

Central Pattana Plc.

Property Development and Investment

Corporate Presentation : 2Q13 Performance Review



CentralPlaza Rayong

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Agenda

- ▶ Company Overview
- ▶ Operational Performance
- ▶ Future Developments
- ▶ Financial Performance
- ▶ Appendix



Company Overview

Business Overview

Highlights

- **CPN is a leading retail property developer** and investor in Thailand with a **22% market share in Bangkok's mall leasable area**.
- CPN is a fully-integrated retail developer with strong synergies with its major shareholder, Central Group, and significant financing capability through its property fund.
- **CPN is the largest retail property developer on the Stock Exchange of Thailand (SET)** with a market capitalization of approx 202 Bt. bn⁽¹⁾ or 6.5 USD mil.
- **CPN is the property manager and the major shareholder in two property funds**, 28% in CPN Retail Growth Leasehold Property Fund (**CPNRF**) and 25% in CPN Commercial Growth Leasehold Property Fund (**CPNCG**).
- CPN manages **21 shopping centers**. Total NLA(Net leasable area) under its management is 1,152,956 sq.m., of which 1,007,782 sq.m. owned by CPN and the remaining of 145,174 sq.m. owned by CPNRF⁽²⁾.
- CPN also manages **7 offices** (169,154 sq.m.) , **2 hotels** (561 rooms) and **2 residential properties** (61 units) as its non-core businesses⁽²⁾.
- **On 30 November 2012, CPN was added to the MSCI Global Index**, which is a widely tracked global equity benchmark and serves as the basis for over 500 exchanged traded funds throughout the world.

Recent Achievements



Top Corporate Governance Report

Honored the company's outstanding corporate governance report for the 2nd consecutive year and the third time since 2008.



Excellence CG Scoring

Honored the company's corporate governance performance in 2012 which is the 4th consecutive year since 2009



ASEAN Energy Awards 2012

Honored the outstanding contributions to energy savings of CentralPlaza Rattanathibet.



Thailand Energy Awards 2012

Honored the Excellent Energy Control by the Ministry of Energy.



Thailand Quality Class Award


Honored for the third consecutive year of CentralPlaza Chiangmai Airport by Thailand Productivity Institute.



A+ Credit Rating

Affirmed with positive outlook by TRIS Rating in February 2013.

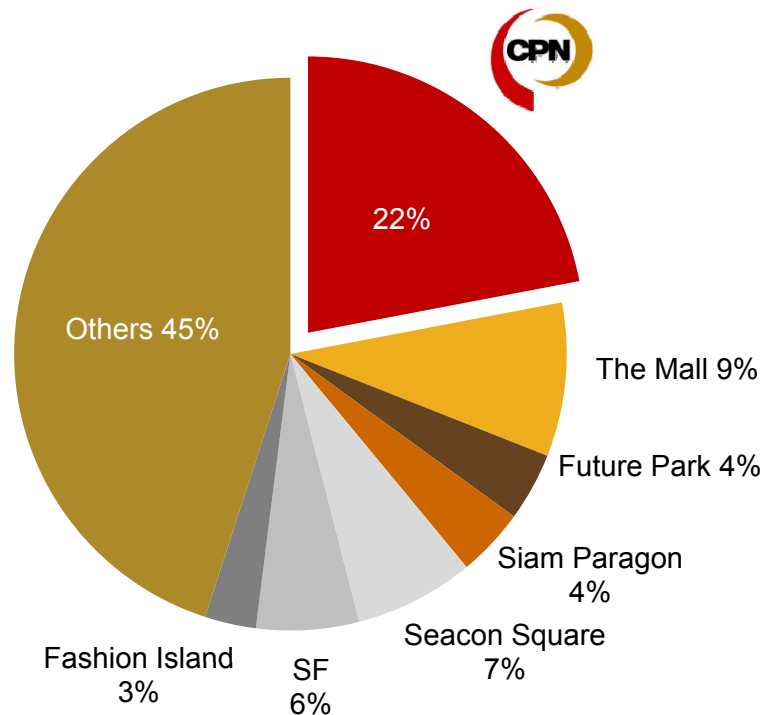
Strong Development & Acquisition Pipeline

	1980s	1990s	2000s	2010-1H2013	2H2013-2016 (future projects)
	21 existing projects (16 greenfields, 5 acquisitions <=> 10 in Bangkok, 11 in Provinces)				7 announced projects
Green-field Development	<u>Bangkok (1)</u> 1980 Established under Central Plaza Co., Ltd. 1982 CentralPlaza Ladprao  CentralPlaza Ladprao	<u>Bangkok (3)</u> 1993 CentralPlaza Ramindra 1995 CentralPlaza Pinklao 1997 CentralPlaza Rama 3 <u>Province (1)</u> 1995 Central Center Pattaya	<u>Bangkok (2)</u> 2002 CentralPlaza Rama 2 2008 CentralPlaza Chaengwattana <u>Provinces (3)</u> 2009 CentralFestival Pattaya Beach 2009 CentralPlaza Chonburi 2009 CentralPlaza Khonkaen	<u>Bangkok (1)</u> 2011 CentralPlaza Grand Rama 9 <u>Provinces (5)</u> 2011 CentralPlaza Chiangrai 2011 CentralPlaza Phitsanulok 2012 CentralPlaza Suratthani 2012 CentralPlaza Lampang 2013 CentralPlaza Ubonratchathani	<u>Bangkok (2)</u> 2014 CentralPlaza Salaya 2015 CentralWestGate (Bangyai) <u>Provinces (4)</u> 2013 CentralFestival Hatyai 2013 CentralFestival Chiangmai 2014 CentralFestival Samui 2014 CentralPlaza Rayong <u>Overseas (1)</u> 2016 CentralPlaza i-City (Malaysia)
Acquisition		<u>Province (1)</u> 1996 CentralPlaza Chiangmai Airport	<u>Bangkok (3)</u> 2001 CentralPlaza Bangna 2002 CentralWorld 2003 CentralPlaza Rattanaibet <u>Province (1)</u> 2009 CentralPlaza Udonthani		
Redevelopment and Enhancement		<u>Province (1)</u> 2000 CentralPlaza Chiangmai Airport Phase 2A	<u>Bangkok (2)</u> 2004 The Offices at CentralWorld 2006 CentralWorld <u>Province (1)</u> 2003 CentralPlaza Chiangmai Airport Phase 2B	<u>Province (1)</u> 2012 CentralPlaza Udonthani (Phase 2)	<u>Bangkok (2)</u> 2013 CentralWorld Expansion 2014 CentralPlaza Bangna

CPN's 5 year Target: Revenue growth 15% per annum (CAGR)

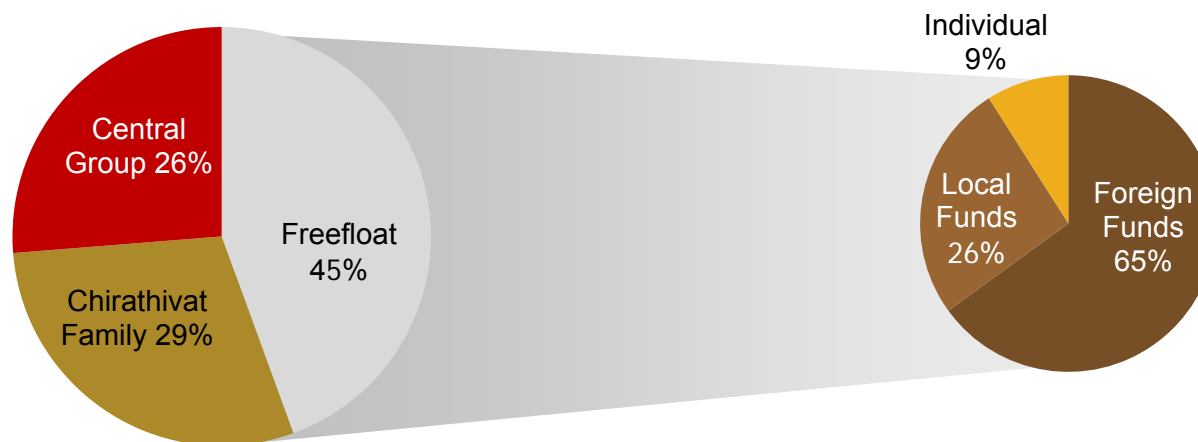
Leading Market Share of Mall Retail Space in BMA

CPN is the leading retail property developer and investor in Thailand with approximately 22% market share in Bangkok Metropolitan Area by mall leasable space.



