transactions. As a result, the risk in this matter does not have any material effect on the Company's operation.

Information Technology

Safety in information storage, access to information and working system
Safety in information storage is the one the Company always gives priority to in particular the important information of the Company as well as trade secret information of each partner and customer of the Company. At present, the Company has the highly safe and reliable information storage system and the back-up system. In addition, the Company utilizes a computerized system to limit access of information by any particular level of authority together with prescribing the Company's regulation on "the disclosure of confidential information" as well as stressing to employees the importance of correct and suitable usage of system; hence, the management and information storage system can work most effectively and continuously.

In addition, the Company considered the risk management in other types of information technology such as developing the working system in order to be consistent with the Company's business plan, monitoring the operation in order to be in full compliance with laws and specifically the computer laws.

Compliance

Mainly focusing on the Company's compliance with relevant laws, rules and regulations, the risk management working team prescribed performance policy on each aspect which may be related to laws or regulations as follows:

Intellectual Property

The Company's business operation involves products from a large number of traders. Some of those products may be copyrighted, patented or under certain product standards regulated by state entities. As such, the Company has always stressed that products distributed in the store must already have attained an authorization to sell, dispose or distribute. Currently, the Company embraces an authorization inspection process as one of its purchasing procedures and also closely follows up the product purchase process with its traders. Not only having designated a division to be responsible for an intellectual property, but the Company also strongly emphasizes among related departments to place a great emphasis on this area of risk factor. Plus, the Company always randomly check the products so as to ensure that every product from traders strictly adhere to legal requirements.

Consumer aspect

With the prime concern to elevate consumers' quality of life and to avoid problems that may claim consumers' lives or deprive them of their properties, the Consumer Protection Law and Product Liability Law are both aimed to clearly prescribe deservedly rights of consumers, as well as duties and responsibilities of manufacturers and operators. In compliance with the law, the Company has held fast to its strong commitment to operate the business on the principles of fairness and integrity. Besides, the Company is determined to meet customers' demands by means

of providing them quality products at reasonable prices, in consistent with offering excellent services for their utmost satisfaction. Apart from its highly-efficient product purchasing procedure, the Company also keeps in mind the basic service standard for customers. That is, customers are guarantee to enjoy premium-quality products and well equipped with useful information or product’s manuals for their maximum benefits and safety. Furthermore, the Company also provides channels for customers to make their complaints or contact for further information with regards to the Company’s products or services.

Retail business operation

Regarding the (draft) Retail Business Act, its objective is to directly supervise and monitor retail business. The Act 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) Act 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 name products which are different from consumer products sold in small retail stores. It also 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) Act. It is unlikely that the Company will be directly affected by the (draft) Act.

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 Act regarding fair trade practices in business operation. Throughout the years, the Company has developed a good relationship with its business partners. Both assistance and cooperation have been provided for a long time. Therefore, the announcement of a trade competition committee has had no effect towards the Company.

Store expansion

The City Plan law has produced direct effects on the development of large-sized commercial complex buildings which also included the construction and expansion of certain segments of some retail businesses such as large scale retail stores which provide various consumer products. This law has been used by the government as a means to monitor branch expansion of modern retail stores, as the process of the Retail Business Act enforcement has not been completed yet. Although the City Plan law has no direct effect on the expansion of department stores, this law has created an indirect effect on their expansion, 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.

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Shareholder and Dividend Policy

Company's securities

The Company's capital structure, as of 31 December 2013 was as follows:

Common Shares	Registered and paid-up capital	3,942,847,022.15	Baht
	Total number of shares	1,110,661,133	Shares
	Par value	3.55	Baht
	Share Price as of 27 December 2013	48.00	Baht

Company's Shareholders

Top 10 shareholder list as of 27 December 2013

No.	Shareholder's Name	No. of Shares	%
1.	CENTRAL RETAIL CORPORATION LTD.	308,162,660	27.75
2.	C.R.G. SERVICE CO., LTD.	289,645,488	26.08
3.	CREDIT SUISSE AG SINGAPORE BRANCH	43,592,765	3.92
4.	THAI NVDR Co., LTD.	37,960,065	3.42
5.	STATE STREET BANK EUROPE LIMITED	34,138,753	3.07
6.	MR. SUDHILAK CHIRATHIVAT	32,746,396	2.95
7.	HSBC (SINGAPORE) NOMINEES PTE LTD	24,292,398	2.19
8.	CHASE NOMINEES LIMITED 1	23,984,158	2.16
9.	THE BANK OF NEW YORK MELLON	19,554,300	1.76
10.	STATE STREET BANK AND TRUST COMPANY	19,099,200	1.72

The Company's ultimate shareholder, a group of major shareholders, by circumstances, having significant influence over the policy making or operation of the Company, is Central Retail Group (Chirathivat Family), which comprises of Central Retail Corporation Co., Ltd. and C.R.G Service Co., Ltd. and persons in Chirathivat family. They jointly hold the Company's shares in aggregate of 61.8% approximately.

Foreign limit in shareholding

The Company has set a foreign limit of 49% of the paid-up capital. As of 27 December 2013, foreign investors altogether held 26.75% of the total of paid-up capital.

Shareholders	No.of shares	%
Thai Shareholders	813,523,389	73.25
Foreign Shareholders	297,137,744	26.75
Total number of shares	1,110,661,133	100.00

Dividend Policy

The Company’s dividend payout policy is at the rate of approximately 40% of profit arising from ordinary business (after corporate income tax). The Company’s dividend payment in the past is as follows:

Year	Net Profit (million Baht)	Dividend per Share (Baht)	Dividend Payout Ratio
2010	1,697	0.62	40%
2011	1,453	0.65	50%
2012	2,063	0.90	48%
2013*	1,986	0.90	50%

* According to the meeting of the Company’s Board of Directors No. 1/2014 held on 20 February 2014, the meeting passed the resolution of dividend payment to shareholders at the rate of Baht 0.90 per share or payout ratio at 50% (higher than dividend payout policy). The resolution will be proposed to the 2014 Annual General Meeting of Shareholders on 3 April 2014 to consider the approval of dividend payment.

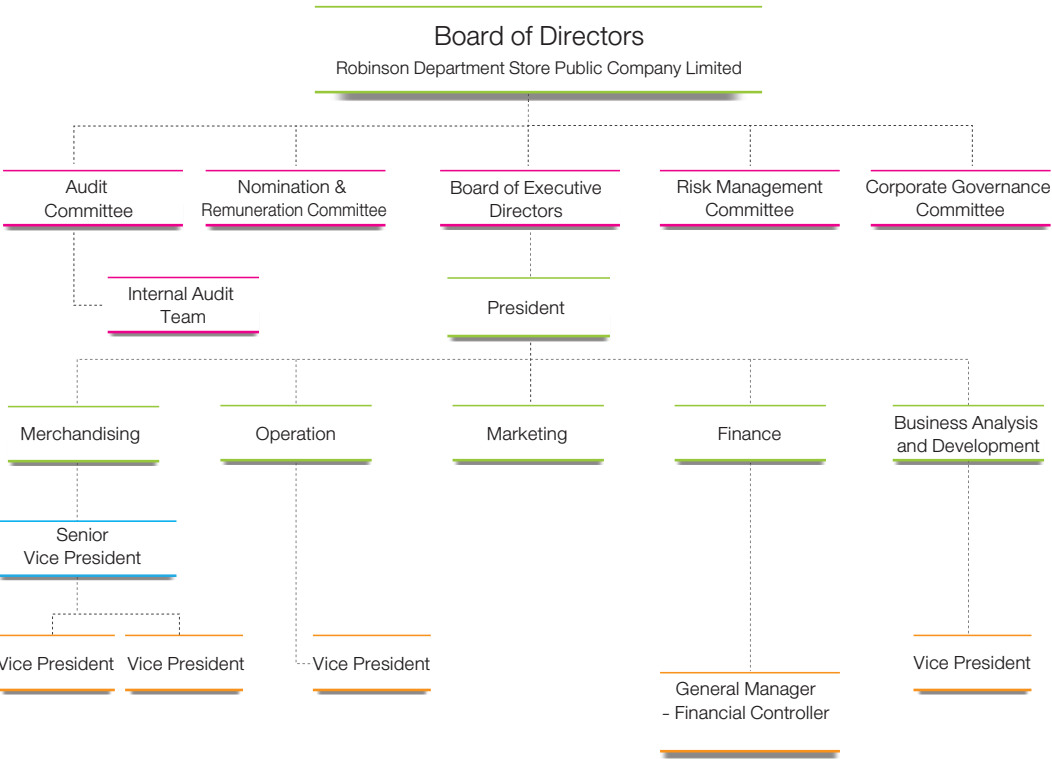
The policy of the subsidiaries

The Company has a policy to pay a dividend of its subsidiaries; however, this has to be approved by the Board of Directors or the authorized directors. Notwithstanding, dividend payment from its subsidiaries shall be subject to operation result, business expansion plan, liquidity, financial statement, any financial condition and constraint toward creditors (if any) and any other possibility.

Management

Organization Chart

Robinson Department Store Public Company Limited
As of 31 December 2013



Structure of the Board

The organization structure of Robinson Department Store Public Company Limited consists of the board of directors which responsible for supervision of the Company's governance, and 5 specific committee which includes audit committee, board of executive committee, nomination and remuneration committee, risk management committee and corporate governance committee with details of each director as follows:

■ Board of Directors

The Board of Directors has a duty to perform the Company's business in compliance with laws, objectives, Article of Association of the Company and the resolutions of the shareholder's meetings together with the compliance with the rules and regulations of the Stock Exchange of Thailand and the Securities Exchange Commission. The Board also adheres to the business conduct and takes the interest of all sides into consideration as well as provides credible accounting system, financial reports and audit.

In performing duties, the Board of Directors may assign a director or many directors or any person to perform any act on behalf of the Board of Directors under the control of the Board of Directors or authorize such person to have the power as the Board of Directors deems appropriate and within the period as the Board of Directors deems appropriate.

As of 31 December 2013, member of the Company's Board of Directors comprises of 12 directors. There are 11 directors who are not the executive and the other 1 director is an executive, details of which are as follows;

1. Mr. Sudhisak Chirathivat
Chairman of the Board of Directors
2. Mr. Sudhitham Chirathivat
Vice Chairman of the Board of Directors
3. Mr. Somchai Apiwattanaporn
Independent Director
4. Mr. Yodhin Anavil
Independent Director
5. Mr. Vithaya Chavananand
Independent Director
6. Mr. Charan Mongkolchan
Independent Director
7. Mr. Kanchit Bunajinda
Independent Director
8. Mr. Prin Chirathivat
Director
9. Mr. Tos Chirathivat
Director
10. Mr. Piya Nguiakaramahawongse
Director
11. Mr. Pandit Mongkolkul
Director
12. Mr. Preecha Ekkunagul
Director and President

Remark

- The directors no. 1-2 and 8-11 are the director representing the shareholders.
- The 12th director is the director who is an executive.
- Mr. Tos Chirathivat has resigned from the Director effective from 2 January, 2014 onwards.
- Mr. Alan Thomson is appointed as Director and President of the Company in replacement of Mr. Preecha Ekkunagul which resigned from the above designation effective from 2 January, 2014 onwards.
- Mrs. Yuwadee Chirathivat is appointed as Director of the Company in replacement of Mr. Tos Chirathivat, effective from 21 February, 2014 onwards.

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.

As of 31 December 2013, Ms. Jiraphan Thongtan, General Manager Investor Relations, is the Company's corporate secretary.

Scope of Duties and Responsibilities of the Board of Directors

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 which include 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.

■ The Management

As of 31 December 2013, the Management of the Company comprise of 7 persons as follows;

1. Mr. Preecha Ekkunagul
President
2. Mr. Gerard McGurk
Senior Vice President Merchandising
3. Mrs. Ratana Anoontakaroon
Vice President Merchandising
4. Mrs. Orawan Tipsuwanporn
Vice President Merchandising
5. Mr. Anan Tantipanyakun
Vice President Operations
6. Mr. Sukitti Kittipassorn
Vice President Business Analysis and Development
7. Miss Nujjaree Sunthadvannich
General Manager - Financial Controller

Remark

- Mr. Alan Thomson is appointed as President of the Company in replacement of Mr. Preecha Ekkunagul, effective from 2 January, 2014 onwards.
- Mr. Clive Frederick Coombes has resigned from the Vice President Merchandising Menswear & Differentiation effective from 31 December, 2013 onwards.

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.

■ Company Secretary

The Board of Directors has appointed Ms. Jiraphan Thongtan, General Manager - Investor Relations, Central Retail Corporation Co., Ltd. as the Company Secretary to arrange the meeting of the Board of Directors and Shareholders, including filing related documents and supporting activities to be compliance with the good corporate governance principles as well as with the Securities and Exchange Act. Ms. Jiraphan Thongtan was trained in courses necessary for working as the secretary

of the Company. The courses included Company Secretary Program (CSP) and Effective Minute Taking (EMT) from the Thai Institute of Directors; the basic law and regulations concerning listed companies program and the secretary of the company program from the Thai Listed Companies Association.

Scope of Duties and Responsibilities of the Company Secretary

1. Prepare and keep documents, including :
 - a register of directors
 - annual report of the company
 - a notice calling director meeting and a minute of meeting of the board of directors
 - a notice calling shareholders meeting and a minute of shareholders' meeting
2. Keep a report on interest filed by a director or an executive.
3. Submit a copy of report on interest of a director and of executive or of related persons to the Chairman and the Chairman of audit committee within 7 business days from the date on which the company has received such report.
4. Arrange the meeting of the board of directors, the subcommittees and the shareholders meeting including preparing minutes of those meetings so as to be in compliance with relevant regulations, rules and laws.
5. Suggest the performance of the company and of the board of directors to be in compliance with the Memorandum of Association, the Article of Association, the Securities and Exchange Act, the Public Company Limited Act and other relevant laws.

- 6. Be a center of communication between directors, executives and shareholders.
- 7. Coordinate and follow the performance under the resolution of the directors and of the shareholders.
- 8. Make sure that there is disclosure of information and information report of the responsible part to the regulatory body under the regulation and requirement of such authority.
- 9. Perform any other duties prescribed by the Capital Market Supervisory Board or assigned by the Company's board of directors.

■ Remuneration of Directors and Executives

Monetary Remuneration

Board of Directors

The Company has fairly and reasonably considered the policy regarding remuneration of directors which

has been carefully examined by the Nomination and Remuneration Committee. The criteria are also in accordance with the business profits of the Company, responsibilities of the Board as well as comparing with the reference data of other companies in the same business or comparable business.

The remuneration for the entire Board of Directors in the year 2013 which was approved by the General Meeting of the Shareholders no. 1/2013 was in the total amount not exceeding Baht 9,000,000 (eight million Baht net) (excluding the remuneration for Mr. Preecha Ekkunagul who held another position as the Company's president) The structure of the monetary remuneration for directors comprises of 2 types of remuneration, quarterly fee and meeting fee, as follows:

1. Quarterly Fee

Type of Director	Quarterly Fee* (Baht/Quarter)
Chairman of Board of Directors	110,000
Independent Director who is Chairman of Audit Committees	80,000
Independent Director who is Audit Committee/ Independent Director	70,000
Non-Executive Directors	70,000

Remark * Increase from year 2012 according to the resolutions of the AGM 1/2013 on 25 April, 2013

2. Meeting Fee

Board Type	Director Type	Meeting Fee (Baht/Meeting)
Board of Directors	Independent Director / Expert	32,000 *
	Director	32,000 *
Audit Committee	Chairman of the Audit Committee	45,000 *
	Audit Committee	32,000 *
Executive Committee	Chairman of the Executive Committee/ Non-Executive Directors	32,000 *
Non-Executive Directors	Independent Directors /	
	Non-Executive Directors/	25,000
	Non-Executive Directors who is Consultant	

*Remark * Increase from year 2012 according to the resolutions of the AGM 1/2013 on 25 April, 2013*

In 2013, the monetary remuneration actually paid for the Board of Directors, in the total of 12 persons was in the total amount of Baht 7,816,000 while the remuneration in 2012 was 5,845,000 Baht. The details of the meeting attendance and directors' remuneration for the year 2013 are as follows:

Robinson Department Store Public Company Limited

Detail of the remuneration received by the director individually in the year 2013

Director's name		Position	Meeting Attendance (times)						Director Remuneration (Baht)						Total (Baht)	
			Board of Directors	Board of Executive Directors	Audit Committee	Nomination and Remuneration Committee	Risk Management Committee	Corporate Governance Committee	Board of Directors	Board of Executive Directors	Audit Committee	Nomination and Remuneration Committee	Risk Management Committee	Corporate Governance Committee		Total of Meeting Fee (Baht)
			6 Meetings	6 Meetings	6 Meetings	3 Meetings	4 Meetings	2 Meetings								
1. Mr. Sudhisak Chirathivat		Chairman of the Board	6/6						192,000						192,000	440,000
2. Mr. Sudhitham Chirathivat		Vice Chairman of the Board of Directors/ Chairman of Executive Director/ Nomination and Remuneration Committee	5/6	6/6		3/3			160,000	192,000		75,000			427,000	280,000
3. Mr. Prin Chirathivat		Director/ Executive Director	5/6	6/6					160,000	192,000					352,000	280,000
4. Mr. Tos Chirathivat		Director/ Executive Director/ Consultant of the Nomination and Remuneration Committee	2/6	6/6		3/3			64,000	192,000		75,000			331,000	280,000
5. Mr. Preecha Ekkunagul		Director/ Executive Director/ Risk Management Committee/ President	6/6	6/6			4/4		192,000	-			-		192,000	-
6. Mr. Piya Nguiakaramahawongse		Director/ Executive Director/ Corporate Governance Committee	5/6	6/6				2/2	160,000	192,000				50,000	402,000	280,000
7. Mr. Pandit Mongkolkul		Director/ Executive Director/ Consultant of the Corporate Governance Committee	6/6	6/6				2/2	192,000	192,000				50,000	434,000	280,000

Management

Director's name		Position	Meeting Attendance (times)						Director Remuneration (Baht)						Total (Baht)		
			Board of Directors 6 Meetings	Board of Executive Directors 6 Meetings	Audit Committee 6 Meetings	Nomination and Remuneration Committee 3 Meetings	Risk Management Committee 4 Meetings	Corporate Governance Committee 2 Meetings	Board of Directors	Board of Executive Directors	Audit Committee	Nomination and Remuneration Committee	Risk Management Committee	Corporate Governance Committee		Total of Meeting Fee (Baht)	Quarterly fee
8. Mr. Somchai Apiwattanaporn		Director/ Independent Director/ Chairman of the Audit Committee/ Chairman of the Nomination and Remuneration Committee	6/6		6/6	3/3			192,000		270,000	75,000			537,000	320,000	857,000
9. Mr. Vithaya Chavanand		Director/ Independent Director/ Audit Committee/ Chairman of Risk Management Committee/ Nomination and Remuneration Committee	6/6		6/6	3/3	4/4		192,000		192,000	75,000	100,000		559,000	280,000	839,000
10. Mr. Charan Mongkolchan		Director/ Independent Director/ Audit Committee/ Risk Management Committee	6/6		6/6		4/4		192,000		192,000		100,000		484,000	280,000	764,000
11. Mr. Kanchit Bunajinda		Director/ Independent Director	6/6						192,000						192,000	280,000	472,000
12. Mr. Yodhin Anavil		Director/ Independent Director/ Audit Committee/ Chairman of Corporate Governance Committee	6/6		6/6		2/2		192,000		192,000			50,000	434,000	280,000	714,000
Total									2,080,000	960,000	846,000	300,000	200,000	150,000	4,536,000	3,280,000	7,816,000

Remuneration of the Management

The executive directors are responsible for reviewing the remuneration of the chairman and executives. The objective is to appropriately set the remuneration based on the Company's remuneration structure. The criteria are performance and assigned duties. Comparison with other companies doing similar business is one of the criteria as well.

The management consists of executive officers taking the positions of president, senior vice president, and vice president. The details of remuneration are as follow:

Total Remuneration of the Management

Remuneration of the Management	Total Remuneration (Baht/year)	
	2013	2012
Total number of managements (person)	8	11
Monetary Remuneration	60,041,391*	58,576,117**
- Monthly salary, bonus, and other remuneration (car allowance)	59,034,889	57,575,073
- Provident Fund and the Social Security Fund	1,006,502	1,001,044
Non-Monetary Remuneration	None	None

Remark

* Remuneration in the year 2013 included remuneration for new and resigning executives as follows:

1 resigning executives: Mr. Clive Frederick Coombes

** 3 new executives: 1) Nujjaree Sunthadvanich 2) Mr. Gerard McGurk and 3) Mrs. Orawan Tipsuwanporn
3 resigning executives: 1) Mr. Parivat Sopasit 2) Pisanu Pongwattana and 3) Miss Sirinij Chokchairittikul

■ Personnel

The Company always pays great attention to its employees. There is a policy concerning employees. The Company not only treats employees in accordance with labour and social welfare regulations but also seriously respects privacy rights. The Company, accordingly, sets up a department responsible for permanent employees' welfare in every branch so they will be well treated fairly. Working environment has been designed in a suitable and safety way for employees' life and property. Besides, the Company builds a good relationship between employees and itself constantly.

As of 31 December 2013, the Company had 4,646 permanent employees, including employees in the central office and employees in the operation line at the 34 stores nationwide. There are 1,611 male and 3,035 female employees. The permanent employees in 2012 and 2011 were 4,220 and 3,387 employees respectively.

The remunerations of employees are monthly salary, bonus, reward for working, contribution to the Social Security Fund at the rate of 5% or not exceeding Baht 750 per month including fringe benefit in the form of medical fee, workmen's compensation fund, get-well-soon gifts, wedding allowance, children education aid, employee's death allowance, funeral aid, accident aid, uniform, products at employee price, annual medical checkup, health insurance for the executive, etc. In addition, the Company supported employees to save funds in co-operative. The Company and its subsidiaries established the provident fund for employees of the Company and its subsidiaries from the first level executive. The membership of the fund was based on the willing of the employee. The detail appeared as follows.

Deduction of the employee's contribution and payment of the employer's contribution

- 1. Deduction of the employee's contribution at the rate of 3 %
(5% from the Senior Vice President level above);
- 2. Payment of the employer's contribution at the rate of 3 %
(5% from the Senior Vice President level above).

Condition to receive the employer's contribution and benefits from the employer's contribution

Membership period	Employer's contribution with the average benefits
Less than 3 years	0%
From 3 years - Less than 4 years	30%
From 4 years - Less than 5 years	50%
From 5 years - Less than 7 years	70%
Above 7 years	100%

In 2013, however, the Social Security Office decreased the contribution rate to the Social Security Fund in order to help employers and insured persons who faced flood in 2011. The rate was divided into 2 periods: 3% or not more than Baht 450 per month from January to June 2012 and 4% or not more than Baht 600 per month from July 2012 to December 2013.

In 2013, the Company had expenses regarding personnel in an amount of Baht 1,378 million (additional detail in section 28 of Notes to the Financial Statements). The expenses regarding personnel in 2012 and 2011 are Baht 1,139 and 904 million respectively.

In addition, the Company has never had any labor dispute about employees within these 3 years.

Policy on employer's development

The Company has a policy emphasizing on potential and capability development seriously and continuously. Employees in every level have a chance to develop their knowledge and capability thoroughly. Moreover, the Company aims that employees work proudly, happily and have a good relationship within the department and among other departments; therefore, the Company supports its employees to participate in any trainings and courses, particularly the course relating to their work about retail business in order to improve knowledge of employees, whether in central office or in branches, relating to retail trade, management and organization culture. Consequently, the Company's personnel will have quality in knowledge, ability together with business ethics as well as be prepared to move into a higher

position due to the Company present and future growth. Aiming so, the Company has hired Central Retail Corporation Co.,Ltd (“CRC”) to work on the human resource which includes employee training and development under the policy prescribed by the Company. In 2007, CRC established “CRC Retail Academy” or retail business training project in order to be the knowledge-based organization and main body on stipulating training curriculum for employees in every level. The project and curriculum are under the policy stipulated by the Company. Employees will be trained necessary skills which match with the department’s need and such employee’s responsibilities before working. Moreover, they are trained systematically for the purpose of their career advancement.

Also, the Company foresees importance of education by sponsoring employees and intern students. Its objective is to enhance education opportunity to those in need. In 2013, the Company participated in “Young Professional Retailer Program” arranged by CRC, public sectors and universities to develop and pass on knowledge on retail business to juvenile. Students in Bachelor of Business Administration program majoring in retail business management can study theory and practice. Students will receive full scholarship for the whole curriculum as well as payment during their internship. Moreover, they will be employed automatically after graduation. There were 35 students and 66 students (Total 99 students) being an intern with the Company in 2012 and 2013 respectively. With regard to employees, the Company awards scholarships for further study to employees who are well-performed and industrious. This widens their career advancement.

The Company constantly promotes efficiency in employees’ work and good teamwork as well as good relationship. In the previous year, the Company supported employees in developing their working skill and management skill through 100 training courses approximately. The Company revised its existing courses and regularly added new courses in order to update and match with the Company’s business strategies. It also sponsored projects which promote teamwork.

The Company, therefore, launched many projects enhancing effectiveness and builds unity in teamwork in many departments. Internship program and employees’ orientation for new branches are arranged for employees’ preparation for store expansion. Furthermore, the Company has a project to develop employees’ specific skill which will improve employees’ work performance in their specific practice.

Moreover, the Company has a policy to support employees’ career advancement by selecting a group of employees who are well-equipped with knowledge and potential to make the Company prosperity in the future under the Top 100 Program. The selected employees will be trained and developed to fill in a position in various fields including new branches under the store expansion plan. In each year, the Company increases a number of employees in each level according to management level, that is, store manager or general manager, division manager and department manager.

These help the Company in various ways. These employees can work effectively but also work instantly. It encourages and promotes employees

with a strong will to grow together with the Company as well.

In addition, the Company has a policy to strengthen organization culture by focusing on the improvement and adding value of performing tasks so as to heighten customers' satisfaction, to continuously promote the development in one's work and the initiation and to specify the guideline on operation for best outcome. The Company applies the Key Performance Index ("KPI") to assess the performance and manage the remuneration of the executives from the first level and above. The KPI index will link to each year's business goal of the Company. Furthermore, KPI is also used as a tool to direct the employees' way of working.

On top of employees' knowledge and efficiency development, the Company continuously arranges the "Power of Voice (POV) project", a test communicating happiness and satisfaction in working in the organization of every employee, since 2008 consecutively. Its objectives are to ensure that employees are happy at work and have opportunity to fully exercise their ability which will enhance the employees to work more effectively. It also supports every employee to create a good working environment which, likewise, will lead to a better service to the customers. The survey from the said project of the Company has had a higher rate than the international average standard rate since 2009 and this rate has been continuously increasing as a result of the success in serious and continuous follow-up and revision of various working plans to be in accordance with the employees' need.

The Company arranged many activities to create good relationship and express concern to employees' health such as employee medical check-up program which is arranged every year. The Company also promotes activities about sports and exercises by arranging the sports competition in each branch so employees can exercise for good health and more realize the importance of exercise. In the previous year, the Company built fitness rooms for employees in each branch and the head office fully and adequately equipped with standard exercise equipments. With the hope that its personnel to be mental and physical healthy, the Company, thus, launches the "Smile D, this line...has only smile" project, the hotline center for employees to consult and ask for advice in daily life including every type of problems such as work, family, etc. Additionally, the "Happy Family" campaign is launched with an aim to let employees spend their free time with family members. This will undoubtedly promote family affinity. Another activity is selling necessary consumer goods in a price lower than the market price so employees can get good products in a more affordable price. This can help reduce their expenses.

Board of Directors and the Management

Name – Surname / Position	Age (Yrs.)	Education	No. of Shareholding (%)	Relationship between Directors and Executives	5 Years' Working Experience		
					Period	Position	Company Name
Mr. Sudhisak Chirathivat Chairman of the Board of Directors (Authorized Director) At present there are 3 listed companies which he is taking a position.	68	- Bachelor Degree B.S. (Mathematics) St. John Fisher College, New York, U.S.A. Thai Institute of Directors Association - Director Certification Program (DCP) 2007 - Director Accreditation Program (DAP) 2007	As of Dec 31, 12 None As of Dec 31, 13 None Change during year None	Brother of Mr.Sudhitham and uncle of Mr.Prin and Mr. Tos	1994	President of Industry and Retail Business	Companies in Central Group
					2000	Chairman of the Board of Executive Directors	Central Marketing Group Co., Ltd.
					2001 - Present	Director	Central Group of Companies
					2003 - Present	Director	Central Pattana PCL.
					2003 - Present	Director	Central Plaza Hotel PCL.
					2006 - Present	Chairman of the Board of Directors	Robinson Department Store PCL.

