



**PROPERTY
DEVELOPMENT
& INVESTMENT**

A Member of Central Group

Central Pattana Public Company Limited

FY2008 Results Briefing:

CPN – Central Pattana Plc.

CPNRF – CPN Retail Growth Leasehold Property Fund

Analyst Briefing Transcript

Event Date/Time: June 3, 2009 / 1100 hrs

Venue: The Stock Exchange of Thailand, Bangkok

- The information contained in this document is for information purposes only and does not constitute an offer or invitation to sell or the solicitation of an offer or invitation to purchase or subscribe for share in Central Pattana Public Company Limited (“CPN” and shares in CPN, “shares”) in any jurisdiction nor should it or any part of it form the basis of, or be relied upon in any connection with, any contract or commitment whatsoever.
 - This document may include information which is forward-looking in nature. Forward-looking information involve known and unknown risks, uncertainties and other factors which may impact on the actual outcomes, including economic conditions in the markets in which CPN operates and general achievement of CPN business forecasts, which will cause the actual results, performance or achievements of CPN to differ, perhaps materially, from the results, performance or achievements expressed or implied in this document.
 - This document has been prepared by the CPN. The information in this document has not been independently verified. No representation, warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information and opinions in this document. None of the CPN or any of its agents or advisers, or any of their respective affiliates, advisers or representatives, shall have any liability (in negligence or otherwise) for any loss howsoever arising from any use of this document or its contents or otherwise arising in connection with this document.
 - This document is made, furnished and distributed for information purposes only. No part of this document shall be relied upon directly or indirectly for any investment decision-making or for any other purposes.
 - This document and all other information, materials or documents provided in connection therewith, shall not, either in whole or in part, be reproduced, redistributed or made available to any other person, save in strict compliance with all applicable laws.
-

CORPORATE PARTICIPANTS

CPN – Central Pattana Plc.

Naris Cheyklin

Central Pattana (“CPN”) – SEVP of Accounting, Finance, and Property Management & CFO

Naparat Sriwanvit

Central Pattana (“CPN”) – SVP of Finance

CPNRF – CPN Retail Growth Leasehold Property Fund

Thanasombat Sanitwongse

Central Pattana (“CPN”) – VP of Property Management

As a representative of CPNRF’s Property Manager

Phiphat Phisanuwongrak

TMB Asset Management (“TMBAM”) – Deputy Managing Director – Investment Management

As a representative of CPNRF’s Fund Manager

Presentation – Central Pattana Plc.

Moderator:

Good day to all analysts, investors and honorable guests and welcome to Opportunity Day 1Q 2009 of CPN and CPNRF. I would like to introduce our management who will be key speakers for today. The first is Khun Naris Cheyklin, the CFO and Senior Executive Vice President – Accounting, Finance and Property Management of CPN. The second is Khun Naparat Sriwanvit, the Vice President – Finance of CPN. The third is Khun Thanasombat Sanitwongse, the Vice President – Property Operation Area of CPN. And the last is Khun Phiphat Phisanuwongrak, the Deputy Managing Director – Investment Management of TMB Asset Management

Speaker: Mr.Naris Cheyklin, the CFO and SEVP of CPN

Slide 5

Good day everyone. CPN’s Q1/2009 performance was achieved as we had planned. Total revenue grew by 23.5%. On new projects which are growth drivers of CPN CentralFestival Pattaya Beach commenced its operation on January 23, 2009 following with an opening of CentralPlaza Chonburi on May 29, 2009. These new malls were well-received by shoppers and tenants and proofed that our strategy to expend to major cities is right.

CPN’s net profit showed a slight decrease compared to that of the same period last year, mainly caused by significant marketing and promotion expenses for the grand opening of CentralFestival Pattaya

which were booked as expense in the first quarter. However, we hope that net profit will be gradually improved in the next quarters. In addition, the decrease was also due to a higher new sub-lease payment of CentralPlaza Lardprao under the new agreement and financial charges from new debts to support business expansion which were included as expenses in this quarter.