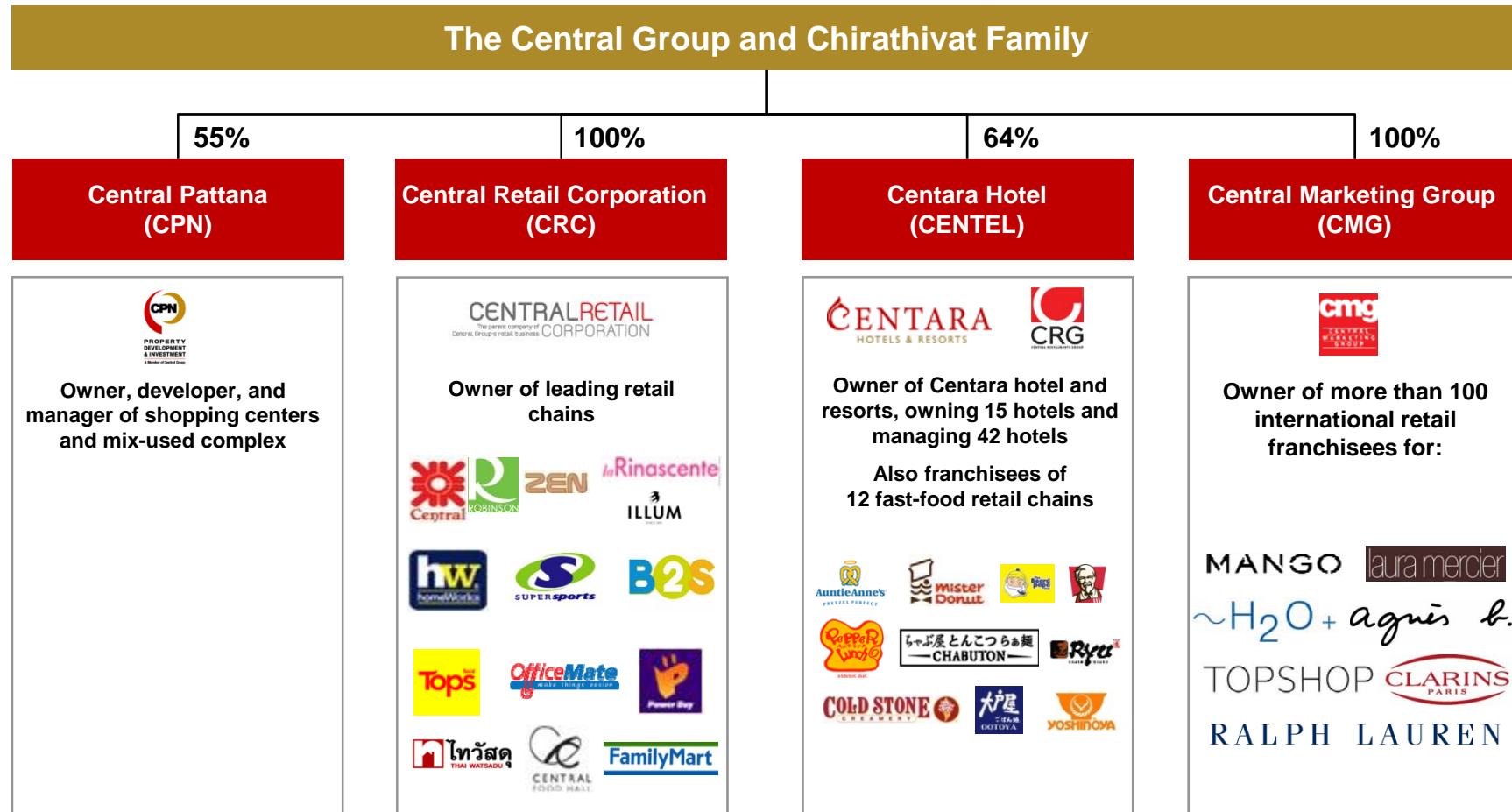
Strategic Shareholders

CPN is one of the flagship businesses of the **Central Group (Chirathivat Family)**. As a strong and supportive shareholder, the Chirathivat family brings to CPN a wealth of retail-related expertise through the family's long record and successful leadership in Thailand's dynamic and competitive landscape of shopping mall developments and department store / specialty store operations.



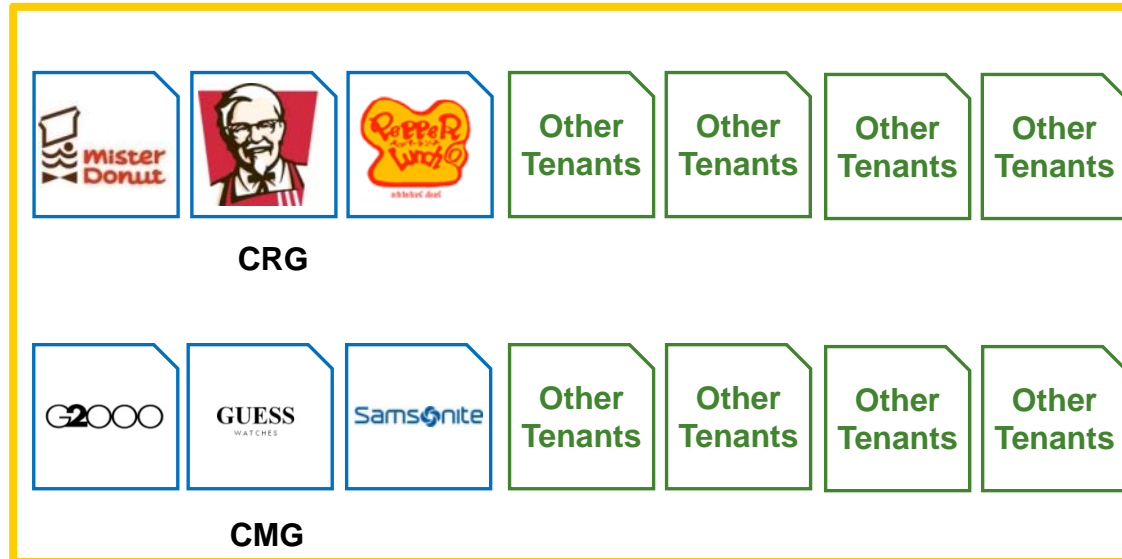
Strategic Shareholder: Central Group

CPN's strong synergy with the Central Group helps CPN to attract dynamic tenants, increase people traffic and command higher rents.



Property Development and Management

Shopping Mall



Department Store



**Property Developer
& Property Manager**

**CENTRAL RETAIL
CORPORATION**

CRG & CMG

- ~10% of total leasable areas and also in term of total revenue
- Pricing criteria as same as others

Other tenants

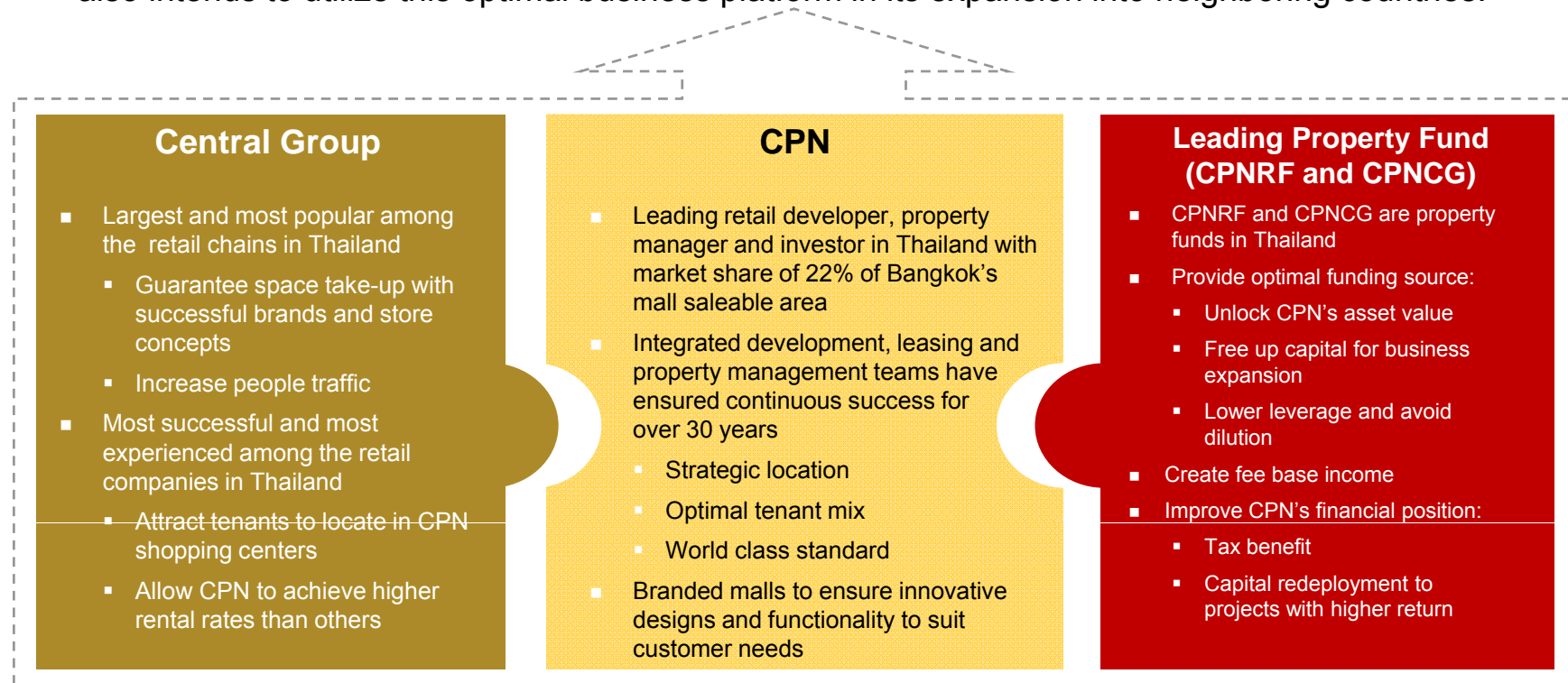
- ~90% of total leasable areas and also in term of total revenue