Name – Surname / Position	Age (Yrs.)	Education	No. of Shareholding (%)	Relationship between Directors and Executives	5 Years' Working Experience		
					Period	Position	Company Name
Mr. Somchai Apiwattanaporn Director/ Independent Director/ Chairman of the Audit Committee/ Chairman of the Nomination and Remuneration Committee At present there are 3 listed companies which he is taking a position.	63	<ul style="list-style-type: none">- Bachelor Degree (Accounting) Ramkhamhaeng University- Master of Art (Public Management), Ramkhamhaeng University- National Defence College Graduated (Wor Por Ror Or2003)- Certified Public Accountant <p>Thai Institute of Directors Association</p> <ul style="list-style-type: none">- Director Accreditation Program (DAP) 2004- Director Certification Program (DCP) 2006- Audit Committee Program (ACP) 2008 <p>- Capital Market Academy Leader Program (Capital Market Academy)</p>	As of Dec 31, 12 None As of Dec 31, 13 None Change during year None	None	2003-2004	Chairman of Asset Management Committee	TMB Bank PCL.
					2003-2008	Chairman	Playing Card Factory Committee, Excise Department, Ministry of Finance
					2005-2008	Chairman	Liquor Distillery Organization, Excise Department, Ministry of Finance
					2005-2011	Member of Federation of Accounting Professions Tax Accounting Committee	Federation of Accounting Professions
					2008-2011	Inspector - General	Ministry of Finance
					2009-2011	Chairman of the Audit Committee	Queen Sirikit Botanic Garden
					2008-2011	Chairman	Asean Potash Mining PCL.
					2008-Present	Chairman of the Audit Committee	Synnec (Thailand) PCL.
					2011-Present	Chairman of the Audit Committee	M Link Asia Corporation PCL.
					2006-Present	Director/ Independent Director/ Chairman of the Audit Committee/ Chairman of the Nomination and Remuneration Committee	Robinson Department Store PCL.

Name – Surname / Position	Age (Yrs.)	Education	No. of Shareholding (%)	Relationship between Directors and Executives	5 Years' Working Experience		
					Period	Position	Company Name
Mr. Sudhitham Chirathivat Director / Vice Chairman of the Board of Directors/ Chairman of Executive Director/ Nomination and Remuneration Committee (Authorized Director) At present there are 4 listed companies which he is taking a position.	66	<ul style="list-style-type: none">- Bachelor Degree (Electrical Engineering), University of Maryland (College Park), U.S.A.- MBA (Operations Research), Iona University, New York, U.S.A.- Director Certification Program (DCP) 2003, Thai Institute of Directors Association- National Defence College Graduated (Wor Por Ror Or - 4313)	As of Dec 31, 12 None As of Dec 31, 13 0.1176% Change during year Increase 0.1176%	Brother of Mr.Sudhisak and uncle of Mr. Prin and Mr. Tos	2002 - 2009	Executive Committee Retail and Real Estate	Central Group of Companies
					2006 - 2007	Member	The National Legislative Assembly
					2011 - 2012	Director	Big C Super Center PCL.
					2002 - 2013	Executive Chairman	Central Group of Companies Co., Ltd.
					2002 - Present	Chairman	Earth Care Co., Ltd.
					2002 - Present	Executive Director	The Vintage Club Co., Ltd.
					2002 - Present	Director	Central Holding Co., Ltd.
					2002 - Present	Director/ Executive Director	Central Plaza Hotel PCL.
					2002 - Present	Director/ Executive Director	Central Pattana PCL.
					2010 - Present	Independent Director/ Chairman of the Board of Directors	Jasmine International PCL.
					2004 - Present	Vice Chairman of the Board of Directors/ Chairman of Executive Director/ Nomination and Remuneration Committee	Robinson Department Store PCL

Name – Surname / Position	Age (Yrs.)	Education	No. of Shareholding (%)	Relationship between Directors and Executives	5 Years' Working Experience		
					Period	Position	Company Name
Mr. Prin Chirathivat Director / Executive Director (Authorized Director) At present there are 4 listed companies which he is taking a position.	51	- B.S. (Accounting), Skidmore College, New York, U.S.A. - MBA Sasin Graduate Institute of Business Administration, Chulalongkorn University Thai Institute of Directors Association - Director Certification Program (DCP) 2003 - Director Accreditation Program (DAP) 2005 - Audit Committee Program (ACP) 2005 - The Role of Chairman Program (RCP) 2005 - Chief Financial Officer 2006 - Monitoring the System of Internal Control and Risk Management (MIR) 2007 - Monitoring the Internal Audit Function (MIA) 2007 - Monitoring Fraud Risk Management (MFM) 2009 - Monitoring of the Quality of Financial Reporting (MFR) 2009 - Advanced Audit Committee Program 2010 - Applied Psychology for Staffs Course, Applied Psychology Institute - Graduate Diploma in Management of Public Economy 4/2005, (King Prajadhikok's Institute) - Capital Market Academy Leadership Program 11/2004, (Capital Market Academy) The Programme For Senior Executives Criminal Justice Administration (13/2008) - National Defence College Graduated (Wor Por Por Or 2009)	As of Dec 31, 12 0.0519% As of Dec 31, 13 0.2238% Change during year increase 0.1719%	Nephew of Mr. Sudhisak, Mr. Sudhitham and brother of Mr. Tos	1995 - 2007	Director	General Card Services Co., Ltd.
					1999 - 2007	Director	Indhra Insurance PCL.
					2002 - 2006	Director	Dhanamitr Factoring PCL.
					1999 - 2012	Director	Malee Sampran PCL.
					2003 - 2012	Chairman of the Audit Committee/ Director	Bualuang Securities PCL.
					1993 - Present	Director/ Executive Director	Central Plaza Hotel PCL.
					1994 - Present	Director/ Executive Director	Central Pattana PCL.
					1996 - Present	Director/Executive Director	Central Retail Corporation Co., Ltd.
					2002 - Present	Executive Director	Central Group of Companies
					2004 - Present	Member of Board University Affairs	Chiangrai Rajabhat University
					2004 - Present	Consultant	Market for Alternative Investment (MAI)
					2012- Present	Audit Committee	Burnngrad Hospital PCL.
					2006 - Present	Director/ Executive Director	Robinson Department Store PCL.

Name – Surname / Position	Age (Yrs.)	Education	No. of Shareholding (%)	Relationship between Directors and Executives	5 Years' Working Experience		
					Period	Position	Company Name
Mr. Tos Chirathivat* Director / Executive Director/ Consultant of the Nomination and Remuneration Committee (Authorized Director) At present there are 1 listed company which he is taking a position.	49	- B.A. Wesleyan University, CT, U.S.A. - MBA (Finance), Columbia University, New York, U.S.A.	As of Dec 31, 12 0.0165%** As of Dec 31, 13 0.2231%** Change during year increase 0.20%	Nephew of Mr.Sudhisak, Mr.Sudhitham and brother of Mr.Prin	1996 - 2001	Chief Operational Officer	Central Retail Corporation Co., Ltd.
					1994 - 2010	Director	Big C Supercenter PCL.
					2002 - Present	Chief Executive Officer	Central Retail Corporation Co., Ltd.
					2013 - Present	Executive Chairman	Central Group of Companies
					2004 - 2013	Director/ Executive Director	Robinson Department Store PCL. and its Subsidiaries

Remark : * Mr. Tos Chirathivat has resigned from the Director of the Company and Subsidiaries effective on January 2, 2014 onwards.

** Including share holding in the company by spouse and minor child

Name – Surname / Position	Age (Yrs.)	Education	No. of Shareholding (%)	Relationship between Directors and Executives	5 Years' Working Experience		
					Period	Position	Company Name
Mr. Preecha Ekkunagul* Director/ Executive Director/ Risk Management Committee/ President (Authorized Director) At present there are 2 listed companies which he is taking a position.	55	- Bachelor Degree (Chemical Engineering), Chulalongkorn University - Master Degree (Industrial and Management), Asia Institute of Technology Thai Institute of Directors Association - Director Accreditation Program (DAP) 2004 - Director Certification Program (DCP) 2005 - Capital Market Academy Leader Program 2008, (Capital Market Academy)	As of Dec 31, 12 None As of Dec 31, 13 None Change during year None	None	1995 - 2000	Managing Director	Big C Supercenter PCL.
					2000 - 2003	President	GRC Power Retail Co., Ltd.
					2000 - 2003	President	B2S Co., Ltd.
					2012 - 2013	Director	Office Mate PCL.
					2003 - 2013	Director / Executive Director/ President	Robinson Department Store PCL. and its Subsidiaries

Name – Surname / Position	Age (Yrs.)	Education	No. of Shareholding (%)	Relationship between Directors and Executives	5 Years' Working Experience		
					Period	Position	Company Name
Mr. Piya Nguaiakaramahawongse Director/ Executive Director/ Corporate Governance Committee (Authorized Director) At present there is 1 listed company which he is taking a position.	56	- B.S. (Electrical Engineering) and B.S. (Management), Massachusetts Institution of Technology, Cambridge, U.S.A. - MBA and M.S. (Electrical Engineering), University of Southern California, Los Angeles, U.S.A. - Director Certification Program (DCP) 2005, Thai Institute of Directors Association	As of Dec 31, 12 0.0063% As of Dec 31, 13 None Change during year decrease 0.0063%	None	1997 - Present	Senior Vice President Finance and Account	Central Retail Corporation Co., Ltd.
					2006 - 2011	Director	Dhanamitr Factoring PCL.
					1997 - Present	Director	Robinson Planner Co., Ltd.
					2004 - Present	Director	CG Broker Co., Ltd.
					2007 - Present	Director	Central Life Broker Co., Ltd.
					2007 - Present	Director	Terasoft Solution Development Co., Ltd.
					2008 - Present	Director	Central Retail Training Center Co., Ltd.
					2006 - Present	Director / Executive Director	Robinson Department Store PCL. and its Subsidiaries

Name – Surname / Position	Age (Yrs.)	Education	No. of Shareholding (%)	Relationship between Directors and Executives	5 Years' Working Experience		
					Period	Position	Company Name
Mr. Pandit Mongkolkul Director/ Executive Director/ Consultant of Corporate Governance Committee (Authorized Director) At present there are 2 listed companies which he is taking a position.	50	<ul style="list-style-type: none">- Bachelor Degree (Accounting), Chulalongkorn University- MBA (Finance and International Business), Sasin Graduate Institute of Business Administration, Chulalongkorn University- Director Certification Program (DCP) 2003, Thai Institute of Directors Association- Capital Market Academy Leader Program, 4/2007 (Capital Market Academy)	As of Dec 31, 12 0.00002% As of Dec 31, 13 0.00002% Change during year None	None	2004 - 2011	Chief of Executive Committee	Dhanamitr Factoring PCL.
					2006 - 2012	Director/ Risk Management Committee	Malee Sampran PCL.
					1992 - Present	Executive Vice President	Haring Central Department Store Co., Ltd.
					1993 - Present	Director	Earth Care Co., Ltd.
					1994 - Present	Director	Central Marketing Group Inter Trade Co., Ltd.
					2000 - Present	Director	Robinson Planner Co., Ltd.
					2004 - Present	Director	CG Broker Co., Ltd.
					2005 - Present	Director	Central Life Broker Co., Ltd.
					2008 - Present	Director	Central Retail Training Center Co., Ltd.
					2008 - Present	Director	Central Samul Hotel Management Co., Ltd.
					2011 - Present	Director	CG Training Center Co., Ltd.
					2011 - Present	Director	Central Watson Co., Ltd.
					2012 - Present	Director	Kata Phuket Hotel Co., Ltd.
					2012 - Present	Director/ Risk Management Committee	Office Mate PCL.
					2556 - Present	Director / Nomination and Remuneration Committee	Thai Listed Companies Association
					2539 - Present	Director / Executive Director	Robinson Department Store PCL. and its Subsidiaries

Name – Surname / Position	Age (Yrs.)	Education	No. of Shareholding (%)	Relationship between Directors and Executives	5 Years' Working Experience		
					Period	Position	Company Name
Mr. Vithaya Chavananand Director/ Independent Director/ Audit Committee/ Nomination and Remuneration Committee/ Chairman of Risk Management Committee At present there is 1 listed company which he is taking a position.	56	- Bachelor Degree (Political Science Finance), Chulalongkorn University - MBA, Webster University, U.S.A. Thai Institute of Directors Association - Director Accreditation Program (DAP) 2006, - Director Certification Program (DCP) 84/2007, - Audit Committee Program (ACP) 32/2010 - Monitoring Fraud Risk Management (MFM) 4/2010	As of Dec 31, 12 None As of Dec 31, 13 None Change during year None	None	1979 - Present	Director	Vichitbhan Construction Co., Ltd.
					1985 - Present	Managing Director	Vichitbhan Plantation Co., Ltd.
					1987 - Present	Director	Vichitbhan Farm Co., Ltd.
					1988 - Present	Vice Chairman	Vichitbhan Palm Oil Co., Ltd.
					1992 - Present	Director	Vichitbhan Real Estate Co., Ltd.
					1994 - Present	Managing Director	CVN Development Co., Ltd.
					1996 - Present	Director	Chavananand Holding Co., Ltd.
					2006 - Present	Director/ Independent Director/ Audit Committee	Robinson Department Store PCL.

Name – Surname / Position	Age (Yrs.)	Education	No. of Shareholding (%)	Relationship between Directors and Executives	5 Years' Working Experience		
					Period	Position	Company Name
Mr. Yodhin Anavil Director/ Independent Director/ Audit Committee/ Chairman of Corporate Governance Committee At present there is 2 listed Companies which he is taking a position.	64	- B.S. Mechanical Engineer & Electrical Engineer, University of Maryland, U.S.A. - M.S. Electrical Engineer, George Washington University, U.S.A. - Ph.D. Electrical Engineer, University of Cincinnati, U.S.A. Thai Institute of Directors Association - Director Accreditation Program (DAP) 60/2006 - Director Certification Program (DCP) 101/2008 -Chartered Certification Program (CDC) 3/2008 - Audit Committee Program (ACP) 24/2008 - Role of the Compensation Committee Program (RCC) 8/2008 - Financial Statements Demystified for Directors (FSDD) 2009	As of Dec 31, 12 None As of Dec 31, 13 None Change during year None	None	2002 - 2006	Director of Board (Patient Application)	Department of Intellectual Property, Ministry of Commerce
					2003 - 2006	Chairman of Sub - committee (Patient Application - Machine)	Department of Intellectual Property, Ministry of Commerce
					2006 - 2008	Member	The National Legislative Assembly
					2006 - 2008	Secretary	Committee on Science, Technology, Information and Communication
					2007 - 2008	Chairman	Sub - committee for Telecommunication Act
					2008 - 2011	Advisor to the Committee	Constitution Organs Affairs and Following up the Budget Administration, Senator
					1991 - 2013	Executive Director	The Vintage Club Co., Ltd.
					1991 - 2013	Executive Director	Fairway Estate Co., Ltd.
					2002 - Present	President & Chief Operation Officer	POP Network Co., Ltd.
					2006 - Present	Independent Director/ Audit Committee/ Chairman of Remuneration and Nomination Committee	Jasmine International PCL.
					2011 - Present	Director/ Independent Director/ Audit Committee	Robinson Department Store PCL.

Name – Surname / Position	Age (Yrs.)	Education	No. of Shareholding (%)	Relationship between Directors and Executives	5 Years' Working Experience		
					Period	Position	Company Name
Mr. Charan Mongkolchan Director/ Independent Director/ Audit Committee/ Risk Management Committee At present there is 1 listed company which he is taking a position.	65	<ul style="list-style-type: none">- Bachelor of Arts, Burapha University- Master of Arts (Economic Development), Kasetsart University- National Defence College Graduated (Wor Por Ror Or 4313)Thai Institute of Directors Association<ul style="list-style-type: none">- Director Certification Program (DCP) 11/2008,- Audit Committee Program (ACP) 32/2010- Monitoring the Internal Audit Function (MIA) 9/2010- Monitoring Fraud Risk Management (MFM) 4/2010- Monitoring the System of Internal Control and Risk Management (MIR) 9/2010- Monitoring the Quality of Financial Reporting (MFR) 11/2010	As of Dec 31, 12 None As of Dec 31, 13 None Change during year None	None	2001 - 2003	Executive Vice President, Nakornsawan Office Region	TMB Bank PCL.
					2003 - 2004	Executive Vice President, UPC Branch Banking Region	TMB Bank PCL.
					2004 - 2006	Executive Vice President, BKK Branch Banking Region 1	TMB Bank PCL.
					2006 - 2009	Executive Vice President, Corporate Services Group	TMB Bank PCL.
					2006 - Present	Director	Bridge View Co., Ltd.
					2008 - Present	Director/ Independent Director/ Audit Committee	Robinson Department Store PCL.

Name – Surname / Position	Age (Yrs.)	Education	No. of Shareholding (%)	Relationship between Directors and Executives	5 Years' Working Experience		
					Period	Position	Company Name
Mr. Kanchit Bunajinda Director/ Independent Director At present there is 4 listed Companies which he is taking a position.	46	<ul style="list-style-type: none">- B.E. (Civil Engineering), Chulalongkorn University- MBA: Finance and International Business, SASIN Graduate Institute of Business Administration, Chulalongkorn UniversityThai Institute of Directors Association- Directors Certification Program (DCP) 30/2003, Fellow Member,- Directors Accreditation Program (DAP) 35/2005,- Audit Committee Program (ACP) 14/2006,- Monitoring the System of Internal Control and Risk Management (MIR) 6/2009,- Monitoring the Quality of Financial Reporting (MFR) 8/2009,- Monitoring the Internal Audit Function (MIA) 5/2009,	<div>As of Dec 31, 12 None</div> <div>As of Dec 31, 13 None</div> <div>Change during year None</div>	None	2002 - Present	Director	Centra Pattana PCL.
					2002 - 2012	Director	Private Equity (Thailand) Co., Ltd.
					2006 - 2011	Director	Pruksa Real Estate PCL.
					2013 - Present	Director	Pruksa Real Estate PCL.
					2007 - 2012	Alternate Director	Asian Corporate Governance Association Limited, Hong Kong
					2005 - Present	Director	True Vision PCL.
					2006 - Present	Director	Central Plaza Hotel PCL.
					2010 - Present	Director/ Independent Director	Robinson Department Store PCL.

The Management

Name – Surname / Position	Age (Yrs.)	Education	No. of Shareholding (%)	Relationship between Directors and Executives	5 Years' Working Experience		
					Period	Position	Company Name
Mr. GERARD MCGURK Senior Vice President Merchandising	47	- HND in Business Practices and Business Computer Practices, Dundee College of Commerce - 5'0' Grade-3'H'Level, Lawside RC Academy	As of Dec 31, 12 None As of Dec 31, 13 None Change during year None	None	2000 - 2002	Managing Director	Planer Sports China Limited. TS Lifestyle Thailand Limited.
					2003 - 2007	Vice President - Commercial Operations	Robinson Department Store PCL.
					2007 - 2009	Senior Vice President - Operations	Robinson Department Store PCL.
					2009 - 2011	Senior Vice President - Merchandising	Robinson Department Store PCL.
					2011 - 2012	Chief Operation Officer	Pantaloon Retail (India) Limited.
					2012 - Present	Senior Vice President - Merchandising	Robinson Department Store PCL.
Mr. CLIVE FREDERICK COOMBES* Vice President - Merchandising Menswear & Differentiation	63	Forest Hill School, United Kingdom	As of Dec 31, 12 None As of Dec 31, 13 None Change during year None	None	2000 - 2009	Director of Marketing and Merchandising	Boots Retail (Thailand) Limited.
					2009 - 2013	Vice President - Merchandising Menswear & Differentiation	Robinson Department Store PCL.
Mr. Sukitti Kittipassorn Vice President - Business Analysis and Development	57	- Bachelor Degree Pharmacology, Mahidol University - MBA, Thammasat University	As of Dec 31, 12 None As of Dec 31, 13 None Change during year None	None	1997 - 2006	Vice President - Operation Systems and Support	Robinson Department Store PCL.
					2007 - Present	Vice President - Business Analysis and Development	Robinson Department Store PCL.

Remark: * Mr. CLIVE FREDERICK has resigned from the management effective from December 31, 2013 onwards.

Name – Surname / Position	Age (Yrs.)	Education	No. of Shareholding (%)	Relationship between Directors and Executives	5 Years' Working Experience		
					Period	Position	Company Name
Mrs. Ratana Anontakaroon Vice President - Merchandising	54	- BBA (General Management), Sukhothairathamthirat University - MBA, National Institution of Development Administration	As of Dec 31, 12 0.0018%** As of Dec 31, 13 0.0018%** Change during year None	None	1997 - 2006	Vice President - General Merchandising	Big C Supercenter PCL.
					2006 - Present	Vice President - Merchandising	Robinson Department Store PCL.
Mr. Anan Tantipanyakun Vice President - Operation	46	- Bachelor Degree (Auditing), 1 st Honor, The University of the Thai Chamber of Commerce - Master Degree of Public and Private Management, National Institute of Development Administration	As of Dec 31, 12 None As of Dec 31, 13 None Change during year None	None	1995 - 2003	Store General Manager	Big C Supercenter PCL.
					2003 - 2007	Analysis Project and Director	Robinson Department Store PCL.
					2007 - Present	Vice President - Operation	Robinson Department Store PCL.
Ms. Nujaree Sunthadvanich General Manager - Financial Controller	43	- Bachelor Degree (Accounting), Chulalongkorn University - Modern Managers Program (MMP), Chulalongkorn University Thai Institute of Directors Association - Company Secretary Program (CSP) 46/2012 - Company Reporting Program (CRP) 3/2012 - Effective Minute Taking (EMT) 23/2012	As of Dec 31, 12 None As of Dec 31, 13 None Change during year None	None	1999 - 2012	Finance and Account Controller	Central Food Retail Corporation.
					2012 - Present	Financial Controller	Robinson Department Store PCL.
Mrs. Orawan Tipsuwanpom Vice President - Merchandising	45	- Bachelor Degree of Business Administration, Ramkhamhaeng University - Master of Business Administration, University of Central Queensland, Australia	As of Dec 31, 12 None As of Dec 31, 13 None Change during year None	None	2005 - 2009	Head of Men's Wear Clothing	Eak - Chai Distribution System Co., Ltd.
					2009 - 2012	Head of Ladies' Wear Clothing	Eak - Chai Distribution System Co., Ltd.
					2012 - Present	Vice President - Merchandising	Robinson Department Store PCL.

**Including share holding in the company by spouse and minor child

Company Secretary and Head of Internal Audit

Name – Surname / Position	Age (Yrs.)	Education	No. of Shareholding (%)	Relationship between Directors and Executives	5 Years' Working Experience		
					Period	Position	Company Name
Ms. Jiraphan Thongtan Company Secretary	40	- B.A. Business Administration- Finance and Banking, Thammasat University - M.Sc.Economics in Business Economics, The National Institute of Development Administration - M.Sc.Finance, Chulalongkorn University Thai Institute of Directors Association - Company Reporting Program (CRP) 2007. - Board Reporting Program (BRP) 8/2012 - Effective Minute Taking (EMT) 2013	As of Dec 31, 12 None As of Dec 31, 13 None Change during year None	None	2006 - 2013	Company Secretary/ General Manager, Financial Management and Investors Relation	Robinson Department Store PCL.
					Jul 1, 2013 - Present	Company Secretary / General Manager - Investor Relations Officer (IRO)	Central Retail Corporation Co., Ltd.
Mr.Phisoot Suksangtip Head of Internal Audit	46	- Bachelor Degree of Accounting Thammasat University - Master of science in Accounting Thammasat University	As of Dec 31, 12 None As of Dec 31, 13 None Change during year None	None	2008 - Present	Vice President – Internal Audit	Central Retail Corporation

Corporate Governance

The Board of Directors and the Company's executive officers are determined to formulate and develop good corporate governance level to be the key foundation for business operation, so as to gain universal acceptance, to be transparent and ethical for business operation, and to be responsible for stakeholders of the Company which includes shareholders, employees, customers, business alliances and societies. Therefore, the Company conducts its business in compliance with corporate governance principles and the guidelines lay down by the Securities and Exchange Commission (SEC). The Company is determined to apply corporate governance as its guiding principle for efficient business management, value-added business reinforcement, and sustainable business growth enhancement. Moreover, the Company publicizes corporate governance policy and business code of conduct through its department responsible for personnel in every branch and through the Company's website so as to create good practice to employees in every level.

Corporate Governance Policy and Business Code of Conduct

The Company issued a written good corporate governance practices and code of conduct in 2006. The content covers structure, duties and responsibilities of the Board of Directors and sub-committees including right and equality of shareholders, roles of the Company to stakeholders, transparent disclosure of information. The Corporate Governance Committee is responsible for making the policy on corporate governance and Business Code of Conduct which are followed by the Committee in order to strictly adhere to. The Committee also regularly reviews, revises the corporate governance policy and submits to the Board of Directors for consideration so as to be in compliance with the international principle and good practice.

The Company complies with the Company's good corporate governance policy as well as promotes its

employees in every level to strictly comply with code of conduct. Moreover, the Company regularly revises and updates its good corporate governance policy and code of conduct in order to be in line with the Company's operation and the guidelines concerning corporate governance laid down by the Stock Exchange of Thailand. Hence, employees in every level can strictly abide with the policy and code. The details of the good corporate governance policy and code of conduct can be obtained in the Company's website: www.robinson.co.th in the investors section and in IR webpage <http://robins.listedcompany.com>

Sub-Committee

■ Audit Committee

The audit committee, appointed by the board of directors, comprises of various expertises which is independent director, not the Company's executive, and their qualifications comply with the requirement of SET and SEC (comprising of not less than 3 independent directors).

As of 31 December 2013, there were 4 audit committees as follows:

1. Mr. Somchai Apiwattanaporn
Chairman of the Audit Committee
2. Mr. Yodhin Anavil
Audit Committee
3. Mr. Vithaya Chavananand
Audit Committee
4. Mr. Charan Mongkolchan
Audit Committee

Director no.1, Mr.Somchai Apiwattanaporn is the audit committee who has adequate expertise and experience to review creditability of the financial reports.

The secretary of audit committee is Mr.Phisoot Suksangtip

Scope of Duties and Responsibilities of the Audit Committee

• Financial report

1. To review the preparation and disclosure process for an accurate, adequate, trusting and timely financial report by collaborating with the auditor and the executives responsible for preparing the quarter and annual financial report.

• Internal control

1. To review that the Company has an adequate and effective internal control system in order to prevent corruption.
2. To consider the outcome and recommendation of the auditor and internal audit division regarding internal control system and to advise the management implement the recommendation including following up the outcome of such implementation.

• Internal Audit

1. To review that the Company has an independent internal audit function and an effective internal audit system, to support any operation such as budget and personnel and to approve a charter of the internal audit.
2. To jointly give an opinion on the nomination, promotion, transfer, removal or termination of employment including determination and adjustment of the head of the internal audit division or any other division responsible for internal audit in order to make sure that such division is able to perform its duties independently.
3. To jointly review and approve an internal audit plan with the head of the internal audit division especially the part relating to internal audit system and financial management process.

4. To consider the internal auditor's and the Company's auditor's audit working plan and auditing scope to make them support each other and not overlapping.

5. To give an opinion on the Company's regulations on internal audit before submitting to the Board of Directors for approval.

6. Monitor an internal audit's performance in order to prevent or reduce any possible corruption. This is done by evaluating sufficiency of internal control as specified by the executive. If there is any doubt concerning corruption or mistake, the executive or responsible department should be informed immediately.

• Audit

1. To consider, select, nominate the independent Company's auditor and determine annual remuneration for the Company's auditor by considering the trustworthy and adequacy of resources, auditing workloads of such audit office and experience of persons assigned to audit the Company as well as a performance in the previous year; and to remove the auditor.

2. To review an auditing scope and method proposed by the auditor as well as to consider the reason regarding a change in audit plan.

3. To recommend the auditor to review or audit any item which is considered necessary and important during the Company's and its subsidiary's audit.

4. To review the auditor's report, advise the management to revise such report and follow up the implementation of such audit recommendation.

5. To consider the adequacy and efficiency in collaboration between the auditor and the internal auditor.
6. To arrange meeting with the auditor at least once a year without the management.

● **Related party transactions, or the transactions which may cause conflicts of interests**

1. To review the related party transactions or the transactions which may cause conflicts of interest, to ensure that they are in compliance with the laws and the Stock Exchange of Thailand's regulations as well as reasonable and at the optimum benefit of the Company.
2. To consider the disclosures of the Company's information concerning all related party transactions or transactions which may cause conflicts of interests to be accurate and adequate.

● **Compliance with the concerned laws and regulations**

1. To review the effective of the follow-up and control system to be in compliance with the Securities and Exchange Act, regulations of the Stock Exchange of Thailand, or laws related to the Company's business.
2. To review the outcome of the management's investigation and follow up the noncompliance case.

● **Report of the audit committee**

1. The audit committee has duties and is responsible for reporting the outcome of the performance or of any other duty assigned for acknowledgement and consideration by the Board of Directors at the Board meeting at least once per quarter. Such as, the report of the audit committee should clearly contain the opinion of the audit committee in any matters.

2. To review any reports prepared by the Company which relate to duties and responsibilities of the audit committee.
3. To prepare an Audit Committee's report on its annual performance as the criteria set by the Stock Exchange of Thailand, which has to be signed by the chairman of the audit committee and disclosed in the Company's annual report.
4. Regarding performing duty, if the audit committee finds or suspects any trace of transaction or acting, which may significantly affect its financial status and performance, the audit committee shall report to the Board of Directors for correcting within the time that the audit committee deems appropriate. The aforementioned transactions or acts are as follows:
 - 4.1 any trace of conflicts of interests
 - 4.2 fraud, unusual or significant deficiency of the internal control's system
 - 4.3 violating of the Securities and Exchange Act, regulations of the Stock Exchange of Thailand, or laws related to the Company's business
5. If the Board of Directors or the management fails to correct the transaction or act under the above subsection (4.1), (4.2) and (4.3) within an appropriate as advised by the Audit Committee, the latter may report that there is the abovementioned transaction or act to the Securities and Exchange Commission or the Stock Exchange of Thailand.
6. When the audit committee is informed by the auditor about suspicious circumstance on fraud or violating of law relating to the director's and the executive's duty performance, the audit committee shall conduct the preliminary investigation and report such investigation result to the Office of the Securities and Exchange Commission

and the auditor within 30 days from the day the auditor informed. If the audit committee has finished the additional factual investigation, it shall report to the Board of Director in order to correct such circumstance within the time the audit committee deems appropriate.