The occupancy rate of retail properties stood at 96% in 1Q 2009, slightly decreased from 97% in 4Q 2008, resulted from relatively lower occupancy rates of newly opened malls during fitting-out of tenants. This will gradually improve upon openings of new retail shops.

Rental rate for retail space including those of newly opened shopping malls increased by 1.3% y-o-y to an average of 1,272 Bt/sqm/month. With an exclusion of those of new malls, the retail rental rate would have grown by 2.5% y-o-y.

As for office properties, occupancy rate stood at 84% in 1Q 2009, decreased from 94% in 4Q 2008, due to a low take-up rate at the initial stage of the Chaengwattana's office which was opened in late Mar 2009 with an occupancy rate of 8%. Leasing progress has reached over 20% already with some were doing fitting-out.

The new projects – CentralPlaza Chaengwattana, CentralFestival Pattaya Beach and CentralPlaza Chonburi – were opened as planned. CentralPlaza Khon Kaen is scheduled to open in the beginning of December 09 and its retail space's leasing progress has reached 66% as of 1Q 2009. If including anchor space, sales progress would have reached over 70%.

Slide 7

Shall we move to the operational performance? As for CPN's shopping centers which can be divided into Bangkok Metropolitan Area ("BMA") & its vicinities and provincial area, occupancy rate of BMA shopping malls averaged 97% in 1Q 2009, increased from 95% of 1Q 2008.

Slide 8

As for provincial malls, the overall occupancy rate decreased from 99% in 1Q08 to 95% in 1Q 2009, resulted from lower take-up rate of 88% at the newly opened CentralFestival Pattaya Beach. The number is expected to gradually improve.

Slide 9

As for the performance of CPN's office properties, average occupancy rate in 1Q 2009 declined to 84%, mainly due to CentralPlaza Chaengwattana's low take-up rate of 8% during its initial stage. Office building at Bangna showed a slight decline in take-up rate as few tenants moved out at contract end. However, we hope that this vacancy should be filled up in the near term. Meanwhile, take-up rate of Pinklao A Office increased from 85% in 4Q 2008 to 92% in 1Q 2009.

Residential is non-core business and a small portion of CPN. I shall move on to the next topic.

Slide 10

As for contract type, fixed rent contract accounted for approximately 51% of total occupied space. Long-term lease space represented 25% while percentage of sales or turnover rent type accounted for 24% of total occupied space, increased from 21% in 4Q 2008.

Slide 11

Amidst difficult situation, rental rate for retail tenants was well managed and increased by 1.3% y-o-y, including the two new malls. For comparative purpose, excluding the new malls, effective rental rate would improved by 2.5% y-o-y.

Slide 12

Speaking of visitor traffic flow, shopping malls with significant growth in visitor traffic included CentralPlaza Rattathibet and CentralPlaza Rama2, where the numbers increased 15% comparative to the same period of last year. One of key drivers of the traffic growth at CentralPlaza Rattathibet is additional car park. We just added one more parking plate (floor) to support increased number of car traffic to the mall. Other mall with increased traffic flow also was CentralPlaza Rama 3. At Central Center Pattaya traffic flow dropped, with no surprise, following the opening of centralFestival Pattaya Beach. However this had no significant impact on revenue as the center was fully occupied. Sales of tenants' shops have also showed no sign of negative impact and rent has been collected as normal with no request for rental discount. However, in overall circumstances, it can be said that an uncertain political situation and the Swine Flu pandemic have largely affected Pattaya City in terms of tourism industry.

Another mall with negative traffic growth was CentralPlaza Lardprao where people traffic marginally decreased by 0.5% y-o-y. This is as what we expected after opening of CentralPlaza Chaengwattana. CentralPlaza Lardprao was too crowded and had limited parking space. Once when a new mall opened within a short distance, people would move to the new one with more modern looks and parking spaces. Hence, we will speed up the renovation of CentralPlaza Lardprao's as well as shorten the renovation period. The renovation plan is under detailed study. Its new look should be re-launched in 2011.