Joint developers

- Sharing cost of land and common area
- Owning its investment cost and assets

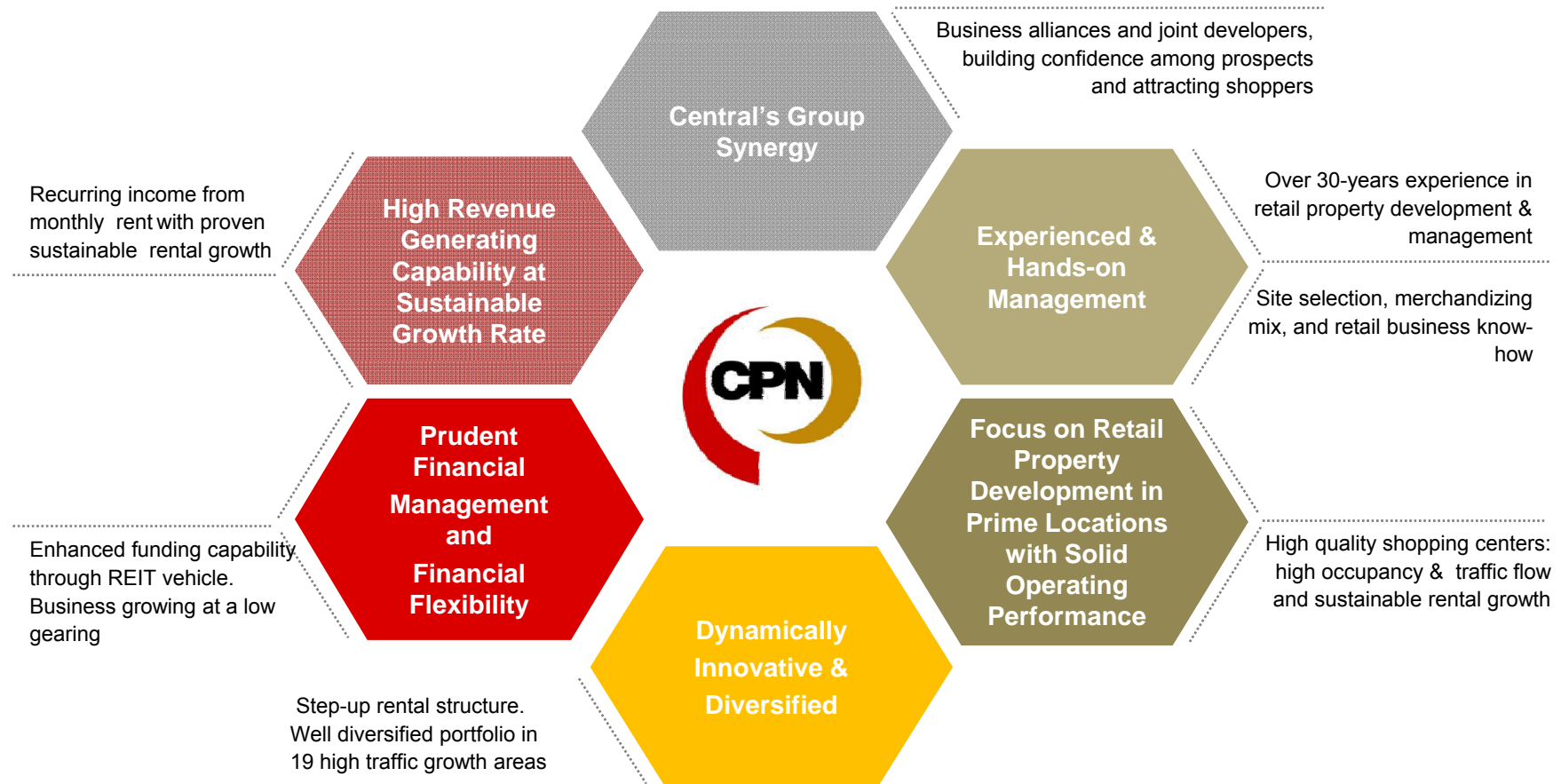
Integrated Business Platform

- CPN is a retail developer with an integrated business platform that will allow it to expand on a sustainable basis and achieve operational enhancements and success with its synergies with the Central Group of companies.
- CPN intends to use this integrated business platform to expand further throughout Thailand, maintaining market share in Bangkok while increasing market share in the provincial areas. CPN also intends to utilize this optimal business platform in its expansion into neighboring countries.



Key Success Factors

A Leading Player in the Retail Property Development Industry





Operational Performance

Property Locations

Existing Projects (21)

■ Shopping Centers (10 BMA, 11 Provinces)

central w orld	1	(BMA)
central pl aza	18	(9 BMA, 9 Provinces)
central festi val	1	(Province)
centralcenter	1	(Province)

■ Offices (7)

■ Hotels (2)

■ Residences (2)

New Projects (7)

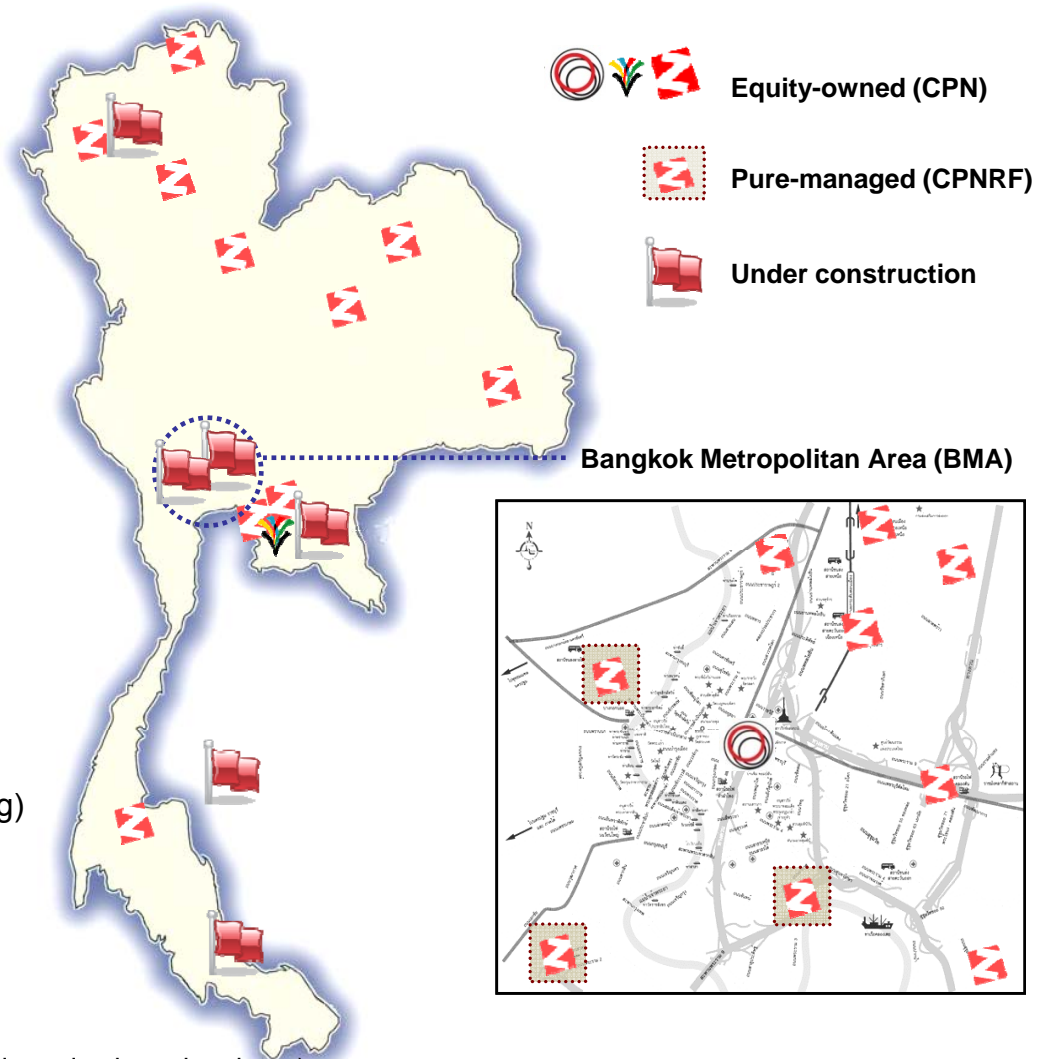
■ Shopping Centers (6 Domestic, 1 Overseas)

- 2 (BMA: Bangyai and Salaya)
- 4 (Provinces: Hatyai, Chiangmai, Samui, Rayong)
- 1 (Overseas: Malaysia)

Asset Enhancements (2)

Groove@CentralWorld (Expansion)

CentralPlaza Bangna (Renovation and remerchandising mix phase by phase)

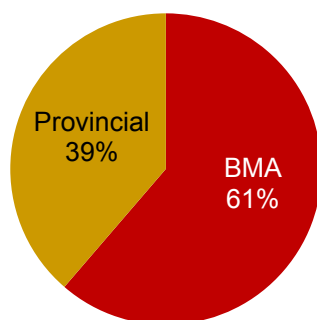


Leasable Area and Occupancy: Retail

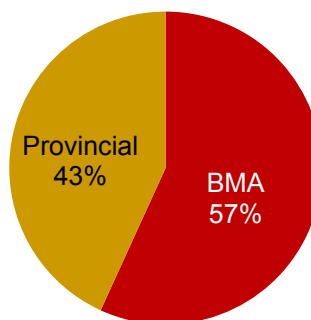
As of 2Q13, CPN owns 21 premium shopping centers with average occupancy rate of 97%.

Retail Properties	No. of Projects	Land		Net Leasable Area ⁽¹⁾ (sq.m.)			Occupancy Rate ⁽²⁾		
		Freehold	Leasehold	Retail	Department Store	Total	2Q13	1Q13	2Q12
CPN in BMA	10	4	6	509,025	63,583	572,608	96%	96%	98%
CPN in provincial area	11	9	2	380,783	54,391	435,174	97%	97%	97%
Total Retail Properties⁽³⁾	21	13	8	889,808	117,974	1,007,782	97%	96%	97%