● **Risk management**

1. To review that the Company has a standard and efficient risk management process.
2. To jointly consider and render its opinion regarding the report on the outcome and progress of the Company's risk management together with the risk management committee, the risk management working team and the management.

Responsibilities of the Audit Committee

- To do any other act as the Board of Directors assigns with the concurrence of the audit committee. The audit committee is responsible to the Board of Directors for duties and responsibilities assigned by the Board while the responsibility in every activity of the Company to the third party is still bestowed on the Board of Directors.
 - To review and revise the charter of the internal audit so as to make it update and proper with the Company's circumstance at least once a year.
 - To have duties in accordance with any additional regulations, notification, etc. prescribed by the Stock Exchange of Thailand.
- =====

■ **Board of Executive Directors**

As of 31 December 2013, the Company's board of executive directors which appointed by board of directors comprises of 6 directors i.e.;

1. Mr. Sudhitham Chirathivat
Chairman of Executive Directors
2. Mr. Prin Chirathivat
Executive Director
3. Mr. Tos Chirathivat
Executive Director
4. Mr. Preecha Ekkunagul
Executive Director
5. Mr. Piya Nguiakaramahawongse
Executive Director
6. Mr. Pandit Mongkolkul
Executive Director

Remark

- Mr. Tos Chirathivat resigned from the director position effective from 2 January 2014.
- Mr. Alan Thomson was appointed to be an executive director replacing Mr. Preecha Ekkunagul's position effective from 2 January 2014 onwards.

Scope of Duties and Responsibilities of the Board of Executive Directors

- 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.
- 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.
- 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.
- Trade and transfer the Company's fixed assets with the amount up to Baht 100 million per item.

- Consider and approve transactions related to banks and financial institutions. This is regarded as an ordinary trading business operation of the Company.

■ Nomination and Remuneration Committee

As of 31 December 2013, the Company's Nomination and Remuneration Committee which appointed by board of directors comprises of 4 directors;

- Mr. Somchai Apiwattanaporn
Chairman of Nomination and Remuneration Committee
- Mr. Vithaya Chavananand
Nomination and Remuneration Committee
- Mr. Sudhitham Chirathivat
Nomination and Remuneration Committee
- Mr. Tos Chirathivat
Consultant of the committee

Remark

Mr. Tos Chirathivat resigned from the director position effective from 2 January 2014.

Scope of Duties and Responsibilities of the Nomination and Remuneration Committee

● Nomination

- Define the scope of work and policy on the selection and recruitment of directors and sub-committee based on the size, structure, and composition of the Board of Directors, including determination of the qualification of the candidate for submission for the Board's consideration and/or further to shareholders' meetings for approval.
- Nominate, select and propose qualified person for the position of director whose tenure have ended and/ or unoccupied position including for newly appointed

president, high-level executive and company secretary.

- Prepare and regularly revise the succession plan for the position of president, and high-level executive.
- Consider strategies and policies regarding human resources to be in line with the Company's business.

● Compensation

- Define a form of compensation and other benefits for directors and subcommittee for submission to the Board and further to shareholders' meetings for approval as the case may be.
- Define the method and practice of appropriate compensation both monetary and non-monetary compensation for directors and sub-committees for submission to the Board and further to shareholders' meetings for approval.
- Consider, set the objective, evaluate the outcome, present and approve the evaluation of the president's performance to the Company's board of directors in order to consider the suitability of compensation.

■ Risk Management Committee

As of 31 December 2013, the Company's Risk Management Committee which appointed by board of directors comprises of;

- Mr. Vithaya Chavananand
Chairman of Risk Management Committee
- Mr. Preecha Ekkunagul
Risk Management Committee
- Mr. Charan Mongkolchan
Risk Management Committee

Remark

Mr. Alan Thomson was appointed to be a member of the risk management committee replacing Mr. Preecha Ekkunagul's position effective from 2 January 2014 onwards.

The consultant of the Risk Management Committee is Mr. Phisoot Suksangtip, representative from internal audit unit and the secretary of the Risk Management Working Team is Ms. Vassana Samngamnoi.

The Risk Management Working Team comprises of 4 executives from various fields as follows.

1. Miss. Nujjaree Sunthadvanich
Chairperson of the Working Team
2. Mrs. Ratana Anoontakaroon
Working Team
3. Mr. Sukitti Kittipassorn
Working Team
4. Mr. Anan Tantipanyakun
Working Team

Scope of Duties and Responsibilities of the Risk Management Committee

- Make suggestions and give support to the Board in formulating the risk management policy and defining acceptable risk levels.
- Define the framework of the Company's risk management in line with the risk management policy, and follow up on its implementation as well as reviewing the effectiveness of the framework.
- Report a broad view for the Board's consideration of business risks and its management method, and follow upon results.
- Review risk management reports, ensure adequate and suitable risk management to acceptable levels, and ensure continued implementation of risk management.
- Regularly coordinate with the Audit Committee by sharing information about risks and internal control potentially affecting the Company's business.

- Approve and provide recommendations and advice on critical issues regarding the risk management process and development.
- Support a Company culture for adequate risk management and internal control.
- Appoint the Board's representatives and/or working teams and/or additional personnel relating to the risk managements deemed appropriate including defining the scope of duties and responsibilities there of for the benefits of the works under the objective.

■ Corporate Governance Committee

As of 31 December 2013, the Company's Corporate Governance Committee which appointed by board of directors comprises of;

1. Mr. Yodhin Anavil
Chairman of Corporate Governance Committee
2. Mr. Piya Nguakaramahawongse
Corporate Governance Committee
3. Mr. Pandit Mongkolkul
Consultant of the Committee

Scope of Duties and Responsibilities of the Corporate Governance Committee

- Define the policy and review an adequacy and appropriation of the Company Good Corporate Governance Policy, including setting practices of good corporate governance and code of conduct to be in accordance with the corporate governance principle and submitting to the board of directors for approval.
- Define the policy and set the plan concerning corporate social responsibility activities.
- Quarterly meet up to follow up ongoing the Company's good corporate governance plan and monitor practicing of the good corporate governance policy of directors, management

and employees, to assure that the Company full comply with the principle of the good corporate governance and operate its business with efficiency, transparency and be able to examine.

- Conduct self-assessment pertaining to the principle of the good corporate governance and submit the findings to the Board for consideration, approval, or comments as deemed.
- Be the Company's agent or assign any person to communicated and conduct activity concerning corporate governance with executives, employees and other authorities.

Nomination and Appointment of Directors and Chief Executives

■ Independent Director

Qualification of Independent Director

The Company's independent directors are fully qualified and independent. Such qualifications are stricter than the minimum criteria of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET), that is:

1. holding shares not exceeding 0.5 percent of the total number of voting rights of the company, its parent company, subsidiary, affiliate or juristic person who may have conflicts of interest, including the shares held by related persons.
2. neither being nor having been an executive director, employee, staff, or advisor who receives salary, or a controlling person of the company, its parent company, subsidiary, affiliate, same-level subsidiary or juristic person who may have conflicts of interest unless the foregoing status has ended not less than 2 years prior to the date of appointment.
3. not being a person related by blood or registration under laws, such as father, mother, spouse, sibling, and child, including spouse of the children, of executives, major shareholders, controlling persons, or persons to be nominated as executive

or controlling persons of the company or its subsidiary.

4. not having a business relationship with the company, its parent company, subsidiary, affiliate or juristic person who may have conflicts of interest, in the manner which may interfere with his independent judgment, and neither being nor having been a major shareholder, non-independent director or executive of any person having business relationship with the company, its parent company, subsidiary, affiliate or juristic person who may have conflicts of interest unless the foregoing relationship has ended not less than 2 years prior to the date of appointment.

The term 'business relationship' aforementioned under the first paragraph includes any normal business transaction, rental or lease of immovable property, transaction relating to assets or services, grant or receipt of financial assistance through receiving or extending loans, guarantee, providing action, which results in the company or its counterparty being subject indebtedness payable to the other party in the amount of 3 percent or more of the net tangible assets of the company or 20 million Baht or more, whichever is lower. The amount of such indebtedness shall be calculated according to the calculation method for value of connected transactions under the Notification of Capital Market Supervisory Board concerning Rules on Connected Transactions mutatis mutandis. The combination of such indebtedness shall include indebtedness taking place during the course of 1 year prior to the date on which the business relationship with the person commences.

5. neither being nor having been an auditor of the company, its parent company, subsidiary, affiliate or juristic person who may have conflicts of interest, and not being a major shareholder,

nonindependent director, executive or partner of an audit firm which employs auditors of the company, its parent company, subsidiary, affiliate or juristic person who may have conflicts of interest unless the foregoing relationship has ended not less than 2 years prior to the date of appointment.

6. neither being nor having been any professional advisor including legal advisor or financial advisor who receives an annual service fee exceeding 2 million Baht from the company, its parent company, subsidiary, affiliate or juristic person who may have conflicts of interest, and neither being nor having been a major shareholder, non-independent director, executive or partner of the professional advisor unless the foregoing relationship has ended not less than 2 years prior to the date of appointment.
7. not being a director who has been appointed as a representative of the company's director, major shareholder or shareholders who are related to the company's major shareholder.
8. not having any characteristics which make him incapable of expressing independent opinions with regard to the company's business affairs.

The independent director may be authorized by the Board of Directors to make a decision on business execution of the company, its parent company, subsidiary, affiliate, same level subsidiary or juristic person who may have conflicts of interest, providing that such decision is made as a collective decision.

At present, the Company has five independent directors which are considered more than a number specified by the corporate governance policy which is the board of directors of the company shall consist of at least one-third of the total directors (12 persons).

■ Nomination of Directors and Chief Executives

According to the Company's Articles of Association, it specifies that at every annual general meeting of the Company, one-third of the directors, or if their number is not a multiple of three, then the number nearest to one-third shall retire from office. The director who has been in office longest shall retire. A retiring director is eligible for re-election.

The board of directors assigns the nomination and remuneration committee, two of which are independent directors, to have duties and responsibilities to propose, screen the qualified candidate and nominate such qualified candidate for the Board's consideration and/or further to shareholders' meetings for approval. The objective of this process is to find professional directors from diverse background subject to the structure, size and composition of the directors.

Appointment of the Company's directors shall be conducted according to the Article of Association as follows:

- 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.

In addition, the Company has adopted the best practices of good corporate governance in regard to the board structure, where the Company's board of directors shall compose of independent directors at least one third of the board size (12 persons).

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.

The nomination and remuneration committee lets the directors and shareholders participate in nominating qualified individuals as a director.

In addition, the Company's shareholders were invited via SET online system to have a right to propose the person(s) whose qualification comply with the Article of Association, the Public Company Limited B.E.2535 Act, and the notice of the Securities Exchange Commission to the Company's corporate secretary for consideration as the candidate to serve as the Company director(s) in advance for about 3 months before propose to the Nomination and Remuneration Committee's meeting and the Board's meeting. The nomination and consideration procedure are published in

the Company's website, www.robinsongroup.co.th. The shareholders who wish to propose the director nominee must possess the following qualifications.

1. Being the shareholder of the Company which can be either one shareholder or combined shareholders.
2. Holding minimum shares not less than 100,000 shares.
3. Having continuously held those shares in the amount prescribed in the above section for not less than 1 year and by the date the shareholder proposes the director nominee.

The Company Secretary shall review the documents initially prior to proposing to the Nomination and Remuneration Committee for their consideration and opinion to the Board of Directors to consider the appropriation of further submission to shareholders for the approval. However, the resolution of the Board of Director shall be deemed the final decision. The name of the nominated person approved by the Board of Director of the Company shall be included in the agenda regarding the election of the Company's directors, accompanied with the opinion of the Board of Director and propose to the shareholder meeting for the approval.

The Company Secretary also considers a namelist of qualified candidate to nominate as the Company's director from the director pool and other sources.

Regarding the chief executive nomination, the board of directors assigns the nomination and remuneration committee to have duties and responsibilities to screen, select and propose the qualified candidate for the position of president for the Board's consideration and approval.

Monitoring the Operation of Subsidiaries and Affiliates

The Company specifies a rule that nomination and vote for any director in its subsidiaries and affiliates has to be approved by the Company's board of directors. A person appointed as a director in a subsidiary or affiliate has a duty to work for the optimum benefit of such subsidiary or affiliate (not of the Company). The Company prescribes that such person has to be approved by the Company's board of directors prior to resolve or vote in any matter which has to be approved by the board of directors if it is done by the Company. In addition, a number of directors representing the Company in a subsidiary or affiliate is in accordance with the shareholding ratio.

Furthermore, in case of a subsidiary, a person appointed by the Company has to monitor that such subsidiary has its complete regulation concerning connected transactions, acquisition or disposition of assets or any important transactions of such company. Such company shall use the same regulation as the Company. Data collection and accounting record of such subsidiary has to be able to immediately check and compile for the matter of preparing financial statements.

Supervision on Inside Information

The Company specified the good practice of inside information usage and of customer's personal information storage in the Company's code of conduct so as to prevent the disclosure or leak of such inside information to any third party. This also included the protection of customer's personal information which every directors, executives, and employees shall strictly adhere to, when using inside information. The Company informs directors and executive in writing in advance to avoid or restraint from purchasing or selling the Company's securities within 30 days prior to disclosing financial statement. The purpose is for transparency and preventing directors and executives obtaining benefits to themselves or others by using

inside information for purchasing and selling securities issued by the Company. Additionally, the Company orders its Investor Relations Department to determine a suitable silent period concerning the Company's turnover to shareholders, investors and securities analysts in order to be comply with the good corporate governance on transparent and equal information disclosure.

The Company prescribes that its directors and executives have a duty to report the Company's securities held by themselves, spouse and minor child to the SEC, the SET and the Company Secretary who will compile this securities holding information and present in the meeting of the board of director quarterly.

In addition, 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 in order to make sure that such employees will carefully take care of the Company's inside information. The company will disclose information to those concerned during the appropriate time and only without contravention to the related regulations of the SET and other applicable laws. In addition, the employee shall certify to the Company related to their 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 violates by disclosing confidential information or financial information without permission,

it shall be considered as disciplinary offence and said employee shall be subject to strict punishment by the investigative committee in accordance with the company's regulations. If there is a rumor or leakage of undisclosed information, it will be reported to superior officers who will further present to executives in order to clarify the issues or disclose to public. 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 is 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.

In 2013, inside information usage was strictly adhered to by directors, executives, and employees. There was neither selling nor purchasing of any securities issued by the Company during the prohibition period. Also the Company did not receive any complaint concerning violation of directors, executives and employees regarding dishonest inside information usage.

Auditor's fee

Audit Fee

The Annual General Meeting of Shareholders No. 1/2013 approved the appointment of KPMG Phoomchai Audit Co., Ltd., which is a member of KPMG International - an international standard expertise, as the Company's auditor for the year 2013. Miss Bongkoch Um-Sangiam, Certified Public Accountant Registration No. 3684, who is authorized to audit, perform and sign the Company's audited report.

Audit fee for the financial statements of the Company and its subsidiaries

		(Unit : Baht)		
		2013	2012	2011
Audit fee for the audit office*	The Company	3,620,000	3,620,000	3,620,000
	Subsidiaries	1,740,000	1,740,000	1,740,000
	Total	5,360,000	5,360,000	5,360,000
Audit fee for the auditor		None	None	None
Non-audit fee		None	None	None

*The audit office of the auditor, person, or business related to the auditor and the auditor's office

Conclusion on compliance
with the Good Corporate Governance
of the year 2013

In 2013 the Company was rated as 5 symbols (or excellent) consecutively for the 4th year which is the highest rank of the corporate governance survey of the Thai Institute of Directors (IOD), the SET and the SEC. The Company was assessed by the AGM Assessment Project with range 90-99 score (or very good) by the Thai Investors Association. Moreover, the Company was awarded as outstanding enterprise for every Robinson stores from the Ministry of Labour every year. This is the testament showing that the Company is always committed towards being attentive and placing emphasis on labour relation with its employees.

The Company complies with its corporate governance policy, most of which are in line with the guidelines concerning corporate governance laid down by the Stock Exchange of Thailand. With regard to the other non-compliant guidelines, this is due to the limit of the Company's human resources or other resources. In addition, the Company also considers the Company's competitive advantage to maximize profit to shareholders and stakeholders.

The development on corporate governance of the Company in 2013 is divided into 5 categories, the detail of which appears as follows

The Rights of Shareholders

The Company has been striving to enhance the efficiency of distribution of necessary news and information procedure to ensure that shareholders will receive sufficient and accurate information on the Company in a timely manner. Shareholders can use their rights to protect their interests by asking, commenting, recommending and voting in the Meeting of Shareholders.

In addition, shareholders and minority shareholders are able to address their questions, agendas of the meeting and proposal of qualified candidates for the Company's director nomination via post to the Company Secretary or E-mail : co.secretary@robinson.co.th in advance. In addition the Company informs the shareholders via SET online system. Any rules concerning such matter are posted in the Company's website as well. The shareholders can submit information prior to the meeting of the Board of Directors in order to set the agendas of the Meeting of Shareholders 3 months in advance. In 2013, there is no any shareholder present any agenda or nominate any candidate for the position of director for the 2013 annual general meeting.

The Company places an emphasis on arranging the Annual General Meeting of Shareholders, including the Extraordinary Meeting of Shareholders by adhering to and following the practical guidelines of the AGM Checklist provided by the Securities and Exchange Commission (SEC).

The Company Secretary informs the schedule, date and time of the meeting to each director in advance in order to enable all directors to allocate time for the meeting especially the chairman, chairman of the sub-committee and president unless such director is unable to attend due to reasonable cause.

The rights to receive information

The Company clearly and adequately provides shareholders with meeting notices that contain all agenda details, facts and reasons in each agenda along with the board of directors' opinions such as:

- Regarding the directors' remuneration, the Company proposes the shareholders for approval every year as well as submits the clear policy and criteria on remuneration with details showing remuneration by position, types of remuneration and comparing to the paid amount of the previous year to the shareholders for acknowledgement.
- Regarding the directors appointment, the Company presents the director candidates' resume together with the invitation letter to the shareholders' meeting. In voting for director, the Company allows the shareholders to be able to vote individual person.
- Regarding auditor appointment and audit fee consideration, the Company presents adequate information of the auditor in order to demonstrate the independence, a number of appointed years (in case of appointing the existing auditor) including opinion of the audit committee, audit fee and compare with the audit fee of the previous year.
- Regarding dividend payment, the Company gives adequate and clear details, facts and reasons on the proposed amount asked for approval including comparing with the dividend payment of the previous year.

All supporting documents both in Thai and English versions along with the proxy forms, Forms A, B and C, are also posted on the Company's website at least 30 days in advance of meeting. Such documents are also sent to shareholders at least 21 days prior to the meeting.

In each meeting of the shareholder, the Company has neither additional meeting agendas nor changes on important on information without prior notice and the Company has not distributed any documents that contained additional information at the meetings, especially the important agendas that required shareholders' times to make consideration. The Company continuously adheres to this practice.

Regarding the minutes of the shareholders' meeting, the Company provides the minutes both in Thai and English versions with each agenda for complete and clear consideration, the name of directors, executives, auditor and other related persons and the voting result of each agenda in the form of approve, disapprove and abstain. In addition, there is a record of questions and answers raised by the shareholders with the name of the inquirer and the answering director.

Arranging the meeting

The Company supports all types of shareholders, including institutional investors to attend the shareholders' meeting with no restriction on the right to attend the meetings for shareholders who show up late. The Company has a policy to equally treat every shareholder as well as facilitates shareholders to attend the meetings both in terms of necessary documents for registration including revenue stamp, venue, food and beverages preparation as well as proper time setting. The shareholders have 2-hour registration period before the meeting. The Company uses computer and bar code system for registration and vote counting for the acceleration and reliability of information. Additionally, independent persons are responsible for vote counting.

In addition, The Company provides lists of independent directors who do not have any conflict of interest issues related to the agendas to be appointed as proxy. Shareholders are allowed to appoint either other persons or the Company's independent directors as their proxy.

During the meeting

Before the meeting formally began, Chairman of the Board will explain detail of making up a quorum, voting right, voting procedures and vote counting clearly to shareholders, whereby, one share is for one vote. In case where the meeting considers approving the connected transaction, connected person and

shareholder who is interested party shall not have a right to vote. By this, the Company's meeting notice shall provide sufficient information together with financial advisor's opinion regarding the reason of entering into such transaction as supporting information for shareholder.

Voting in every agenda is conducted through computer and bar code systems for shareholders and proxy holders. With transparency and verification, separate voting slips are provided for each agenda item. In every Meeting, shareholders are allowed to freely express their opinions, give suggestions, raise questions on any agenda item, and timely discussion. Each query shall be considered materially where chairman and management answer clearly with sufficient detailed information on the matters. After that, chairman shall convene the meeting agenda accordingly. After the meeting is adjourned, the Company will keep all ballots as reference.

In vote for election of directors, the Company conducts voting procedure to electing each candidate nominated as a director only and also encourages shareholder to apply proxy which dominated direction of voting (Proxy Form B). Additionally, the Company provides special proxy for the custodian, foreign institution shareholder (Proxy Form C).

In each meeting, the Company informs the Company's resolutions in the next working day through the SET channel and the Company's website. Moreover, the Company minutes of the meeting accurately and exhibits voting results of each agenda. In addition, the Company also records VDO through the meeting and posts in the Investors and IR webpage (<http://robins.listedcompany.com>) of the Company's website (www.robinson.co.th) within 14 days after the meeting.

Equitable Treatment of Shareholders

- The Company adheres to the equitable treatment of shareholders, especially minority shareholders shall receive the basic rights and other rights equally to other shareholders including the equal voting right per the amount of shareholding.
- The minority shareholders have rights to propose qualified candidates for director nomination, to propose agendas and to receive fairness in the Meeting of Shareholders.
- In the shareholders' meeting, the Company allows shareholders who cannot attend the meeting to appoint either any person or the Company's independent director appointed by the Company to participate and cast the votes in the meeting. In addition, all shareholders are also allowed to make opinions and ask questions comprehensively.
- Regarding the delivery of an invitation letter to shareholders, as the Company's practice, it sends the invitation letter 21 days in advance every year. Moreover, the Company prepares all supporting documents both in Thai and English versions so as to facilitate foreign shareholders. These supporting documents and the proxy forms, Forms A, B and C are also available in the Company's website at least 30 days prior to the meeting so shareholders can receive documents in advance and have proper time to review information.
- The Company specifies the directors and executives to report the holding of securities and also the transfer of securities to the director's meeting every quarter.
- The Company promotes prevention on conflict of interests. Directors, executives including their spouse and minor children should not purchase or sell any of the Company's securities during the 1-month period prior to publicize financial statement.
- The Company sets a policy that a director or top executive has to inform the board of directors through the Company secretary about securities trade at least one day prior to such trade.

- The Company also clearly specifies the duties and responsibilities of the executives and organization units by prohibiting directors, executives or any persons who have inside information from disclosing such information to outsiders on non-engaged persons which may cause damage to all shareholders, 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.
- Regarding the consideration for the issues that cause or may cause conflict of interests, connected transactions and inter-company transactions, the Company strictly abides by the notification and regulation. Related party transaction is done fairly and at arms' length. In case it has to consider any issue that may cause conflict of interests, related transactions and connected transactions, directors who have beneficial interests shall not participate in consideration of such matters.

The Role of Stakeholders in Corporate Governance

The Company pays great attention to all groups of stakeholders to make 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 also realizes an importance of treating every stakeholder fairly and refuses bribery or illegal benefits. The Company emphasizes on anti-corruption as well. This is prescribed in the Company's corporate governance policy. Moreover, the Company provides a channel for all stakeholders to contact or complain through email : cghotline@robinson.co.th which is direct to the Board of Directors. The independent directors and the audit committee will receive such complain. The Company always reviews and revises its Business Code of Conduct as well as its internal communication so as to let executives and employees understand and realize the ethics standard which the Company adopts for

its business conduct. The Company also wishes everybody in the organization strictly adheres as a guideline so as to promote the responsibility to stakeholders. The Company well realizes that these stakeholders play a great role in supporting the Company's long-term success. The details are as follows:

- **Shareholders** The Company is determined to operate its business and has been striving for steady growth in compliance with the good corporate governance, taking into account sustainable growth in returns for shareholders. The Company places great emphasis on the rights of shareholders and ensures the equitable treatment of shareholders. The Company respects shareholders rights to receive necessary information for making evaluation of the Company's management by disclosing operating performance, operating financial status, and other supporting reliable information in a timely manner in order to enhance the transparency and fairness to shareholders.
- **Employees** The Company promoted and created understating and compliance with the good corporate governance and business code of conduct at the employee level by using the print media "Hello Robinson" as a medium to build understanding and determine a guideline for good practice more closely and thoroughly. Hello Robinson, a quarterly leaflet, is published to all-level employees. Moreover, there are training on corporate code of conduct to employees in an orientation in order to create understanding to every new employees. Furthermore, the Company focused on development a good relationship between employees and the Company continuously by treating employees according to the rules of labour and welfare laws, strictly respecting individual rights, and providing proper remuneration and welfare benefits in comparison with those in the same business group, such as:- establishing provident fund and savings cooperative, endowing scholarship to employees' children who demonstrate excellent academic, and providing annual medical check-up for employees,

etc. The Company set up a working unit particularly responsible for staff welfare benefits at all branches to ensure that the Company's staff as well as the sales staff employed by our business partners receives a fair treatment from the Company, while working in a proper and safe environment. In addition, the Company stresses the importance of developing potential of human resources in knowledge, mental health and morality. Staffs at all levels have opportunity to receive skill enhancement thoroughly and continually. Various activities have been organized for staff to promote teamwork and create pleasant atmosphere.

- **Partners and/or Creditors** The Company strictly observes and adheres to all its obligations to partners and/or creditors. Selection of partners is done fairly. Also, 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 attempts to create customer satisfaction by providing fine quality products that meet customers' demands at reasonable price as well as excellent service. It also conducts its business rightly and equitably and provides actual information about products, not propaganda. The Company has a strict policy of preventing the confidential information of customers. Customers have a chance to make complaints or queries at all time.
- **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 a policy to continually support activities which are

beneficial to the community and environment. It will not take any illegal action or support any illegal action which is harmful to the natural resources and community.

Disclosure and Transparency

- The Company has regularly had the disclosure of information including financial reports and business information that is accurate, complete, transparent, equitable, and on a timely basis through the communication channel of the SET and the Company's website www.robinson.co.th. In addition, there is IR website: <http://robins.listedcompany.com> as another channel for shareholders, investors, analysts and interested persons to easily access to the Company's information whereby the said information does not have any effect to the competition status of the Company.
- For investor relations, the Company assigns the investor relations section, the financial management and investor relations division, along with the President to be responsible for duties related to investor relations in order to communicate important and beneficial information to the institutional investors, shareholders, stock analysts, press and general public and to quarterly report the activities on investor relations to the meeting of the Board of Directors. Nevertheless disclosure of the Company's performance to shareholders, investors, and securities analysts shall be in compliance with the good corporate governance so there will be a period when the Company does not publish such information. This aims to be in line with transparent and equitable disclosure of information principle. In this year investor relation activities were as follows:
 1. Company visits by investors and analysts, including conference calls were in total of 143 companies or persons which was equivalent to 123 times (Remark : the number of time was counted by the number of companies that visited the Company)

- 2. Investor Conference and Road Show/Non Deal Road Show were in total of 14 times as follows:
 - Local Investor Conference 7 times
 - International Investor Conference 4 times
 - International Non Deal Road Show 3 times
- 3. The Company quarterly participated Opportunity Day held by the Stock Exchange of Thailand.
- 4. The Company held an analyst meeting quarterly
- 5. The Company held Store Visits for analysts and investors in total of 19 times. Moreover, on 28 February 2013, the Company invited investors and analysts to participate in the grand opening ceremony of Robinson Kanchanaburi.

Investors can contact the Company's investor relations section by Contact person :

Ms. Jiraphan Thongtan
General Manager - Investor relations officer
Central Retail Corporation Co. Ltd.
Address : Robinson Department Store
Public Company Limited
9/9 14th Floor, Rama 9 Road,
Huai Khwang, Huai Khwang,
Bangkok 10310
Telephone : 02 169 2500 ext 4750-2
Fax : 02 169 2577
E-mail : ir@robinson.co.th

- 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 Company's 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 2013 financial report, the board of directors had the opinion that such financial statements were prepared in accordance

with Thai General Accepted Accounting Principles through 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.

Responsibilities of the Board

Board Composition

In 2013, the Company's board of directors has currently 5 independent directors which is higher one-third of the board. As a result, the board composition leads to proper clarity in checks-and-balances system.

In addition, each of the current board of directors has diversified qualification in both skills and professional working experiences of retailing and department store business management, including high proficiency and expertise on accounting, finance and law. This is in consonance with the policy concerning director nomination. The board diversity and required skill which has not yet had in the board are taken into account. Furthermore, every independent director is qualified under the Company's requirement which is stricter than the minimum criteria of the Securities and Exchange Commission (SEC). The board of directors comprises 12 members including:

- Executive director 1 person
 - Non-executive directors 6 person
 - Independent directors 5 person
- Independent directors are 41.7% of the board (a total number of directors are 12 persons)

Role and Responsibility of the Board

The board of directors' authority and responsibilities include:

- To carry out the Company's activities responsibly, carefully and honestly in accordance with governing laws, the Company's objectives and Article of Association, as well as the resolutions of the Board,

and of the shareholder meeting. Directors shall consider the interest of every shareholder fairly and act like a reasonable man in such business going to do in the same circumstance.

