

THE GREAT JOURNEY

Central Pattana Public Company Limited

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Corporate Website:

www.cpn.co.th

Registration No:

0107537002443

Year of Establishment:

1980

Business Overview:

Develop and invest in retail property for rent comprising large-scale shopping complexes and other related supportive businesses. In addition, the Company invests in retail property fund and acts as a property manager of the fund.

Security Information:

Common shares of Central Pattana Plc. were listed and traded on the Stock Exchange of Thailand in 1995 under the abbreviated security name of "CPN".

Registered Capital:

Baht 2 178 816 000

Issued and Paid-up Capital:

Baht 2,178,816,000 comprising ordinary shares of 2,178,816,000 shares Par value of Baht 1 per share

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Investor Relations

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THE GREAT JOURNEY

CPN's great journey brings us to the destination of delivering world-class experience and global success.



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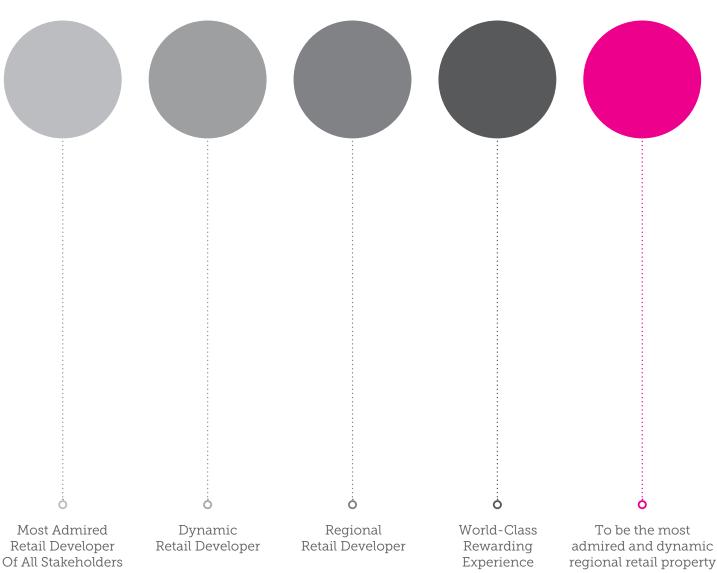
by CPN



A Great Journey Makes A Great Destination

To us, our "To be the most admired and dynamic regional retail property developer with world-class rewarding experience" journey is underway. A new journey to a sustainable destination in which every move is made with confidence.





admired and dynamic regional retail property developer with world-class rewarding experience



There's no better recipe for a memorable, fruitful trip than a fine traveling companion—one that stands behind you, shares your fond moments, and visualizes your goals.



















With a fresh perspective on a whole new world, we relentlessly strive for breakthroughs in impressive experiences to pass on to customers. Here lies our source of never-ending inspiration.



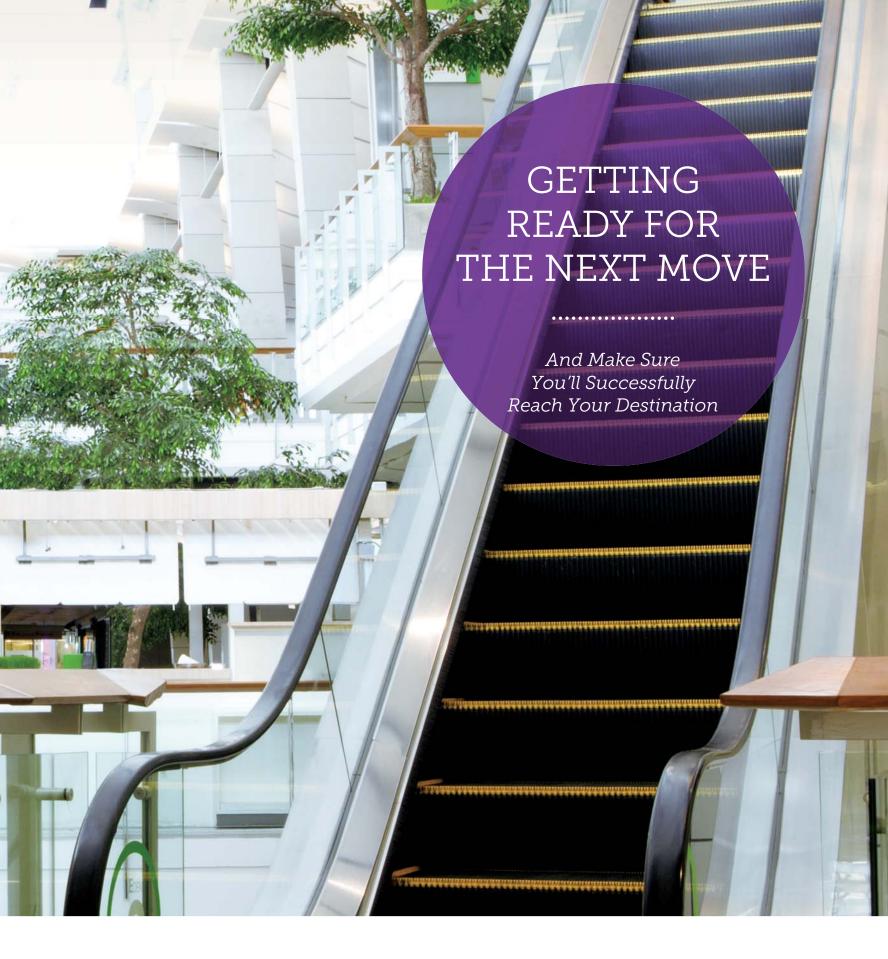








Taking stock of our series of successes to date, we've strategized our next move and are poised to hit our stride in becoming the regional leader—a mission well within sight.













With every rewarding experience comes an impressive moment, particularly when such an experience is painstakingly brought to you through world-class quality and standards—all designed for your memorable moments of success.









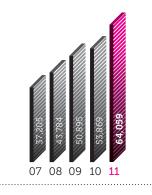


CONSOLIDATED OPERATIONAL AND FINANCIAL HIGHLIGHTS

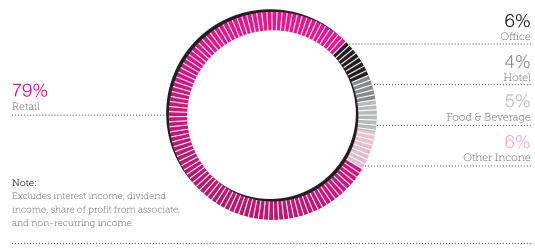


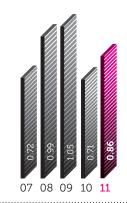
Over three decades of experience and appreciation of retail property development represent our key ingredients of success. Our exceptional performance and enhancing businesses, spanning strategic trade locations in Thailand, reflect not only our professional expertise, but also a prudent financial policy.

CPN will be as committed as ever to running its business with virtue and corporate governance, and continuing its business development to achieve the "To be the most admired and dynamic regional retail property developer with world-class rewarding experience" vision.



Total Assets (Million Baht)

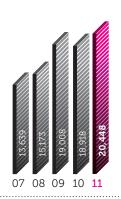




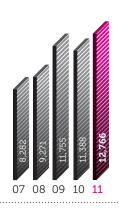
Adjusted Earnings per Share (Baht per share)



Total Liabilities (Million Baht)



Total Shareholders' Equity (Million Baht)



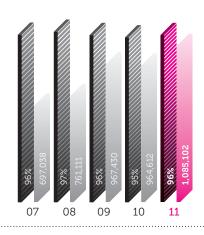
Total Revenues (Million Baht)



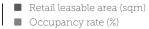
Adjusted Net Profit (Million Baht)

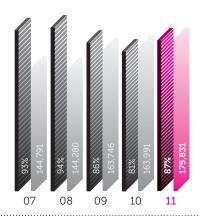


Book Value per Share (Baht per share)



Shopping Center





Office



CONSOLIDATED OPERATIONAL AND FINANCIAL HIGHLIGHTS

As at 31 December	2007	2008	2009	2010	2011
Operational performance of assets under CPN's management					
Leaseable Area (square metres)	848,202	911,764	1,137,549	1,134,976	1,267,306
> Retail	697,038	761,111	967,430	964,612	1,085,102
> Office	144,791	144,280	163,746	163,991	175,831
> Hotel (room)	-	-	255	557	561
> Residential	6,373	6,373	6,373	6,373	6,373
Occupancy Rate (%)					
> Retail	96%	97%	96%	95%	96%
> Office	93%	94%	86%	81%	87%
> Hotel	0%	0%	68%	50%	45%
> Residential	69%	69%	67%	67%	52%
Consolidated Financial Results				Uni	t : ('000 Baht)
Total Revenues (1)	8,282,131	9,270,743	11,754,650	11,387,613	12,765,702
Revenue from Rental & Service, Food & Beverage, Hotel	7,680,984	8,598,631	10,934,257	10,529,901	11,950,730
Cost of Rental & Service, Food & Beverage, Hotel	4,473,361	4,889,596	6,696,678	6,924,476	7,783,446
Gross Profit ⁽²⁾	3,808,770	4,381,147	5,057,972	4,463,137	4,982,256
Net Profit	1,783,406	2,185,788	4,951,623	1,124,866	2,058,123
Adjusted Net Profit (2)	1,569,106	2,157,858	2,292,460	1,551,950	1,871,108

Note:
(1) Excludes interest income, dividend income, share of profit of associate, and non-recurring incomes.
(2) Excludes non-recurring items.

As at 31 December	2007	2008	2009	2010	2011
Consolidated Financial Position	Unit : ('000 Baht)				
Total Assets	37,204,641	43,783,780	50,895,450	53,869,402	64,059,165
Total Liabilities	23,565,347	28,610,457	31,887,348	34,951,652	43,610,988
Net Interest-Bearing Debt ⁽³⁾	8,061,863	12,768,404	14,128,862	17,452,337	24,300,067
Total Shareholders' Equity	13,639,293	15,173,322	19,008,102	18,917,749	20,448,177
Retained Earning	8,720,562	10,089,338	14,539,840	14,339,464	15,828,190
Issued and Paid-up Share Capital	2,178,816	2,178,816	2,178,816	2,178,816	2,178,816
Total Number of Shares ('000 Shares)	2,178,816	2,178,816	2,178,816	2,178,816	2,178,816
Consolidated Financial Ratios					
Net Interest-Bearing Debt to Equity ⁽³⁾ (time)	0.59	0.84	0.74	0.92	1.19
Gross Profit Margin ⁽²⁾ (%)	46.00	47.26	43.03	39.19	39.03
Net Profit Margin ⁽²⁾ (%)	18.02	22.02	18.74	13.03	14.06
Return on Assets (%)	4.99	5.40	10.46	2.15	3.49
Return on Equity ⁽⁴⁾ (%)	14.24	15.89	29.85	6.06	10.71
Earnings per Share ⁽⁵⁾ (Baht)	0.82	1.00	2.27	0.52	0.94
Adjusted Earnings per Share ^{(2) (5)} (Baht)	0.72	0.99	1.05	0.71	0.86
Book Value per Share (Baht)	5.98	6.65	8.57	8.48	9.16
Dividend per Share (pay in the following year) (Baht)	0.33	0.33	0.58	0.25	0.37

⁽³⁾ Net interest-bearing debt excludes loans from related parties.
(4) Excludes minority interest in subsidiaries.
(5) Basic earnings per share only attributable to ordinary shareholders.

MESSAGE FROM THE BOARD OF DIRECTORS





To the Shareholders of Central Pattana Public Company Limited

This year marked the inaugural one in which CPN has managed its business under the new (2011-2016) business plan in the beginning of our corporate reform to raise our capability and support our "To be the most admired and dynamic regional retail property developer with world-class rewarding experience" vision. Our main challenges this year therefore have to do with domestic business growth expansion to remain the leader in this business while restructuring CPN to accommodate regional growth.

Economic and retail business overview

Healthy, steady growth in the domestic economy, as well as that in the retail and wholesale businesses, marked the first nine months of the year, only to lead up to Thailand's Great Floods of the final quarter, which wreaked widespread havoc on the manufacturing sector and the retail and wholesale businesses, with a ripple effect on the economy as a whole. Amid the ongoing floods, countless retailers suspended their services because of merchandise transportation and distribution hardship, as did CPN's

three shopping complex projects (CentralPlaza Pinklao, CentralPlaza Ramindra, and CentralPlaza Lardprao)—mainly due to customers' access inconvenience and concerns for employees' properties and wellbeing.

Fortunately, thanks to employees' commitment and the methodical security vigilance plans of the management, all CPN properties emerged intact in the wake of the floods. Admittedly, lost were the income opportunities from these three projects through the suspended periods, which—however insignificant—dented the final quarter's performance.

While this unforeseen natural disaster had a direct bearing on consumers' spending confidence, the Board and CPN executives remain upbeat about the overall fundamentals of the domestic economy and committed to creating sustainable domestic growth.

Continued business growth for firm future foundation

This year CPN registered success as planned with the launch of three new projects: CentralPlaza Chiangrai in March, CentralPlaza Phitsanulok in October, and CentralPlaza Grand Rama 9

in December. A remarkable fact about all three is that their space rents exceeded 90% on their opening dates.

Improved along with each new development were existing projects to supplement value and give CPN's shopping complexes a sense of completeness, sophistication, and genuine customer satisfaction. Early this year, we temporarily shut down CentralPlaza Lardprao (our first shopping complex, having been in operation for some three decades) for a total facelift, including shop replacement. We fully recognized that this temporary shutdown would affect our short-term bottom lines because of the missing revenue, but this move was in the best long-term interests of CPN. After just six months, the shopping complex resumed operation in August with a totally new look, excellent customer response, and new tenants from leading domestic and overseas businesses, which have strengthened and diversified this landmark shopping complex. This was our distinct pride this year.

To lay a firm domestic business foundation, we have planned continued shopping complex launches over the next five years. These formally announced projects, namely Central Plaza Suratthani, Central Plaza Lampang, Central Plaza

Ubonratchathani, CentralFestival Hatyai, and CentralFestival Chiangmai, will come into service in 2012-2013. In addition, we are on course in our plan to grow business in other Asian countries, but since these are new territories for us, we need to take time and exercise more prudence than that for our domestic expansion.

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Performance outcomes illustrate success

This year, CPN and its subsidiaries grossed Baht 12,953 million in revenue, an 11% rise from last year, with Baht 2,058 million in net profit, an 83% rise from last year. This distinctly remarkable performance resulted from an extraordinary item which, if excluded, would shrink these rises to 12% and 21% respectively. Without this extraordinary item, the main causes of the revenue rise are new project launches and steady rises in rental rates in current projects, complemented by efficient marketing expense management.

In view of CPN's overall performance outcomes and financial status this year, its capability for sourcing capital, and future investment plans, the Board will propose to the shareholders' meeting on April 27, 2012, dividend payment of Baht 0.37 per share, or 39% of the net profit this year.

Our common Transformation Mission

One of CPN's challenges is internal restructuring to achieve the "To be the most admired and dynamic regional retail property developer with world-class rewarding experience" vision. Capability upgrading and organizational strengthening are as crucial as organizational and internal business process restructuring to support future business growth.

This year marked the first in which CPN fully entered corporate reform under the Transformation Mission, or T-Mission for short, beginning with corporate restructuring, approved by the Board last year. Ongoing missions consisted of HRIS (Human Resources Information System) and business process restructuring, which accompanied ERP (Enterprise Resource Planning). These two plans are due for completion and trial implementation in 2012

Awards of pride

Thanks to our commitment to excellence in corporate development, our management and performance are now accepted domestically and internationally. The year again saw us win the Board of the Year for Distinctive Practices (2010-2011) award, which illustrated management commitment and efficiency for development and design. CentralWorld and CentralFestival Pattaya Beach won several accolades from leading international entities, including the 2011 Asia Shopping Centre Awards -Gold Awards for Grand Opening Expansion and Renovation from the International Council of Shopping Center (ICSC). CPN's biggest pride, however, was the Thailand Quality Class award, conferred on CentralPlaza Chiangmai Airport by the Thailand Productivity Institute, Ministry of Industry.

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Success supported by the Central Group

By and large, CPN's success over the years has stemmed from its being part of the Central Group, a leader in the retail business for the past six decades. The Group runs a wide range of businesses—department stores, hotels, restaurants, and assorted retail

businesses. These businesses make up a significant part of the major and retail tenants of CPN shopping complexes. In other words, businesses of the Group are CPN's commercial allies that have raised occupation rates and boosted other tenants' confidence, thus generating decent returns for CPN's shareholders. These commercial relations between CPN and the Central Group, while connected to each other, therefore serve as CPN's business strengths. That said, the Board recognizes the need for transparency of connected transactions, which must not lead to conflicts of interest. To deal with this risk, the Board has defined requirements for regular commercial conditions that CPN must observe when engaging itself in connected transactions. The Audit Committee values and earnestly reviews the sensibility of CPN's policy for connected transactions. Each time a significant connected transaction is conducted, the management presents its details to the Audit Committee for review and recommendations. In addition, it discloses complete information as required by the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand.

Despite the challenges posed by external negative factors and changes inside the Company this year, the unity shown

by our employees and executives has enabled us to successfully deliver planned performance outcomes to the shareholders. May we therefore take this opportunity to thank all employees and executives for their full dedication, which has played an instrumental role in CPN's overcoming of hurdles and keeping it on great strides.

Finally, the Board expresses its sincere appreciation to the shareholders, tenants, commercial allies, financial institutions, public agencies, private entities, the mass media, and all customers for their trust in and excellent support to CPN's business management. Please be assured that CPN will be as committed as ever to running its business with virtue and corporate governance in the best interests of all stakeholders. Our goal is our "To be the most admired and dynamic regional retail property developer with world-class rewarding experience" vision.

Mr. Suthichai Chirathivat

Chairman

Mr. Kobchai Chirathivat President & CEO

REPORT OF THE AUDIT COMMITTEE

To the Shareholders:

Consisting of four qualified independent directors, the Audit Committee is chaired by Mr. Paitoon Taveebhol, who is knowledgeable and experienced in the review of financial statements, with Mr. Chackchai Panichapat, Mrs. Sunandha Tulayadhan, and Mr. Karun Kittisataporn as members.

In 2011, there was a total of 11 Audit Committee meetings, whereby all Audit Committee members attended all these meetings, with the exception of Mrs. Sunandha Tulayadhan, who missed one meeting due to sick leave, and Mr. Karun Kittisataporn, who also missed one meeting due to personal leave. At some meetings, it consulted the President & CEO, the management, the external auditor, the internal auditor, and non-executive directors as seen necessary and provided candid views and recommendations. The Committee reported its performance to the Board of Directors on six occasions, with the following summary of performance and views:

Accuracy, Completeness, and Reliability of Financial Statements

Reviewed were the quarterly and annual financial statements, significant accounting policies and financial reports, coupled with the consideration of the audit scope and plans, audit methods, and detected issues, jointly investigated by the management and the external auditor. It is the Committee's view that the Company's financial reports, prepared under generally accepted accounting procedures, are accurate, complete, and reliable with a sensible choice of accounting policies.

Adequacy of Internal Control System, Internal Audit, Risk Management, and Good Corporate Governance

Reviewed were the audit reports of Internal Audit and of the external auditor concerning assessment of the internal control system, risk management, and good corporate governance, as well as the improvement of executives' performance as recommended in such reports, while internal processes of whistleblower system and complaint handling were also considered. It is the Committee's view that the Company's internal control system is adequate and appropriate. The Audit Committee has reviewed the annual internal audit plan for the year which is based on the risk-based audit plan and also the outputs based on this plan, as well as have regularly consulted Internal Audit executives in the absence of the management. Additionally, the Audit Committee has approved the hiring of a fully independent external organization which is appropriately qualified to undertake a quality assurance review of our Internal Audit, as well as the use of a generalized audit software in order to enhance the Company's internal audit activities. Therefore, the Audit Committee considers that the Internal Audit activities of the Company is independent and appropriate.

Compliance with Securities and Exchange Commission (SEC) Laws, The Stock Exchange of Thailand's (SET's) Requirements, and Applicable Laws

Reviewed were the Company's compliance with SEC laws, SET's regulation, and applicable laws; in addition, the Committee regularly monitored the management's improvement approach. The Committee considers the Company in full compliance.

Transactions with Potential Conflicts of Interest

The Audit Committee has given emphasis in reviewing, on a quarterly basis, all connected transactions as well as those transactions that may involve possible conflicts of interest in full compliance with all laws and regulations of the Stock Exchange of Thailand. It assigned the Internal Audit to make the initial assessment, as well as, every year, always requested the external auditor to undertake a full review of all these transactions. The Audit Committee considers these connected transactions part of the normal course of business with regular commercial conditions, sensible and fair conditions, and in the best interests for the Company.

Suitability, Consideration, Selection, and Endorsement of the External Auditor

The Audit Committee made an assessment of the degree of independence of the external auditor and reviewed their activities outputs of 2011, which is their 6th year as the external auditor of the Company but whereby the external auditor authorized to sign the Company's audited financial statements has been changed since 2009. The overall performance of the external auditor is considered fully satisfactory; and they have been fully independent in their audit activities. Additionally, the Audit Committee had one meeting with the external auditor without any management being present, in order to obtain their direct feedback on the

operational activities by and the degree of coordination among the involved management.

As part of its process in reviewing, selecting and proposing the appointment of the Company's external auditor for 2012, the Audit Committee also made comparisons of audit fees by other firms. The Audit Committee also reviewed the proposed audit fees for 2012 together with actual performance outputs and the scope of work to be undertaken by the external auditor; and it, therefore, concurs and consider it appropriate to propose to the Board of Directors that KPMG Phoomchai Audit Limited be again appointed as the external auditor of the Company and its Subsidiaries for 2012 with a total audit fee of Baht 5,530,000.

Overall View and Remarks as a result of Performance under the Charter

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The Audit Committee has made a self-assessment of its overall performance for 2011 on January 24, 2012; whereby this assessment is in 2 parts: Firstly, the overall activities of the Audit Committee during the year. And secondly, the specific activities of the Committee, which in total consist of 6 activities, namely: (1) reviewing of the financial reports to ensure its accuracy

and adequacy; (2) reviewing that both the internal control systems and internal audit functions are fully effective and efficient; (3) reviewing that the Company activities are in full compliance with all the requirements of the securities laws and regulations of the Stock Exchange of Thailand as well as the laws relevant to the business sector in which the Company operates; (4) reviewing and selecting the proposed appointment of the Company's external auditor; (5) reviewing all connected transactions; and (6) preparing and submitting the Report of the Audit Committee. It is the overall view of the Audit Committee that it had performed its duties adequately and completely.

Yword.

Mr. Paitoon Taveebhol
Chairman of the Audit Committee

REPORT OF THE NOMINATION AND REMUNERATION COMMITTEE

In 2011, the Nomination and Remuneration Committee held two meetings and reported its performance to the Board for acknowledgment after each meeting, summarized below:

- 1. Recruited suitable candidates for tabling to the Board and the shareholders' meetings at the 2011 AGM for their consideration. The Company offered minor shareholders a chance to nominate directors from 28 September 2010, to 14 January 2011. Since no such nomination emerged, the Committee recommended that the retired directors who finished their terms in 2011 should be reappointed to another term. The 2011 AGM approved every nominated director.
- 2. Considered the 2011 compensation for the Board and the sub-committees, comprising the Audit Committee, the Nomination and Remuneration Committee, and the Risk Management Committee, and then submitted it to the Board and the shareholders' meetings for consideration and approval, taking into account their responsibilities and performance related to revenue

- earned and other relevant factors. The compensation amounts are also compared with industry peers and met with approval from the shareholders
- 3. Deliberated and provided opinions on succession plans for senior executives to ensure that it linked consistently with CPN's strategic plans. These plans were efficiently and effectively implemented, with talent management, CPN Leadership DNA, and individual development (IDP) in support of business expansion.
- Evaluated the President & CEO's performance in the preceding year and worked with the President & CEO in setting goals and evaluation methods for his performance in the current year.
- 5. Deliberated and provided opinions on the Company's human capital policy and organizational development, including guidelines for personnel development and staff engagement in support of business expansion.

6. Reviewed its own charter for more alignment with the situation and best-practice quidelines of regulators.

The Nomination and Remuneration Committee cautiously completed its duties with integrity, based on the responsibilities designated in its charter. It adhered to the principle of good governance adequately and suitably for the balanced and sustainable benefits of all stakeholders.

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Mr. Chackchai Panichapat Chairman of the Nomination and Remuneration Committee

REPORT OF THE RISK MANAGEMENT COMMITTEE

CPN has defined a clear policy of treasuring risk management while also recognizing its responsibility for ensuring good corporate governance to supplement value to its shareholders. To this end, CPN focuses on developing a risk management system, actively promoting risk management practices across the Company, and defining a sustainable risk management policy to identify business risk factors that encompass all aspects of corporate and operating risks. Emphasis is on management of such risks to an acceptable level to CPN. Two risk management committees are therefore currently in place:

- 1. The Corporate Risk Management Committee considers policies, strategies, structure, and framework for risk management system at a higher level. Besides supporting the top management in defining the risk management structure to cover the entire company, the committee executes risk reviews, follow-ups, and evaluation of the efficiency and effectiveness of overall risk management, with meetings held at least twice a year.
- 2. The Operating Risk Management Committee defines roles and responsibilities for directly relevant parties, those responsible for supporting technical risk management aspects and processes, and those responsible for reviewing such processes. The meetings take place at least quarterly to present to its corporate counterpart an overview of the major risks, the mitigation methods, and the outcomes of risk monitoring.

The secretary of the Corporate Risk Management Committee is assigned to coordinate and share the major corporate risks so that its operating counterpart can turn strategies into practice to encompass all risks.

This year risk management practices are still focused on four keys of risk management: strategic, operation, compliance, and financial risks. Key risk factors this year consisted of:

- >> Total preparedness to support CPN's policy of growth through rapid domestic branch expansion and domestic competitiveness:
 - CPN plans to domestically expand the business, which could affect project expansion, by adhering to the principles of risk management in investment, in-depth analysis, partners' preparedness, retail management to maintain competitiveness, enough sources of capital, and study of the limits of law, such as the draft act on retail businesses that could obstruct its expansion.
- >> Overseas investment: A team has been assigned to study the proper directions and opportunities for investment as well as fluctuations in foreign-exchange rates and interest rates.
- >> Change management and adjustment to accommodate new business processes:

CPN has developed and installed an IT system that applies the concept and management method of ERP (Enterprise Resource Planning) to serve

the crucial business demand. CPN is therefore equipped with modern, effective IT technology that covers its major processes in main and supporting activities. Installed by an experienced, credible expert, this system also aligns with CPN's vision and strategies that focus on domestic and overseas growth.

>> Fires, accidents, and other threats related to shopping center management:

CPN has appointed a loss prevention team under the supervision of its Standard Promotion and Supervision Bureau. Aware of risk factors like fires and floods, CPN developed a manual as the operating regulations for each branch to study. CPN also executes drills to simulate different incidents, practices them, and monitors the outcome to make sure that they work as planned.

To ensure that its risk management system works properly and effectively, CPN has formulated a plan for 2012 which encompasses every aspect of risk factors, including risks of investment in new projects or business expansion, natural disasters, and terrorism, and applies these factors at strategic and operating levels. The plan is specifically adapted to each project to facilitate the decision-making process and deal with the risky areas to cover the entire organization.

Ywwed.

Mr. Paitoon Taveebhol

Chairman of Risk Management Committee

REPORT OF THE CORPORATE GOVERNANCE COMMITTEE

The Corporate Governance Committee held four meetings this year and reported its performance to the Audit Committee and the Board as summarized below:

1. Improvement of the Code of Ethics and Corporate Governance Policy

CPN has compiled and revised its Code of Ethics, Corporate Governance Policy, and related good practices and published a manual on 'Code of Ethics and Corporate Governance Policy' as guidelines for the directors, the management, and employees to acknowledge, master, and adhere to. This clear and complete manual of international standards conforms to corporate governance practices of widely accepted organizations, such as the Office of the Securities and Exchange Commission (SEC), Stock Exchange of Thailand (SET), Office of the National Human Rights Commission, Organisation for Economic Co-operation and Development (OECD), and the United Nations Global Compact (UNGC).

The essences of the written revision of the policy are:

- >> The Code of Ethics contains ethics for directors and the management, that for employees, and that toward stakeholders.
- >> Policies on intellectual property, conformance to laws and regulations, respect for international human rights principles, anti-corruption, political participation, public relations and marketing, among others, were added to the manual.

CPN has defined that the code of ethics and corporate governance policy are a part of the company's discipline that the management, executives, and staff must sign an acknowledge form so as to ensure that all employees strictly adhere to and conform to it.

2. Dissemination and communication of the Code of Ethics and Corporate Governance Policy

Information about the Code of Ethics and Corporate Governance Policy within CPN is disseminated via various channels, such as staff orientation, e-mail, intranet, the in-house magazine, announcements and campaigns, as well as e-learning. Such information is also available to the public via the CPN website under 'Development for Sustainability'.

3. Support for compliance with the Corporate Governance Policy

CPN supports compliance with the policy in line with SET's regulations and OECD's corporate governance policy in five principles:

- 1. Rights of Shareholders
- 2. Equitable Treatment of Shareholders
- 3. Roles of Stakeholders
- 4. Disclosure and Transparency
- 5. Responsibilities of the Board.

In addition to strict conformance to the above principles, CPN is continuously committed to develop the implementation of corporate governance and CSR activities in line with the sustainable development approach.

4. Promotion of CSR Activities for the communities, society and stakeholders

This year, CPN constantly promoted its CSR policy and activities for the communities, society, and stakeholders at both the head office and branches as follows:

>> 'CPN Share More, Learn More' to share with CPN employees knowledge and experiences on diet, health, and personal care

- >> 'Bangkok Metropolitan, Bangkok Noi District's Drug-Free Schools' at Wat Mali School in a campaign to involve children and youths in Bangkok Metropolis in sports and staying away from drugs
- >> Donations of scholarships, learning facilities, and sports gear to temples, schools, and universities, including the Wat Suan Kaew Foundation, Ban Tian Ang School in Chiang Mai, Wat Klong Mon School in Samut Prakarn, and Chulalongkorn University
- >> Cash donations and participation in religious activities at temples near CPN's shopping complexes, renovation of temples, food offerings to monks, and participating in hearing sermons
- >> Improvement of work processes of each branch to promote CSR activities under the 'CPN Quality Awards (CPNQA)' project. For example, Central Plaza Chiangmai Airport set up a 'My Mind Mission' project, a one-stop service caring system for its retail tenants, and Central Plaza Rattanathibet launched the 'I Go Green' project to increase green areas in the complex.

- >> 'Big Cleaning Day" to clean the canals around CentralPlaza Pinklao in cooperation with the government sector and local residents
- >> 'Energy Day', held at each branch to provide knowledge and cultivate awareness of efficient energy consumption
- >> Dissemination of knowledge, understanding, and information on the Company's CSR activities on energy and environmental conservation conducted by each branch among retailers and shoppers
- >> Participation in the BEAT 2010 (Building Energy Award of Thailand) Project by entering CentralWorld in a contest on energy conservation operation, held by the Office of Energy Planning and Policy, Ministry of Energy, from August 2010 to August 2011. As a part of this project, CPN also transferred the knowledge to those interested to enhance their awareness of energy-saving.
- >> Relief to our employees, customers, and people affected by the Great Floods through donation of cash,

food, clothes, and other essential items, holding volunteering activities to help affected people, and seminars on post-flood housing restoration, among others.

CPN always stresses performing and reporting in compliance with the Corporate Governance Principles. Thanks to excellent support and cooperation from the directors, the management and staff, this year CPN won the SET Awards 2011 (best corporate governance report), sponsored by SET in conjunction with Money & Banking Magazine. Also, CPN's corporate governance report got an 'Excellent' rating based on the evaluation of its 2011 CG report by listed companies for the third consecutive year by the Thai Institute of Directors (IOD)



Mr. Naris Cheyklin Chairman of Corporate Governance Committee

BOARD OF DIRECTORS AND MANAGEMENT TEAM





- **01** Mr. Vanchai Chirathivat
- **02** Mr. Suthichai Chirathivat
- 03 Mr. Paitoon Taveebhol
- **04** Mr. Chackchai Panichapat
- 05 Mrs. Sunandha Tulayadhan
- **06** Mr. Karun Kittisataporn
- 07 Mr. Kanchit Bunajinda
- 08 Mr. Suthikiati Chirathivat
- 09 Mr. Suthichart Chirathivat
- 10 Mr. Sudhisak Chirathivat
- 11 Mr. Sudhitham Chirathivat
- **12** Mr. Prin Chirathivat
- 13 Mr. Kobchai Chirathivat
- **14** Mr. Sudthidej Chirathivat
- 15 Mr. Naris Cheyklin
- **16** Ms. Wallaya Chirathivat
- 17 Mr. Suthipak Chirathivat
- 18 Mr. Terachart Numanit
- 19 Ph.D. Nattakit Tangpoonsinthana
- 20 Mrs. Narttaya Chirathivat
- 21 Mrs. Panida Sooksridakul

AWARDS OF GREAT PRIDE IN 2011

The year 2011 marked another milestone year for CPN. The **56** prestigious achievements by leading organizations and rating companies, domestic and international, covering design & development, organization management, marketing & branding, and energy & environmental conservation. These represent just one forward step for us. We are convinced that the application of shopping complex innovations to our development and management in parallel with consistently sound organizational management will lead CPN on a path to sustainable growth and the most admired and dynamic regional retail property development and management.





Board of the Year for Distinctive Practices for the year 2010 - 2011

01

"Board of the Year for Distinctive Practices for the year 2010 - 2011" was presented to Central Pattana Public Company Limited by Thai Institute of Directors (IOD), together with the Stock Exchange of Thailand (SET), the Board of Trade of Thailand, the Federation of Thai Industries (FTI), the Thai Bankers' Association (TBA), the Thai Listed Companies Association, and Federation of Thai Capital Market Organizations, to honor and encourage listed companies' qualified and knowledgeable Board of Directors (Board) who righteously and effectively supervised and ran their companies, acted on behalf of the stockholders to protect their interests, and created long-term value for the stockholders. This proved the Board's leadership, credibility, and efficiency in their dedicated management to develop and drive CPN to a great success and to be recognized nationally and worldwide. Directors who were honorable recipients of this award comprise:

- > Mr.Vanchai Chirathivat
- > Mr.Paitoon Taveebhol
- > Mrs.Sunandha Tulayadhan
- > Mr.Kanchit Bunajinda
- > Mr.Suthichart Chirathivat
- > Mr.Sudhitham Chirathivat
- > Mr.Prin Chirathivat

- > Mr.Suthichai Chirathivat
- > Mr.Chackchai Panichapat
- > Mr.Karun Kittisataporn
- > Mr.Suthikiati Chirathivat
- > Mr.Sudhisak Chirathivat
- > Mr.Kobchai Chirathivat

02

"Thailand Quality Class (TQC) Award" was conferred to CentralPlaza Chiangmai Airport by Thailand Quality Award Office, National Productivity Institute under the Ministry of Industry

03

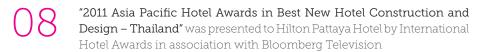
"SET Awards 2011 – Top Corporate Governance Report Award" was presented to Central Pattana Public Company Limited by The Stock Exchange of Thailand

04

"2011 Asia Pacific Shopping Centre Awards – Gold Awards for Grand Opening, Expansion and Renovation" was presented to CentralWorld by The International Council of Shopping Centre (ICSC)

05	"2011 Asia Pacific Shopping Centre Awards – Silver Awards for Innovative Design and Development of a New Retail Project" was presented to CentralFestival Pattaya Beach by The International Council of Shopping Centre (ICSC)
06	"2011 Asia Pacific Property Awards in Retail Development – Thailand" was presented to CentralFestival Pattaya Beach by International Property Awards in association with Bloomberg Television
\cap 7	"2011 Asia Pacific Hotel Awards in Best Hotel Architecture – Regional





Awards in association with Bloomberg Television

Winner" was presented to Hilton Pattaya Hotel by International Hotel





"Thailand Energy Awards 2011 – The Best Energy Efficiency Award under the category of designated building" was presented to CentralWorld and The Offices at CentralWorld by Ministry of Energy

1 2 "Thailand Energy Awards 2011 – The Best Innovation for Energy Efficiency Award under the category of new building" was presented to CentralPlaza Chonburi by Ministry of Energy

"Thailand Energy Awards 2011 – The Best Energy Efficiency Award under the category of teamwork" was presented to CentralPlaza Rama 2 by Ministry of Energy



2011 Asia Pacific Shopping Centre Awards – Silver Awards for Innovative Design and Development of a New Retail Project

2011 YEAR IN BRIEF



FEBRUARY

CentralPlaza Lardprao -CPN's first shopping complex and being in operation for over 30 years – was closed for major renovation, face-lift, and re-merchandising.





MARCH

CPN unveiled CentralPlaza Chiangrai, the most modern and integrated shopping center in Chiangrai Province, comprising leading stores, restaurants, and an entertainment center. The province equipped with tourist attractions and trading zones and was also promoted as a trading gateway to countries along the upper Mekhong







CPN issued 5-year unsecured debentures, in the amount of Baht 500 million, offered exclusively for institutional investors, which were extremely well received.









APRIL

CPN held the annual general shareholders' meeting number 1/2011 covering two major agenda items: 1) approval of its financial statements ending on 31 December 2010, and 2) approval of dividend payments for its performance in 2010.



CPN was affirmed its corporate and issue ratings at A+ by TRIS Co., Ltd., reflecting the Company's strength, credibility and growth.



CPN issued 5-year unsecured debentures, in the amount of Baht 1,000 million, offered exclusively for institutional investors, which were extremely well received.







AUGUST

CentralPlaza Lardprao was reopened with a new design and a wider variety of shops, providing outstanding ambience and ready to serve customers' needs while also delivering an enjoyable and ultimately satisfying shopping experience.









SEPTEMBER

CPN was affirmed its corporate and issue ratings at A+ by TRIS Co., Ltd., reflecting the Company's strength, credibility and growth.



CPN signed a 7-year loan agreement with a financial institution for Baht 2,000 million, reflecting the Company's credibility and financial strength.





OCTOBER

CPN unveiled CentralPlaza Phitsanulok, the most modern and integrated shopping center in the lower North - which links Northern region with Central region and Indochinese countries, in compliance with the government's policy of East-West Economic Corridor.







CPN issued 5-year, 7-year and 10-year unsecured debentures, in the amount of totaling Baht 2,000 million, offered exclusively for institutional investors, which were extremely well received.





NOVEMBER

Central region and Bangkok faced a severe flooding. During the inundation, CentralPlaza Pinklao, CentralPlaza Ramindra, and CentralPlaza Lardprao were temporarily closed due to inconvenient access and security reasons for properties and staff.





DECEMBER

CPN unveiled CentralPlaza Grand Rama 9, one of the most modern and integrated shopping centers in Bangkok, situated in a business and entertainment zone and conveniently accessed by mass transit systems, including MRTA. The center was surrounded by offices, residences, embassies, and educational institutions.







CPN issued 3.5-year and 5.1year unsecured debentures, in the amount of totaling Baht 2,000 million, offered exclusively for institutional investors, which were extremely well received.





ECONOMIC AND RETAIL **INDUSTRY OVERVIEW IN 2011**

New shop patterns, continuous expansion, intensive marketing tools, and extension of market base to ASEAN are the key driving forces to the continuous growth of Thai economy.







Economic Overview

Thailand's economic growth this year significantly decelerated from last year because the disaster in Japan affected the production sector, while the severe flooding in Thailand devastated the economy on a large scale, especially in the central region of the country. Several major industrial estates faced floodrelated problems, resulting in production halts in many industries, especially the automotive and electronics industries. It also affected consumption, investment, and export in the last quarter of the year.

The global economic recession, including the March catastrophe in Japan and inundation in Thailand during the fourth quarter, caused the manufacturing production index in 2011 to drop from 63.2% last year to 58.2%. Even though the trade sector enjoyed the expansion that stemmed from domestic and foreign demand in the first three quarters, the flooding in the last quarter slowed down both retail and wholesale trade businesses. The main problems were shortage of goods and interrupted transportation. The real-estate sector has slowed down since October in terms of project construction, project launch, and ownership transfer. Private investment was also sluggish partly because investment was accelerated in the year earlier and there was a shortage of investment goods due to the problems in the manufacturing sector.

However, consumption in the private sector, tourism, and export still expanded. Overall, the growth in the private sector dropped from last year because the lack of goods and inundation hurt the employment and the household income. Spending in the last guarter therefore decelerated. On the other hand, the tourism sector enjoyed good growth. The number of foreign tourists in 2011 was 19.1 million, increasing by 19.9% from last year, thanks to the economic growth of emerging countries, especially those in Asia. The export sector grew by 16.4% from last year. The goods with the highest expansion rates were rubber, plastic, and petrochemical products in line with the exports to China and Asian countries whose economies still expanded well.

This year, the average headline inflation and core inflation rose to 3.81% and 2.36%, respectively, from last year, especially the prices of food and beverage. It was caused by a higher production cost from the tight supply in global markets and the Great Floods

Retail and Wholesale Industry Overview in 2011

This year, Thailand faced the Great Floods, especially in the central region and Bangkok. It caused severe damage to the overall economy, as well as the retail and wholesale industries. Numerous industrial estates were closed during the inundation, affecting manufacturing, transportation, and product distribution. Furthermore, several shopping centers, department stores, and shops were temporarily closed due to inconvenient access and security reasons for properties and staff.

Even though the above-mentioned incident ravaged the overall economy for only a short term, the damage was widespread. Therefore, government agents adjusted this year economic growth rate from 9-10% to 6-8%.

In general, the retail and wholesale business growth in 2011 was derived from several factors, such as the rising prices of agricultural products, the populist policy, and the rising minimum wages and salaries of government officials. Almost every group of entrepreneurs adapted themselves to ensure business growth by expanding branches and markets to provincial areas, developing new shop patterns, and intensively using marketing

tools. They also considered expanding the market base to Asia in response to Thailand's participation in ASEAN Economic Community (AEC) in 2015. These positive factors were expected to continue posing effects in 2012 and they were the key factors that support Thai overall economy continuous growth in 2012.

Shopping Centers and Department Stores

This year, entrepreneurs in this group continued to develop new projects, both in Bangkok and provincial areas. There were several newly-opened large shopping malls, namely Terminal 21, CentralPlaza Chiangrai, CentralPlaza Phitsanulok, and CentralPlaza Grand Rama 9. Large shopping centers, such as CentralPlaza Ladprao, were also under renovation. Furthermore, a number of shopping centers in Bangkok, such as Mega Bangna, The Emporium 2, and Gateway Ekamai, were under construction and completion was expected in two years. In additional, The Mall Bang Khae was under restoration.

In provincial areas, major projects under construction included CentralPlaza Suratthani, CentralPlaza Lampang, Promenada Chiang Mai, and Robinson Suphanburi. Presently, there were only few shopping centers in these



areas compared to the incessantly growing number of population and higher purchasing power. Entrepreneurs who expanded the business to potential markets in provincial areas would be able to rule the market and create connections before the situation gets more competitive.

Competition of the retail business in Bangkok, especially in areas with great potential like the city center, business guarters, and the eastern side of town around Suvarnabhumi Airport, was fiercer than that in other provinces. Entrepreneurs speeded up the renovation of existing shopping malls, area expansion, and improvement of the merchandizing mix to ensure more strength in operation. Those who gained more advantages were the ones experienced in retail development and management. They also had enough capital, connections with shops, and flexibility to constantly modernize the stores.

Marketing strategies remained a crucial tool to stimulate customers' spending. That was why entrepreneurs cautiously spent their marketing budget. In addition to attracting target groups, activities were focused on promoting outlets' sales in parallel with creating business alliances that co-hosted major marketing

events to ensure the maximum return of the spending. More and more tools for customer relations were used to increase sales volumes and maintain customer bases. Only highly experienced entrepreneurs who had the ability to adapt themselves to the fast-changing situation could keep and expand market shares.

Due to the flooding and political unrest during the past two years, most entrepreneurs realized the importance of security in shopping malls. Good management systems would help them stay open under abnormal circumstance. As a result, entrepreneurs were ready to put more investment in property security and safety, such as raising the security standard and preparing for water drainage and prevention systems, to ensure the shopping centers' normal operation and maximum safety of properties.

Community Malls and Lifestyle Malls

Small shopping projects have been expanding with an investment from real-estate groups and other groups that already owned the land. Most development patterns were in the form of community malls or mixed-use development between small shopping

centers and large residential projects to add value to the overall project.

Major projects launched this year included The Nine at Rama 9, The Circle Rachapruek and CityViva Sathorn. The projects under construction were Thaniya Park Sri Nakarin, Sena Fest Charoen Nakorn, and Festival Walk Nawamin.

In developing these malls, the direction focused on a harmonious design with nature. The buildings were open-air to differentiate themselves from large shopping centers. To attract customers, they paid attention to the selection of shops. Most projects consisted of supermarkets, food outlets, tutoring schools, beauty parlors, and banks to suit target customers' lifestyles.

In the future, the number of this retail group will continue to rise and face competition from both large shopping centers and hypermarkets that reduce size, adjust services, and add the characteristics of shopping malls. As a result, this group must further adjust itself to maintain its uniqueness, retain a regular customer base, and continually increase revenue.

Hypermarkets and Convenience Stores

This group has been expanding branches. Hypermarkets developed a variety of project patterns, such as mega retail only, mixed patterns between retail and small shopping centers, and small shops similar to convenient stores.

This year, the sales volumes of this group enjoyed constant growth except in the last quarter due to the Great Floods. However, entrepreneurs in this group expected that the purchasing power would return after the government's compensation and assistance at the beginning of 2012. As for the direction of this group, large branches are not expected to expand so much because they are restricted by Town Planning Acts. The entrepreneurs therefore focus on expansion of smaller branches, such as Lotus Express, Mini BigC, Tops Daily, and MaxValue, to easily reach the consumers.

Strategies to increase sales volume still focused on discounts, promotions, premiums, customer services via store membership cards and credit cards,

and building confidence in quality and customers' satisfaction. Entrepreneurs in this group emphasized marketing communication by using key media, such as television, newspaper, and direct mail, to promote dynamic promotions. The group also uses intensive benchmark campaigns to attract customers.



2011 FINANCIAL PERFORMANCE REVIEW

Performance Overview

In the first three quarters, retail market as well as business operators enjoyed the trade expansion that stemmed mainly from strong domestic demand. The inundation in Thailand during the fourth quarter devastated the economy on a large scale and slowed down both retail and wholesale trade businesses.

The great floods not only decelerated consumer spending, but also forced several shopping centers, department stores, and retail shops to stop their operations temporarily. This left no exception for the properties under the management of CPN. Due to inconvenient access and security reasons for properties and staff, CPN temporarily closed three projects -CentralPlaza Lardprao, CentralPlaza Ramindra, and CentralPlaza Pinklao, of which partial retail property and two offices were in CPN Retail Growth Leasehold Property Fund ("CPNRF"). The flooding left CPN with no property damage, but absence of revenue from those projects during the closure period.

Despite these challenges, CPN accomplished its expansion plan with the launches of three projects – CentralPlaza Chiangrai, CentralPlaza Phitsanulok, and CentralPlaza Grand Rama 9 – and

achieved its financial targets. CPN reported its FY2011 consolidated net profit of 2,058 MB, increased by 83% y-o-y with total revenues of 12,953 MB, grown by 11% y-o-y.

The y-o-y changes in the CPN's performance were primarily due to the following factors:

- >> The closure of CentralWorld Shopping Center during April – September 2010, due to a political demonstration in nearby areas and a renovation project.
- >> The closure of CentralPlaza Lardprao Shopping Center during February – August 2011 for major renovation.
- >> The closure of Centara Hotel & Convention Center, Udonthani during June Nov 2011 for major refurbishment.

In addition, FY2010 and FY2011 financial results incorporated the following non-recurring items:

For FY2010:

- >> A 281-MB (after tax) income from a reversal of provision for doubtful account and its associated interest income.
- >> A 804-MB write-off (non-cash) of CentralWorld assets.

>> A 96-MB compensation from the government for the closure of CentralWorld during the political gatherings.

For FY2011:

>> A 187-MB income from reversals of provisions for impairments of assets. (See notes to the financial statements for the year ended 31 December 2011, Item 28)

Without the non-recurring items, FY2011 consolidated total revenues would have increased by 12% y-o-y mainly from the new projects, and the net profit would have grown by 21% y-o-y, thanks to increased rental rates and an efficient marketing expense management.