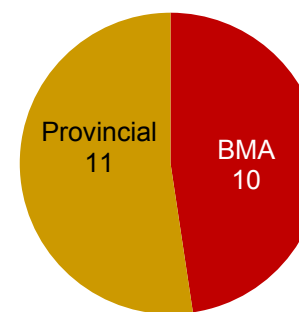
Breakdown by Rental Income



Breakdown by NLA



Breakdown by no. of Shopping Malls

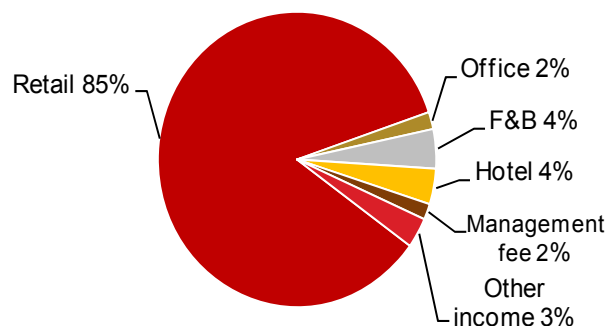


Leasable Area and Occupancy: Non-core Properties

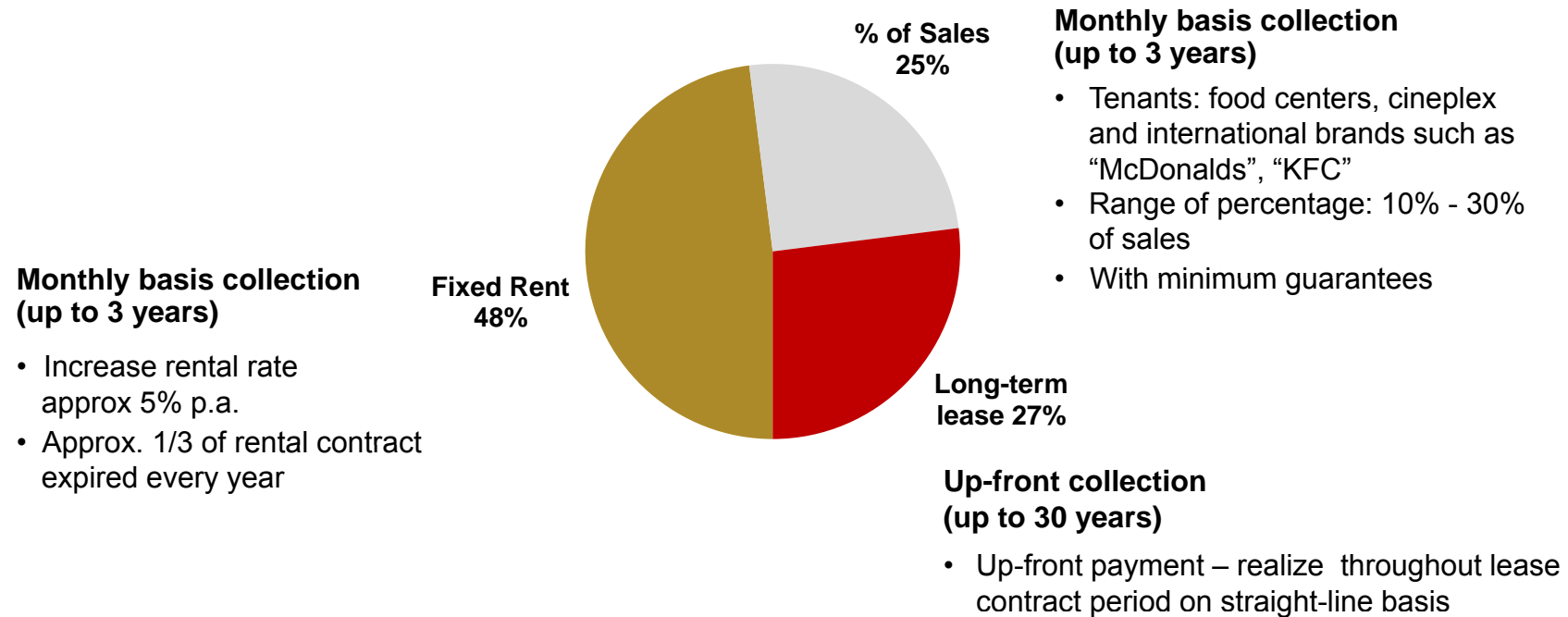
Office, residential property and hotel are considered non-core businesses, complementing shopping center business and adding value to the overall project.

Non-core Properties	No. of Projects	Net Leasable Area (sq.m.) or No. of Units or Rooms ⁽¹⁾	Occupancy Rate ⁽²⁾		
			2Q13	1Q13	2Q12
Office in BMA ⁽³⁾	5	54,748 sq.m.	94%	93%	95%
Residential in BMA	2	6,373 sq.m. or 61 units	63%	67%	60%
Hotel in provincial area ⁽⁴⁾	2	561 rooms	70%	85%	65%

Revenue Breakdown



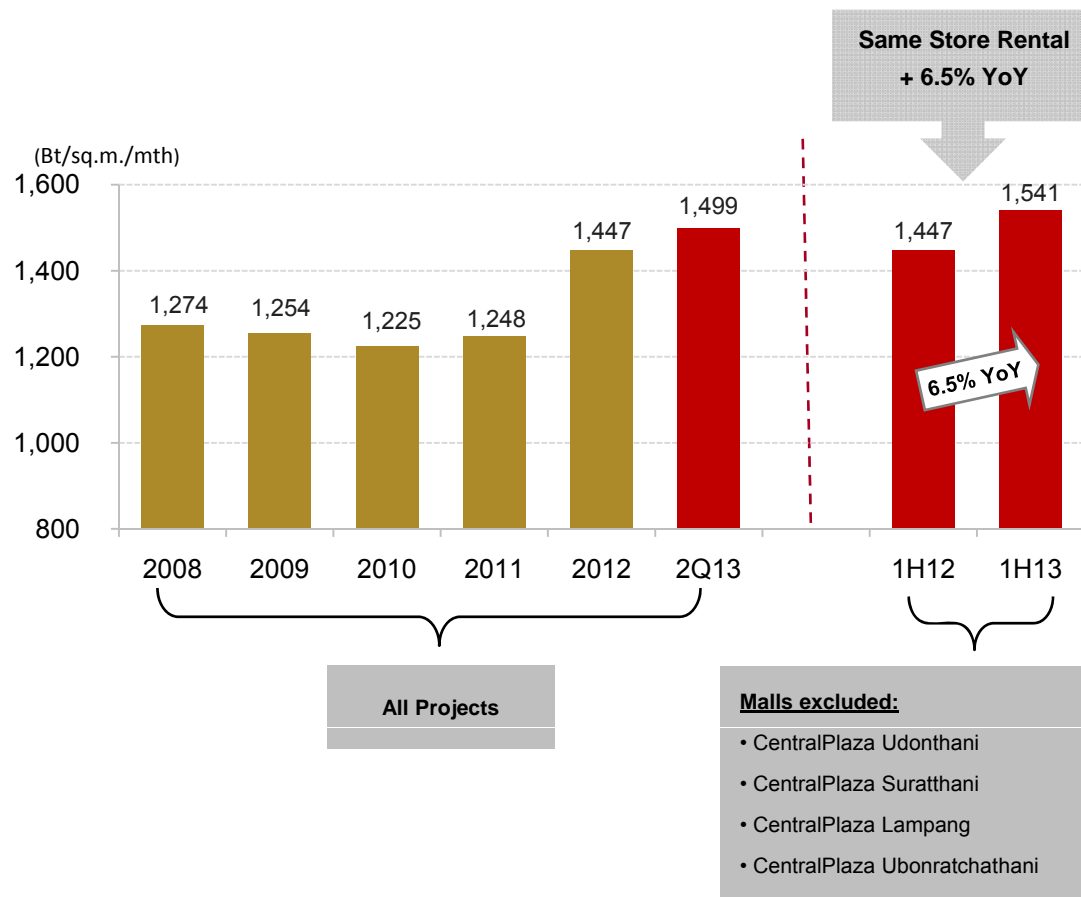
Rental Contract Type : By Area



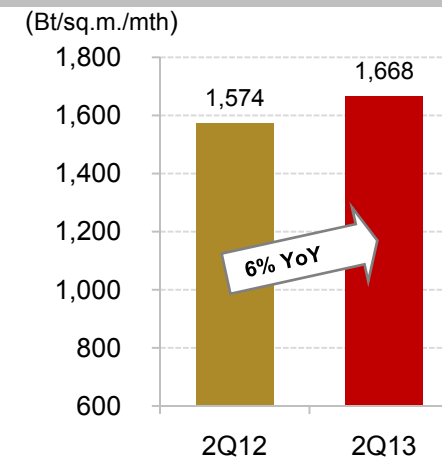
Note:
In addition to space rental fee, service & utility fees are collected on a monthly basis

Effective Rental Rate⁽¹⁾

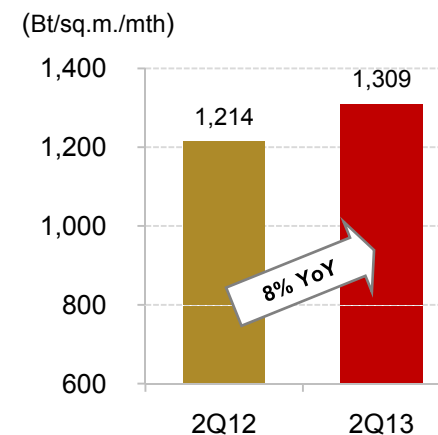
Overall effective rental rate declined in 2009 – 2011 from new malls in provinces. 1H13 same store rental grew by 6.5% YoY.