- To determine vision, mission, plan and annual budget of the Company by continuously following up the outcome of each operation so as to make sure that the operation is in accordance with the settled goal and able to handle any possible obstacles on time.
 - To regularly review and revise important policies and plans in order to keep them up to date and match with the nature of business
 - To consider and approve any important transactions under the scope of duties of the Board according to the laws and Article of Association of the Company including considering and approving an investment of assets with the amount above Baht 200 million per investment.
 - To appoint any sub-committees in order to support the work under the responsibility of the Board as deemed appropriate and necessary by following up the operation of the sub-committees continuously.
 - Independent directors should exercise independent discretion in the formulation of strategies, management of work and resources, appointment of directors, and determination of business standards. They should also be ready to disagree with management team members and other directors on matters that may affect the equality of each shareholder.
 - To disclose information to shareholders and all stakeholders accurately, completely, transparently, accountably and on time.
 - To provide efficient and effective internal control system and internal audit.
 - To provide appropriate and efficient risk management which can assess, follow up and manage risk.
 - To obtain the Company secretary to monitor any activities of the Board and assist the Board and the Company's conduct to be in accordance with related laws and regulations.
 - To have a business code of conduct of the directors, executives, and employees as a standard for business operation of the Company. To make the operation in accordance with the good corporate governance and support the acknowledgement of everybody in the Company so as to strictly comply with it.
 - To obtain a clear and transparent connected transaction.
 - To obtain a clear process regarding a report of the audit committee to the Board. When finding or suspecting about transaction or action which may have any material effects to the Company's financial status and the operation, the Board shall correct such transaction or action within the time the audit committee deems appropriate.
 - To provide a succession plan of the high level executive of the Company.
 - To perform any other duty related to the Company's business as assigned by the shareholders.
-

The number of board position

The Company defines limit of the number of board positions that a director can hold a position of director in other listed companies in the Stock Exchange of Thailand which shall not exceed 5 positions during his/her tenure in order for director to have time to attend the meeting for following up the Company's business performance. While, the Company's president shall limit to be the president of a listed company only in order for he/she to have sufficient time to conduct the business operation.

The Board of Directors enumerated that an independent director shall hold a position not more than 2 consecutive terms. The tenure can be extended only 1 term in order to guarantee the independence in opining and working as an independent director as well as to comply with the corporate governance principle.

Furthermore, the Board specified the directors, executives and related persons to disclose information on interest on 31 December of every year as well as specified the directors and executives to disclose on the holding of securities and also inform the change to the Company Secretary every time.

Sub-committee and Company Secretary

The Company has the additional Committees, appointed by the Board which considers necessary and appropriate, with the objective to take care of specific duties which expertise is needed to consider and review on the assigned work as its delegation. The Committees shall report their duties to the Board according to regular schedule. Moreover, the Board also appointed the Company Secretary as specified in the Securities and Exchange Act B.E. 2551 (A.D. 2008). At present the Company has subcommittee appointed by the Board as follows:

1. **Audit Committee** the structure of audit committee comprises of not fewer than 3 independent directors and one of them, at the minimum, must possess the knowledge of finance and/or accounting.
2. **Nomination and Remuneration Committee** the structure of the committee comprises of 2 independent directors as minimum, where the proportion of independent director shall not less than two-third of the committee and being the chairman of the committee.
3. **Risk Management Committee** the structure of the committee comprises of independent directors not fewer than half of the total directors and the independent director shall be the chairman of the committee.
4. **Corporate Governance Committee** the structure of the committee comprises of independent directors not fewer than half of the total directors and the independent director shall be the chairman of the committee.
5. **Company Secretary the Board** appointed the Company Secretary to be responsible for secretarial works as prescribed by law.

The Board Meeting

The Company's Board of Director Meetings is held on regular basis, at least 1 meeting in every quarter and not less than 5 meetings per year. Hence, the Board has set its meeting schedule in advance for every quarter and sends notice of the meeting along with a meeting agenda and meeting documents of each agenda to each director in advance not fewer than seven days prior to the meeting date so that the directors have sufficient time for their consideration. In the event that queries are raised from director, each director has their right to examine the meeting document and other important documents and the management shall state it clearly. In 2013, there were 6 Board of Director Meetings.

Of the Board Meeting, the chairman of the Board, President, and corporate secretary set the meeting agenda and all important issues together including the Company and its subsidiaries' acquisition or disposal of assets which is significantly impact on the Company, investment project, as well as connected transactions, in such case, these issues shall be proposed to the board of executive directors and/ or audit committee for their consideration and state their opinion before propose to the Board. In addition, the Board assigned the audit committee to opine on the major inter-company transactions and to consider the appropriateness of the transaction by taking the highest interest of the Company into highest consideration. Furthermore, it also regularly disclosed such information in every quarterly financial statements, Form 56-1 and annual report.

In the agenda that one of the director who has interest in transaction shall be in the meeting room before the Board consider and make decision on that agenda.

Details of the meeting attendance of each board and each committee in 2013 are as follows:

Director's Name	Meeting Attendance of each board/committee (time)						
	Board of Directors	Board of Executive Directors	Audit Committee	Nomination and Remuneration Committee	Corporate Governance Committee	Risk Management Committee	Shareholder's Meeting
1. Mr. Sudhisak Chirathivat	6/6	-	-	-	-	-	1/1
2. Mr. Sudhitham Chirathivat	5/6	6/6	-	3/3	-	-	1/1
3. Mr. Prin Chirathivat	5/6	6/6	-	-	-	-	1/1
4. Mr. Tos Chirathivat	2/6	6/6	-	3/3	-	-	0/1
5. Mr. Preecha Ekkunagul	6/6	6/6	-	-	-	4/4	1/1
6. Mr. Piya Nguiakramahawongse	5/6	6/6	-	-	2/2	-	1/1
7. Mr. Pandit Mongkolkul	6/6	6/6	-	-	2/2	-	1/1
8. Mr. Somchai Apiwattanaporn	6/6	-	6/6	3/3	-	-	1/1
9. Mr. Vithaya Chavananand	6/6	-	6/6	3/3	-	4/4	1/1
10. Mr. Charan Mongkolchan	6/6	-	6/6	-	-	4/4	1/1
11. Mr. Kanchit Bunajinda	6/6	-	-	-	-	-	1/1
12. Mr.Yodhin Anavil	6/6	-	6/6	-	2/2	-	1/1

In 2013, there was one meeting among the non-executive directors without the management.

Board Self Assessment

The Company conducts self-assessment for the Board of Directors and Audit Committee every year.

The average Board self assessment point in 2013 was 96.4%

The Company delivers self-assessment form of the Board of Directors to each director and the Company Secretary is the collector and presents the assessment result to every director to improve and develop the performance of the Board of Directors to be more effective. The assessment covers 7 categories:

- 1) Director's availability
- 2) Strategy and business plan determination
- 3) Risk management and internal control
- 4) Monitoring on conflict of interest issue
- 5) Financial report and operation follow-up
- 6) Board of directors meeting
- 7) Others

With regard to the performance assessment of the President, since 2011, the Company has revised the assessment form to be complied with the corporate governance guideline of the SET. The assessment separated into 3 categories as follow:

- 1) Assessment of business plan progress
- 2) Assessment of operation which covers 10 operating categories:
 - Leadership
 - External relationship
 - Defining strategy
 - Management and interpersonal skill
 - Complying with strategy

- Succession planning
- Financial plans and results
- Knowledge on product and service
- Relationship with Board of Directors
- Personal characteristic

3) President development

In 2013, the President assessment was considered by the Nomination and Remuneration Committee and shall be reported to the Corporate Governance Committee for further acknowledgement.

Board and Management Training

The Company encourages each director including the Company Secretary to attend a course from Thai Institute of Directors and training from other institutions in order to increase their caliber and bring back to improve the Company's corporate governance appropriately. In 2013, 92% of the directors in the Board have attained the certificate from Thai Institute of Directors.

The Company continuously proposed a course to the directors who has not attended the course yet. However due to having another important mission, some directors has not attended the said course. However, the Company will deliver the course schedule in advance for the directors' consideration so as to be able to manage their time for the following year.

The Company has determined president and senior vice president to establish his/her succession plan and report the progress to the Board of Executive Directors.

Corporate Social Responsibility

Policy on Corporate Social Responsibility

The Company aims to get ahead in business along with being responsible for social development and environment. Hence, the Company has paid a lot of attention on corporate responsibility. There are three policies on this issue: education, society and environment. Also, the Company's corporate social responsibility includes its internal working process as well as those connecting to communities and environment. The Company promotes corporate social responsibility through its organization. Believing that every employee is a part of social and environmental development, the Company motivates its employees in every level to realize the importance of community, society and environment through its internal public relation. Also, the Company widely welcomes employees and customers to join the Company in its campaigns every year. The Company wishes such campaigns bringing the optimal benefits to societies.

Operation and Report

There are six stakeholders, shareholders, employees, business alliances or creditors, customers, competitors, and communities and environment. The Company also prepares a report in accordance with the corporate social responsibility guideline of the Stock Exchange of Thailand, comprising of eight principles. The Company complies with these eight principles as follows:

■ Fair operation

The Company treats every stakeholder fairly. It strictly adheres to the law and trade conditions including fair competition practice. The Company encourages its employees to stick to honesty and business and life ethics. In addition, it treats customers, business alliances and co-workers in every level justly.

■ Counter corruption

Every act of the Company is done in good faith, correct, transparent, and accountable. Its code of conduct for employees clearly mentions about honesty. The Company's employees shall not be lured by any bribery in order to breach of any code of conduct, regulation or policy of the Company. This includes not accepting any cash, cash-equivalent instrument or any valuable property such as gold and diamond for his/her own benefit. In case of accepting gift or present, it shall not be more than the rate acceptable in society or business. They shall not offer, request or accept any bribery directly, indirectly or through any person for any personal benefit for whichever reason.

■ Respecting human rights

The Company strictly respects human rights. It pays equal attention to every stakeholder in order to guarantee that every right under the law or agreement with the Company is recognized. Plus, the Company suggests a guideline for its employees to treat co-workers and other people with nice and friendly manner. The Company's employees have to treat everybody equally and respect privacy without any discrimination against race, culture, religion or any other status. Privacy and personal information shall be respected. Employees' freedom to act in accordance with their duty, law and human rights are guaranteed.

■ Fair labour treatment

The Company continuously takes an interest in fair labour treatment, labour relation and welfare. Concerning labour treatment, the Company is bound by labour and welfare law. The salary and

welfare are appropriately paid. The Company also regularly takes good care of its employees' safety, occupational health and working environment. This, in turn, annually reflects in the award as outstanding enterprise from the Ministry of Labour. The Company, furthermore, encourages employees in every level to develop their potential in knowledge, mental health and moral habitually. Promotion and relocation shall be based on knowledge, ability and suitability of employees. Each employee is entitled to lodge a complaint under a specified process if he/she is treated unfairly.

■ Responsibility toward Consumers

The Company strives for offering high quality products in a reasonable price as well as wholeheartedly giving the best service to every customer. Suggestions and information about products are provided to customers completely and correctly based on fact without any exaggeration; therefore, customers can understand and get the most benefit. Regarding confidentiality, the Company sets up a policy concerning customer data. Customers can always complain or query so as to maintain a good relationship with the Company.

■ Environmental Protection

The Company promotes expression of corporate social responsibility within the organization. This can be illustrated in every part of the Company. Reduction of paper usage by using computer system and E-Commerce is one method. Saving energy consumption by installation and change to eco-friendly devices as well as launching a campaign about decreasing energy consumption are done. The Company also concerns about global warming. It encourage using tote bags instead of plastic bags. The Company aims its employees to be responsible

for themselves, family, community and society. They should be a role model and participate in social and environmental activity. The Company supports these kinds of activities and let its employees and customers to participate in projects on environmental protection regularly.

■ Community and society development

The Company has a policy to support activities beneficial to community. It continually takes parts in community and society development. Under the Company's plan, store expansion nationwide partially creates local economic development in a province where a store is located. New jobs and positions are emerged. Additionally, aiming for sustainable living, the Company shall not act or support any act which is against the law and may cause negative outcome to community and society.

■ Innovation and Disseminating Corporate Social Responsibility Innovation

The Company promotes creativity and innovation on corporate social responsibility including dissemination of such innovation in order to benefit general public. The Company supports various campaigns on education, society and environment. For example, the "Robinson Presents 86 Dreams to 86 Schools" project (**Robinson San Fun Hai Nong: 86 Fun Hai 86 Rong Rian**) has been run by the Company continuously. There is cooperation among local communities, the Company's knowledgeable committees and employees concerning lifting quality of living of students in rural schools. This educational support responds to the need of local community directly. Regarding environmental aspect, the Company together with Lips Magazine launched the Robinson T-SHIRT Design Contest 2013, allowing nationwide students

design t-shirt under the theme conservation. Not only does this campaign raise environmental consciousness to new generations, but also enhance fashion designing skill to Thai students.

■ **Activities on Society and Environment**

In addition to corporate social responsibility in the Company's operation, the Company launches various campaigns as follows.

Support for education

- **Robinson Presents 85 Dreams to 85 Schools**
(Robinson Tum 85 Fun Hai 85 RongRian)
The Company foresees the importance of Thai juveniles' education. To let them receive quality education thoroughly which is the strong basic for society and the development of country; therefore, the Company has consecutively held the "Robinson Presents 86 Dreams to 86 schools" project (Robinson Tum 86 Fun Hai 86 Rong Rian) for seven years.. Students nationwide can send a letter telling their lack of school supply in their school to any Robinson branches. The qualified schools are selected by our committee, comprising of representatives from education sector, local journalists, representatives from customers and every Robinson store manager. Selected schools will receive various help including building, library, canteen and toilet renovation. School surrounding, trees, vegetable garden and playground are renovated. Fish breeders are released. Volunteered employees arranged recreation activities for students. Scholarship, education tools and sport equipments are donated with aims to develop students' IQ and EQ; to improve living quality of students. This will broaden education opportunity of students who will play an important role of

improving the country in the future. In addition, another objective is to pay homage to His Majesty the King on the auspicious occasion of His Majesty the King's birthday anniversary

Support for communities and society

- **Robinson : We Care We Share**
The Company shared love and happiness to sick people and infected orphans so that they are encouraged to live with hope and strength. The Company also donated goods, necessity stuffs, teddy bears and school supply to Phra Baht Nam Phu Temple, and Thammarak Kid Home, Phra Baht Nam Phu 2 at Lop Buri.
- **Robinson Shares and Cares**
(Robinson Pun Namjai Sai Jai Sungkom)
As the Company expanded five new stores in 2013, the Company took this opportunity to donate to many public charities in the grand opening ceremony of each store. This is in line with the Company's strategy, which is to focus on business growth along with corporate social responsibility. The details are as follows:
 - > Donate to public charities, Kanchanaburi Red Cross, in the grand opening ceremony of "Robinson Lifestyle Centre Kanchanaburi"
 - > Donate to public charities, Ubonratchathani Red Cross, in the grand opening ceremony of "Robinson Ubonratchathani"
 - > Donate to public charities, Sakonnakorn Red Cross, in the grand opening ceremony of "Robinson Lifestyle Centre Sakonnakorn"
 - > Donate to public charities, Saraburi Red Cross, in the grand opening ceremony of "Robinson Lifestyle Centre Saraburi"

> Donate to public charities, Surin Red Cross, in the grand opening ceremony of “Robinson Lifestyle Centre Surin”

● Blood donation with Thai Red Cross

Moreover, there is another project which has been run since 1987. The Company continuously supported the National Blood Center, Thai Red Cross by promoting and providing places for blood donation. The Company also supported employees, in the central office and each branch, to donate blood and gave support to Provincial Red Cross in the province where Robinson store located.

Support for environmental preservation

● Robinson Shopping

T-Shirt Design Contest 2013

The Company jointly collaborated with LIPS Magazine launching a campaign which let university students express their imagination and creativity through the design contest. Designing a T-shirt under Pacific Union Brand with the theme “We are Greenista” was a contest concept. This encouraged and promoted environmental conscious on global warming. Part of the revenue from selling such T-shirts was donated to the Chaipattana Foundation with a purpose to conserve Thai natural resources.

● Big Cleaning Day for Our Beloved Community

The Company has tried to stimulate environmental awareness. Last year Robinson Department Store, Khonkaen branch held the “Big Cleaning Day” to clean the area around the Bueng Kaen Nakhon Public Park. Activities included collecting garbage and cutting grass so the area is suitable for recreation for local people and tourists.

● Robinson : NO BAG NO BAHT

The Company, aiming to reduce pollution and global warming, issued a campaign to encourage customers to shop without plastic bags but with a tote. This will raise environmental concern by reducing and stopping using a plastic bag.

Furthermore, the Company aims that these projects can bring the best benefit to society, communities and environment in a wide and sustainable way. The Company, hence, takes part and supports various campaigns, showing social and environmental responsibilities, of the Central Group as follows:

● Million Gifts Million Smiles

launched by Central Retail and the Royal Thai Army. The gifts include school supplies, sports equipments, clothing, snacks and toys donated from customers, suppliers, employees and celebrities. These gifts are delivered to the children in 3 southern frontier provinces in New Year and Children’s Day.

● Central Retail Mini Marathon

Walk and Run for Charity to raise funds for soldiers and victims of unrests in 3 southern frontier provinces.

● The Women Cancer Project

has raised funds and donate to the Queen Sirikit Boromrajineeart Center (for breast cancer), the Thai Red Corss for the five consecutive years.

● The “Chirathivat Community Education Center and Hygeinic Canteen”

were built in three provinces, that is, Ubonratchathani, Suratthani and Lampang. There were executives and employees representing in such events.

Prevention Measure concerning
Participating in Corruption

The Company has a policy against corruption in its compliance policy. The policy is transferred into a written code of conduct approved by the Board of Directors.

Moreover, the Company communicates with its directors, executives and employees in every level about such policy so as to prevent any participation in corruption. Every operation shall be under the law. If any director, executive or employee violates the law, he/she shall be punished with an administrative punishment. Moreover, if it is against the law, regulation or state order, the Company shall immediately submit such issue to the government officer. If there is any violation or corruption, any person can report such matter via

email: cghotline@robinson.co.th which will be directly forwarded to the Board of Directors. The independent directors and the audit committee will accept such matter and provide protection measure to a person who lodges a complaint.

Details of policy and operations concerning prevention measure concerning participating in corruption can be found in the corporate governance policy and code of conduct on the Company's website: <http://robins.listedcompany.com> under corporate governance section.

Internal Control and Risk Management

The Company considers the importance of internal control and risk management system as a tool for effective operation of the Company. The Company, thus, continually sets up and develops its internal control system. The audit committee, which are the independent directors

appointed by the Board of Directors shall be responsible for internal control and make it in accordance with the standard by adopting the risk assessment method and determining the adequacy of its internal control system according to the COSO standard (the Committee of Sponsoring Organization of the Treadway Commission) in the internal environment, risk assessment, control activity, information system, and outcome follow-up. Moreover, there is an internal audit department responsible for internal audit of the Company and its subsidiaries as well as directly report such outcome to the audit committee. The risk management committee, appointed by the Board of Directors, is responsible for reviewing the Company's risk management policy. This is to enhance the effectiveness of the risk management as well as respond to changing situation.

In the Board of Directors meeting no. 1/2014 on February 20, 2014, the Board of Directors considered the sufficiency and appropriateness of the internal control system according to the 2013 edition assessment form of the Office of The Securities and Exchange Commission as presented by the audit committee. It can be concluded that all of the five internal control factors, internal control, risk management, operation control, information & communication and monitoring activities, are sufficient and appropriate. The Company has enough personnel to follow up the system efficiently. Furthermore, the Company adopts an internal control system concerning follow-up and

control its subsidiaries' operation. This aims to protect the Company's and its subsidiaries' assets from any fraudulent or unauthorized use by either directors or executives. It also includes sufficiently preventing them from entering into any transaction with any person whom may have conflict with or any connected person.

The details of such assessment and its result are as follows.

Control Environment

- The Company pays high attention to integrity and code of conduct. There are written code of conduct, works rules and punishment of executives and employees. These are informed during the orientation.
- The committee is independent from their executive. It oversights and improve works on internal control. Duties of each committee are clearly set in the committee charter. Clear goal on business operation, vision, mission, strategy and budget is also manifestly planned and informed to each department. As a result, operation is in line with and achieves the Company's objectives.
- The Company has a clear chain of report, command and responsibility so as to achieve the organization's objectives under the committee's oversight. Another objective is to let employees know about their role, duty and responsibility in order to efficiently work and achieve the objectives.
- The Company aims to develop and keep capable personnel. There is a certain plan concerning recruitment, development and keeping executives and employees. Key Performance Indicators (KPI) is adopted to be a guideline for working and assess an annual performance of executives and employees.

Risk Assessment

- The Company clearly sets sufficient objectives in order to be able to identify and assess any relevant risk. The risk management committee reviews the Company's risk management policy which is used as a scope or guideline for the effectiveness of the risk management as well as for responding to changing situation. The risk management committee is comprised of executives in various fields. They consider any risk factors, faced or may have to be faced by the Company, and jointly outline an annual risk management plan as well as the preventive and reducing risk plan. Then, they inform such plan to employees. The risk management committee reports any advancement of its operation under the risk management plan to the audit committee quarterly and present to the Board of Directors.
- The Company completely reviews every risk which may affect its achievement in its objectives annually. The level of risk covers organizational level including main chain of work.
- The Company considers any chance of possible fraudulent act in risk assessment concerning objective achievement. The fraud risk committee is appointed to consider risk on fraud and specify any preventive measures.
- The Company pays a lot of attention to develop any control activities with technology in order to support the Company' s effective and efficient objective achievement. Moreover, there is a sufficient security system policy on access to information control, application of information, network control and communication.
- The Company has a policy on approval of connected transaction or transaction which may have conflict among companies. This transaction shall be approved in accordance with the Company' s regulation and considered by the audit committee in order to ensure that such transaction is reasonable with an optimal benefit to the Company. This shall be treated as a transaction entered with any third party. This can ensure that the Company is complied with law including regulation of the Office of The Securities and Exchange Commission and the Stock Exchange of Thailand. This enhances correctness, transparency and accountability in the Company operation as well as prevents any possible damage.

Information & Communication

- There is an information system so the executives can receive complete information. Template of each report is specified so the executives can readily access to complete information which can be promptly used. Moreover, making and transmitting any important information to the committee is done in advance prior to the meeting of the Board of Directors. Minutes of the meeting are provided with details with questions, opinions and remarks of directors. Storing of source documents and accounts is kept by category easily to check.

Control Activities

- The Company regularly reviews its controlling system so as to be in line with any change and risk including scope of operation, revision of operation process, and authority plus responsibility of executives in every level and employees. There is a clear separation of important responsibility such as approving, accounting recording and asset treasurer. Its objective is to effectively check.

- The Company assigns the secretary of the Company to coordinate with other departments concerning holding a meeting or arranging additional information when the committee requests.
- The Company has an investor relation department to act as a channel for informing investors. The Company also has a call center for receiving any information on fraudulent act.

Monitoring Activities

- The Company holds a monthly meeting among its executives so the executives can report the operation result and present this information to the meeting of the Board of Directors at least once per quarter.
- The Company supports an internal auditor to act under the International Standards for the Professional Practice of Internal Auditing: IIA. A report on internal audit and correction of such internal control shall be directly reported to the audit committee regularly.

In 2013, the Audit Committee had one meeting with auditors but without the management in order to ask for auditors' opinion concerning auditing. This aims to increase efficiency in coworking. In that meeting, the auditor reported that there was no any significant defect in the Company's internal control on accounting and information system.

Internal Audit Team

The Company appointed Central Retail Corporation as the Company's internal auditor in the meeting of the audit committee no.1/2006 on July 27, 2006. The Company's internal auditor is independent from executives, and responsible for audit and assess performance of each department under the internal control

system set up by the Company. The Internal Audit Team of the Company, independent from the management, is responsible for audit and assess whether or not an operation of each department is in line with the Company's prescribed internal control system. The Internal Audit Team then regularly and directly reports its performance to the audit committee. The Internal Audit Department also communicates and coordinates with the management about an internal control result, its remarks and recommendations. They jointly set suitable solutions and follows up an application of such solution. The chairman of the audit committee will report its audit in sum to the Board of Directors in every quarter. Any fraudulent act found shall be immediately reported to the Board of Directors.

The Head of the Internal Audit Team

According to the audit committee meeting no. 2/2013 held on 8 May, 2013 has considered to appoint Mr.Phisoot Suksangtip, Vice President - Internal Audit, as an internal audit of the Company. He is also qualified to perform the aforesaid duties because of his independences and experience in internally auditing business similar to the Company's business for 6 years.

Consideration, approval, appointment, withdraw and removal of the Company's head of the internal audit shall be approved by the audit committee. The qualification of the head of the internal control is shown in the attachment no. 3.

Report of the Audit Committee

To: The shareholder of Robinson Department Store Public Company Limited

The Audit Committee of Robinson Department Store Public Company Limited is composed of four independent qualified members: Mr. Somchai Apiwattanaporn, the Chairman of the Audit Committee, who has adequate expertise and experience to review creditability of the financial reports, Mr. Vithaya Chavananand, Mr. Charan Mongkolchan and Mr. Yodhin Anavil. In 2013 there were six meetings. All audit committee members attended every meeting, details of which are as follows:

Name		Position	Meeting Attendance
1.	Mr. Somchai Apiwattanaporn	Chairman of the Audit Committee	6/6
2.	Mr. Vithaya Chavananand	Audit Committee	6/6
3.	Mr. Charan Mongkolchan	Audit Committee	6/6
4.	Mr. Yodhin Anavil	Audit Committee	6/6

In each meeting, there is a consultation between executives, certified auditors and internal auditors as deemed appropriate. Opinions and recommendations are freely given. One of the meetings was a meeting with auditors where executives were not allowed to attend. In every quarter, the Audit Committee reported its operation to the board of directors. Details of its operation and opinions can be summarized as follows:

Correctness, completeness and accountability of financial statement

The Audit Committee reviewed the quarter financial statements and annual financial statement of the year 2013 plus jointly inspected the audit report with executives and certified auditors. Completeness and accountability of the disclosure of financial statements; any possible risk factors; related account standards; changes in account standards; internal control system concerning finance and accountancy; and information technology system are taken into consideration.

The Audit Committee is of an opinion that the quarter financial statements and annual financial statement are materially correct in accordance with generally recognized account standards. Important information is publicized as well as account policy is reasonably chosen.

Sufficiency of internal control system and internal audit

The Audit Committee monitored internal control system to be in line with professional standard. Risk analysis method and internal control system under the COSO standard are applied. Moreover, computer program is used to enhance its audit work. The Audit Committee not only considered annual audit plan, prepared under the risk-based audit approach, and summary report of internal audit but also recommended and followed up such recommendation. Additionally, the Audit Committee continuously supports and develops personnel in the internal audit.

Hence, the Audit Committee opines that the Company's internal control system is sufficient and proper. Its internal audit is independent and in accordance with the professional standard.

Compliance with securities and stock exchange laws, regulations of Stock Exchange of Thailand and law relating to the Company's business

The Audit Committee made sure that the Company was constantly in compliance with the law concerning securities and stock exchange, regulations of the Stock Exchange of Thailand and other laws relating to the Company's business including the Company's terms and undertaking which the Company agreed with other third parties.

The Audit Committee is of an opinion that the Company is correctly and completely in compliance with the law concerning securities and stock exchange, regulations of the Stock Exchange of Thailand and other laws relating to the Company's business.

Transaction which may be conflict of interest

Since the Company deals with many companies, the Audit Committee pays high attention on transactions which may be conflict of interest. Connected transactions or transactions which may be conflict of interest are quarterly considered under the laws and regulations of the Stock Exchange of Thailand. The internal audit is responsible for primary review so as to make sure that such transaction is reasonable and benefit the Company. Moreover such transaction has to be correctly and completely disclosed.

The Audit Committee, after reviewing transactions, opines that connected transactions are made to support ordinary business with normal commercial terms.

They are reasonable, fair and optimal benefit the Company.

Risk management

The Audit Committee reviewed policy and guideline on risk management as well as risk management plan in 2013. Report concerning progress of an operation under such plan from the Risk Management Working Team is regularly acknowledged. The risk indicator index was revised and new risk management measures were added. In addition the operation plan is adjusted in order to match with the situation.

The Audit Committee is of an opinion that the Company has proper and adequate risk management system.

Good corporate governance

The Audit Committee continuously supports and follows the progress of good corporate governance. Necessary guidance and comments are given in order to improve this process. Thus, the Audit Committee opines that the Company should ceaselessly develop and improve its good corporate governance.

Consideration, selection and nomination of the auditor

The Audit Committee has assessed performance of the auditor for the year 2013 which is the 5th year in this position. Generally, this auditor is independent and its overall performance is satisfying.