Operational Performance

As at 31 December 2011, CPN managed 18 shopping centers (10 projects in Bangkok and 8 in the provinces), 7 office towers, two residential properties (totaling 62 units). These include the properties which had been transferred to CPN Retail Growth Leasehold Property Fund ("CPNRF"), of which CPN acts as the property manager. In addition, CPN owned 2 hotel properties (totaling 561 guest rooms), but outsourced their managements.

As at the end of FY2011, the occupancy rate for CPN's retail properties averaged 95%. Though CentralPlaza Udonthani experienced a temporary high vacancy during its renovation, average occupancy rate of the retail portfolio was relatively unchanged from that of the preceding year, owing to the high occupancy rates of CentralPlaza Lardprao (relaunched in August 2011) and the newly opened projects - CentralPlaza Chiangrai (launched in March 2011), CentralPlaza Phitsanulok (launched in October 2011), and CentralPlaza Grand Rama 9 (launched in December 2011). Occupancy rate of CentralWorld stood at 90%; with the re-opening of Zen Department Store in January 2012, occupancy of this property bounced back to 98%

Rental increases were achieved at nearly all properties. The impact of the flooding was short-term and limited to some certain locations. Excluding CentralWorld, CentralPlaza Lardprao, and the three newly opened malls, other retail properties achieved 6.7% y-o-y same-store growth on average in effective rents.

As for CPN's office properties, take-up rate at the 2011 year-end averaged 85%, factoring in a 48% take-up rate of the new office at CentralPlaza Grand Rama 9

Project. Most of the remaining space was leased out to an anchor – Robinson Department Store Plc. CPN expected occupancy of at least 95% by mid of 2012 after the tenant completes its fitting-out.

Financial Performance

Total Revenues

Revenues from Rent and Services

Even though CentralPlaza Lardprao was closed for 6-month renovation in 2011 and the two equity-owned projects were shut down temporarily during the flooding, FY2011 revenues from rent and services increased by 11% y-o-y to 10,853 MB, primarily due to three distinct sources:

- >> The 6-month closure of CentralWorld in 2010
- >> Contributions from the projects launched in 2011.
- >> Continuous increases in rental rates at most of existing properties.

Food and Beverage Sales

With a full-year absence of sales from the CentralPlaza Lardprao's outlet, the business posted a 15% y-o-y growth in sales. The increase was attributed to the new food courts at CentralPlaza Chiangrai and CentralPlaza Phitsanulok coupled with an impressive sales growth at the CentralFestival Pattaya Beach outlet.

Revenues from Hotel Operations

Hotel operations are considered as CPN's non-core businesses. For FY2011, without contribution from Centara Hotel & Convention Center, Udonthani – which was closed for a 6-month refurbishment in 2011, revenues from hotel operations grew by 196% y-o-y to 465 MB, mainly from a full-year contribution of Hilton Pattaya Hotel.

Total Costs

Costs of Rent and Services

Costs of rent and services constituted utilities, depreciations and amortizations, costs on repair θ maintenance, on-site personnel, insurance premium, and property tax.

For FY2011, costs of rental and services increased by 10% y-o-y to 7,050 MB. The increase was primarily due to compounding effects of the following sources:

>> Lower costs of CentralWorld in FY2010 due to its 6-month closure, as previously mentioned.

- >> Lower costs of CentralPlaza Lardprao in FY2011 due to its 6-month closure, as mentioned previously.
- >> A full-year depreciation of the newly renovated parts of CentralWorld in FY2011.
- >> Cost of rental and services of the new projects launched in 2011.

Costs of Food and Beverage

Costs of food and beverage constituted supply costs, on-site personnel, and depreciations and costs on repair & maintenance of food center equipment and furniture. FY2011 costs of food and beverage increased by 15% y-o-y, due to the growth in food and beverage sales, as previously mentioned.

Costs of Hotel Operations

FY2011 costs of hotel operations amounted to 192 MB, up 186% y-o-y. The change in costs reflected the growth in hotel revenues, as previously mentioned.

Total Operating and Administration Expenses

Total operating and administration expenses constituted expenses on personnel, marketing and promotion, office supplies, professional fees, and depreciations of office equipments and hotel properties.

Total operating and administration expenses in FY2011 stood at 2,410 MB, decreased by 16% y-o-y. Without the non-recurring items, FY2011 operating and administration expenses would have surged by 16% y-o-y from full-year depreciations of Hilton Pattaya Hotel and higher personnel expenses. FY2011 marketing and promotional expenses showed a decrease of 11% y-o-y.

Excluding the expenses for the grand openings of the new projects, FY2011 marketing and promotional expenses would have been 3.5% of total revenues, compared to 4.8% of FY2010. These numbers reflected not only the economy of scale, but also the efficiency of marketing expense management through top-line driven.

Net Profit

CPN reported its FY2011 consolidated net profit of 2,058 MB, up 83% y-o-y. Without the non-recurring items, the net profit would have grown by 21% y-o-y, thanks to increased rental rates at most of existing projects and the efficient marketing expense management.

New Developments

Under its 5-year plan, CPN aims to increase its revenues at a compound annual growth rate (CAGR) of 15% per annum. To achieve this goal, apart from increasing rents through continuous asset enhancement and efficient property management, CPN targets to grow its portfolio by 10% a year through new developments. In light of Thailand's urbanization, CPN will expand its business more aggressively in provinces.

•••••

In 2011, CPN achieved its target with the launches of three new projects -CentralPlaza Chiangrai (Northern Thailand), CentralPlaza Phitsanulok (Central Thailand), and CentralPlaza Grand Rama 9 (Bangkok). For 2012, CentralPlaza Udonthani will complete its enhancement project with new retail space in the first half, and two underconstruction projects - CentralPlaza Suratthani (Southern Thailand) and CentralPlaza Lampang (Northern Thailand) - are due to complete in the second half. In addition, there are three projects under works and two land plots under detailed studies.

Capital Structure

Total CAPEX for FY2011 was approximately 13,000 MB, comprising 3,000-MB asset enhancement projects, 5,200-MB new developments, and 4,800-MB land acquisitions. During FY2011, CPN raised new debts of approximately 6,700 MB, comprising 5,000-MB unsecured bonds and 1,700-MB long-term borrowings.

As at the end of FY2011, interest-bearing debts stood at 25,245 MB, comprised 91% fixed and 9% floating interest rate with a weighted average interest rate of 4.3% per annum. As at the end of FY2011, net interest-bearing debt to equity ratio stood at 1.2 times.

To achieve the revenue target, CPN estimated its FY2012 CAPEX of 14,000 – 14,500 MB, funded through operating cash flow, long-term borrowings, and cash proceeds from lease/sublease of an office property to property fund.





CPN TODAY

Over three decades of full dedication, CPN has continually grown and enthroned as the leader in retail property market by having the largest and most modern shopping centers in Thailand. Our goal is "To be the most admired and dynamic regional retail property developer with world-class rewarding experience."



Nowadays, CPN develops and manages 18 shopping complexes, seven office projects, two hotels, and two residential buildings. The newly opened projects in 2011 were CentralPlaza Chiangrai, CentralPlaza Phitsanulok, and CentralPlaza Grand Rama 9, in addition to the relaunched CentralPlaza Lardprao with a totally new look.

CPN's long-term business strategy is to develop shopping complexes with world-class standards in potential locations, both in Bangkok and provincial areas, capable of yielding high profits. Furthermore, CPN has future plans for business expansion to overseas projects, particularly to countries with substantially high economic growth rate.

Potential Location

As the leading retail property developer, CPN is well aware that location is crucial for being a successful market leader. Moreover, the experiences in selecting the location of each shopping complex and profound comprehension in retail business are significant elements for CPN to obtain the highest potential location for success shopping complex development.











Parking space: 3,000 vehicles

Bangkok

With its new outstanding organic-form design inspired by beauty of nature, Thailand's first integrated shopping complex, CentralPlaza Ladprao, was re-launched as the newest lifestyle destination, fully equipped with innovative facilities and services. Under new sky lights, shoppers will experience a new relaxed ambience. The complex comprise hotel, office building, Central Department Store, and shopping center with a full range of leading domestic and international retailers











Bangkok

This shopping center was built for family and community, consisting of Central Department Store, retails, restaurants, and six movie theaters. Regular family-oriented and community activities and easy access by public transportation, CentralPlaza Ramindra is a perfect shopping mall for families and community.









Parking space: 3,500 vehicles

Bangkok

As the integrated shopping complex on the west side of Bangkok, CentralPlaza Pinklao can respond to the needs of various target customer segments, such as educational institutes, offices, and communities with high purchasing power and strong growth. It includes leading retail shops, food and beverage outlets, 11 movie theaters, Central Department Store, and two office buildings.

CENTRAL CENTER PATTAYA

centralpla

CHIANGMAI AIRPORT









Parking space: 400 vehicles

Chonburi

Central Center Pattaya caters to respond to various customers – local residents, business and convention travelers, Bangkokians who visit Pattaya during weekends, and over two million tourists who travel to Pattaya per year. Central Center Pattaya not only is an exquisitely decorated tropical architectural center, but also anchored by a Big C Super Center and six movie theaters.









Total project GFA: 180,000 sq.m.



Parking space: 2,300 vehicles

Chiangmai

CentralPlaza Chiangmai Airport is the largest shopping and entertainment complex in the north of Thailand, accommodating approximately six million visitors a year including Thai and foreign tourists. It embraces Robinson Department Store, seven movie theaters, a multi-purpose convention hall, and a "Northern Village" – local handicraft zone with all-inclusive famous items of the northern region for clients to comfortably shops.











Bangkok

CentralPlaza Ratchada - Rama 3 is situated in Bangkok's new economic district, in the vicinity of five leading banks' head offices, and it is the only integrated shopping complex with an entertainment place within five kilometers, including various retails, Central Department Store, a food park, a 26-lane bowling center, nine movie theaters, and a game arcade











Parking space: 4,600 vehicles

Bangkok

CentralPlaza Bangna is situated in the east side of Bangkok, near Suvarnabhumi Airport, and with rapidly growing communities. It was designed to be an all-encompassing city within a city, comprising of a six-story shopping complex, a condominium tower, a 37-story office tower, movie theaters, a water park, and a high-tech game center.











Bangkok

CentralPlaza Rama 2 is located on a main highway in the south of Bangkok, a rapidly expanding residential district. The complex has Central Department Store, Tops Supermarket, Office Depot, HomeWork, B2S, 350 retail shops, a food center, an entertainment and leisure complex, a 30-lane bowling alleys, 10 movie theaters, and public garden space.









Parking space: 7,000 vehicles

Bangkok

CentralWorld located in the heart of Bangkok and became the largest shopping complex in South East Asia. CentralWorld houses Zen Department Store and Isetan Department Store, SF World Cineplex, TK Park, and flagship stores of world renowned brand. Other components to complete the comprehensive project are a grade - A office building with 45-storey. With its prime location and variety, CentralWorld has become an admired destination among local and foreign tourists.









10



Parking space: 2,000 vehicles

Nonthaburi

After acquiring Siam-Jusco Rattanathibet in December 2003, CPN changed the name and refurbished the building into a shopping center in a warm ambiance for families, providing the best comfort. The complex consists of Robinson Department Store, Index Living Mall, HomeWork, Office Depot, movie theaters, and a bowling alleys to add varieties to truly be the family's favorite shopping mall.











Total project GFA: 310,000 sq.m.



Parking space: 3,300 vehicles

Nonthaburi

Being the largest and most comprehensive lifestyle shopping complex on the northwestern side of Bangkok, the complex is outstanding for its design technology with energy-saving and eco-friendly. The shopping complex consists of a seven-storey shopping mall and a 16-storey office tower. Surroundings by Government Centre and commercial buildings, the project has become a destination for all needs with completed combinations of Central Department Store, movie theaters, fashion and boutique shops, food and beverage outlets, as well as over 300 leading stores.











Chonburi

CentralFestival Pattaya Beach is Asia's largest natural beachfront shopping complex. The project comprises a shopping mall and a hotel with 360 panorama view of Pattaya Beach. The project has brought modern and lively lifestyle center to the tourist city. The complex includes Central Department Store, SFX Cinema, and over 350 shops in total of renowned fashion boutiques, international restaurants, retail shops, as well as the arena in front of the shopping mall for lively activities among local and foreign tourists.









Total project GFA: 250,000 sq.m.



Parking space: 2,000 vehicles

Udonthani

Located en route to Indochina is the lifestyle complex of the upper Northeast that finds popularity with Thais and those from neighboring countries alike. The shopping complex consists of Robinson Department Store, Tops Supermarket, movie theaters, bowling alleys, and over 500 retail shops. Fulfilling the project's scope is Centara Udonthani Hotel with 259 rooms and sizeable multipurpose conference rooms.











Bangkok

The largest and most complete lifestyle shopping complex in Chonburi province, marked by a unique architectural design to enable shoppers to feel the sunlight permeating through the clear glass façade. Inside, one finds Robinson Department Store, SF Cinemas City, the first modern karaoke in the city, and over 250 varieties of retail shops, fashion boutiques, food and beverage, and entertainment zone.













Khonkaen

CentralPlaza Khonkaen is the largest and most modern lifestyle shopping complex of the Northeast with an architectural style of Northeastern art and cultural form, and by a green-building concept for energy conservation. Inside, one finds Robinson Department Store, SF Cinemas City, bowling alleys, and over 250 retail shops, fashion boutiques, food and beverage, as well as a large convention center. The variety and completion of the project has supported Khonkaen province to be a center of educational activities, government centers, and commercial units in the northeast of Thailand.







Total project GFA: 110,000 sq.m.



Parking space: 1,000 vehicles

Chiangrai

CentralPlaza Chiangrai is the first lifestyle shopping center of Chiangrai province with an architectural style of Northern (Lanna) art and beauty of nature. Recognized as Thailand's first shopping center by an eco-friendly concept, CentralPlaza Chiangrai was developed by using green technologies, environmentally friendly materials, and energy-efficient equipments. Inside, one finds Robinson Department Store, Tops Supermarket, PowerBuy, B2S, SuperSport, Major Cineplex, karaoke, and over 200 retail shops, fashion boutiques, and food and beverage.











Phitsanulok

Situated in the center of a business zone – which links the Central region with the Northern region and Indochinese countries, CentralPlaza Phitsanulok is outstanding for its design inspired by traditional Thai-style - Benjarong - pottery, floating houses, and creative art of Thai textile. The shopping complex consists of Robinson Department Store, Tops Supermarket, PowerBuy, B2S, SuperSport, Major Cineplex, and over 200 retail shops.







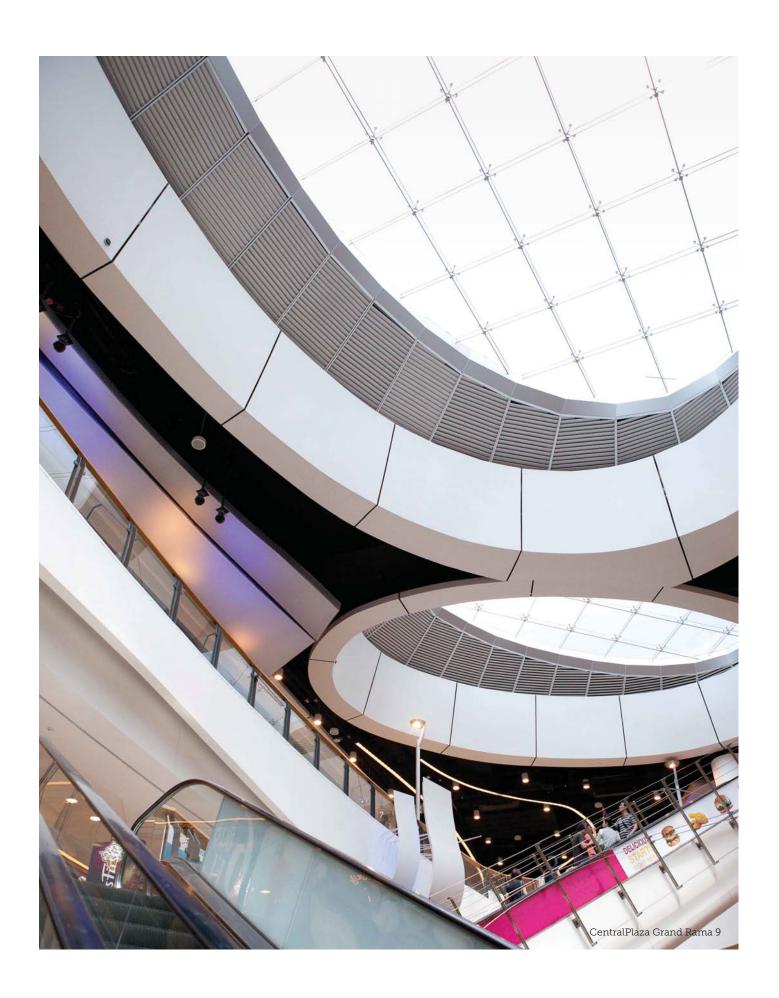






Bangkok

Located in a high potential business zone of Bangkok, the one-stop lifestyle entertainment shopping complex is outstanding for its modern futuristic design with the LED lights. Positioned as a dream destination for "work & play" generations, CentralPlaza Grand Rama 9 comprises the most modern flagship store of Robinson Department Store, Tops Market, PowerBuy, B2S, SuperSport, Office Depot, world-class 11-screen SFX Cinemas, Thailand's first Olympic-sized ice skating rink, and over 300 retail shops.



OPERATIONAL PERFORMANCE OF ASSETS UNDER CPN'S MANAGEMENT

Data as of 31 December 2011

Retail Properties	O1 CentralPlaza Lardprao	O2 CentralPlaza Ramindra	03 CentralPlaza Pinklao ¹	O4 Central Center Pattaya
Year of Operation	December 1982	November 1993	March 1995	July 1995
Development	Greenfield	Greenfield	Greenfield	Greenfield
Land Ownership	Leasehold end of 2028	Leasehold end of 2023	Leasehold end of 2024	Leasehold end of 2015
Investment Cost of Total Project as end of 2011 ²	4,303	599	1,163	367
Leaseable Area (Sq.m)	47,850	17,156	60,098	15,226
Occupancy Rate (%)	100%	98%	97%	97%
No.of Tenants (shops)	295	80	263	132
Top Five Anchor Tenants ³	SFX Cinema	SFC Cinema, PowerBuy, SuperSports	Major Cineplex, SB Furniture, B2S	SFC Cinema, SuperSports

Remarks

¹ For CentralPlaza Pinklao, 42% of asset was subleased to CPNRF since November 2009 to December 2024. For CentralPlaza Ratchada - Rama 3, 81% of asset was leased to CPNRF since August 2005 to August 2035. For CentralPlaza Rama 2, 96% of asset was subleased to CPNRF since August 2005 to August 2025. Operational performance of CentralPlaza Pinklao, Ratchada - Rama 3, and Rama 2 includes those of assets transferred to CPNRF and CPN acts as the property manager.

 $^{^2}$ Includes investment of office/residentail/hotel components. Excludes annual lease payments and investments of the assets leased/subleased to CPNRF.

³ Anchor are tenants who occupy over 1,000 sq.m. of leaseable area.

Retail Properties	05 CentralPlaza Chiangmai Airport	06 CentralPlaza Ratchada - Rama 3 ¹	07 CentralPlaza Bangna	O8 CentralPlaza Rama 2 ¹
Year of Operation	March 1996 ⁴	October 1997	December 2001 ⁴	December 2002
Development	Acquisition	Greenfield	Acquisition	Greenfield
Land Ownership	Freehold	Freehold	Freehold	Leasehold end of 2025
Investment Cost of Total Project as end of 2011 ²	3,163	1,280	4,163	1,011
Leaseable Area (Sq.m)	75,918	58,805	53,297	100,329
Occupancy Rate (%)	99%	100%	97%	100%
No.of Tenants (shops)	518	301	277	352
Top Five Anchor Tenants ³	Robinson Department Store, Tops Market, Major Cineplex, Califonia Wow, IT City	Major Cineplex & Bowling, Fitness First, IT City	Major Cineplex & Bowling, Toy R'Us, IT City	Central Department Store, Home Works, Major Cineplex & Bowling, Tops Super, Office Depot

Remarks:

1 For CentralPlaza Pinklao, 42% of asset was subleased to CPNRF since November 2009 to December 2024.

For CentralPlaza Ratchada - Rama 3, 81% of asset was leased to CPNRF since August 2005 to August 2035. For CentralPlaza Rama 2, 96% of asset was subleased to CPNRF since August 2005 to August 2025.

Operational performance of CentralPlaza Pinklao, Ratchada - Rama 3, and Rama 2 includes those of assets transferred to CPNRF and CPN acts as the property manager.

² Includes investment of office/residentail/hotel components. Excludes annual lease payments and investments of the assets leased/subleased to CPNRF.

³ Anchor are tenants who occupy over 1,000 sq.m. of leaseable area.

⁴ Year of acquisition.

O9 CentralWorld	10 CentralPlaza Rattanathibet	11 CentralPlaza Chaengwattana
December 2002 ⁴	December 2003 ⁴	November 2008
Acquisition	Acquisition	Greenfield
Leasehold end of 2032	Freehold	Freehold
16,065	2,218	5,189
187,046	77,281	65,550
90%	99%	95%
495	215	395
Zen Department Store, Isetan Department Store, SF World Cinema, Central Food Hall, Center Point, SB Design Square, Power Buy	Robinson Department Store, Home Works, SFC Cinema, Index Living Mall, Tops Market	SFX Cinema, Fitness First



Retail Properties	12 CentralFestival Pattaya Beach	13 CentralPlaza Udonthani	14 CentralPlaza Chonburi	15 CentralPlaza Khonkaen
Year of Operation	January 2009	April 2009 ⁴	May 2009	December 2009
Development	Greenfield	Acquisition	Greenfield	Greenfield
Land Ownership	Freehold	Freehold	Freehold	Freehold
Investment Cost of Total Project as end of 2011 ²	6,104	3,289	2,918	3,972
Leaseable Area (Sq.m)	57,150	43,988	40,294	50,156
Occupancy Rate (%)	98%	90%	97%	96%
No.of Tenants (shops)	313	82	301	363
Top Five Anchor Tenants ³	SFX Cinema & Strike Bowl, Toy R'Us	Robinson Department Store, Major Cineplex & Bowling, Sport World	SFC Cinema, Tops Market, PowerBuy, Fitness First, SuperSports	SFC Cinema & Strike Bowl, Tops Market, PowerBuy

Remarks:

² Includes investment of office/residentail/hotel components. Excludes annual lease payments and investments of the assets leased/subleased to CPNRF.

³ Anchor are tenants who occupy over 1,000 sq.m. of leaseable area.

⁴ Year of acquisition.

16 CentralPlaza Chiangrai	17 CentralPlaza Phitsanulok	18 CentralPlaza Grand Rama 9
March 2011	October 2011	December 2011
Greenfield	Greenfield	Greenfield
Freehold	Freehold	Leasehold end of 2040
1,597	1,483	5,020
23,515	27,418	84,697
98%	100%	93%
116	154	184
Robinson Department Store, Major Cineplex, Tops Market, PowerBuy, B2S, SuperSports	Robinson Department Store, Major Cineplex, Tops Market, PowerBuy, B2S, SuperSports	Robinson Department Store, SFX Cinema, Tops Market, PowerBuy, B2S, SuperSports





Office Properties	O1 Lardprao Office	O2 Pinklao Tower A Office ¹
Year of Operation	December 1982	March 1995
Development	Greenfield	Greenfield
Land Ownership	Leasehold end of 2028	Leasehold end of 2024
Leaseable Area (Sq.m)	16,397	22,426
Occupancy Rate (%)	94%	96%
No.of Tenants (units)	66	52
Major Business Type of Tenant	Tutorial, Language, and Computer School, Clinic, Health Care & Beauty palor, General Offfice Administration	Tutorial, Language, and Computer School, Government Agency, General Offfice Administration

- Remarks:
 1 Pinklao Tower A and Tower B were subleased to CPNRF since November 2009 until December 2024.
 2 Year of acquisition.

03	04	05	06	07
Bangna Office	The Offices at CentralWorld	Pinklao Tower B Office ¹	Chaengwattana Office	Grand Rama 9 Office
December 2001 ²	November 2004	March 2006	March 2009	December 2011
Acquisition	Acquisition	Greenfield	Greenfield	Greenfield
Freehold	Leasehold end of 2032	Leasehold end of 2024	Freehold	Leasehold end of 2040
10,007	82,796	11,334	19,708	13,163
92%	93%	98%	67%	48%
27	99	51	45	184
Tutorial,Language, and Computer School, Clinic, Health Care & Beauty parlor, General Offfice Administration	Multinational Corporation, Bank & Financial Institution, Law & Business Consultant, Communication & Services	Tutorial, Language, and Computer School, Clinic, Health Care & Beauty, General Offfice Administration	Tutorial,Language, and Computer School, Clinic, Health Care & Beauty parlor, Communication & Services, General Offfice Administration	Tutorial,Language, and Computer School, Clinic, Health Care & Beauty parlor, General Offfice Administration



Hotel Properties	O1 Centara Udonthani ¹	O2 Hilton Pattaya ²
Year of Operation	April 2009 ³	November 2010
No.of Guest Rooms	259	302
Occupancy Rate (%)	33%	56%



Residential Properties	O1 Langsuan Colonade	Central City Residential ¹	
Year of Operation	December 1998	December 2001 ²	
Leaseable Area (Sq.m)	4,466	1,907	
Occupancy Rate (%)	56%	43%	

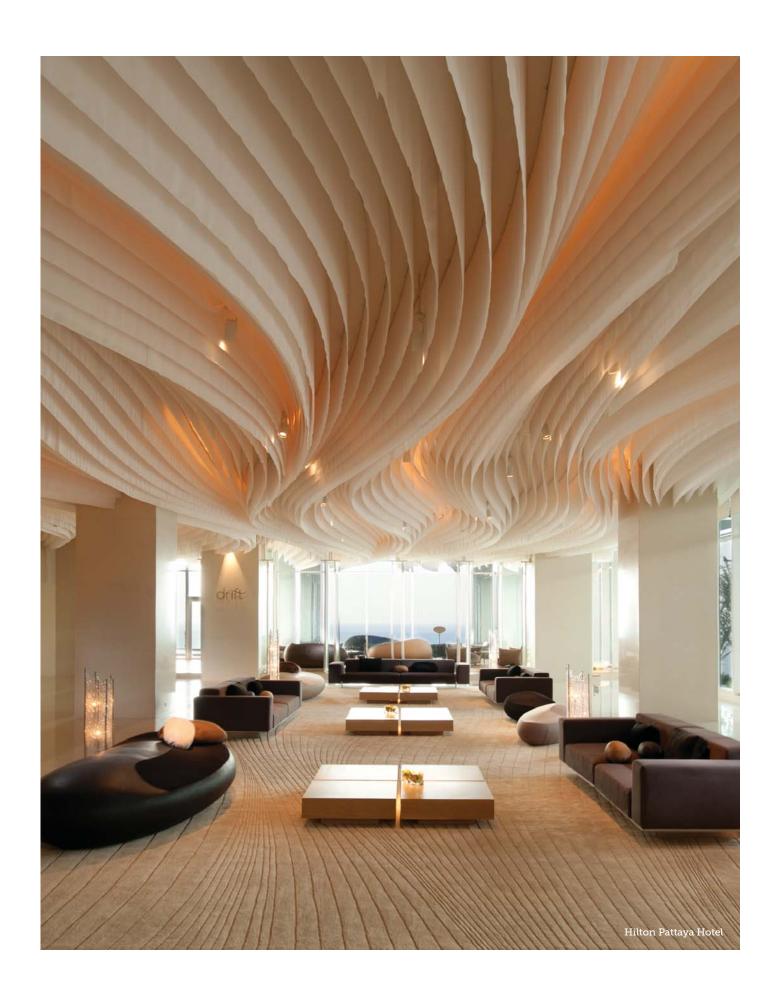
 $\begin{array}{l} \textbf{Remark:} \\ ^{1} \text{ CPN owns strata-title of 12 units of the condominium.} \\ ^{2} \text{ Year of acquisition.} \end{array}$

Remark:

1 CPN is the project owner and Central Plaza Hotel Plc is the hotel manager.

2 CPN is the project owner and Hilton Hotel Corporation is the hotel manager.

3 Year of acquisition.



FUTURE PROJECTS



CentralPlaza Suratthani

Location:

On the airport highway merging with Highway 417, Wat Pradu Sub-District, Muang District, Surat Thani Province

Size:

Approximately 62-rai plot of land (CPN has the land ownership) and a total project area of 130,000 sq.m., of which 109,700 sq.m belongs to CPN. The project consists of Department Store and anchor tenants, including Tops Market, Power Buy, B2S, and SuperSports. There are over 160 retail shops, including boutique and fashion stores, banks, service centers, restaurants and cafés, cinemas, a multipurpose convention center, as well as a parking lot which can accommodate more than 1,400 vehicles.

* Potential:

The project is located in Surat Thani Province, the trade center of the upper South. With a location on a new economic road that links the city with the airport, the project can well respond to the expanding city and reach the target group of local and foreign tourists, whose number is steadily increasing.

Furthermore, the project is surrounded by major attractions, educational institutions, and government agencies. The province is also a major trade and tourism spot of the southern region thanks to its border connected with five provinces.

Progress:

Under construction, progressing as planned and budgeted.

? Opening schedule:

The project is expected to be inaugurated in the last quarter of 2012.

Investment:

Approximately 1,900 MB (excluding investment in Robinson Department Store, which is under the responsibility of Robinson Department Store Plc.)

O2 CentralPlaza Lampang

Q Location:

On Highway 1, Nakhon Sawan – Chiang Rai, Tambon Hua Wiang, Amphoe Muang, Lampang Province

Size:

Approximately 39 rai of land (the lease right ends in 2041) with a total project area of 90,000 sq.m., of which 72,000 sq.m. belongs to CPN. The project consists of Robinson Department Store and anchor tenants, including Tops Market, Power Buy, B2S, and SuperSports. There are also cinemas, a Fun Planet amusement park, over 100 retail shops, such as boutique and fashion stores, banks, service centers, restaurants, and cafés, as well as a parking lot for more than 800 vehicles.

* Potential:

Located in a high-potential area, the project is in the heart of Lampang, on Lampang - Laos Super Highway Road, which connects the city with the airport. It is also surrounded by major sites, such as a university, higher education institutions, colleges, hospitals, and banks. Lampang has a major economic route that connects Thailand with Laos and China, and its border is next to seven high-potential Northern provinces. Moreover, it is near major tourist destinations, including historical sites and a national park. As a result, Lampang is a major tourist destination in the North, welcoming local and foreign tourists throughout the year. This significantly increases the potential purchasing power.

🛕 Progress:

Under construction, progressing as planned and budgeted

? Opening schedule:

The project is expected to be inaugurated in the last quarter of 2012.

Investment:

Approximately 1,100 MB (excluding investment in Robinson Department Store, which is under the responsibility of Robinson Department Store Plc)

O3 CentralPlaza Ubonratchathani

Q Location:

On Highway 231, Tambon Chae Ra Mae, Amphoe Muang, Ubon Ratchathani Province

Size:

Approximately 76 rai of land (CPN has the land ownership) with a total project area of 140,000 sq.m., of which 118,000 sq.m. belongs to CPN. The project consists of Robinson Department Store and anchor tenants, including Tops Market, Power Buy, B2S, and SuperSports. There are also cinemas, a Fun Planet amusement park, over 250 retail shops,

such as boutique and fashion stores, banks, service centers, restaurants, and cafés, as well as a parking lot for more than 1,500 vehicles.

Potential:

The project is in Ubon Ratchathani province, a major Northeastern border province. It is situated on the bypass, which connects the city with the airport. It is also surrounded by major sites, such as a university, higher education institutions, colleges, hospitals, and banks. Ubon Ratchathani is the gateway to trade and tourism in Indochina, namely Thailand, Laos, Cambodia, and Vietnam. In the future, the Department of Land Transport will expand an international road system, namely Ubon Ratchathani – Champa Sak, Kon Pa Peng, and Siam Reap. It is therefore a major economic town regarded as suitable for investment and significant development in the future.

Progress:

Under construction, progressing as planned and budgeted

Opening schedule:

The project is expected to be inaugurated in the first quarter of 2013.

Investment:

Approximately 1,800 MB (excluding investment in Robinson Department Store, which is under the responsibility of Robinson Department Store Plc)

CentralFestival Chiangmai

Location:

At the intersection of the superhighway and Chiang Mai-Doi Saket Road, facing both superhighway and Chiang Mai-Doi Saket Road

Approximately 68-rai plot of land in

Size:

vehicles.

total (CPN has the land ownership) with a total project area of 250,000 sq.m. The project consists of Central Department Store and anchor tenants, including Central Food Hall, Power Buy, B2S, and SuperSports. There are also cinemas, 3D cinemas, a Fun Planet amusement park, over 250 retail shops, such as boutique and fashion stores, banks, service centers, restaurants, and cafés, as well as a parking lot for over 1,500

Potential:

This project is located in Chiang Mai Province, a capital city of the North and a high-potential area in development and growth, in terms of economic and investment and the biggest tourism in the North, only second to Bangkok. This project is situated on the Highway Road, which connects the city with the airport. This project is also surrounded by major sites, such as a university, higher education institutions, colleges, hospitals, and banks. Furthermore, Chiang Mai is a popular cultural and natural tourist destination among local and foreign tourists, which will enhance their remarkable growth in purchasing nower

Progress:

A detailed feasibility study is ongoing.



Q Opening schedule:

The project is expected to be inaugurated in the last quarter of 2013.

Investment:

Approximately 3,100 MB (excluding investment in Central Department Store, which is under the responsibility of Central Department Store)

CentralFestival *)* Hatyai



P Location:

On Highway 4, Kanchanawanit Road, Tambon Koh Hong, Amphoe Hat Yai, Songkhla Province. The front is next to the highway, with one side connecting with Chotewitthayakul 1 Road, which is an easy access to the city center.

•••••

K X Size:

Approximately 50 rai of land (CPN has the land ownership) with a total project area of 250,000 sq.m., of which 210,000 sq.m. belongs to CPN. The project consists of Central Department Store and anchor tenants, including Tops Market, Power Buy, B2S, SuperSports, and Office Depot. There are also cinemas, 3D cinemas, a Fun Planet amusement park, an ice-skating rink, a large meeting room, over 250 retail shops, such as boutique and fashion stores, banks, service centers, restaurants, and cafés, as well as a parking lot for more than 2,100 vehicles.

Potential:

The project is situated in a high-potential area in the heart of Hat Yai, considered

a large city as well as the leading trade and business center in the South. It is on the road which connects the city with the international airport, regarded as Thailand's number five in traffic volume. It is also the gateway to Malaysia and Singapore, whose populations have high purchasing power. Furthermore, the project is surrounded by major sites, such as universities, higher educational institutions, colleges, hospitals, and banks. This economic and tourist destination indeed welcomes many Thai and foreign tourists. The project is also located in a strategic area of economic development, which consists of Indonesia, Malaysia, and Thailand. This significantly increases the potential purchasing power and great development in the future.

..... Progress:

Under construction, progressing as planned and budgeted

Opening schedule:

The project is expected to be inaugurated in the third quarter of 2013.

Investment:

Approximately 4,500 MB

Overseas Projects

Since the Company has foreseen business opportunities and would like to diversify risks, for the past four years, CPN has studied opportunities to expand its investment abroad by focusing its interest on Asian countries with high potential and economic growth. Yet, CPN is aware of differences in market circumstances, competition conditions, and risks arising from overseas businesses. The Company, therefore, has appointed a team of specialists to study economic, social, and political conditions, industry and competition, business laws, and other risks in each country that CPN is interested in to ensure that overseas investment has been carried out prudently for steady and sustainable growth.

VISION AND MISSIONS

Vision

To be the most admired and dynamic regional retail property developer with world-class rewarding experience



Based on the above-mentioned vision, CPN strives to accomplish four missions to turn its vision into reality.

Missions

1. Most admired retail developer of all stakeholders

To be the preferred mall of choice, delivering extraordinary values that exceed all stakeholders' expectations"

>> To be the investor of choice by delivering competitive and sustainable returns to shareholders, investors, and strategic partners.

- >> To be the happiness experience destination of targeted shoppers by delivering world-class rewarding experience.
- >> To be the most preferred partner of targeted tenants and partners by delivering business success together with long-term relationships.
- >> To be the top-ranked employer of choice by offering brilliant career opportunities and engaged society.
- >> To be the most socially and community-admired brand through CPN's shopping mall positioning and signature corporate social responsibility programs.



2. Dynamic retail developer

To create new retail formats and merchandising mix that fit better with our targeted customers' changing lifestyles.

.....

CPN fully recognizes that customers' dynamicity poses a key challenge. By the minute, customers have higher expectations, more complicated needs, and ready access to information. CPN's own dynamicity pushes its shopping centers toward greater sophistication to cater to customers' lifestyles. To this end, CPN never stops inventing formats for shopping centers, selects novelty shops and outlets that are both modern and match customers' needs, applies advanced technology to customer services, stages outstanding and unique activities to create new experiences for customers, and synergizes with affiliates in catering to customers' needs while striving for maximum impression among service users.



3. Regional retail developer

To be a potential leader in the region and be considered as threat in all markets that we operate in

CPN is committed to steady, sustainable growth, with the next step being a regional organization. To this end, we are committed to becoming a renowned retail property developer, with rapidly successful regional projects. Our prospective markets are clearly identified after prudent, strategic deliberation, with business plans and alliance formation plans that can promptly address business opportunities. All the time, the organization and its teams develop themselves for the capability and readiness to operate overseas business as envisioned.



4. World-class rewarding experience

To be the shopping mall destination delivering world-class shopping experience superior to those of our competitors in all markets that we have presence in

Constantly recognizing that CPN is not just a shopping center developer, but also a deliverer of happiness to everyone, we ensure that all components of our shopping centers pay due attention to service users—whether through shop selection aimed for diversity and novelty, staging of interesting activities, or complete amenities. CPN is convinced that high standards and world-class qualities lead to market leadership, which is why we are always committed to attaining world-class status. We are convinced that our world-class happiness experience can put CPN at the top of customers' mind and at the top of regional shopping center developers' list in the future.





BUSINESS STRATEGY



CPN emphasizes steady and sustainable growth in both financial and organizational aspects to ensure satisfaction of all stakeholders and achieve goals and missions. CPN's main elements of the overall strategy are as follows:

1. Strategy for Shopping Complex Development

CPN focuses on expanding its business steadily in both Bangkok Metropolis and provincial areas. The complexes are constantly modernized and opportunities for new international expansion sought so as to establish steady and sustainable growth and be ready for the ASEAN Economic Community in 2015.

CPN emphasizes developing and improving shopping complexes of high potential, with quality, timely, and on-budget project management.

>> High-potential shopping complex development, starting from market research to identify potential markets, acquiring strategic locations, designing mall formats, and allocating an appropriate proportion of merchandising mix to meet customers' expectations while staying ahead.

- >> Efficient shopping complex development, from conducting feasibility studies, acquiring locations, supervising designs and construction, contacting shops, marketing, to commercial opening, so that CPN can develop various new projects simultaneously, within schedule and budget.
- >> Standardization development in decoration and construction to reduce construction time and costs as well as operating costs, with acceptable standards.
- >> International business development, covering in-depth market studies of customers' behavior, competitors, restrictions, related regulations, market options, and prioritization of targeted markets, international partners and alliances, designing mall formats, management, and so on.

2. Strategy for Complex Management

CPN focuses on supplementing value from existing complexes through reinforcing the strengths of retails shops, marketing, and management of the complexes to boost business growth and rental prices and supervise operating costs.

To do a good job of addressing tenants' and customers' needs, management of complex emphasizes the following areas:

- >> Merchandising mix through market and customer analysis and adjusting the shops as well as finding new local and international retailers to modernize shopping complexes and address customers' demand.
- >> Marketing activities to attract targeted customers, increase sales volumes, and give customers rewarding experiences. CPN, based on its market survey, focuses on joint sales promotions conducted with department stores, Central Group businesses, and allied retail shops to create superior value. As for events, the emphasis is

on outstanding signature events that create memorable shopping experiences. All these are efficiently communicated via different channels.

>> Service and facility management (including that of toilets, parking, public relations counters): CPN focuses on personnel development, enhancing quality of services and facilities on a par with international standards, and application of advanced technologies to maximize customers' satisfaction and lower operating costs.

3. Strategy for Development to Sustainability

>> Development of human capital and organization: CPN emphasizes development of human capital to be prepared to accommodate future growth through CPN's talent management program. The program defines recruitment processes and skill development and enhances leadership potential by using integrated development mechanisms of CPN Academy. In addition, CPN has in place individual career growth and assessment system development, and strives to create a sense of

belonging among employees. In organization development, CPN promotes corporate core values and culture, good governance, employer branding, and good internal communication

- >> Information technology and quality management systems to address ongoing businesses' needs. CPN developed IT systems to efficiently support organizational growth. It has improved work processes and applied enterprise resource planning (ERP) to support management as well as improving its corporate management system under the Thailand Quality Award (TQA) approach.
- >> CSR Strategy: CPN focuses on Green Experience, CPN Volunteer, and CPN Cultivate Thai Wisdom projects, all designed to truly address the needs of communities and society.

CORPORATE VALUES

TO BE CONFIDENTLY CREATIVE AND STRIVE FOR EXCELLENCE TOGETHER

creating satisfying experiences

CPN is committed to ensuring that everyone exercises their initiatives and sparks positive ideas, methods, or innovations to improve work through outstanding and unique performance. Unfamiliar ideas can be developed and applied for positive benefit and impressive outcomes.

Committed for trustworthiness

CPN is committed to cultivating trust and achieving acceptance by others through a display of maturity, credibility, judiciousness, fairness, collaboration, accountability, and other actions taken with due regard for related parties and CPN at large.

Committed to excellence

CPN focuses on achievement by all personnel and their ability to push for results against goals with due attention and recognition of all quality-related aspects. It also focuses on professionalism and mastery of the task at hand, as well as attention paid to regular self-improvement to supplement value and support CPN's successful achievement of desired directions and strategies.

joint success with partners

CPN stresses its employees' cordial relations with others by extending cooperation, help, support, information, and wholehearted contribution to teams or people, both inside and outside their own units. Employees should manage conflicts and creatively resolve problems with consistent respect for and honor toward others so as to maintain friendship with all parties.

Common characteristics of CPN people >> Think outside the box for creative, more efficient solutions >> Be assertive >> Be willing to heed new ideas for work development >> Foster trust and acceptance by others >> Understand the code of business conduct and treat each other as professionals do >> Be committed to achieving success >> Strive for performance excellence >> Collaborate for common goal achievement >> Share knowledge and ideas >> Creatively solve problems.

NATURE OF BUSINESS



OVER-30-YEAR EXPERIENCE IN THE PROPERTY DEVELOPMENT

CONTINUOUS
GROWTH FROM
6 BUSINESS
GROUPS

18 Shopping centers under management

Established on 17 June 1980, to develop and manage large-format and integrated shopping centers, the Company has been listed on the Stock Exchange of Thailand (SET) since 1 March 1995. Its current issued and paid-up share capital is Baht 2,178,816,000, of which the majority is held by Central Holdings Co., Ltd., and Chirathivat family members. CPN's core businesses comprise development of large-scale shopping complexes and provision of retail space for rent and services. At present, CPN manages 18 shopping complexes, owning 15 projects, with three leased out to CPN Retail Growth Leasehold Property Fund ("CPNRF"). CPN also runs office,

residential, and hotel buildings as its supporting business to optimize the use of land, diversify income sources, and draw in more customers to shopping complexes. CPN operates related businesses, such as water and recreational parks, and food centers in some shopping complexes to facilitate shoppers. Services and facilities provided at each complex mainly depend on locations and the needs of target customers.

CPN's business falls into various business groups. Categorized by the source of income, there are six business groups, described as follows:



Shopping Complexes



CPN's main source of income, the shopping complex business generates over 76% of the total revenue. Income includes rental of retail spaces, utility, and security services, apart from cleaning services at 15 properties. Another source of income in this category is the management fee at three property projects under CPNRF and a share of profits from investment in CPNRF.

According to its estimated data, CPN earned a 22% market share of the retail industry in Bangkok (as of 31 December 2011), based on the retail-space size of its shopping complexes.

CPN's shopping complex development starts from finding strategic locations, conducting feasibility studies, controlling designs and construction, administering sale, to managing the shopping complexes after their commercial opening. Also in the scope of work is the provision of utilities, together with security and cleaning services at each

Office Z Buildings



The office building business involves the development of office buildings for rent, whereas there is demand for office space in shopping complex areas. It was found that the office building business not only complements that of the shopping complex, but also added value to the project. It also enhanced land usage and efficiency of car park management. The decision to develop an office building depends mainly on supply and demand for office space at each location. Income from the business comprises rental of office space, rental of retail shops in office buildings, and utility service fees.

CPN's office building development starts from conducting feasibility studies, controlling designs and construction, leasing, to managing the buildings when they come into operation. Also in the scope of work is the provision of utilities, together with security and cleaning services at each

At present, CPN runs seven office towers, on the premises of CentralPlaza Lardprao, CentralPlaza Pinklao, CentralPlaza Bangna, CentralWorld (The Offices at CentralWorld), CentralPlaza Chaengwattana, and CentralPlaza Grand Rama 9. For office buildings, CPN owns five projects and manages two under CPNRF: Pinklao Tower A and B Office buildings at CentralPlaza Pinklao Project. Tenants of office buildings in CentralPlaza Lardprao, CentralPlaza Pinklao, CentralPlaza Bangna, CentralPlaza Chaengwattana, and CentralPlaza Grand Rama 9 projects are mostly operators of businesses benefiting from shopping complexes, such as tutorial schools, language and music schools, beauty parlors, and securities brokerage firms. The Offices at CentralWorld is different because it is a grade A office building located in the heart of the central business district, so most tenants are leading businesses, both Thai and foreign, and multinational companies looking to base their headquarters there.

Residential Buildings



Food Centers



CPN's hotels and shopping centers are At present, CPN manages two residential building projects. One is Langsuan located in the same areas since there is a natural demand that supports the Colonade, a 50-unit serviced apartment, retail business. This practice adds value and the other is Central City Residence to each project by making the most Condominium, a 12-unit condominium on the premises of Central Plaza Bangna.

Food Centers are considered essential to shopping complexes. They are intended for providing customers with a wide variety of economical and ready-toserve dishes. CPN earns sizeable income from the sale of food and beverage in food centers.

Water Parks & Recreational Parks

.....



Water parks and recreational parks are supporting businesses for shopping complexes, adding variety to features and services of shopping complexes. Not only can they attract more customers to shopping complexes, but also bring happiness to customers and people in surrounding communities. To make this happen, the size of land and space availability in the project are key. Current projects in this category are "Leoland Water Park" on the sixth floor of CentralPlaza Bangna and "Central Park", a large-scale recreational park on the premises of CentralPlaza Rama 2, open to the public and consisting of a health park, a children playground, an activity area, and renowned restaurants.

Hotels



use of properties for the maximum return on investment. Key principles for consideration of hotel investment include project location, demand, supply, surrounding areas, and the project's growth potential. The hotel business

comprises quest rooms, seminar rooms, and convention centers to serve the growth of the MICE (Meeting Incentive Convention and Exhibition) industry. Currently, CPN owns two hotels. One is the 259-room Centara Hotel Udonthani (formerly known as Charoensri Grand Royal Hotel, a part of Charoensri Complex, acquired by CPN in April 2009) and the other is Hilton Pattaya Hotel with 302 rooms (situated on top of CentralFestival

Pattaya Beach and open on November

2010). CPN has employed expert hotel

management companies, namely

Central Plaza Hotel Plc and Hilton Hotel

Corporation, to manage Centara Hotel

Udonthani and Hilton Pattaya Hotel

respectively for the maximum benefit.