Slide 14

Speaking of newly opened project, CentralPlaza Chonburi was opened in late May 2009. Its joint developers are Robinson Department Store and Carrefour. Robinson is located at the front end of the mall and Carrefour is at the other end. CPN provided land rental to both joint developers and take no part of their construction. Having two magnets at both ends creates a dumbbell effect to the shopping center like Zen and Isetan at CentralWorld. Carrefour is impressed with its shopper traffic. Hence, our opportunity is no longer limited to having department store as anchor or joint-developer. In the future, there might be some other projects that we joint-develop with hypermarkets.

Slide 15

Next is our latest acquisition project in Udon Thani province of which deal was closed on April 8, 2009. It consists of 49,000-sqm shopping center, including Robinson Department Store as an anchor tenant. The occupancy rate was at 99%. I believe that there are opportunities to increase yield of this project since the whole plot of land are not fully utilized in addition to its huge common area, some of which can be converted to retail space. We will speed up the renovation plan of this project. Phase I of the renovation is scheduled to complete by November this year.

The project's total land plot sizes approximately 50 rais and only 60% of the plot is utilized. Hence, in phase II we have decided to add more retail and parking spaces on the unutilized land plot. The new development of CentralPlaza Udon Thani will be completed and re-launched in 2012.

Slide 16

The acquisition of Udon Thani included a hotel which is one of the best hotels in the northeast region of Thailand. It is noted that the hotel will be managed by Centara Group. The hotel's occupancy rate reached 84% in May 2009. According to its management, the hotel has no seasonal effect as it focuses on banquet services and holding seminars for government agents. Apart from local travelers, hotel guests include visitors from the neighboring Lao.

Slide 17

CentralPlaza Khon Kaen project is expected to open in December 2009. We have decided to enlarge the project from three storeys to four, and then to five storeys after receiving a well feedback. Both anchor and retail tenants have a strong confidence in the project. The shopping mall will be a little bigger than CentralPalza Udon Thani and other shopping malls in nearby provinces. The investment cost is approximately Baht 3,260 million, excluding those of Robinson Department Store. CentralPlaza Khon Kaen will comprise of the largest exhibition hall in the northeast region of Thailand.

Slide 18

The Hilton Pattaya Beach Hotel, a component of CentralFestival Pattaya Beach Complex, is under construction and expected to open in the third quarter of 2010. By then tourism industry should be recovered. The hotel will be the only five-star hotel on Central Pattaya Beach.

Slide 19

These are perspective pictures of CentralPlaza Rama 9 which is under construction and expected to complete in 2012. Robinson Department Store will move from its existing on Ratchadapisek Road to CentralPlaza Rama 9 and make this one a flagship Robinson Department Store in Bangkok.

Slide 20

As for potential projects, first is Pre-Cadet School Project. Some retailers which are old tenants have moved out from the site. We expect land delivery at around this year-end. Second is Chiangmai 2 or CentralFestival Chiangmai, the project will launch its space leasing to anchors around June 2009.

In addition, there is a small project called CentralLife Center, in Srinakarinthara area. A press conference will be held in the near future. Other than those are potential sites in big provincials which are under study.

Slide 22

Thus, future leasable area will reach 1.2 million sqm by year 2012 with retail space almost closed to 1 million sqm.

We shall move to financial highlight part.