Same Store Rental Rate of Bangkok Malls



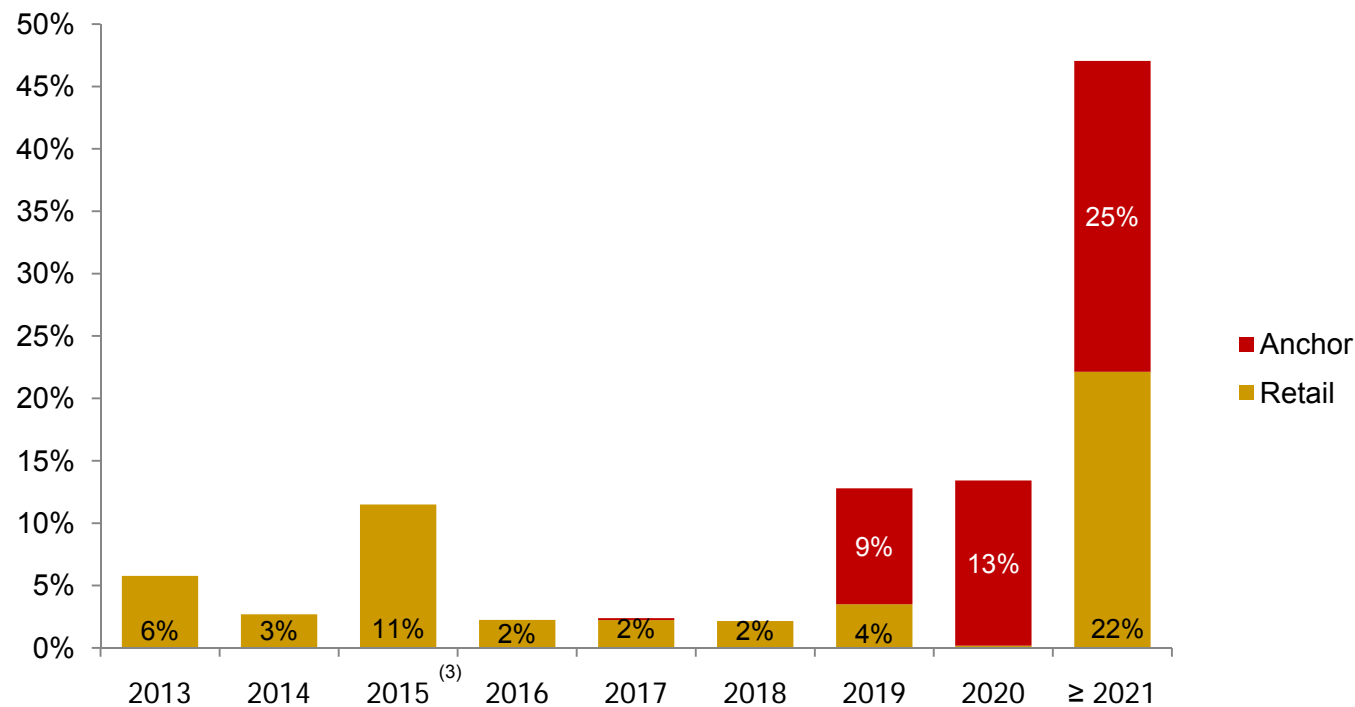
Same Store Rental Rate of Provincial Malls



Expiration of Long-term Lease Contracts⁽¹⁾

Long term lease contract will be expired in each of the following years. This area will be converted to a short term contract at market rental rate which could increase the company's revenues.

The expiration area⁽²⁾ and expiration period are shown below :





Future Developments

Domestic Expansion



CentralWestGate (Bangyai)

NLA: 75,000 sq.m.
Opening in 2Q15



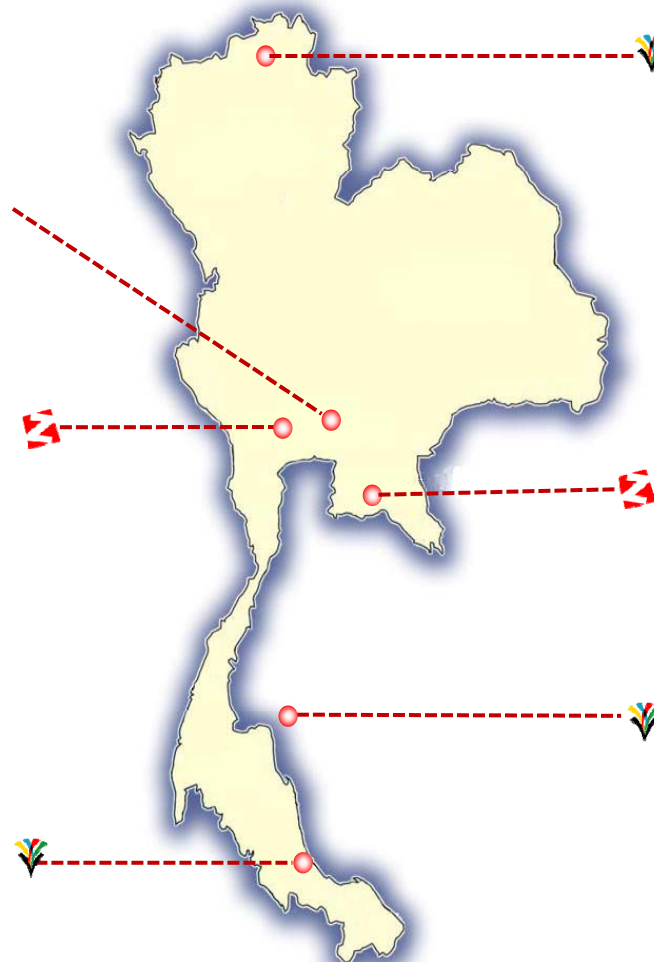
CentralPlaza Salaya

NLA: 33,900 sq.m.
Opening in 3Q14



CentralFestival Hatyai

NLA: 67,600 sq.m.
Opening in 4Q13



CentralFestival Chiangmai

NLA: 61,000 sq.m.
Opening in 4Q13



CentralPlaza Rayong

NLA: 30,200 sq.m.
Opening in 4Q14



CentralFestival Samui

NLA: 22,600 sq.m.
Opening in 1Q14

New Projects in Thailand



Investment Cost⁽¹⁾	4,500 Bt.mil	5,200 Bt.mil	1,400 Bt.mil
Net Leasable Area⁽²⁾	61,000 sq.m.	67,600 sq.m. and Multi-purposed Hall 4,800 sq.m.	22,600 sq.m.
Parking	1,500 cars	2,100 cars	400 cars
Joint Developer⁽³⁾	Central Department Store	Central Department Store	Central Department Store
Land Size⁽⁴⁾	68 rais (Freehold)	50 rais (Freehold)	37 rais (Leasehold)
Location	Chiangmai	Songkhla	Samui Island, Suratthani
Opening (tentative)	Nov-13	Dec-13	Mar-14

New Projects in Thailand

CentralFestival Salaya



CentralFestival Rayong



CentralWestGate



Investment Cost⁽¹⁾	2,500 Bt. mil	2,200 Bt. mil	6,400 Bt. mil
Net Leasable Area⁽²⁾	33,900 sq.m.	30,200 sq.m.	75,000 sq.m.
Parking	1,600 cars	1,500 cars	2,000 cars
Joint Developer⁽³⁾	Central Department Store	Robinson Department Store	Central Department Store
Land Size⁽⁴⁾	70 rais (Freehold & Leasehold)	60 rais (Freehold)	100 rais (Leasehold)
Location	Nakornpathom	Rayong	Bangyai, Nonthaburi
Opening (tentative)	Jul-14	4Q14	2Q15



Note 1: Includes land and construction cost of shopping center and parking building. Excludes those of Central Department Store or Robinson Department Store (CRC)

Note 2: Excludes CRC's area.

Note 3: Area will be developed and owned by the joint developer. However the store will serve as a magnet to draw traffic into CPN's plaza area.

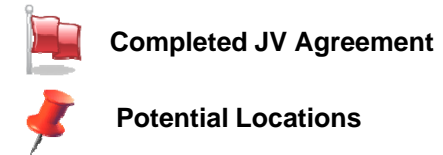
Note 4: 1 rai = 1,600 sq.m.

Overseas Expansion

South East Asia in Focus

Investment Strategies:

- Joint venture with local partners focus on retail properties
- To be a property manager



New Project in Malaysia

CentralPlaza i-City

Investment Cost ⁽¹⁾

5,800 Bt. mil

Joint venture

i-City Properties Sdn Bhd ("ICP"), an I-Berhad wholly-own subsidiary
CPN holds 60% stake and ICP holds 40% stake
CPN will lead in the development and management of the shopping mall

Program:

Shopping Center

89,700 sq.m. (NLA includes department store)

Land Size

11.12 acres or 27.5 rais

Location

i-City, Shah Alam, Selangor Darul Ehsan, Malaysia

Opening (Tentative)