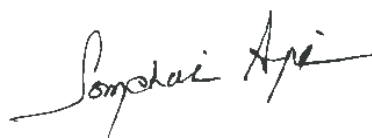
Regarding the selection and nomination of the auditor in 2014, the Audit Committee, considering audit fee together with readiness to comply with audit standard, audit report presentation, proposed the board of directors to appoint KPMG Phoomchai Audit Ltd., the existing auditor of the Company and its subsidiaries for the year 2014. Its audit fee for the Company is 3,680,000 Baht and for the subsidiaries is

1,680,000 Baht. The total amount is 5,360,000 Baht (five million three hundred and sixty thousand Baht) equaled to audit fee in 2013. In addition, this is to be approved by the annual general meeting.

Overall opinion and remark on performing duties under the charter

On February 17, 2014 the Audit Committee self-assessed its operation for the year 2013 divided into six categories: role and duties of the Audit Committee, composition of the Audit Committee, training and resources, meeting, activities of the Audit Committee and relationship with head of internal audit, auditor and executives. The Audit Committee has an overall opinion that the Audit Committee completely performed its work and its performance was excellent.

In sum, the Audit Committee completely performed its task as specified in the charter. The Audit Committee, under an approval from the Board of Directors, opines that the Company has a correct, proper and accountable process concerning preparation and disclosure of financial statements. Its internal control, internal audit and risk management is suitable and efficient. They are complied with laws, regulations and any undertakings. The Company seriously considers before entering into any connected transactions. Its performance is in line with good corporate governance in a proper, transparent and accountable manner. Furthermore, the Company has constantly developed and improved its performance to cope with business environment.



Mr. Somchai Apiwattanaporn
Chairman of the Audit Committee
18 February 2014

Connected Transactions

During 2013, the Company and its subsidiaries enter into inter-company transactions with related companies or persons that may cause conflict of interest. These businesses may be related by being the shareholder or having joint shareholder or joint director, details of which are disclosed in Note 5 of the Company’s financial statement of 2013. Details of major inter-company transactions during the year ended 31 December 2013 can be summarized as follows:

Details of Major Connected Transactions

List of the Company’s expenses

Transaction	Related Company	Relationship with			Transaction value (Million Baht)	
		Associated Company	Major Shareholders	Joint- Shareholders and/or Joint Directors	2013	2012
<u>Expenses</u>						
Merchandising	CRC Sport Co., Ltd	●		●	1,615	1,383
Payment	Central Department Co., Ltd.			●		
	Power Buy Co., Ltd.	●		●		
	Central Trading Co., Ltd.			●		
	Textral Textile Co., Ltd.			●		
	Central Garment Factory Co., Ltd.			●		
Rental/ Service	Group of Central Pattana Pcl.			●	227	205
	Central Trading Co., Ltd.			●		
Management Fees	Central Retail Corporation Co., Ltd.		●	●	131	118
	RIS Co., Ltd.			●		
	Harang Central Department Co., Ltd.			●		
Sales Promotion Expenses	Central Retail Corporation Co., Ltd.		●	●	134	113
	Group of Central Pattana Pcl.			●		
	Central Department Co., Ltd.			●		
	Central Online Co., Ltd.			●		

List of the Company's income

Transaction	Related Company	Relationship with			Transaction value (Million Baht)	
		Associated Company	Major Shareholders	Joint- Shareholders and/or Joint Directors	2013	2012
Rentals/ Service	Power Buy Co., Ltd.	○		○	562	516
	CRC Sport Co., Ltd.	○		○		
	Central Department Co., Ltd.			○		
	Group of Central Food Retail Co., Ltd.			○		
	B2S Co., Ltd.			○		
	Office Club (Thailand) Co., Ltd.			○		
	Central Watson Co., Ltd.			○		
	RIS Co., Ltd.			○		
	Central Trading Co., Ltd.			○		
	CG Broker Co., Ltd.			○		
	Group of Central Restaurant Group Co., Ltd.			○		
	(Auntie Anne's, Pizza Hut, Mister Donut, KFC)					
Management fee income	Power Buy Co., Ltd.	○		○	18	9
	CRC Sport Co., Ltd.	○		○		
	B2S Co., Ltd.			○		
	Central Department Co., Ltd.			○		
	Group of Central Food Retail Co., Ltd.			○		
	Office Club (Thailand) Co., Ltd.			○		
Sales Promotion Income	RIS Co., Ltd.			○	54	46
	Central Retail Corporation Co., Ltd.		○	○		
	Group of Central Food Retail Co., Ltd.			○		
	Central Trading Co., Ltd.			○		

Necessary Inter-company Transactions

1. Normal Business Items

● Merchandise purchases

The Company purchases popular brand products from connected 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 connected 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 connected companies to set up international money transferred counter services.

● Rental and service expenses

These expenses were from rental space in shopping mall or land from related parties. The price is set in accordance with market price and/or acquisition cost plus related expenses with the justified condition and reasonable.

2. Normal Business Supporting Items

● Management fee income

Collected from the Company's affiliates and subsidiaries for department store management, merchandising, marketing and use of the Robinson Brand. The contractually agreed rate is based on a percentage of sales and/or other income, as per each joint venture agreement. 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 traders or tenants. The service fee charged to those related parties are at the same rates charged to other tenants and/or business partners.

● Sales promotion income

This source of income is service income for the purpose of facilitation on the sales promotion which is carried out by the related companies under the fair and reasonable price or condition.

● Management fee expenses

Paid to connected company for accounting and financial management services, human resources, legal issues, and tax. The service provider is of specialized management expertise, so as to enable the Company to efficiently and effectively minimize related costs.

3. Financial Assistant Transactions

● Obtaining loans/ granting loans between the Company and its subsidiaries

Currently, the Company has a policy to obtain loans and/or grant loans within only the Company and its subsidiaries. By Setting the minimum loan rates or saving rates or fixed deposit rate of certain local financial institutions plus 0% to 2.5% per annum depending on finance cost of each company.

Measures and procedures for approval of inter-company transactions

The Company and its subsidiaries act in compliance with regulations of the Stock Exchange of Thailand and the notification of the Capital Market Supervision Board on criteria, procedure and disclosure of connected transactions of listed companies under the supervision of the Board of Directors and the Audit Committee.

The Board of Directors approved in principle about entry into transactions between the Company and its subsidiaries and connected persons which are the normal business items and normal business supporting items. Other transactions which do not fall into the general commercial terms shall be in compliance with the criteria of the Stock Exchange of Thailand and the notifications specified by the Capital Market Supervisory Board.

Transaction between the Company and connected persons has to pass the approval process under the Company's order on working practice like normal transactions. It has to pass the consideration from authorized persons under the responsible line and relating to such affair. The responsible persons and

persons relating to the transactions shall consider whether the transaction is reasonable and in accordance with normal business and shall take the highest interest of the Company and of the shareholders into consideration as if it were the transaction with the third party. Moreover, the Company revises transaction between the Company and connected persons every year in case of additional connected persons. This is to ensure that regulations prescribed by the Company are correctly adhered to. In addition, procedures and existing regulations are updated and revised in order to be in compliance with regulations of the Office of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand.

The Company defines the scope of duties and approved financial amount of every executive clearly in writing and separates duties which may cause corruption.

Furthermore, entry into the said transaction shall be examined by the internal audit agency including the consideration by the audit committee, which opines that the said transaction has a reasonable and fair price as well as has the same condition as the market price. This has to ask for approval from the board of directors or ask for acknowledgement from the board and further approval from the meeting of the shareholder as the case may be. In some cases, an opinion from independent financial consultant may be required. The director who has conflict of interest shall neither attend the meeting nor cast a vote so as to ensure that such considered connected transaction is transparent, reasonable and in compliance with laws and regulations of the SEC and the Stock Exchange of Thailand

Future policy and trends for
inter-company transactions

Since the transactions with persons relating to the Company are a necessary part of department store operation regularly, the Company and its subsidiaries will continue their inter-company transactions. Such transactions will be strictly conducted in compliance with the Stock Exchange of Thailand rules and regulations on criteria for connected transaction. All in all, the pricing policy for inter-company transactions has been adhered to the same principle as in the previous year, as follows:

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General Information

Robinson Department Store Public Company Limited

Robinson Department Store Public Company Limited and its subsidiaries operate department stores across the country under the name “Robinson”. The company currently has 34 stores, comprising of 10 stores in Bangkok and 34 stores in the upcountry.

As of 31 December 2013

Company Name	:	Robinson Department Store Public Company Limited
Registration Number	:	0107536000412 (previous number Bor Mor Jor 115)
Type of business	:	Department store
Registered Share Capital	:	Baht 3,942,847,022.15 (1,110,661,133 common shares)
Paid-up Share Capital	:	Baht 3,942,847,022.15 (1,110,661,133 common shares)
Par Value	:	Baht 3.55
Head Office	:	9/9 14 th -17 th Floor, Rama 9 Road, Huai Khwang, Huai Khwang, Bangkok 10310 Tel. 02-169-2500 Fax. 0-2169-2577
Company's Website	:	www.robinson.co.th
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. 02-229-2800 Fax. 02-359-1262-3
Auditor	:	KPMG Phoomchai Audit Co., Ltd. 48 th Floor Empire Tower, 195 South Sathorn Road, Yannawa, Sathorn, Bangkok 10120 Tel. 02-677-2000 Fax. 02-677-2222 <u>Auditor</u> : Ms. Bongkot Amsageam - CPA no. 3684

Store Location

SUKHUMVIT BRANCH

ROBINSON DEPARTMENT STORE PUBLIC COMPANY LIMITED
259 SUKHUMVIT ROAD, NORTH KLONGTOEY, WATTANA, BANGKOK 10110
Open: Mon-Fri 10.00 - 22.00 Sat, Sun and Public holidays 10.00 - 22.00

BANGRAK BRANCH

ROBINSON DEPARTMENT STORE PUBLIC COMPANY LIMITED
259 SUKHUMVIT ROAD, NORTH KLONGTOEY, WATTANA, BANGKOK 10110
Open: Mon-Fri 10.30 - 22.00 Sat, Sun and Public holidays 10.30 - 22.00

BANGKAE BRANCH

ROBINSON DEPARTMENT STORE PUBLIC COMPANY LIMITED
615 PHETKASEM ROAD, BANGWA, PHASICHAROEN, BANGKOK 10160
Open: Mon-Fri 11.00 - 21.30 Sat, Sun and Public holidays 11.00 - 21.30

SRINAKARIN BRANCH

ROBINSON DEPARTMENT STORE PUBLIC COMPANY LIMITED
55/1 SRINAKARIN ROAD, NHONG BORN, PRAVEJ, BANGKOK 10250
Open: Mon-Fri 10.30 - 21.00 Sat, Sun and Public holidays 10.00 - 21.00

RANGSIT BRANCH

ROBINSON DEPARTMENT STORE PUBLIC COMPANY LIMITED
94 PHAHOLYOTHIN ROAD, PRACHATIPAT, THANYABURI, PATHUMTHANI 12130
Open: Mon-Fri 10.30 - 21.00 Sat, Sun and Public holidays 10.00 - 21.00

RAMINTRA BRANCH

ROBINSON DEPARTMENT STORE PUBLIC COMPANY LIMITED
591 RAMINTRA ROAD, KANNAYAO, KANNAYAO, BANGKOK 10230
Open: Mon-Fri 10.00 - 21.00 Sat, Sun and Public holidays 10.00 - 21.00

LADYA BRANCH

ROBINSON DEPARTMENT STORE PUBLIC COMPANY LIMITED
99 LADYA ROAD, SOMDEJCHAOPRAYA KLONGSARN, BANGKOK 10600
Open: Mon-Fri 10.30 - 21.00 Sat, Sun and Public holidays 10.30 - 21.00

RATTANATHIBET BARNCH

ROBINSON DEPARTMENT STORE PUBLIC COMPANY LIMITED
68/100 MOO 8 RTTTANATHIBRT ROAD, BANGKASOR MUAHGNONTHABURI,
NONTABURI 11000
Open: Mon-Fri 10.00 - 22.00 Sat, Sun and Public holidays 10.00 - 22.00

SRIRACHA BRANCH

ROBINSON DEPARTMENT STORE PUBLIC COMPANY LIMITED
90/1 SUKHUMVIT ROAD, SRIRACHA, SRIRACHA, CHONBURI 20110
Open: Mon-Fri 10.30 - 21.00 Sat, Sun and Public holidays 10.00 - 21.00

UDORNTHANI BARNCH

CR UDORNTHANI (THAILAND) CO.,LTD.
277/2 PRAJAKSILPAKOM ROAD, MUANG UDORNTHANI, UDORNTHANI 41000
Open: Mon-Fri 11.00 - 21.30 Sat, Sun and Public holidays 10.30 - 22.00

PHUKET BARNCH

CR PHUKET (THAILAND) CO.,LTD.
36 TILOKUTIS 1 ROAD, MUANG, PHUKET 83000
Open: Mon-Fri 10.30 - 22.00 Sat, Sun and Public holidays 10.30 - 22.00

JUNGCEYLON BRANCH

CR PHUKET (THAILAND) CO.,LTD.
ROBINSON OCEAN JUNGCEYLON BRANCH
177 RAT-U-THIT 200 PEE ROAD, PATONG, KATU, PHUKET 83150
Open: Mon-Fri 11.00 - 22.00 Sat, Sun and Public holidays 11.00 - 22.00

NAKHON SI THAMMARAT BARNCH

CR NAKHON SI THAMMARAT (THAILAND) CO.,LTD.
89/201 PATTANAKARNKUKWANG ROAD, MUANG,
NAKHON SI THAMMARAT 80000
Open: Mon-Fri 10.30 - 21.00 Sat, Sun and Public holidays 10.30 - 21.00

HAD YAI BARNCH

CR HAD YAI (THAILAND) CO.,LTD.
9 THAMMANOONVITHI ROAD, HADYAI HADYAI, SONGKHLA 90110
Open: Mon-Fri 10.30 - 21.00 Sat, Sun and Public holidays 10.30 - 21.00

CHIANG MAI BARNCH

CR CHIANG MAI (THAILAND) CO.,LTD.
2 MAHEEDON ROAD, HAIYA, MUANG CHIANG MAI, CHIANG MAI, 50100
Open: Mon-Fri 11.00 - 21.00 Sat, Sun and Public holidays 10.00 - 21.00

UBONRATCHATHANI BARNCH

CR UBONRATCHATHANI (THAILAND) CO.,LTD.
221 CHAYANKOOL ROAD, MUANG UBONRATCHATHANI,
UBONRATCHATHANI 34000
Open: Mon-Fri 11.00 - 21.00 Sat, Sun and Public holidays 10.30 - 21.00

RATCHABURI BARNCH

CR RATCHABURI (THAILAND) CO.,LTD.
265 SRISURIYAWONG ROAD, MUANG RATCHABURI RATCHABURI 70000
Open: Mon-Fri 11.00 - 21.00 Sat, Sun and Public holidays 10.30 - 21.00

CHANTHABURI BARNCH

CR CHANTHABURI (THAILAND) CO.,LTD.
22/107 MOO 7 CHANTANIMIT, MUANG CHANTHABURI, CHANTHABURI 22000
Open: Mon-Fri 11.00 - 21.00 Sat, Sun and Public holidays 10.00 - 21.00

AYUTTHAYA BRANCH

ROBINSON DEPARTMENT STORE PUBLIC COMPANY LIMITED
126 MOO 3 ASIA ROAD, KLONG SUAN PLU, PHRANAKHONSIAYUTTHAYA,
PHRANAKHONSIAYUTTHAYA 13000
Open: Mon-Fri 10.00 - 21.00 Sat, Sun and Public holidays 10.00 - 21.00

CHONBURI BRANCH

ROBINSON DEPARTMENT STORE PUBLIC COMPANY LIMITED
55/90 MOO 1 , SAMED, MUANG CHONBURI, CHONBURI 20000
Open: Mon-Fri 10.30 - 21.30 Sat, Sun and Public holidays 10.00 - 22.00

KHONKEAN BRANCH

ROBINSON DEPARTMENT STORE PUBLIC COMPANY LIMITED
99/2 SRICHAN ROAD, NAIMUANG MUANG KHONKAEN, KHONKAEN 40000
Open: Mon-Fri 10.30 - 21.30 Sat, Sun and Public holidays 10.00 - 21.00

TRANG BRANCH

ROBINSON DEPARTMENT STORE PUBLIC COMPANY LIMITED
138 PHATTHALUNG ROAD, TUBTIANG, MUANG TRANG, TRANG 92000
Open: Mon-Fri 10.00 - 21.00 Sat, Sun and Public holidays 10.00 - 21.30

CHIANGRAI BRANCH

ROBINSON DEPARTMENT STORE PUBLIC COMPANY LIMITED
199/9 MOO 13, TAMBON ROBWIENG MUEANG CHIANGRAI, CHIANGRAI 57000
Open: Mon-Fri 10.00 - 21.00 Sat, Sun and Public holidays 10.00 - 21.00

PHITSANULOK BRANCH

ROBINSON DEPARTMENT STORE PUBLIC COMPANY LIMITED
9/98 MOO 5, TAMBON PLAIYCHUMPOL MUEANG PHITSANULOK,
PHITSANULOK 65000
Open: Mon-Fri 11.00 - 21.00 Sat, Sun and Public holidays 10.00 - 21.00

RAMA 9 BRANCH

ROBINSON DEPARTMENT STORE PUBLIC COMPANY LIMITED
9/8-9 RAMA 9 ROAD, HUAI KHWANG KHWANG, BANGKOK 10310
Open: Mon-Fri 10.00 - 22.00 Sat, Sun and Public holidays 10.00 - 22.00

SUPHAN BURI BRANCH

ROBINSON DEPARTMENT STORE PUBLIC COMPANY LIMITED
449 MOO 5, TAMBON THARAHAT AMPHOE MUEANG SUPHAN BURI,
SUPHAN BURI 72000
Open: Mon-Fri 10.00 - 21.00 Sat, Sun and Public holidays 10.00 - 21.00

BANGNA BRANCH

ROBINSON DEPARTMENT STORE PUBLIC COMPANY LIMITED
39 MOO 6, TAMBON BANGKAEW AMPHOE BANGPLEE, SAMUTPRAKAN 10540
Open: Mon-Fri 10.00 - 22.00 Sat, Sun and Public holidays 10.00 - 22.00

SURATTHANI BRANCH

ROBINSON DEPARTMENT STORE PUBLIC COMPANY LIMITED
88/1 MOO 10 TAMBON WATPRADU AMPHOE MUEANG, SURATTHANI 84000
Open: Mon-Fri 10.00 - 21.00 Sat, Sun and Public holidays 10.00 - 21.30

LAMPANG BRANCH

ROBINSON DEPARTMENT STORE PUBLIC COMPANY LIMITED
319/1 HIGHWAY-LAMPANG-NGAO ROAD, TAMBON SUAN DOK
AMPHOE MUEANG, LAMPANG 52100
Open: Mon-Fri 11.00 - 21.00 Sat, Sun and Public holidays 10.00 - 21.00

KANNCHANABURI BRANCH

ROBINSON DEPARTMENT STORE PUBLIC COMPANY LIMITED
110 MOO 9, TAMBON PAKPRAEK, AMPHOE MUEANG KANCHANABURI,
KANCHANABURI 71000
Open: Mon-Fri 10.00-21.00 Sat, Sun and Public holidays 10.00-21.00

UBON RATCHATHANI BRANCH 2

ROBINSON DEPARTMENT STORE PUBLIC COMPANY LIMITED
312 MOO 7, TAMBON JAERAMAE, AMPHOE MUEANG UBON RATCHATHA-
NI, UBON RATCHATHANI 34000
Open: Mon-Fri 11.00-21.00 Sat, Sun and Public holidays 10.30-21.00

SAKON NAKHON BRANCH

ROBINSON DEPARTMENT STORE PUBLIC COMPANY LIMITED
88/8 NITTAYO ROAD, TAMBON THAT CHOENG CHUM,
AMPHOE MUEANG SAKON NAKHON ,SAKON NAKHON 47000
Open: Mon-Fri 10.00-21.00 Sat, Sun and Public holidays 10.00 - 21.00

SARABURI BRANCH

ROBINSON DEPARTMENT STORE PUBLIC COMPANY LIMITED
99 MOO 7, TAMBON THALINGCHUN, AMPHOE MUEANG SARABURI,
SARABURI 18000
Open: Mon-Fri 10.00-21.00 Sat, Sun and Public holidays 10.00 - 21.00

SURIN BRANCH

ROBINSON DEPARTMENT STORE PUBLIC COMPANY LIMITED
338 MOO 16, TAMBON SALAKDAI, AMPHOE MUEANG SURIN SURIN 32000
Open: Mon-Fri 10.00-21.00 Sat, Sun and Public holidays 10.00 - 21.00

Investors can find additional information of a company issuing securities from the annual registration statement (Form 56-1) in www.sec.or.th or the Company's website, www.robinson.co.th.

Financial Statement

Robinson Department Store Public Company Limited and its Subsidiaries
Financial Statements for the year ended
31 December 2013
and Independent Auditor's Report

Independent Auditor's Report

To the shareholders of Robinson Department Store Public Company Limited

I have audited the accompanying consolidated and separate financial statements of Robinson Department Store Public Company Limited and its subsidiaries (the "Group") and of Robinson Department Store Public Company Limited (the "Company"), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2013, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated and Separate Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated and separate financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these consolidated and separate financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated and separate financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2013 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Emphasis of Matter

Without qualifying my opinion, I draw attention to note 3 to the financial statements describing the effect of the Company's adoption from 1 January 2013 of certain new accounting policies. The corresponding figures presented are based on the audited financial statements as at and for the year ended 31 December 2012 after making the adjustments described in note 3.

(Bongkot Amsageam)
Certified Public Accountant
Registration No. 3684

KPMG Phoomchai Audit Ltd.
Bangkok
17 February 2014

Robinson Department Store Public Company Limited and its Subsidiaries
Statements of financial position

		Consolidated financial statements		
		31 December	31 December	1 January
Assets	Note	2013	2012	2012
			(Restated)	(Restated)
			(in Baht)	
<i>Current assets</i>				
Cash and cash equivalents	6	1,881,817,196	3,022,777,756	2,383,741,585
Current investments	7	218,503,569	1,039,789,074	622,339,698
Trade accounts receivable	5, 8	738,862,721	604,461,213	504,982,832
Other receivables	9	126,367,679	242,619,181	254,405,542
Inventories	10	1,667,446,544	1,325,340,554	1,163,358,224
Other current assets		177,465,840	176,155,558	174,851,407
Total current assets		4,810,463,549	6,411,143,336	5,103,679,288
<i>Non-current assets</i>				
Investments in associates	3, 11	1,102,433,231	676,939,148	1,660,554,770
Other long-term investments	7	196,218,571	158,093,461	29,093,460
Investment properties	13	2,380,370,670	1,097,824,319	808,215,138
Property, plant and equipment	14	6,751,882,291	4,965,186,184	3,223,548,265
Leasehold rights	5, 15	2,767,018,044	2,988,850,893	3,059,859,177
Goodwill		45,397,377	45,397,377	45,397,377
Deferred tax assets	3, 16	231,316,731	240,197,637	646,894,217
Other non-current assets	17	545,091,144	576,466,251	374,587,491
Total non-current assets		14,019,728,059	10,748,955,270	9,848,149,895
Total assets		18,830,191,608	17,160,098,606	14,951,829,183

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

Robinson Department Store Public Company Limited and its Subsidiaries
Statements of financial position

		Consolidated financial statements		
		31 December	31 December	1 January
Liabilities and equity	<i>Note</i>	2013	2012	2012
			(Restated)	(Restated)
			(in Baht)	
<i>Current liabilities</i>				
Trade accounts payable	5, 18	4,407,316,055	4,347,218,433	3,503,828,995
Other payables	5, 19	2,077,157,980	1,599,353,548	1,289,748,879
Income tax payable		144,768,098	200,526,584	270,566,699
Total current liabilities		6,629,242,133	6,147,098,565	5,064,144,573
<i>Non-current liabilities</i>				
Deferred tax liabilities	3, 16	6,978,506	4,208,769	1,171,657
Employee benefit obligations	21	146,489,093	112,515,731	84,967,805
Unearned lease income		23,442,018	28,307,282	33,339,214
Other non-current liabilities	22	11,499,200	12,099,200	12,699,200
Total non-current liabilities		188,408,817	157,130,982	132,177,876
Total liabilities		6,817,650,950	6,304,229,547	5,196,322,449
<i>Equity</i>				
Share capital	23			
Authorised share capital		3,942,847,022	3,942,847,022	3,942,847,022
Issued and paid-up share capital		3,942,847,022	3,942,847,022	3,942,847,022
Additional paid-in capital				
Surplus on treasury shares	23	125,376,534	125,376,534	125,376,534
Surplus on purchase of interest in associate	11	21,260,574	-	-
Retained earnings				
Appropriated				
Legal reserve	24	394,285,000	394,285,000	366,111,000
Unappropriated		6,857,663,629	5,871,508,110	4,976,309,257
Other component of equity	3, 24	1,326,017	1,938,013	1,801,568
Equity attributable to owners of the Company		11,342,758,776	10,335,954,679	9,412,445,381
Non-controlling interests		669,781,882	519,914,380	343,061,353
Total equity		12,012,540,658	10,855,869,059	9,755,506,734
Total liabilities and equity		18,830,191,608	17,160,098,606	14,951,829,183

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

Robinson Department Store Public Company Limited and its Subsidiaries
Statements of financial position

		Separate financial statements		
		31 December	31 December	1 January
Assets	Note	2013	2012	2012
			(Restated)	(Restated)
			(in Baht)	
<i>Current assets</i>				
Cash and cash equivalents	6	1,145,086,514	1,965,503,305	1,671,126,728
Current investments	7	215,235,260	-	202,293,521
Trade accounts receivable	5, 8	637,000,737	480,936,876	381,545,758
Other receivables	9	81,763,647	184,499,304	217,682,395
Short term loans to related parties	5	985,846	-	-
Inventories	10	1,235,739,652	968,317,496	816,140,738
Other current assets		177,465,841	176,155,558	174,851,407
Total current assets		3,493,277,497	3,775,412,539	3,463,640,547
<i>Non-current assets</i>				
Investments in associates	11	377,817,600	332,000,000	332,000,000
Investments in subsidiaries	12	3,807,548,520	3,807,548,520	2,331,513,308
Other long-term investments	7	196,215,110	158,090,000	29,090,000
Long-term loan to related party	5	61,223,493	61,223,493	61,223,493
Investment properties	13	2,047,350,812	758,150,930	447,376,558
Property, plant and equipment	14	6,261,549,587	4,443,312,561	2,849,747,465
Leasehold rights	5, 15	1,782,988,011	1,916,300,602	1,898,945,998
Deferred tax assets	16	183,410,990	189,532,777	554,975,012
Other non-current assets	17	498,894,241	522,832,042	319,868,376
Total non-current assets		15,216,998,364	12,188,990,925	8,824,740,210
Total assets		18,710,275,861	15,964,403,464	12,288,380,757

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

Robinson Department Store Public Company Limited and its Subsidiaries
Statements of financial position

		Separate financial statements		
		31 December 2013	31 December 2012 (Restated) (in Baht)	1 January 2012 (Restated)
Liabilities and equity	<i>Note</i>			
<i>Current liabilities</i>				
Trade accounts payable	5, 18	3,088,183,917	2,851,585,008	2,118,580,933
Other payables	5, 19	1,815,662,687	1,359,389,209	1,091,161,061
Short-term loans				
from related parties	5, 20	3,714,818,519	1,646,333,418	1,753,550,726
Income tax payable		59,669,071	89,616,363	107,030,837
Total current liabilities		8,678,334,194	5,946,923,998	5,070,323,557
<i>Non-current liabilities</i>				
Long-term loan from related party	5, 20	113,300,000	113,300,000	113,300,000
Employee benefit obligations	21	118,388,713	88,151,994	68,426,944
Unearned lease income		-	166,667	500,000
Total non-current liabilities		231,688,713	201,618,661	182,226,944
Total liabilities		8,910,022,907	6,148,542,659	5,252,550,501
<i>Equity</i>				
Share capital	23			
Authorised share capital		3,942,847,022	3,942,847,022	3,942,847,022
Issued and paid-up share capital		3,942,847,022	3,942,847,022	3,942,847,022
Additional paid-in capital				
Surplus on treasury shares	23	125,376,534	125,376,534	125,376,534
Retained earnings				
Appropriated				
Legal reserve	24	394,285,000	394,285,000	366,111,000
Unappropriated		5,336,418,383	5,353,352,249	2,599,729,688
Other component of equity	3, 24	1,326,015	-	1,766,012
Total equity		9,800,252,954	9,815,860,805	7,035,830,256
Total liabilities and equity		18,710,275,861	15,964,403,464	12,288,380,757

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

Robinson Department Store Public Company Limited and its Subsidiaries
Statements of comprehensive income