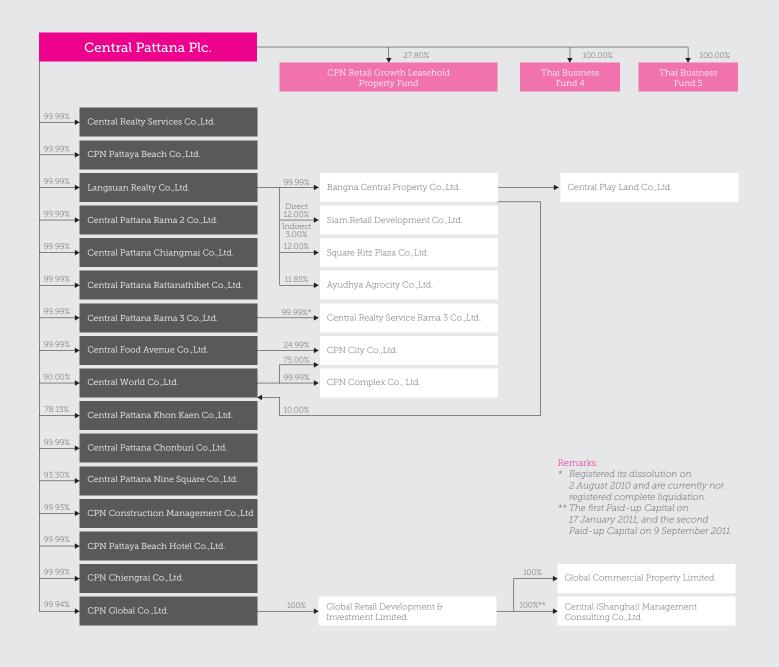
Currently, the projects under the management of CPN and its subsidiaries are:

Projects Owned by CPN	Shopping Complexes	Office Buildings	Hotel	Residential Buildings	Food Centers	
CentralPlaza Lardprao	•	•				
CentralPlaza Ramindra	•		•••••		••••••	
Central Center Pattaya	•					
CentralPlaza Chiangmai Airport	•				•	
Langsuan Colonade				•		
CentralPlaza Bangna	•	•		•	•	
CentralWorld	•	•				
CentralPlaza Rattanathibet	•				•	
CentralPlaza Chaengwattana	•	•			•	
CentralFestival Pattaya Beach	•		•		•	
CentralPlaza Udonthani	•		•		•	
CentralPlaza Chonburi	•				•	
CentralPlaza Khonkaen	•				•	
CentralPlaza Chiangrai	•		••••••		•	
CentralPlaza Phitsanulok	•				•	
CentralPlaza Grand Rama 9	•	•				
CentralPlaza Pinklao*	•	•			•	
CentralPlaza Ratchada-Rama 3**	•				•	
CentralPlaza Rama 2***	•				•	

Remarks

- * 42% of CPN's shopping malls and all of the office buildings were subleased to CPNRF from November 2009 to December 2024
- ** 81% of CPN's asset was leased to CPNRF from August 2005 to August 2035 (a 30-year lease can be renewed twice)
- *** 96% of CPN's asset was subleased to CPNRF from August 2005 to August 2025

GROUP STRUCTURE OF THE COMPANY AND ITS SUBSIDIARIES



REVENUE STRUCTURE OF THE COMPANY AND ITS SUBSIDIARIES

	% of	Year 2011		Year 2010		Year 2009		Year 2008		Year 2007	
	Shareholding	Amount	%								
Shopping Centers		10,062	75.6%	9,142	76.7%	9,254	75.7%	7,244	73.9%	6,466	74.3%
> Central Pattana Plc.											
> Central Pattana Chiangmai Co.,Ltd.	99.99%										
> Bangna Central Property Co.,Ltd.	99.99%										
> Central Play Land Co.,Ltd.	99.99%										
> Central Pattana Rama 3 Co.,Ltd.	99.99%										
> Central Pattana Rama 2 Co.,Ltd.	99.99%										
> Central Pattana Rattanathibet Co.,Ltd.	99.99%										
> CPN Pattaya Beach Co.,Ltd.	99.99%										
> Central World Co.,Ltd.	100.00%										
> Central Pattana Khon Kaen Co.,Ltd.	78.13%										
> Central Pattana Chonburi Co.,Ltd.	99.99%										
> Central Pattana Nine Square Co., Ltd.	93.30%										
> CPN Chiengrai Co., Ltd.	99.99%										
Office Buildings		767	5.8%	655	5.5%	898	7.3%	868	8.9%	809	9.3%
> Central Pattana Plc.											
> Bangna Central Property Co.,Ltd.	99.99%										
> Central World Co.,Ltd.	100.00%										
Hotel		465	3.5%	157	1.3%	116	1.0%	-	-	-	-
> Central World Co.,Ltd.	100.00%										
> CPN Pattaya Beach Hotel Co.,Ltd.	99.99%										
Residences		18	0.1%	20	0.2%	21	0.2%	24	0.2%	19	0.2%
> Langsuan Realty Co.,Ltd.	99.99%										
> Bangna Central Property Co.,Ltd.	99.99%										
Water and Recreation Park		6	0.0%	6	0.1%	5	0.0%	7	0.1%	9	0.1%
> Central Pattana Rama 2 Co.,Ltd.	99.99%										
> Bangna Central Property Co.,Ltd.	99.99%										
Food Centers		632	4.7%	550	4.6%	639	5.2%	456	4.7%	378	4.3%
> Central Food Avenue Co.,Ltd.	99.99%										
> Central Pattana Chiangmai Co.,Ltd.	99.99%										
> Bangna Central Property Co.,Ltd.	99.99%										
> Central Pattana Rama 2 Co.,Ltd.	99.99%										
> Central Pattana Rattanathibet Co.,Ltd.	99.99%										
> Central World Co.,Ltd.	100.00%										
Interest Income		48	0.4%	49	0.4%	27	0.2%	167	1.7%	110	1.3%
Share of Profits from Investment in CPN	IRF	498	3.7%	475	4.0%	451	3.7%	362	3.7%	316	3.6%
Others		815	6.1%	858	7.2%	820	6.7%	972	7.2%	601	6.9%
Total Revenues		13,311	100%	11,912	100%	12,231	100%	9,800	100%	8,709	100%

Remark: Excludes non-recurring items.



CORPORATE GOVERNANCE

CPN recognizes the significance of good corporate governance in creating sustainable relationships and the best interests between each stakeholder. The Board of Directors have therefore defined policies for good corporate governance for the Company since 2004; and the current CPN's corporate governance principles fully adheres to the Stock Exchange of Thailand's guideline in 2006 and the Organization for Economic Co-operation & Development (OECD)'s good corporate governance principles, whereby CPN is consistently committed to developing and implementing good corporate governance that is appropriate and meets international standards.

Thus, as at 29 September 2011, CPN has revised and updated its good corporate governance principles and its code of business conduct, both of which conform to the international standards and guidelines set by the United Nation Global Compact (UNGC) as well as follow the ISO 26000 guidelines on corporate social responsibility (CSR) practices which have been adapted for implementation by the Company.

CPN's Board of Directors, management and employees all have been made aware of these guidelines for ethical and good corporate governance principles and practices and all have signed in the form of acknowledgment and compliance with the code of business conduct and corporate governance principles for

complete compliance to these important guidelines, so as to demonstrate their understanding and intension that they will strictly comply to them. Additionally, CPN has disseminated details of these guidelines within the organization – as part of the orientation for new staff, via e-mail, intranet system, internal newsletters, announcement boards, E-learning program, and the Company's website (www.cpn.co.th) as well as through various Company activities, in order to continuously foster awareness and participation in all personnel across the organization.

CPN'S CORPORATE GOVERNANCE POLICY

The Company's sections of corporate governance are:

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1. Rights of Shareholders

CPN recognizes the importance of taking good care of the rights of all shareholders, in the following manner:

>> The structure of alliance among CPN, its affiliates, and joint ventures is straightforward, without joint shareholding or cross-shareholding. CPN has no pyramid shareholding structure within the Group. This is in place to ensure shareholders receive full returns on their investments.

- >> CPN equitably provides shareholders with basic rights and fair treatment in protecting their rights to hold shares, including the right to purchase, sell, and transfer shares; the right to receive clear and accurate information; the right to attend shareholders' meetings and vote on significant transactions; the right to elect or terminate directors to manage CPN; the right to set the remuneration for the Board of Directors; the right to appoint and terminate external auditors and set their fees; the right to receive part of CPN's profit in the form of dividends; and the right to participate in and to be sufficiently informed on decisions concerning CPN fundamental changes.
- >> Details about the exercise of these rights are distributed via SET's information disclosure system, with due respect to the equitable and convenient access to information, as well as the right-exercising period.

2. Equitable Treatment of Shareholders

CPN adheres to the principle of affording equitable treatment to all shareholders, with non-discrimination, whether major or minor shareholders, institutional or foreign investors. Practical guidelines to promote genuine equality include the following:

- >> CPN has put in place internal regulations to prevent the abuse of inside information and conflicts of interest. Relevant details appear under "Monitoring of Inside Information" on page 90.
- >> Transactions with possible conflicts of interest must be submitted to the Audit Committee for their review and comments before submission to the Board and shareholders' meetings for approval, if applicable. CPN discloses complete and important information under the stipulated regulation. Relevant details appear under "Monitoring of Conflicts of Interest" on page 91.
- >> Actinginaccordance with the principle and guidelines on affording equal treatment to all shareholders during shareholders' meetings as per following details:

The 2011 Annual General Meeting of Shareholders (AGM):

CPN recognizes the importance of giving the exact same rights of shareholders and affording equal treatment to all shareholders, whereby the relevant guidelines have been adopted for actual actions (prior to, during and afterwards) in holding all shareholders' meetings.

The 2011 AGM was held on 29 April 2011, at 14.00 hours at the Lotus 1-4 rooms, 22nd floor, The Centara Grand

Hotel and Bangkok Convention Centre at CentralWorld, 999/99 Rama 1 Road, Patumwan, Bangkok. A total of 582 shareholders attended the AGM in person or represented by their authorized proxies (equal to 81.66% of all shares issues) together with 11 (of the 12) directors (equal to 91.67% of the Board of Directors) which included: The Chairman of the Board of Directors, the Chairman of the Audit Committee, the Chairman of the Nomination and Remuneration Committee, the Chairman of the Risk Management Committee, the President & CEO, the Chief Financial Officer, and the external auditors of the Company. Details of the AGM proceedings are as follows:

Prior to the Meeting

>>> CPN provided minority shareholders with the right to propose in advance additional meeting agenda items and nominated directors from 28 September 2010, to 14 January 2011. This included shareholders' rights to query the meeting agenda before the meeting date by submitting their queries to the Company Secretary. Criteria for such consideration, which were agreed upon by the Board, can be viewed at the Company's website. However, in 2011, no shareholder has proposed any name or agenda item for consideration.

- >> CPN prepares the meeting notice in both Thai and English. For the 2011 AGM, the meeting notice was posted on the Company's website on 24 March 2011, 30 days ahead of the meeting date, and was distributed to shareholders 21 days ahead of the meeting date. This provided shareholders with enough time to examine the information.
- >> In the notice, CPN enclosed essential and adequate facts and rationales, as well as directors' comments for all items on the agenda for shareholders' consideration. The Annual General Meeting of Shareholders (AGM) agenda comprises:
 - 1. Nomination of Directors: CPN provides basic information on candidates, including name, age, type of directorship, education, director training courses attended, experience, holding positions in other businesses, number of years in each position, and participation in committees' meetings as member of such committees during the previous year, share holding in other companies and other information such as any conflict of interest incurred in the previous year.
 - 2. Remuneration: CPN provides information on the policy, amount, and form of remuneration according to each director's

- position and responsibility, criteria and the procedures for determining compensation.
- 3. Appointment of External Auditors:

 CPN provides information on
 the names of auditors and their
 affiliation, auditors' independence,
 the number of service years
 with the audit company for
 consideration of the suitability of
 the auditors' fee.
- Dividend Payment: CPN provides information on the dividend policy and dividend amount subjected to approval, in comparison with the amount paid in the previous year.
- >> There was no significant, extraordinary document distributed at the meeting, no addition items added to the meeting agenda, and no amendments made to significant information without informing the shareholders in advance.
- >> CPN facilitates shareholders who cannot attend the meeting themselves by enclosing in the meeting notice Proxy Form B, on which shareholders can state their voting preference, together with details about how to appoint a proxy to shareholders' meetings. Shareholders can download Proxy Forms A, B, and C from www.cpn.co.th. In addition, the names and profiles of the four independent directors are provided

for shareholders' voting by proxy. At the 2011 AGM, 120 shareholders appointed independent directors as their proxies. Details are as follows:

- > 75 shareholders appointed Mr.Paitoon Taveebhol, Chairman of the Audit Committee
- > 34 shareholders appointed Mrs. Sunandha Tulayadhan, member of the Audit Committee.
- > 7 shareholders appointed Mr. Chackchai Panichapat, member of the Audit Committee.
- > 4 shareholders appointed Mr.Karun Kittisataporn, member of the Audit Committee.

During the Meeting

- >> CPN provided at least a two-hour registration period before each meeting. A computerized barcode system eased registration and vote counting to speed up the process and ensure information accuracy and reliability.
- >> CPN provides shareholders with voting rights equivalent to the number of shares held. One share yields one vote.
- >> Before the shareholders' meeting, the Company must inform shareholders of the vote-tallying procedures.
- >> CPN introduced the use of ballots for casting votes. The ballots were prepared separately for each agenda

- item for shareholders to use as seen appropriate.
- >> Participants were informed of the voting result for each agenda item and presented with the voting scores.
- >> CPN transparently conducted the AGM by following the respective agenda items as stated in the meeting notice, in strict conformance to the laws and the Company's regulations. Representatives from KPMG Phoomchai Audit Limited were invited to observe the meeting.
- >> Shareholders were allowed to attend a meeting in progress and to vote on remaining items of the agenda.
- >> The Company allowed shareholders to fully express their views and to raise their questions at the meeting. The Chairman of the Board, the Chairman of the Audit Committee, the Chairman of the Nomination and Remuneration Committee, the President & CEO, the executive management, and external auditor attended the meeting to clearly answer all aspects of shareholders' questions.

After the Meeting

>> CPN submits the resolutions of every shareholders' meeting through SET's information disclosure system on the sameday, so that non-attending shareholders are immediately informed.

- >> Shareholders can also view a webcast of the AGM via the Company's website or request for a video recording of each meeting from the Company Secretary.
- >> Minutes of each shareholders' meeting are disseminated through the Company's website within 14 days after the meeting date, with a copy sent to SET within the stipulated period.
- >> Shareholders' opinions on the organizing of shareholders' meeting were obtained through the satisfaction questionnaires. The information acquired was then applied in improving the efficiency of future shareholders' meetings.

In 2011, CPN received CPN received a score of 100 on quality assessment, under the AGM quality assessment project, jointly conducted by the Thai Investors Association, the Securities and Exchange Commission (SEC), and the Thai Listed Companies Association. The assessment criteria included steps undertaken before each shareholders' meeting and activities on the meeting date and afterward.

3. Roles of Stakeholders

CPN values all stakeholders and observes the sustainability of common benefits, in 2011, CPN has clearly set its policies and roles toward stakeholders in its "Code of Business Conduct for stakeholders", to which it has also added government and independent organizations and other related social organizations, as detailed below:

- >> Shareholders: Stimulate growth with quality and stability for the shareholders' sustainable benefit with good and efficient performance; respect the shareholders' equal rights to receive necessary information; disclosecorrectandactualinformation; conduct business based on honesty, transparency, and fairness. Relevant details appear under "Rights of Shareholders and Equitable Treatment of Shareholders" on page 79.
- >> Tenants and Customers: Satisfy the customers with good service, fair, and proper treatment of customers, according to safety on health, life, and property; provide complete, correct, and actual information; undertake customer satisfaction surveys, the results of which are used to continuously improve the service. These activities are described below:
 - 1. Managing and providing standardized services to tenants under the supervision of the Standard Promotion and Control Unit (SCU). The activities run by SCU included the standardization of policies, work processes related to tenants at all branches, and

- public information of the services provided by CPN.
- 2. Developing of service staff and evaluation of their services, including tenant relations staffs' daily visits to each store to serve tenants and listen to their problems and complaints. Customer service staff are also assigned to walk around shopping areas inside every center to handle shoppers' questions or promptly provide recommendations, thereby saving them a trip to the PR counter.
- 3. Meeting and communicating any significant operational plans with tenants at least once a year, including meeting with the tenants when opening or renovating any CPN's shopping complex, in order to announce its policies and to plan any joint marketing activities. Furthermore, these meetings provide an opportunity for tenants to express their opinions and make any recommendations for continuous service improvement.
- 4. Jointly developing plans with tenantssuchasorganizing activities on assorted occasions, including shop openings, new product launches, business partnerships, and joint sales promotions between retail shops and the shopping complex to enhance shop owners' preparedness in running their businesses.

- 5. Undertaking satisfaction surveys relating to the services provided to tenants and customers on an annual basis, in order to be informed and aware of any tenants and customers' needs as well as to improve CPN's excellence in services.
- 6. Providing communication channels for customers to receive business information and to voice complaints, including direct contact with tenant service officers at each branch, I Box, Company website and CPN Call Center at +66(0) 2635–1111, etc.
- 7. Conducting focus groups to learn the specific needs of each tenant group and assessing the outcomes for service improvement.
- 8. Recognizing the importance of developing public relations media by not using images or contents that may cause negative attitudes, social division, or improper values, especially those about sex or immorality, in the company's sales campaigns.
- 9. Overseeing that the environment, the area inside and around the property under the company's management, is safe for health, life, and property.
- >> Business partners : Provide fair

- treatment of business partners based on joint benefit; create and maintain sustainable relationship with business partners; create trust, by which the company adheres to the clear procurement procedures and practices, including cooperation in economy, society, and the environment.
- >> Creditors: Strictly respect agreements with creditors; manage the loans according to the objective of expenses; abstain from using the loans in the way that may cause damage to the company; ensure timely repayment of loans and interests; thoroughly honor loan conditions as agreed.
- >> Employees: Provide fair and proper treatment of employees whether in opportunity, remuneration, appointment, transfer, or potential development; monitor the workplace for the safety of employees' life and property; provide channels for employees to express their views and suggestions, as well as fair treatment and non-discrimination of all employees. Relevant details appear under "Human Capital Management" on page 96.

In addition, CPN encourages dialogue between the company and the employees or representatives of the employees to present information to the company's decision-makers so as to improve the quality of the workplace in view of joint development.

>>> Business competitors: Conduct business with fairness; refrain from improperly seeking competitors' confidential information; refrain from abusing the intellectual property rights of others or those of competitors; promote exchange of information useful to the overall development and management of shopping complexes so as to strengthen the business and help sustain the economy, society, the environment, and the country.

The establishment of Thai Shopping Center Association is one instance of close cooperation and collaboration between CPN and industry peers, with the aim of exchanging helpful knowledge and experience in conducting business for mutual benefit; whereby, in 2011, joint discussions included:

- 1. Following up on the status and progress of Draft Retail and Wholesale Business Act; and seeking the collaboration in the event that this proposed law comes into effect
- 2. Exploring the possibility of submitting recommendations to amend the laws and regulations on safety and standards of cleanliness to be maintained within shopping complexes such as, providing a specific area for smoking.

- 3. Exploring ways to be well-prepared for the impending establishment of the ASEAN Economic Community (AEC) in 2015, as well as making an assessment of the overall regional retail business competitive environment
- 4. Sharing and exchanging of experiences in regard to the environment protection such as energy saving measures for use in buildings and shopping complexes through the use of effective alternative energy.
- 5. Promoting the expansion of close cooperation among its members in other ways such as field visits under the auspices of the Association to study the operations of oversea shopping complexes.
- 6. Organizing activities in creating relationships between the members of the Association.
- >> Society, communities, and environment: Respect the relevant law, and/or regulations and try to upgrade the implementation to be of higher standard than specified by law, such as researching and making use of innovative energy saving building technologies in the shopping complexes and office building; monitor the operation of the company and prevent it from damaging the quality of life of society, communities,

- and the environment; develop society in its quality of life, education, energy saving, and environmental protection for the benefit of society at large. Additionally, CPN also focuses on the importance of communicating as well as disseminating valuable information and knowledge to all involved stakeholders with regard to the environment, so as to establish a collaborative network in taking good care of and protecting the environment; as well as in broadcasting such knowledge to all sectors of the society. Relevant details appear under "Sustainability Management" on page 102.
- >> Government: Cooperate and support government policies for the benefit of the country under relevant law and criteria; manage projects that are beneficial to the public, whether as assigned by the government or company-initiated projects.
- >> Independent organizations and other related social organizations:

 Upgrade cooperation and exchange information with independent organizations and other related social organizations for the joint development of society and the country on a sustainable basis, taking into account impact(s) on the economy, society, and the environment.

Anti-Corruption Practices

On 9 November 2010, CPN stated its position with regard to the "Collective Action Coalition" on anti-corruption practices, the collaboration jointly arranged by the Thai Institute of Directors Association (IOD), the Thai Chamber of Commerce, the International Chamber of Commerce, the Thai Listed Companies Association, and the Thai Bankers' Association. Additionally, the Board of Directors has set the policy against fraud and corruption and has communicated this to the management and all employees. There has also been the exchange of knowledge, experience with the government, private sectors, and stakeholders.

Cooperating in the National postflood Rehabilitation

CPN, in the name of the Central Group, has been a leading organization among the group of 12 private sector companies in establishing the "Power of Thai" project that was also supported by an associated network of 40 other organizations, which collected funds for use in rehabilitating various aspects of the Thai educational system and infrastructure impacted by the extensive flood crisis of 2011, whereby assistance was given in rebuilding school facilities, in donating educational materials to replace those damaged by the floods, as well as in offering financial assistance to those teachers and students

affected by the flooding under the auspices of "Power of Thai Fund". A total of 84 schools located in 17 provinces were included and received assistance from this project.

In 2011, CPN has compiled various practices continuously adhered by its employees and set them as written policies to make clarification, recognition, and implementation for all stakeholders such as:

Policy on intellectual properties

CPN must conduct business and encourage employees to obey the law or regulations on intellectual property rights, whether in trademarks, patents, copyrights, commercial secrets, or other intellectual properties as stipulated by law such as using only legal and licensed software, whereby all applications software used must be inspected and installed only by the Information and Technology Department; encourage employees to ensure that the application of the findings of research or information in their work respects others' intellectual property rights.

Policy on respect of law and principles of human rights

CPN promotes and respects the protection of human rights, and ensure that the company's business is in line with human rights concerning forced labor or child

labor; respect and provide fair treatment to all stakeholders based on fairness, human dignity, non-discrimination of origin, race, gender, age, skin color, religion, physical state, status, or birth; promote compliance with human rights within the company and encourage subsidiary companies, investors, business partners, and all stakeholders to observe the international standards of the principles of human rights; and protect the rights of stakeholders affected by the violation of their rights as a result of the company's operation by considering compensation no lower than the rate stipulated by law, etc.

Policy against fraud and corruption

CPN prepares communication channels for employees and related persons to report dishonest or illegal practices; measure for giving or receiving gifts, assets, or other benefits, receptions, or excessive expenses that are out of line with the company's criteria; procurement practices; and donation that must be based on transparency and compliance with relevant law.

Details of the abovementioned policies and other important policies appear in the "Code of Conduct and Corporate Governance Principles", while important details on treatment of stakeholders appearunder "Sustainability Management" on page 102.

Whistle-blowing and Complaints

CPN has set up a Committee responsible for reviewing and investigating any complaints or information, and has given clear assignment of roles and responsibilities and procedures to deal with such situations with transparency, and accountability to ensure that the whistleblowers can fully trust and have confidence in this process.

Should employees or stakeholders suspect any unlawful activities or those in violation of the law, rules, regulations, code of business conduct, they can undertake whistle-blowing or file complaints with detailed evidence to the Company's Audit Committee, which will then proceed to seek further information and investigate the factual revelation, and propose its findings to the Board of Directors for acknowledgement and further consideration. Details of communication channel are as follows:

Audit Committee Central Pattana Public Company Limited 30th floor, The Offices at CentralWorld 999/9 Rama 1 Road, Patumwan Bangkok 10330

Tel: +66(0) 2667 5555 ext. 1200 Email: whistleblower@cpn.co.th

The rights of whistleblowers who are employees, temporary employees, and outsourced persons shall be protected as stipulated by law. Relevant details appear

in "Code of Conduct and Corporate Governance Principles"

In 2011, the Company was engaged in no significant dispute with any stakeholders.

4. Disclosure and Transparency

CPN emphasizes on correct, complete, transparent, thorough, and timely disclosure of information, whether financial or non-financial, so that investors and all stakeholders may regularly receive reliable and sufficient information for their decision. Disclosure of such information includes:

- >> The Company's important and timely information and news through various communication channels such as the Company's website, the Stock Exchange of Thailand's information disclosure system, quarterly reports, business action plans, and annual reports.
- >> Form 56-1, Annual Report (Form 56-2), financial information, information on major shareholders and voting rights, information of directors and members of subcommittees, information sent to the Stock Exchange of Thailand, dividend policy, code of conduct and corporate governance principles, and company activities and action plans.

Responsible persons for disclosure of information

CPN has assigned specific persons responsible for disclosing the Company's important information, comprising the President & CEO, the Company Secretary, top executives responsible for finance and investor relations, including top executives responsible for marketing and public relations unit, whereby they are responsible for disclosing information only related to their respective areas of responsibility.

IR Disclosure and Transparency

CPN highly values disclosure of information by consistently adhering to the principle of transparency, fairness, completeness, promptness, and accuracy of a uniform direction. This is regarded as the key factor for obtaining trust and confidence of shareholders, investors, and stakeholders, such as Stock Exchange of Thailand (SET), Securities and Exchange Commission (SEC), and credit-rating agencies. CPN is well aware that its financial and nonfinancial information affects the decision of shareholders and investors. Moreover. transparent disclosure of information is the supporting factor that adds value to the Company in the long term.

Investor Relations

CPN established an Investor Relations Division in 2006 as the center for handling enquiries, disclosing the Company's information, and managing relations with investors, analysts, shareholders, and the general public. Investor Relations works closely with senior executives to formulate policies as well as quarterly and annual plans, including operational guidelines and approaches for developing CPN Investor Relations practices on a par with leading regional listed companies. The division also presents performance results and comments from shareholders, analysts, and investors to the Board twice a year.

CPN discloses complete, accurate corporate and financial information through the following channels:

- 1. Form 56-1 and the Annual Report (Form 56-2) provide detailed information on significant topics, including business overviews, risk factors, capital structure and management, connected transactions, management of inside information, corporate governance, financial status and performance, and future projects.
- 2. The Management Discussion and Analysis (MD&A) quarterly and annual reports, which provide detailed operation and financial information, including analysis and explanations of factors causing changes in performance results, progress reports of projects under development, key

factors or influences that may affect future results and financial status. This report provides shareholders and investors with enough accurate information for their decision—making on investment and monitoring of the Company's performance.

3. CPN discloses its information via the www.cpn.co.th website under "Investor Relations" to facilitate investors' and the interested public's study of its information. The website, available in both Thai and English, has been regularly updated. Investor Relations discloses information, such as financial information, MD&A, shareholding structure, corporate governance, company information submitted to SET through its ELCID system, Annual Report, Form 56-1, notices to shareholders' meetings, minutes of shareholders' meetings, press releases and photo releases, investor relations calendar (IR Event and Calendar), factsheets for existing and new projects, and presentations used during both domestic and international roadshows by senior executives. The website received over 9,200 visitors a month, with over 250,000 viewings of the webpage information a month (25% higher than last year). Furthermore, over 3,200 people subscribed to Investor Relations' electronic newsletters.

Quarterly Meetings with Shareholders and Investors

CPN has joined SET in organizing quarterly "Opportunity Day" activities so that its senior executives may present the Company's quarterly reports on performance results and explain business progress, such as expansion projects, new projects, business trends, and how to deal with positive and negative effects caused by internal and external factors. This is a good opportunity for executives to meet and answer the questions from analysts, investors, and shareholders in person. In each quarter this year, an average of 80 - 120 investors and the interested public participated. SET also provides a live webcast via SET's website, with a quarterly average of 80 persons following the activity via this channel. Computer monitors are set up in front of CPN executives so that the viewers can post their questions and get real-time responses from the management during Q&A sessions. Furthermore, visual and audio recordings of executives' presentations are provided through a webcast system and posted on the CPN website to ensure that the Company's quarterly performance is comprehensively disseminated to investors who did not participate.

Meeting Investors

CPN regularly hosted a variety of investor-meeting activities to ensure that

senior executives and Investor Relations meet investors and explain specific information on performance, strategic plans, guidelines on business growth, and a summary of major events in 2011, including answering questions. This year these activities included:

- 1. Hosting roadshows, which were divided into:
 - > 11 overseas roadshows
 - > Three domestic roadshows.
- 2. Hosting 52 company visits to enable analysts, as well as Thai and foreign retail and institutional investors, to meet CPN's senior executives and investor relations specialists to, via prior appointments, acquire Company information.
- 3. Via prior appointments, hosting eight site visits for investors and securities analysts. This year, CPN, in cooperation with securities companies took foreign and Thai investors to visit the Company's shopping centers under CPN's management, where they appreciated business operation through presentations from executives.
- 4. Holding 10 conference calls with investors.
- 5. Communicating information via email and telephone 3-5 times per day.

CPN hopes that the Investor Relations Division will continue to serve as the center for disseminating information, handling enquiries, and regularly receiving and exchanging shareholders' or investors' opinions. Shareholders, investors, and interested parties may contact the Company for additional information through:

Ms. Choenporn Subhadhira Investor Relations Division Central Pattana Public Company Limited 31st Floor, The Offices at CentralWorld 999/9 Rama I Road, Patumwan Bangkok 10330, Thailand Tel: +66(0) 2667 5555 ext. 1614 or 1669

Fax: +66(0) 2264 5593 E-mail: ir@cpn.co.th

5. Board Responsibilities

The Board of Directors participate in setting the direction for the growth and development of CPN, through determining the strategies and policies and giving advice and recommendations, as well as in directing, overseeing, and monitoring the status and progress of the various operational aspects of the Company on a regular basis. During 2011, the Board of Directors acted and discharged their responsibilities in the following manner:

- >> At the Board meeting No. 6/2011 on 29 September 2011, the Board approved the revision and amendment to the 'Code of Conducts" and "Corporate Governance Principles", so as to ensure that the required business ethics and good corporate governance corresponds with the current economic situation as well as social and business environment, whereby all directors, management and staff of CPN were required to sign in the form of acknowledgment and compliance with the code of business conduct and corporate governance principles.
- >> The Board of Directors consists of four independent directors out of a total of 12, accounting for one-third of the total. Being fully qualified under the Company's standard, the independent directors can effectively and efficiently perform their duties for the full benefit of the Company.
- >> The Chairman, who is not an independent director, is a representative of the shareholders. Based on the deliberation of the Nomination and Remuneration Committee, and with the approval of the Board, the current structure is appropriate for CPN's business and is a forte supporting CPN's constant success and business growth, as the Chairman is knowledgeable, experienced, skillful in the retail and property development

industries, and adheres to the principles of good governance.

Policy on limiting the number of companies and the term of directorship for directors and president

- >> A director must not serve on more than five listed companies on the SET, without exception. Currently, this requirement is the case.
- >> Each independent director cannot hold more than two consecutive terms of directorship, with one term extendable if seen appropriate. The Board considers such a flexible policy appropriate due to the time-consuming process in nominating a qualified independent director.
- >> The president may hold directorships in another company, but such action must not affect the work as the Company's president and must not be in the same business or in competition with the Company. Approval of the board must first be sought before accepting directorship in another company. Currently, the president of CPN is not a director of any listed company other than CPN.

Board meetings

>> The Board jointly plans meeting dates for the entire year in advance, with at least six meetings a year. In 2011, there were seven Board meetings,

- consisting of six regular meetings and one extraordinary meeting, consisting of a total of 45 agenda items for consideration and 36 agenda items for acknowledgement.
- >> The Chairman, the President and the Company Secretary jointly set a clear agenda before each Board meeting. All directors can freely propose their agenda items for consideration by the Chairman before inclusion in a meeting.
- >> The Company Secretary must submit meeting documents that can be revealed in written form without affecting CPN's business operations to the directors at least seven days in advance for consideration, together with invitation letters specifying the meeting date, time, place and agenda. In emergencies, to protect the Company's rights or interests, appointments for such meetings can be made through other methods at shorter notice.
- >> During each meeting, the Chairman allocates enough time for discussion of each significant issue and encourages all directors to creatively and freely express ideas with due discretion, with the Company Secretary and legal department in attendance to take notes.
- >> Director who has a vested interest in the agenda item must abstain

- from the meeting and voting on the particular agenda item.
- >> In the event that a situation occurs that is critically important or that may have a significant impact on the Company and/or for any significant stakeholders, management will submit full details of the incident to the Board for consideration, comment and its opinion as well as to seek any advice - for example, during 2011 a flood crisis that occurred in many provinces and the immediate suburban areas of Greater Bangkok where many CPN's properties and shopping complexes are located, whereby the Board of Directors considered these various relevant facts and had these comments, questions, and advice:
 - > acknowledged the preparations and contingency plans to protect the facilities against the flood, together with a situation summary for each property or shopping complex as well as plans to avoid any interruptions to business activities,
 - > planned actions to avoid or protect the properties from the flood in the future,
 - > the impact on CPN both financial and non-financial.
 - > insurance coverage,
 - > communications of information to all concerned and involved,

- > offer of assistance to those affected by the flood – i.e. staff, customers, and the immediate communities – in a equitable and comprehensive manner, including flood relief activities, in general, to help all those affected by the flood.
- >> Minutes of Board meetings, all relevant information and documents are safely stored in the form of electronic files and the original documents.
- >> In the event that there are questions requiring follow-up and/or additional information from any involved department, the Company Secretary will coordinate and submit the additional details/information to the members of the Board of Directors as quickly as possible.
- >> The Company Secretary must submit monthly reports, comparing achievements against the Boardapproved targets, for the directors' acknowledgment.
- >> Non-executive directors are required to hold at least one exclusive meeting a year. In 2011, the meetings was held in February and July. A summary of issues and recommendations from the meeting was acknowledged by the Board of Directors and the management for further improvement of the Company.
- >> The efficiency of Board Meeting is evaluated at every Board meeting to

promote constant improvement of directors' performance and meeting arrangement; whereby the outcomes of such evaluations for 2011 scored an average of 94.21% compared to 91.91% in 2010.

- >> The Board also conducts selfevaluation annually. The combined outcomes of these evaluations for 2011 scored an average of 97.88% compared to 95.50% in 2010. Additionally, the Board also gave their observations on how to develop and improve the role of Board members and discharge of responsibilities by the Board, on how to further develop the organization, on business strategies and plans, and on the corporate risk management.
- >> The Board also evaluates the performance of the President & CEO. using an evaluation form consisting of 2 key components: measuring the operational performance of the President & CEO and the further career development of the President & CEO; whereby the President & CEO also participate in setting of goals and business targets and acknowledges those targets that have been approved for the year. The evaluation results will be provided to the Nomination and Remuneration Committee to use in determining and making a subsequent recommendation to the Board for consideration and approval,

- the proposed future remuneration for the President & CEO.
- >> The Board also considers any changes in the relevant laws, rules and regulations that are of importance to the Company, together with any news and updates relating to good corporate governance practices guideline on a regular basis, so that ongoing activities of the Board will fully comply to any revised and relevant laws, as well as rules, regulations and guidelines currently in effect.

Training and Seminars of the Board of Directors

The Company Secretary has supported the Board in regard to increasing their knowledge and the exchanging of knowledge and experiences on a continuing basis in the discharge of their responsibilities as a member of the Board and/or sub-committees, through communicating to them as well as coordinating and facilitating them to be able to be aware of and/or attend various seminars and training courses dedicated to directors. Details of attendance at seminars and participation in any directors training courses appear under "Management Biography" on page 238.

Directors, Management and Employees' Disclosure of Information; and Management of Conflicts of Interest

Monitoring of inside information

The directors formulate a policy to monitor the use of inside information and the Company's stock transactions on the basis of equality and fairness of all shareholders and for the prevention of relevant directors and executives from undertaking dishonest stock transactions for their own benefit or the benefit of others.

- >> Control of inside information: The directors, executives, and all employees are prohibited from using the Company's material and undisclosed information to the public for their own benefit or the benefit of others and must strictly adhere to the policy on keeping and using inside information as specified by the Company.
- >> The Company's stocks: The directors, the executives, and employees are entitled to invest in the company's stocktransactions. However, to prevent conflicts of interest, the directors, executives, and employees, as well as their spouses and children under the legal age, are prohibited from buying, selling, transferring, or accepting transfer of the Company's stocks one month before the disclosure of the financial statements to the public.

If the directors, the executives, and employees, as well as their spouses and children under the legal age, buy, sell, transfer, or accept transfer of the company's stocks, they must prepare and report a list of stocks and a change in the company's shareholding to the monitoring agency as specified.

If the executives and the employees violate the corporate governance principles on the use of inside information, they will be considered guilty of the company's rules and may be punished by law.

>> Disclosure of holding CPN shares: The Company Secretary is required to file a quarterly report on shareholding of directors and executives and submit it to the Board.

Monitoring of conflicts of interest

It is the Company's policy to conduct business with honesty, open-mindedness, transparency, and fairness. The Company forbids its directors, executives, and employees to compete with the Company, avoid making connected transactions relating to them or people/entities that may cause conflicts of interest with the Company. The board ensures that the Company strictly performs duties according to criteria, method, and disclosure of connected transactions as specified by law or the monitoring agency.

If it is necessary to undertake connected transactions, they must be in line with general business conditions as specified and approved by the Board, based on transparency and fairness, as if the transactions were undertaken with other parties, taking into account the Company's maximum benefit. Stakeholders with conflicts of interest are forbidden to take part in the consideration of connected transactions. If the connected transactions are not in line with general business conditions as specified and approved by the Board and may cause conflicts of interest, the transaction must be submitted to the Audit Committee for opinions before submitting to the board or shareholders for approval.

- >> Disclosure of connected transactions:
 The Directors and the executives
 must fill out a form of connected
 transactions in each fiscal year ended
 31December to express transparency,
 thoroughness and discretion in
 deliberating connected transactions
 during the year. The Company
 Secretary is responsible in providing
 and collecting such information.
- >> Disclosure of information on the involvement of directors, executives, and related parties: The first report must be submitted within 30 days of their first service date with the Company, and the information must be reported on 31 December of every year. For the sake of transparent

transaction, if directors, executives, and related parties must directly or indirectly conduct any transactions with the Company or its subsidiaries during the year, such directors or executives must notify the Company at once by identifying facts about the nature of each contract, names of counterparties, and their involvement in the contract.

>> Disclosure of vested interests: The directors and the executives are responsible for disclosing vested interests held by themselves and relevant people that may relate to the Company's management according to the rules, conditions, and methods of the Capital Market Supervisory Board. The Company Secretary is responsible for compiling and submitting a copy of the report of such interests to the chairman and the chairman of the Audit Committee within seven days after receiving the report.

In 2011, it has not any complaint about dishonesty of directors and executives about the misuse of inside information.

ORGANIZATION DEVELOPMENT

To enhance the Company's capability and drive it toward the "To be the most admired and dynamic regional retail property developer with world-class rewarding experience" vision, CPN has strengthened its organization structure to support expanding domestic and overseas branches and improved work processes for more efficiency while getting better equipped with IT data to ease the management and decision-making processes. CPN also designated each position's work scope, role, and responsibility to make sure that it supported one another and was customer-oriented. The work culture must suit CPN's ambition to become a regional organization under the so-called Transformation Mission (T-Mission). It is CPN people's collaboration in adjusting work processes, roles and responsibilities to reinforce the organization structure that supports its becoming a regional retail developer and manager.

Organizational Realignment

Working with its consultant, CPN conducted a study on organizational restructuring in line with and in support of business expansion. It focused on grouping work and adjusting work groups to enhance the efficiency under a new structure. Based on main tasks, operation was divided into development, domestic project management, overseas project management, and planning, policy, and support.

The new structure promoted more harmonious collaboration among each division in the Company, based on the same work standards. CPN focused on developing the expertise of each division while reducing duplicate work procedures so as to streamline customer service. It assigned knowledgeable and

capable people who were suitable for each position and provided them with training and a coaching process to help them adjust their work to the new structure.

Development of Corporate Infrastructure through ERP and HRIS

CPN restructured in parallel with the "F1 Project", which developed an IT system for the management by applying the Enterprise Resource Planning ("ERP") system to ensure more flexibility and efficiency. Furthermore, it would reduce non-value added jobs so that staff might earn more time to improve their capability and have a chance to express their talents for creating more innovations.

> F1 Project

was collaborated on by representatives from different divisions of CPN and a consultant with expertise and experience in developing IT management systems for the world's leading corporations. This project developed a specific, suitable IT system which combined the knowledge of operation, business conduct, and international standard management. The project is scheduled to be completed and put on trial in the third quarter of 2012.

> Human Resources Information System (HRIS)

developed tools for human resource management in manpower planning, personnel recruitment, personnel management and development, and development of staff databases to ensure that the staff might effectively apply them. After the completion of the HRIS project, staff can work and conduct transactions via different systems by themselves as self-service, such as checking their personal data, work periods, requesting approvals for leave, and welfare.

This year, CPN established a CPN Academy personnel development center to formulate strategies for developing all staff, annual development and training programs, executive development programs, new staff development programs, and retail development and management programs. The learning skill of members in the organization were also encouraged in "Share More, Learn More" and media, such as e-learning and video-presentations.

Promotion of Value, Culture, and Corporate Governance, including Staff's Volunteer Spirit for the Community and Society

Under CPN's policy to conduct business with ethics and virtue, CPN encourages all management and employees to perform their duties under six corporate governance principles, namely "Integrity,

Transparency, Fairness, Equality, Keeping Promises, and Caring for Society", in parallel with CPN's core value of "To be confidently creative and strive for excellence together". These translate into policies, operating guidelines, activities, and campaigns, such as a corporate governance orientation for new employees, inclusion of corporate governance principles on the monthly meeting agenda, a contest on the core value, "CPN Volunteer" projects for staff's community and social services (please see details under "Sustainability Management"), an employee opinion survey (EOS), voicing of their opinions via P.O. Box 99 and the idea-BOX, the Voice of Internal Customer (VoIC), and the "Khon Dee, Khon CPN" Award project for employee role models. Firmly committed to corporate governance principles from executive to operational levels, CPN was recognized for its excellent corporate governance (five stars) by Thai Institute of Directors Association (IOD).

To be a Learning and Innovative Organization

> "CPN Share More, Learn More"

To be a learning organization with knowledge-sharing between executives and staff, as well as among staff members, CPN has encouraged every unit to regularly organize activities under the "Share More, Learn More" project to share knowledge, experience, and good stories of the organization. More important, people with the same interests could share knowledge in a family-like ambience. In addition, CPN hosts "CPN Radio—Boots up Your Life, Brightens up Your Health", a short radio program with useful information and relaxing music during office hours. This activity relaxes staff while providing them with news and knowledge.

> "Dream Team"

Besides individual creativity, CPN promotes teamwork under the PDCA (Plan-Do-Check-Action), framework, a tool that trains staff to systematically analyze and solve problems. The "Dream Team" Project, initiated in 2009, has been operated annually. This is a remarkable success, proved by continuous work improvement. This year, CPN had more than 90 Dream Teams to improve the efficiency of internal functions.

> "CPN Quality Award"

The Company's innovations are partly driven via the "CPN Quality Award" project, established to encourage the management level of each department and each branch to brainstorm, analyze,

12

shopping complexes of CPN are now ISO 9001:2008 certified

1

A Prestigious Thailand Quality Class Award



and find directions that would enable their departments or branches to achieve CPN's goals and missions. This year the project goal is to upgrade the work at the management level into a strategic focus and analyze problems through fact-based management. Creative projects that generate innovations and pass the screening process will be presented and shared at the annual CPN Productivity Contest, first organized in 2010, so that CPN people can exchange the knowledge, choose the best, and adapt them for their own functions.

Thailand Quality Award Organizational Development Project

Since 2009, CPN has studied and applied Thailand Quality Award (TQA) approach as a framework for developing its retail management systems. In 2011, three pilot shopping centers, namely CentralPlaza Chiangmai Airport, CentralPlaza Pinklao, and CentralPlaza Rama 2, joined the TQA Contest. Even though other shopping complexes did not participate, they have been developing their internal management systems by adopting the TQA evaluation criteria.

Thanks to the commitment, dedication, and shared knowledge among the teams of these pilot projects, CentralPlaza Chiangmai Airport received the prestigious Thailand Quality Class (TQC) 2011 as a proof of the international standards of CPN's retail management systems. The knowledge, experience, and work procedures obtained from these pilot shopping complexes will help every shopping complex under CPN's management internationalize its standard of retail management.

International Standard Management

CPN has adopted International Standard Management Systems for corporate management as seen below:

> Retail Property Management under ISO 9001:2008

ISO 9001:2008 is a quality management standard adopted by CPN to ensure customers' and tenants' utmost satisfaction. It is a management process with systematic linkage and continuous service development.

In 2011, CPN applied for ISO 9001:2008 standard upgrading of 12 projects, namely CentralPlaza Lardprao, CentralPlaza Pinklao, CentralPlaza

Rama 2, CentralPlaza Bangna, CentralPlaza Rachada-Rama 3, CentralPlaza Ramindra, CentralPlaza Chiangmai Airport, CentralPlaza Rattanathibet, Central Center Pattaya, CentralWorld, CentralPlaza Chaengwattana, and CentralFestival Pattaya Beach. Furthermore, three new shopping complexes, namely CentralPlaza Chonburi, CentralPlaza Udonthani, and CentralPlaza Udonthani, and CentralPlaza Khonkhaen, were certified this year. That means 12 shopping complexes of CPN are now ISO 9001:2008-certified.

> Environmental Management under ISO 14001:2004

ISO 14001:2004 is an environmental management standard valued by CPN, which is applied to ensure that its business grows in tandem with environmental development. Operation focuses on pollution prevention and continuous development of an environmental management system.

In 2011, CPN expanded its environmental management system in conformance to the standard of ISO 14001:2004 under four certified projects, namely CentralPlaza Pinklao, CentralPlaza Bangna, CentralPlaza Chiangmai Airport, and Central Center

Pattaya to CentralPlaza Rattanathibet and CentralPlaza Rama 2. Therefore, six projects have now achieved such certification.

Strongly determined to manage its environment under the policy to turn CPN's shopping complexes into green buildings, CPN has fostered its environmental management system to pave the way for the remaining shopping complexes to be ISO 14001:2004-certified as the next step.



HUMAN CAPITAL MANAGEMENT



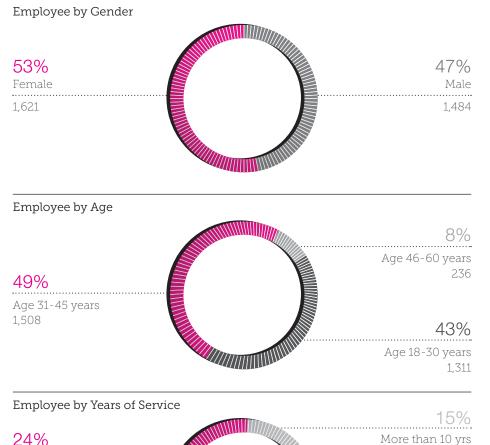
CPN is well aware that the Company is a small fraction of a large society. Yet, when the personnel of this small society feel contented and have self-esteem, these people are ready to create good things for customers, partners, and the organization as well as playing a key role in developing the economy and society to ensure sustainable growth.

Personnel Data

CPN's headcount as of December 31 for the past five years:

Branch / Year	2007	2008	2009	2010	2011
Head Office ¹	421	588	635	655	725
Ladprao	193	183	178	187	154
Ramindra	54	50	53	51	52
Pinklao	180	146	141	138	127
Pattaya Center	88	96	89	91	87
Rama 3	106	107	106	103	101
Chiang Mai	143	143	142	142	146
Bangna	205	183	179	179	168
Rama 2	159	142	141	142	139
CentralWorld	405	387	396	375	356
Rattanathibet	99	96	96	99	100
Chaengwattana	-	-	127	129	135
Pattaya Beach	-	-	149	155	155
Udonthani	-	-	121	124	129
Chonburi	-	-	100	99	97
Khonkaen	-	-	110	111	108
Chiang Rai	-	-	-	43	88
Phitsanulok	-	-	-	-	78
Rama 9	-	-	-	-	110
Total	2,053	2,121	2,763	2,823	3,055

Remarks: ¹ Staff of Langsuan Colonade are included.