4Q2016



Assets Enhancement

Groove@CentralWorld

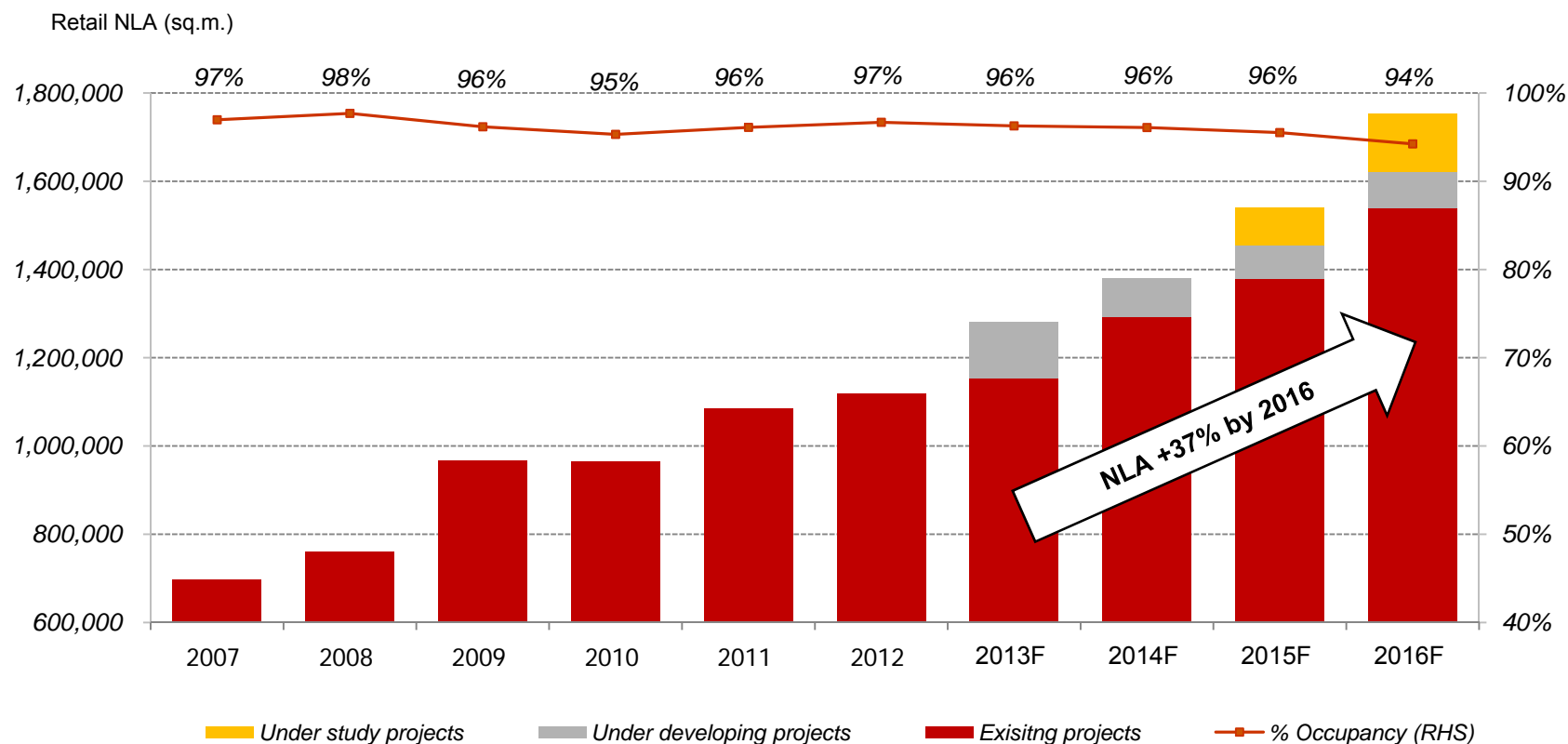


CentralPlaza Bangna



Investment Cost	600 Bt. mil	1,400 Bt. mil
Net Leasable Area	7,500 sq.m.	62,000 sq.m. (Incremental NLA 4,000 sq.m.)
Opening (tentative)	Dining Zone: Dec-13 Fashion Zone: Mar-14	Jul-14

Future Leasable Area & Occupancy Rate



Assets under management	2007	2008	2009	2010	2011	2012	2013F	2014F	2015F	2016F
No. of project	10	11	15	15	18	20	23	26	30	35
Retail space (NLA in sqm)	697,038	761,111	967,430	964,612	1,085,102	1,118,596	1,281,593	1,379,793	1,539,793	1,753,793
Office space (NLA in sqm)	144,791	144,280	163,746	163,991	175,831	169,133	169,144	169,144	169,144	169,144
Hotel (rooms)			255	557	561	561	561	561	561	561
Residential (units)	61	61	61	61	61	61	61	61	61	61

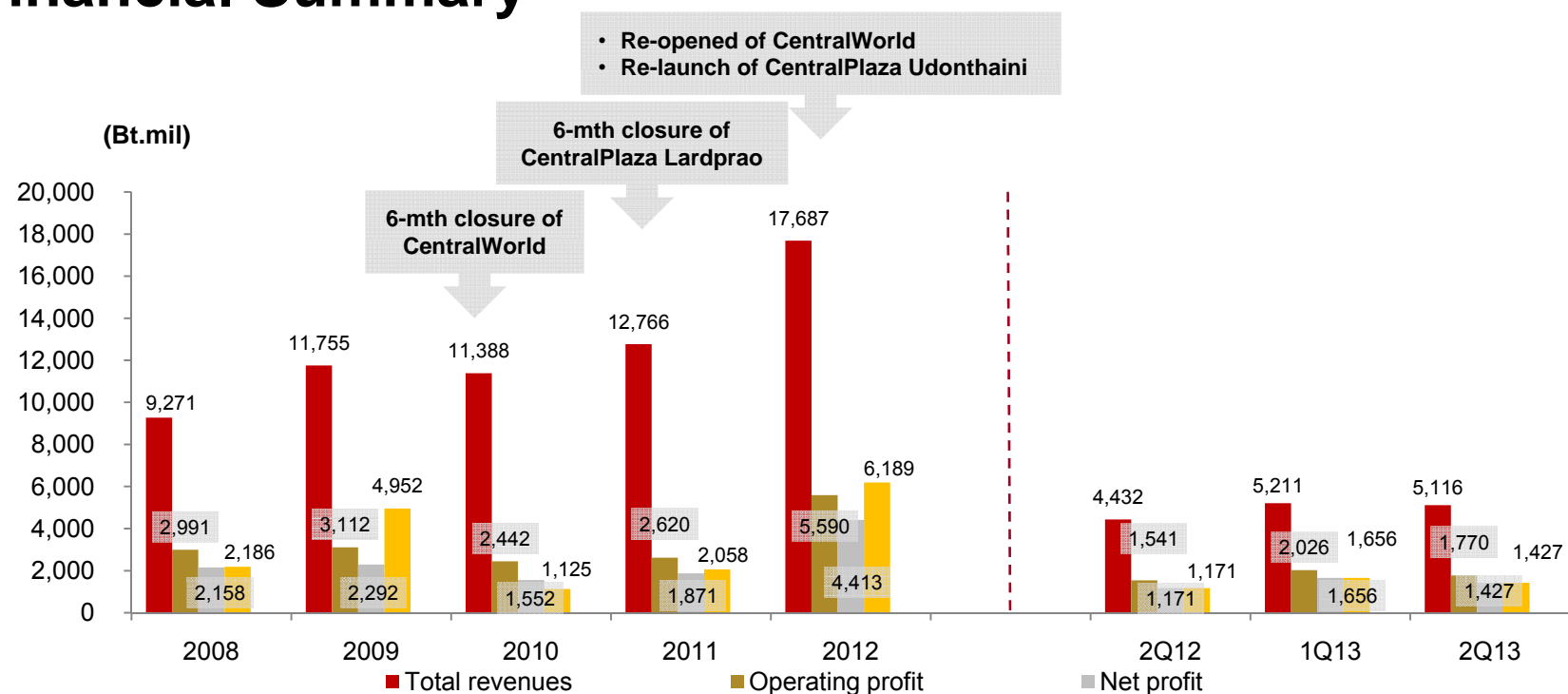
Capital Expenditure

Major capital expenditure will be used to develop new projects. Financing plan for future expansion includes: cash flow from operation, bond issuance and/or project finance, and property fund vehicle.

CPN's Projects	Actual	Estimates (Bt.mil)			
	2012	2013	2014	2015	2016
Under-construction Projects	7,105	7,150	4,703	4,462	900
Enhancement Projects	2,397	2,665	1,000	1,100	1,100
Potential Projects	-	3,055	7,500	8,482	10,522
Total CAPEX	9,502	12,870	13,203	14,045	12,522



Financial Summary



% YoY Growth	2008	2009	2010	2011	2012
Total revenues ^{/1}	12%	27%	(3%)	12%	39%
Operating profit	24%	4%	(22%)	7%	113%
Net profit	38%	6%	(32%)	21%	136%
Net profit (inc. non-recurring)				83%	201%
Same store revenue growth	11%	5%	0%	9%	29%
Gross Profit Margin (%) ^{/2}	47%	43%	39%	39%	47%
EBITDA Margin (%) ^{/2}	48%	44%	42%	43%	50%

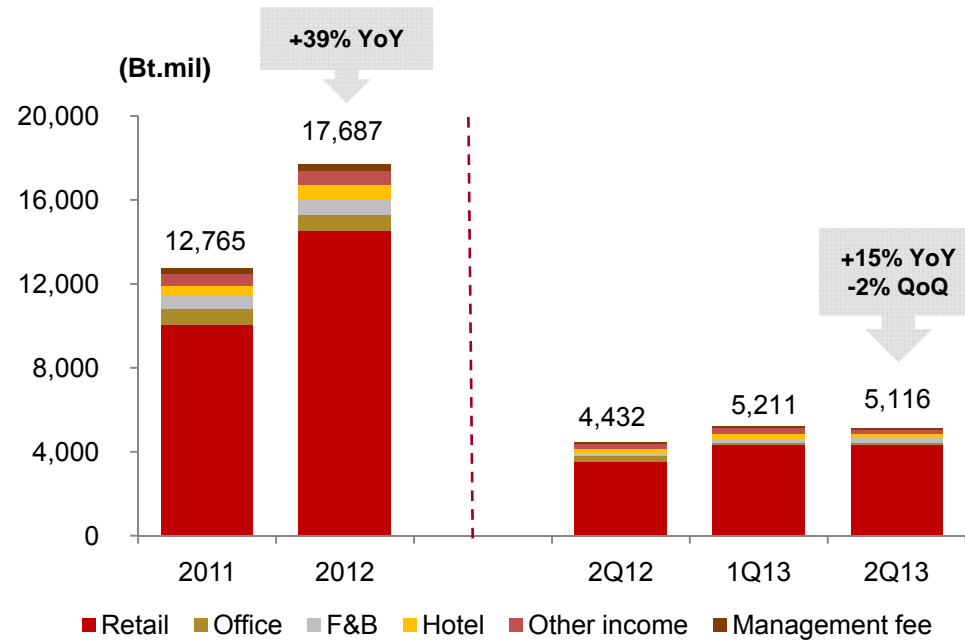
2Q13 YoY	1H13 YoY
15%	20%
15%	29%
22%	38%
22%	38%
11%	12%
49%	51%
51%	53%



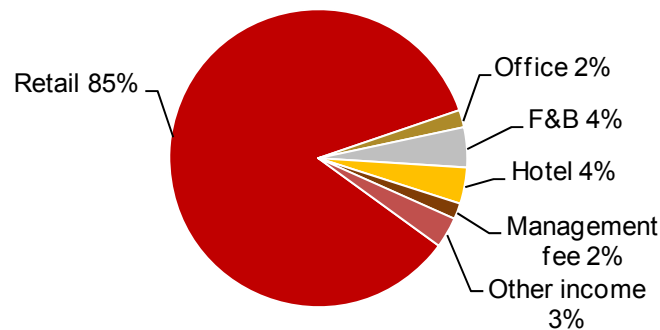
Note 1: Total revenue includes rental & service, hotel operation, food & beverage, and other incomes.
Excludes interest income and share of profit from investment.