		Consolidated		Separate	
		financial statements		financial statements	
		For the year ended		For the year ended	
		31 December		31 December	
	Note	2013	2012	2013	2012
			(Restated)		(Restated)
		(in Baht)			
Income					
Revenue from sale of goods	5	24,299,956,124	21,619,595,405	16,560,430,612	13,987,571,415
Investment income	5, 26	1,299,819,938	1,089,674,039	957,316,752	2,139,243,513
Other income	5, 27	796,126,350	802,300,269	821,433,955	2,324,695,610
Total income		26,395,902,412	23,511,569,713	18,339,181,319	18,451,510,538
Expenses					
Cost of sale of goods	5	18,386,170,750	16,310,242,119	12,565,076,012	10,560,194,432
Selling expenses	5, 28	4,653,241,945	3,876,898,477	3,563,693,241	2,912,090,700
Administrative expenses	5, 29	1,032,722,097	904,799,756	936,438,874	798,112,514
Finance costs	5, 32	-	-	57,446,620	36,226,819
Total expenses		24,072,134,792	21,091,940,352	17,122,654,747	14,306,624,465
Share of profit of associates	3, 11	358,415,909	402,144,378	-	-
Profit before income tax expense		2,682,183,529	2,821,773,739	1,216,526,572	4,144,886,073
Income tax expense	3, 33	-455,834,024	-929,656,032	-233,908,489	-632,004,737
Profit for the year		2,226,349,505	1,892,117,707	982,618,083	3,512,881,336
Other comprehensive income					
Net change in fair value of available-for-sale investments	33	(611,996)	136,445	1,326,015	(1,766,012)
Defined benefit plan actuarial losses	21	-	(14,242,545)	-	(9,190,890)
Other comprehensive income for the year, net of income tax		(611,996)	(14,106,100)	1,326,015	(10,956,902)
Total comprehensive income for the year		2,225,737,509	1,878,011,607	983,944,098	3,501,924,434
Profit attributable to:					
Owners of the Company		1,985,707,468	1,658,100,440	982,618,083	3,512,881,336
Non-controlling interests		240,642,037	234,017,267	-	-
Profit for the year		2,226,349,505	1,892,117,707	982,618,083	3,512,881,336
Total comprehensive income attributable to:					
Owners of the Company		1,985,095,472	1,645,403,183	983,944,098	3,501,924,434
Non-controlling interests		240,642,037	232,608,424	-	-
Total comprehensive income for the year		2,225,737,509	1,878,011,607	983,944,098	3,501,924,434
Basic earnings per share	34	1.79	1.49	0.88	3.16

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

Robinson Department Store Public Company Limited and its Subsidiaries
Statements of changes in equity

Consolidated financial statements										
Note		Retained earnings				Other component of equity				
		Issued and paid-up share capital	Treasury shares	Surplus on purchase of interest in associate	Legal reserve	Unappropriated reserve	Fair value changes in available-for-sale investment	Equity attributable to owners of the Company	Non-controlling interests	Total equity
(in Baht)										
Year ended 31 December 2013										
		3,942,847,022	125,376,534	-	394,285,000	5,599,420,797	2,422,516	10,064,351,869	508,125,113	10,572,476,982
		-	-	-	-	272,087,313	(484,503)	271,602,810	11,789,267	283,392,077
3	Impact of changes in accounting policies	3,942,847,022	125,376,534	-	394,285,000	5,871,508,110	1,938,013	10,335,954,679	519,914,380	10,855,869,059
Transactions with owners, recorded directly in equity										
Distributions to owners of the Company										
	Dividends to owners of the Company	-	-	-	-	(999,551,949)	-	(999,551,949)	(90,774,535)	(1,090,326,484)
35	Total transactions with owners, recorded directly in equity	-	-	-	-	(999,551,949)	-	(999,551,949)	(90,774,535)	(1,090,326,484)
Comprehensive income for the year										
	Profit	-	-	-	-	1,985,707,468	-	1,985,707,468	240,642,037	2,226,349,505
	Other comprehensive income	-	-	-	-	-	(611,996)	(611,996)	-	(611,996)
	Total comprehensive income for the year	-	-	-	-	1,985,707,468	(611,996)	1,985,095,472	240,642,037	2,225,737,509
	Surplus on purchase of interest in associate	-	-	21,260,574	-	-	-	21,260,574	-	21,260,574
11	Balance at 31 December 2013	3,942,847,022	125,376,534	21,260,574	394,285,000	6,857,663,629	1,326,017	11,342,758,776	669,781,882	12,012,540,658

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

Robinson Department Store Public Company Limited and its Subsidiaries
Statements of changes in equity

		Separate financial statements				
		Retained earnings			Other component of equity	Total equity attributable to owners of the Company
	Note	Issued and paid-up share capital	Surplus on treasury shares	Legal reserve	Fair value changes in available-for-sale investment	
Year ended 31 December 2012						
Balance at 1 January 2012 - as reported		3,942,847,022	125,376,534	366,111,000	2,293,521	6,480,855,244
Impact of changes in accounting policies	3	-	-	-	-527,509	554,975,012
Balance at 1 January 2012 - as restated		3,942,847,022	125,376,534	366,111,000	1,766,012	7,035,830,256
Transactions with owners, recorded directly in equity						
<i>Distributions to owners of the Company</i>						
Dividends to owners of the Company	35	-	-	-	-	(721,893,885)
Total transactions with owners, recorded directly in equity		-	-	-	-	(721,893,885)
Comprehensive income for the year						
Profit		-	-	-	-	3,512,881,336
Other comprehensive income		-	-	-	(1,766,012)	(10,956,902)
Total comprehensive income for the year		-	-	-	(1,766,012)	3,501,924,434
Transfer to legal reserve	24	-	-	28,174,000	-	-
Balance at 31 December 2012		3,942,847,022	125,376,534	394,285,000	-	9,815,860,805

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

Robinson Department Store Public Company Limited and its Subsidiaries
Statements of changes in equity

	Note	Separate financial statements				Other component of equity	Total equity attributable to owners of the Company
		Retained earnings			Fair value changes in available-for-sale investment		
		Issued and paid-up share capital	Surplus on treasury shares	Legal reserve			
Year ended 31 December 2013							
Balance at 1 January 2013 - as reported							
		3,942,847,022	125,376,534	394,285,000	5,163,819,472	-	9,626,328,028
	3	-	-	-	189,532,777	-	189,532,777
Balance at 1 January 2013 - as restated							
		3,942,847,022	125,376,534	394,285,000	5,353,352,249	-	9,815,860,805
Transactions with owners, recorded directly in equity							
Distributions to owners of the Company							
	35	-	-	-	-999,551,949	-	(999,551,949)
Total transactions with owners, recorded directly in equity							
		-	-	-	(999,551,949)	-	(999,551,949)
Comprehensive income for the year							
		-	-	-	982,618,083	-	982,618,083
		-	-	-	-	1,326,015	1,326,015
Total comprehensive income for the year							
		3,942,847,022	125,376,534	394,285,000	5,336,418,383	1,326,015	9,800,252,954
Balance at 31 December 2013							

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

Robinson Department Store Public Company Limited and its Subsidiaries
Statements of cash flows

	Consolidated financial statements		Separate financial statements	
	For the year ended 31 December		For the year ended 31 December	
	2013	2012 (Restated)	2013	2012 (Restated)
	<i>(in Baht)</i>			
<i>Cash flows from operating activities</i>				
Profit for the year	2,226,349,505	1,892,117,707	982,618,083	3,512,881,336
<i>Adjustments for</i>				
Depreciation	1,176,757,107	821,820,825	1,010,634,047	703,402,080
Amortisation of intangible assets	241,555,097	236,030,680	150,854,073	145,190,905
Interest income	(37,060,008)	(51,219,644)	(35,347,643)	(45,947,361)
Dividend income	(262,500)	(262,500)	(262,500)	(1,386,022,500)
Employee benefits	34,708,693	10,720,629	30,972,049	8,838,693
Finance costs	-	-	57,446,620	36,226,819
Bad debts and doubtful debts expenses	10,007,251	7,102,040	22,869,393	18,555,744
Allowance for obsolete and slow-moving inventories (reversal)	(8,257,228)	28,335,975	(7,000,277)	24,229,870
Reversal of allowance for impairment loss on investments	(35,000,000)	(119,000,000)	(35,000,000)	(1,628,234,612)
Loss (gain) on disposal of plant and equipment	8,337,073	(50,284,960)	8,433,492	(3,411,645)
Gain on disposal of current investments	(16,133,825)	(16,466,441)	(577,742)	(8,545,483)
Gain on disposal of investments in subsidiary	-	-	-	(45,907,213)
Recognition of unearned lease income	(4,865,264)	(5,031,932)	(166,667)	(333,333)
Share of profit of associates	(358,415,909)	(402,144,378)	-	-
Income tax expense	455,834,024	929,656,032	233,908,489	632,004,737
	<u>3,693,554,016</u>	<u>3,281,374,033</u>	<u>2,419,381,417</u>	<u>1,962,928,037</u>
<i>Changes in operating assets and liabilities</i>				
Trade accounts receivable	(143,483,969)	(106,580,421)	(165,811,914)	(104,664,814)
Inventories	(333,848,761)	(190,318,305)	(260,421,878)	(176,406,628)
Other receivables	115,737,684	(123,401,562)	102,263,642	(101,879,524)
Other non-current assets	9,389,677	(84,240,260)	6,396,318	(84,084,226)
Trade accounts payable	60,097,622	843,389,437	236,598,909	733,004,075
Other payables	289,933,218	146,835,991	269,122,642	114,793,289
Employee benefit obligations paid	(735,330)	(975,280)	(735,330)	(601,380)
Other non-current liabilities	<u>(600,000)</u>	<u>(600,000)</u>	<u>-</u>	<u>-</u>
Cash generated from operating activities	3,690,044,157	3,765,483,633	2,606,793,806	2,343,088,829
Income taxes paid	<u>(499,950,523)</u>	<u>(586,348,930)</u>	<u>(258,065,498)</u>	<u>(281,152,620)</u>
Net cash provided by operating activities	<u>3,190,093,634</u>	<u>3,179,134,703</u>	<u>2,348,728,308</u>	<u>2,061,936,209</u>

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

Robinson Department Store Public Company Limited and its Subsidiaries
Statements of cash flows

	Consolidated financial statements		Separate financial statements	
	For the year ended		For the year ended	
	31 December		31 December	
	2013	2012	2013	2012
		(Restated)		(Restated)
	<i>(in Baht)</i>			
<i>Cash flows from investing activities</i>				
Interest received	35,500,407	51,629,504	30,621,022	42,550,100
Dividend received	262,500	1,386,022,500	262,500	1,386,022,500
Purchase of property, plant and equipment	(4,073,641,733)	(2,707,403,725)	(3,943,676,309)	(2,437,428,843)
Sale of plant and equipment	7,171,185	67,389,437	4,322,698	2,533,799
Increase in leasehold rights	(1,000,000)	(149,186,249)	-	(147,950,299)
Short-term loans repaid by related parties	-	-	3,931,306	13,309,405
Short-term loans to related parties	-	-	(14,150,139)	(22,910,378)
Purchase of current investments	(1,203,000,000)	(2,587,220,766)	(303,000,000)	-
Sale of current investments	2,052,922,641	2,186,320,649	100,000,000	208,545,483
Sale of investment in subsidiary	-	-	-	63,106,613
Purchase of investment in associate	(45,817,600)	-	(45,817,600)	-
Purchase of other long-term investments	(13,125,110)	(10,000,000)	(13,125,110)	(10,000,000)
Net cash used in investing activities	(3,240,727,710)	(1,762,448,650)	(4,180,631,632)	(902,221,620)
<i>Cash flows from financing activities</i>				
Finance costs paid	-	-	(52,402,101)	(34,158,663)
Dividend paid to equity holders of the Company	(999,551,949)	(721,893,885)	(999,551,949)	(721,893,885)
Dividends paid to non-controlling interests	(90,774,535)	(55,755,997)	-	-
Proceeds from short-term loans from related parties	-	-	9,867,835,617	8,634,150,103
Repayment of short-term loans from related parties	-	-	(7,804,395,034)	(8,743,435,567)
Net cash provided by (used in) financing activities	(1,090,326,484)	(777,649,882)	1,011,486,533	(865,338,012)
Net increase (decrease) in cash and cash equivalents	(1,140,960,560)	639,036,171	(820,416,791)	294,376,577
Cash and cash equivalents at 1 January	3,022,777,756	2,383,741,585	1,965,503,305	1,671,126,728
Cash and cash equivalents at 31 December	1,881,817,196	3,022,777,756	1,145,086,514	1,965,503,305

Non-cash transactions

During the year ended 31 December 2013, the Group acquired property, plant and equipment with total costs of Baht 4,261.5 million (2012: Baht 2,886.2 million) of which Baht 4,073.6 million (2012: Baht 2,707.4 million) was acquired by cash payments and Baht 187.9 million was outstanding as liabilities as at 31 December 2013 (2012: Baht 178.8 million) .

During the year ended 31 December 2013, the Company acquired property, plant and equipment with total costs of Baht 4,130.8 million (2012: Baht 2,606.8 million) of which Baht 3,943.7 million (2012: Baht 2,437.4 million) was acquired by cash payments and Baht 187.1 million was outstanding as liabilities as at 31 December 2013 (2012: Baht 169.4 million).

Robinson Department Store Public Company Limited and its Subsidiaries

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Notes to the financial statements

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorized for issue by the Directors on 17 February 2014.

1 General information

Robinson Department Store Public Company Limited, the “Company”, is incorporated in Thailand and has its registered office at 9/9 floor 14-17, Rama 9 Road, Huaikhwang, Bangkok, Thailand.

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

The Company’s major shareholders during the financial year were Central Retail Corporation Co., Ltd. (27.74% shareholding) and CRG Service Co., Ltd. (26.07% shareholding). Both companies were incorporated in Thailand.

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 direct subsidiaries as at 31 December 2013 and 2012 are given in note 12.

Details of the Company’s indirect subsidiaries as at 31 December 2013 and 2012 are as follows:

Name of the entities	Type of business	Country of incorporation	Ownership interest (%)	
			31 December 2013	31 December 2012
<i>Indirect subsidiaries</i>				
CR Udon 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

2 Basis of preparation of the financial statements

(a) Statement of compliance

The financial statements are prepared in accordance with Thai Financial Reporting Standards (TFRS) and guidelines promulgated by the Federation of Accounting Professions (“FAP”); and applicable rules and regulations of the Thai Securities and Exchange Commission.

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The FAP has issued the following new and revised TFRS relevant to the Group's operations and effective for accounting periods beginning on or after 1 January 2013:

TFRS	Topic
TAS 12	Income Taxes
TAS 21 (revised 2009)	The Effects of Changes in Foreign Exchange Rates
TFRS 8	Operating Segments

The adoption of these new and revised TFRS has resulted in changes in the Group's accounting policies. The effects of these changes are disclosed in note 3.

In addition to the above new and revised TFRS, the FAP has issued a number of other new and revised TFRS which are effective for financial statements beginning on or after 1 January 2014 and have not been adopted in the preparation of these financial statements. Those new and revised TFRS that are relevant to the Group's operations are disclosed in note 38.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following material items in the statements of financial position:

- available-for-sale financial assets are measured at fair value

(c) Functional and presentation currency

The financial statements are presented in Thai Baht, which is the Company's functional currency. All financial information presented in Thai Baht has been rounded in the notes to the financial statements to the nearest thousand unless otherwise stated.

(d) Use of estimates and judgments

The preparation of financial statements in conformity with TFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which estimates are revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognised in the financial statements is included in the following notes.

Note 5(t)	Current and deferred taxation
Note 13	Key assumptions used in discounted cash flow projections for calculation of fair value of investment properties
Note 21	Measurement of defined benefit obligations
Note 36	Valuation of financial instruments

Robinson Department Store Public Company Limited and its Subsidiaries

Notes to the financial statements

3 Changes in accounting policies

(a) Overview

From 1 January 2013, consequent to the adoption of new and revised TFRS as set out in note 2, the Group has changed its accounting policies in the following areas:

- Accounting for income tax
- Accounting for the effects of changes in foreign exchange rates
- Presentation of information on operating segments

Details of the new accounting policies adopted by the Group are included in notes 3(b) to 3(d) below. Other new and revised TFRS did not have any impact on the accounting policies, financial position or performance of the Group.

(b) Accounting for income tax

The principal change introduced by TAS 12 is the requirement to account for deferred tax liabilities and assets in the financial statements. Deferred tax liabilities and assets are the amounts of income taxes payable and recoverable, respectively, in future periods in respect of temporary differences between the carrying amount of the liability or asset in the statement of financial position and the amount attributed to that liability or asset for tax purposes; and the carryforward of unused tax losses. The accounting policy for deferred tax is described in note 4(t).

The Group adopted TAS 12 with effect from 1 January 2013. The effects of the change are recognised retrospectively in the financial statements. The impact of the change on the financial statements is as follows:

	Consolidated financial statements			Separate financial statements		
	31 December 2013	31 December 2012	1 January 2012	31 December 2013	31 December 2012	1 January 2012
	<i>(in thousand Baht)</i>					
Statement of financial position						
Increase in investment in associates	51,041	47,403	40,242	-	-	-
Increase in deferred tax assets	245,840	250,481	653,850	195,305	197,169	559,273
Increase in deferred tax liabilities	21,502	14,492	8,128	11,894	7,636	4,298
Decrease in fair value changes in available for sale investments	(332)	(485)	(538)	(332)	-	(528)
Increase in retained earnings	<u>265,255</u>	<u>272,088</u>	<u>674,003</u>	<u>183,743</u>	<u>189,533</u>	<u>555,503</u>
Increase in shareholders' equity	264,923	271,603	673,465	183,411	189,533	554,975
Increase in non-controlling interests	<u>10,456</u>	<u>11,789</u>	<u>12,499</u>	<u>-</u>	<u>-</u>	<u>-</u>
Increase in total equity	<u>275,379</u>	<u>283,392</u>	<u>685,964</u>	<u>183,411</u>	<u>189,533</u>	<u>554,975</u>

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Notes to the financial statements

	Consolidated financial statements		Separate financial statements	
<i>Statement of comprehensive income for the year ended 31 December</i>	2013	2012	2013	2012
		(in thousand Baht)		
Increase in share of profit of investment in associates	3,638	7,161	-	-
Increase in tax expense	(11,804)	(413,348)	(5,790)	(368,268)
Increase (Decrease) in other comprehensive income for the year	153	3,615	(332)	2,826
Decrease in total comprehensive income for the year	(8,013)	(402,572)	(6,122)	(365,442)
Decrease in earnings per share				
- Basic earnings per share (in Baht)	(0.007)	(0.36)	(0.006)	(0.33)

(c) Accounting for the effects of changes in foreign exchange rates

From 1 January 2013, the Group has adopted TAS 21 (revised 2009) Accounting for the effects of changes in foreign exchange rates.

The principal change introduced by TAS 21(revised 2009) is the introduction of the concept of functional currency, which is defined as the currency of the primary economic environment in which the entity operates. TAS 21(revised 2009) requires the entity to determine its functional currency and translate foreign currency items into its functional currency, reporting the effects of such translation in accordance with the provisions of TAS 21(revised 2009). Foreign currencies are defined by TAS 21(revised 2009) as all currencies other than the entity's functional currency.

Management has determined that the functional currency of the Company is Thai Baht and that the adoption of TAS 21(revised 2009) from 1 January 2013 has not had a significant impact on the Group's reported assets, liabilities or retained earnings.

(d) Presentation of information on operating segments

From 1 January 2013, the Group has adopted TFRS 8 Operating Segments. The new policy for presentation of information on operating segments, together with information on the previous policy, is given below. The change in policy only impacts presentational aspects and has no impact on the Group's reported assets, liabilities, results or earnings per share.

TFRS 8 introduces the "management approach" to segment reporting. It requires a change in the presentation and disclosure of segment information based on the internal reports regularly reviewed by the Group's Chief Operating Decision Maker in order to assess each segment's performance and to allocate resources to those segments. Previously the Group presented segment information in respect of its business and geographical segments in accordance with TAS 14 Segment Reporting.

The change in basis of presentation and disclosure of segment information has had no significant effect on the segment information reported in the Group's financial statements.

Robinson Department Store Public Company Limited and its Subsidiaries

Notes to the financial statements

4 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements except as explained in note 3, which addresses changes in 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.

Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an entity 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.

The accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Group. Losses applicable to non-controlling interests in a subsidiary are allocated to non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

Associates (equity-accounted investees)

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Significant influence is presumed to exist when the Group holds between 20% and 50% of the voting power of another entity.

Investments in associates are accounted for in the consolidated financial statements using the equity method (equity-accounted investees) and are recognised initially at cost. The cost of the investment includes transaction costs.

The consolidated financial statements include the Group’s share of profit or loss and other comprehensive income of equity accounted investees after adjustments to align the accounting policies with those of the Group, 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 equity accounted investee, the Group’s carrying amount of that interest is reduced to zero and recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with associates are eliminated against the investment to the extent of the Group’s interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

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(b) Foreign currencies

Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency (Baht) at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the foreign exchange rates ruling at that date. Foreign exchange differences arising on translation are recognised in profit or loss.

Non-monetary assets and liabilities measured at fair value in foreign currencies are translated to the functional currency at the foreign exchange rates ruling at the dates of the transactions.

(c) Cash and cash equivalents

Cash and cash equivalents in the statements of cash flows 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 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 principle and comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition.

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 cost method. Investments in associates in the consolidated financial statements are accounted for using the equity method.

Investments in other debt and equity securities

Debt and marketable equity securities, other than those securities held for trading or intended to be held to maturity, are classified as available for sale investments. Available-for-sale investments are, subsequent to initial recognition, stated at fair value, and changes therein, other than impairment losses and foreign currency differences on available-for-sale monetary items, are recognised directly in equity. Impairment losses and foreign exchange differences are recognised in the profit or loss. When these investments are derecognised, the cumulative gain or loss previously recognised directly

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in equity is recognised in profit or loss. Where these investments are interest-bearing, interest calculated using the effective interest method is recognised in profit or loss.

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

The fair value of financial instruments classified as available for sale is determined as the quoted bid price at the reporting date.

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 profit or loss.

If the Group disposes of part of its holding of a particular investment, the deemed cost of the part sold is determined using the weighted average method applied to the carrying value of the total holding of the investment.

(g) Investment properties

Investment properties are properties which are held to earn rental income, for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties are stated at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, and other costs directly attributable to bringing the investment property to a working condition for its intended use and capitalised borrowing costs.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each property. The estimated useful lives are as follows:

Investment property	5- 30	years
---------------------	-------	-------

Reclassification to property, plant and equipment

When the use of a property changes such that it is reclassified as property, plant and equipment, its carrying amount at the date of reclassification becomes its cost for subsequent accounting.

(h) Property, plant and equipment

Recognition and measurement

Owned assets

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

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Cost also may include transfers from other comprehensive income of any gain or loss on qualifying

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cash flow hedges of foreign currency purchases of property, plant and equipment. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment, considering as property, plant and equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within other income in profit or loss. When revalued assets are sold, the amounts included in the revaluation reserve are transferred to retained earnings.

Reclassification to investment property

When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property at its book value.

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is calculated based on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is charged to profit or loss over the estimated useful lives of each component of an item of property, plant and equipment. Depreciation on plant and equipment acquired before the year 2001 is calculated by the straight-line method. Depreciation on equipment acquired since 1 January 2001 is calculated by the sum-of-the-years-digits method. The estimated useful lives are as follows:

Land improvements	5	years
Leasehold improvements	20 and 30	years
Buildings and structures	30	years
Buildings and structure improvements	5 and 20	years
Information system equipment	3-5	years
Building system equipment	5, 7, 10 and 20	years
Furniture, fixtures and office equipment	5 and 20	years
Transportation equipment	5	years

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

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(i) *Leasehold rights*

Leasehold rights are recorded at cost less accumulated amortisation and accumulated impairment losses.

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Amortisation

Leasehold rights are charged to the statement of income on a straight-line basis over the terms of the lease periods. The lease periods are 20-30 years.

(j) Intangible assets

Goodwill

Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets. Goodwill is measured as the fair value of the consideration transferred including the recognized amount of any non-controlling interest in the acquiree, less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date. Subsequent to initial recognition, goodwill is measured at cost less accumulated impairment losses. In respect of equity-accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment, and an impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount of the equity-accounted investee

Other intangible assets

Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

Amortisation

Amortisation is based on the cost of the asset, or other amount substituted for cost, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful lives for the current and comparative periods are as follows:

Trademark	27	years
Software licences	10	years
Deferred system development costs	5 and 10	years

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(k) Impairment

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For goodwill and intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same time.

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

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When a decline in the fair value of an available for sale financial asset has been recognised directly in equity and there is objective evidence that the value of the asset is impaired, the cumulative loss that had been recognised directly in equity is recognised in profit or loss even though the financial asset has not been derecognised. The amount of the cumulative loss that is recognised in profit or loss is the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss.

Calculation of recoverable amount

The recoverable amount of available-for-sale financial assets is calculated by reference to the fair value.

The recoverable amount of a non-financial asset is the greater of the asset's value in use and fair value less costs to sell. 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 in respect of a financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised in profit or loss. For available-for-sale financial assets that are equity securities, the reversal is recognised in other comprehensive income.

An impairment loss in respect of goodwill is not reversed. Impairment losses recognised in prior periods in respect of other non-financial assets are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. 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.

(l) Interest-bearing liabilities

Interest-bearing liabilities are stated at cost.

(m) Trade and other accounts payable

Trade and other accounts payable are stated at cost.

(n) Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

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Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit pension plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past service costs and the fair value of any plan assets are deducted. The discount rate is the yield at the reporting date on Government bonds that have maturity dates approximating the terms of the Group's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The calculation is performed annually by a qualified actuary using the projected unit credit method.

When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognised in profit or loss on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits vest immediately, the expense is recognised immediately in profit or loss.

The Group recognises all actuarial gains and losses arising from defined benefit plans in other comprehensive income and all expenses related to defined benefit plans in profit or loss.

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

(o) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

(p) Repurchase of share capital (treasury shares)

When share capital recognised as equity is repurchased, the amount of consideration paid, including directly attributable costs, is classified as treasury shares and recognised as a deduction from equity. An equal amount is appropriated from retained earnings and taken to a reserve for treasury shares within equity. When treasury shares are sold, the amount received is recognised as an increase in equity by crediting the cost of the treasury shares sold, calculated using the weighted average method, to the treasury shares account and transferring the equivalent amount back from reserve for treasury shares to retained earnings. Surpluses on the sale of treasury shares are taken directly to a separate category within equity, 'Surplus on treasury shares'. Net deficits on sale or cancellation of treasury shares are debited to retained earnings after setting off against any remaining balance of surplus on treasury shares.

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(q) 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 profit or loss 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.

Investments

Revenue from investments comprises rental income from investment properties and dividend and interest income from investments and bank deposits.

Rental income

Rental income from investment property is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income. Contingent rentals are recognised as income in the accounting period in which they are earned.

Dividend income

Dividend income is recognised in profit or loss on the date the Group's right to receive payments is established.

Interest income

Interest income is recognised in profit or loss as it accrues.

(r) Finance costs

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions and contingent consideration, losses on disposal of available for sale financial assets, fair value losses on financial assets at fair value through profit or loss and impairment losses recognised on financial assets (other than trade receivables), that are recognised in profit or loss.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

(s) Lease payments

Payments made under operating leases are recognised in profit or loss on a straight line basis over the term of the lease. Lease incentives received are recognised in profit or loss as an integral part of the total lease expense, over the term of the lease.

Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

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Determining whether an arrangement contains a lease

At inception of an arrangement, the Group determines whether such an arrangement is or contains a lease. A specific asset is the subject of a lease if fulfilment of the arrangement is dependent on the use of that specified asset. An arrangement conveys the right to use the asset if the arrangement conveys to the Group the right to control the use of the underlying asset.

At inception or upon reassessment of the arrangement, the Group separates payments and other consideration required by such an arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Group concludes for a finance lease that it is impracticable to separate the payments reliably, an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. Subsequently the liability is reduced as payments are made and an imputed finance charge on the liability is recognised using the Group's incremental borrowing rate.

(t) Income tax

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and jointly-controlled entities to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

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A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(u) *Earnings per share*

The Group presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year, adjusted for own shares held.

(v) *Segment reporting*

Segment results that are reported to the Group's CEO (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

5 Related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Relationships with associates and subsidiaries are described in notes 1, 11 and 12. Relationship with key management and other related parties were as follows:

Name of entities	Country of incorporation / nationality	Nature of relationships
Central Retail Corporation Co., Ltd.	Thailand	Major shareholder, 27.74% shareholding, some common directors
CRG service Co., Ltd.	Thailand	Major shareholder, 26.07% shareholding, some common directors
CRC Power Retail Co.,Ltd.	Thailand	Some common directors
Office Club (Thai) Co.,Ltd.	Thailand	Some common directors
CRC Property Co.,Ltd.	Thailand	Some common directors
B2S Co., Ltd.	Thailand	Some common directors
Central Food Retail Co., Ltd.	Thailand	Some common directors
Central Department Store Co., Ltd.	Thailand	Some common directors
Central Trading Co., Ltd.	Thailand	Some common directors
Central Garment Factory Co., Ltd.	Thailand	Some common directors
Cetrac International Co., Ltd.	Thailand	Some common directors

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Name of entities	Country of incorporation / nationality	Nature of relationships
RIS Co., Ltd.	Thailand	Some common directors
PB Logistic Co., Ltd.	Thailand	Some common directors
Central Pattana Rattanaibeth Co., Ltd.	Thailand	Some common directors
Central Pattana Chiangmai Co., Ltd.	Thailand	Some common directors
Central Pattana Chonburi Co., Ltd.	Thailand	Some common directors
Central Pattana Khonkaen Co.,Ltd.	Thailand	Some common directors
Central World Co.,Ltd.	Thailand	Some common directors
Central Pattana Development Co., Ltd.	Thailand	Some common directors
Central Pattana Nine Square Co.,Ltd.	Thailand	Some common directors
CG Broker Co.,Ltd.	Thailand	Some common directors
Key management personnel	Thailand	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group.