5-10 years

740

16%

3-5 years 479

Personnel Selection and Recruitment

To support future business growth, CPN focuses on personnel selection and recruitment to find experienced, knowledgeable, and capable staff who are suitable. The Company also considers their potential for career growth and proper qualifications to be in line with the core value of "To be confidently creative and strive for excellence together"

CPN's policy is to select and recruit from within the organization first to ensure that staff members receive opportunities for self-development and career growth. Furthermore, CPN focuses on endorsement of staff relocation to their hometowns where its shopping complexes are located. In addition to happiness at work, they can share CPN's determination to bring development and diversify revenue to local communities. Under the selection process, the Department of Human Capital Management jointly considers with the affiliations to ensure transparency in compliance with good corporate governance.

460

10%

Trainees 291

35%

1,085

Less than 3 years

Management of Remuneration and Benefits

CPN values remuneration management and conducts a survey of wages and salaries to compare with the remuneration and benefits offered by peer business organizations.

According to CPN's policy, staff remuneration is based on performance. The evaluation system has therefore been improved for more efficiency, with key performance indicators (KPIs) and evaluation of potential serving as tools. Under this system, both the supervisor and the subordinate must agree on the outcome. Then, the supervisor must

present the subordinate's performance to his or her own supervisor so that they can acknowledge the evaluation criteria. CPN's system monitors and compares staff's performance to ensure fair evaluation that truly reflects their work.

Furthermore, CPN has established welfare committees at Head Office and every branch, which acquire members from applications and selection from each department. Each committee, with a two-year term, holds quarterly meetings. They act as a staff spokespersons by communicating with the management team about proper welfare, including guidelines

and patterns of activities to foster cordial relations within and among branches. After each meeting, the committee delivers topics of improvement or development to the representatives for further implementation. If the topic could lead to a major corporate development, the welfare committee proposes it to the Executive Board for a specified agenda item.

For financial security, CPN has established a provident fund where the money comes from staff's cumulative contribution, the Company's contribution, and interests earned from the fund. CPN pays for the contribution in the fund by level as seen below:

Staff Level	Staff's Contribution	CPN's Contribution
Rank and file	3% of total salary	3% of total salary
Managerial	5% of total salary	5% of total salary
Executive	10% of total salary	10% of total salary

Staff Relations Management

CPN is well aware that staff's contentment and cordial relations directly affect work efficiency and effectiveness. Throughout 2011, it has organized various activities as summarized below to strengthen relations among staff, leading to higher spirit and quality of life:

- >> Family Day for staff to recognize the family value, focuses on exercising for health and taking staff and their families on field trips
- >> CPN Club for staff to participate in their favorite activities while promoting their physical and mental health
- >> "Staff Party" and "Birthday Party" for staff members to relax and get together as a way to express appreciation for their constant dedication

- >> Activities for the public good, such as blood donation as a tribute to Her Majesty the Queen, with over 7,000,000 cc of blood donated this year
- >> Scholarship Project for Staff's Children from the elementary to the undergraduate level to alleviate the expense burdens of staff with outstanding performance
- >> Annual Alms-giving Project on Visakha Puja Day to offer staff an opportunity to attend a religious ceremony with the Company and promote their mental health
- >> As part of the flood relief project 2011, CPN provided affected staff with shelters, rescue bags, and financial aid for basic necessities, residential repairs, and temporary evacuation.

In addition to the activities that foster cordial relations among staff, CPN believes that "caring for one another", such as listening to one another and listening to staff's complaints, is another way to create staff's happiness and engagement. Each staff member can file a complaint via assorted channels when facing difficulties at work or in everyday life by:

- >> Sending e-mail to the Audit Committee at whistleblower@cpn.co.th
- >> Putting a message in the idea-Box located at every branch
- >> Mailing to the President at PO Box 99, Pratunam Post Office 10409
- >> Sending a letter to the Audit Committee.

HUMAN CAPITAL DEVELOPMENT



CPN's vision is to be 'The Most Admired and Dynamic Regional Retail Property Developer with World-Class Rewarding Experience'. It recognizes the importance of creating and developing employees' capabilities in a systematic, continuous way, as it believes that competent staff is vital to business prosperity and a competitive advantage in the long run.

CPN set up approaches to develop its personnel to enhance their competencies so that they will be ready and able to fulfill CPN's visions. Meetings were held between executives and the management team to define personnel's qualifications and competencies. The outcomes were used as guidelines for developing CPN personnel, both through company's core values for team operation and through the CPN Leadership DNA, which will support CPN leadership in leading teams efficiently and effectively to achieve goals.

For the development of personnel in shopping complex operations—our core business-CPN's focuses on developing personnel competencies for the positions as defined in individual development plans (IDPs) jointly prepared by supervisors and staff. Staff will be updated on IDPs quarterly, as supervisors enter feedback to recommend areas of improvement to meet the requirements of their current positions as well as opinions on the development of staff through coaching, training, special assignment, including basic training courses under CPN Training Roadmap. This way, staff can apply the knowledge gained to their work while supervisors can manage and develop staff performance.

Talent Management and Succession Plan for Executives

CPN has set up a project to develop outstanding and high-potential personnel, focusing on enhancing leadership potential according to CPN Leadership DNA and preparing them for higher positions on their career paths in line with the Company's expansion through various development programs, such as the Young Leadership Program for middle management and the Leadership Development Program for Executives for senior executives.

In addition, for the development of senior executives, a leadership potential assessment was conducted under the CPN Leadership DNA, which will be translated into IDPs and succession plan for high-level executives and key positions to ensure that the management are well equipped and ready for the Company's expansion as planned, locally and internationally.

CPN Leadership DNA

In 2011, CPN has developed five leadership DNAs to achieve its goals in efficiently expanding the business at the regional level. These DNAs are set as leadership competencies in developing CPN's personnel of management level to become CPN leaders, consisting of:

In-depth Customer Understanding





Valuing customers and their needs as the primary focus of business; creating or maximizing a profitable business based on in-depth customer understanding, and evaluating and developing ideas into a practical plan.

Scale Mindset



Identifying and building capability in people, work processes, systems, work environment, and other related factors, in order to drive sustainable business growth and results.

Adaptability





Maintaining results and morale when experiencing major changes in the work environment or when introduced to new ideas; adjusts effectively to work within new work structures, processes, or requirements. Adapting and becoming a champion of change to positively influence people around them to embrace change.

Respect of Cultural Diversity





Leveraging the capabilities, insights, and ideas of all individuals, internal and external to the organization, that impact business results; developing and maintaining a work ambience which enables full participation and development of all backgrounds, cultures, styles and views; and creating opportunities that lead to a competitive advantage.

Sustainable Partnership Building



Forming partnerships internally and externally by continuously identifying and acting on those things that will create success for CPN and its stakeholders.

SUSTAINABILITY MANAGEMENT



Direction of Sustainability Management

CPN has conducted its business with the mission of developing outstanding shopping complexes as the communities' pride. To serve the needs of the community and society, the Company initiated social, environmental, and community projects by adhering to the principle of "Care for the Society, Care for Each Other". It was based on the Company's core values, "To be confidently creative and strive for excellence together", and corporate governance policy, which emphasizes "Honesty, Truthfulness, Openness, Transparency, Equality, Justice, Accountability, and Caring for Society".

From the onset of operations, CPN has conducted business with a conscience for the society, community, and environment, both as an individual organization and in coordination with other companies under the Central Group. CPN was committed to conserving energy, protecting the environment in local areas and communities, promoting traditions of local communities, as well as supporting youth education and development.

During the previous year, CPN restructured its sustainability management by

appointing a Sustainability Management Committee, headed by the President & CEO, with other CPN executives as members. This committee, replacing the Environmental Conservation and Safety Committee, worked under three directions of sustainability management: economy, environment, and society. Several working and monitoring teams in the organization and shopping centers were assigned to ensure that the policy and action plans were adequately comprehensive and aligned with the development approach to sustainability, and that they were effectively implemented. Furthermore, this policy has been communicated to all employees to create a shared recognition that being responsible to society, community, and environment was somewhat easy, and they could always care for one another.

Performance

Economy

CPN's policy on business conduct adhered to the principle of "the prosperity of partners and surrounding communities is our success". Therefore, CPN was determined to bring modernity and civilization to the region by combining its operations with those communities'

culture and social values. CPN was proud to take part in driving growth and sustainability of the regional economy, as well as the independence of surrounding communities. The operations that support economic growth were divided into three major categories as follows:

- 1. Offering internal and external promotion areas of CPN's shopping centers to government agents, private sector, and non-profit organizations as a venue to promote educational, religious, arts and cultural and charitable activities.
- 2. Providing space for local entrepreneurs or local communities to run their businesses with similar targets to the shopping centers' goals. The space and sales promotion in special zones was managed in a fair and systematic fashion.
 - Northern Village Project on the 1st and 2nd floor of CentralPlaza Chiangmai Airport held unique and meticulously made Lanna-style handicrafts.
 - > Kad Luang Project on the G floor of CentralPlaza Chiangmai Airport and CentralPlaza Chiangrai were the center of freshly cooked food, ready-to-eat food, and local souvenirs

- 3. Joining local agents to organize signature events of the region. This offered small entrepreneurs who were not ready to rent the retail space in the shopping center an opportunity to display and promote their products to the public. This was also an additional channel for conducting business as follows:
 - > The annual "Enjoy Crab and Sea View" Festival had been co-hosted by CentralPlaza Rama 2, the Tourism Authority of Thailand (TAT) (Head Office), and the Bang Khun Thian District Office for nine consecutive years at "Central Park" of CentralPlaza Rama 2. It aimed to support entrepreneurs in the seafood industry while developing economic capability and agricultural tourist (agrotourism) destination.
 - > The annual "Nonthaburi Durian"
 Festival had been co-hosted by
 CentralPlaza Rattanathibet, Tourism
 Authority of Thailand (TAT) (Head
 Office), and Nonthaburi Provincial
 Administration Organization for
 four consecutive years. It aimed to
 provide knowledge about durians
 grown in Nonthaburi province
 and preserve it as the signature
 of Nonthaburi. The festival was
 also a distribution channel for rare
 species of durian.

CPN supported the economy at regional level and macro level by offering promotion areas inside and outside the shopping centers to government agents, private sector, and non-profit organizations as a channel to publicize or disseminate useful information to the public.

The Environment

Energy Conservation Management

Energy Management Guideline

CPN conducted its business under its energy-efficient policy, focusing on maximizing the use of energy and using it conscientiously. As a result, CPN has developed a three-dimensional policy regarding conserving energy, including:

- Technical: Using up-to-date and environmentally friendly technology and applying it to CPN's projects.
- 2. Organizational structure and policy: Issuing policies and assigning a clearly designated committee to work on saving energy at the executive, managerial, and operational levels. This included an audit panel, consisting of representatives from various levels of the organization, namely project management, business development, asset management and marketing department. This group jointly over-saw the Company's energy policy.
- 3. Behavioral (or Personnel): Communicating and raising awareness of conserving energy so that staff, tenants, customers, and the local community around the malls could play an active role.

To ensure an optimal outcome of environmental management, CPN set the goals and policies on efficient energy consumption. The Company assigned three main teams to study the energy-saving measures, manage the energy consumption in each shopping center, and evaluate the energy management system in each shopping center. In the previous year, these teams had quarterly meetings to monitor progress. The system department managers from every shopping center attended small meetings to exchange their knowledge.

Innovations in Energy Conservation

CPN had fully implemented its knowledge and experience regarding energy conservation since 2005, starting with collecting of the Specific Energy Consumption (SEC) Index, which was energy consumption per usable area. The data were analyzed and referred to when formulating an annual energy management policy, leading to innovations in sustainable energy management.

CPN continuously implemented modern and green technologies to ensure the efficiency of electrical systems in the shopping centers and to reduce pollution. Innovations in energy management adopted by CPN were as follows:

- > Innovation under the Leadership in Energy & Environmental Design (LEED) was adapted in designing new projects and renovating existing projects. It focused on a building design that utilized more natural light to save energy, used more environmentally friendly materials, and incorporated more green space.
- > Variable Speed Drive System was in place. By controlling the Variable Speed Drive (VSD) of the cool-air handling units in large air conditioning systems, the right temperature for each working period would be adjusted automatically, taking into account the comfort of building occupants. For example, the air conditioner would accelerate the cool air when it was hot and would decelerate the cool air when it was cool.
- > Ball-Cleaning System, the equipment for cleaning the copper surface of the pipes inside the cooling system of the water coolers, was put in place. it worked automatically and non-stop to maintain the efficiency of the water coolers.
- > PU Foam, an innovative heat insulator for buildings, was used. With foam sprayed on the roof, it prevented the outside heat from invading the building.

- > Sky Light was installed. it allowed only natural light, but not heat, to come through a row of heat-protecting glasses The building would, then, get enough light while the temperature remains unchanged. This was an easy way to reduce energy consumption and yield a high return on investment.
- > Energy-efficient light bulbs were used. For example, incandescent light bulbs were replaced with compact fluorescent (CFL) and T8 fluorescent lamps were replaced with smaller T5 fluorescent lamps. Furthermore, the light emitting diode (LED) lights were installed inside and outside the buildings to save significant energy for the shopping centers which required the lights to turn on at all time.
- > High efficiency chiller, an innovation in large air-conditioning systems which consumes 20 30% less energy (compared to normal cooling system), was used. It could generate more cool air with using better environmentally friendly cooling agent.
- > Auto-sensor escalators with highly accurate sensor were installed. This allowed the escalators to move automatically when people used them. This would save energy in the area where escalators were hardly used.
- > Intelligent elevators were operated with radio-frequency identification

- (RFID) cards for more efficiency. The computerized system calculated the traffic to minimized energy consumption. Currently, this technique is implemented in The Offices at CentralWorld and The Offices at CentralPlaza Chaengwattana.
- > Solar cells were installed. These solar cells generated direct current and sent to the transformer, via a control system, to convert into alternating current for the electrical system in the shopping centers. Currently, this technique is implemented at CentralWorld.

Fostering Conscience of Energy Conservation

CPN was well aware that the key factor in energy conservation was to educate stakeholders and raise their consciousness, which leaded to optimal and sustainable use of limited natural resources.

> CPN Staff

The staff in the organization was the first group of stakeholders among whom CPN would like to promote the value of energy conservation. Every level of staff in the organization should gain enough knowledge and understanding to be a role model in conserving energy. The main activity CPN annually organized was "Energy Day", which encouraged all staff

to attend recreation together and learn how to save energy at the same time. Other activities were "Slogan Contest on Energy Conservation" and "Energy Ambassador Contest". Throughout the year, the Energy Conservation Committee also produced several media products to promote consciousness to make the best use of energy at work and in day-to-day life.

> The Public

CPN furthered its energy-conserving ideas by opening the Green World Experience Learning Center at CentralWorld in addition to its annual energy conservation activities, cohosted by CPN and the government sector, such as Earth Hour, World Environment Day, and Energy Conservation Week. The main purpose was to encourage the private sector and the public, especially the youth, to recognize the importance of saving energy and the environment. The knowledge about energy-saving innovations successfully adopted by CPN was spread in the society to educate people and to serve as a role model.

CPN also ran the "Car Pool Parking" campaign to encourage shoppers to save energy. Cars with at least four passengers

could use a special parking area in the best zone on level B1 of CentralWorld, which could accommodate 50 cars. The purpose of the campaign was to encourage people to reduce gasoline consumption. Besides the special parking zone, CPN provided special areas in several shopping complexes for bicycles to encourage the use of clean alternative energy.

Major Energy Conservation Projects

"Building Energy Award of Thailand" Project or "BEAT 2010"

The BEAT 2010 campaign is an abbreviation for Building Energy Award of Thailand 2010, initiated by the Energy Policy and Planning Office (EPPO), Ministry of Energy. The aim was to raise public awareness of energy conservation. CentralWorld was selected as one of leading commercial buildings to join the project under the category of shopping centers and department stores. The project took place from August 2010 to August 2011. Although some parts of CentralWorld were under construction during that time, CPN has been promoting energy conservation throughout the year when the Company joined the project. Some financial support came from the BEAT 2010 project. The main activities were as follows:

- > Energy Day & Kick-Off BEAT Project was held to promote the objectives of the project and the participation of staff of CentralWorld. The event included a contest for energy-conserving ideas and an exhibition providing knowledge of energy conservation.
- > The training of the BEAT Ambassadors and field trips to visit energy-efficient buildings.
- > The "Energy-Saving Calendar for Kids" activity
- > During the "Use Less Plastics" activity on World Environment Day, the staff brought used plastic bottles to set a record. These bottles were later reused or recycled. It is an activity in support of "Love Earth, Take Care Earth", which is annually hosted at Central World Square.
- > Asoneoftheannualactivities, "PhaPa for Light" was held during Buddhist Lent. The BEAT Ambassador, together with CPN, volunteered to replace old bulbs with energy-saving bulbs. These volunteers also inspected and repaired all electrical equipment for Klong Mon Temple and Klong Mon School in Samut Prakan province. The staff members were encouraged to donate energy saving bulbs to temples and schools.

- > The "Green Film Festival" showed films that promoted energy conservation for one week at TK Park on the 8th floor of Central World. The event was provided free of charge for the public.
- "Energy Alliances Following HM the King's Resolve on the Occasion of His 84th Anniversary"

CPN, together with Krungthai Bank Plc., Thai Airways International Plc., and Ek-Chai Distribution Co., Ltd, signed a Voluntary Agreement to jointly create an energy saving network as a project to support the captioned event and to promote and campaign for energy conservation among the public.

Corporate Social Responsibility

Environment and Community Management

CPN realized the value of our limited natural resources and cares for stakeholders' quality of life and the environment around the shopping centers. Therefore, the Company formulated explicit policies regarding environmental conservation, starting with the building design, building construction, and project management. Every project under CPN's management must pass the basic environmental quideline listed below:

- > Developing and writing an environmental impact assessment (EIA) report to be submitted with the construction permit.
- > Issuing policies on construction safety, which covered safety standards, directions in controlling and monitoring environmental impacts, a quality control manual, and a guideline for CPN contractors to ensure that construction proceeds in compliance with CPN's safety standards.
- > Installing a wastewater treatment pond in compliance with Thai laws and using of biological methods for treatment. The wastewater was monitored, recorded, and reported before being released into public water sources.
- > Installing a CO Detector to monitor the level of carbon monoxide (CO) in the parking building to make sure that it does not exceed the standard.

By strictly adhering to the highest safety standards and continuously developing its environmental management system, CPN has become Thailand's pioneer in retail property developers to implement ISO 14001:2004 in its shopping centers to reduce negative environmental impacts. In 2011, CPN expanded its environmental management system

under the ISO 14001:2004 standard from four shopping centers (CentralPlaza Pinklao, CentralPlaza Bangna, CentralPlaza Chiangmai Airport, and CentralCenter Pattaya) to include two more (CentralPlaza Rattanathibet and CentralPlaza Rama 2). The goal was to have all CPN's shopping complexes certified by ISO 14001:2004.

Waste Management

CPN formulated clear policies on waste management by taking safety and resource conservation into account. The waste materials generated from CPN's projects were separated into (1) general waste (2) recyclable waste (3) hazardous waste and (4) infectious waste. Furthermore, each zone provided different trash bins to suit each type of waste. In the general zone, two types of trash bins (bins for general waste, and bins for recycled waste) were available. In the IT zone, food center, and the office zone, three types of trash bins (for general waste, recyclable waste, and hazardous waste) were provided. For shops with infectious waste, CPN provided specific recommendations and informed them of the regulations to manage such waste so that they could do it themselves. All waste materials were categorized and separated into saleable waste, waste to be destroyed, and recyclable waste.

Water Resource Management

CPN systematically controlled and managed its drainage through its water treatment pond at every project site. The Company tested the quality of the water before and after it entered the water treatment system and wastewater pond. Before releasing the wastewater into public water sources, CPN monitored the wastewater and completed a thorough record and report. The water was also tested by an outsider at least once every quarter. CPN's adoption of ISO 14001:2004 in retail management aimed to reduce negative environmental impacts and create innovations in wastewater management and effective reusing processes. This new program has been applied at the new shopping center, CentralPlaza Changwattana, which had a system to reuse the treated wastewater, rain, and condensed liquid from the air-handling unit for watering plants, cleaning floors, or filling the cooling tower. The quality of treated water was regularly tested before being used, and the outcome showed that it was above standard.

Monitoring Contractor Operations

CPN set a policy for all contractors who worked for CPN, including the organizers in charged of sales promotion activities in the shopping centers, to adhere to all environmental rules. After the work

is completed and handed over, the contractors need to fill out the form about pollution control and environment in the workplace, as well as the form for checking the tidiness in the area where activities take place. They must also provide reports regarding the noise level of each activity.

CSR Projects for the Community Environment

- > CentralPlaza Pinklao, together with the Bangkok Metropolitan Administration and Bangkok Noi District Office, engaged in the "Cleaner Water for Khlong Bang Bamru 2011" project to dredge and clean the canal and restore its natural conditions for the community.
- > CentralPlaza Suratthani moved 398 trees of 20 species originally on the compound and replanted them around the project area after construction was completed.

Society

Occupational Health and Safety Management

Safety

CPN formulated policies on monitoring the environment in and around shopping

complexes, office buildings, hotels, and residential projects to be safe for tenants' and customers' lives and assets:

- > CCTVs (which were regularly maintained) were installed in car parks and shopping complexes.
- > A maintenance schedule was provided for equipment, such as elevators, escalators, gas burners, and cooking appliances.
- > An emergency response action and control plan was developed in compliance with ISO 9001:2008.

Health

- > A policy for managing and controlling ventilation inside the building was proposed in conformance to the law and ISO 14001:2004 standard for environmental management. This international standard is used as a guideline for managing its shopping complexes.
- > Automatic ventilation systems were installed to bring in fresh air from outside buildings. CO-detectors were also installed at parking lots to monitor carbon monoxide and prevent it from going over the standards.
- > Regular assessments of restaurant operations in CPN shopping complexes are conducted, and a "Clean Kitchen" project is carried out to encourage

- restaurant operators in the shopping complex to be mindful of good hygiene.
- > A sanitation system was in place, which provided an effective and hygienic system for storing and removing garbage and waste.
- > Sanitation gel administration points were installed at the entrances and exits of all shopping malls.
- > With an outbreak of respiratory diseases during the year, the shopping complexes were cleaned more regularly. CPN also installed a disinfecting system commonly used at hospitals to clean shopping complex areas and set up information boards on how to prevent respiratory diseases.

Community Participation and Social Development

Education

The "CPN Cultivates Thai Wisdom" Project

CPN strongly believes that young people are a critical foundation for society. Educating and instilling moral and ethical conduct in youths will enable communities and society to become sustainable and self-sufficient. Supporting the education of Thai youths, especially

less-privileged ones, is therefore one of the primary policies and strategies for CPN's sustainability management and was the main inspiration behind the "CPN Cultivates Thai Wisdom" Project.

Through this project, CPN has cooperated with government agencies, our partners, and other companies under the Central Group to provide support for education for less-privileged communities and youths by building a learning center for the community and building libraries for poor schools. CPN has also donated many teaching and learning tools for such youths.

As one of main activities in this project, CPN and the Institute for the Promotion of Teaching Science and Technology, with the support of the business partners and companies under the Central Group, developed community learning centers to provide more opportunities for self-learning through the provision of various media, including videos, DVDs, computers, the internet, book corners, and scientific experiments. To date, CPN has developed nine such centers in:

- > Ban Khlong Muang School, Amphoe Muang, Krabi
- > BamrungIslamSchool,AmphoeMuang,
 Pattani
- > Nakhon Khon Kaen School, Amphoe Muang, Khon Kaen

- > Tasdikiya School, Amphoe Chana, Songkhla
- > Prapatsorn Witthaya School, Amphoe Muang, Chonburi
- > Ban Pong Malaengwan (Chirathiwat Upatham) School, Amphoe Muang, Nakhon Ratchasima
- > Alawiya Wittaya School, Amphoe Bannang Sata, Yala
- > Ruam Sun Wat Huai Kaeo School, Amphoe Mae On, Chiang Mai
- > Mae Pa Wittayakhom School, Amphoe Mae Sot, Tak.

In addition to educational support for the youth and communities in the previous year, the "CPN Cultivates Thai Wisdom" Project expanded its scope to convicts by donating computers and books to the Special Penitentiary, Department of Corrections, Pathum-Thani province, to promote the reading habit among prisoners and enhance their opportunities to further their education, earn livelihood, and be self-dependent without using drugs or committing crimes.

Other Educational Activities

In addition to CPN's main educational activities under the "CPN Cultivates Thai Wisdom" Project, each branch or shopping complex under CPN organized additional activities for local communities as described below:

Donation of Computers and Learning Tools

- > CentralPlaza Chiangmai Airport donated 20 computers to Educational Service Area Office 5 of Chiang Mai for students in Ban Tian Ang School, Amphoe Hot, Chiang Mai.
- > CentralPlaza Chiangmai Airport donated learning tools to municipality schools in Tambon Mae Chaem, Chiang Mai.

Lunch Fund Project

- > CentralPlaza Bangna hosted the 5th "Spread Generosity among Less-Privileged Kids" project for the public good and happy families. More than 80 CPN Volunteer staff at the Bangna branch and their families constructed a playground together, hosted a lunch, and donated learning tools to students of Sitthi Sunthon Uthit School, Amphoe Bang Nam Priao, Chachoensao.
- > CentralPlaza Bangna hosted "Toys Crazy...Charity for Child", distributing toys donated by shops and customers to disadvantaged children at the Foundation for the Better Life of Children and Ban Nok Khamin Foundation.
- > CentralPlaza Chiangmai Airport donated the proceeds from the "CentralPlaza Chiangmai Airport

Mini-Marathon" to the lunch funded for students in Wat Don Chan School, Chiang Mai.

Drug-Free School Project

> CentralPlaza Pinklao, in collaboration with the Bangkok Metropolitan Administration, hosted "Drug-Free Schools under BMA in Bangkok Noi district" at Wat Mali School, with CPN Volunteer staff attending the activity and donating sports gear to students and surrounding communities to encourage them to constructively spend time and stay away from drugs.

Volunteer Spirit

"CPN Volunteer" Project

The "CPN Volunteers" project started from a small group of CPN employees who truly reflected the Company's wishes to see staff participate in activities for the public good to foster their conscience to understand the significance of repaying society and community. In 2008, CPN established "CPN Volunteers" with continually growing membership of those with volunteer spirit to 1,000 at present from 250 at the outset

The CPN Volunteers group annually takes turn conducting activities for communities near shopping complexes under CPN's management, as well as for volunteers' home communities proposed to the CPN Volunteers Group Committee. These activities revolve around the idea of social responsibility and sustainable community development. In the past year, the group's activities are summarized below:

> "Open up the Wide World for Kids" Project

CPN Volunteers took more than 400 boyscouts and girls couts from Amphoe Cho-airong, Narathiwat province, on a field trip to "TK Park" and the B2S bookstore at Central World. Then, they had a meal, supported by Central Restaurant Group (CRG), and received sports gear from SuperSports under the management of CRS Sports Co., Ltd.

> CPN Volunteers joined the "Presentation of Space in the Administration Building of Police General Hospital"

project to facilitate patients in the "Doing Good Deeds for One Day" activity. CPN, joining companies under the Central Group, donated Baht 10 million to renovate the Administration Building of the hospital. The project started in 2010 and was completed in 2011.

> "Pha Pa for Energy and Education" Project

The "Pha Pa for Energy" Project is annually organized during Buddhist Lent and was adapted to "Pha Pa for Energy and Education" in 2011. The donation went to not only water bills, electricity bills, and maintenance of Wat Khlong Mon, but also renovation of the meeting hall and students' sports gear at Khlong Mon School, Samut Prakan.

"Care for Flood Victims in Phitsanulok" Project

Central Plaza Phitsanulok and more than 50 CPN Volunteers donated survival kits, rice, and dried food to flood victims in Amphoe Phrom Phiram and Bang Rakam, Phitsanulok, during the Great Floods in August 2011.

> "Help Flood Victims Together" Project

During the flooding crisis of 2011, CPN Volunteer members got together to help victims in the following activities:

- > On 6 October 2011, they donated cash to help communities in Rattanathibet and Chaengwattana (in suburban Bangkok).
- > On 12 October 2011, they joined hands in sorting donations and packing survival kits at the

evacuation center at Thammasat University, Rangsit Campus.

- > Between 1 November and 15 December 2011, CPN Volunteers, together with companies under the Central Group, joined the "Central's Sympathy" project during the flooding situation at CentralWorld Square, CentralWorld. They cooked food, packed it in boxes, and handed out such boxes of food to victims at different locations each day.
- > CPN Volunteers, together with companies under the Central Group, hosted a blissful activity under the "Central's Sympathy: We Owe Our Existence to You" project. Actors and members of "CPN We love Music" performed a mini-concert at the flood victim shelter at Government Complex, Chaengwattana, to ease victims' stress.
- > "CPN New Year Greeting Cards for Kids in Phitsanulok" Project

> On New Year's Day and National Children's Day 2011,

CentralPlaza Phitsanulok and over 30 CPN Volunteers hosted an activity for more than 700 students from seven schools, such as Wat Kammathan School, Wat Si Wararam School,

Theerathada School, Wat Samo Khae School, Wat Noen Makhuek School, and Child Development Centers under Samorkae TAO and Wat Nern Makuek. To bring joy and smiles to the children and share good things to make society a better place to live in, they gave out gifts, instructional media, learning tools, sports gear, and warm clothes and organized recreational and educational activities.

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Religion

"Bliss and Balance with Dhamma and Nature's Ways" Dhamma Delivery Activity

CentralPlaza Rattanathibet, together with the Soi Thong Royal Temple, hosted a Dhamma delivery activity by inviting Phra Maha Sompong Talaputto to deliver a sermon under the title of "Bliss and Balance with Dhamma and Nature's Ways" to the interested public at Park Zone of CentralPlaza Rattanathibet.

> "Clean Toilets for Temples" Project

This project maintains and improves toilets and buildings at all places of worship, regardless of religions practiced. In the pastyear, Central Festival Pattaya Beach, together with staff

with volunteer spirit, restored the toilets at Durul Ibada Mosque and Saint Nikolaus Church in Pattaya Metropolitan Municipality to hygienic conditions.

> Presentation of Candles during Buddhist Lent

CentralPlaza Chiangmai Airport, together with CentralPlaza Udonthani, presented candles to Wat That Kham, Wat Sri Suphan, and Wat Muen San in Chiang Mai and Wat Sunthon Pradit in Udon Thani on Asanha Puja Day and Buddhist Lent.



Kobchai Chirathivat President Central Pattana Public Company Limited



"...In working for society or providing help to society, one must do it with honest intentions and with spirit, and not just for public relations. Most importantly, we must provide an opportunity for the organization's employees to have a real chance to help society and the local community, whether physically or intellectually, using their work processes as the driving force for society's development. Together, we can create a self-sufficient and sustainable society."

RISK FACTORS

RISK TYPE

01

Strategic Risks

Risk from overseas investment Failed overseas investment could affect the Company's ROI

RISK MANAGEMENT

Focus on implementing strategies in conformance to CPN's mission and business plan to ensure that strategies and objectives are compatible with acceptable risks.

- > Undertake a thorough study on the operation of business in each country before deciding to invest.
- > Continuously monitor economic, social, and related business situations to ensure appropriate responses.
- > Jointly invest with high-potential business allies.
- > Undertake organizational and personnel preparation to ensure readiness for overseas investment.
- > Enhance differentiation and competitiveness through continuous development of shopping centers, standard of services, and management.
- > Acquire funding sources to ensure capital adequacy and maintain appropriate net interest-baring debt to equity ratio.

O2 Operation Risks Focus on every step of operating processes from investment, IT, to personnel, including safety risks, which could harm lives and cause damage to CPN properties.

Risks from organizational competency

Failure to ensure organizational and personnel readiness for business expansion may cause the Company to lose business expansion opportunity and hinder its profitability.

Risks from construction work

Failure to manage planned construction time and cost may hurt the Company's cash flow and profitability.

- > Improve efficiency of all work processes to support the Company's growth.
- > Develop key personnel's capability for promotion under the Succession Plan and Individual Development Plan (IDP).
- > Develop training roadmaps in line with employees' competency profile.
- > Develop change management processes and communicate them throughout the company to ensure readiness for organizational changes.
- > CPN's application of Value Engineering Technique and systematic supervision process ensures the successful completion of construction projects without reducing the projects' quality or credibility.
- > Construction contractors are selected through a transparent and efficient process.

RISK TYPE

Risks from sabotage, accidents, and natural disasters

Damage caused by these calamities may halt the Company's business, hurt its cash flow and hinder profitability.

Compliance Risks

Risks from legal provisions and government policies

Failure to thoroughly examine related laws, including possible changes in regulations and government policies before deciding on investment may lower the Company's return on investment and profit growth.

6 Financial Risks

Interest rate risks

Fluctuated interest rates may increase the Company's costs and reduce profits/returns as well as affecting future business expansion.

RISK MANAGEMENT

- > Take out comprehensive insurance policies for all projects under CPN's management to prevent financial losses from damage caused by natural disasters, accidents, and sabotage.
- > Formulate Emergency (Crisis) Management Plans and Business Continuity Plan (BCP) to minimize impacts caused by emergencies or crises.

Focus on strict conformance to internal and external regulations, including related laws

- > Rank project locations and land sizes, as well as conducting detailed studies of legal limitations before deciding to invest.
- > Closely monitor changes in all applicable aspects, including city planning, expropriation areas, development of mass transit systems, and environmental conservation laws to ensure appropriate property development planning.

Focus on managing the Company under prudent monetary policy by controlling expenses under the approved budget, thus ensuring appropriate returns, as well as the public's confidence in the Company's acceptable, efficient risk management and internal controls under the fast-changing business environment.

- > Increase the ratio of fixed interest rate loans.
- > Use alternative financial instruments, including interest rate swaps, to increase the ratio of fixed interest rate loan.
- > Use other fund mobilization alternatives aside from loans, including mobilization through property funds and identifying joint investors for new projects.

CAPITAL STRUCTURE

CPN's capital structure, as at 31 December 2011, was as follows:

1. Capital Structure

Common shares

Authorized share capital2,178,816,000BahtPaid-up share capital2,178,816,000BahtNumber of common shares2,178,816,000sharesPar value1.00BahtShare price37.75Baht

Unsecured and unsubordinated debentures

Debenture	Credit rating	Amount (MB)	Issuance Date	Life (year)	Interest Payment Cycle	Repayment of Principle	Maturity Date	Balance as at 31 Dec 2011
CPN126A	A+	3,000	14/06/2007	5	Every 6 months	Upon maturity	14/06/2012	3,000
CPN135A	A+	2,000	21/05/2009	4	Every 6 months	Upon maturity	21/05/2013	2,000
CPN145A	A+	1,000	21/05/2009	5	Every 6 months	Upon maturity	21/05/2014	1,000
CPN136A	A+	1,200	26/06/2009	4	Every 6 months	Upon maturity	26/06/2013	1,200
CPN127A	n/a	1,000	24/07/2009	3	Every 6 months	Upon maturity	24/07/2012	1,000
CPN126B	n/a	500	09/06/2010	2	Every 3 months	Upon maturity	11/06/2012	500
CPN15DA	n/a	500	28/12/2010	5	Every 6 months	Upon maturity	28/12/2015	500
CPN163A	n/a	500	25/03/2011	5	Every 6 months	Upon maturity	25/03/2016	500
CPN164A	A+	1,000	29/04/2011	5	Every 6 months	Upon maturity	29/04/2016	1,000
CPN16OA	A+	1,200	12/10/2011	5	Every 3 months	Upon maturity	12/10/2016	1,200
CPN18OA	A+	500	12/10/2011	7	Every 3 months	Upon maturity	12/10/2018	500
CPN21OA	A+	300	12/10/2011	10	Every 3 months	Upon maturity	12/10/2021	300
CPN156A	n/a	1,000	23/12/2011	3.5	Every 6 months	Upon maturity	23/06/2015	1,000
CPN171A	n/a	1,000	23/12/2011	5.1	Every 6 months	Upon maturity	23/01/2017	1,000

Remarks : Average applicable annual loan interest rate of 4.31% per annum

Company Financial Ratios following the Debenture's Rights and Conditions	Covenant Ratios	As at 31 Dec 2011
Total Debt to Total Shareholders' Equity	Not over 2.50 times	2.14 times
2. Total Interest Bearing Debt to Total Shareholders' Equity	Not over 1.75 times	1.23 times
3. Total Assets (excluding Secured Debt) to Unsecured Debt	Not less than 1.50 times	2.91 times

2. Shareholders

CPN's shareholding distributions as at 31 December 2011 are:

Shareholders	Shares	Shareholding (%) 100.00%	
Registered Capital	2,178,816,000		
Local Shareholders			
> Juristic persons	887,443,239	40.73%	
> Persons	704,007,658	32.31%	
Total	1,591,450,897	73.04%	
Foreign Shareholders			
> Juristic persons	497,704,933	22.84%	
> Persons	89,660,170	4.12%	
Total	587,365,103	26.96%	

Top ten major shareholders as at 31 December 2011 are:

	Shareholders	Shares	Shareholding (%)
1	Central Holding Co., Ltd.	588,171,980	27.00%
2	HSBC (Singapore) Nominees Pte Ltd*	184,813,019	8.48%
3	Thai NVDR Co., Ltd.	94,629,236	4.34%
4	The Bank of New York (Nominees) Limited*	67,257,798	3.09%
5	Mrs. Arunee Chan	45,079,760	2.07%
6	Mr. Suthichai Chirathivat	41,794,000	1.92%
7	Mr. Suthikiati Chirathivat	41,730,200	1.91%
8	Mrs. Suchittra Mongkolkiti	33,652,400	1.54%
9	EFG BANK AG	33,173,650	1.52%
10	Mr. Prin Chirathivat	30,150,550	1.38%

Remarks: * The Share Registrar is not able to give details of the names of Shareholders; however these nominee accounts do not have any influence over the Company's strategies or operational management.

> Major shareholders have significant de facto influence on policies or operations of CPN

Since Central Holding Co., Ltd., and members of the Chirathivat family altogether hold approximately 60% of the total shares in CPN, they have significant de facto influence on its policy formulation and operations. This is because 7 out of the 12 members of the Board are representatives of these major shareholders.

> Foreign Limit in Shareholding

CPN has set a foreign limit of 30% of the paid-up capital. As at 31 December 2011, foreign investors altogether held 26.96% of CPN's total paid-up capital.

CPN Names of directors and executives holding CPN shares

Directors and executives holding CPN shares as at 31 December 2011, are as follows:

No.	Name	Position	Shares	Shareholding (%)
1	Mr. Suthichai Chirathivat	Chairman	41,994,000	1.93%
2	Mr. Suthikiati Chirathivat	Director	41,730,200	1.92%
3	Mr. Prin Chirathivat	Director	30,150,550	1.38%
4	Mr. Kobchai Chirathivat	Director, President & Chief Executive Officer	26,493,500	1.22%
5	Mr. Sudthidej Chirathivat	Senior Executive Vice President	16,295,700	0.75%
6	Mr. Sudhisak Chirathivat	Director	14,173,200	0.65%
7	Mr. Sudhitham Chirathivat	Director	13,382,300	0.62%
8	Mr. Suthipak Chirathivat	Executive Vice President	12,794,800	0.59%
9	Mr. Suthichart Chirathivat	Director	9,318,100	0.43%
10	Ms. Wallaya Chirathivat	Senior Executive Vice President	8,659,600	0.40%
11	Mrs. Narttaya Chirathivat	Executive Vice President	8,619,600	0.40%

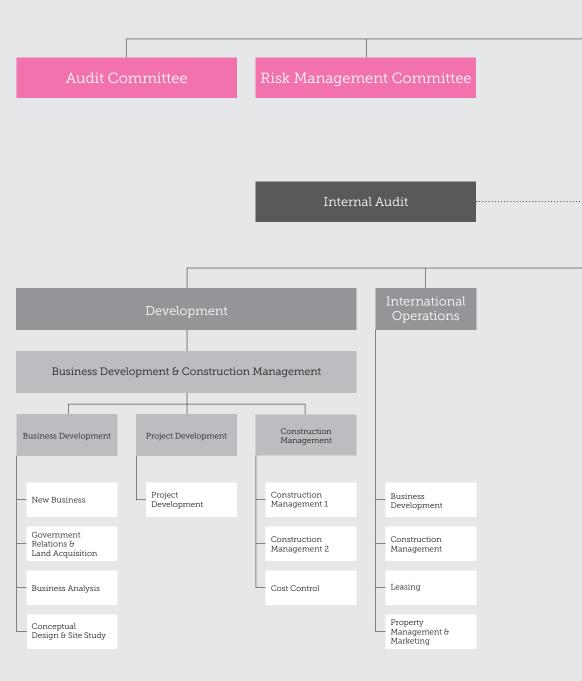
Remarks: The amount of shares as shown are included the shares holding by spouse and minor child of directors and executives.

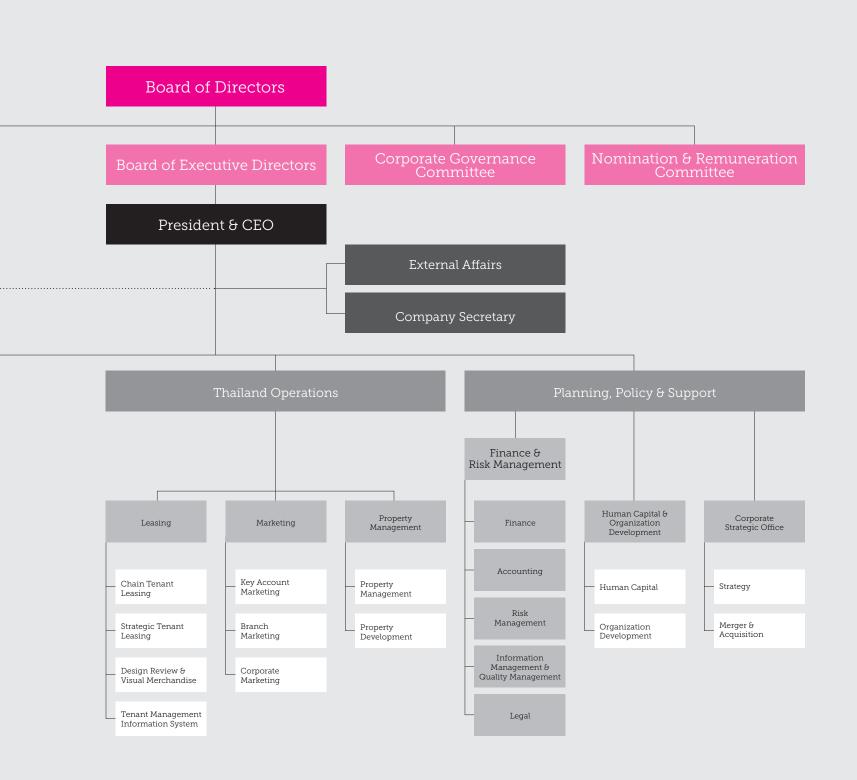
3. Dividend Policy

The policy of CPN is to pay dividends not less than approximately 40% of its operating net profit from consolidated financial statement, except when there is a compelling reason not to. The dividend payment will not exceed the retained earnings in separate financial statement.

The policy of CPN's subsidiaries is to pay dividends when it has net profit and adequate cash flow balance. The dividend payment will depend on the consideration of the Board of Directors and shareholders of the subsidiaries and it will not exceed the retained earnings in financial statement.

ORGANIZATION CHART





MANAGEMENT STRUCTURE

CPN's Management Structure comprises:

- 1. Board of Directors
- 2. Sub-Committees
 - 2.1 Audit Committee
 - 2.2 Nomination and Remuneration Committee
 - 2.3 Risk Management Committee
 - 2.4 Corporate Governance Committee
- 3. Executive Committee
- 4. Management Committee

Details of each Board Committee are as follows:

Board of Directors

The Board of Directors consists 12 directors, and comprises of :

- >> 4 independent directors equivalent to one-third of the Board of Directors, in compliance with good corporate governance principles.
- >> The Chairman of the Board represents the shareholders, and is a different person from the President & CEO, in order to have complete separation of responsibilities as well as a balance of power in operations.
- >> 11 non-executive directors and one executive director.

The names and positions of the members of the Board of Directors are as follows:

- 1. Mr. Suthichai Chirathivat ², Chairman
- 2. Mr. Paitoon Taveebhol, Independent Director
- 3. Mr. Chackchai Panichapat, Independent Director
- 4. Mrs. Sunandha Tulayadhan, Independent Director
- 5. Mr. Karun Kittisataporn, Independent Director
- 6. Mr. Kanchit Bunajinda, Director
- 7. Mr. Suthikiati Chirathivat ², Director
- 8. Mr. Suthichart Chirathivat ²,
- 9. Mr. Sudhisak Chirathivat ², Director
- 10. Mr. Sudhitham Chirathivat ², Director
- 11. Mr. Prin Chirathivat ², Director
- 12. Mr. Kobchai Chirathivat ^{1, 2}, Director

Note

- ¹ An Executive Director
- 2 Representatives of the shareholders

Director with company signatory rights

Director with company signatory rights are Mr. Sudhitham Chirathivat, Mr. Prin Chirathivat, and Mr. Kobchai Chirathivat with two of the three signatures with Company seal for validity.

Duties and responsibilities of the Board

- 1. Perform all duties in compliance with the law, Company objectives and articles of association, and shareholders' meeting resolutions with duty of loyalty and duty of care, with accountability and ethics, keeping in mind the equitable interests of the shareholders.
- Define CPN's vision, strategies, plans, and its annual budget and continuously monitor its performance to ensure that the goals are achieved and potential difficulties are promptly dealt with.
- 3. Approve significant transactions under its authority required by law and the articles of association, and approve capital expenditure budget exceeding 200 MB.
- 4. Appoint sub-committees to support the operation under its responsibility as seen appropriate and necessary, and regularly monitor their performance.

- 5. 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 prepared to disagree with the management and other directors on matters that may affect the equality of shareholders.
- 6. Ensure that all relevant information is accurately disclosed to all shareholders and stakeholders alike, with full transparency and reliability as well as on an equal and timely basis.
- 7. Institute an efficient and effective internal control system and internal audit.
- 8. Institute an efficient and appropriate risk management process that can be evaluated, monitored, and managed for key risks.
- 9. Appoint a company secretary to oversee various Company activities and assist the Board and the Company in conforming to the law and applicable regulations.
- 10. Institute a CPN code of conduct and ensure that the directors, executives, and all employees follow this code.

- 11. Institute good corporate governance practices and ensure effective communication with all employees for acknowledgment and strict compliance.
- 12. Institute a transparent and clear process for connected transactions.
- 13. Institute clear processes for the Audit Committee's report to the board. In case of doubtful transactions or activities that could significantly affect the Company's financial status or performance, the Board must resolve the issue within the time limit seen fit by the Audit Committee.
- 14. Formulate succession plans for top executives.
- 15. Regularly review and update key policies and plans as seen suitable for the business environment.
- 16. Revise and update Board of Directors Charter to ensure its timeliness.
- 17. Seek professional business guidance by hiring outside advisers with CPN's budget.
- 18. Perform other shareholder-assigned duties.

CPN has defined much stricter qualifications for independent directors than those required by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET) as follows:

Qualifications of independent directors

- 1. Does not hold more than 0.5% of the total outstanding voting shares of the Company, its parent company, subsidiary or affiliated company, or juristic entity that may constitute a conflict of interest. This is inclusive of the shares held by his/her related persons.
- 2. Over the past two years, has not held a director position, regular employee, staff member or consultant on the payroll of the Company, its parent company, subsidiary or affiliated company, a same-level subsidiary, or juristic entity that may constitute a conflict of interest.
- 3. Is not be related by blood or by legal registration as parents, spouse, sibling, children or spouses of children of the executive, major shareholder, controller, or person nominated as an executive or controller of the Company or subsidiary companies.
- 4. Over the past two years, has had no direct or indirect business relation with the Company, its parent company, subsidiary or affiliated company, or juristic entity that may cause conflict with independent decisions. Over the past two years,

he/she must also never have been a major shareholder, non-independent director or executive of those who with business connections with its parent company, subsidiary or affiliated company, or juristic entity that may cause a conflict of interest.