Speaker: Ms.Naparat Sriwanvit, Senior Vice President of Finance, CPN

Slide 24

As for CPN's financial statement, CPN's revenue grew by 23.5% y-o-y mainly from newly open shopping malls, CentralPlaza Chaengwattana and CentralFestival Pattaya Beach. Operating profit increased by 6% y-o-y, meanwhile net profit slightly decreased by 2% y-o-y. As Mr. Naris previously mentioned, the declined net profit was mainly due to an incurred marketing and promotion cost for the grand opening of CentralFestival Pattaya Beach and increased sub-lease payment of CentralPlaza Lardprao upon entering into a new 20-year-old sub-lease agreement. Apart from those there was increased interest expense, due to higher debts to finance new projects and some of interest payments were capitalized as an asset in last year performance. Speaking of same store growth, 1Q 2009 revenue grew 6% y-o-y.

Slide 25

Let's have a look at revenue breakdown. The growth of retail revenue was 26% y-o-y, mainly from the newly opened shopping malls and rental growth achieved of existing properties.

Office revenue increased by 3% y-o-y, largely due to higher rental rate for new and renewed contracts signed at the Offices at CentralWorld, and an additional contribution from new office building at Chaengwattana's project opened on late Mar 2009.

Food & Beverage revenue grew by 51% y-o-y, mainly caused by the re-openings of food parks at CentralPlaza Rama 3 and CentralPlaza Pinklao which were closed down for renovation during last year, as well as additional contribution from new food parks at the newly opened malls.

Slide 26

Overall cost of rental and service was up in accordance with the revenue. Retail cost showed a big jump, vastly caused by additional depreciation of the two newly opened projects and the higher sub-lease payment of CentralPlaza Lardprao as previously mentioned.

Slide 27

Majority of selling and administration expenses are personnel and marketing & promotion expenses. Personnel expenses increased by 21% y-o-y, due to a number of new employees to support newly opened projects of which, I believe, the increase will be slightly down for next quarters.

Marketing and promotion expenses increased by 126% y-o-y, vastly came from the grand opening expenses of CentralFestival Pattaya Beach project. Without that incurred opening expenses, marketing and promotion expenses would have grew by 51% y-o-y, mainly from the lower expenses following cease of marketing event in 1Q 2008 during the mourning period. In 1Q 2009, total marketing expenses including the opening expenses were at 5.2% of total revenue and without the opening expenses, market expenses would be around 3.5% of revenue which was in accordance with CPN's a budget of marketing and advertising promotion of 5% of revenue.

Slide 28

Gross profit margin of retails decreased from than of the same period of last year, due to the lower margin of the newly opened shopping malls, reflecting higher depreciation and amortization expenses. In fact, it can be considered as a normal business that newly opened shopping malls will show low gross margin during its initial stage.

Slide 29

For CPN's capital structure, net interest bearing debt to equity ratio was at 0.8 times in 1Q 2009, no change from that of end of last year. However, we expect that the ratio will increase in 2Q 2009 due to recent debenture issuance of Baht 3,000 million to support business expansion.

Slide 30

More than 70% of outstanding borrowings were long-term debts. The average interest rate in 1Q 2009 was 4.8% per annum and may decrease in 2Q 2009 due to a lower interest rate of the new debts. It is noted that CPN's debenture issuance in May 2009 amounted Baht3,000 million with an interest rate of 4.5-4.75% per annum.

A portion between fixed and floating interest rate of existing borrowing is expected to be 53% and 47% in 2009, respectively.

Slide 31

Dividend for the 2008 performance was paid on May 29, 2009, represented a dividend payout ratio of 33% of net profit which was slightly lower than the company's payout policy of 40% as CPN would like to reserve cash for our business expansion.

This comes to the end of CPN presentation. We shall go through CPNRF presentation.

Presentation – CPN Retail Growth Leasehold Property Fund

Speaker: Mr. Phiphat Phisanuwongrak, Deputy Managing Director – Investment Management of TMBAM

I would like to update you a on the new name of the fund from CPN Retail Growth Property Fund to CPN Retail Growth Leasehold Property Fund starting from May 22, 2009 to comply with the SEC regulation to differentiate between types of property funds

Slide 5

In terms of financial highlights, the performance met the targeted plan. In the first quarter this year, net profit reached Baht 263.6 millions, increased 6% q-o-q and 11.4% y-o-y. 95% of the net profit went to distribution of Baht 250 millions or Baht 0.2294 per unit, equivalent to 11% of unit price.