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

Transactions	Pricing policies
Sale of goods	Market prices should not be lower than the cost of goods
Interest income/Interest expense	Minimum loan rates or saving rates or fixed deposit rate of certain local financial institutions plus 0% to 2.5% per annum depending on finance cost of each company
Rental and service income	Certain percentages of sales with a reference to the related market prices or fixed amount
Sales promotion income	Contractually agreed prices
Utility income	Contractually agreed prices
Management fee income	Certain percentages of sales or fixed amount
Rental and service expenses	Contractually agreed prices
Utility expenses	Contractually agreed prices
Sales promotion expenses	Contractually agreed prices
Management fee expense	Contractually agreed prices
Key management personnel compensation	As defined by the nomination and remuneration committee

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Significant transactions for the years ended 31 December 2013 and 2012 with related parties were as follows:

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
Subsidiaries				
Sale of goods	-	-	280,176	253,304
Rental and service income	-	-	60	60
Management fee income	-	-	178,513	177,760
Sales promotion income	-	-	2,585	2,382
Interest income	-	-	14,427	13,214
Rental and service expenses	-	-	7,360	21,563
Sales promotion expense	-	-	4,123	2,803
Interest expense	-	-	57,447	36,227
Associates				
Rental and service charges	188,806	162,557	146,836	118,539
Utility income	26,126	22,038	20,913	17,030
Management fee income	8,628	5,646	6,871	3,983
Key management personnel				
Key management personnel compensation				
Short-term employee benefits	68,653	65,226	67,933	64,506
Post-employment benefits	11,158	3,141	11,158	3,141
Total key management personnel compensation	<u>79,811</u>	<u>68,367</u>	<u>79,091</u>	<u>67,647</u>
Other related parties				
Sale of goods	2,979	3,477	2,979	3,477
Rental and service income	373,218	353,256	279,708	258,070
Utility income	117,972	113,875	86,036	81,472
Management fee income	9,804	3,533	8,679	2,316
Sales promotion income	53,880	45,504	33,300	30,276
Rental and service expenses	227,125	204,765	145,146	130,850
Utility expenses	78,567	71,193	40,691	35,983
Sales promotion expense	133,664	112,951	90,134	76,823
Management fee expense	128,294	117,635	124,503	112,806

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Balances as at 31 December 2013 and 2012 with related parties were as follows:

<i>Trade accounts receivable from related parties</i>	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
Subsidiaries				
CR Udon Thani (Thailand) Co., Ltd.	-	-	9,515	6,150
CR Phuket (Thailand) Co., Ltd.	-	-	27,097	22,015
CR Nakorn Sri Thammarat (Thailand) Co., Ltd.	-	-	14,681	8,439
CR Had Yai (Thailand) Co., Ltd.	-	-	10,736	9,514
CR Chiang Mai (Thailand) Co., Ltd.	-	-	9,890	10,131
CR Ubon Ratchathani (Thailand) Co., Ltd.	-	-	1,816	2,189
CR Rajchaburi (Thailand) Co., Ltd.	-	-	4,873	4,705
CR Chantaburi (Thailand) Co., Ltd.	-	-	4,619	4,170
Associates				
Power Buy Co., Ltd.	8,569	7,963	6,992	6,194
CRC Sport Co., Ltd.	15,362	13,920	12,804	10,820
Other related parties				
Central Retail Corporation Co.,Ltd.	21,107	17,684	12,655	11,705
B2S Co., Ltd.	8,083	7,750	6,373	5,752
Central Food Retail Co., Ltd.	41,551	41,193	32,798	31,700
Central Department Store Co., Ltd.	13,105	10,933	12,025	9,391
Others	35,066	14,565	31,327	11,616
	142,843	114,008	198,201	154,491
Less allowance for doubtful accounts	-	-	-	-
Net	142,843	114,008	198,201	154,491
Bad and doubtful debts expenses for the year	-	-	-	-

<i>Loans to related parties</i>	Interest rate		Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012	2013	2012
	<i>(% per annum)</i>		<i>(in thousand Baht)</i>			
Short-term loans						
Subsidiaries						
Robinson Nakarin Co., Ltd.	3.40	3.75	-	-	320,759	307,897
RD Pattana Co.,Ltd.	3.40	-	-	-	986	-
			-	-	321,745	307,897
Less allowance for doubtful accounts			-	-	(320,759)	(307,897)
Short-term loans to related parties, net			-	-	986	-

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<i>Loans to related parties</i>	Interest rate		Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012	2013	2012
<i>Long-term loans</i>	<i>(% per annum)</i>		<i>(in thousand Baht)</i>			
Subsidiary						
Robinson Nakarin Co., Ltd.	6.00	6.00	-	-	61,224	61,224
<i>Summary of loans to related parties</i>						
Short-term loans			-	-	321,745	307,897
Long-term loans			-	-	61,224	61,224
			-	-	382,969	369,121
Less allowance for doubtful accounts			-	-	(320,759)	(307,897)
Total loans to related parties, net			-	-	62,210	61,224
Bad and doubtful debts expenses for the year			-	-	12,862	13,282

Movements during the years ended 31 December 2013 and 2012 of loans to related parties were as follows:

<i>Loans to related parties</i>	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
<i>Short-term loans</i>				
Subsidiaries				
At 1 January	-	-	307,897	294,615
Increase				
- principal	-	-	14,150	22,910
- interest	-	-	14,427	13,214
Decrease				
- principal	-	-	(3,931)	(13,309)
- interest	-	-	(10,798)	(9,533)
At 31 December	-	-	321,745	307,897
<i>Long-term loan</i>				
Subsidiary				
At 1 January	-	-	61,224	61,224
Increase	-	-	-	-
Decrease	-	-	-	-
At 31 December	-	-	61,224	61,224
<i>Leasehold rights - related parties</i>				
	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
Other related parties	1,353,465	1,432,631	1,130,278	1,190,708

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Trade accounts payable
- related parties

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
Subsidiaries				
CR Udon Thani (Thailand) Co., Ltd.	-	-	1,656	1,204
CR Had Yai (Thailand) Co., Ltd.	-	-	2,613	591
CR Chiang Mai (Thailand) Co., Ltd.	-	-	2,862	1,529
Others	-	-	9,139	3,966
Associates				
Power Buy Co., Ltd.	-	2	-	2
CRC Sport Co., Ltd.	1,961	2,032	1,086	1,149
Other related parties				
Central Trading Co., Ltd.	219,985	265,923	149,326	125,269
Central Garment Factory Co., Ltd.	21,540	32,549	14,489	14,154
Central Department Store Co., Ltd.	4,205	5,079	4,205	5,079
Others	20,317	15,461	10,990	7,760
Total	268,008	321,046	196,366	160,703

Loans from related parties

	Interest rate		Consolidated		Separate	
	2013	2012	financial statements	financial statements	financial statements	financial statements
	2013	2012	2013	2012	2013	2012
	<i>(% per annum)</i>		<i>(in thousand Baht)</i>			
Short-term loans						
Subsidiaries						
Robinson Rachada Co., Ltd.	3.40	3.12	-	-	67,238	59,582
Robinson Sukhumvit Co., Ltd.	3.40	3.12	-	-	11,307	10,019
R -Trading (L) BHD.	-	-	-	-	882,787	884,105
Robinson S.P.V. Co.,Ltd.	3.40	3.12	-	-	2,395	2,334
RD Pattana Co.,Ltd.	-	3.12	-	-	-	3,238
CR (Thailand)	3.40	3.12	-	-	2,171,971	199,897
CR Rajchaburi (Thailand) Co., Ltd.	3.40	3.12	-	-	579,121	487,158
Short-term loans from related parties			-	-	3,714,819	1,646,333
Long-term loan						
Subsidiary						
Robinson Sukhumvit Co., Ltd.	2.00	2.00	-	-	113,300	113,300
Summary of loans from related parties						
Short-term loans			-	-	3,714,819	1,646,333
Long-term loan			-	-	113,300	113,300
Total loans from related parties			-	-	3,828,119	1,759,633

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Movements during the years ended 31 December 2013 and 2012 of loans from related parties were as follows:

Loans from related parties

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
<i>Short-term loans</i>				
Subsidiaries				
At 1 January	-	-	1,646,333	1,753,551
Increase				
- principal	-	-	9,867,836	8,634,150
- interest	-	-	57,447	36,227
Decrease				
- principal	-	-	(7,804,395)	(8,743,436)
- interest	-	-	(52,402)	(34,159)
At 31 December	-	-	3,714,819	1,646,333

***Long-term loan from
related party***

Subsidiary				
At 1 January	-	-	113,300	113,300
Increase	-	-	-	-
Decrease	-	-	-	-
At 31 December	-	-	113,300	113,300

Other payables

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
<i>Advances from related parties</i>				
Subsidiaries				
CR Phuket (Thailand) Co., Ltd.	-	-	155	180
CR Nakorn Sri Thammarat (Thailand) Co., Ltd.	-	-	70	-
CR Had Yai (Thailand) Co., Ltd.	-	-	-	141
CR Chiang Mai (Thailand) Co., Ltd.	-	-	112	356
CR Ubon Ratchathani (Thailand) Co., Ltd.	-	-	20	224
CR Rajchaburi (Thailand) Co., Ltd.	-	-	11	5
Associate				
Power Buy Co., Ltd.	168	98	135	60

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Other payables

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
Other related parties				
Central Retail Corporation Co., Ltd.	68,745	55,085	51,348	42,388
Central Pattana Khonkhan Co., Ltd.	63,562	83,781	63,562	83,781
Central Pattana Chonburi Co., Ltd.	8,229	24,892	8,229	24,892
RIS Co., Ltd.	16,040	12,121	13,504	9,655
Central Pattana Rattana Tibeth Co., Ltd.	2,518	3,063	2,518	3,063
Central Pattana Development Co., Ltd.	37,768	12,073	37,768	12,073
Central Pattana Chiangmai Co., Ltd.	5,164	4,312	-	-
Central World Co., Ltd.	41,876	8,370	37,248	6,497
Central Pattana Nine Square Co., Ltd.	7,704	12,051	7,704	12,051
Others	8,825	14,599	8,082	11,189
Total	260,599	230,445	230,466	206,555

Commitments with related parties

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
Operating lease commitments				
Within one year	169,301	168,701	126,670	130,241
After one year but within five years	389,063	464,125	275,581	349,012
After five years	1,492,559	1,641,124	1,340,280	1,472,917
Total	2,050,923	2,273,950	1,742,531	1,952,170

Significant agreements with related parties

Rental and service agreements

The Company has entered into rental agreements for retail space and service agreements with related parties. In consideration thereof, these related parties agreed to pay the rental and service fees at percentages of sales and/or size of occupied areas. The agreements have a term of 1 year and are renewable for successive periods by either party giving advance written notice.

Service agreements

The Group entered into a service agreement with related party whereby such company will provide services relating to accounting, taxation, financial and other related services. In consideration thereof, the Group agreed to pay service fees at amount specified in the agreement. The agreement has a term of 1 year and is renewable for successive periods by either party giving written notice 30 days in advance.

Computer service agreements

The Group has entered into service agreements with related party whereby the latter will provide services relating to the computer systems of the Group. The Group has to pay service fees at amount specified in the agreements. The agreement has a term of 1 year and is renewable for successive periods.

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Warehouse management service agreements

The Company has entered into inventory warehouse management service agreements with related party for a period of 12 months. The Company has to pay warehouse management service fees at amount specified in the agreements. Either party may give notice of termination within 90 days prior to expiry date of these agreements, otherwise the agreements are automatically renewed for successive periods of 12 months each.

Member card service agreement

The Company has entered into a member card service agreement “The 1 Card” with related party. The said related party will provide services to members of the Company, marketing management, members database management and provide the reward and other benefits for The 1 Card point redemption. In consideration thereof, the Company has to pay service fee at rates specified in the agreement. The agreement will expire on 31 December 2015.

Rental and service agreements

The Group agreed to rent an area and obtain the services from related party. In consideration thereof, the Group has agreed to pay the rental and service fees on a monthly basis. The agreements are for periods of 1 year and 3 years and are renewable for successive periods by either party giving not less than 90 days advance written notice.

6 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
Cash on hand	174,877	136,165	114,902	86,060
Cash at banks - current accounts	539,572	578,956	526,726	571,642
Cash at banks - savings accounts	950,589	2,046,376	492,158	1,096,521
Highly liquid short-term investments	216,779	261,281	11,301	211,280
Total	<u>1,881,817</u>	<u>3,022,778</u>	<u>1,145,087</u>	<u>1,965,503</u>

Cash and cash equivalents of the Group and the Company as at 31 December 2013 and 2012 were denominated entirely in Thai Baht.

Robinson Department Store Public Company Limited and its Subsidiaries

Notes to the financial statements

7 Other investments

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
<i>Current investments</i>				
Equity securities available for sale	202,235	1,039,789	202,235	-
Other debt securities	16,269	-	13,000	-
	<u>218,504</u>	<u>1,039,789</u>	<u>215,235</u>	<u>-</u>
<i>Other long-term investments</i>				
Other non marketable equity securities	196,218	148,093	196,215	148,090
Other debt securities	-	10,000	-	10,000
	<u>196,218</u>	<u>158,093</u>	<u>196,215</u>	<u>158,090</u>
Total	<u>414,722</u>	<u>1,197,882</u>	<u>411,450</u>	<u>158,090</u>

Other investments of the Group and the Company as at 31 December 2013 and 2012 were denominated entirely in Thai Baht.

Movements during the years ended 31 December 2013 and 2012 of marketable equity securities were as follows:

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
<i>Current investments</i>				
Available for sale securities				
At 1 January	1,039,789	622,340	-	202,293
Purchases during the year	1,200,000	2,587,221	300,000	-
Sale during the year	(2,052,922)	(2,186,321)	(100,000)	(208,545)
Gain on disposal of investments	16,133	16,466	578	8,545
Valuation adjustment	(765)	83	1,657	(2,293)
At 31 December	<u>202,235</u>	<u>1,039,789</u>	<u>202,235</u>	<u>-</u>

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Non-marketable equity securities recorded by the cost method as at 31 December 2013 and 2012 and dividend income from those investments for the years then ended were as follows:

Consolidated financial statements											
Ownership interest	Paid-up capital	Cost		Impairment		Cost – net of impairment		Dividend income			
		2013	2012	2013	2012	2013	2012	2013	2012		
(in thousand Baht)											
Siam Retail Development Co., Ltd.	24.00	500,000	120,000	120,000	-	(35,000)	120,000	85,000	-	-	
Square Ritz Plaza Co., Ltd	24.00	125,000	30,000	30,000	(1,000)	(1,000)	29,000	29,000	-	-	
Seacon Bangkae Co., Ltd.	0.0014	700,000	117,503	117,503	(117,500)	(117,500)	3	3	-	-	
Rangsit Plaza Co., Ltd.	6.56	400,000	39,375	26,250	-	-	39,375	26,250	263	263	
Samakeesan (Dokya) Co., Ltd.	4.15	170,000	12,713	12,713	(12,713)	(12,713)	-	-	-	-	
Siam Family Mart Co., Ltd.	0.71	575,000	22,840	22,840	(15,000)	(15,000)	7,840	7,840	-	-	
Total			342,431	329,306	(146,213)	(181,213)	196,218	148,093	263	263	
Separate financial statements											
Ownership interest	Paid-up capital	Cost		Impairment		Cost – net of impairment		Dividend income			
		2013	2012	2013	2012	2013	2012	2013	2012		
(in thousand Baht)											
Siam Retail Development Co., Ltd.	24.00	500,000	120,000	120,000	-	(35,000)	120,000	85,000	-	-	
Square Ritz Plaza Co., Ltd	24.00	125,000	30,000	30,000	(1,000)	(1,000)	29,000	29,000	-	-	
Rangsit Plaza Co., Ltd.	6.56	400,000	39,375	26,250	-	-	39,375	26,250	263	263	
Samakeesan (Dokya) Co., Ltd.	4.15	170,000	12,713	12,713	(12,713)	(12,713)	-	-	-	-	
Siam Family Mart Co., Ltd.	0.71	575,000	22,840	22,840	(15,000)	(15,000)	7,840	7,840	-	-	
Total			224,928	211,803	(28,713)	(63,713)	196,215	148,090	263	263	

Robinson Department Store Public Company Limited
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8 Trade accounts receivable

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		2013	2012	2013	2012
		<i>(in thousand Baht)</i>			
Related parties	5	142,843	114,008	198,201	154,491
Other parties		614,552	499,946	455,376	333,314
		<u>757,395</u>	<u>613,954</u>	<u>653,577</u>	<u>487,805</u>
Less allowance for doubtful accounts		<u>(18,532)</u>	<u>(9,493)</u>	<u>(16,576)</u>	<u>(6,868)</u>
Net		<u>738,863</u>	<u>604,461</u>	<u>637,001</u>	<u>480,937</u>
Bad and doubtful debts expenses for the year		<u>9,082</u>	<u>7,102</u>	<u>9,748</u>	<u>5,274</u>

Aging analyses for trade accounts receivable were as follows:

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
Related parties				
Within credit terms	137,433	109,853	156,112	139,198
Overdue:				
Less than 1 month	453	1,161	36,194	9,490
1-3 months	2,414	811	3,270	3,335
3-12 months	1,385	2,008	1,386	2,278
Over 12 months	1,158	175	1,239	190
	<u>142,843</u>	<u>114,008</u>	<u>198,201</u>	<u>154,491</u>
Less allowance for doubtful accounts	-	-	-	-
Net	<u>142,843</u>	<u>114,008</u>	<u>198,201</u>	<u>154,491</u>
Other parties				
Within credit terms	447,349	396,613	327,466	261,383
Overdue:				
Less than 1 month	129,618	83,525	96,519	56,872
1-3 months	13,656	9,890	9,681	7,536
3-12 months	20,494	9,201	18,596	6,931
Over 12 months	3,435	717	3,114	592
	<u>614,552</u>	<u>499,946</u>	<u>455,376</u>	<u>333,314</u>
Less allowance for doubtful accounts	<u>(18,532)</u>	<u>(9,493)</u>	<u>(16,576)</u>	<u>(6,868)</u>
Net	<u>596,020</u>	<u>490,453</u>	<u>438,800</u>	<u>326,446</u>
Total	<u>738,863</u>	<u>604,461</u>	<u>637,001</u>	<u>480,937</u>

The normal credit term granted by the Group ranges from 30 days to 60 days.

Trade accounts receivable of the Group and the Company as at 31 December 2013 and 2012 were denominated entirely in Thai Baht.

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9 Other receivables

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
Value added tax receivable	6,047	44,145	-	35,410
Prepaid expenses	46,512	52,666	39,673	39,678
Other receivable	-	50,000	-	50,000
Advance payments	27,708	29,170	22,094	23,036
Others	46,101	66,638	19,997	36,375
Total	126,368	242,619	81,764	184,499

10 Inventories

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
Merchandise	1,755,316	1,418,057	1,299,890	1,037,059
Less allowance for shortage, damaged, obsolete and slow-moving inventories	(87,869)	(92,716)	(64,150)	(68,742)
Net	1,667,447	1,325,341	1,235,740	968,317

11 Investments in associates

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2013	2012	2013	2012
		<i>(in thousand Baht)</i>			
At 1 January - as reported		629,536	1,620,313	332,000	332,000
Impact of change in accounting policy					
- income tax	3(b)	47,403	40,242	-	-
At 1 January - restated		676,939	1,660,555	332,000	332,000
Share of net profit of investments - equity method		358,416	402,144	-	-
Acquisition		45,818	-	45,818	-
Surplus on purchase of interest in associate		21,260	-	-	-
Dividend income		-	(1,385,760)	-	-
At 31 December		1,102,433	676,939	377,818	332,000

In May 2013, the Board of Directors meeting approved a resolution for the acquisition of 4 million shares of CRC Sport Co., Ltd. for Baht 11.46 per share, totaling Baht 45.8 million, from Power Buy Co., Ltd.. This resulted in the change of the Company's direct shareholding invested in CRC Sport Co., Ltd. from 29.19% to 40%, although the Group's interest has not changed. The proportionate fair value of the equity acquired on the purchase date was Baht 67.1 million. The difference between the agreed share value and the fair value of the equity acquired was Baht 21.3 million which was recorded in the account of "Surplus on purchase of interest in associate" under equity in the consolidated statement of financial position as at 31 December 2013.

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Investments in associates as at 31 December 2013 and 2012 and dividend income for the years then ended, were as follows:

Consolidated financial statements										
Type of business	Country of incorporation	Ownership interest		Paid-up capital		Cost		Equity		At equity- net
		2013	2012	2013	2012	2013	2012	2013	2012	
(in thousand Baht)										
(Restated)										
Associates										
Power Buy Co., Ltd.	Thailand	40.00	40.00	560,000	560,000	224,000	224,000	703,664	544,881	544,881
CRC Sports Co., Ltd.	Thailand	40.00	29.19*	370,000	370,000	153,818	108,000	398,769	132,058	132,058
Total						377,818	332,000	1,102,433	676,939	676,939
Separate financial statements										
Type of business	Country of incorporation	Ownership interest		Paid-up capital		Cost		Impairment		Dividend income
		2013	2012	2013	2012	2013	2012	2013	2012	
(in thousand Baht)										
(Restated)										
Associates										
Power Buy Co., Ltd.	Thailand	40.00	40.00	560,000	560,000	224,000	224,000	224,000	224,000	1,061,760
CRC Sports Co., Ltd.	Thailand	40.00	29.19	370,000	370,000	153,818	108,000	153,818	108,000	324,000
Total						377,818	332,000	377,818	332,000	1,385,760

*not including 27% hold by Power Buy Co., Ltd.

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None of the Company’s equity securities recorded by equity method are publicly listed and consequently do not have published price quotations.

The following summarised financial information on associated companies which have been accounted for using the equity method is not adjusted for the percentage of ownership held by the Group:

	Reporting Date	Ownership interest (%)	Total assets	Total liabilities <i>(in thousand Baht)</i>	Total revenues	Net profit
2013						
Power Buy Co., Ltd.	31 December	40.00	5,980,888	4,285,226	18,001,289	396,956
CRC Sports Co., Ltd.	31 December	40.00	2,061,939	1,072,612	6,528,052	553,689
Total			8,042,827	5,357,838	24,529,341	950,645
2012 (Restated)						
Power Buy Co., Ltd.	31 December	40.00	6,243,014	4,952,927	18,252,261	784,658
CRC Sports Co., Ltd.	31 December	29.19	1,463,321	1,021,310	5,436,437	357,854
Total			7,706,335	5,974,237	23,688,698	1,142,512

Robinson Department Store Public Company Limited and its Subsidiaries

Notes to the financial statements

12 Investments in subsidiaries

	Separate financial statements	
	2013	2012
	<i>(in thousand Baht)</i>	
At 1 January	3,807,549	2,331,513
Reversal of allowance for impairment	-	1,509,235
Disposals	-	(33,199)
At 31 December	3,807,549	3,807,549

At the extraordinary shareholders' meeting on 8 September 2011 of Kruerkaew Co., Ltd., a subsidiary, the shareholders passed a special resolution for reduction of share capital of 68,000 shares, amounting to Baht 6,800,000. This subsidiary had registered the resolution to Department of Business Development of Ministry of Commerce on 25 October 2011. In February 2012, the Company sold all the investment in shares of Kruerkaew Co., Ltd., comprising 331,994 shares, for Baht 79.1 million.

The Board of Directors' meeting on 7 November 2013 approved the overseas business plan for registration of the establishment of a new subsidiary, Robinson Department Store (Vietnam) Joint Stock Company operates department store business under the brandname of "ROBINS" in Vietnam to expand its business growth. The subsidiary was registered for establishment on 24 December 2013. Up to report date, the subsidiary hasn't started its business operation.

Robinson Department Store Public Company Limited and its Subsidiaries Notes to the financial statements

Investment in subsidiaries as at 31 December 2013 and 2012, were as follows:

Separate financial statements											
Type of business		Ownership interest (%)		Paid-up capital		Cost		Impairment		At cost- net	
		2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
		(in thousand Baht)									
Subsidiaries											
CR (Thailand) Co., Ltd.	Investment	99.99	99.99	3,201,000	3,201,000	3,201,000	3,201,000	-	-	3,201,000	3,201,000
	CR Rajchaburi (Thailand) Co., Ltd.	50.00	50.00	645,600	645,600	322,800	322,800	-	-	322,800	322,800
Robinson Nakarin Co.,Ltd.	Dormant Company	99.86	99.86	105,000	105,000	104,850	104,850	-	-	104,850	104,850
	Robinson Sukhumvit Co., Ltd.	99.99	99.99	100,000	100,000	100,000	100,000	-	-	100,000	100,000
Robinson Ratchada Co., Ltd.	Dormant Company	99.80	99.80	75,000	75,000	74,850	74,850	-	-	74,850	74,850
	RD Pattana Co., Ltd.	99.98	99.98	3,000	3,000	3,000	3,000	-	-	3,000	3,000
Robinson S.P.V. Co., Ltd.	Dormant Company	99.99	99.99	1,000	1,000	999	999	-	-	999	999
	R-Trading (L) BHD.	99.92	99.92	50	50	50	50	-	-	50	50
Total						3,807,549	3,807,549	-	-	3,807,549	3,807,549

Apart from R-Trading (L) BHD, which is incorporated in the British Virgin Islands, all subsidiaries are incorporated in Thailand.

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Notes to the financial statements

13 Investment properties

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2013	2012	2013	2012
		<i>(in thousand Baht)</i>			
<i>Cost</i>					
At 1 January		2,301,914	1,898,482	1,579,221	1,153,589
Reclassification from property, plant and equipment	14	1,486,340	456,934	1,465,603	426,192
Disposals		(119,368)	(53,502)	(114,695)	(560)
At 31 December		<u>3,668,886</u>	<u>2,301,914</u>	<u>2,930,129</u>	<u>1,579,221</u>
<i>Accumulated depreciation and impairment losses</i>					
At 1 January		1,204,090	1,090,267	821,070	706,212
Depreciation charge for the year	14	200,841	134,190	170,614	115,383
Disposals		(116,416)	(20,367)	(108,906)	(525)
At 31 December		<u>1,288,515</u>	<u>1,204,090</u>	<u>882,778</u>	<u>821,070</u>
<i>Net book value</i>					
At 1 January 2012			<u>808,215</u>		<u>447,377</u>
At 31 December 2012 and 1 January 2013		<u>1,097,824</u>	<u>1,097,824</u>	<u>758,151</u>	<u>758,151</u>
At 31 December 2013		<u>2,380,371</u>		<u>2,047,351</u>	

Investment properties comprise a number of commercial properties that are leased to third parties and land not used in operation. As at 31 December 2013, fair value computed by the Group's management was approximately Baht 11,790 million (2012: Baht 5,721 million) for consolidated financial statements and Baht 10,117 million (2012: Baht 3,970 million) for separate financial statements based on the Discounted Cash Flow Analysis method using key assumptions of discount rates, terminal value growth rates and EBITDA margins in computation of fair value.

Robinson Department Store Public Company Limited
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Notes to the financial statements

14 Property, plant and equipment

	Consolidated financial statements					Assets under construction and installation	Total
	Land and improvements	Leasehold improvements	Building, structures and improvements	Information system equipment (in thousand Baht)	Building system equipment	Furniture, fixtures and office equipment	
<i>Cost</i>							
At 1 January 2012	482,939	911,947	2,520,384	261,345	2,016,378	1,190,467	7,731,563
Additions	287,984	-	272,714	23,864	119,026	131,867	2,886,173
Transfers	-	-	811,856	26	776,226	42,938	-
Transfers to investment properties	(125,838)	-	(206,184)	-	(124,912)	-	(456,934)
Disposals	-	(97,011)	(18,510)	(4,679)	(15,017)	(40,821)	(177,229)
At 31 December 2012 and 1 January 2013	645,085	814,936	3,380,260	280,556	2,771,701	1,324,451	9,983,573
Additions	1,234,971	-	369,910	26,097	207,893	156,309	4,261,513
Transfers	-	-	1,831,887	5,344	984,807	99,913	-
Transfers to investment properties	(183,693)	-	(857,075)	-	(445,572)	-	(1,486,340)
Disposals	-	(70,690)	(103,076)	(30,043)	(141,937)	(236,930)	(588,360)
At 31 December 2013	1,696,363	744,246	4,621,906	281,954	3,376,892	1,343,743	12,170,386

**Robinson Department Store Public Company Limited
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	Consolidated financial statements						Assets under construction and installation	Total
	Land and improvements	Leasehold improvements	Building, structures and improvements	Information system equipment	Building system equipment	Furniture, fixtures and office equipment		
<i>(in thousand Baht)</i>								
Accumulated depreciation and impairment losses								
At 1 January 2012	296	772,663	1,266,128	242,928	1,180,701	1,035,650	9,649	4,508,015
Depreciation charge for the year	-	45,229	264,593	14,721	270,721	92,356	10	687,630
Disposals	-	(99,897)	(17,934)	(4,664)	(14,702)	(39,279)	(782)	(177,258)
At 31 December 2012 and 1 January 2013	296	717,995	1,512,787	252,985	1,436,720	1,088,727	8,877	5,018,387
Depreciation charge for the year	-	35,813	387,012	21,989	391,392	139,687	23	975,916
Disposals	-	(66,379)	(97,366)	(29,975)	(141,104)	(236,908)	(4,067)	(575,799)
At 31 December 2013	296	687,429	1,802,433	244,999	1,687,008	991,506	4,833	5,418,504
Net book value								
At 1 January 2012	482,643	139,284	1,254,256	18,417	835,677	154,817	4	3,223,548
At 31 December 2012								
At 1 January 2013	644,789	96,941	1,867,473	27,571	1,334,981	235,724	33	4,965,186
At 31 December 2013	1,696,067	56,817	2,819,473	36,955	1,689,884	352,237	108	6,751,882

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Accumulated depreciation and impairment losses									
At 1 January 2012	-	736,008	659,373	200,350	853,501	718,447	4,073	-	3,171,752
Depreciation charge for the year	-	43,351	219,674	12,761	236,939	75,288	6	-	588,019
Disposals	-	(100,696)	(1,953)	(4,143)	(2,573)	(5,266)	(455)	-	(115,086)
At 31 December 2012 and 1 January 2013	-	678,663	877,094	208,968	1,087,867	788,469	3,624	-	3,644,685
Depreciation charge for the year	-	33,680	319,774	18,144	354,029	114,371	23	-	840,021
Disposals	-	(60,088)	(73,230)	(29,569)	(126,613)	(187,904)	(2,894)	-	(480,298)
At 31 December 2013	-	652,255	1,123,638	197,543	1,315,283	714,936	753	-	4,004,408
Net book value									
At 1 January 2012	404,555	118,866	1,086,446	16,681	774,633	124,800	-	323,766	2,849,747
At 31 December 2012 and 1 January 2013	569,665	78,401	1,667,222	23,396	1,241,508	194,094	33	668,993	4,443,312
At 31 December 2013	1,620,943	41,607	2,602,889	31,711	1,572,718	306,293	108	85,281	6,261,550

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The gross amount of the Group's fully depreciated plant and equipment that was still in use as at 31 December 2013 amounted to Baht 2,679 million (2012: Baht 3,183 million).