The term 'business relationship' under the above paragraph includes any normal business transaction, rental, or lease of immovable properties, transaction relating to assets or services, or grant or receipt of financial support through receiving or extending loans, guarantee, providing assets as collateral, including any other similar action whose value exceeds 20 MB or more than 3% of the net tangible assets, whichever is lower. The value of each transaction is based on the calculation method for the values of connected transactions under a Notification of the Board of Governors of SET Re: Disclosure of Information and Act of Listed Companies concerning Connected Transactions. Under the regulation, all transactions occurring within a year of preceding transactions must be included in such calculation.

5. Over the past two years, has never been appointed as an auditor of the Company, its parent company, subsidiary or affiliated company,

or juristic entity that may cause a conflict of interest. Over the past two years, he/she must not be a major shareholders, non-independent director, executive, or partner of an auditing company whose officer is auditing the Company, its parent company, subsidiary or affiliated company, or juristic entity that may cause a conflict of interest.

- 6. Over the past two years, has never provided any professional service, including legal or financial advice, earning more than 2 MB annually from the Company, its parent company, subsidiary or affiliated company, or juristic entity that may cause a conflict of interest. If the professional service provider is a juristic person, he/she must not be its major shareholder, non-independent director, executive, or managing partner.
- 7. Is not appointed to represent directors, majorshareholders, or any shareholders related to CPN's major shareholders.
- 8. Does not possess other characteristics that could prevent him/her from giving independent opinions concerning CPN's operation.

After the appointment, an independent director may be assigned by the Board to make a collective decision on the

operation of the Company, its parent company, subsidiary or associated company, or juristic entity with potential conflicts.

Company Secretary

The Board of Directors is responsible for appointing a person, who has the appropriate knowledge and ability, to be the Company Secretary; whereby the current Company Secretary is Ms. Naparat Sriwanvit who has the full facilities of the office of the Company Secretary to effectively and efficiently support her responsibilities in accordance with the good corporate governance principles.

Duties and responsibilities of the Company Secretary

- 1. Prepare and maintain all documents relating to the Company's statutory register of directors, Annual Reports, notices and minutes of the meetings of the Board of Directors, as well as notices and minutes of the shareholders' meetings.
- 2. Maintain and keep a record of vested interests as reported by directors and executives.
- Send copies reporting vested interests of directors and executives or related persons to the Chairman of Audit Committee within seven days of the receipt of each report.

- 4. Organize Board and shareholders' meetings according to rules and applicable laws.
- 5. Provide advice to CPN and the Board of Directors in conformance to CPN's memorandum of association, articles of association, Securities and Exchange Act, Public Company Limited Act, and applicable laws.
- 6. Act as the clearing house between the Board of Directors, executives, and the shareholders.
- 7. Coordinate and follow up the Board's and shareholders' resolutions.
- 8. Ensure that appropriate information disclosure and information reports are submitted to the regulators as required.
- 9. Perform other duties as required by the regulations of the Capital Market Supervisory Board or as assigned by the Board of Directors.

Legal Office is responsible for the preparation of the minutes of meetings of the Board of Directors and shareholders, as well as monitoring and provision of advice to the Company and the Board of Directors to ensure full compliance.

Sub-Committees

Audit Committee

The Board of Directors is responsible for the appointment of members of the Audit Committee, which comprises as follows:

- >> 4 independent directors
- >> The first member below has adequate knowledge and experience in reviewing reliability of financial statements.

The names and positions of the members of the Audit Committee are as follows:

- Mr. Paitoon Taveepol, Chairman
- 2. Mr. Chackchai Panichapat, Member
- 3. Mrs. Sunandha Tulayadhan,
- 4. Mr. Karun Kittisataporn ¹, Member

Note

¹ Appointed on 21 January 2011

Duties and responsibilities of the Audit Committee

- Review the financial report preparation process for accurate, complete, credible, and timely information disclosure by coordinating with the external auditor and executives responsible for preparing quarterly and annual reports.
- 2. Consider connected transactions which may cause conflicts of interest; ensure conformance to SET to ensure that they are reasonable and in CPN's best interests.
- 3. Consider the accurate and complete disclosure of information in case of connected or related transactions or other transactions that may cause conflict of interest.
- 4. Review the internal control system for suitability and effectiveness.
- 5. Consider the audit outcomes and suggestions of the external auditor and Internal Audit concerning internal controls and pass on suggestions for action by the management as well as following up the implementation of such suggestions.
- 6. Review and ensure that Internal Audit is independent and has an efficient internal audit process.

- Review the activities and structure of Internal Audit and approve its charter.
- 8. Provide suggestions to the appointment, removal, transfer, commendation or discharge, as well as compensation of the head of Internal Audit.
- Review the internal audit plan with the head of Internal Audit, especially about the internal control system and financial management process.
- Provide suggestions and remarks about the budget and manpower of Internal Audit for the management's approval.
- 11. Review audit plans and coordinate the scope of audit of Internal Audit and the external auditor to be mutually supportive and eliminate redundancy.
- 12. Select, nominate, and propose fees for the external auditor for approval so as to obtain an independent auditor, taking into account the reliability, adequacy of resources, audit volume, the experience of the personnel assigned to audit the Company as well as past work. Also, consider the removal of the external auditor.

- 13. Review the scope and method of auditing proposed by the external auditor as well as reasons for changing the auditing method (if any).
- 14. Provide suggestions to the external auditor to review certain transactions that may be necessary or important during the auditing process of CPN and subsidiary companies.
- 15. Review the report of the external auditor and submit to the management for adjustments in practices, as well as following up on such suggestions.
- 16. Consider the adequacy and efficiency of coordination between the external auditor and Internal Audit.
- 17. Act on received information from the external auditor as soon as possible regarding suspicious activities of directors, managers or persons responsible for operating CPN that may constitute a breach of the second paragraph of Section 281/2, Section 305, Section 306, Section 308, Section 309, Section 310, Section 311, Section 312 or Section 313 of the Securities and Exchange Act. Promptly check the information received and report preliminary findings in the first instance to SEC and the external auditor within 30 days from the date when a given breach was reported.

- 18. Review conformance by the Company to Securities and Exchange laws, SET requirements, or CPN business-related laws.
- 19. Report its performance to the Board for consideration at least once every quarter.
- 20. Prepare a report of the Committee in the format required by SET, to be signed by its Chairman and included in the annual report.
- 21. Immediately report to the Board suspicious transactions that may constitute a conflict of interest, fraud, or breach of Securities and Exchange laws, SET requirements, or CPN business-related laws and may seriously affect CPN's financial status and performance. If the Board or the management do not correct the problem within a reasonable time limit, the Committee may report it to SEC or SET.
- 22. Review CPN's continual process of good corporate governance as well as providing approaches and advice for development.
- 23. Emphasize and promote good corporate governance as a regular agenda for Board meetings and AGMs

- 24. Ensure that the Chairman of the Committee receives a copy of the report of the directors' vested interests from the Company Secretary under Article 89/14 of the Securities and Exchange Act within seven days of the date when CPN receives the report.
- 25. Review CPN's risk management process to ensure standardization, effectiveness, and efficiency.
- 26. Work with the Risk Management Committee, the Risk Management task force, and the management in considering, making recommendations on, and updating reports on CPN's risk management.
- 27. Conduct other Board-assigned duties with the concurrence of the Audit Committee. The Committee is liable to the Board for its Board-assigned duties and responsibilities, whereas the responsibility for all CPN activities to others is still that of the Board.
- 28. Regularly review on an annual basis the Audit Committee Charter, in order to consider and assess its current assigned roles and responsibilities as well as to propose any required amendments accordingly.

29. Oversee that there is an effective whistleblower system in place, in the event that an employee or any stakeholder is suspicious of any possible wrongdoing as well as non-compliance to any laws, regulations, business ethics, or to any corporate governance principles, so that the whistleblower has the confidence that the Company has the required and appropriate independent procedure to effectively investigate and resolve such possible wrongdoings and non-compliance issues.

Nomination and Remuneration Committee

The Board of Directors is responsible for the appointment of the members of the Nomination and Remuneration Committee, which comprises as follows:

- >> 3 independent directors and one non-executive director
- >> The Chairman is an independent director.

The names and positions of the members of the Nomination and Remuneration Committee are as follows:

- 1. Mr. Chackchai Panichapat, Chairman
- 2. Ms. Sunandha Tulayadhan, Member
- 3. Mr. Karun Kittisataporn, Member
- 4. Mr. Kanchit Bunajinda, Member

Three advisors to the Committee are appointed as follows:

- 1. Mr. Sudhisak Chirathivat, Advisory
- 2. Mr. Sudhitham Chirathivat, Advisory
- 3. Mr. Prin Chirathivat, Advisory

Duties and responsibilities of the Nomination Committee

- 1. Consider the appropriate structure, size, and composition of the Board to suit the organization and changing environment.
- 2. Consider the criteria for selecting directors, President & CEO, as well as select and nominate those persons qualified and appropriate to be considered by the Board of Directors for appointment as directors or the President & CEO.
- 3. Allow minority Shareholders the opportunity to propose qualified persons for selection as directors. This provided shareholders with enough time prior to shareholders' meetings being held.
- 4. Ensure that the policy, plans, and strategies for human resources align with the Company's business.
- 5. Consider appropriate strategies relating to human resources management to be implemented to ensure its consistency with the Company's business operations.

Duties and responsibilities of the Remuneration Committee

- 1. Consider a clear compensation method and standard for directors, members of the sub-committees as well as that for the President & CEO, so that they are equitable and appropriately corresponds to the respective assigned duties and responsibilities, current business environment and performance results of the Company, as well as will facilitate an effective discharge of their responsibilities. The proposed compensation plan should also be comparable to those of other companies within the same or similar industry and business sector as the Company, and also take into consideration the overall increase to the total value of the shareholders equity in the long term.
- Consider the compensation for directors and propose it to the Board for endorsement and, in turn, tabling it for the approval of shareholders' meetings.
- 3. Define goals and evaluate the performance of the President & CEO to set reasonable compensation.

Risk Management Committee

The Board of Directors is responsible for the appointment of the members of the Risk Management Committee, which consists of 5 members, comprising as follows:

- >> 4 directors and one senior executive
- >> The Chairman is an independent director.

The names and positions of the members of the Risk Management Committee are as follows:

- 1. Mr. Paitoon Taveebhol, Chairman
- 2. Mr. Kobchai Chirathiyat, Member
- 3. Mr. Prin Chirathivat, Member
- 4. Mr. Kanchit Bunajinda, Member
- 5. Mr. Naris Cheyklin ¹, Member

Note:

Senior Executive Vice President, Finance, Accounting and Property Management

Duties and responsibilities of the Risk Management Committee

- Consider the policies, strategies, structures, and organization framework of a corporate risk management system.
- 2. Provide support to senior executives by defining the structure of corporate risk management; evaluate all

- dimensions of risk factors that may affect CPN's business.
- 3. Review risks, and follow up and evaluate the adequacy, efficiency, and effectiveness of overall risk management.
- 4. Master the risks that may severely affect the organization and ensure proper management measures taken
- 5. Provide advice and endorsement of corporate risk management.

The management has also established a risk management task force (committee) at the operating level, comprising executives from various related areas, with the manager of each shopping center as the risk manager. The secretary to the Risk Management Committee must coordinate the communication of key risks to the risk management task force so that they can apply comprehensive risk management strategies to their regular work.

Corporate Governance Committee

The Board of Directors is responsible for the appointment of members of the Corporate Governance Committee, consisting of a total of 6 members, comprising as follows:

The names and positions of the members of the Corporate Governance Committee are as follows:

- 1. Mr. Naris Cheyklin, Chairman
- 2. Ph.D. Nattakit Tangpoonsinthana, Member
- 3. Ms. Naparat Sriwanvit, Member
- 4. Mrs. Suwadee Singngam, Member
- 5. Ph.D. Suchart Otaivites, Member
- 6. Mr. Uthai Kongkittiwong, Member

Duties and responsibilities of the Corporate Governance Committee

- Define and revise policies, requirements, and work procedures under good corporate governance principles.
- 2. Define policies and plans regarding corporate social responsibility (CSR).
- 3. Meet every quarter to follow up CPN's corporate governance and CSR plans as well as providing advice and essential support to the Corporate Governance task force.
- 4. Assess internally using corporate governance criteria to identify areas for improvement.
- RepresentCPNincommunication and undertaking corporate governance activities with the management, employees, and external organizations.

Moreover, the Corporate Governance Committee has established a task force to promote and publicize corporate governance, with representatives from each department responsible for the following duties:

- 1. Determine an action plan for publicizing and promoting awareness of corporate governance and CSR among all executive and employees.
- 2. Educate all executives of their roles in corporate governance and social responsibility.
- Follow up, review, and improve on performances against plans, and submit a summary for the Corporate Governance Committee every quarter.

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Executive Committee

The Board of Directors is responsible for the appointment of members of the Executive Committee, which consist of a total of 6 members, comprising as follows:

The names and positions of the members of the Executive Committee are as follows:

- Mr. Suthichai Chirathivat,
 Executive Chairman
- 2. Mr. Suthikiati Chirathivat, Member
- 3. Mr. Suthichart Chirathivat, Member

- 4. Mr. Sudhisak Chirathivat, Member
- 5. Mr. Sudhitham Chirathiyat, Member
- 6. Mr. Prin Chirathivat, Member

Duties and responsibilities of the Executive Committee

- 1. Screen the following for the Board of Directors for approval :
 - 1.1 CPN strategic plans
 - 1.2 Annual budget estimates, based on CPN's strategic plans
 - 1.3 Capital expenditure budget exceeding 200 MB
 - 1.4 Activities and operations concerning mergers and acquisitions
 - 1.5 Appointment of the President & CEO
- 2. Monitor CPN's performance under the budget and goals.
- 3. Approve transactions with banks and financial institutions that constitute normal CPN's business.
- 4. Approve transactions with subsidiary companies and investment in securities as assigned by the Board of Directors.
- 5. Approve notaries rights and legal transactions concerning all CPN shopping centers and subsidiaries that constitute or support normal business.

- Approve the participation in MOU (memorandum of understanding)-Joint-Venture Agreement under various investment projects and joint-venture agreement worth up to 200 MB in investment value.
- Approve the establishment, increase or decrease in accounting reserves such as provisions for doubtful accounts, provisions for losses from depreciated investment, and provisions for losses during project development for up to 100 MB.
- 8. Approve the allocation of net income for legal reserve provisions.
- 9. Approve capital expenditure of up to 200 MB.
- 10. Be responsible for human resource management of senior executives.
- 11. Promote and motivate employees.
- 12. Approve other Board-assigned transactions on a case-by-case basis.

Management Committee

The Management Committee consists of 9 members :

- 1. Mr. Kobchai Chirathivat, President & CEO
- 2. Mr. Sudthidej Chirathivat, Senior Executive Vice President

- Mr. Naris Cheyklin, Senior Executive Vice President, Finance, Accounting and Property Management
- 4. Mr. Suthipak Chirathivat, Executive Vice President, Office of the President
- 5. Ms. Wallaya Chirathivat, Senior Executive Vice President, Business Development and Project Construction
- 6. Mrs. Narttaya Chirathivat, Executive Vice President, Leasing
- 7. Mr. Terachart Numanit, Executive Vice President, Project Construction
- 8. Ph.D. Nattakit Tangpoonsinthana, Executive Vice President, Marketing
- Mrs. Panida Sooksridakul, Acting Executive Vice President, Property Management

Duties and responsibilities of the Management Committee

- 1. Prepare and propose strategic business plans.
- 2. Prepare and propose annual budget estimates.
- 3. Present operating expenditure over 50 MB.
- 4. Nominate the President & CEO's direct reports.

- 5. Consider the approval of various operations for the Board of Directors and the Executive Committee as assigned.
 - 5.1 Bank and financial transactions that constitute normal business.
 - 5.2 Transactions with subsidiary companies and investment in securities as assigned by the Board of Directors and the Executive Committee.
 - 5.3 Action on notaries rights and legal transactions concerning all CPN shopping centers and subsidiaries that constitute or support normal business.
 - 5.4 Approve capital expenditure of up to 50 MB.
 - 5.5 Perform other transactions as may be assigned by the Board of Directors or the Executive Committee.

Summary of the appointment of directors on sub-committees

Name of Director	Board of Directors	Audit Committee	Nomination and Remuneration Committee	Risk Management Committee
1. Mr. Suthichai Chirathivat	С	-	-	-
2. Mr. Paitoon Taveebhol	М	С	-	С
3. Mr. Chackchai Panichapat	М	М	С	-
4. Mrs. Sunandha Tulayadha	n M	М	М	-
5. Mr. Karun Kittisataporn ¹	М	М	М	-
6. Mr. Kanchit Bunajinda	М	-	М	М
7. Mr. Suthikiati Chirathivat	М	-	-	-
8. Mr. Suthichart Chirathivat	М	-	-	-
9. Mr. Sudhisak Chirathivat	М	-	А	-
10. Mr. Sudhitham Chirathivat	М	-	А	-
11. Mr. Prin Chirathivat	М	-	А	М
12. Mr. Kobchai Chirathivat	М	_		М



Note: C - Chairman M - Member A - Advisory

1 Appointed to Audit Committee on 21 January 2011

NOMINATION OF DIRECTORS AND MANAGEMENT

Nomination of Directors

Term

In accordance with the Public Company Limited Act, and the Company's articles of association, it is required that one-third of the directors must leave the Board at every Annual General Meeting of Shareholders (AGM). If the total number is not a multiple of three, the number closest to one-third must be used with the exit of directors who have stayed the longest with the Board, who may be re-elected to the Board.

Independent directors may hold the position for no more than two consecutive terms, with a possible extension of one more term.

Criteria for nomination

Recruitment of directors is the responsibility of Nomination and Remuneration Committee, which screens candidates with qualifications predetermined in the Company's articles of association and tables them to the Board for consideration before further submission to shareholders' meetings to decide and appoint them under the following methods:

1. In voting for directors, each share carries one vote.

- 2. Each shareholder must exercise all of his/her voting rights to elect the proposed candidates one by one.
- 3. The candidates with the top votes and those in descending order will become directors, with the number of successful candidates equal to the number of directors required or to that to be elected at a given meeting. The chairperson of the meeting casts his/her deciding vote if more than one candidate receive equal votes.

In case of a vacant position due to causes other than term completion, the Board must appoint qualified and lawful candidates as replacement directors at the next Board meeting unless the remaining term is shorter than two months. Each replacement serves in such position only for his/her predecessor's remaining term. For the appointment of the replacement, he/she must receive no less than three-quarter of the votes from the remaining directors.

The Company allows all shareholders the opportunity to participate in proposing persons for consideration as possible nominees for appointment as a Director of the Company. This is to take place at least 3 months prior to the end of the financial year, whereby the Company makes the announcement, together with the details of procedure for the

nomination and consideration, through the Stock Exchange of Thailand's information disclosure system as well as through the Company's website. No shareholder proposed any person to be nominated as a director of the Company in 2011.

Orientation for newly-appointed Directors

For newly appointed directors, lastest in 2009, CPN had arranged a meeting among new and existing ones, including CPN's management team. An orientation was held to develop a better understanding of their roles and to present Company's business, as follows, to the new directors:

- 1. CPN's goals, vision, and strategies
- Summary of CPN's group structure, organization chart, and subcommittees
- 3. Summary of CPN's business nature
- 4. Summary of CPN's shareholding structure
- 5. Summary of CPN's policy on connected transactions
- 6. Summary of CPN's performance, recent projects, and projects under construction to provide new directors with adequate basic information to perform their duties efficiently
- 7 CPN's site visit

Additionally, the office of the Company Secretary has prepared and provided the following documents to the new directors:

- 1. Director's manual, consisting of CPN's vision, mission, and values; corporate governance policy; code of conduct for directors, executives, and employees; CPN's articles of association; charters of the Board of Directors and sub-committees; manual of listed companies' directors; suggestions for disclosure of information; and applicable laws
- 2. Company profile
- 3. Regulations on the CPN's internal information control
- 4. Regulations on the CPN's securities portfolio
- 5. Policy on reporting of directors' and executives' vested interests and relevant forms for report preparation
- 6. The latest annual report
- 7. Board meeting minutes dating back one year
- 8. Performance reports of the Audit Committee dating back one year.

Nomination of Management

Nomination of President & CEO

The Executive Committee conducts a preliminary screening of candidates with the required qualifications, knowledge, skills, and experience and then tables them to the Nomination and Compensation Committee for consideration and endorsement before submitting the final list to the Board for its consideration.

Nomination of Management

The President & CEO selects and appoints candidates with the qualifications, knowledge, skills, and experience suitable for each executive position. The recruitment will be done under Human Capital Management's regulations.

Succession Plan

CPN has in place a succession plan to ensure the stability and continuity of the Company's business operation, whereby the following actions have been implemented:

 CPN Leadership DNA Program for the senior management that aims to enhance the leadership potential and characteristics of the leader of CPN

- 2. Leadership Program that aims at defining a well-set out career advancement path that also responds to the future business growth of CPN whereby there are 2 programs:
 - 2.1 Leadership Development Program for executives for senior management
 - 2.2 Young Leadership Program for middle management
- Individual Development Plans (IDP) Program that focuses on the ongoing development of employees in accordance with their responsibilities.

CPN is confident that the above – mentioned succession plan will enable the Company to develop the potential capabilities of its employees as well as support an effective and efficient nomination process. Additional details appear under Human Capital Development on page 100.



REMUNERATION OF DIRECTORS AND MANAGEMENT

Remuneration of Directors

CPN has considered the remuneration of directors, taking into account both its fairness and appropriateness, which reflects the extent of their responsibilities and performance relative to the Company's overall operational performance and related factors, inclusive of comparisons to remuneration of other companies within the same or similar industry and business sectors as the Company; whereby the Nomination and Remuneration Committee has annually considered from the survey on remuneration of directors undertaken by the Stock Exchange of Thailand (SET) and the Thai Institute of Directors Association (IOD) as reference.

In 2011, the Nomination and Remuneration Committee has reviewed and proposed the remuneration of directors to the Board of Directors for consideration and concurrence in submitting it to the 2011 Annual General Meeting of Shareholders on 29 April 2011 for approval, whereby the total approved amount of remuneration of directors is as follows:

Type of Remuneration	Amount (Baht)
1. Quarterly Retainer (Baht/Quarter)	
> Chairman	120,000
> Chairman of the Audit Committee	110,000
> Audit Committee Member	85,000
> Director	70,000
2. Board Meeting Allowance for Board of Directors (Baht/Meetin	ng)
> Chairman	50,000
> Director	35,000
3. Meeting Allowance for Audit Committee (Baht/Meeting)	
> Chairman of the Audit Committee	60,000
> Audit Committee Member	45,000
4. Meeting Allowance for Nomination and Remuneration	20,000
Committee including Advisory (Baht/Meeting)	
5. Meeting Allowance for Risk Management Committee	20,000
(Baht/Meeting)	
Total Remuneration for the Directors as approved	10,500,000
by the shareholders	

Note: Executive director and management do not receive any remuneration for being members of any sub-committees.

The quarterly retainer for the directors together with meeting allowances for sub-committees for 2011 totaled Baht 9,030,000, whereby details of meeting attendance and remuneration are as follows:

Meeting Attendance and Remuneration of the Directors in 2011

Name of Directors	Position		Meeting Atte	endance (Meeting)	
		Board of Director	Audit Committee	Nomination and Remuneration Committee	Risk Management Committee
		7 Meetings	11 Meetings	2 Meetings	1 Meetings
Mr. Suthichai Chirathivat	Chairman	7/7	-	-	-
2. Mr. Paitoon Taveebhol	Director	7/7	11/11	-	1/1
	Audit Committee Chairman				
	Risk Management Committee Chairman				
3. Mr. Chackchai Panichapat	Director	7/7	11/11	2/2	-
	Audit Committee Member				
	Nomination and Remuneration Committee Chairman				
4. Mrs. Sunandha Tulayadhan	Director	7/7	10/11	2/2	-
	Audit Committee Member				
	Nomination and Remuneration Committee Member				
5. Mr. Karun Kittisataporn	Director	6/7	9/10 (1)	2/2	-
	Audit Committee Member				
	Nomination and Remuneration Committee Member				
6. Mr. Kanchit Bunajinda	Director	7/7	-	2/2	-/1
	Nomination and Compensation Committee Member				
	Risk Management Committee Member				
7. Mr. Suthikiati Chirathivat	Director	6/7	-	-	-
8. Mr. Suthichart Chirathivat	Director	7/7	-	-	-
9. Mr. Sudhisak Chirathivat	Director	7/7	-	2/2	-
	Nomination and Remuneration Committee Advisory				
10. Mr. Sudhitham Chirathivat	Director	7/7	-	2/2	-
	Nomination and Remuneration Committee Advisory				
11. Mr. Prin Chirathivat	Director	7/7	-	2/2	1/1
	Nomination and Remuneration Committee Advisory				
	Risk Management Committee Member				
12. Mr. Kobchai Chirathivat	Director	6/7	-	-	-/1
	Risk Management Committee Member				
Total					
Total					

Remarks: $^{(1)}$ Appointed as a member of the Audit Committee on 21 January 2011.

Director Remuneration (Baht)						
	Quarterly Remuneration	Meeting Allowance for Board of Directors	Meeting Allowance for Audit Committee	Meeting Allowance for Nomination and Remuneration Committee	Meeting Allowance for Risk Management Committee	Total (Baht)
	480,000	350,000	-	-	-	830,000
	440,000	245,000	660,000	-	20,000	1,365,000
	340,000	245,000	495,000	40,000	-	1,120,000
	340,000	245,000	450,000	40,000	-	1,075,000
	340,000	210,000	405,000	40,000	-	995,000
	280,000	225,000	-	40,000	-	545,000
	280,000	190,000	-	-	-	470,000
	280,000	225,000	-	-	-	505,000
	280,000	225,000	-	40,000	-	545,000
	280,000	225,000	-	40,000	-	545,000
	280,000	225,000	-	40,000	20,000	565,000
	280,000	190,000	-	-	-	470,000
	3,900,000	2,800,000	2,010,000	280,000	40,000	9,030,000

Remuneration of Management

CPN has considered the remuneration of management, taking into account both its fairness and appropriateness, which also reflects the Company's overall operational performance as well as that of each performance and comparable to the remuneration of other companies within or in similar industry and business sectors as the Company, whereby the total remuneration paid to the management for 2011 are as follows:

>> Salaries and Bonuses

CPN contributed remuneration in form of salaries and bonuses paid to nine executive managements in 2011 amounted to Baht 64,253,479.

>> Provident Fund

CPN contributed the Provident Fund paid to seven executive managements in 2011 amounted to Baht 3,073,236.

CONNECTED TRANSACTIONS

CPN's core business is provision of retail space rental, other relevant businesses, and promotion of the Company's business operation. The long history of success during its business operation is partly due to the fact that CPN is one of business lines within Central Group, the leader in retail business for over six decades. Central Group encompasses various businesses, ranging from department stores, hotels, restaurants, to retail shops of hundreds of brands and products, which are anchor and retail tenants within CPN's shopping complexes. It can be said that the alliance businesses within Central Group support CPN to increase its rental rate and build confidence among other prospects to become new tenants. These help guarantee the success of CPN's projects and therefore, the high profits are yielded to CPN shareholders from such mutual relationship explained above. In fact, CPN and Central Group are two related business alliances, and such alliance businesses create synergies that benefit CPN. The Board of Directors and Audit Committee ensure that the transaction is in compliance with the relevant law, regulations, and rules. A clear policy of connected business is set, price and condition are deliberated in accordance with normal business practice, the related transaction is occasionally summarized for the Audit Committee, the approval is sought under the regulations of Securities and Exchange Commission ("SEC") and the information is disclosed to Stock Exchange of Thailand ("SET").

CPN and its subsidiaries conducted transactions with connected parties with potential conflicts of interest, as disclosed financial statements of 2011. Most of the connected transactions were engaged with Central Holding Co., Ltd., and the Chirathivat Group as described below:

Connected Transactions with Related Parties

1. Revenue from connected parties

comprises revenue from space rental and utility service fee in shopping complexes, revenue from land rental, and management fees, as well as revenue from other sources, including insurance premiums, property taxes, sales promotion expenses, warrant fees, commissions, and other fees for various services collected from connected parties. Total amount of revenue from connected parties in 2011 was 1,965 MB.

Justification and Rationale for Connected Transactions

CPN's core business is the provision of space for rent and services in shopping complexes, office buildings, residential condominiums, food centers, water

parks, and recreational parks located on the premises of shopping complex projects. The company is also the provider of utility services in shopping complexes. Various businesses in the Central Group are inter-related and complementary of one another - department stores, supermarkets, retail shops, and various leading branded restaurants. Most of the revenue is earned from doing business under normal business conditions and under general commercial conditions made with the Central Group, with high growth potential and secure financial status. In addition, businesses under popular brands, including department stores, supermarkets, retail shops and restaurants, can draw more customers to CPN's shopping complexes. This, as a consequence, produces higher returns to CPN and its shareholders. The Company's policy on the rates of rental and services collected from connected parties are as follows:

> Rates of rental, service fees, and utility fees from space rental in shopping complexes collected from businesses are based on market prices. Compared with other space for rent in the vicinity, or in the same class, CPN's rental rates and service fees are comparable. Rental rates are subject to locations, area sizes, forms, periods, and categories, and are in line with normal business practice following the condition of general trading.

- > Other types of revenue come from the collection of insurance premiums, property taxes, sales promotion expenses, warrant fees, and other service fees from tenants in shopping complexes. CPN's policy is to standardize revenue collection from both connected parties and general customers, based on the actual cost, space rental category, and the usual business practice following the condition of general trading.
- > Revenue from land lease occurs at some properties where CPN and other companies in the Central Group have
- a project on the same piece of land, taking into account the marketing advantage and the size of the project. In this case, one of the companies in the Group will act as the buyer or tenant of the whole piece of land from the landlord and will divide the land into various sizes as needed by other companies, and have those companies lease or sub-lease. The rental is the cost plus actual interests or market price which evaluated by the independent appraiser. Furthermore, the Company's assets were evaluated under SEC, SET and other related regulations and
- transactions concerning revenue from land leases are verified by the auditor.
- > Revenue from large space rental in shopping complexes is agreed at the stage of project design. Rental is derived from the costs of land and construction plus actual interests as well as operating expenses. Most transactions in this category were conducted before the listing of the Company on SET. The Company's assets were evaluated under SET regulations and transactions concerning income from large space rental are verified by the auditor.

Details of Revenue Derived from Connected Parties

Connected Party	Amount (MB)	Detail		
1.1 Central Retail Corporation Co., Ltd. ("CRC")(Majority share held by the Chirathivat Group)	1,021	- CPN earns revenue from rental, service fees, utility fees, and other revenue from leasing retail areas in shopping complexes to various retail businesses under the CRC Group. The transactions in this category occur in the course of normal business following the condition of general trading.		
1.2 Central Marketing Group Co., Ltd. ("CMG") (Majority share held by the Chirathivat Group)	270	- CPN earns revenue from rental, service fees, utility fees, and other revenues from leasing sales areas in shopping complexes to various retail businesses under the CMG Group. The transactions in this category occur in the course of normal business following the condition of general trading.		
1.3 The Central Plaza Hotel Plc Group of Companies ("CHR") (Majority share held by the Chirathivat Group)	80	- The Thai Business Fund 4 has made a sub-lease contract with Central World Hotel Co., Ltd. for land and part of the building in the premises of CentralWorld Project with land area 2.53 rai. Under the contract, which is valid for 29 years until 2032, CHR agreed to use the mentioned land and building for the development of a hotel, a parking lot, and a convention hall. The rental is calculated by the cost plus actual interests and paid to CPN into two parts, one of which is the rental that was paid in the year when the agreement was signed and the other is the annual rental.		

Connected Party	Amount (MB)	Detail
		- CPN earns revenue from rental, service fees, utility fees, and other revenues from leasing sales areas in shopping complexes and office building to laundry businesses under the CHR Group included the revenue rental area of Bangkok Convention Center which located in the CentralPlaza Lardprao. The transactions in this category occur in the course of normal business following the condition of general trading.
1.4 Central Restaurant Group Co., Ltd., ("CRG")(Majority share held by the Chirathivat Group)	153	 CPN earns revenue from rental, service fees, utility fees, and other revenues from the lease of space in shopping complexes to businesses in CRG. The transactions in this category occur in the course of normal business following the condition of general trading.
1.5 Other businesses which related parties of CPN are serve as major shareholders, directors, managemen or controlling persons	440 t	 CPN earns revenue from rental, service fees, utility fees, and other revenue from the lease of space in shopping complexes to other companies in which CPN directors share or hold a director position, such as Fuji Japanese Restaurant, Zen Japanese Restaurant, AKA, Bar-B-Q Plaza, Body Shop, Thai Privilege Health Care Spa, Sakura Restaurant, Lee Coopers, Ragazze, etc. The transactions in this category occur in the course of normal business practice following the condition of general trading. Central Pattana Khonkaen Co., Ltd. has made a sub-lease contract with Big C Fairy Co., Ltd., with land area of 21-0-33 rai. Under the contract, which is valid for 30 years ended on 16 June 2026, the lessee developed the mentioned land to parking lot. The rental is calculated by the cost plus actual interests which paid to CPN every year.

Remark

- 1) CRC consists of various retail businesses, which comprises Central Department Store, Robinson Department Store, Zen Department Store, Tops Supermarket, PowerBuy, B2S, SuperSports, Homework, Office Depot (franchise), Marks & Spencer (franchise), Watson (joint venture), Muji (franchise) etc.
- CMG consists of import, manufacturing, distribution, and sale of consumer goods bearing both international and house brands. These retailers are:
 2.1) Apparels: such as 5cm, Benetton, Dorothy Perkins, Energie, Evoluzine, Hush Puppies, FCUK, G2000, izzue, Jockey, Lee, Miss Selfridge, Wrangler, Topshop Topman, Sasch, etc.
 - 2.2) Cosmetic: such as CLARINS, Elizabeth Arden, Laura Mercier, PAYOT, H2O+, etc.
 - 2.3) Watches: such as Guess, Casio, Marc Ecko, Nautica, etc.
 - 2.4) Miscellaneous : such as Samsonite, Pentax, Prince, Casio, Kawai, etc.
- 3) CHR operates hotels and resorts in Centara Group.
- 4) CRG operates Quick Service Restaurants in various brands such as Mister Donut, KFC, Auntie Anne's, Pepper Lunch, Beard Papa's, Chabuton, Cold Stone Creamery, RYU Shabu, Yashinoya, Ootoya, The Terrace, etc.

2. Expenses paid to connected parties

comprise expenses for space rental in shopping complexes, land rental, and management fees. In 2011, CPN paid altogether 549 MB to connected parties.

Justification and Rationale for Connected Transactions

- > Rental of land from connected businesses occurs in projects where CPN and other companies in the Central Group have a joint development plan on the same piece of land, taking into account the marketing advantage and the suitable size of the project. In this case, one company will act as the buyer or tenant of the land from the landlord and will divide the land into different sizes as required for leasing or sub-leasing. The rental will be the cost plus actual interests or market price which evaluated by the independent appraiser. The Company's assets were evaluated under SEC. SET and other related regulations. In addition, the transaction concerning rental payments are verified by auditor.
- > Large space rental in shopping complexes occurs in projects where CPN has a joint investment with a department store in the Central Group. The building will be divided into two parts, the shopping complex and the department store. In some

- cases, CPN will rent large space in a department store and develop it into a sales area, considering mainly the revenue from rental and service fees compared with the cost of space rental that CPN has to repay the department store. An agreement on the cost of large space rental is reached at the stage of project design under the same criteria as those used for large space rental to connected businesses. Most such transactions occurred before the listing of the Company on SET. The Company's assets were evaluated under SEC. SET and other related regulations. In addition, the transaction concerning rental payments of large space rental are verified by auditor.
- > Hiring a connected business as management consultant CPN's consideration to hire a management consultant is mainly based on its experience in the retail business and the understanding of the nature and strategies of the business. The management fees paid to management consultant, who is also the Company's connected business, are the actual expenses the service provider incurs in its services.
- > The application for insurance with a connected business is considered the market price and conditions or the best coverage offered from insurance

agents by compare the price in the past 2 years. In case of only one insurance agent make a quotation, the Company shall consider by compare the price in the past year, it depend on the conditions and insurance market situation.

Expenses paid to connected parties

- 2.1 CPN rents land from Central Department Store Co., Ltd., the company in CRC which Chirathivat Group is major shareholder, to launch shopping complexes in CentralPlaza Ramindra and CentralPlaza Pinklao projects.
- 2.2 CPN sub-rents land from Central Pattaya Co., Ltd., the subsidiary of Big C Superstore Plc. which Chirathivat Group is major shareholder, to launch a shopping complex in Central Center Pattaya Project (ownership of the land is held by an individual).
- 2.3 CPN rents parts of the buildings belonging to Central Department Store Co., Ltd., which Chirathivat Group is major shareholder, in CentralPlaza Lardprao, CentralPlaza Pinklao, and CentralPlaza Ratchada-Rama III projects for development into retail areas in addition to the parts where CPN holds land ownership or land rental rights.

- 2.4 CPN sub-rents some part of land and building in CentralPlaza Lardprao from Central International Development Co., Ltd. ("CID"), which Chirathivat Group is major shareholder (ownership of the land is held by the State Railway of Thailand. Under the sub-lease contract which is valid for 20 years ended on 18 December 2028. Total sub-lease payment that CPN will pay to CID according to the contract is 16,178.32 MB. This transaction was approved by the shareholders with no conflict of interest in the EGM No.1/2009 on 25 March 2009.
- 2.5 CPN hired Central Department Store Co., Ltd. ("HCDS") which Chirathivat Groupismajorshareholder, tomanage the business, provide management consultation, set up policies, and provide recommendations for running businesses. The directors with no conflict of interests and the Audit Committee have agreed that the service provided by HCDS is beneficial to CPN's business operation due to HCDS's experience, knowledge and understanding in retail business. In addition, the offered terms and conditions of the agreement from HCDS are reasonable. The transaction details were disclosed to the Stock Exchange of Thailand on February 25, 2010.
- 2.6 Centara Udonthani Hotel (formerly named "Charoensri Grand Hotel") which CPN acquired accompany with the CentralPlaza Udonthani Project (formerly named "Charoensri Plaza") since 2009, hired Central Plaza Hotel Co., Ltd. the subsidiary of CHR, which Chirathivat Group is major shareholder, to manage the hotel. The management fee is according to the market price and comparable to the transaction with the other persons.
- 2.7 CPN purchased some merchandises and services from the businesses in Central Group; CRC such as purchasing office supplies, CHR such as rental room and service in the hotel included food and beverage, CRG such as purchasing food and beverage, and other businesses which related parties of CPN are serve as major shareholders, directors, management or controlling persons. The transactions in this category occur according to support normal business and following the condition of general trading that comparable to the transaction with the other persons.
- 2.8 CPN took out insurance for shopping complexes and office buildings against any accidents, disasters, and other detrimental incidents with CG

Broker Co., Ltd., which Chirathivat Group is major shareholder.

3. Loans between CPN and connected parties

Policies on loans between CPN and connected parties

All loans must comply with the following policies on loans between CPN and connected parties:

> CPN and subsidiaries (those with 99.99% shares held by CPN)

CPN allows subsidiaries to borrow from CPN and vice versa if the subsidiaries have working capital surplus and CPN needs such money. In this case, current accounts are set up with CPN and promissory notes are prepared as evidence with the average interest rate of unsecured debt securities issued by the Company. Connected transaction approvers consist of the Vice President for Finance, the Senior Executive Vice President for Finance & Accounting, and the President & CEO, respectively.

> CPN and joint-venture partners (those with 50 to 99.99% shares held by CPN)

CPN allows joint-venture partners to secure their own sources of fund. In urgent cases, however, they may borrow from shareholders in proportion to their shareholding in CPN. Approval is needed from the Senior Executive Vice President for Finance & Accounting, the President & CEO, and the Board of Directors, respectively. In this case, promissory notes are prepared as evidence. As regards interest rates, the applying rates are based on commercial banks' MI.R.

> CPN and associated companies (those with less than 50% shares held by CPN) or connected parties

CPN has no policy to let associated companies, with CPN holding less than 50% shares, or connected parties borrow from it. In fact, for the past five years, no such instance has happened. According to CPN's regulations, if a loan is extended to an associated company, approval is needed from the Board of Directors with promissory notes as evidence and with commercial banks' MLR applied.

Loans between CPN and connected parties

Description as at 31 December 2011	Amount (MB)	Financial Statements of
3.1 Loans ⁽¹⁾ 1) Loans obtained from subsidiaries 2) Loans obtained from related parties	4,478 4	CPN Consolidated
3.2 Loans ⁽²⁾ 1) Loans granted to subsidiaries 2) Loans granted to related parties	15,761 -	CPN Consolidated

Remark:

⁽¹⁾ These items without collaterals are payable on demand and carry interest at the average interest rate of unsecured debt securities issued by the Company.

⁽²⁾ These items without collaterals are payable on demand and carry interest at the average interest rate of unsecured debt securities issued by the Company. (except a loan to Central Pattana Khon Kaen Co., Ltd., a subsidiary, which is secured by plots of land owned by the subsidiary)

4. Guarantees for loans for connected parties

Justification and Rationale for Connected Transactions

CPN's policy is to provide loan guarantees for its subsidiaries in proportion to its shareholding but has no policy of placing assets for such loan guarantees. However, CPN does provide guarantees as its parent company, and collects commissions from subsidiaries for such guarantees.

CPN had three categories of guarantee obligations to connected parties:

Description as at 31 December 2011	Amount (MB)
4.1 Guarantees for subsidiaries' outstanding loans	······································
> Thai Business Fund 5	600
> CPN Pattaya Beach Co., Ltd.	270
> CPN Pattaya Beach Hotel Co., Ltd.	1,000
> Central Pattana Chonburi Co., Ltd.	800
> Central Pattana Nine Square Co., Ltd.	1,700
Total	4,370
4.2 Guarantees for bank overdraft for subsidiaries	24 (1)
4.3 Loan ceiling guarantees for subsidiaries' public utilities guarantees given to Thai commercial banks	274

Remark

Approval procedure of connected transactions

All transactions with connected businesses or individuals must go through an approval process, as stipulated by the Company's regulations, in the same way as normal transactions. Approvals are given by authorized persons in each duty and responsibility. Each person in charge of and involved in the transaction would have to make reasonable judgment under the normal business practice, taking into account the best interests of the Company and shareholders, like engaging in transactions with outsiders. All transactions with connected parties must also be lawfully conducted to ensure transparency and compliance with the relevant laws, rules, and regulations. The Company has instituted that normal business practice and supporting normal business practice with operation under the condition of general trading set by the Committee are under the jurisdiction of the operational task forces to deliberate the transaction in accordance with the Company's approval procedure. Other transactions are deliberated by its category and size, with the Office of Company Secretary taking charge of compliance with SET regulations as well as occasionally collecting and summarizing connected

⁽¹⁾ As at year-end 2011, it was no bank overdraft outstanding.

transactions for the Audit Committee's acknowledgment. CPN has announced its "Connected Transaction Policy" and communicated to all relevant parties for compliance. The Committee and the management must sign their names at year's end to ensure that no transactions with conflicts of interest occurred in the past year. If there was any, it was done in compliance with SET regulations. Transactions between connected parties and the Company is scrutinized by the Office of Internal Audit and External Audit to ensure the Company's compliance with laws and related regulations.

Policy or trend for future connected transactions

Since transactions with connected parties represent those conducted in the course of normal business practice, it is expected that connected transactions will continue to take place in future. Especially for the one related to joint development of shopping complexes with other companies in the Central Group, it is the strong point that helps promote CPN's successful operation and contributed to its market leadership from past to present. The policy or trend for future connected transactions remains committed to the same principle

as the previous year, namely following the condition of general trading and taking into account the benefit of the Company and shareholders. CPN's Board has clearly approved the condition of normal trading in the Company's and its subsidiaries' transaction with connected parties for transparent business operation and the operational quidance for related parties as follows:

1. Joint Shopping Complex Development with Companies of the Central Group

*** It is an open principle that has been practiced since the Company was enlisted on SET in 1995***

To develop an integrated shopping complex, it is necessary to have components enhancing the Company's strength. Companies in the Central Group operate related businesses with CPN, such as department store, retail business, and hotels. With their long experience in the industry and strong brand, these companies can enhance the project's credibility, resulting in stronger business operation as well as Company's and shareholders' added value. Below are the characteristics of joint shopping complex development with other companies in the Central Group.

1.1 Land Purchase/Sale or Leasing/ For Rent

Principles: CPN and other companies in the Central Group make a purchase or leasing from outsiders for joint shopping complex development. The process is to have a company buy or rent a whole plot of land from the landlord. Once the project design is completed, that company sells or sub-leases the land to other companies in proportion to each company's need to develop its own project. (Each takes responsibility for its own plot of land.)

Price and condition setting: Cost plus cost of fund

1.2 Construction of Shopping Complexes and Department Stores or BUs

Principles: Each holds the ownership of land on which its building is situated. Each is therefore responsible for its own construction cost.

Price and condition setting: Actual cost with the independent engineering consultant fairly calculating the construction cost and system according to the proportion of actual area use.

1.3 Construction of common areas, comprising car parks and landscape

Principles:

- > CPN holds the ownership of the car park and the outer section of shopping complexes. It also takes responsibility for the costs of all common areas, considered part of the service provided to tenants.
- > Department stores or BUs jointly take responsibility for construction according to operational guidance as follows:
 - Car parks: At no less than half of the construction costs provided by department stores for customers as required by law
 - 2) Common areas: In proportion to the gross area

Price and condition setting: Actual cost – with the independent engineering consultant fairly calculating the construction cost and system according to the proportion of actual area use.

1.4 Large Space Rental or Space for Rent in Shopping Complexes

Principles: CPN may rent or rent out large areas of department stores or Bus, and the lease will be agreed at the stage of project design.

Price and condition setting: Cost of land and construction plus cost of fund and operating expense

2. Space rental, service fee and utility fee

Principle: In charging short-term or long-term rental, service fees or utility fees from various retail businesses under the Central Group or connected parties that rent the retail space for other purposes, the price will be set by comparison with the one for profitable clients. Rental rates are subject to locations, area sizes, forms, rental patterns, periods, and categories. The benefits earned are not only rentals, service fees, and utility fees, but also the potential in business operation, experience and success in joint business from past to present.

Price and condition setting: Set a price by comparing with the one for profitable clients.

"Profitable customers" means clients with high potential, who rent large retail space or in many projects and provide direct or indirect support for the Company's successful operation.

The Central Group conducts connected businesses with various companies and with potential connected transactions. Since its establishment, the Central Group has been potential business alliance and it has provided great support to CPN's successful operation. As a result, CPN remains the source of continually connected transactions. For price and condition deliberation, CPN still takes its best interests into account.

3. Fee for Operating Expenses

"Operating Expenses" are insurance premiums, property taxes, promotional expenses, recognizance fees, and service fee collected by tenants

Principles: Asset management incurs operating expenses. In normal business practice, the company charges these expenses by calculating from the actual operating cost. The rate, in the same standard for general customers, depends on lease categories and space rental patterns.

Price and condition setting: Actual cost

4. Insurance/Group Health Insurance

Principles: Comprehensively and equally provide relevant and necessary information for the price offer to each insurance broker. The committee considers the selection of these brokers. In the process, no connected committee or connected management members can attend the deliberation.

Price and condition setting: Market price or compared price from the price offered by the insurance broker with the most reasonable amount and the most beneficial conditions for the Company. The price can be compared at least two years backward. In case there is no comparable offer, the Company deliberates the approval by comparing prices with those of the previous year, depending on the insurance conditions and market situation during that period.

5. Procurement - Employment

"Procurement" means the purchase of materials, equipment or products, including rental or hire purchase.