Slide 6

In 1Q09, with the decrease of almost 20% q-o-q in property expenses, net investment income reached Baht 263.6 millions.

Slide 7

CPNRF's balance sheet showed little change from last year's. 5% of Retained earnings were for property improvement and investment without capital increase. NAV per unit as ended 1Q09 was at Baht 10.4017, investment in properties remained the same. The spread between CPNRF's yield and 10-year government bond yield was high due to its performance and lower government bond yield in accordance with liquidity in the market.

This is to show trend of CPNRF distribution payment with the policy of 95% of the net investment income. The distribution yield on unit price of Baht 8.30 as at 15 May 2009 was at 11.7%. XD date for distribution was on May 26, 2009 and payment date is on June 15, 2009.

Speaker: Mr. Thanasombat Sanitwongse, Vice President- Property Operation Area of CPN

Slide 11

An overall occupancy rate of CPNRF portfolio remained unchanged at 98% in Q1/2009, CentralPlaza Rama 2 remained at 99% and CentralPlaza Rama 3 was at 96%.

Slide 12

There was 48 renewal and new lease contracts in Q1/2009, contributing to rate adjustment to increase by 4.6%.

Slide 13

12-year rental agreements expired this year in October consist of 25% of expired leases at Rama 3 and 8% at Rama 2. As a result, at Rama 3, there will be rezoning of retail shops.

Slide 14

Rental structure remained the same.

Slide 15

Tenant trade mix structure remained the same.

Slide 16

Two of the anchors, Fitness First and IT City, whose contract expired in April 2009 and August, respectively, had been already renewed. Thus, anchors structure remained the same.

Slide 17

Traffic performance consistently grew with 10% y-o-y growth of Rama 3 and 15% y-o-y growth of Rama 2. However, in terms of q-o-q, the traffic performance in 1Q09 was slightly down 9% from 4Q08 due to end of year's several events of last year.

Slide 18

There was asset enhancement of Take-home area at Rama 3 with new design which had been already completed in April 2009. Merchandizing mix is still in progress at Rama 2 and 3. Thank you

Questions & Answers

Question: In terms of competition which is quite aggressive since there are more neighborhood malls and some competitors have explored themselves with renovation and new strategy. How does CPN cope with such situation to maintain its people traffic flow?

Answer: Mr. Naris Cheyklin: We also look into the community mall or neighborhood mall business; however we cannot give you more detail on this as we are on the process of studying. In fact, we are not much worried about those expansions since it focuses on different market segmentation. CPN's shopping malls offer more variety of shopping choices such as banking, food, fashion, IT, etc. Speaking of renovation, once any of CPN's shopping malls getting old (8-10 years), we will do a major renovation. It can be said that competitors' renovations did not actually change the look of the malls because they normally leased out space for long-term meaning that they cannot renovate those long-term lease area. For our renovation, we will do a merchandizing mix change and face-life which you can be observed from the upcoming renovation of CentralPlaza Lardprao or CentralPlaza Pinklao. Thus, the main strategy is consistently re-merchandising mix in order to match and adjust to the changes of shoppers' lifestyle and needs. In addition, we have innovative marketing events and promotion activities, focusing on signature events which must be held consistently at every shopping mall such as food festival at CentralPlaza Rama 2, flower festival at CentralPlaza Chiangmai Airport, and Royal Project at certain malls. We believe that such activities provide CPN with competitive. Moreover, another CPN's strategy is to increase customer base with business expansion to major provinces around the country.

Question: It can be seen that CentralPlaza Chonburi's contract type is approximately 80% of fixed rent contracts and 3% of percentage of sales contracts. Is there any feasibility study to show that fixed rate or percentage of sales contracts prove to be more profitable?