The gross amount of the Company fully depreciated plant and equipment that was still in use as at 31 December 2013 amounted to Baht 1,701 million (2012: Baht 2,174 million).

Plant and equipment under construction

During the year ended 31 December 2013, costs of the Group's and the Company's plant and equipment under construction incurred up to the reporting date was Baht 100 million (2012: Baht 758 million) and Baht 85 million (2012: Baht 669 million), respectively. Costs incurred were mainly for constructions of new stores.

15 Leasehold rights

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2013	2012	2013	2012
		<i>(in thousand Baht)</i>			
Related parties	5	1,353,465	1,432,631	1,130,278	1,190,708
Other parties		1,413,553	1,556,220	652,710	725,593
Total		2,767,018	2,988,851	1,782,988	1,916,301

Movements during the years ended 31 December 2013 and 2012 of leasehold rights are as follows:

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
At 1 January	2,988,851	3,059,859	1,916,301	1,898,946
Additions	1,000	199,186	-	197,950
Disposals	-	(50,000)	-	(50,000)
Amortisation charge for the year	(222,833)	(220,194)	(133,313)	(130,595)
At 31 December	2,767,018	2,988,851	1,782,988	1,916,301

The Group and the Company entered into lease and sublease agreements to rent office buildings and department store space to operate Robinson Department Store for periods of 19-30 years. The longest agreement will expire in April 2043. The Group and the Company paid for the leasehold rights approximately Baht 6,799 million and Baht 4,229 million, respectively.

16 Deferred tax

Deferred tax assets and liabilities as at 31 December were as follows:

	Consolidated financial statements				Liabilities	
	Assets					
	At 31	At 31	At 1	At 31	At 31	At 1
	December	December	January	December	December	January
	2013	2012	2012	2013	2012	2012
	<i>(in thousand Baht)</i>					
Total	245,840	250,481	653,850	(21,502)	(14,492)	(8,128)
Set off of tax	(14,523)	(10,283)	(6,956)	14,523	10,283	6,956
Net deferred tax assets (liabilities)	231,317	240,198	646,894	(6,979)	(4,209)	(1,172)

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	Separate financial statements					
	Assets		Liabilities			
	At 31 December 2013	At 31 December 2012	At 1 January 2012	At 31 December 2013	At 31 December 2012	At 1 January 2012
			<i>(in thousand Baht)</i>			
Total	195,305	197,169	559,273	(11,894)	(7,636)	(4,298)
Set off of tax	(11,894)	(7,636)	(4,298)	11,894	7,636	4,298
Net deferred tax assets (liabilities)	183,411	189,533	554,975	-	-	-

Movements in total deferred tax assets and liabilities during the year ended 31 December 2013 and 2012 were as follows:

	Consolidated financial statements				
		Charged / credited to:			
	At 1 January 2013	Profit or loss	Other comprehensive income	Equity	At 31 December 2013
		(in thousand Baht)			
Deferred tax assets					
Trade accounts receivable (allowance for doubtful accounts)	1,899	1,807	-	-	3,706
Loans to related parties (allowance for doubtful accounts)	115,665	2,572	-	-	118,237
Other long-term investments (allowance for impairment)	10,200	(7,000)	-	-	3,200
Leasehold rights (allowance for impairment)	70,285	(7,008)	-	-	63,277
Inventories (allowance for decline in value)	18,543	(969)	-	-	17,574
Employee benefit obligations	22,503	6,795	-	-	29,298
Others (deposit, advance received)	11,386	(838)	-	-	10,548
Total	250,481	(4,641)	-	-	245,840
Deferred tax liabilities					
Property, plant and equipment (depreciation gap)	(14,007)	(7,163)	-	-	(21,170)
Available for sale investments (valuation adjustment)	(485)	-	153	-	(332)
Total	(14,492)	(7,163)	153	-	(21,502)
Net	235,989	(11,804)	153	-	224,338

**Robinson Department Store Public Company Limited
and its Subsidiaries**
Notes to the financial statements

	At 1 January 2012	Consolidated financial statements Charged / credited to:			At 31 December 2012
		Profit or loss	Other comprehensive income (in thousand Baht)	Equity	
<i>Deferred tax assets</i>					
Trade accounts receivable (allowance for doubtful accounts)	468	1,431	-	-	1,899
Loans to related parties (allowance for doubtful accounts)	113,009	2,656	-	-	115,665
Other long-term investments (allowance for impairment)	416,894	(406,694)	-	-	10,200
Leasehold rights (allowance for impairment)	78,345	(8,060)	-	-	70,285
Inventories (allowance for decline in value)	14,921	3,622	-	-	18,543
Employee benefit obligations	16,993	1,949	3,561	-	22,503
Others (deposit, advance received)	13,220	(1,834)	-	-	11,386
Total	653,850	(406,930)	3,561	-	250,481
<i>Deferred tax liabilities</i>					
Property, plant and equipment (depreciation gap)	(6,927)	(7,081)	-	-	(14,008)
Available for sale investments (valuation adjustment)	(538)	-	54	-	(484)
Others	(663)	663	-	-	-
Total	(8,128)	(6,418)	54	-	(14,492)
Net	645,722	(413,348)	3,615	-	235,989

Robinson Department Store Public Company Limited
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Notes to the financial statements

		Separate financial statements			
		Charged / credited to:			
	At 1 January 2013	Profit or loss	Other comprehensive income <i>(in thousand Baht)</i>	Equity	At 31 December 2013
Deferred tax assets					
Trade accounts receivable <i>(allowance for doubtful accounts)</i>	1,374	1,941	-	-	3,315
Loans to related parties <i>(allowance for doubtful accounts)</i>	115,665	2,573	-	-	118,238
Other long-term investments <i>(allowance for impairment)</i>	10,200	(7,000)	-	-	3,200
Leasehold rights <i>(allowance for impairment)</i>	27,465	(3,693)	-	-	23,772
Inventories <i>(allowance for decline in value)</i>	13,748	(918)	-	-	12,830
Employee benefit obligations	17,631	6,047	-	-	23,678
Others <i>(deposit, advance received)</i>	11,086	(814)	-	-	10,272
Total	197,169	(1,864)	-	-	195,305
Deferred tax liabilities					
Property, plant and equipment <i>(depreciation gap)</i>	(7,636)	(3,926)	-	-	(11,562)
Available for sale investments <i>(valuation adjustment)</i>	-	-	(332)	-	(332)
Total	(7,636)	(3,926)	(332)	-	(11,894)
Net	189,533	(5,790)	(332)	-	183,411

Robinson Department Store Public Company Limited and its Subsidiaries

Notes to the financial statements

	At 1 January 2012	Separate financial statements Charged / credited to:			At 31 December 2012
		Profit or loss	Other	Equity	
			comprehensive income <i>(in thousand Baht)</i>		
<i>Deferred tax assets</i>					
Trade accounts receivable <i>(allowance for doubtful accounts)</i>	315	1,059	-	-	1,374
Loans to related parties <i>(allowance for doubtful accounts)</i>	113,009	2,656	-	-	115,665
Other long-term investments <i>(allowance for impairment)</i>	384,694	(374,494)	-	-	10,200
Leasehold rights <i>(allowance for impairment)</i>	31,713	(4,248)	-	-	27,465
Inventories <i>(allowance for decline in value)</i>	10,537	3,211	-	-	13,748
Employee benefit obligations	13,685	1,648	2,298	-	17,631
Others <i>(deposit, advance received)</i>	5,320	5,766	-	-	11,086
Total	559,273	(364,402)	2,298	-	197,169
<i>Deferred tax liabilities</i>					
Property, plant and equipment <i>(depreciation gap)</i>	(3,770)	(3,866)	-	-	(7,636)
Available for sale investments <i>(valuation adjustment)</i>	(528)	-	528	-	-
Total	(4,298)	(3,866)	528	-	(7,636)
Net	554,975	(368,268)	2,826	-	189,533

17 Other non-current assets

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
				(in thousand Baht)
Refundable value added tax	145,430	203,808	145,430	203,136
Deferred charge	221,106	202,356	210,713	191,085
Guarantees and deposits	111,617	104,094	104,997	96,644
Restricted cash at bank	24,595	35,111	-	-
Deferred system development costs	11,894	13,462	11,888	13,424
Trademark	9,082	10,092	-	-
Others	21,367	7,543	25,866	18,543
Total	545,091	576,466	498,894	522,832

Robinson Department Store Public Company Limited and its Subsidiaries

Notes to the financial statements

18 Trade accounts payable

		Consolidated financial statements		Separate financial statements	
	Note	2013	2012	2013	2012
		<i>(in thousand Baht)</i>			
Related parties	5	268,008	321,046	196,366	160,703
Other parties		4,139,308	4,026,172	2,891,818	2,690,882
Total		4,407,316	4,347,218	3,088,184	2,851,585

Trade accounts payable of the Group and the Company as at 31 December 2013 and 2012 were denominated entirely in Thai Baht.

19 Other payables

		Consolidated financial statements		Separate financial statements	
	Note	2013	2012	2013	2012
		<i>(in thousand Baht)</i>			
Accrued expenses		353,089	379,038	311,795	197,876
Other accounts payable		414,296	295,178	349,591	359,562
Advance from related parties	5	260,599	230,445	230,466	206,555
Deposits and advances received		655,705	393,241	577,098	324,118
Gift voucher payable		57,551	54,577	47,927	50,161
Others		335,918	246,875	298,786	221,117
Total		2,077,158	1,599,354	1,815,663	1,359,389

20 Interest-bearing liabilities

		Consolidated financial statements		Separate financial statements	
	Note	2013	2012	2013	2012
		(in thousand Baht)			
Current					
Short-term loans from related parties - unsecured	5	-	-	3,714,819	1,646,333
		<u>-</u>	<u>-</u>	<u>3,714,819</u>	<u>1,646,333</u>
Non-current					
Long-term loan from related party - unsecured	5	-	-	113,300	113,300
		<u>-</u>	<u>-</u>	<u>113,300</u>	<u>113,300</u>
Total		-	-	3,828,119	1,759,633

Robinson Department Store Public Company Limited and its Subsidiaries

Notes to the financial statements

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

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
Within one year	-	-	3,714,819	1,646,333
After one year but within five years	-	-	113,300	113,300
Total	-	-	3,828,119	1,759,633

As at 31 December 2013, the Group and the Company had unutilised credit facilities totalling Baht 1,390 million and Baht 1,387 million, respectively. (2012: Baht 1,475 million and Baht 1,472 million, respectively)

Interest-bearing liabilities of the Group and the Company as at 31 December 2013 and 2012 were denominated entirely in Thai Baht.

21 Employee benefit obligations

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	(in thousand Baht)			
<i>Statement of financial position</i>				
Statement of financial position obligations for:				
Post-employee benefit obligations	146,489	112,516	118,389	88,152
	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	(Restated)		(Restated)	
	(in thousand Baht)			
Statements of comprehensive income				
Recognised in profit or loss:				
Post-employment benefits	34,708	10,720	30,972	8,838
Recognised in other comprehensive income:				
Actuarial losses recognised in the year	-	14,243	-	9,190

The Group and the Company operate defined benefit plans based on the requirement of Thai Labour Protection Act B.E. 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service.

Robinson Department Store Public Company Limited and its Subsidiaries

Notes to the financial statements

Movement in the present value of the defined benefit obligations:

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
Defined benefit obligations at 1 January	112,516	84,968	88,152	68,427
Benefits paid	(735)	(975)	(735)	(601)
Current service costs and interest	34,708	10,720	30,972	8,838
Defined benefit plan actuarial losses	-	17,803	-	11,488
Defined benefit obligations at 31 December	146,489	112,516	118,389	88,152

Expense recognised in profit or loss:

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
Current service costs	23,426	6,199	20,875	5,148
Interest on obligation	11,282	4,521	10,097	3,690
Total	34,708	10,720	30,972	8,838

The expenses are recognised in the following line items in the statement of comprehensive income:

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
Selling expenses	8,703	5,624	4,967	3,743
Administrative expenses	26,005	5,096	26,005	5,095
Total	34,708	10,720	30,972	8,838

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(%)</i>			
Discount rate	4.10	4.10	4.10	4.10
Future salary increment rate	5.00	5.00	5.00	5.00

Assumptions regarding future mortality are based on published statistics and Thai Mortality tables 2008 (TMO08).

22 Other non-current liabilities

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
Accrued leasehold rights	11,499	12,099	-	-

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Notes to the financial statements

23 Share capital

	Par value per share (in Baht)	2013		2012	
		Number	Amount (thousand shares/ thousand Baht)	Number	Amount
Authorised					
At 1 January					
- ordinary shares	3.55	1,110,661	3,942,847	1,110,661	3,942,847
At 31 December					
- ordinary shares	3.55	1,110,661	3,942,847	1,110,661	3,942,847
Issued and paid- up					
At 1 January					
- ordinary shares	3.55	1,110,661	3,942,847	1,110,661	3,942,847
At 31 December					
- ordinary shares	3.55	1,110,661	3,942,847	1,110,661	3,942,847

Surplus on treasury shares

The surplus on treasury shares represents the accumulated surplus on sale of treasury shares, net of any deficits on sale or cancellation of treasury shares. The surplus on treasury shares is not available for dividend distribution.

24 Reserves

Reserves comprise:

Appropriations of profit and/or retained earnings

Legal reserve

Section 116 of the Public Companies Act B.E. 2535 requires that a public 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.

Other components of equity

Fair value changes in available for sale investments

The fair value changes in available for sale investments account within equity comprise the cumulative net change in the fair value of available for sale investments until the investments are derecognised or impaired.

Movements in reserves

Movements in reserves are shown in the statements of changes in equity.

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25 Segment information

Management considers that the Group operates in a single line of business, namely operation of department stores, and has, therefore, only one major business segment. As a result, all of revenues, operating profit and assets as reflected in these financial statement pertain to the department store.

26 Investment income

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2013	2012	2013	2012
		<i>(in thousand Baht)</i>			
<i>Rental income</i>					
Operating lease rental income:					
Investment properties		1,262,497	1,038,191	921,707	707,274
<i>Dividend income</i>					
Associates		-	-	-	1,385,760
Other related party		263	263	263	263
<i>Interest income</i>					
Subsidiaries	5	-	-	14,427	13,214
Other parties		37,060	51,220	20,920	32,733
Total		1,299,820	1,089,674	957,317	2,139,244

27 Other income

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2013	2012	2013	2012
		<i>(in thousand Baht)</i>			
Utility income	5	254,074	229,495	180,331	157,668
Promotion and advertising income		246,566	223,822	217,337	195,857
Management fee income	5	18,452	9,200	194,074	184,070
Reversal of allowance for impairment of investments		35,000	119,000	35,000	1,628,235
Others		242,034	220,783	194,692	158,866
Total		796,126	802,300	821,434	2,324,696

28 Selling expenses

		Consolidated financial statements		Separate financial statements	
		2013	2012	2013	2012
		<i>(in thousand Baht)</i>			
Employee benefit expenses		1,004,196	814,846	755,042	587,382
Sales promotion expenses		537,108	467,330	403,611	345,373
Utility expenses		782,990	688,577	580,941	493,079
Depreciation and amortisation		1,381,067	1,045,742	1,125,153	837,323
Building expenses		482,491	449,123	362,016	353,408
Others		465,390	411,280	336,930	295,526
Total		4,653,242	3,876,898	3,563,693	2,912,091

Robinson Department Store Public Company Limited and its Subsidiaries

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29 Administrative expenses

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
Employee benefit expenses	373,507	321,245	373,507	321,245
Management fee expenses	128,517	118,285	124,567	112,917
Property tax expenses	83,675	72,300	69,570	56,196
Depreciation and amortisation	37,245	12,109	36,335	11,270
Maintenance expenses	34,390	34,576	19,638	19,673
Others	375,388	346,285	312,822	276,811
Total	1,032,722	904,800	936,439	798,112

30 Employee benefit expenses

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
Management				
Wages and salaries	41,840	39,691	41,840	39,691
Contribution to defined contribution plans	949	948	949	948
Others	17,252	21,078	17,252	21,078
	60,041	61,717	60,041	61,717
Other employees				
Wages and salaries	873,975	704,428	705,098	555,784
Contribution to defined contribution plans	10,872	8,889	9,316	7,493
Others	432,815	364,198	352,742	286,774
	1,317,662	1,077,515	1,067,156	850,051
Total	1,377,703	1,139,232	1,127,197	911,768

The defined contribution plan comprises a provident fund established by the Group for its employees. Membership to the fund is on a voluntary basis. Contributions are made monthly by the employees at rates 3% and 5% of their basic salaries and by the Group at rates 3% and 5% of the employees' basic salaries. The provident fund is registered with the Ministry of Finance as a juristic entity and is managed by a licensed Fund Manager.

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31 Expense by nature

The statements of income include an analysis of expenses by function. Expenses by nature disclosed in accordance with the requirements of various TFRS were as follows:

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
<i>Include in cost of sales of goods :</i>				
Changes in merchandises	337,259	180,204	262,831	168,233
<i>Included in selling expenses:</i>				
Depreciation	1,153,562	816,169	987,924	698,236
Amortisation of intangible assets	227,504	229,573	137,229	139,087
Employee benefit expenses	1,004,196	814,846	755,042	587,382
<i>Included in administrative expenses:</i>				
Depreciation	23,195	5,651	22,711	5,166
Amortisation of intangible assets	14,050	6,458	13,626	6,104
Employee benefit expenses	373,507	321,245	373,507	321,245
Management fee expenses	128,517	118,285	124,567	112,917

32 Finance costs

		Consolidated financial statements		Separate financial statements	
	Note	2013	2012	2013	2012
		<i>(in thousand Baht)</i>			
Interest expense					
Related parties	5	-	-	57,447	36,227
Total		<u>-</u>	<u>-</u>	<u>57,447</u>	<u>36,227</u>

33 Income tax expense

Income tax recognised in profit or loss

		Consolidated financial statements		Separate financial statements	
	Note	2013	2012	2013	2012
		<i>(in thousand Baht)</i>			
Current tax expense					
Current year		444,038	516,599	228,118	264,028
Adjustment for prior years under (over)		(8)	(291)	-	(291)
		<u>444,030</u>	<u>516,308</u>	<u>228,118</u>	<u>263,737</u>
Deferred tax expense					
Movements in temporary differences	16	11,804	413,348	5,790	368,268
Total income tax expense		<u>455,834</u>	<u>929,656</u>	<u>233,908</u>	<u>632,005</u>

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Income tax recognised in other comprehensive income

Consolidated financial statements					
	2013			2012	
	Tax			Tax	
	(expense)			(expense)	
	benefit			benefit	
	Before	Net of	Before	Net of	
	tax	tax	tax	tax	
		(in thousand Baht)			
Defined benefit plan					
actuarial losses	-	-	(17,803)	3,561	(14,242)
Available for sale					
financial assets	(765)	(612)	82	54	136
Total	(765)	(612)	(17,721)	3,615	14,106

Separate financial statements					
	2013			2012	
	Tax			Tax	
	(expense)			(expense)	
	benefit			benefit	
	Before	Net of	Before	Net of	
	tax	tax	tax	tax	
		(in thousand Baht)			
Defined benefit plan					
actuarial losses	-	-	(11,488)	2,298	(9,190)
Available for sale					
financial assets	1,658	1,326	(2,294)	528	(1,766)
Total	1,658	1,326	(13,782)	2,826	(10,956)

Reconciliation of effective tax rate				Consolidated financial statements	
		2013		2012	
	Rate	(in thousand	Rate	(in thousand	
	(%)	Baht)	(%)	Baht)	
Profit before income tax expense		2,682,184		2,821,774	
Income tax using the Thai corporation tax rate	20	536,437	23	649,008	
Difference in effective tax rate of share of profit of equity-accounted		(71,683)		(92,493)	
Elimination in consolidated financial statements for expenses non-deductible for tax purpose		-		406,694	
Income not subject to tax		(5,867)		(41,522)	
Expenses not deductible for tax purposes		3,034		16,195	
Expenses with additional deduction for tax purposes		(6,090)		(247)	
Utilisation of tax losses carry forward		11		(7,688)	
Over provided in prior year		(8)		(291)	
Total	17.0	455,834	33.0	929,656	

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Reconciliation of effective tax rate

	Separate financial statements			
	2013		2012	
	<i>Rate</i> <i>(%)</i>	<i>(in thousand</i> <i>Baht)</i>	<i>Rate</i> <i>(%)</i>	<i>(in thousand</i> <i>Baht)</i>
Profit before income tax expense		1,216,527		4,144,886
Income tax using the Thai corporation tax rate	20	243,305	23	953,324
Income not subject to tax		(5,595)		(322,235)
Expenses not deductible for tax purposes		1,973		11,367
Expenses with additional deduction for tax purposes		(5,775)		(10,160)
Over provided in prior year		-		(291)
Total	19.2	233,908	15.2	632,005

Income tax reduction

Royal Decree No. 530 B.E. 2554 dated 21 December 2011 grants a reduction in the corporate income tax rate for the three accounting periods 2012, 2013 and 2014; from 30% to 23% for the accounting period 2012 which begins on or after 1 January 2012 and to 20% for the following two accounting periods 2013 and 2014 which begin on or after 1 January 2013 and 2014, respectively.

It is understood that the Government will proceed to amend the law in order to maintain the corporate income tax rate at not higher than 20% for the accounting period 2015 which begins on or after 1 January 2015 and onwards in order to give full effect to the Cabinet resolution dated 11 October 2011 to increase Thailand's tax competitiveness.

34 Basic earnings per share

The calculations of basic earnings per share for the years ended 31 December 2013 and 2012 were based on the profit for the years attributable to ordinary shareholders of the Company and the number of ordinary shares outstanding during the years as follows:

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in thousand Baht / thousand shares)</i>			
Profit for the year attributable to ordinary shareholders of the Company (basic)	1,985,707	1,658,100	982,618	3,512,881
Number of ordinary shares outstanding (basic)	1,110,661	1,110,661	1,110,661	1,110,661
Basic earnings per share (in Baht)	1.79	1.49	0.88	3.16

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35 Dividends

At the annual general meeting of the shareholders of the Company held on 25 April 2013, the shareholders approved the appropriation of dividends of Baht 0.90 per share, amounting to Baht 999.6 million. The dividend was paid to shareholders during 2013.

At the annual general meeting of the shareholders of the Company held on 25 April 2012, the shareholders approved the appropriation of dividends of Baht 0.65 per share, amounting to Baht 721.9 million. The dividend was paid to shareholders during 2012.

36 Financial instruments

Financial risk management policies

The Group is exposed to normal business risks from changes in market interest 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.

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved.

Capital management

The Board's policy is to maintain a strong capital base so as to maintain shareholder, investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital which the Group defines as result from operating activities divided by total shareholders' equity, excluding Non-controlling interests and also monitors the level of dividends to ordinary shareholders.

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. The Group is primarily exposed to interest rate risk from its interest-bearing liabilities (note 20).

The effective interest rates of loans receivable as at 31 December and the periods in which the loans receivable mature or re-price were as follows:

	Effective interest rate (% per annum)	Separate financial statements			Total
		Within 1 year	After 1 year but within 5 years (in thousand Baht)	After 5 years	
2013					
Current					
Short-term loans to related party	3.40	321,745	-	-	321,745
Non-current					
Long-term loan to related party	6.00	-	-	61,224	61,224
Total		321,745	-	61,224	382,969

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	Effective interest rate (% per annum)	Within 1 year	Separate financial statements		Total
			After 1 year but within 5 years (in thousand Baht)	After 5 years	
2012					
Current					
Short-term loans to related party	3.75	307,897	-	-	307,897
Non-current					
Long-term loan to related party	6.00	-	-	61,224	61,224
Total		307,897	-	61,224	369,121

The effective interest rates of interest-bearing financial liabilities as at 31 December and the periods in which those liabilities mature or re-price were as follows:

	Effective interest rate (% per annum)	Within 1 year	Separate financial statements		Total
			After 1 year but within 5 years (in thousand Baht)	After 5 years	
2013					
Current					
Short-term loans from related parties	3.40	3,714,818	-	-	3,714,818
Non-current					
Long-term loan from related party	2.00	-	113,330	-	113,300
Total		3,714,818	113,330	-	3,828,118

	Effective interest rate (% per annum)	Within 1 year	Separate financial statements		Total
			After 1 year but within 5 years (in thousand Baht)	After 5 years	
2012					
Current					
Short-term loans from related parties	3.12	1,646,333	-	-	1,646,333
Non-current					
Long-term loan from related party	2.00	-	113,300	-	113,300
Total		1,646,333	113,300	-	1,759,633

Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or 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 reporting 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 statement of financial position. However, due to the large number of parties comprising the Group’s customer base, management does not anticipate material losses from its debt collection.

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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.

Determination of fair values

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. 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. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

The fair value of trade account receivables and payables, other short-term receivables and payables is taken to approximate the carrying value.

The fair value of investments in equity securities, which are available for sales, is determined by reference to their quoted bid price at the reporting date.

The carrying amounts of short-term loans to subsidiaries approximate their fair values because they are short-term maturity loans. The carrying amounts of long-term loans to subsidiaries approximate their fair value estimated from the current market interest rates available for borrowings with the same maturity profile.

The carrying amounts of borrowings with variable interest rates approximate their fair values. The carrying amounts of other accounts with fixed interest rates are immaterial.

37 Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	(in thousand Baht)			
(a) Capital commitments				
Contracted but not provided for leasehold rights	16,000	17,000	-	-
Buildings and other constructions	610,202	370,193	597,484	342,339
Total	626,202	387,193	597,484	342,339
(b) Non-cancellable operating lease commitments				
Within one year	219,275	209,561	159,618	152,613
After one year but within five years	914,964	882,144	670,443	638,798
After five years	2,389,883	2,568,356	1,563,393	1,698,382
Total	3,524,122	3,660,061	2,393,454	2,489,793

The Group has lease agreements covering rental and service agreements with several local companies. These agreements are for periods up to 2042.

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38 Thai Financial Reporting Standards (TFRS) not yet adopted

The Group has not adopted the new and revised TFRS that have been issued as of the reporting date but are not yet effective. Those new and revised TFRS that are applicable to the Group's operations, which become effective for annual financial periods beginning on or after 1 January in the year indicated in the following table, are as follows:

TFRS	Topic	Year effective
TAS 1 (revised 2012)	Presentation of financial statements	2014
TAS 7 (revised 2012)	Statement of Cash Flows	2014
TAS 12 (revised 2012)	Income Taxes	2014
TAS 17 (revised 2012)	Leases	2014
TAS 18 (revised 2012)	Revenue Recognition	2014
TAS 19 (revised 2012)	Employee Benefits	2014
TAS 21 (revised 2012)	The Effects of Changes in Foreign Exchange Rates	2014
TAS 24 (revised 2012)	Related Party Disclosures	2014
TAS 28 (revised 2012)	Investments in Associates	2014
TAS 34 (revised 2012)	Interim Financial Reports	2014
TAS 36 (revised 2012)	Impairment of Assets	2014
TAS 38 (revised 2012)	Intangible Assets	2014
TFRS 3 (revised 2012)	Business Combinations	2014
TFRS 5 (revised 2012)	Non-current Assets held for Sale and Discontinued Operations	2014
TFRS 8 (revised 2012)	Operating Segments	2014
TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities	2014
TFRIC 4	Determining whether an Arrangement contains a Lease	2014
TFRIC 10	Interim Financial Reporting and Impairment	2014
TFRIC 13	Customer Loyalty Programmes	2014
TIC 15	Operating Leases-Incentives	2014
TIC 27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease	2014
TIC 32	Intangible Assets-Web Site Costs	2014

Management expects to adopt and apply these new and revised TFRS in accordance with the FAP's announcement and has made a preliminary assessment of the potential initial impact on the consolidated and separate financial statements of these new and revised TFRS and expects that there will be no material impact on the financial statements in the period of initial application.