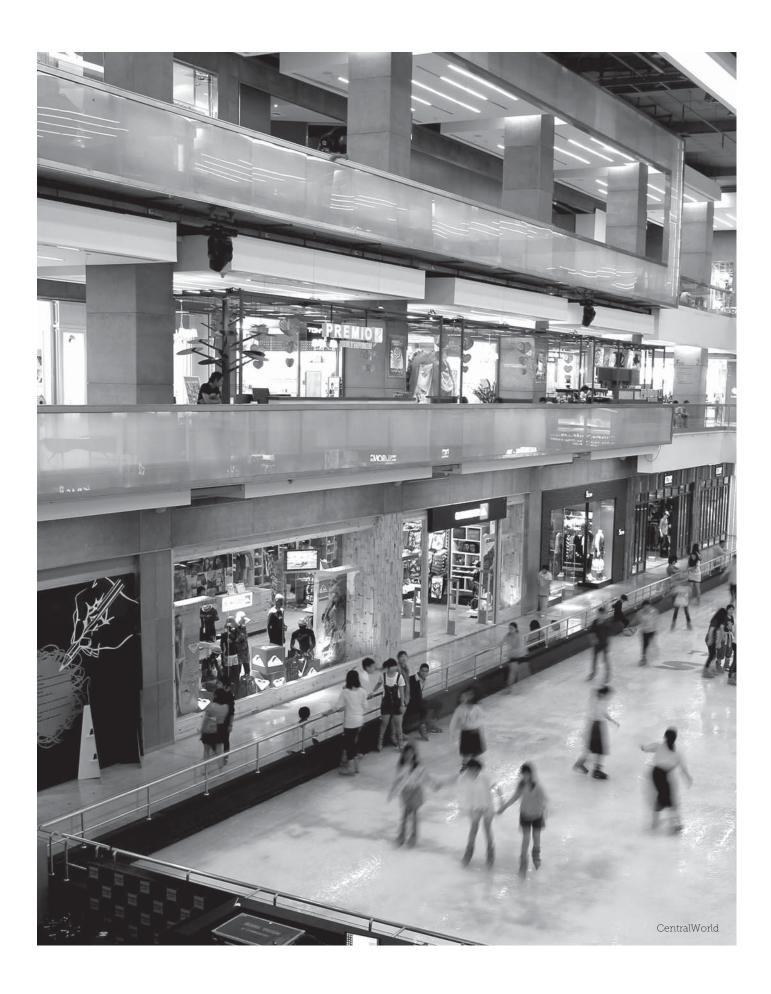
"Employment" means to hire a seller, manufacturer, contractor or organizer to produce, organize, manage, assemble or construct from the beginning stage to completion, including service provision, inclusive service, and transportation.

This includes the package purchase or hiring of a given contractor to construct buildings and install equipment while managing construction project as well.

Principles: Follow the Company's procurement regulations and process. In selecting the seller or contractor, CPN will proceed with transparency and fairness according to the stated procurement policy. In the process, no connected committee or connected management can attend the deliberation.

Price and condition setting: Market price or compared price from the price offering with the most reasonable amount and the most beneficial conditions for the Company.





RESPONSIBILITY OF THE BOARD OF DIRECTORS TO FINANCIAL STATEMENT

The Board of Directors of Central Pattana Public Company Limited ("the Company") is responsible for the consolidated financial statement of the Company and its subsidiaries as well as financial information in the annual report. The financial statement is prepared in accordance with generally accepted accounting standards which are appropriately applied on a consistent basis. Conservation judgment and best estimate are adopted in this preparation. In addition, all important information is adequately disclosed in the notes to financial statement.

The Board of Directors has set up and maintained an effective internal control to reasonably ensure that all accounting records are accurate, complete and sufficient to secure its assets. Moreover, all possible weakness could be found to prevent fraud or material unusual transactions.

The Board of Directors has appointed the audit committee which comprises independent directors, to control quality of financial report and internal control system. The opinion of the audit committee on this matter has already been presented in the audit committee report. The Board of Directors is of an opinion that internal control systems of the Company are in the satisfactory and sufficient level to reasonably build the confidence in the reliability of the consolidated financial statement of the Company and its subsidiaries as of 31 December 2011.

(Mr. Suthichai Chirathivat)

Chairman

(Mr. Kobchai Chirathivat)

President & CEO

AUDIT REPORT OF CERTIFIED PUBLIC ACCOUNTANT

To the Shareholders of Central Pattana Public Company Limited

I have audited the accompanying consolidated and separate statements of financial position as at 31 December 2011 and 2010, and the related statements of comprehensive income, changes in equity and cash flows for the years then ended of Central Pattana Public Company Limited and its subsidiaries, and of Central Pattana Public Company Limited, respectively. The Company's management is responsible for the correctness and completeness of the information presented in these financial statements. My responsibility is to express an opinion on these financial statements based on my audits.

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

In my opinion, the consolidated and separate financial statements referred to above present fairly, in all material respects, the financial positions as at 31 December 2011 and 2010 and the results of operations and cash flows for the years then ended of Central Pattana Public Company Limited and its subsidiaries, and of Central Pattana Public Company Limited, respectively, in accordance with Financial Reporting Standards.

As explained in notes 2 and 3 to the financial statements, with effect from 1 January 2011 the Company has adopted certain new and revised financial reporting standards. The consolidated and separate financial statements for the years ended 31 December 2010, have been restated accordingly.

KPMG Phoomchai Audit Ltd. Bangkok 24 February 2012 (Vichien Thamtrakul)
Certified Public Accountant
Registration No. 3183

CENTRAL PATTANA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

ANNUAL FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

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For the years ended 31 December 2011 and 2010

STATEMENTS OF FINANCIAL POSITION

Central Pattana Public Company Limited and its Subsidiaries As at 31 December 2011 and 2010

			olidated statements	-	arate statements
	Note	2011	2010 (Restated)	2011	2010 (Restated)
Assets					
Current assets					
Cash and cash equivalents	7	833,058,059	771,564,294	199,960,894	245,877,887
Current investments	8	111,556,736	860,706,639	3,070,000	753,182,692
Trade accounts receivable	6, 9	881,244,960	653,490,441	509,519,330	214,101,036
Other accounts receivable	6, 10	1,466,528,589	1,479,162,764	1,293,383,167	1,295,895,798
Short-term loans to related parties	6	-	-	1,161,469,014	1,696,518,717
Total current assets		3,292,388,344	3,764,924,138	3,167,402,405	4,205,576,130
Non-current assets					
Investments in subsidiaries and funds	5, 11	-	-	21,680,083,928	19,676,870,795
Investment in associate	12	2,714,169,875	2,684,149,680	4,446,170,726	4,446,170,726
Long-term investments - related parties	13	-	-	-	-
Other long-term investments	8	2,242,050	1,000,000	1,000,000	1,000,000
Long-term loans to related parties	6	-	-	14,599,734,495	10,862,619,172
Investment properties	14	40,742,772,653	29,954,910,170	7,325,441,109	6,446,262,980
Property, plant and equipment	15	2,423,240,406	2,354,350,706	331,075,203	165,428,439
Leasehold rights	16	13,477,545,678	13,548,745,499	5,307,521,662	1,967,797,566
Asset usage rights	17	156,792,365	165,572,096	-	-
Deferred tax assets	18	948,028,472	1,100,982,528	418,372,632	504,174,566
Other non-current assets	6, 19	301,985,134	294,766,235	161,244,049	163,970,629
Total non-current assets		60,766,776,633	50,104,476,914	54,270,643,804	44,234,294,873
Total assets		64,059,164,977	53,869,401,052	57,438,046,209	48,439,871,003

STATEMENTS OF FINANCIAL POSITION

Central Pattana Public Company Limited and its Subsidiaries As at 31 December 2011 and 2010

			olidated statements		oarate statements
	Note	2011	2010 (Restated)	2011	2010 (Restated)
Liabilities and equity					
Current liabilities					
Trade accounts payable - related parties	6	6,212,319	5,988,668	110,962,195	32,179,130
Other accounts payable	6, 22	4,499,378,266	2,656,778,353	3,762,541,878	946,321,718
Short-term loans from related parties	6, 20	3,815,441	3,686,885	1,128,800,298	129,326,162
Current portion of long-term loans	20	6,479,917,200	2,989,927,200	5,600,040,000	2,050,050,000
Current portion of accounts payable					
for leasehold rights	6	426,171,727	413,758,958	426,171,727	413,758,959
Other short-term loans payable	20	500,000,000	1,100,000,000	500,000,000	1,100,000,000
Current portion of unearned rental					
and service income		292,122,572	311,656,114	113,908,826	120,268,750
Income tax payable		315,041,898	352,419,087	80,558,385	130,030,768
Contractor payables		2,832,830,633	2,319,078,941	575,354,279	59,191,268
Total current liabilities		15,355,490,056	10,153,294,206	12,298,337,588	4,981,126,755
Non-current liabilities					
Long-term loans from related parties	6, 20	-	-	3,349,684,726	3,409,457,729
Other long-term loans payable	20	18,264,764,200	14,994,681,400	13,649,910,000	11,749,950,000
Accounts payable for leasehold right	6	219,292,248	438,584,496	219,292,248	438,584,496
Deferred tax liabilities	18	1,030,884,865	1,686,869,229	649,008,161	1,050,445,468
Employee benefit obligations	23	110,267,656	94,270,418	96,040,364	78,990,021
Unearned rental and service income		4,731,512,060	4,235,482,125	627,979,925	864,581,903
Deposits received from customers		3,890,619,901	3,340,313,554	1,105,965,774	1,169,881,011
Guarantees for leasehold rights		8,156,688	8,156,688	5,812,380	-
Total non-current liabilities		28,255,497,618	24,798,357,910	19,703,693,578	18,761,890,628
Total liabilities		43,610,987,674	34,951,652,116	32,002,031,166	23,743,017,383

STATEMENTS OF FINANCIAL POSITION

Central Pattana Public Company Limited and its Subsidiaries As at 31 December 2011 and 2010

			olidated statements		parate statements
	Note	2011	2010 (Restated)	2011	2010 (Restated)
Equity					
Share capital	24				
Authorised share capital		2,178,816,000	2,178,816,000	2,178,816,000	2,178,816,000
Issued and paid-up share capital		2,178,816,000	2,178,816,000	2,178,816,000	2,178,816,000
Premium on ordinary shares		2,007,565,850	2,007,565,850	2,007,565,850	2,007,565,850
Retained earnings					
Appropriated for legal reserve	25	217,881,600	217,881,600	217,881,600	217,881,600
Unappropriated		15,610,308,220	14,121,582,338	21,029,706,949	20,290,675,526
Other components of equity	25	(51,785,457)	(51,119,281)	2,044,644	1,914,644
Equity attributable to owners of the Company		19,962,786,213	18,474,726,507	25,436,015,043	24,696,853,620
Non-controlling interests		485,391,090	443,022,429	-	-
Total equity	3(a)	20,448,177,303	18,917,748,936	25,436,015,043	24,696,853,620
Total liabilities and equity	•••••	64,059,164,977	53,869,401,052	57,438,046,209	48,439,871,003

STATEMENTS OF COMPREHENSIVE INCOME

Central Pattana Public Company Limited and its Subsidiaries For the years ended 31 December 2011 and 2010

(in Baht)

			olidated statements		arate statements
	Note	2011	2010 (Restated)	2011	2010 (Restated)
Income					
Revenue from rent and services	6	10,853,186,856	9,822,418,845	3,729,644,366	4,008,073,875
Revenue from food and beverage	6	632,055,887	550,031,151	-	-
Revenue from hotel operation		465,487,450	157,451,438	-	-
Investment income	6, 27	47,847,220	225,813,760	1,677,540,681	2,581,550,950
Other income	6, 28	1,001,987,143	1,116,863,333	721,453,283	822,498,311
Total income		13,000,564,556	11,872,578,527	6,128,638,330	7,412,123,136
Expenses					
Cost of rent and services	6, 41	7,050,228,517	6,386,877,147	2,508,058,189	2,216,347,534
Cost of food and beverage	6	541,348,043	470,518,680	-	-
Cost of hotel operation		191,869,660	67,079,971	-	-
Administrative expenses	6, 30, 41	2,410,124,016	2,099,032,367	1,500,442,132	1,333,998,186
Losses from asset write-off	36	-	775,000,003	-	-
Finance costs	6, 32	874,265,603	688,289,917	905,659,604	786,904,766
Total expenses		11,067,835,839	10,486,798,085	4,914,159,925	4,337,250,486
Share of profit of associate	12	497,549,722	475,122,927	-	-
Profit before income tax expense from					
continueing operations		2,430,278,439	1,860,903,369	1,214,478,405	3,074,872,650
Income tax (expense) credit	33	(354,479,196)	(722,836,310)	69,256,843	(326,920,500)
Profit for the year		2,075,799,243	1,138,067,059	1,283,735,248	2,747,952,150
Other comprehensive income					
Foreign currency translation differences for					
foreign operations		(3,453,119)	1,636	-	-
Net change in fair value of					
available-for-sale investments		2,786,943	1,703,612	130,000	620,000
Other comprehensive income					
for the year, net of income tax		(666,176)	1,705,248	130,000	620,000
Total comprehensive income for the year		2,075,133,067	1,139,772,307	1,283,865,248	2,748,572,150

STATEMENTS OF COMPREHENSIVE INCOME

Central Pattana Public Company Limited and its Subsidiaries For the years ended 31 December 2011 and 2010

			olidated statements	-	arate statements
	Note	2011	2010 (Restated)	2011	2010 (Restated)
Profit attributable to:					
Owners of the Company		2,058,123,354	1,124,865,906	1,283,735,248	2,747,952,150
Non-controlling interests		17,675,889	13,201,153	-	-
Profit for the year		2,075,799,243	1,138,067,059	1,283,735,248	2,747,952,150
Total comprehensive income attributable to:					
Owners of the Company		2,057,457,178	1,126,571,154	1,283,865,248	2,748,572,150
Non-controlling interests		17,675,889	13,201,153	-	-
Total comprehensive income for the year		2,075,133,067	1,139,772,307	1,283,865,248	2,748,572,150
Basic earnings per share	34	0.94	0.52	0.59	1.26

STATEMENTS OF CHANGES IN EQUITY

Central Pattana Public Company Limited and its Subsidiaries For the years ended 31 December 2011 and 2010

											(in Baht)
					Consolidat	Consolidated financial statements	tements				
			Retained	Retained earnings		Other components of equity	ents of equity		ı		
					Other co	Other comprehensive income	come				
							Reserve on				
						Fair value	business				
	Isona barrasi				Cumency	changes in	combination	Total	Equity	Non-	
	paid-up		Legal		translation	for-sale	entities under	components	owners of	controlling	Total
Note	S	Share premium	reserve	Unappropriated	differences	investments	common control	of equity	the Company	interests	equity
Balance at 1 January 2010 -											
as reported	2,178,816,000	2,007,565,850	217,881,600	14,321,958,195	1	1,547,246	(54,371,775)	(52,824,529)	18,673,397,116	334,705,064	19,008,102,180
Impact of changes in											
accounting policies 3(a)		ı	1	(61,576,985)	1	1	1	1	(61,576,985)	1	(61,576,985)
Balance at 1 January 2010 -											
restated	2,178,816,000	2,007,565,850	217,881,600	14,260,381,210	1	1,547,246	(54,371,775)	(52,824,529)	18,611,820,131	334,705,064	18,946,525,195
Transaction with owners,											
recorded directly in equity											
Contributions by and distributions											
to owners of the Company											
Issue of ordinary shares	1	ı	1	1	1	ı	1	1	ı	95,116,212	95,116,212
Dividends to owners											
of the Company 35	1	ı	,	(1,263,664,778)	1	1	1	,	(1,263,664,778)	'	(1,263,664,778)
Total contributions by and											
distributions to owners											
		ı	ı	(1,263,664,778)	1	1	1	1	(1,263,664,778)	95,116,212	(1,168,548,566)
Comprehensive income for the year											
Profit	1	1	ı	1,124,865,906	1	1	,	1	1,124,865,906	13,201,153	1,138,067,059
Other comprehensive income	1	İ	ı	ı	1,636	1,703,612	1	1,705,248	1,705,248	1	1,705,248
Total comprehensive income											
for the year	ı	ı	1		1,636	1,703,612	1	1,705,248	1,126,571,154	13,201,153	1,139,772,307
Balance at 31 December 2010 2,178,816,000 2,007,565,85	2,178,816,000	2,007,565,850	217,881,600	00 14,121,582,338	1,636	3,250,858	(54,371,775)	(51,119,281)	.775) (51,119,281) 18,474,726,507 443,022,429 18,917,748,936	443,022,429	18,917,748,936

STATEMENTS OF CHANGES IN EQUITY

Central Pattana Public Company Limited and its Subsidiaries For the years ended 31 December 2011 and 2010

				0 25:54	م مینیدین کی مینیدین	Consolidat	Consolidated financial statements	d financial statements				
				DO THE STATE OF TH		4		cins of equity		1		
					I	Other o	Other comprehensive income	come				
	Note	Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated	Currency translation differences	Fair value changes in available for-sale investments	Reserve on business combination involving entities under common control	Total other components of equity	Equity attributable to owners of the Company	Non- controlling interests	Total
Balance at 1 January 2011 -				0							0	
as reported		2,178,816,000	2,007,565,850	217,881,600	14,188,792,782	1,636	3,250,858	(54,371,775)	(51,119,281)	18,541,936,951	443,022,429	443,022,429 18,984,959,380
Impact of changes in												
	3(a) (h)				- (67,210,444)	1				- (67,210,444)		- (67,210,444)
balance at 1 January 2011 - restated		2,178,816,000	2,007,565,850	217,881,600	14,121,582,338	1,636	3,250,858	(54,371,775)	(51,119,281)	18,474,726,507	443,022,429	18,917,748,936
Transactions with owners												
recorded directly in equity												
Contributions by and distributions	S C											
Colimbanous by and distribut	2115											
to owners of the Company												
Dividends to owners												
of the Company	35		1	1	(544,704,700)	1	1	1		(544,704,700)	ı	(544,704,700)
Total contributions by and												
distributions to owners												
of the Company		ı	I	1	(544,704,700)	ı	i	ı	1	(544,704,700)	1	(544,704,700)
Changes in ownership												
interests in subsidiary												
Acquisition of non-controlling												
interests without a change												
in control	2	ı	ı	1	(24,692,772)	1	1	1	1	(24,692,772)	24,692,772	1
Total changes in ownership												
interests in subsidiary		•	ı		(24,692,772)	1	1	1	•	(24,692,772)	24,692,772	1
Comprehensive income												
for the year												
Profit		1	ı	1	2,058,123,354	1	1	1		2,058,123,354	17,675,889	2,075,799,243
Other comprehensive income		1	ı	1	1	(3,453,119)	2,786,943	1	(666,176)	(666,176)	1	(92,176)
Total comprehensive income												
for the year		ı	ı	1	2,058,123,354	(3,453,119)	2,786,943	ı	(666,176)	2,057,457,178	17,675,889	2,075,133,067
2+ 71 December 2011						E C			2 000		000 101	

STATEMENTS OF CHANGES IN EQUITY

Central Pattana Public Company Limited and its Subsidiaries For the years ended 31 December 2011 and 2010

							(in Baht)
				Separate finar Retained	Separate financial statements Retained earnings	Other comprehensive income	ve
	Note	Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated	Fair value changes in available-for-sale investments	- Total equity
Balance at 1 January 2010 - as reported		2,178,816,000	2,007,565,850	217,881,600	18,857,765,197	1,294,644	23,263,323,291
Impact of changes in accounting policies	3(a)	ı	ı	1	(51,390,485)	ı	(51,390,485)
٠d		2,178,816,000	2,007,565,850	217,881,600	18,806,374,712	1,294,644	23,211,932,806
Transactions with owners, recorded directly in equity							
Contributions by and distributions to owners of the Company							
	35	1	1	ı	(1,263,651,336)	1	(1,263,651,336)
Total contributions by and distributions to owners of the Company				1	(1,263,651,336)	1	(1,263,651,336)
Comprehensive income for the year							
Profit		1	1	1	2,747,952,150	1	2,747,952,150
Other comprehensive income		ı	1	1	ı	620,000	620,000
Total comprehensive income for the year		1	1	1	2,747,952,150	620,000	2,748,572,150
Balance at 31 December 2010		2,178,816,000	2,007,565,850	217,881,600	20,290,675,526	1,914,644	24,696,853,620
Balance at 1 January 2011 - as reported		2,178,816,000	2,007,565,850	217,881,600	20,345,968,541	1,914,644	24,752,146,635
Impact of changes in accounting policies	3(a) (h)	1	ı		(55,293,015)	ı	(55,293,015)
Balance at 1 January 2011 - restated		2,178,816,000	2,007,565,850	217,881,600	20,290,675,526	1,914,644	24,696,853,620
Transactions with owners, recorded directly in equity							
Contributions by and distributions to owners of the Company							
Dividends to owners of the Company	35	ı	ı	1	(544,703,825)	ı	(544,703,825)
Total contributions by and distributions to owners of the Company		1	1	1	(544,703,825)	ı	(544,703,825)
Comprehensive income for the year							
Profit		ı	1	1	1,283,735,248	1	1,283,735,248
Other comprehensive income		1	1	1	1	130,000	130,000
Total comprehensive income for the year		1	1	1	1,283,735,248	130,000	1,283,865,248
Balance at 31 December 2011		2,178,816,000	2,007,565,850	217,881,600	21,029,706,949	2,044,644	25,436,015,043

STATEMENTS OF CASH FLOWS

Central Pattana Public Company Limited and its Subsidiaries For the years ended 31 December 2011 and 2010

		lidated statements	1	arate statements
	2011	2010 (Restated)	2011	2010 (Restated)
Cash flows from operating activities				
Profit for the year	2,075,799,243	1,138,067,059	1,283,735,248	2,747,952,150
Adjustments for				
Depreciation	1,851,162,515	2,019,660,139	400,398,512	384,143,760
Amortisation of leasehold	1,096,771,914	336,578,890	174,242,179	126,918,982
Losses from write-off of assets	-	775,000,003	-	-
Reversal of allowance for impairment of assets	(187,015,215)	-	(91,225,654)	-
Dividend income	(110,000)	(90,000)	(999,483,569)	(1,816,330,446)
Interest income	(47,737,220)	(225,723,760)	(678,057,112)	(765,220,504)
Finance costs	874,265,603	688,289,917	905,659,604	786,904,766
Allowance for doubtful accounts (reversal)	6,377,921	56,337	631,919	(1,251,966)
Reversal of allowance for doubtful				
accounts-long-term loans	-	(162,739,322)	-	(162,739,322)
Reversal of provision for guarantee payment	-	(16,227,793)	-	(16,227,793)
(Gain) loss on disposal of equipment	461,571	(1,213,944)	(3,645,234)	5,733,415
Recognition of unearned rental and service income	(547,810,134)	(328,662,622)	(125,554,967)	(123,860,101)
Employee benefit obligations	16,688,045	15,404,770	17,635,450	12,784,450
Share of profit of associated	(497,549,722)	(475,122,927)	-	-
Unrealised loss on exchange	32,769,960	-	-	-
Unrealised (gain) loss from financial instrument	(22,151,209)	-	8,236,569	-
Income tax expense	354,479,196	722,836,310	(69,256,843)	326,920,501
	5,006,402,468	4,486,113,057	823,316,102	1,505,727,892

STATEMENTS OF CASH FLOWS

Central Pattana Public Company Limited and its Subsidiaries For the years ended 31 December 2011 and 2010

(in Baht)

		olidated statements	-	arate statements
	2011	2010 (Restated)	2011	2010 (Restated)
Changes in operating assets and liabilities				
Trade accounts receivable	(234,132,441)	(172,612,005)	(296,050,212)	(19,520,574)
Other accounts receivable	44,878,213	(572,621,458)	(6,085,199)	209,801,403
Other non-current assets	6,271,633	173,006,102	7,437,380	141,544,248
Trade accounts payable	223,651	(947,712)	78,783,065	21,802,487
Other accounts payable	2,253,534,595	406,227,022	3,136,106,588	236,018,863
Payment from provision for guarantee payment	-	(14,737,207)	-	(14,737,207)
Unearned rental and service income	1,024,306,527	131,441,529	(117,406,935)	81,301,059
Deposits from customers received	1,651,675,375	842,480,424	664,626,504	279,003,360
Repayment of deposits received from customers	(1,101,369,028)	(496,837,236)	(728,541,742)	(176,794,826)
Guarantee for leasehold rights	-	(14,962,759)	5,812,380	-
Employee benefits paid	(690,807)	(7,639,833)	(585,107)	(7,209,409)
Cash generated from operating activities	8,651,100,186	4,758,909,924	3,567,412,824	2,256,937,296
Income tax paid	(894,886,693)	(828,455,284)	(295,850,913)	(329,935,344)
Net cash provided by operating activities	7,756,213,493	3,930,454,640	3,271,561,911	1,927,001,952
Cash flows from investing activities				
Interest received	41,170,161	131,474,006	760,751,513	812,383,091
Dividends received	467,639,528	408,842,911	1,009,799,422	1,792,914,421
(Increase) decrease in current investments	751,936,845	(51,649,871)	750,242,692	(151,292,106)
Issuance of ordinary shares	-	12,391,778	-	-
Purchase of equity securities and investment units	(1,242,050)	-	(2,031,197,133)	(2,023,665,378)
Proceeds from redemption of investment units in funds	-	-	27,984,000	27,984,000
Loans to related parties	-	-	(11,926,786,658)	(6,604,360,711)
Loans repaid by related parties	-	162,739,322	8,635,597,814	5,952,868,079
Purchase of property, plant and equipment	(10,544,228,997)	(4,908,541,818)	(794,889,176)	(760,453,220)
Leasehold rights	(1,927,015,144)	(775,590)	(3,856,666,009)	(26,254,070)
Sales of equipment	583,282,899	102,082,316	15,790,690	4,953,344
Decrease in contractor payables	(1,601,627,544)	(879,389,074)	(54,605,336)	(95,450,003)
Decrease in leasehold rights payables	(206,879,479)	(390,338,640)	(206,879,479)	(390,338,640)
Net cash used in investing activities	(12,436,963,781)	(5,413,164,660)	(7,670,857,660)	(1,460,711,193)

STATEMENTS OF CASH FLOWS

Central Pattana Public Company Limited and its Subsidiaries For the years ended 31 December 2011 and 2010

(in Baht)

	Consolidated financial statements		-	arate statements
	2011	2010 (Restated)	2011	2010 (Restated)
Cash flows from financing activities				
Finance costs paid	(869,495,190)	(690,847,876)	(889,851,486)	(814,362,817)
Proceeds from loans from related parties	-	63,762,896	2,067,184,668	2,873,620,080
Proceeds from borrowings	27,850,000,000	5,700,000,000	25,200,000,000	3,300,000,000
Repayment of loans from related parties	-	(191,800)	(1,129,024,863)	(3,102,495,453)
Repayments of borrowings	(21,689,927,200)	(3,284,837,200)	(20,350,050,000)	(2,100,000,000)
Payment for liability under financial lease	(269,747)	(1,179,641)	(269,747)	(1,179,641)
Dividends paid	(544,610,691)	(1,266,988,384)	(544,609,816)	(1,263,545,740)
Net cash provided by (used in) financing activities	4,745,697,172	519,717,995	4,353,378,756	(1,107,963,571)
Foreign currency translation differences for foreign operations	(3,453,119)	1,636		
Net increase (decrease) in cash and cash equivalents	61,493,765	(962,990,389)	(45,916,993)	(641,672,812)
Cash and cash equivalents at 1 January	771,564,294	1,734,554,683	245,877,887	887,550,699
Cash and cash equivalents at 31 December	833,058,059	771,564,294	199,960,894	245,877,887

Non-cash transactions

The Company has unpaid liabilities for construction of property under development as at 31 December 2011 amounting to approximately Baht 569.8 million (2010: Baht 36.1 million)

The Group has unpaid liabilities for construction of property under development as at 31 December 2011 amounting to approximately Baht 2,126.1 million (2010: Baht 1,720.9 million)

NOTES TO THE FINANCIAL STATEMENTS

Central Pattana Public Company Limited and its Subsidiaries For the years ended 31 December 2011 and 2010

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20	Interest-bearing liabilities	42	Events after the reporting period
21	Provision for guarantee payment	43	Thai Financial Reporting Standards (TFRS) not yet adopted
22	Other account payable	44	Reclassification of accounts

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 authorised for issue by the Board of Directors on 24 February 2012.

1 General information

Central Pattana Public Company Limited, the "Company", is incorporated in Thailand and has its registered office at 999/9 Rama I Road, Patumwan, Patumwan, Bangkok 10330.

The Company was listed on the Stock Exchange of Thailand in March 1995.

The Company's major shareholder during the financial year was Central Holdings Company Limited (27% shareholding), which is incorporated in Thailand.

The principal businesses of the Company are to invest in developing new projects, manage projects and earn income from property management. Details of the Company's subsidiaries and funds as at 31 December 2011 and 2010 were as follows:

	Type of Country of		of Ownership inter	
Name of entity	business	incorporation	2011	2010
Direct subsidiaries				
Central Pattana Rama 2 Co., Ltd.	(1)	Thailand	100.0	100.0
Central Pattana Chiangmai Co., Ltd.	(1) (2) (4)	Thailand	100.0	100.0
Langsuan Realty Co., Ltd.	(3)	Thailand	100.0	100.0
Central Pattana Rattanathibet Co., Ltd.	(1) (2) (4)	Thailand	100.0	100.0
Central Realty Service Co., Ltd.	(2)	Thailand	100.0	100.0
Central Food Avenue Co., Ltd.	(4)	Thailand	100.0	100.0
Central World Co., Ltd.	(1) (2) (4) (7)	Thailand	100.0	100.0
Central Pattana Rama 3 Co., Ltd.	(1)	Thailand	100.0	100.0
CPN Pattaya Beach Co., Ltd.	(1) (2) (4)	Thailand	100.0	100.0
Central Pattana Chonburi Co., Ltd.	(1) (2) (4)	Thailand	100.0	100.0
CPN Pattaya Beach Hotel Co., Ltd.	(7)	Thailand	100.0	100.0
CPN Construction Management Co.,Ltd.	(1)	Thailand	100.0	100.0
CPN Chiangrai Co.,Ltd.	(1) (2) (4)	Thailand	100.0	100.0
CPN Global Company Limited	(6)	Thailand	100.0	-
Central Realty Service Rama 3 Co., Ltd.				
(undergoing liquidation process)	(2)	Thailand	100.0	-
Central Pattana Nine Square Co., Ltd.	(1) (2)	Thailand	93.3	87.1
Central Pattana Khon Kaen Co., Ltd.	(1) (2) (4)	Thailand	78.1	78.1

	Type of	Country of	Ownershi	p interest (%)
Name of entity	business	incorporation	2011	2010
Indirect subsidiaries				
Central Play Land Co., Ltd.	(1) (5)	Thailand	100.0	100.0
Bangna Central Property Co., Ltd.	(1) to (5)	Thailand	99.9	99.9
Central Realty Service Rama 3 Co., Ltd.	(2)	Thailand	-	100.0
Global Retail Development & Investment Limited	(6)	Hong Kong	100.0	-
Global Commercial Property Limited	(6)	Hong Kong	100.0	-
Central (Shanghai) Management				
Consulting Co.,Ltd.	(8)	China	100.0	-
CPN Complex Co.,Ltd.	(1) (2)	Thailand	99.9	-
CPN City Co.,Ltd.	(6)	Thailand	99.9	-
Funds				
The Thai Business Fund 4	(6)	Thailand	100.0	100.0
The Thai Business Fund 5	(6)	Thailand	100.0	100.0

Type of business

- 1. Construction of office buildings and shopping centers for rent
- 2. Provision of utilities in shopping centers
- 3. Construction of condominiums and shop houses for rent
- 4. Sales of food and beverage
- 5. Operator of play land and water theme park on shopping centers
- 6. Investment in real estates
- 7. Hotel business
- 8. Real estate management consulting and corporate services

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"), applicable rules and regulations of the Thai Securities and Exchange Commission.

During 2010 and 2011, the FAP issued the following new and revised TFRS relevant to the Group's operations and effective for accounting periods beginning on or after 1 January 2011:

TFRS	Topic
TAS 1 (revised 2009)	Presentation of Financial Statements
TAS 7 (revised 2009)	Statement of Cash Flows
TAS 8 (revised 2009)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2009)	Events after the Reporting Period
TAS 16 (revised 2009)	Property, Plant and Equipment
TAS 17 (revised 2009)	Leases
TAS 18 (revised 2009)	Revenue
TAS 19	Employee Benefits
TAS 23 (revised 2009)	Borrowing Costs
TAS 24 (revised 2009)	Related Party Disclosures
TAS 26	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (revised 2009)	Consolidated and Separate Financial Statements
TAS 28 (revised 2009)	Investments in Associates
TAS 31 (revised 2009)	Interests in Joint Ventures
TAS 33 (revised 2009)	Earnings per Share
TAS 34 (revised 2009)	Interim Financial Reporting
TAS 36 (revised 2009)	Impairment of Assets
TAS 37 (revised 2009)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2009)	Intangible Assets
TAS 40 (revised 2009)	Investment Property
TFRS 2	Share-based Payment
TFRS 3 (revised 2009)	Business Combinations
TFRS 5 (revised 2009)	Non-current Assets Held for Sale and Discontinued Operations
FAP's announcement no.17/2554	Transitional Procedures for Other Long-term Employee Benefits
FAP's announcement no.18/2554	Accounting Guidance on Revaluation of Assets

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 during 2010 a number of other new and revised TFRS which are expected to be effective for financial statements beginning on or after 1 January 2013 and have not been adopted in the preparation of these financial statements. These new and revised TFRS are disclosed in note 43.

(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:

- > derivative financial instruments are measured at fair value;
- > available-for-sale financial assets are measured at fair value

(c) Presentation currency

The financial statements are prepared and presented in Thai Baht. 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 judgements

The preparation of financial statements in conformity with TFRS requires management to make judgements, 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 judgements 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 4(t)	Current and deferred taxation
Note 14	Valuation of investment properties
Note 16	Leasehold rights
Note 18	Utilisation of tax losses
Note 21	Provision for guarantee payment
Note 23	Measurement of defined benefit obligations
Note 38	Valuation of financial instruments
Note 39	Commitments with non-related parties
Note 40	Contingent liabilities
Note 41	Impact of severe flooding in Thailand

3 Changes in accounting policies

(a) Overview

From 1 January 2011, 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:

- > Presentation of financial statements
- > Accounting for property, plant and equipment
- > Accounting for investment properties
- > Accounting for borrowing costs
- > Accounting for employee benefits

Details of the new accounting policies adopted by the Group and the impact of

the changes on the financial statements are included in notes 3b to 3h below. Other new and revised TFRS did not have any impact on the accounting policies, financial position or performance of the Group. The impact of the changes on the financial statements for the years ended 31 December 2011 and 2010 is summarised as follows:

For the year ended 31 December 2010

(in thousand Baht)

		Consolidated financial statements	Separate financial statements
	Note	2010	2010
Statement of financial position			
Equity at 1 January 2010 – as reported		19,008,102	23,263,323
Changes as a result of the adoption retrospectively			
of TAS 19 Employee Benefits	23	(86,504)	(73,415)
Increase of deferred tax assets		24,927	22,025
Equity at 1 January 2010 - restated		18,946,525	23,211,933
Equity at 31 December 2010 – as reported		18,984,960	24,752,147
Changes as a result of the adoption retrospectively			
of TAS 19 Employee Benefits	3(h)	(94,270)	(78,990)
Increase of deferred tax assets	3(h)	27,059	23,697
Equity at 31 December 2010 - restated		18,917,749	24,696,854

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		Consolidated financial statements	Separate financial statements
	Note	2010	2010
Statement of comprehensive income for the			
year ended 31 December 2010			
Profit before income tax – as reported		1,868,669	3,080,448
Changes before tax as a result of the adoption			
retrospectively of TAS 19 Employee Benefits	3(h)	(7,766)	(5,575)
Profit before income tax - restated		1,860,903	3,074,873
Income tax expense – as reported		724,968	328,593
Changes to income tax expense as a result of the			
adoption retrospectively of TAS 19 Employee Benefits	3(h)	(2,132)	(1,672)
		722,836	326,921
Income tax expense - restated			
Profit - restated Decrease in basic earnings per share (in Baht)		1,138,067 -	2,747,952
Profit - restated		1,138,067 -	2,747,952 - (in thousand Baht
Profit - restated Decrease in basic earnings per share (in Baht)		1,138,067 - Consolidated financial statements	-
Profit - restated Decrease in basic earnings per share (in Baht)	Note	Consolidated	- (in thousand Baht Separate
Profit - restated Decrease in basic earnings per share (in Baht) For the year ended 31 December 2011	Note	Consolidated financial statements	(in thousand Baht Separate financial statements
Profit - restated Decrease in basic earnings per share (in Baht)	Note	Consolidated financial statements	(in thousand Baht Separate financial statements
Profit - restated Decrease in basic earnings per share (in Baht) For the year ended 31 December 2011 Statement of comprehensive income for the	Note	Consolidated financial statements	(in thousand Baht Separate financial statements
Profit - restated Decrease in basic earnings per share (in Baht) For the year ended 31 December 2011 Statement of comprehensive income for the year ended 31 December 2011	Note 3(h)	Consolidated financial statements	(in thousand Baht Separate financial statements
Profit - restated Decrease in basic earnings per share (in Baht) For the year ended 31 December 2011 Statement of comprehensive income for the year ended 31 December 2011 Decrease in profit before income tax as a result of the adoption of TAS 19 Employee Benefits Decreased in profit before income tax		Consolidated financial statements 2011	(in thousand Baht Separate financial statements 2011
Profit - restated Decrease in basic earnings per share (in Baht) For the year ended 31 December 2011 Statement of comprehensive income for the year ended 31 December 2011 Decrease in profit before income tax as a result of the adoption of TAS 19 Employee Benefits Decreased in profit before income tax		Consolidated financial statements 2011	(in thousand Baht Separate financial statements 2011 (17,050)
Profit - restated Decrease in basic earnings per share (in Baht) For the year ended 31 December 2011 Statement of comprehensive income for the year ended 31 December 2011 Decrease in profit before income tax as a result of the adoption of TAS 19 Employee Benefits Decreased in profit before income tax		Consolidated financial statements 2011	(in thousand Baht Separate financial statements 2011 (17,050)

(b) Presentation of financial statements

From 1 January 2011, the Group has adopted TAS 1 Presentation of Financial Statements (Revised 2009). Under the revised standard, a set of financial statements comprises:

- > Statement of financial position;
- > Statement of comprehensive income;
- > Statement of changes in equity;
- > Statement of cash flows; and
- > Notes to the financial statements.

As a result, the Group presents all owner changes in equity in the statement of changes in equity and all non-owner changes in equity in the statement of comprehensive income. Previously, all such changes were included in the statement of changes in equity.

Comparative information has been represented so that it also is in conformity with the revised standard. Since the change in accounting policy only impacts presentation aspects, there is no impact on reported profit or earnings per share.

(c) Accounting for business combinations

From 1 January 2011, the Group has adopted TFRS 3 Business Combinations (revised 2009) and TAS 27 Consolidated and Separate Financial Statements (revised 2009) for all business combinations on or after 1 January 2011. The new policy for accounting for business combinations, together with information on the previous policy, is given below. The new policy has been applied prospectively from 1 January 2011 in

accordance with the transitional provisions of the revised standards.

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable.

Acquisitions on or after 1 January 2011

For acquisitions on or after 1 January 2011, the Group measures goodwill at the acquisition date as:

- > the fair value of the consideration transferred; plus
- > the recognised amount of any noncontrolling interests in the acquiree; plus
- > if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
- > the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

Acquisitions between 1 January 2008 and 31 December 2010

For acquisitions between 1 January 2008 and 31 December 2010, goodwill represented the excess of the cost of the acquisition over the Group's interest in the recognised amount (generally fair value) of the identifiable assets, liabilities and contingent liabilities of the acquiree. When the excess was negative, a bargain purchase gain was recognised immediately in profit or loss.

Transaction costs, other than those associated with the issue of debt or securities, that the Group incurred in connection with business combinations were capitalised as part of the cost of the acquisition.

Acquisitions prior to 1 January 2008

For acquisitions prior to 1 January 2008, goodwill was measured in the same way as described in the preceding paragraph. However, both positive and negative goodwill were amortised over their estimated useful

life of 20 years. On 1 January 2008, on adoption of the former TAS 43 (revised 2007), the Group discontinued amortising goodwill. Negative goodwill carried in the financial statements as at 31 December 2007 was derecognised by crediting unappropriated retained earnings on 1 January 2008.

(d) Accounting for acquisitions of non-controlling interests (previously termed 'minority interests')

From 1 January 2011, the Group has adopted TAS 27 Consolidated and Separate Financial Statements (revised 2009) for all acquisitions of non-controlling interests in subsidiaries. The new policy for accounting for acquisitions of non-controlling interests, together with information on the previous policy, is given below. The new policy has been applied prospectively from 1 January 2011 in accordance with the transitional provisions of the revised standard. The Group acquisitions of non-controlling interests during 2011 and the effect of the these change is disclosed in note 5.

Under the new accounting policy, acquisitions of non-controlling interests are accounted for as transactions with owners in their capacity as owners and therefore no goodwill is recognised as a result of such transactions. The adjustments to non-controlling interests are based on a proportionate amount of the net assets of the subsidiary.

Previously, goodwill was recognised on the acquisition of non-controlling interests in a

subsidiary, which represented the excess of the cost of the additional investment over the carrying amount of the interest in the net assets acquired at the date of the transaction.

(e) Accounting for property, plant and equipment

From 1 January 2011, the Group has adopted TAS 16 (revised 2009) Property, Plant and Equipment in determining and accounting for the cost and depreciable amount of property and equipment.

The principal changes introduced by the revised TAS 16 and affecting the Group are that: (i) costs of asset dismantlement, removal and restoration have to be included as asset costs and subject to annual depreciation; (ii) the depreciation charge has to be determined separately for each significant part of an asset; and (iii) in determining the depreciable amount, the residual value of an item of property, plant and equipment has to be measured at the amount estimated receivable currently for the asset if the asset were already of the age and in the condition expected at the end of its useful life. Furthermore, the residual value and useful life of an asset have to be reviewed at least at each financial year-end.

The changes have been applied prospectively in accordance with the transitional provisions of the revised standard, except that consideration of the costs of asset dismantlement, removal and restoration, have been applied retrospectively. The

change has had no material impact on the profit or earnings per share for the year ended 31 December 2011 and 2010.

(f) Accounting for investment properties

From 1 January 2011, the Group has adopted TAS 40 (revised 2009) Investment Property.

Under the revised standard, investment property, defined as property owned to earn rentals; capital appreciation; or both, is disclosed in the financial statements separately from other property, plant and equipment and measured using either the cost model or the fair value model, with changes in fair value being recognised in profit or loss.

Previously, investment properties were included in property, plant and equipment, and leasehold rights and measured using the cost model.

The Group has selected the cost model for accounting for its investment properties under the revised standard. The change in accounting policy has been applied retrospectively and the financial statements for the year ended 31 December 2010, which are included in the Group's 2011 financial statements for comparative purposes, have been adjusted to reclassify investment properties from 'Property, plant and equipment' and 'Leasehold Rights' to a separate account, 'Investment property'. The cost and accumulated depreciation as at 1 January 2010 and 31 December 2010 of

the Group's investment property previously included in Property, plant and equipment, and leasehold rights have been reclassified to a separate account, 'Investment property'. Apart from this reclassification, the change in policy has no material impact on the 2010 financial statements.

From 1 January 2011, the depreciable amount and useful life of the investment property have been reassessed in accordance with the requirements of TAS 16 (Revised 2009) – see note 3(e). The change in accounting policy in this regard has been applied prospectively in accordance with the

transitional provisions of TAS 16 (Revised 2009), except that consideration of the costs of asset dismantlement, removal and restoration, have been applied retrospectively. The change has had no material impact on the profit or earnings per share for year ended 31 December 2011 and 2010.

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Statement of financial position as at 31 December				
Increase in investment property	40,742,773	29,954,910	7,325,441	6,446,263
Decrease in property, plant and equipments	(49,955,825)	(39,813,061)	(11,204,108)	(6,728,257)
Increase in leasehold rights	9,213,052	9,858,151	3,878,667	281,994
Increased (decreased) in retained earnings	-	-	-	-

(g) Accounting for borrowing costs

From 1 January 2011, the Group has adopted TAS 23 (revised 2009) Borrowing Costs.

Under the revised standard, borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset. Under the former standard, there was also an option to expense borrowing costs on qualifying assets when incurred.

It was the Group's policy under the former TAS 23 to capitalise borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset Consequently the adoption of the revised standard has

had no impact on reported profit or earnings per share.

(h) Accounting for employee benefits

From 1 January 2011, the Group has adopted TAS 19 Employee Benefits. Under the new policy, the Group's liability for postemployment benefits is recognised in the financial statements based on calculations performed by a qualified actuary using the projected unit credit method. Previously, this liability was recognised as and when payments were made.

The change in accounting policy has been applied retrospectively and the Group's 2010 financial statements, which are included in the Group's 2011 financial statements for comparative purposes have been restated accordingly. The impact on the 2011 and 2010 financial statements was as follows:

(in thousand Baht)

	Consolidated financial statements		Sepa financial s	
	2011	2010	2011	2010
Statement of financial position as at 31 December				
Increase in employee benefit obligations	(110,267)	(94,270)	(96,040)	(78,990)
Increase in deferred tax asset	21,794	27,059	19,208	23,697
Decrease in retained earnings	(88,473)	(67,211)	(76,832)	(55,293)
Statement of comprehensive income				
for the year ended 31 December				
Increase in employee expenses resulting in:				
Increase in cost of rental and service	(3,410)	(3,282)	(4,326)	(1,415)
Increase in cost of food and beverage	(160)	(148)	-	-
Increase in administrative expenses	(12,427)	(4,336)	(12,724)	(4,160)
Decrease in profit before income tax	(15,997)	(7,766)	(17,050)	(5,575)
Decrease in deferred tax expense	5,265	2,132	4,489	1,672
Decrease in profit	(10,732)	(5,634)	(12,561)	(3,903)
Decrease in basic earnings per share (in Baht)	-	-	-	-

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 interests in associate.

Business combinations

The accounting policy for business

combinations has been changed from 1 January 2011. See note 3(c) for details.

The Group applies the acquisition method for all business combinations other than those with entities under common control.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group/Company takes into consideration potential voting rights that currently are exercisable. The acquisition date is the date on which control is transferred to the acquirer. Judgment is applied in determining the acquisition date and

determining whether control is transferred from one party to another.

Goodwill is measured as the fair value of the consideration transferred including the recognised 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.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, and equity interests issued by the Group. Consideration transferred also includes the fair value of any contingent

consideration and share-based payment awards of the acquiree that are replaced mandatorily in the business combination. If a business combination results in the termination of pre-existing relationships between the Group and the acquiree, then the lower of the termination amount, as contained in the agreement, and the value of the off-market element is deducted from the consideration transferred and recognised in other expenses.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

The Group measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquiree.

Transaction costs that the Group incurs in connection with a business combination, such as legal fees, and other professional and consulting fees are expensed as incurred.

Acquisitions from entities under common control

Business combinations of entities or businesses under common control are accounted for using a method similar to the pooling of interest method and in accordance with the Guideline issued in 2009 by the FAP.

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

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, 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 associate, the Group's carrying amount is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

Transactions eliminated on consolidation

Intra-group balances and transaction, 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.

(b) Foreign currencies

Foreign currency transactions

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

Monetary assets and liabilities denominated in foreign currencies at reporting date are translated to Thai Baht 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 cost in foreign currencies are translated to Thai Baht using the foreign exchange rates ruling at the dates of the transactions.

Foreign entities

The assets and liabilities of foreign entities are translated to Thai Baht at the foreign exchange rates ruling at the reporting date.

Goodwill and fair value adjustments arising on the acquisition of foreign entities are stated at exchange rates ruling on transaction dates.

The revenues and expenses of foreign entities are translated to Thai Baht at rates approximating the foreign exchange rates ruling at the dates of the transactions.

Foreign exchange differences arising on translation are recognised in other comprehensive income and presented in the foreign currency translation reserve in equity until disposal of the investments.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and presented in the foreign currency translation reserve in equity until disposal of the investment.

(c) Derivative financial instruments

Derivative financial instruments are used to manage exposure to foreign exchange, interest rate arising from operational, financing and investment activities. Derivative financial instruments are not used for trading purposes.

However, derivatives that do not qualify for hedge accounting are accounted for as trading instruments.

Derivatives are recognised initially at fair value; attributable transaction costs are recognised in profit or loss when incurred. Subsequent to initial recognition, they are remeasured at fair value. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss.

The fair value of interest rate swaps is based on broker quotes at the reporting date. Those quotes are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the reporting date.

The fair value of forward exchange contracts is based on their listed market price, if available. If a listed market price is not available, then fair value is estimated by discounting the difference between the contractual forward price and the current forward price at the reporting date for the residual maturity of the contract using a risk-free interest rate (based on government bonds).