Answer: Mr. Naris Cheyklin: Actually, the feasibility study between fixed rent and percentage of sales contract cannot tell us exactly and precisely a profitable comparison. This is due to each shopping mall generate different sales revenue and gross margin. Hence, feasibility study is implemented for a projection of new projects. Indeed, an increase of rental rate in fixed rent contract depends on cycle of existing contract renewal. If the economic situation is not so good, we allow tenants to change their fixed rent contract types to percentage of sales contracts. Despite the percentage of sale contract type may give us less revenue than fixed rent contract during downturn economic situation, the upside will come when the economic situation recovers and doing well. We think that percentage of sales contract type would provide us more advantages.

Question: How do you measure the people traffic flow of CentralWorld after the opening of Center Point zone?

Answer: Mr. Naris Cheyklin: The information is not sufficient. Traffic flow at Center Point zone appears only on Fridays and weekends, whereas during the weekday is quite low. However, Center Point operator cooperation with CPN is planning to improve its traffic flow since it has not reached expectation. At CentralWorld, there will be more improvement of merchandising mix with more new brands ever in Thailand of both fashion and restaurant.

Question: For CPNRF, there was no amortization of deferred expenses in 4Q 2008 and 1Q 2009 although there was an amount in 1Q 2008. What is the explanation behind this?

Answer: Mr.Phiphat Pisanuwongruk: The deferred expenses were for the fund's set up cost or pre-operating cost incurred at IPO, which was amortized over three year period that ended in 3Q 2008. Thereafter, there would be no such expense.

Question: For CPNRF, what is the cause of unrealized loss from changes in investment value?

Answer: Mr.Phiphat Pisanuwongruk: This was from asset enhancement carried out throughout the year, as the value of the enhancements are not assessed until the property is revalued by independent appraiser at the end of the year. Therefore, this item would be shown between year-end periods.

Question: Will there be more of this item next year?

Answer: Mr.Phiphat Pisanuwongruk: This depends on the actual asset enhancement, although the loss is not actual loss as already explained. This also have only a small effect on the fund's distribution payment. We make sure that every project to be undertaken creates value for the fund.

Question: It can be seen that the capital expenditure is set to be higher this year, are there other alternatives for funding apart from borrowings?

Answer: Mr. Naris Cheyklin: After the successful issuance of debenture totaling Baht 3,000 million, net debt to equity is as closed as 1 time. Thus, we have to be really careful in terms of borrowings; therefore transferring asset into CPNRF would be an interesting alternative.

Question: Would CPNRF do a capital increase within this year?

Answer: Mr. Naris Cheyklin: I believe this would be done within this year, however depending on market condition. According to our financial advisor's opinion on property fund, the domestic market provides the opportunity for a capital increase of CPNRF.

Question: Does capital expenditure of CentralPlaza Udon Thani will be used within one or two years?

Answer: Ms. Naparat Sriwanvit: In two years

Question: How do you foresee CPN in the next ten years?

Answer: Mr. Naris Cheyklin: With limitation in Bangkok area, the expansion in the future will be shopping malls in provinces, and another step will be overseas expansion. With a possible excellent international performance, this will be another key driver of CPN in the long run.

Question: What are the intentions of overseas expansion, would CPN prefer to develop or manage shopping malls?

Answer: Mr. Naris Cheyklin: The overseas expansion focuses on investment and management.

Moderator:

Thank you for your attention on our 1Q 2009 performance result meeting. For more information on CPN and CPNRF, please visit CPN and CPNRF corporate website at www.cpn.co.th and www.cpnrf.com, respectively, or directly contact Investor Relations Department. Thank you.

For more information, please contact CPN Investor Relations: ir@cpn.co.th

Choenporn Subhadhira

Tel: +66(0) 2667-5555 Ext.1614

Email: suchoenporn@cpn.co.th

Kalvalee Thongsomaung

Tel: +66(0) 2667-5555 Ext.1669

Email: thkalvalee@cpn.co.th