Note 2: Excl. non-recurring items but incl. other income.

Revenue Breakdown



2Q13 Revenue breakdown



Total revenues +15% YoY or +684 Bt.mil YoY mainly driven from rent and services.

Rent and services +17% YoY

- The completion of the renovation and expansion phase of CentralPlaza Udonthani at the end of March 2012.
- The opening of 3 new projects – CentralPlaza Suratthani and CentralPlaza Lampang in 4Q12 and CentralPlaza Ubonratchathani in Apr13.
- Same store revenue grew 11% YoY.

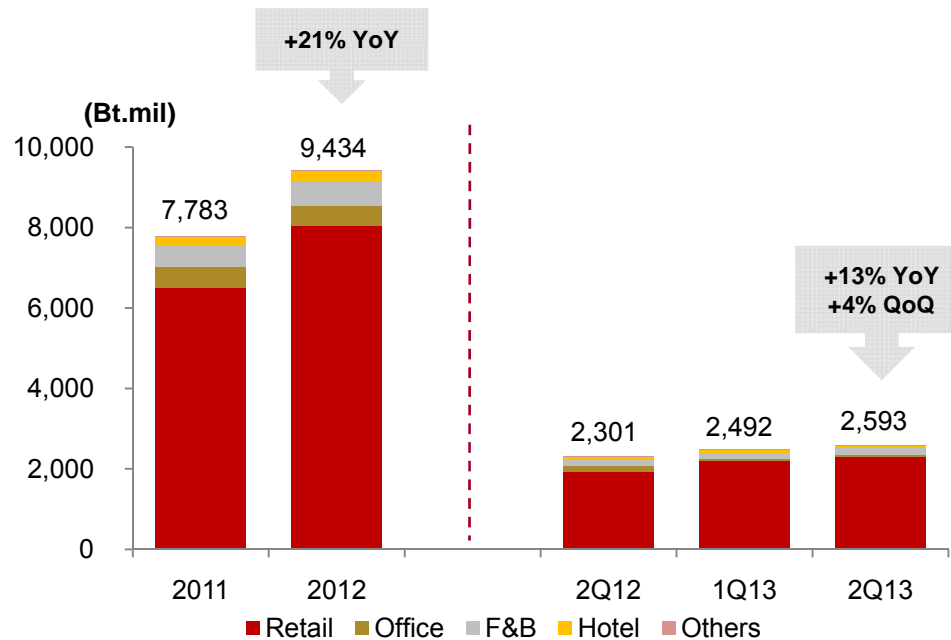
Hotel +24% YoY

- The higher Rev/Par and occupancy rate for both Hilton Pattaya Hotel and Centara Hotel & Convention Centre Udonthani.

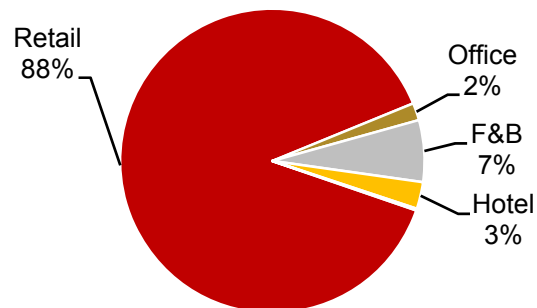
F&B sales +24% YoY

- The new food court at CentralPlaza Suratthani, CentralPlaza Lampang, and CentralPlaza Ubonratchathani.

Costs Breakdown



2Q13 Cost breakdown



Total Costs +13% YoY or +292 Bt.mil YoY.

Cost of rent and services 13% YoY

- The newly opened malls as well as the renovated malls

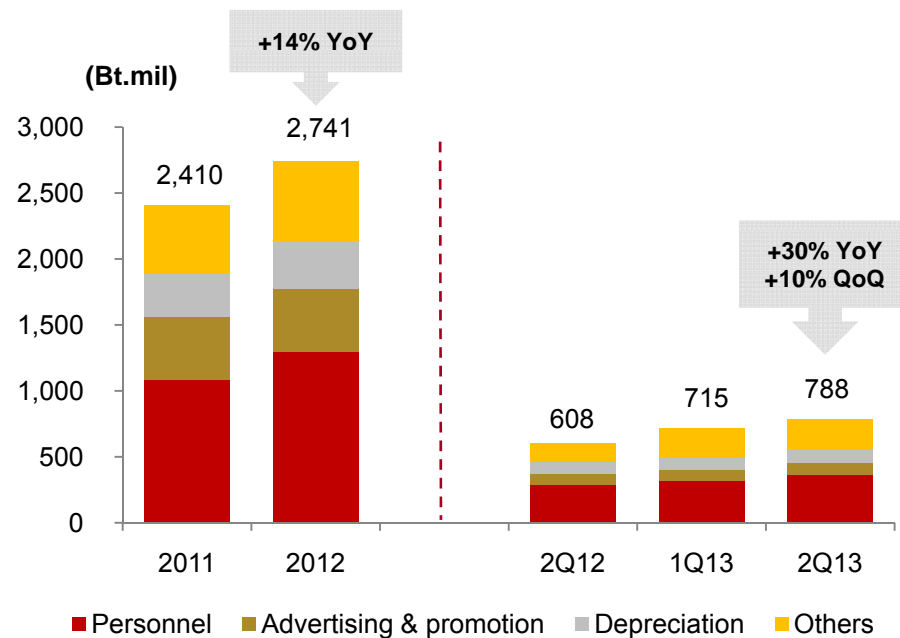
Cost of hotel business +16% YoY

- Full operation of Centara Hotel & Convention Center after the closing down for refurbishment between 2Q11 and 2Q12.

Cost of F&B +12% YoY

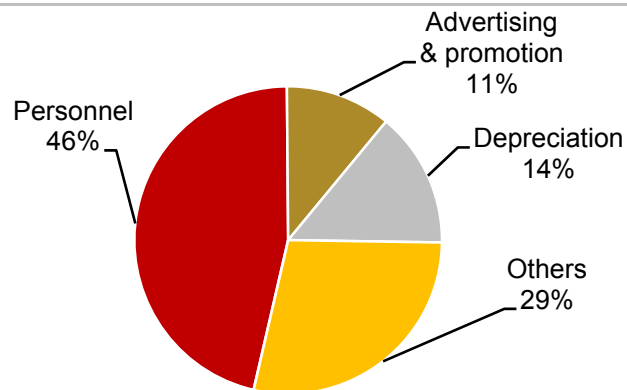
- The new food court from the new malls.
- However, the cost of food and beverage still increased proportionately lower than the increase in revenue from food and beverage.

SG&A Expenses Breakdown



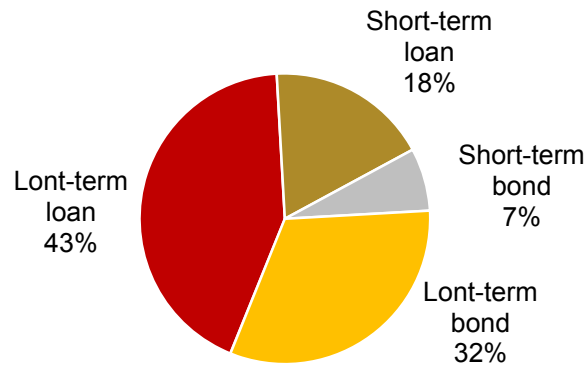
SG&A expenses +30% YoY or +180 Bt.mil YoY mainly from expenses of the newly opened malls and additional people cost of business expansion.