(d) Cash and cash equivalents

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

(e) Trade and other accounts receivable

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

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

(f) Investments

Investments in subsidiaries and associate

Investments in subsidiaries and associate in the separate financial statements of the Company are accounted for using the cost method. Investment in associate in the consolidated financial statements is accounted for using the equity method.

Investments in other debt and equity securities

Debt securities and marketable equity securities held for trading are classified as current assets and are stated at fair value, with any resultant gain or loss recognised in profit or loss.

Debt securities that the Group has positive intent and ability to hold to maturity are classified as held-to-maturity investment. Held-to-maturity investments are stated at amortised cost, less any impairment losses. The difference between the acquisition cost and redemption value of such debt securities

is amortised using the effective interest rate method over the period to maturity.

Debt securities 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 profit or loss. When these investments are derecognised, the cumulative gain or loss previously recognised directly in equity is recognised in the statement of income. 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 held-for-trading and available-for-sale are determined at 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:

Buildings and improvements 20-30 years
Leasehold rights over land 25-30 years
(over the period of lease)

(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.

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.

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 on a straight-line basis over the estimated useful lives of each component of an item of property and equipment. The estimated useful lives are as follows:

Furniture, fixtures
and equipment 5-15 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 impairment losses.

Amortisation

Leasehold rights are charged to profit or loss on a straight-line basis over the period of lease as follows:

Leasehold rights over land and buildings 30 years (over the period of lease) Leasehold rights over land 25-30 years (over the period of lease)

Leasehold right under sub-lease agreement, which is an operating lease, with Central International Development Co., Ltd. is amortised on a systematic basis.

(j) Long-term leases

Where the Group is the lessee

Leases of property or equipment which substantially transfer all the risks and rewards of ownership to the lessees are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased property or the present value of the minimum lease payments. Each lease payment is allocated to the principal and to the finance charges so as to achieve a constant rate on the finance balance outstanding. The outstanding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance cost is charged to profit or loss over the lease period. The property or equipment acquired under finance leases is depreciated over the useful life of the asset.

Leases not transferring a significant portion of the risks and rewards of ownership to the lessee are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease. For long-term leases where the Group does not occupy the entire areas at the lease inception date, lease expenses are charged to profit or loss on a systematic basis over the period of the lease in proportion to the area that the Group occupies in each year.

When an operating lease is terminated before the lease period expires, any payment

required to be made to the lessor by way of penalty is recognised as an expense in the period in which the termination takes place.

Where the Group is the lessor

Assets leased out under operating leases are included in property and equipment in the statement of finance position. They are depreciated over their expected useful lives on a basis consistent with other similar property and equipment owned by the Group. Rental income is recognised on a straight-line basis over the lease term.

Assets leased out by the Group under which a significant portion of the risks and rewards of ownership are transferred to the lessee are classified as finance lease. The assets held under finance lease are recorded as accounts receivable under finance lease in the statements of financial position.

The sales revenue recorded at the commencement of a finance lease represents the fair value of the asset, or if lower, the present value of the minimum lease payments accruing to the lessor, computed at a commercial rate of interest. The cost of sale recognised at the commencement of the lease term is the cost or carrying amount of the leased property. The difference between the sales revenue and the cost of sale is recorded as gain which is recognised by the Group in accordance with its normal accounting policy.

(k) Assets usage right

Assets usage rights that are acquired by the Group are stated at cost less accumulated amortisation and impairment losses.

Amortisation

Amortisation is calculated over 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 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:

Assets usage rights

10 and 28 years

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

(l) 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.

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.

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 the Group's investments in held-to-maturity securities is calculated as the present value of estimated future cash flows, discounted at the original effective interest rate.

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 assets' value in use and fair value less cost 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 financial assets carried at amortised cost and available-for-sale financial assets that are debt securities, the reversal is recognised in profit or loss. For available-for-sale financial assets that are equity securities, the reversal is recognised in other comprehensive income.

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 estimate used to determine the recoverable amount. An impairments 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.

(m) Interest-bearing liabilities

Interest-bearing liabilities are recognised initially at fair value.

(n) Trade and other accounts payable

Trade and other accounts payable are stated at cost

(o) Employee benefits

Defined contribution plans

A defined contribution plan is a postemployment 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.

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 AA credit-rated 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 calculation results in a benefit to the Group, the recognised asset is limited to the total of any unrecognised

past service costs and the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements that apply to any plan in the Group. An economic benefit is available to the group if it is realisable during the life of the plan, or on settlement of the plan liabilities.

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/ Company 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.

(p) 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.

(q) Revenue

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

Revenue from rent and services

Revenue from rent is recognised in profit or loss on a straight-line basis over the term of the lease. Revenue from services is recognised as services are provided. Lease incentives granted are recognised as a integral part of the total revenue from rent. Contingent rentals are recognised as income in the accounting period in which they are earned. Unearned rental and service revenue are recognised on a straight-line basis over the term of the lease.

Revenue from food and beverage

Revenue from food and beverage is recognised upon delivery of goods to customers.

Investment income

Investment income comprises interest and

dividend income from bank deposits and investments.

Interest income

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

Dividend income

Dividend income is recognised in profit or loss on the date the Group's right to receive payments is established which in the case of quoted securities is usually the ex-dividend date.

(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, dividends on preference shares classified as liabilities, fair value losses on financial assets at fair value through profit or loss, impairment losses recognised on financial assets (other than trade receivables), and losses on hedging instruments 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 payments made.

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.

Payments made under sub-lease agreement, which is an operating lease, with Central International Development Co., Ltd. is recognised in profit or loss on a systematic basis.

(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 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 transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments is subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future

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 by 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/Company 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.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference 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/Company presents basic and diluted 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 Group/Company by the weighted average number of ordinary shares outstanding during the year.

5 Acquisitions of subsidiary and non-controlling interests

Acquisition of subsidiaries

During the year 2011, the Group obtained control of CPN Complex Co., Ltd., a property management company by acquiring 99.9% of the share and voting interest in the Company. During the year 2011, the Company invested in land relating to one project however operations have not yet commenced.

The following summarises the major classes of consideration transferred, and the recognised amounts of net assets acquired and goodwill was recognised as follows:

(in thousand Baht)

	Fair value
Total consideration transferred - cash	1,526,185
Fair value of identifiable net assets - land	(1,526,185)
Goodwill	-

During the year 2011, the Group obtained control of CPN City Co., Ltd., a property management company by acquiring 99.9%

of the share and voting interest in the Company. During the year 2011, the Company

invested in land relating to one project however operations have not yet commenced.

The following summarises the major classes of consideration transferred, and the recognised amounts of net assets acquired and goodwill was recognised as follows:

(in thousand Baht)

	Fair value
Total consideration transferred - cash	2,119,815
Fair value of identifiable net assets - land	(2,119,815)
Goodwill	-

Acquisition of non-controlling interests

In December 2011 the Group acquired an additional 6.2% interest in Central Pattana Nine Square Co.,Ltd. for Baht 1,150 million in

cash, increasing its ownership from 87.1% to 93.3%. The carrying amount of Central Pattana Nine Square Co., Ltd's net assets in the Group's financial statements on the date of the acquisition was Baht 894.4 million. The Group recognised a decrease in non-controlling interests of Baht 0.4 million and a decrease in retained earnings of Baht 24.3 million.

The following summarises the effect of changes in the Group's ownership interest in Central Pattana Nine Square Co., Ltd:

(in thousand Baht)

	2011
Group's ownership interest at 1 January	745,753
Acquisitions of investments	1,150,000
Effect of decrease in Group's ownership interest	(24,693)
Share of comprehensive income	(4,096)
Group's ownership interest at 31 December	1,866,964

6 Related party transactions and balances

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 related parties were as follows:

Name of entity	Country of incorporation/nationality	Nature of relationships
Central Holding Co., Ltd.	Thailand	Major shareholder, some common directors
CPN Retail Growth Leasehold Property Fund	Thailand	Associate, holding 27.8%
Central Department Store Co., Ltd.	Thailand	Some common directors
Hang Central Department Store Co., Ltd.	Thailand	Some common directors
Central Trading Co., Ltd.	Thailand	Some common directors
Central Super Store Co., Ltd.	Thailand	Some common directors
Power Buy Co., Ltd.	Thailand	Some common directors
CRC Sport Co., Ltd.	Thailand	Some common directors
CRC Power Retail Co., Ltd.	Thailand	Some common directors
B2S Co., Ltd.	Thailand	Some common directors
Office Club (Thai) Co., Ltd.	Thailand	Some common directors
Earth Care Co., Ltd.	Thailand	Some common directors
CR Chiangmai (Thailand) Co., Ltd.	Thailand	Some common directors
Central Garment Factory Co., Ltd.	Thailand	Some common directors
Samsonite (Thailand) Co., Ltd.	Thailand	Some common directors

	Country of	
Name of entity	incorporation/nationality	Nature of relationships
Central Plaza Hotel Public Company Limited	Thailand	Some common directors
Central World Hotel Co., Ltd.	Thailand	Some common directors
Central Restaurant Group Co., Ltd.	Thailand	Some common directors
Central Food Retail Co., Ltd.	Thailand	Some common directors
Fuji Gimmick Co., Ltd.	Thailand	Some common directors
Sakura Restaurant Co., Ltd.	Thailand	Some common directors
Food Excellent Co., Ltd.	Thailand	Some common directors
Central International Development Co., Ltd.	Thailand	Some common directors
Robinson Nakarin Co.,Ltd.	Thailand	Some common directors
Robinson Department Store Public Company Limited	Thailand	Some common directors
Central Watson Co., Ltd.	Thailand	Some common directors
F&D International Co., Ltd.	Thailand	Some common directors
Food Festival Co., Ltd.	Thailand	Some common directors
Food Millennium Co., Ltd.	Thailand	Some common directors
Central Retail Corporation Co., Ltd.	Thailand	Some common directors
Fairy Plaza Co., Ltd.	Thailand	Some common directors
Big C Fairy Co., Ltd.	Thailand	Some common directors
Siam Retail Development Co., Ltd.	Thailand	Some common directors
Ayudhaya Agrocity Co., Ltd.	Thailand	Some common directors
Square Ritz Plaza Co., Ltd.	Thailand	Some common directors

Relationships between the Company and its subsidiaries and funds are disclosed in note 1.

Pricing policies for particular types of transactions are explained further below:

Transactions	Pricing policies
Revenue from rent and services	Market prices which are subject to location, lease space, lease form,
	timing and type of lease
Revenue from food and beverage	Market prices
Management income	The rate being charged by other parties in the business
Other income	The rate being charged by other parties in the business
Interest charged to wholly owned subsidiaries	The average interest rate of debt securities issued by the Company
Interest charged to other subsidiaries and related parties	The average interest rate of debt securities issued by the Company

Transactions	Pricing policies	
Cost of rent and services	Market prices	
Cost of food and beverage	Market prices	
Administrative expenses	At cost	
Management fee	Contractually agreed prices	
Provision for guarantee payment	Contractually agreed prices	
Leasehold rights	Contractually agreed prices	

Significant transactions for the years ended 31 December 2011 and 2010 with related parties were as follows:

		Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010	
Revenue					
Revenue from rent and services					
Subsidiaries	-	-	54,166	82,939	
Other related parties	1,903,291	1,630,122	679,822	765,212	
Total	1,903,291	1,630,122	733,988	848,151	
Revenue from food and beverage					
Other related parties	3	1	-		
Management income					
Subsidiaries and funds	-	-	110,982	48,843	
Associate	262,330	289,659	262,330	289,658	
Total	262,330	289,659	373,312	338,501	
Interest income					
Subsidiaries and funds	-	-	660,479	552,047	
Other related parties	4,802	197,648	4,687	197,644	
Total	4,802	197,648	665,166	749,691	
Other income					
Subsidiaries and funds	-	-	134,258	159,494	
Other related parties	57,381	56,950	18,619	19,505	
Total	57,381	56,950	152,877	178,999	

			(In t	nousand Bant)	
		Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010	
Dividend income					
Subsidiaries and funds	-	-	531,845	1,407,487	
Associate	467,530	408,753	467,528	408,753	
Total	467,530	408,753	999,373	1,816,240	
Expenses					
Cost of rent and services					
Subsidiaries and funds	-	-	87,408	11,080	
Other related parties	440,392	396,741	434,894	392,220	
Total	440,392	396,741	522,302	403,300	
Cost of food and beverage					
Other related parties	12	32	-	-	
Management fees					
Subsidiaries and funds	-	-	13	-	
Other related parties	90,023	100,500	87,901	93,234	
Total	90,023	100,500	87,914	93,234	
Administrative expenses					
Subsidiaries and funds	-	-	46,754	29,071	
Other related parties	18,307	17,608	13,835	11,802	
Total	18,307	17,608	60,589	40,873	
Interest expense					
Subsidiaries	-	-	162,003	173,832	

Management benefits expenses

In 2011, the Company paid salaries, bonuses, meeting allowances and pensions to the directors and management members totaling Baht 78.2 million (2010: Baht 84.1 million).

Significant balances as at 31 December 2011 and 2010 with related parties were as follows:

	Consolidated financial statements		Separate financial statements		
	2011	2010	2011	2010	
Trade accounts receivable					
Subsidiaries:					
CPN Pattaya Beach Co., Ltd.	-	-	24,811	3,839	
Central Pattana Rattanathibet Co., Ltd.	-	-	18,154	2,349	
Central Pattana Khon Kaen Co., Ltd.	-	-	16,797	3,982	
Central World Co., Ltd.	-	-	14,128	5,067	
Central Pattana Chonburi Co., Ltd.	-	-	11,952	2,009	
CPN Chiangrai Co., Ltd.	-	-	5,888	-	
Central Pattana Chiangmai Co., Ltd.	-	-	4,246	5,021	
Bangna Central Property Co., Ltd.	-	-	3,432	4,335	
Central Food Avenue Co.,Ltd.	-	-	1,187	1,006	
Central Pattana Rama 2 Co., Ltd.	-	-	345	2,121	
Central Realty Service Co., Ltd.	-	-	-	1,055	
Others	-	-	3,033	277	
Total subsidiaries	-	-	103,973	31,061	
Other related parties:					
Central Department Store's Group	70,131	83,092	28,051	27,226	
Others	54,094	34,716	25,805	9,071	
Total other related parties	124,225	117,808	53,856	36,297	
Total	124,225	117,808	157,829	67,358	

			(in th	nousand Baht)
	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Accrued dividend income				
Subsidiaries:				
The Thai Business Fund 4	-	-	865,922	865,922
The Thai Business Fund 5	-	-	24,637	33,583
Total	-	-	890,559	899,505
Accrued income				
Subsidiary:				
The Thai Business Fund 4	-	-	75,232	75,232
Other account payable				
Subsidiaries:				
Central World Co., Ltd.	-	-	57,363	-
The Thai Business Fund 4	-	-	2,225,188	-
Other related party:				
Central Department Store's Group	121,961	-	121,961	-
Total	121,961	-	2,404,512	_
Accrued interest income:				
Subsidiaries:				
The Thai Business Fund 4	-	-	10,126	7,828
The Thai Business Fund 5	-	-	455	449
Other related party:				
Siam Retail Development Co., Ltd.	135,456	135,456	135,456	135,456
Total	135,456	135,456	146,037	143,733

Loans to related parties

	Interest rate			Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010	2011	2010	
	(% per a	ınnıım)					
Short-term loans to	(0.1 1.2 1.2	,					
Subsidiaries:							
The Thai Business Fund 4	6.00	6.50	-	_	534,526	1,088,299	
Langsuan Realty Co., Ltd.	3.98	4.44	-	-	488,070	229,806	
The Thai Business Fund 5	6.00	6.00	-	-	89,206	105,296	
Central Realty Service Co.,Ltd.	3.98	-	-	-	49,667	-	
Central Pattana Chiangmai Co., Ltd.	3.98	4.44	-	-	-	268,600	
Central Realty Service Rama 3 Co., Ltd.	3.98	4.44	-	-	-	4,518	
Total short-term loans			-	-	1,161,469	1,696,519	
Long-term loans to							
Subsidiaries:							
Central World Co., Ltd.	3.98	4.44	-	-	10,870,881	6,246,663	
CPN Chiangrai Co.,Ltd.	3.98	4.44	-	-	1,376,088	1,069,364	
Central Food Avenue Co., Ltd.	3.98	4.44	-	-	581,382	108,909	
Central Pattana Khon Kaen Co., Ltd.	3.98	4.44	-	-	519,954	587,338	
Central Pattana Rattanathibet Co., Ltd.	3.98	4.44	-	-	462,209	635,266	
CPN Pattaya Beach Co., Ltd.	3.98	4.44	-	-	418,664	21,280	
Central Pattana Chonburi Co., Ltd.	3.98	4.44	-	-	368,804	712,968	
Central Pattana Nine Square Co.,Ltd.	3.98	4.44	-	-	1,752	1,233,622	
CPN Pattaya Beach Hotel Co.,Ltd.	3.98	4.44	-	-	-	247,209	
Total long-term loans to			_	-	14,599,734	10,862,619	
Total loans to related parties, net			-	-	15,761,203	12,559,138	
Summary of loans to related parties							
Short-term loans			-	-	1,161,469	1,696,519	
Long-term loans			-	-	14,599,734	10,862,619	
			_	-	15,761,203	12,559,138	
Less allowance for doubtful accounts			-	-	-	-	
Total loans to related parties, net			-	-	15,761,203	12,559,138	

Movements during the years ended 31 December 2011 and 2010 of loans to related parties were as follows:

(in thousand Baht)

	Consolidated financial statements			oarate statements
	2011	2010	2011	2010
Short-term				
Subsidiaries				
At 1 January	-	-	1,696,519	1,950,360
Increase	-	-	882,999	1,188,274
Decrease	-	-	(1,418,049)	(1,442,115)
At 31 December	-	-	1,161,469	1,696,519
Long-term				
Subsidiaries				
At 1 January	-	-	10,862,619	9,936,342
Increase	-	-	11,585,598	5,876,342
Decrease	-	-	(7,848,483)	(4,950,065)
At 31 December	-	-	14,599,734	10,862,619
Other related party				
At 1 January	-	-	-	-
Reversal of allowance for doubtful account	-	162,739	-	162,739
Decrease	-	(162,739)	-	(162,739)
At 31 December		_		
Total long-term loans to related parties				
At 1 January	-	-	10,862,619	9,936,342
Reversal of allowance for doubtful accounts	-	162,739	-	162,739
Increase	-	-	11,585,598	5,876,342
Decrease	-	(162,739)	(7,848,483)	(5,112,804)
At 31 December	-	-	14,599,734	10,862,619

Loans to subsidiaries and other related parties are unsecured and denominated in Thai Baht, except the loan made to Central Pattana Khon Kaen Co., Ltd., a subsidiary,

that is secured by the subsidiary's land with a carrying value as at 31 December 2011 of Baht 327 million (2010:Baht 327 million). All loans are repayable on demand. Loans to subsidiaries and other related parties carry interest at the average interest rate of debt securities issued by the Company.

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Trade accounts payable				
Subsidiaries:				
Central World Co., Ltd.	-	-	67,518	16,961
Central Realty Service Co., Ltd.	-	-	13,707	-
The Thai Business Fund 4	-	-	6,153	-
Central Pattana Nine Square Co.,Ltd	-	-	4,610	-
Central Pattana Khon Kaen Co., Ltd.	-	-	3,067	2,657
Central Pattana Chiangmai Co., Ltd.	-	-	3,061	2,364
Bangna Central Property Co., Ltd.	-	-	2,278	2,887
CPN Pattaya Beach Co., Ltd.	-	-	1,629	1,617
CPN Chiangrai Co., Ltd.	-	-	1,307	-
Central Pattana Rattanathibet Co., Ltd.	-	-	880	2,282
Central Pattana Chonburi Co., Ltd.	-	-	875	1,689
Others	-	-	894	456
Total subsidiaries	-	-	105,979	30,913
Other related parties:				
Central Department Store's Group	2,642	4,417	1,656	1,087
Others	3,570	1,572	3,327	179
Total related parties	6,212	5,989	4,983	1,266
Total	6,212	5,989	110,962	32,179
Account payable for leasehold right				
Other related party:				
Central International Development Co., Ltd.	645,464	852,343	645,464	852,343

Loans from related parties

	Intere	Interest rate		olidated statements	-	arate statements
	2011	2010	2011	2010	2011	2010
	(% per a	annum)				
Short-term loans from						
Subsidiaries:						
Central Pattana Nine Square Co.,Ltd.	3.98	-	-	-	1,015,308	-
CPN Construction Management Co., Ltd.	3.98	4.44	-	-	47,179	64,081
Central Pattana Chiangmai Co., Ltd.	3.98	-	-	-	31,047	-
CPN Global Co., Ltd.	3.98	4.44	-	-	24,264	65,245
CPN Pattaya Beach Hotel Co., Ltd.	3.98	-	-	-	11,002	-
Other related parties:						
Others	5.50	5.50	3,815	3,687	-	-
Total short-term loans			3,815	3,687	1,128,800	129,326
Long-term loans from						
Subsidiaries:						
Central Pattana Rama 3 Co., Ltd.	3.98	4.44	-	-	1,519,019	1,854,621
Central Pattana Rama 2 Co., Ltd.	3.98	4.44	-	-	1,830,666	1,554,837
Total long-term loans			-	-	3,349,685	3,409,458
Total loans from related parties			3,815	3,687	4,478,485	3,538,784

Movements during the years ended 31 December 2011 and 2010 of loans from related parties were as follows:

	Consolidated financial statements			oarate statements
	2011	2010	2011	2010
Short-term				
Subsidiaries				
At 1 January	-	-	129,326	528,554
Increase	-	-	1,892,696	1,282,350
Decrease	-	-	(893,222)	(1,681,578)
At 31 December	-	-	1,128,800	129,326
Other related parties				
At 1 January	3,687	3,558	-	-
Increase	128	129	-	-
At 31 December	3,815	3,687	-	_
Total short-term loans from related parties				
At 1 January	3,687	3,558	129,326	528,554
Increase	128	129	1,892,696	1,282,350
Decrease	-	-	(893,222)	(1,681,578)
At 31 December	3,815	3,687	1,128,800	129,326
Long-term				
Subsidiaries				
At 1 January	-	-	3,409,458	3,264,011
Increase	-	-	316,389	1,763,280
Decrease	-	-	(376,162)	(1,617,833)
At 31 December	-	-	3,349,685	3,409,458
Other related parties				
At 1 January	-	18,429	-	-
Increase	-	-	-	-
Decrease	-	(18,429)	-	-
At 31 December	-	_	-	_

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Total long-term loans from related parties				
At 1 January	-	18,429	3,409,458	3,264,011
Increase	-	-	316,389	1,763,280
Decrease	-	(18,429)	(376,162)	(1,617,833)
At 31 December	-	-	3,349,685	3,409,458

Loans from related parties are unsecured and denominated in Thai Baht. The loans are repayable on demand. Loans from subsidiaries

and related parties carry interests at the average interest rate of unsecured debt securities issued by the Company. Loans

from funds carry interest at the rates ranging from 4.0 % to 7.0 % per annum.

Key management personnel compensation

Key management personnel compensation for the years ended 31 December 2011 and 2010 consist of:

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Short-term benefits	78,230	84,110	78,230	84,110
Long-term benefits	2,081	1,947	2,081	1,947
Total	80,311	86,057	80,311	86,057

Commitments with related parties

The Group has entered into service and premise lease agreements with related parties. The rental and service fees are payable as at 31 December 2011 and 2010 as follows:

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Non-cancellable operating lease commitments				
Within one year	528	524	548	498
After one year but within five years	2,427	2,403	2,506	2,300
After five years	11,652	12,578	11,971	12,306
Total	14,607	15,505	15,025	15,104

The Company entered into a land lease agreement with Hang Central Department Store Co., Ltd., a related party, for a period of 30 years ended in 2024 (Note 37).

The Company entered into a land lease agreement with Hang Central Department Store Co., Ltd., a related party, for a period of 30 years ended in 2023.

A subsidiary has entered into an agreement with Central Plaza Hotel Public Company Limited to sublease its leasehold right over land and part of its construction located at Central World for 29 years. According to the agreement, the sub-lessee agreed to use land and its constructions to develop a hotel, a parking and a convention hall.

Central World Co..Ltd.

On 18 December 2002, Thai Business Fund 4 (TBF4) entered into a land and building lease agreement, related to the location of Central World Plaza with The Bureau of the Crown Property. The lease agreement was for a period of 30 years ending in December 2032.

On 23 December 2002, TBF4 entered into a sublease utilities system contract and a real estate management contract with Central World Co., Ltd. The lease agreement was for a period of 30 years and ending in December 2032. Under the conditions of the contracts, the Company had to make an advance lump sum payment of unearned leasehold right in advance of Baht 80 million and

monthly rent stated in the contract to TBF4.

Central World had Central Pattana Public

Company Limited ("CPN") as a guarantor.

According to the 7th TBF4's unitholders' resolution on 27 September 2011, unitholders had an unanimous resolution to change the sublessee from Central World Co., Ltd. to CPN by cancelling a sublease utilities system contract and a real estate management contract with Central World Co., Ltd.

As a result, TBF4 terminated a sublease utilities system contract and a real estate management contract with Central World on 1 December 2011 and had obligation to pay compensation in amount of Baht 2,219 million for investment in system and development of parking building by Central World and contract termination. CPN agreed to pay for the obligation on behalf of TBF4 in order to sublease utilities system contract and become a real estate manager for Central World project instead.

TBF4 has subleased the system to the CPN on 1 December 2011. The contract covered the period 1 December 2011 to the end of December 2032. According to the contract, the Company has to pay the lump sum rent of Baht 56.1 million and pay the monthly rent of Baht 20 million according to the contract.

Central Plaza Lardprao

In 2009, the Company subleased land and shopping, office and parking buildings including their improvements, integrated components and equipment of Central Plaza Lardprao from Central International Development Company Limited for 20 years up until 18 December 2028. The Company had to pay advance rental in the amount of Baht 2,162 million, which is classified as leasehold rights in the statements of financial position. In addition, the Company is required to pay annual rent throughout the agreement period totalling Baht 14,016 million.

Titles over the buildings, premises or properties the Company's renovation, development or erection will be transferred to The State Railway of Thailand ("the ultimate lessor") upon expiry of the agreement together with certain equipment specified in the lease agreement.

7 Cash and cash equivalents

(in thousand Baht)

	Consolidated financial statements			Separate cial statements
	2011	2010	2011	2010
Cash on hand	5,885	5,655	1,908	2,230
Call deposits	827,173	765,909	198,053	243,648
Total	833,058	771,564	199,961	245,878

Cash and cash equivalents of the Group and the Company as at 31 December 2011 and 2010 were denominated in Thai Baht.

8 Other investments

(in thousand Baht)

	Consolidated financial statements			Separate cial statements
	2011	2010	2011	2010
Current				
Short-term deposits at financial Institutions	-	1,238	-	243
Debt securities held-to-maturities	197	750,895	-	750,000
Equity securities available-for-sale	105,323	105,323	1,025	1,025
Add unrealised holding gain	6,037	3,251	2,045	1,915
	111,557	860,707	3,070	753,183
Non-current				
Other equity securities	2,242	1,000	1,000	1,000
Total	113,799	861,707	4,070	754,183

Other investments of the Group and the Company as at 31 December 2011 and 2010 were entirely denominated in Thai Baht.

9 Trade accounts receivable

(in thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2011	2010	2011	2010
Subsidiaries and other related parties	6	124,225	117,808	157,829	67,358
Other parties		766,881	539,165	353,264	147,685
		891,106	656,973	511,093	215,043
Less allowance for doubtful accounts		(9,861)	(3,483)	(1,574)	(942)
Net		881,245	653,490	509,519	214,101
Bad and doubtful debt expenses (reverse) for the year		6,378	56	632	(1,251)

Aging analyses for trade accounts receivable and deposits from overdue customers were as follows:

	Consolidated financial statements		Sepa financial s	
	2011	2010	2011	2010
Subsidiaries and other related parties				
Within credit terms	42,021	45,597	120,689	38,088
Overdue:				
Less than 3 months	39,148	20,672	24,390	14,416
3-6 months	18,002	12,891	2,998	4,308
6-12 months	7,720	27,884	3,012	8,454
Over 12 months	17,334	10,764	6,740	2,092
Total	124,225	117,808	157,829	67,358
Deposits from overdue customers	200,458	183,257	52,605	45,031

		Consolidated financial statements		arate statements
	2011	2010	2011	2010
Other parties				
Within credit terms	273,250	271,845	156,762	59,677
Overdue:				
Less than 3 months	229,750	68,943	129,165	29,179
3-6 months	104,786	30,000	31,249	16,916
6-12 months	87,434	100,423	12,382	27,837
Over 12 months	71,661	67,954	23,706	14,076
	766,881	539,165	353,264	147,685
Less allowance for doubtful accounts	(9,861)	(3,483)	(1,574)	(942)
Net	757,020	535,682	351,690	146,743
Deposits from overdue customers	1,215,809	1,329,900	349,553	596,003

The normal credit term granted by the Group and the Company ranges from 1 day to 30 days.

Accounts receivable of the Group and the Company as at 31 December 2011 and 2010 were denominated in Thai Baht.

Deposits received from overdue customers were in excess of the overdue receivables.

10 Other accounts receivable

			olidated statements	±	arate statements
	Note	2011	2010	2011	2010
Accrued income	6	428,210	567,324	1,130,219	1,155,547
Receivables from Revenue Department		468,372	416,855	-	-
Other accounts receivable		356,413	302,275	22,317	13,123
Prepaid expenses		140,850	138,342	112,801	108,378
Others		72,684	54,367	28,046	18,848
Total		1,466,529	1,479,163	1,293,383	1,295,896

11 Investments in subsidiaries and funds

Movements of investments in subsidiaries and funds for the years ended 31 December 2011 and 2010 are as follows;

(in thousand Baht)

Separate financial statements

	2011	2010
At 1 January	19,676,871	17,681,189
Acquisitions of investments	1,925,425	1,501,334
Acquisition of investment units	105,772	522,332
Disposal of investments and redemption of investment units	(27,984)	(27,984)
At 31 December	21,680,084	19,676,871

Thai Business Fund 4 ("TBF4")

On 8 December 2010, the Company purchased additional issues of investment units type A and C of TBF4 for 72.1 million units at Baht 3.85 per unit, totalling Baht 278 million (see note 6), and 52.2 million units at Baht 10 per unit, totalling Baht 522 million, respectively. The proceeds from the recapitalisation to fund are earmarked for renovation of the Central World Plaza Project (Project), payment of compensation or return of rental deposit to the shopping plaza's sub-lessee/tenants who terminated their sublease agreements, distribution of financial assistance to affected retailers, and use as working capital during the Project's renovation.

On 10 August 2011, the Company purchased additional issues of investment units type A and C of TBF4 for 14.6 million units at Baht 3.85 per unit, totalling Baht 56.2 million (see note 6), and 10.6 million units at Baht 10 per unit, totalling Baht 105.8 million, respectively,

for fund use for working capital during the Project's renovation.

Central Pattana Rama 3 Co., Ltd. and Central Realty Service Rama 3 Co., Ltd.

On 16 June 2010, the Company purchased common shares of Central Realty Service Rama 3 Co., Ltd., an indirect subsidiary, from Central Pattana Rama 3 Co., Ltd., a direct subsidiary, at net book value of Baht 233 million. The Company paid for the cost of acquisition on 22 June and 7 July 2010 respectively. Subsequent to the purchase, Central Realty Service Rama 3 Co., Ltd. has become the Company's direct subsidiary.

The Board of Directors' meeting on 10 August 2010 resolved to restructure the shareholdings of two subsidiaries which are 99.9 percent directly and indirectly owned by the Company by:

1. Registering the dissolution of Central Realty Service Rama 3 Co., Ltd. ("CR3"), whose major

operation was to provide utilities services at Central Plaza Ratchda Rama 3 Shopping Plaza. As part of the process, total assets and liabilities of CR3 will be transferred to Central Pattana Rama 3 Co., Ltd. Currently, CR3 is undergoing the liquidation process.

2. Registering the increase in share capital of Central Pattana Rama 3 Co., Ltd. ("CP3"), whose main operation is the leasing of commercial space of Central Plaza Ratchda Rama 3, from Baht 126.7 million currently to Baht 324.7 million to support the transfer of assets and liabilities from Central Realty Service Rama 3 Co., Ltd. Additional shares issued will be offered to CP3's shareholder who holds the same shareholding percentage in Central Realty Service Rama 3 Co., Ltd.

The above restructurings have no impact on the shareholding proportions or interests of the Company and its subsidiaries as the Company effectively holds 100% ownership interests in both subsidiaries.

Central Food Avenue Co., Ltd.

At the extraordinary shareholders meeting of Central Food Avenue Co., Ltd. held on 31 May 2010, the shareholders passed a special resolution to increase the company's registered capital by Baht 4 million by issuing 0.4 million shares at Bath 10 par value. The new shares issued have been fully paid up. The subsidiary registered the increase in share capital with the Ministry of Commerce on 4 June 2010.

Central Pattana Khon Kaen Co., Ltd.

On 31 May 2010, the subsidiary called for the remaining unpaid capital of 25% of the new shares issued, or Baht 435 million. Accordingly, the subsidiary's newly issued share capital has been fully paid up.

CPN Global Company Limited

At the Company's Board of Directors' meeting held on 11 May 2010, the Board members approved the acquisition of 9,994 common shares of CPN Global Company Limited from a related party to support the Company's overseas expansion. The subsidiary registered 10,000 shares at Baht 100 par value; 25% of which, or Baht 0.3 million, have been paid up as at 31 December 2010. Subsequently after the acquisition, CPN Global Company Limited has become the subsidiary of the Company.

To support the aforementioned overseas expansion,

> CPN Global Co., Ltd. incorporated two additional legal entities in Hong Kong namely Global Retail Development & Investment Ltd.

and Global Commercial Property Ltd. on 16 April 2010 and 23 April 2010 respectively.

> Global Retail Development & Investment Ltd. incorporated additional legal entity in China namely Central (Shanghai) Management Consulting Co., Ltd. on 19 October 2010. The Company called for the unpaid capital of 20% of the new shares issued, of HKS 2.3 million on 13 January 2011 and the company called for the remaining unpaid capital of 40.3% of the new shares issued, of HKS 4 million on 9 September 2011.

CPN Pattaya Beach Hotel Co., Ltd.

At the extraordinary shareholders meeting of CPN Pattaya Beach Hotel Co., Ltd. on 23 March 2010, the shareholders passed a special resolution to increase the company's registered capital by Baht 999 million by issuing 9.99 million shares at Baht 100 par value. 75% of the new share issues, or Baht 749.3 million, has been paid up. The subsidiary registered the increase in share capital with the Ministry of Commerce on 25 March 2010.

On 30 July 2011, the subsidiary called for the remaining unpaid capital of 25% of the new shares issued, or Baht 249.8 million. Accordingly, the subsidiary's newly issued share capital has been fully paid up.

CPN Chiangrai Co., Ltd.

At the extraordinary shareholders meeting of CPN Chiangrai Co., Ltd. on 2 February 2010, the shareholders passed a special resolution to:

> change the company's name from "Thaipat Property Co., Ltd." to "CPN Chiangrai Co., Ltd." The name change was registered with the Ministry of Commerce on 15 February 2010.

> increase the company's registered capital by Baht 699 million by issuing 69.9 million shares at Baht 10 par value. 25% of the new share issues, or Baht 174.98 million, has been paid up. The subsidiary registered the increase in share capital with the Ministry of Commerce on 15 February 2010.

On 16 September 2011, the subsidiary called for the remaining unpaid capital of 75% of the new shares issued, or Baht 525 million shares at Baht 10 par value. Accordingly, the subsidiary's newly issued share capital has been fully paid up.

Central Pattana Nine Square Co., Ltd.

On 16 December 2011, the subsidiary called for the remaining unpaid capital of 44.23% of the new shares issued, or Baht 1,150 million. Accordingly, the subsidiary's newly issued share capital has been fully paid up.

CPN Complex Co., Ltd.

The subsidiaries acquired 99.9% of common shares of CPN Complex Co.,Ltd. which had authorized shares of Baht 1,341.6 million (13.4 million shares at Baht 100 par value) and the share capital was fully paid-up.

CPN City Co., Ltd.

The subsidiaries acquired 99.9% of common shares of CPN City Co.,Ltd. which had authorized shares of Baht 1,863.5 million (18.6 million shares at Baht 100 par value) and the share capital was fully paid-up.

Investments in subsidiaries and funds as at 31 December 2011 and 2010 and dividend income from those investments for the years then ended were as follows:

					Se	Separate financial statements	cial stateme	nts				
	Ownershi	Ownership interest	Paid-up capital	capital	Costn	Cost method	Impaiment	ment	At co	At cost - net	Dividend income	income
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
	8)	(%)	(in million Baht)	on Baht)				(in thous	(in thousand Baht)			
Subsidiaries												
Central Pattana Rama 2 Co., Ltd.	100.0	100.0	1,500.0	1,500.0	1,500,000	1,500,000	ı	1	1,500,000	1,500,000	1	1
Central Pattana Chiangmai Co., Ltd.	100.0	100.0	1,000.0	1,000.0	1,000,000	1,000,000	ı	ı	1,000,000	1,000,000	ı	499,987
Langsuan Realty Co., Ltd.	100.0	100.0	830.0	830.0	830,000	830,000	1	ı	830,000	830,000	1	ı
Central Pattana Rattanathibet Co., Ltd.	100.0	100.0	800.0	800.0	589,998	589,998	ı	1	589,998	866'689	118,000	412,999
Central Realty Service Co., Ltd.	100.0	100.0	1.0	1.0	1,000	1,000	1	ı	1,000	1,000	1	157,989
Central Food Avenue Co., Ltd.	100.0	100.0	5.0	5.0	5,000	5,000	ı	1	5,000	5,000	1	ı
Central World Co., Ltd.	100.0	100.0	2,511.9	2,511.9	2,412,733	2,412,733	1	ı	2,412,733	2,412,733	1	ı
Central Pattana Rama 3 Co., Ltd.	100.0	100.0	324.7	324.7	1,985,470	1,985,470	1	ı	1,985,470	1,985,470	1	101,460
CPN Pattaya Beach Co., Ltd.	100.0	100.0	1,500.0	1,500.0	1,499,999	1,499,999	1	ı	1,499,999	1,499,999	165,000	ı
Central Pattana Chonburi Co., Ltd.	100.0	100.0	0.006	0.006	808,984	808,984	1	ı	808,984	808,984	1	ı
CPN Pattaya Beach Hotel Co., Ltd.	100.0	100.0	1,000.0	750.3	1,000,060	750,311	ı	ı	1,000,060	750,311	ı	ı
CPN Construction Management Co., Ltd.	100.0	100.0	1.0	1.0	666	666	ı	ı	666	666	ı	ı
CPN Chiangrai Co., Ltd.	100.0	100.0	700.0	175.1	744,285	219,360	1	ı	744,285	219,360	1	ı
Central Realty Service Rama 3 Co., Ltd.												
(undergoing liquidation process)	100.0	100.0	175.0	175.0	181,282	181,282	ı	ı	181,282	181,282	ı	ı
CPN Global Company Limited	100.0	100.0	1.0	0.3	1,000	250	ı	ı	1,000	250	ı	ı
Central Pattana Nine Square Co., Ltd.	93.3	87.1	2,400.0	1,250.0	2,239,200	1,089,200	(177,705)	(177,705)	2,061,495	911,495	ı	ı
Central Pattana Khon Kaen Co., Ltd.	78.1	78.1	2,000.0	2,000.0	1,562,683	1,562,683	(101,505)	(101,505)	1,461,178	1,461,178	ı	ı
Funds												
The Thai Business Fund 4 $^{ m (I)(Z)}$	100.0	100.0	5,443.8	5,338.0	5,443,793	5,338,020	ı	ı	5,443,793	5,338,020	ı	ı
The Thai Business Fund 5 ⁽¹⁾	100.0	100.0	152.8	180.8	152,808	180,792	1	1	152,808	180,792	248,845	235,052
Total					21,959,294	19,956,081	(279,210)	(279,210)	21,680,084	19,676,871	531,845	1,407,487

(1) Investments in The Thai Business Fund 4 and The Thai Business Fund 5 are investment units (type C) which have rights to receive dividends subordinated to the other types of unitholders (type A and B).

(2) The Thai Business Fund 4

On 1 April 2009, the Company acquired investment units of The Thai Business Fund 4, ordinary shares of Central World Company Limited and ordinary shares and/or rights to receive cash and/or any benefits of the remaining assets after the liquidation based on the shareholding proportion of Central World Tower Company Limited from the minority interests totaling Baht 572.3 million (including accrued dividend income). The payment was made in cash amounting to Baht 327.8 million and Aval of Baht 244.5

million (Maturing on 30 December 2009). As a result, the Company recognised an excess of acquirer's interest in net fair value of aquiree's identifiable assets, liabilities and contingent liabilities over cost in the statement of income amounting to Baht 66.0 million.

During 2009, the Company purchased 6.3% of investment units of the Thai Business Fund 4 which was held by Bangna Central Property Co., Ltd., (indirect subsidiary), at book value of Baht 335.6 million (including accrued dividend income).

In 2009, the Thai Business Fund 4 amended the dividend payment policy for investment units type C which should not be less than net cash remaining after (1) the dividend paid and payable to investment units type A and B, (2) the redemption of capital to investment units type A and B, (3) the deduction of cash reserved for other debt payments and (4) the payment for dividend payable. As at 31 December 2009, the Thai Business Fund 4 appropriated and recorded dividend payable of investment units type C totaling Baht 941.2 million including dividend payable to the Company of Baht 865.9 million (See note 6).

During 2009, the Company purchased investment units type A and B of The Thai Business Fund 4 from financial institutions totaling Baht 1,794.4 million (See note 6). Such investment unit purchase had no effect on capital and proportion of units that have rights to receive the dividends (Investment units type C).

12 Investment in associate

Movements of investment in associate for the years ended 31 December 2011 and 2010 were as follows:

		olidated statements	-	arate statements
	2011	2010	2011	2010
At 1 January	2,684,150	2,617,780	4,446,171	4,446,171
Share of net profit of				
investment-equity method	497,550	475,123	-	-
Dividend income	(467,530)	(408,753)	-	-
At 31 December	2,714,170	2,684,150	4,446,171	4,446,171

Investment in associate as at 31 December 2011 and 2010 and dividend income from the investment for the years then ended were as follows:

					Ç	7. TO 1. TO	0;	; ;			(in thousand Baht)	and Baht)
						COIISOIIdated IIItaiicial stateitteitis	ומווכומו אומות	וופווופ	,			,
	Ownership interest	interest	Paid-up capital	capital	Cost	Cost method	Equity	Equity method	Mark listed	Market price of listed securities	Divi	Dividend
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
	(%)											
Associate												
CPN Retail Growth												
Leasehold Property Fund	27.8	27.8 115,763,958		15,763,958	4,446,171	4,446,171	2,714,170	2,684,150	5,823,079	5,413,643	467,530	408,753
											(in thousand Baht)	and Baht)
					S	Separate financial statements	ncial statem	nents				
									Market price of	of of	Dividend	and
	Ownershi	Ownership interest	Щ	Paid-up capital	pital	Cost	Cost method	1	listed securities	ties	income	ne
	2011	2010	2011	1	2010	2011	2010	20	2011	2010	2011	2010
	(%)	(3										
Associate												
CPN Retail Growth												
Leasehold Property Fund	27.8	27.8	15,763,958		15,763,958	4,446,171	4,446,171	5,823,079		5,413,643	467,530	408,753

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

(in thousand Baht)

	Ownership	Total assets	Total liabilities	Total revenues	Net profit
	(%)				
2011					
CPN Retail Growth					
Leasehold Property Fund	27.8	18,601,705	1,582,789	2,309,989	1,789,632
Total		18,601,705	1,582,789	2,309,989	1,789,632
2010					
CPN Retail Growth					
Leasehold Property Fund	27.8	18,290,333	1,481,747	2,279,056	1,747,626
Total		18,290,333	1,481,747	2,279,056	1,747,626

13 Long-term investments - related parties

	Owne inte	-		olidated statements	Sepai financial st	
	2011	2010	2011	2010	2011	2010
	(%	%)				
Siam Retail Development Co., Ltd.	15	15	66,250	66,250	-	-
Ayudhaya Agrocity Co., Ltd.	12	12	50,397	50,397	-	-
Square Ritz Plaza Co., Ltd.	12	12	15,000	15,000	-	-
Total investment, at cost			131,647	131,647	-	-
Less allowance for impairment			(131,647)	(131,647)	-	-
Net			-	-	-	-

14 Investment properties

		olidated I statements	_	arate statements
	2011	2010	2011	2010
For the year ended 31 December				
Cost				
At 1 January	37,792,750	35,919,974	7,972,648	7,741,321
Additions	12,062,469	2,595,223	1,155,804	235,506
Transfer from property, plant and equipment	660,214	494,478	142,784	-
Transfer to property, plant and equipment	(88,394)	(48,774)	(101,005)	-
Transfer to leasehold rights	-	(792,293)	-	-
Disposals	(23,942)	(375,858)	(2,595)	(4,179)
At 31 December	50,403,097	37,792,750	9,167,636	7,972,648
Depreciation and impairment losses				
At 1 January	7,837,840	6,717,709	1,526,385	1,180,920
Depreciation charge for the year	1,610,282	1,291,951	350,440	345,569
Reversal of impairment losses	(187,015)	-	(91,226)	-
Transfer from property, plant and equipment	432,474	17,522	83,316	-
Transfer to property, plant and equipments	(25,387)	(30,369)	(25,387)	-
Transfer from leasehold rights	-	144,044	-	-
Obligation under long-term operating lease	11,988	11,440	-	-
Disposals	(19,858)	(314,457)	(1,333)	(104)
At 31 December	9,660,324	7,837,840	1,842,195	1,526,385
Net book value				
At 1 January 2010	-	29,202,265	-	6,560,401
At 31 December 2010 and 1 January 2011	29,954,910	29,954,910	6,446,263	6,446,263
At 31 December 2011	40,742,773	-	7,325,441	-

Investment properties were revalued as at 31 December 2011 by Brooke Real Estate Co., Ltd., a firm of independent professional valuers, using a "Income method, DCF Technique". The appraised value was Baht 74,805 million.

Investment properties comprise a number of commercial properties that are leased to third parties. One property has been transferred from property, plant and equipment and leasehold rights to investment property and are consist of:

Central Plaza Chiangmai Airport
Central Plaza Ramindra
Central Plaza Bangna
Central Plaza Pinklao
Central Centre Pattaya
Central Plaza Ratchada - Rama 3

Central Plaza Rattanathibet
Central Plaza Changwattana
Central Festival Pattaya Beach
Central Plaza Udonthani
Central Plaza Chonburi
Central Plaza Khonkhan
Central Plaza Chiangrai
Central Plaza Pisanulok
Central Plaza Grand Rama 9
Central City Residential
Chaengwattana Office
Bangna Office
Langsuan Colonade
Project under development

The Group's projects under development consist of 9 shopping centre and office building development projects.

During the period 2011, the Company purchased a land from a third party of Baht 1,155.8 million for future development and construction of a shop building and department store. The payments was fully paid in cash.

During 2010, the Group:

- > purchased land worth Baht 449.8 million from a third party for future development of a shop building and department store; and
- > purchased land worth Bath 148.8 million from a third party for future development of a shop building and department store. The payments were made in cash in the amount of Baht 100.0 million and in aval in the amount of Baht 48.8 million (maturing on 28 August 2010).