2Q13 SG&A breakdown

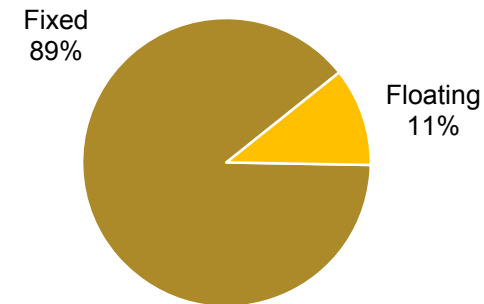


Debt Analysis

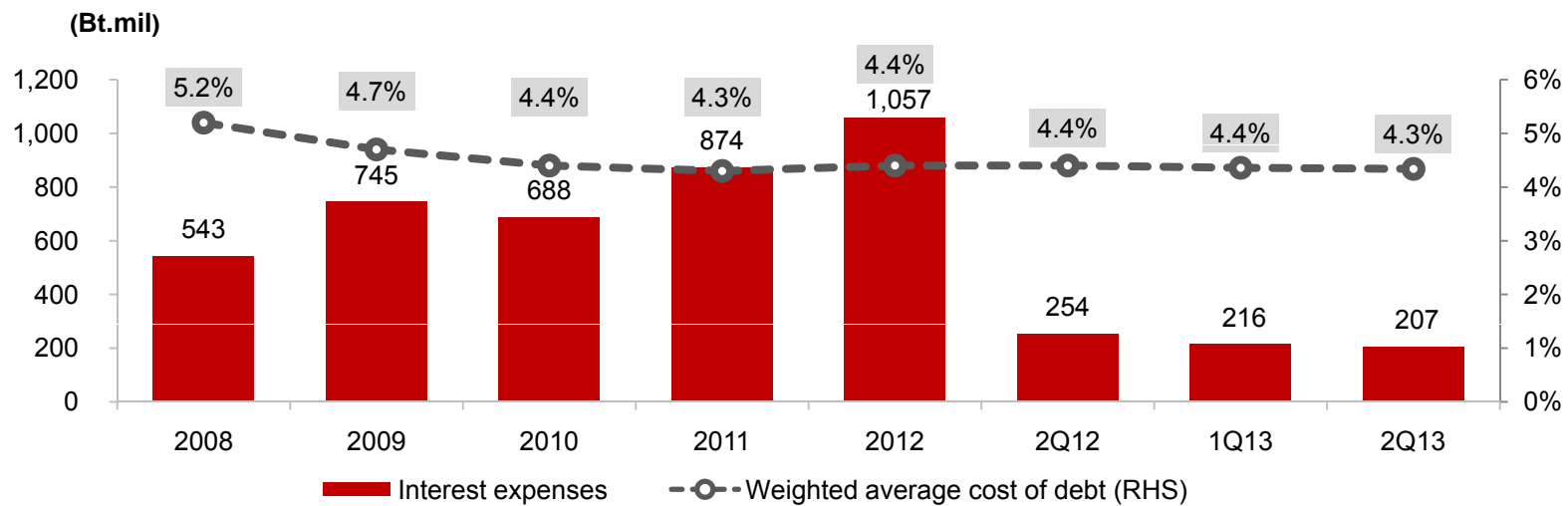
Outstanding Borrowings 21,629 Bt.mil



Fixed vs. Floating Interest Rate Mix

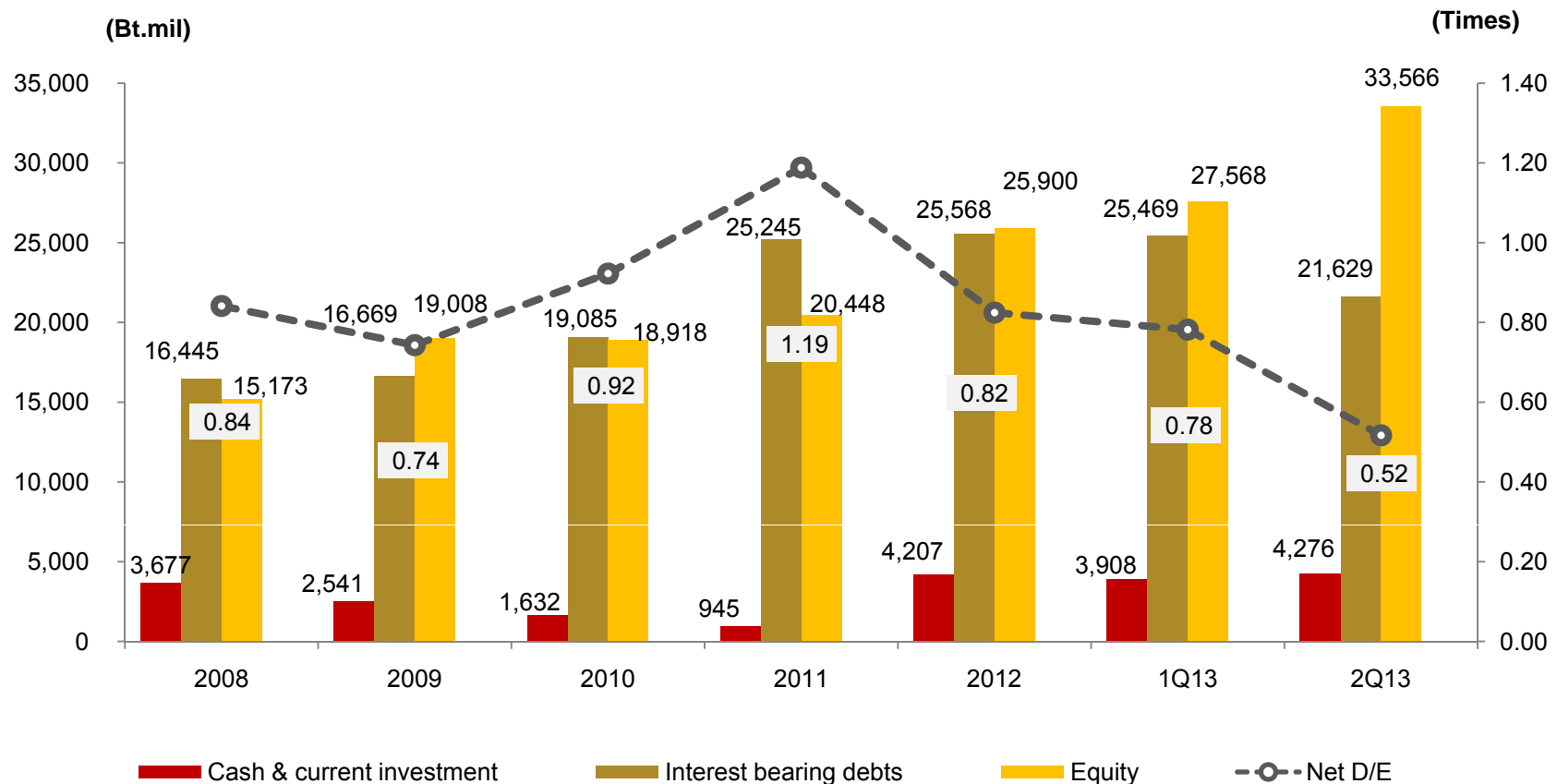


Financing Cost



Capital Structure

CPN's net D/E stood at 1 time, against its debt covenant of 1.75 times.



Key Trading Statistics and Dividend

Key Trading Statistics

Key Metrics	THB
Par Value	0.50
Stock Price	45
EPS	0.32
P/E (x) ⁽¹⁾	32.22
Market Capitalization (Bt. bn)	202
Share Capital (mil)	2,244

Note 1: Bloomberg's consensus as of 30 June 2013.

Dividend

Key Metrics	2012	2011	2010	2009	2008
Par Value (THB)	0.50 ⁽³⁾	1.00	1.00	1.00	1.00
Dividend (THB/Share)	0.475	0.37	0.25	0.58	0.33
Dividend Paid (Bt. mil)	2,070	806	545	1,264	719
Dividend Payout Ratio	33% ⁽²⁾	39%	48%	25% ⁽¹⁾	33%

Dividend policy is paid annually not less than 40% of net profit (unless there is compelling reason against this).

Note 1: Dividend payout ratio of 25% in 2009 was derived from 40% of normal net profit and 14% of gain from transferring assets into CPNRF.

Note 2: Dividend payout ratio of 33% in 2012 was derived from 40% of normal net profit and 17% of gain from transferring assets into CPNCG.

Note 3: Par split to THB 0.50 per share effective on 7 May 2013



Appendix

Statement of Financial Position

Financial Position (Bt. mil)	1Q13	2Q13	% Change
Current assets			
Cash and current investments	3,908	2,048	(48%)
Other current assets	2,143	4,891	128%
Total current assets	6,052	6,940	15%
Non-current assets			
Investment properties ⁽¹⁾	47,801	49,133	3%
Leasehold rights	9,703	9,469	(2%)
Property & Equipment (PP&E)	2,448	2,424	(1%)
Other non-current assets	5,177	5,307	3%
Total Non current assets	65,129	66,332	2%
Total assets	71,181	73,272	3%
Current liabilities	14,206	11,921	(16%)
Non-current liabilities	29,406	27,785	(6%)
Total liabilities	43,613	39,706	(9%)
Total equities	27,568	33,566	22%

Statement of Comprehensive Income

Consolidated Earnings (Bt. mil)	2Q12	1Q13	2Q13	% YoY	% QoQ
Revenues from rental and service	3,792	4,424	4,439	17%	0%
Retail	3,549	4,326	4,337	22%	0%
Office	238	93	96	(59%)	4%
Other supportive business	5	5	5	(2%)	4%
Revenue from hotel operations	163	244	201	24%	(17%)
Revenue from food and beverage	180	200	222	24%	11%
Other income	298	344	254	(15%)	(26%)
Total revenues	4,432	5,211	5,116	15%	(2%)
Costs of rental and service	2,085	2,250	2,349	13%	4%
Retail	1,930	2,196	2,296	19%	5%
Office	150	50	48	(68%)	(4%)
Other supportive businesses	5	4	5	(4%)	14%
Cost of hotel operations	64	78	74	16%	(4%)
Cost of food and beverage	151	164	170	12%	3%
Total costs	2,301	2,492	2,593	13%	4%
Operating profit	1,541	2,026	1,770	15%	(13%)
Net profit	1,171	1,656	1,427	22%	(14%)
Net profit excluding non-recurring items	1,171	1,656	1,427	22%	(14%)
EPS (Bt) excluding non-recurring items	0.54	0.76	0.66	22%	(14%)
EPS (Bt) excluding non-recurring items after par split	0.26	0.37	0.32	22%	(14%)

Operational Performance: CPNRF and CPNCG

In 2Q13, CPN Retail Growth Leasehold Property Fund (“CPNRF”) owns three shopping centers and two office towers. In Sep12, CPN Commercial Growth Leasehold Property Fund (“CPNCG”) was launched and currently owns one office.

CPNRF and CPNCG are managed by SCB Asset Management, Fund Manager. Their properties are managed by CPN, Property Manager.

CPNRF Retail Properties	Development	Land Ownership	Leasable Area ⁽¹⁾ (sq.m.)	Occupancy Rate ⁽²⁾		
				2Q13	1Q13	2Q12
1. Rama 2	Greenfield	Leasehold	85,866	95%	99%	99%
2. Rama 3	Greenfield	Freehold	37,578	97%	98%	100%
3. Pinklao	Greenfield	Leasehold	21,730	99%	97%	98%
CPNRF Retail Properties			145,174	96%	98%	99%

CPNRF Office Properties	Development	Land Ownership	Leasable Area ⁽¹⁾ (sq.m.)	Occupancy Rate ⁽²⁾		
				2Q13	1Q13	2Q12
Pinklao Tower A & B	Greenfield	Leasehold	33,760	98%	97%	97%
Total CPNRF Portfolio			178,934	97%	98%	99%

CPNCG Office Property	Development	Land Ownership	Leasable Area ⁽¹⁾ (sq.m.)	Occupancy Rate ⁽²⁾		
				2Q13	1Q13	2Q12
CentralWorld	Acquisition	Leasehold	80,646	98%	99%	n/a



Note 1: Includes rental agreements < 1 year such as kiosk, carts, ATMs and coin machines and CPN acts as the property manager.
 Note 2: Percentage based on leasable area.