15 Property, plant and equipment

(a) Group

			Consolidated fir	nancial statements	(ousaria Darit,
			Transportation			
	Land	Buildings and improvements	and office equipments	Construction in progress	Projects under development	Total
Cost						
At 1 January 2010	91,371	290,996	1,023,206	516,970	495,550	2,418,093
Purchase	-	2,109	114,155	17,409	1,046,261	1,179,934
Transfer from investment property	-	-	48,774	-	-	48,774
Transfer to investment property	-	-	-	(494,478)	-	(494,478)
Transfer - net	-	1,433,862	43,249	64,700	(1,541,811)	-
Disposals /write off	-	(40)	(4,588)	(6,374)	-	(11,002)
At 31 December 2010 and 1 January 2011	91,371	1,726,927	1,224,796	98,227	-	3,141,321
Purchase	-	2,206	185,228	420,457	-	607,891
Transfer from investment property	-	60,906	-	27,488		88,394
Transfer to investment property	-	-	(660,214)	-	-	(660,214)
Transfer - net	-	243,053	43,887	(286,940)	-	-
Disposals / write off	-	(53,209)	(153,672)	(40,019)	-	(246,900)
At 31 December 2011	91,371	1,979,883	640,025	219,213	-	2,930,492
Depreciation						
At 1 January 2010	-	27,143	615,223	-	-	642,366
Depreciation charge for the year	-	61,122	72,412	-	-	133,534
Transfer from investment property	-	-	30,369			30,369
Transfer to investment property	-	(17,522)	-	-	-	(17,522)
Disposals / write off	-	-	(1,776)	-	-	(1,776)
At 31 December 2010 and 1 January 2011	_	70,743	716,228	-	-	786,971
Depreciation charge for the year	-	133,075	107,805	-	-	240,880
Transfer from investment property	-	25,387	-	-	-	25,387
Transfer to investment property	-	-	(432,474)	-	-	(432,474)
Disposals / write off	-	(12,249)	(101,263)	-	-	(113,512)
At 31 December 2011	-	216,956	290,296	_	-	507,252

Consolidated financial statements

			iditelat statelitelite		
		Transportation			
Land	Buildings and improvements	and office equipments	Construction in progress	Projects under development	Total
91,371	263,853	406,661	516,970	495,550	1,774,405
-	-	1,322	-	-	1,322
91,371	263,853	407,983	516,970	495,550	1,775,727
91,371	1,656,184	501,879	98,227	-	2,347,661
-	-	6,689	-	-	6,689
91,371	1,656,184	508,568	98,227	-	2,354,350
91,371	1,762,927	344,311	219,213	-	2,417,822
-	-	5,418	-	-	5,418
91,371	1,762,927	349,729	219,213	-	2,423,240
	91,371 - 91,371 - 91,371 - 91,371	Land improvements 91,371 263,853 - - 91,371 263,853 91,371 1,656,184 - - 91,371 1,656,184 91,371 1,762,927 - -	Land Buildings and improvements and office equipments 91,371 263,853 406,661 - - 1,322 91,371 263,853 407,983 91,371 1,656,184 501,879 - - 6,689 91,371 1,656,184 508,568 91,371 1,762,927 344,311 - - 5,418	Land Buildings and improvements and office equipments Construction in progress 91,371 263,853 406,661 516,970 - - 1,322 - 91,371 263,853 407,983 516,970 91,371 1,656,184 501,879 98,227 - - 6,689 - 91,371 1,656,184 508,568 98,227 91,371 1,762,927 344,311 219,213 - - 5,418 -	Land Buildings and improvements and office equipments Construction in progress Projects under development 91,371 263,853 406,661 516,970 495,550 - - 1,322 - - 91,371 263,853 407,983 516,970 495,550 91,371 1,656,184 501,879 98,227 - - - 6,689 - - 91,371 1,656,184 508,568 98,227 - 91,371 1,762,927 344,311 219,213 - - - 5,418 - -

Property, plant and equipment and office equipments consist of the Hilton Pattaya and Centara Hotel Udonthani.

The gross amount of the Group's fully depreciated property, plant and equipment that was still in use as at 31 December 2011 amounted to Baht 159 million (2010: Baht 100 million).

Collateral

As at 31 December 2011, long-term borrowings, as discussed in note 20, are secured by the Group's properties with book values of Baht 21,442 million (2010: Baht 17,555 million).

(b) Company

	5	Separate financial s	tatements	
	Buildings and improvements	Transportation and office equipments	Construction in progress	Total
Cost				
At 1 January 2010	-	362,900	-	362,900
Additions	-	68,058	8,571	76,629
Transfer - net	-	691	(691)	-
Disposals / write off	-	(3,474)	(5,950)	(9,424)
At 31 December 2010 and 1 January 2011	-	428,175	1,930	430,105
Additions	-	115,269	95,070	210,339
Transfer - net	-	18,306	(18,306)	-
Transfer from investment property	60,906	-	40,099	101,005
Transfer to investment property	-	(142,784)	-	(142,784)
Disposals / write off	-	(11,772)	(10,824)	(22,596)
At 31 December 2011	60,906	407,194	107,969	576,069
Depreciation				
At 1 January 2010	-	210,444	-	210,444
Depreciation charge for the year	-	57,044	-	57,044
Disposals / write off	-	(2,812)	-	(2,812)
At 31 December 2010 and 1 January 2011	-	264,676	-	264,676
Depreciation charge for the year	4,350	45,608	-	49,958
Transfer from investment property	25,387	-	-	25,387
Transfer to investment property	-	(83,316)	-	(83,316)
Disposals / write off	-	(11,711)	-	(11,711)
At 31 December 2011	29,737	215,257	-	244,994

Separate financial statements

	ocparate intartelati	otaterrierte	
	Transportation		
Buildings and improvements	and office equipments	Construction in progress	Total
-	151,134	-	151,134
-	1,322	-	1,322
-	152,456	-	152,456
-	156,810	1,930	158,740
-	6,689	-	6,689
-	163,499	1,930	165,429
31,169	186,519	107,969	325,657
-	5,418	-	5,418
31,169	191,937	107,969	331,075
	Buildings and improvements	Buildings and improvements - 151,134 - 1,322 - 152,456 - 156,810 - 6,689 - 163,499 31,169 186,519 - 5,418	Transportation And office Construction improvements equipments in progress

The gross amount of the Group's fully depreciated property, plant and equipment that was still in use as at 31 December 2011 amounted to Baht 122 million (2010: Baht 87 million).

Collatera

As at 31 December 2011, long-term borrowings, as discussed in note 20, are secured by the Company's properties with book values of Baht 4,194 million (2010: Baht 4,399 million).

16 Leasehold rights

	Consolidated financial statements	Separate financial statements
Cost		
At 1 January	16,713,141	2,209,932
Purchase	2,855,034	510,716
Transfer from investment property	792,293	-
Disposals / transfer	(1,050,588)	-
At 31 December 2010 and 1 January 2011	19,309,880	2,720,648
Purchase	1,927,015	3,856,666
Disposals / transfer	(485,970)	-
At 31 December 2011	20,750,925	6,577,314
Amortisation		
At 1 January 2010	4,814,603	376,895
Amortisation for the year	930,755	108,450
Transfer to investment property	(144,044)	-
Disposals / transfer	(245,347)	-
Obligation under long-term operating leases	405,168	267,506
At 31 December 2010 and 1 January 2011	5,761,135	752,851
Amortisation for the year	1,096,772	174,242
Disposals / transfer	(39,699)	-
Obligation under long-term operating leases	455,171	342,699
At 31 December 2011	7,273,379	1,269,792
Net book value		
At 1 January 2010	11,898,538	1,833,037
At 31 December 2010 and 1 January 2011	13,548,745	1,967,797
At 31 December 2011	13,477,546	5,307,522

Most of the Group's leasehold rights, Central World Tower and Central Plaza Lardprao, are leased under long-term operating leases.

As at 31 December 2011, the Group has obligation under long-term lease agreement

amounting to Baht 2,447 million (2010: Baht 1,980 million) which resulted from the difference between the actual rent paid and systematic amortisation according to TAS 17 (revised 2009): Leases. The obligation under

long-term lease agreement is presented net with the advance paid for leasehold rights over land and buildings for which the rents have been prepaid.

17 Assets usage rights

(in thousand Baht)

Consolidated financial statements

	financial statements
Cost	
At 1 January 2010	217,543
Disposal	(307)
At 31 December 2010 and 1 January 2011	217,236
Purchase	213
At 31 December 2011	217,449
Amortisation	
At 1 January 2010	42,637
Amortisation charge for the year	9,027
At 31 December 2010 and 1 January 2011	51,664
Amortisation charge for the year	8,993
At 31 December 2011	60,657
Net book value	
At 1 January 2010	174,906
At 31 December 2010 and 1 January 2011	165,572
At 31 December 2011	156,792

18 Deferred tax

Deferred tax assets and liabilities as at 31 December 2011 and 2010 were as follows:

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Deferred tax assets	948,028	1,100,982	418,373	504,174
Deferred tax liabilities	(1,030,885)	(1,686,869)	(649,008)	(1,050,445)
Net	(82,857)	(585,887)	(230,635)	(546,271)

Movements in total deferred tax assets and liabilities during the year were as follows:

	Cor	Consolidated financial statements			
	At 1 January 2011	(charge) / credit to statement of income (note 33)	At 31 December 2011		
Deferred tax assets					
Allowance for doubtful accounts	1,045	(399)	646		
Allowance for impairment	195,515	(31,376)	164,139		
Building under consignment sale	324,754	(151,595)	173,159		
Deposits from customers	394,079	(47,068)	347,011		
Loss carry forward	-	48,794	48,794		
Liabilities under long-term operating leases	158,530	28,343	186,873		
Defined benefit obligation	27,059	(5,265)	21,794		
Others	-	5,612	5,612		
Total	1,100,982	(152,954)	948,028		
Deferred tax liabilities					
Gain on lease under finance lease	(1,677,091)	646,206	(1,030,885)		
Others	(9,778)	9,778	-		
Total	(1,686,869)	655,984	(1,030,885)		
Net	(585,887)	503,030	(82,857)		

Consc	olidated	financial	statements

	Consolitation marious statements				
		(charge) / credit to statement of			
	At 1 January 2010	income (note 33)	At 31 December 2010		
Deferred tax assets					
Allowance for doubtful accounts	49,851	(48,806)	1,045		
Allowance for impairment	207,109	(11,594)	195,515		
Building under consignment sale	347,361	(22,606)	324,755		
Deposits from customers	308,268	85,810	394,078		
Liabilities under long-term operating leases	78,279	80,251	158,530		
Defined benefit obligations	24,927	2,132	27,059		
Total	1,015,795	85,187	1,100,982		
Deferred tax liabilities					
Gain on lease under finance lease	(1,812,015)	134,924	(1,677,091)		
Others	(59,205)	49,427	(9,778)		
Total	(1,871,220)	184,351	(1,686,869)		
Net	(855,425)	269,538	(585,887)		

	S	Separate financial statements			
		(charge) / credit to statement of			
	At 1 January 2011	income (note 33)	At 31 December 2011		
Deferred tax assets					
Allowance for doubtful accounts	282	30	312		
Allowance for impairment	121,376	(58,704)	62,672		
Deposits from customers	179,082	(37,532)	141,550		
Liabilities under long-term operating leases	159,685	15,313	174,998		
Defined benefit obligation	23,697	(4,489)	19,208		
Others	20,052	(419)	19,633		
Total	504,174	(85,801)	418,373		
Deferred tax liability					
Gain on lease under finance lease	(1,050,445)	401,437	(649,008)		
Total	(1,050,445)	401,437	(649,008)		
Net	(546,271)	315,636	(230,635)		

Separate	financial	statement
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		1			
	At 1 January 2010	(charge) / credit to statement of income (note 33)	At 31 December 2010		
Deferred tax assets					
Allowance for doubtful accounts	49,480	(49,198)	282		
Allowance for impairment	121,376	-	121,376		
Deposits from customers	155,129	23,953	179,082		
Liabilities under long-term operating leases	79,434	80,251	159,685		
Defined benefit obligation	22,025	1,672	23,697		
Others	34,421	(14,369)	20,052		
Total	461,865	42,309	504,174		
Deferred tax liabilities					
Gain on lease under finance lease	(1,141,181)	90,736	(1,050,445)		
Total	(1,141,181)	90,736	(1,050,445)		
Net	(679,316)	133,045	(546,271)		

19 Other non-current assets

			olidated statements	1	arate statements
	Note	2011	2010	2011	2010
Accrued interest receivable	6	135,456	135,456	135,456	135,456
Withholding tax deducted at source		92,695	50,515	-	-
Deposits and other rights		63,203	95,077	15,757	15,397
Guarantees for leasehold rights		10,631	13,718	10,031	13,118
Total		301,985	294,766	161,244	163,971

20 Interest-bearing liabilities

			solidated l statements	-	parate statements
	Note 6	2011	2010	2011	2010
Current					
Unsecured short-term loans from					
related parties Unsecured short-term loans from	6	3,815	3,687	1,128,800	129,326
financial institutions Secured current portion of long-term loans from		500,000	1,100,000	500,000	1,100,000
financial institutions					
- secured		1,270,080	1,380,089	500,040	550,050
- unsecured		600,000	-	600,000	-
		1,870,080	1,380,089	1,100,040	550,050
Current portion of long-term loans from					
institutional investors					
- secured		109,838	109,838	-	-
- unsecured		4,500,000	1,500,000	4,500,000	1,500,000
		4,609,838	1,609,838	4,500,000	1,500,000
Total current portion of long-term loans		6,479,918	2,989,927	5,600,040	2,050,050
Non-current					
Unsecured long-term loans from					
related parties Secured long-term loans from	6		_	3,349,685	3,409,458
financial institutions					
- secured		5,674,830	4,594,910	1,549,910	1,949,950
- unsecured		1,900,000	-	1,900,000	-
		7,574,830	4,594,910	3,449,910	1,949,950
Long-term loans from institutional investors					
- secured		489,934	599,771	-	-
- unsecured		10,200,000	9,800,000	10,200,000	9,800,000
		10,689,934	10,399,771	10,200,000	9,800,000
Total other long-term loans payable		18,264,764	14,994,681	13,649,910	11,749,950
Total		25,248,497	19,088,295	24,228,435	18,438,784

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

(in thousand Baht)

	Consolidated financial statements			oarate statements
	2011	2010	2011	2010
Within one year	6,983,733	4,093,614	7,228,840	3,279,376
After one year but within five years	15,820,764	14,710,681	15,199,595	15,159,408
After five years	2,444,000	284,000	1,800,000	-
Total	25,248,497	19,088,295	24,228,435	18,438,784

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

(in thousand Baht)

		Consolidated financial statements		oarate statements
	2011	2010	2011	2010
Land	2,470,142	2,470,142	874,425	874,425
Leasehold rights over land	1,297,346	828,098	-	-
Buildings and improvements	17,674,976	14,256,458	3,319,082	3,524,165
Total	21,442,464	17,554,698	4,193,507	4,398,590

As at 31 December 2011 the Group had unutilised credit facilities totalling Baht 9,091 million (2010: Baht 5,005 million).

In December 2011, the Company issued through private placement Baht 1,000 million worth of Thai Baht denominated, name registered, unsubordinated and unsecured debentures without debentureholders' representative. The debentures have term to maturity of 3 years and 6 months, maturing on 29 June 2015, and pay interest every six-month period at 3.83% per annum.

In December 2011, the Company issued

through private placement Baht 1,000 million worth of Thai Baht denominated, name registered, unsubordinated and unsecured debentures without debentureholders' representative. The debentures have term to maturity of 5 years and 1 month, maturing on 29 June 2017, and pay interest every six-month period at 4.06% per annum.

In October 2011, the Company issued through private placement Baht 1,200 million worth of Thai Baht denominated, name registered, unsubordinated and unsecured debentures without debentureholders' representative. The debentures have term to maturity of 5 years,

maturing on 12 October 2016, and pay interest every six-month period at 4.52% per annum.

In October 2011, the Company issued through private placement Baht 500 million worth of Thai Baht denominated, name registered, unsubordinated and unsecured debentures without debentureholders' representative. The debentures have term to maturity of 7 years, maturing on 12 October 2016, and pay interest every six-month period at 4.79% per annum.

In October 2011, the Company issued through private placement Baht 300 million worth of Thai Baht denominated, name registered,

unsubordinated and unsecured debentures without debentureholders' representative. The debentures have term to maturity of 10 years, maturing on 12 October 2021, and pay interest every six-month period at 5.00% per annum.

In September 2011, the Company entered into a Baht 1,500 million credit facility agreement with a financial institution. Such agreement stipulates that the Company repays the principle in 36 monthly instalments of Baht 41.7 million each on the last working day of the month, beginning in September 2013. The Company agrees to pay interest rate at MLR less 3.00% p.a. As at 30 September 2011, the Company has already utilised Baht 500 million of the said facility.

In April 2011, the Company issued through private placement Baht 1,000 million worth of Thai Baht denominated, name registered, unsubordinated and unsecured debentures without debentureholders' representative. The debentures have term to maturity of 5 years, maturing on 29 March 2016, and pay interest every six-month period at 3.95% per annum.

In March 2011, the Company issued through private placement Baht 500 million worth of Thai Baht denominated, name registered, unsubordinated and unsecured debentures without debentureholders' representative. The debentures have term to maturity of 5 years, maturing on 25 March 2016, and pay interest every six-month period at 3.96% per annum.

In February 2011, the Company entered into a Baht 500 million loan agreement with a financial institution. Such agreement stipulates that the Company repays the principle every three-month period in 8 periods of instalments of Baht 62.5 million each the first instalment will be made on the last working day of April 2013 onwards. The Company agrees to pay interest rate at 3.84% p.a. As at 30 September 2011, the Company has already fully utilised of the said facility.

In December 2010, the Company issued through private placement Baht 500 million worth of Thai Baht denominated, name registered, unsubordinated and unsecured debentures without debentureholders' representative. The debentures have term to maturity of 5 years, maturing on 28 December 2015, and pay interest every six-month period at 3.95% per annum.

In December 2010, the Company entered into a Baht 1.5 billion credit facility agreement with a financial institution. Such agreement stipulates that the Company repays the principle in 30 monthly installments of Baht 50 million each on the last working day of the month, beginning in January 2012. The Company agrees to pay interest from the first drawdown date until 31 December 2011 at the market rate; and from 1 January 2012 onwards at 1M-THBFIX plus 1.05% p.a. As at 30 June 2011, the Company has already fully utilised of the said facility.

In December 2010, the Company entered into a Baht 1.5 billion credit facility (Term Loan) agreement with a financial institution. Such agreement stipulates that the Company shall completely repay the drawn down amount, which carries interest charge at THBFIX plus

1.20% p.a., by the end of September 2014. The Company agrees to pay interest on the last working day of the month and return principle in quarterly installments of not less than Baht 125 million each, beginning in December 2011. As at 30 September 2011, the Company has already fully utilised of the said facility.

In December 2010, the Company retired its Baht 1.5 billion unsecured and unsubordinated debenture No. 2/2547 (CPN10DA) as it came to maturity in the month.

In June 2010, the Company issued to institutional investors Baht 500 million worth of Thai Baht denominated, unsubordinated and unsecured debentures with the term to maturity of 2 years, maturing on 9 June 2012. The debentures pay interest every three-month period at a floating interest rate of 3MFDR+1.15% per annum.

In September 2011, a subsidiary has a loan denominated in Thai Baht of Baht 2,000 million from a local financial institution. The agreement is for a period of 7 years and covers a grace period of 2 years from the date that the first portion of loan is drawn down. The loan bears a fixed interest rate at 4.65% per annum after that the interest rate will be at MLR-2.125% per annum and the first repayment of principle every three-month period in 20 instalments of Baht 100 million for each period. The subsidiary used its leasehold rights to land and a pledged building as collateral for the borrowing, which is also guaranteed by the Company. As at 31 December 2011, the said subsidiary has already drawn Baht 1,700 million of the said facility.

During 2009, a subsidiary has a loan denominated in Thai Baht of Baht 2,000 million from a local financial institution. The agreement is for a period of 7 years and covers a grace period of 2 years from the date that the first portion of loan is drawn down. The loan bears interest at MLR-2.00 % per annum and the first repayment due in February 2011. The loan is payable in 60 instalments. The subsidiary used its leasehold rights to land and a pledged building as collateral for the borrowing, which is also guaranteed by the Company. As at 31 December 2010, the loan facility has been completely utilised.

During 2009, a subsidiary has a loan denominated in Thai Baht of Baht 1,500 million from a local financial institution. The agreement is for a period of 7 years and covers a grace period of 2 years from the date that the first portion of loan is drawn down. The loan bears interest at MLR-2.00% per annum and the first repayment due in October 2010. The loan is payable in 60 instalments. The subsidiary used its land and a pledged building as collateral for the borrowing. On 28 April 2011, the Company has entered into an amendment to loan denominated in order to change the interest rate from MLR-2.00% per annum to 4.50% per annum until March 2014. After that the loan bears interest at MLR-2.00% per annum until mature in September 2015. As at 31 March 2010, the loan facility has been completely utilised.

During 2009, a subsidiary has a loan denominated in Thai Baht of Baht 1,000

million from a local financial institution. The agreement is for a period of 7 years and covers a grace period of 2 years from the date that the first portion of loan is drawn down. The loan bears interest at MLR-1.75% per annum and the first repayment due in January 2011. The loan is payable in 60 instalments. The subsidiary used its leasehold right to land and a pledged land and building as collateral for the borrowing with a guarantee by the Company. As at 31 March 2011 the loan facility has been completely utilised.

During 2009, a subsidiary has a loan denominated in Thai Baht of Baht 1,000 million from a local commercial bank. The agreement is for a period of 7 years and covers a grace period of 2 years from the date that the first portion of loan is drawn down. The loan bears interest at MLR-2.00% per annum. The loan is payable in 60 instalments. The subsidiary used its subleased land and a pledged building as collateral for the borrowing with a guarantee by the Company. As at 31 March 2011, the loan facility has been completely utilised.

During 2008, The Company obtained a loan which is denominated in Thai Baht in the amount of Baht 2,500 million from a local commercial bank. The agreement is for a period of 7 years and no principal is payable until October 2010. The loan bears interest at MLR-2.0% per annum. The loan is payable in 60 instalments. The Company uses its land and building as collateral.

During the year 2007, the Company issued

unsecured and unsubordinated debentures, denominated in Thai Baht 3,000 million, offered to institutional investors and maturing in 2012, bearing interest rate 4.25% per annum.

During 2008, the Company issued unsecured and unsubordinated debentures, denominated in Thai Baht 1,500 million, offered to institutional investors and maturing in 2011, bearing interest rate at 4.80% per annum. The Company retrieved debenture in September 2011.

During 2009, the Company issued unsecured and unsubordinated debentures, denominated in Thai Baht 3,200 million, offered to institutional investors and maturing in 2013, bearing interest rate at 4.50% per annum.

During 2009, the Company issued unsecured and unsubordinated debentures, denominated in Thai Baht 1,000 million, offered to institutional investors and maturing in 2014, bearing interest rate at 4.75% per annum.

During 2009, the Company issued unsecured and unsubordinated debentures, denominated in Thai Baht 1,000 million, offered to institutional investors and maturing in 2012, bearing interest rate at 4.00% per annum.

As at 31 December 2011, Baht 7,545 million worth of interest-bearing and secured liabilities of the Group (2010: Baht 6,685 million) have been secured by Investment property, Property, plant and equipment and Leasehold right on land under project being financed by such liabilities.

Effective interest rates and reprising / maturing analysis

			Consolic	Consolidated financial statements	ements		
			Fixed	Fixed interest rate maturing	ring		
	Effective interest rate	Floating interest rate	Within 1 year	In 1 to 5 years	After 5 years	Total carrying value	Fair value
	(%)	(in thousand Baht)					
2011							
Loans from financial institutions							
and institutional investors	4.23	1,755,165	6,121,068	14,903,329	2,465,120	25,244,682	25,386,341
2010							
Loans from financial institutions							
and institutional investors	4.38	7,449,000	1,520,988	9,830,620	284,000	19,084,608	19,239,720
			Separa	Separate financial statements	nents		
			Fixed	Fixed interest rate maturing	ring		
	Effective	Floating			:	Total	
	interest rate	interest rate	Within 1 year	In 1 to 5 years	After 5 years	carrying value	Fair value
	(%)	(in thousand Baht)					
2011							
Loans from financial institutions							
and institutional investors	4.08	1,000,000	5,600,040	11,349,910	1,800,000	19,749,950	19,827,972
2010							
Loans from financial institutions							
and institutional investors	4.39	4,200,000	1,500,000	9,200,000	1	14,900,000	14,998,597

21 Provision for guarantee payment

In 2010, the Company recorded disbursement of Baht 14.7 million out of Baht 30.97 million

previously allocated in 2009 as a provision for guarantee payment, as discussed in note 37, to compensate for the shortfall of the 2010 net property income (before leasing commission) which CPN Retail Growth Leasehold Property Fund (CPNRF) earned from Central Plaza Pinklao Shopping Complex

22 Other accounts payable

(in thousand Baht)

			olidated statements	_	arate statements
	Note	2011	2010	2011	2010
Other accounts payable	6	1,415,032	325,841	2,631,049	155,236
Accrued expenses		1,591,373	1,357,730	656,946	478,441
Retention payable		755,860	412,310	117,659	54,162
Accrued interest expense		74,649	59,742	74,868	60,601
Unearned income		95,882	103,245	45,017	42,530
Others		566,582	397,910	237,003	155,352
Total		4,499,378	2,656,778	3,762,542	946,322

23 Employee benefit obligations

The Group adopted TAS 19 – Employee Benefits with effect from 1 January 2011; the effect on the financial statements is discussed in note 3 (h). As stated in note 3 (h).

the Group has opted to apply the new standard retrospectively and adjust the prior year's financial statements accordingly.

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.

Movement in the present value of the defined benefit obligations:

		Consolidated financial statements		rate atements
	2011	2010	2011	2010
Defined benefit obligations at 1 January	94,270	86,504	78,990	73,415
Benefits paid by the plan	(691)	(7,639)	(585)	(7,209)
Current service costs and interest	16,688	15,405	17,635	12,784
Defined benefit obligations at 31 December	110,267	94,270	96,040	78,990

Expense recognised in profit or loss:

(in thousand Baht)

		Consolidated financial statements		rate atements
	2011	2010	2011	2010
For the year ended 31 December				
Current service costs	12,163	11,271	13,540	9,294
Interest cost	4,525	4,134	4,095	3,490
Total	16,688	15,405	17,635	12,784

The expense is recognised in the following line items in the statement of comprehensive income:

(in thousand Baht)

	Consol financial s		-	eparate al statements	
	2011	2010	2011	2010	
For the year ended 31 December					
Cost of rental and service	3,410	3,282	4,326	1,415	
Cost of food and beverage	160	148	-	-	
Administrative expenses	13,118	11,975	13,309	11,369	
Total	16,688	15,405	17,635	12,784	

Principal actuarial assumptions at the reporting date:

(%)

	Consol financial s		Separate financial statements	
	2011	2010	2011	2010
Average discount rate at 31 December	5	5	5	5
Average future salary increases	6	6	6	6

Mortality assumption of the mortality rate is based from Thailand Mortality Ordinary issued by the Office of the Insurance Commission.

24 Share capital

(thousand share / thousand Baht)

		20	011	20	10
	Par Value	Number	Baht	Number	Baht
	(in Baht)				
Authorised					
At 1 January					
- ordinary shares	1	2,178,816	2,178,816	2,178,816	2,178,816
At 31 December					
- ordinary shares	1	2,178,816	2,178,816	2,178,816	2,178,816
Issued and paid-up					
At 1 January					
- ordinary shares	1	2,178,816	2,178,816	2,178,816	2,178,816
At 31 December					
- ordinary shares	1	2,178,816	2,178,816	2,178,816	2,178,816

Share premium

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the par value of the shares issued as a reserve account ("share premium"). Share premium is not available for dividend distribution.

25 Reserves

Reserves comprise:

Appropriations of profit and/or retained earnings

Legal reserve

Section 116 of the Public Companies Act B.E. 2535 Section 116 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

Currency translation differences

The currency translation differences account within equity comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

Fair value changes in available-for-sale investments

The fair value changes in available-for-sale

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

Reserve on business combination involving entities under common control

The reserve represents the excess of the book values of subsidiaries acquired in transactions involving common control entities over the costs of acquisitions. It is non-distributable and will be retained until the respective subsidiaries are sold or otherwise disposed of.

26 Segment reporting

Segment information is presented in respect of the Group's business and geographic

segments. The primary format, business segments, is based on the Group's management and internal reporting structure.

Inter-segment pricing is determined on mutually agreed terms.

Segment results and assets include items directly attributable to a segment as well as

those that can be allocated on a reasonable basis.

Business segments

The Group comprises the following main business segments:

Segment 1 Development of shopping centre

buildings, office building and condominiums for rent including provision of utility services, operator of play land and water theme park in the shopping centre buildings

Segment 2 Sales of food and beverage in the shopping centres

Segment 3 Hotel business

Financial information by business segments

	Segr	nent 1	Segn	nent 2	Segr	ment 3	То	otal
	2011	2010	2011	2010	2011	2010	2011	2010
Revenues	10,853,187	9,822,419	632,056	550,031	465,487	157,451	11,950,730	10,529,901
Segment results	3,802,958	3,435,542	90,708	79,512	273,617	90,372	4,167,283	3,605,426
Interest income							47,847	225,814
Other income							1,001,987	1,116,863
Share of profits from								
investments accounted								
for using the equity method							497,550	475,123
Administrative expenses							(2,410,124)	(2,099,033)
Losses from assets write-off							-	(775,000)
Profit before finance cost and							••••••	•••••••••
income tax expenses							3,304,543	2,549,193
Finance cost							(874,265)	(688,290)
Income tax							(354,479)	(722,836)
Profit for the year							2,075,799	1,138,067
Fixed assets by segment								
(As at 31December)	54,432,255	43,908,619	124,595	68,402	2,086,708	1,880,985	56,643,558	45,858,006
Total assets by segment								
(As at 31December)	61,639,857	51,990,502	201,347	80,076	2,217,961	1,798,823	64,059,165	53,869,401

27 Investment income

(in thousand Baht)

		Consolidated financial statements		-	arate statements
	Note	2011	2010	2011	2010
Dividend income					
Subsidiaries and funds	6	-	-	531,845	1,407,487
Other related parties	6	-	-	467,528	408,753
Other parties		110	90	110	90
		110	90	999,483	1,816,330
Interest income					
Subsidiaries and funds	6	-	-	660,479	552,047
Other related parties	6	-	-	4,687	197,644
Other parties		47,737	225,724	12,892	15,530
		47,737	225,724	678,058	765,221
Total		47,847	225,814	1,677,541	2,581,551

28 Other income

	Consolidated financial statements		1	Separate financial statements	
	2011	2010	2011	2010	
Expenses claimed by tenants	279,482	209,520	53,576	60,771	
Management fees	262,465	354,904	373,349	338,537	
Reverse impairment	187,015	-	91,226	-	
Others	273,025	552,439	203,302	423,190	
Total	1,001,987	1,116,863	721,453	822,498	

29 Expenses by nature

(in thousand Baht)

			solidated l statements	±	arate statements
	Note	2011	2010	2011	2010
Personal expenses	31	1,422,193	1,211,372	951,791	819,874
Depreciation / amortisation		2,876,772	2,356,239	574,574	511,063
Finance cost	32	874,266	688,290	905,660	786,905
Utilities expenses		2,209,200	2,118,661	960,375	965,330
Rental expenses		872,717	477,779	577,014	126,476
Loss from asset write-off	36	-	775,000	-	-
Marketing	30	468,884	545,392	252,598	227,320
Others		2,343,804	2,314,065	692,148	900,282
Total expenses		11,067,836	10,486,798	4,914,160	4,337,250

30 Administrative expenses

	Consolidated financial statements		-	Separate financial statements	
	2011	2010	2011	2010	
Marketing	468,884	545,392	252,598	227,320	
Personnel	1,088,251	949,068	849,752	738,331	
Administrative	152,057	123,320	111,486	118,766	
Others	700,932	481,252	286,606	249,581	
Total	2,410,124	2,099,032	1,500,442	1,333,998	

31 Employee benefit expenses

(in thousand Baht)

		Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010	
Management					
Wages and salaries	57,679	58,782	57,679	58,782	
Others	20,551	25,328	20,551	25,328	
Total	78,230	84,110	78,230	84,110	
Other employees					
Wages and salaries	1,027,120	900,095	679,517	599,454	
Contribution to defined contribution plans	23,552	20,122	19,699	16,924	
Others	371,521	291,155	252,575	203,496	
Total	1,422,193	1,211,372	951,791	819,874	

The defined contribution plans comprise provident funds established by the Group for its employees. Membership to the funds is on a voluntary basis. Contributions are made

monthly and separately by the employees and the Group at rates ranging from 3% to 10% of employees' basic salaries. The provident

funds are registered with the Ministry of Finance as juristic entities and are managed by a licensed Fund Manager.

32 Finance costs

(in thousand Baht)

			lidated statements	Sepa financial s	arate statements
	Note	2011	2010	2011	2010
Interest expense:					
- subsidiaries and related parties	6	-	-	162,003	173,831
- financial institutions		960,469	762,205	729,653	607,997
Fee					
- related parties		-	1	-	1
- financial institutions		22,028	11,881	14,004	5,076
Total finance costs		982,497	774,087	905,660	786,905
Finance costs capitalised		(108,231)	(85,797)	-	-
		874,266	688,290	905,660	786,905

Finance costs for properties under development for the years 2011 and 2010 have been capitalised at rates ranging from 3%-5%, representing the weighted average interest rate of general purposes borrowings.

33 Income tax

(in thousand Baht)

			olidated statements	Separate financial statements	
	Note	2011	2010	2011	2010
Current tax expense					
Current year		857,509	992,374	246,379	459,966
		857,509	992,374	246,379	459,966
Deferred tax expense					
Movements in temporary differences		(456,704)	(269,538)	(213,507)	(133,045)
Different from change tax rate		(46,326)	-	(102,129)	-
	18	(503,030)	(269,538)	(315,636)	(133,045)
Total		354,479	722,836	(69,257)	326,921

Reconciliation of effective tax rate

Consolidated financial statements

		2011		2010
	Tax rate		Tax rate	
	(%)	(in thousand Baht)	(%)	(in thousand Baht)
Profit for the year		2,075,799		1,138,067
Total income tax expense		354,479		722,836
Profit before total income tax expense		2,430,278		1,860,903
Income tax using the Thai corporation tax rate	30	729,083	30	558,271
Effect of different tax rates in foreign jurisdictions		-		(8,814)
Income tax reduction - current		-		(15,000)
Income tax reduction - deferred		(46,326)		-
Income from Thai operations not subject to tax		(375,154)		(682,798)
Income from overseas operations not subject to tax		-		(10,773)
Expenses not deductible for tax purposes		932		881,950
Recognition of tax losses		45,944		-
Total	15	354,479	26	722,836

Separate financial statements

	2011			2010
	Tax rate		Tax rate	
	(%)	(in thousand Baht)	(%)	(in thousand Baht)
Profit for the year		1,283,735		2,747,952
Total income tax expense		(69,257)		326,921
Profit before total income tax expense		1,214,478		3,074,873
Income tax using the Thai corporation tax rate	30	364,343	30	922,461
Income tax reduction - current		-		(15,000)
Income tax reduction - deferred		(102,129)		-
Income not subject to tax		(332,730)		(585,102)
Expenses not deductible for tax purposes		1,259		4,562
Total	-	(69,257)	20	326,921

Income tax reduction- current

Royal Decree No. 387 B.E. 2544 dated 5 September 2001 grants companies listed on the Stock Exchange of Thailand a reduction in the corporate income tax rate from 30% to 25% for taxable profit not exceeding Baht 300 million for the five consecutive accounting periods beginning on or after enactment. Listed companies that received income tax reduction under this Royal Decree are also eligible to continue the period of tax reduction under Royal Decree No. 475 but not beyond the 2010 accounting period ending on or after 31 December 2010

Royal Decree No. 475 B.E. 2551 dated 6 August 2008 grants companies listed on the Stock Exchange of Thailand a reduction in the corporate income tax rate from 30% to 25% for taxable profit not exceeding Baht 300

million for the three consecutive accounting periods beginning on or after 1 January 2008.

Income tax reduction - deferred

On 11 October 2011, the Cabinet passed a resolution regarding tax measures to increase Thailand's competitiveness and approved the reduction of the corporate income tax rate from 30% to 23% of net taxable profit for the accounting period 2012 which ends on or after 31 December 2012 and to 20% of net taxable profit for the accounting period which begins on or after 1 January 2013 and onwards.

In order to give effect to the above Cabinet resolution, the Government has issued a Royal Decree under the Revenue Code regarding the Reduction and Exemption in Income Taxes (No. 530) B.E. 2554 to reduce 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.

Such announcement on the reduction of income tax rate has an impact on the measurement of deferred tax assets and deferred tax liabilities since Thai Accounting Standard No. 12 Income Taxes paragraph 47 states that deferred tax assets and liabilities shall be measured at the tax rates that are

expected to apply to the period when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantively enacted by the end of the reporting period.

The Federation of Accounting Professions has considered this matter and has resolved that the substantively enacted tax rates which should be applied in measuring deferred tax assets and liabilities shall be the reduced

rates as approved by the Cabinet; i.e. 23% shall be applied for the accounting period 2012 and 20% shall be applied for accounting periods 2013 onwards.

34 Basic earnings per share

The calculations of basic earnings per share for the years ended 31 December 2011 and 2010 were based on the profit for the years attributable to equity holders of the Company and the number of ordinary shares outstanding during the year, calculated as follows:

(in thousand Baht/thousand shares)

		Consolidated financial statements		Separate financial statements	
	2011	2010 (Restated)	2011	2010 (Restated)	
Profit attributable to equity holders					
of the Company (basic)	2,058,123	1,124,866	1,283,735	2,747,952	
Number of ordinary shares Outstanding	2,178,816	2,178,816	2,178,816	2,178,816	
Basic earnings per share (Baht)	0.94	0.52	0.59	1.26	

35 Dividends

At the Company's annual general meeting of the shareholders on 29 April 2011, the shareholders approved the distribution of dividend from 2010 operating results in the amount of Baht 0.25 per share, totalling Baht 544.7 million, and was paid to the shareholders in May 2011.

At the annual general meeting of the shareholders of the Company on 28 April 2010, the payment of dividends was approved at Baht 0.58 per share from 2009 operating results. Total dividend payout amounted to Baht 1,263.7 million, and was paid to the shareholders in May 2010.

36 Impact from fire damage as a result of political demonstration

The Group has entered into long-term lease agreements for land and premises of the Central World Project in the name of the Thai Business Fund 4, with the Crown Property Bureau. The leased properties comprise:

- > The Central World Shopping Complex
- > The Offices at Central World
- > Zen Department Store, the Company's long-term lessee
- > Isetan Department Store, the Company's long-term lessee
- > Parts of land that the Company has subleased to the group of Central Plaza

Hotel Plc. to construct and operate Centara Grand at Central World Hotel

A fire at the Central World Project on 19 May 2010 caused damage to assets and parts of the following buildings of the Central World Project:

- > Zen Department Store (parts of which are the Group's assets under long-term lease to Zen Department Store)
- > Central World Shopping Complex

As a result of the fire, the Group needed to close down the Central World Shopping Complex and Zen Department Store from April 2010. On 28 September 2010, the Group

opened for commercial purposes parts of the Central World Shopping Complex. The remaining damaged areas, comprising ZEN Department Store and parts of the shopping complex, remain closed and are undergoing demolition and repair. Consequently, the Group has not charged rent to tenants during periods of closure.

As at 31 December 2010, the Group has recorded losses from the write-off of damaged properties in the consolidated financial statements for the year then ended at the damaged properties' aggregate net book values of Baht 775 million.

The Group's insurance policies comprise (1) the Industrial All Risk Policy with sum insured of Baht 13,224 million (2) the Business Interruption Policy with sum insured of Baht 6,147 million and (3) the Terrorism Insurance Policy with sum insured of Baht 3,500 million. The management has already filed claims with its insurers seeking compensations from all of the said insurance policies.

On 16 December 2011, the Group has made a prosecution against insurance company as a result of the fire incident at Central World shopping complex. The Group has claimed for the indemnity from Industrial All Risks policy at the amount of Baht 2,848.4 million for the Group itself and/or The Bureau of the Crown Property and also claimed for Baht 989.8 million from the Business Interruption policy for the Group.

At 31 December 2011, the lawsuit is still under the Civil Court's consideration and

management believes that the Group will receive full indemnity it has filed from the insurance company.

37 Leasing or sub-leasing properties

On 4 November 2009, The Company leased/ sub-leased parts of Central Plaza Pinklao valuing at Baht 5,680 million to CPNRF (the amount is inclusive of expenses arising from additional units issuance and offering of approximately Baht 100 million which was borne by the Company). As a consequence, the Company recorded gain on lease under finance lease for the year in the amounts of Baht 3,206.9 million and Baht 3,851.3 million in the 2009 consolidated and separate statements of income, respectively. The Company and SCB Asset Management, the fund manager, have registered the property leasehold right, which represents the following assets:

- > Certain part of a retail shopping complex, and two office buildings (the whole buildings), including parking buildings as allotted by the utilisable areas of the shopping complex and the office buildings invested by CPNRF.
- > Ownership of utilities systems and assets that relate to Central Plaza Pinklao Project; and
- > Land on which the shopping complex, office and parking buildings, surrounding streets and entrances and exits of Central Plaza Pinklao Project are located.

The Company, as the complex owner, agreed to guarantee the net property income (before

leasing commission) generated from the complex in 2010 to CPNRF in the amount of Baht 629 million. The guarantee was designed to ensure stable and continuous cash flows to the fund during the year 2010 when Central Plaza Pinklao Shopping Complex is refurbished and renovated (See note 21).

38 Financial instruments

Financial risk management policies

The principal financial risks faced by the Group are interest rate risk and credit risk. The Group borrows at both fixed and floating rates of interest to finance its operations. Credit risk arises from the risk in the collectability of rental fees.

Capital management

The Board's policy is to maintain a strong capital base so as to maintain investors, creditors 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 minority interests, and also the level of dividends to ordinary shareholders.

Risk management: Main sources of capital of the Group are from equity, long-term loans and local money and capital markets through which the Group issues debentures and transfer assets to property funds. The Group abides by conservative capital structure

policies which consist of maintaining net interest-bearing debt to equity ratio at approximately 1.00, procuring capital with appropriate and market-consistent cost of capital and maintaining the level of floating interest rate debts below that of the fixed interest rate to prevent interest rate fluctuation risk.

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 because debt securities and loans interest rates are mainly fixed. The Group is primarily exposed to interest rate risk from its borrowings. The Group mitigates this risk by ensuring that the majority of its debt securities and borrowings are at fixed interest rates to manage exposure to fluctuations in interest rates on specific debt securities and borrowings.

Foreign currency risk

The Group is exposed to foreign currency risk relating to. The Group primarily utilises forward exchange contracts with maturities of less than one year to hedge such financial assets and liabilities denominated in foreign currencies.

Credit risks

The current policies established by the Group to manage credit risk are:

> To collect an advance equivalent to 6 months rental from customers.

> To terminate rental contracts for tenants whose rental fees are outstanding over 90 days.

Liquidity risks

The liquidity risk is the risk that the Group will encounter difficulty in raising funds to meet commitments associated with financial instruments.

The objective of liquidity risk management of the Group is to have appropriate and sufficient capital for cash outflow for investment at present and in the future and to be able to invest such capital to gain appropriate returns under investment policies of the Group.

Determination of fair values

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and nonfinancial 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 and other short-term receivables is taken to approximate the carrying value.

The fair value of investments in equity and debt securities, which are held for trading, held to maturity and available for sales, is determined by reference to their quoted bid price at the reporting date. The fair value of held-to-maturity investments is determined for disclosure purposes only.

The fair value of interest rate swaps is based on broker quotes. Those quotes are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the measurement date.

The fair value of forward exchange contracts is based on their listed market price, if available. If a listed market price is not available, then fair value is estimated by discounting the difference between the contractual forward price and the current forward price at the reporting date for the residual maturity of the contract using a risk-free interest rate (based on government bonds).

The carrying amounts of the financial assets and financial liabilities approximate their fair values. Such assets and liabilities include cash and cash equivalents, investments, trade accounts receivables and payables, other receivables and payables, loans to subsidiaries, short-term borrowings and floating interest rate long-term borrowings. Information on the fair values of borrowings is included in note 20

39 Commitments with non-related parties

(in million Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Capital commitments				
Contracted but not provided for Vehicle	5	5	5	5
Buildings and facilities systems	3,540	2,216	59	869
Total	3,545	2,221	64	874
Non-cancellable operating lease commitments				
Within one year	339	307	284	252
After one year but within five years	2,148	1,802	1,898	1,569
After five years	14,893	13,520	13,916	12,489
Total	17,380	15,629	16,098	14,310
Other commitments				
Bank guarantees	273	442	306	268

(a) The Group entered into forward foreign exchange contracts to manage the risk arising from foreign exchange. As at 31 December 2011, the details were as follows:

(in million Baht)

	2011		
	Thai Baht Currency	United States Dollars Currency	Total
Forward exchange contract			
- Bought contracts	-	711	711
- Sold contracts	(741)	-	(741)
	(741)	711	(30)

(b) As at 31 December 2011, the Company had various interest rate swap agreements with various banks to reduce the risk of fluctuation in interest rates covering Thai Baht in the total amount of Baht 3,000 million divided as follows:

- > An amount of Baht 1,500 million for 2.5 years, due in June 2014
- > An amount of Baht 1,500 million for 3 years, due in September 2014

For the duration of the agreements, the Company is committed to receive payments from or make payments to the other party whenever the interest rates vary from the agreed rates based on the terms and conditions stipulated in the agreements. However, the Company is still liable for commitments with the lender if the counterparty is unable to comply with the terms and conditions of such agreements.

- (c) A subsidiary has signed a hotel management agreement with a third party whereby the subsidiary agrees to pay annual management fee at the rate of 2% of the hotel's operating income and additional compensation as a percentage of gross operating profit as follows:
- > 7% from the first to the second year of operation
- > 7.5% from the third to the fourth year of operation
- > 8% from the fifth year of operation onwards
- (d) The Group entered into a land lease agreement with a third party. The land was

leased for the construction of a shopping centre for lease. The lease agreement was for a period of 30 years ending in December 2041. Under the conditions of the agreement, the Group paid advance rental and has to pay monthly rental. The rental will be increased every three years at the rate of 10% of the lates t month rental.

(e) The Group entered into a land lease agreement with a third party. The land was leased for the construction of a building for lease. The lease agreement was for a period of 30 years ending in May 2027. Under the conditions of the agreement, the Group paid advance rental and has to pay monthly rental. The rental will be increased every five years at the rate of 10% of the latest month rental.

(f) The Group entered into a land lease agreement with a local company. Land was leased for the construction of a shopping centre for lease. The lease agreement was for a period of 30 years ending in June 2030. Under the conditions of the agreement, the Group paid advance rental and has to pay a monthly rental. The rental will be increased every three years at the rate of 15% of the latest rental. The agreement can be renewed for the same period as the lessor is able to renew with the landlord. The lessor would obtain the rights to the buildings and improvements thereon at the lease expiration date. During 2006, the Group has not paid the lease payments under this agreement since the project has been temporarily suspended. The lease term and conditions are under consideration to be amended by both parties. However, during the year 2007 the Group entered into an agreement to cancel the lease, as a result of which the Group had to pay a compensation fee to the lessor of Baht 377 million.

On 29 June 2007, the Group entered into two land lease agreements with a local company. Under the conditions of the agreement, the Group paid advance rental. One agreement charges no monthly lease fee for the period of 3 years, from 1 July 2007 to 30 June 2010. The other agreement is a land lease agreement for the period of 30 years from 1 July 2010 to 30 June 2040. Under the conditions of the latter agreement, the Group has to pay the land rental charge of Baht 700,000 per month which will be increased at the rate of 15%, every three years from 1 July 2010. This agreement can be renewed for another 10-year period (till 30 June 2050) with monthly rental charge at the same rate as at 30 June 2040 for the whole additional 10 years. The Group uses these leasehold rights as collateral for Bank aval on the promissory notes, which are also guaranteed by the Company. As at 31 December 2009, the Company has already paid the whole amount of such promissory notes.

(g) The Group entered into three lease agreements with third parties for the construction of shop buildings for lease and shophouses. Two land lease agreements were for a period of 30 years ending in August 2025 and in June 2030, respectively. Another

agreement is for a lease of shophouses for a period of 26 years ending in July 2021. Under the conditions of the agreements, the Group has to pay advanced rental and guarantee for rights and guarantee for leasehold rights. In addition, the Group has to pay a monthly rental which will be revised every five years. The Group received a refundable guarantee deposit amounting to Baht 20 million in 1997 and will receive the remaining balance of the refundable guarantee deposits amounting to Baht 298.6 million from the 21st year of the lease to the end of the 30 years lease term. The land lease agreements can be renewed for a period of not less than 15 years through a one year advance written notification before expiration in which the terms will be renegotiated upon renewal. The lessor will obtain the ownership rights of buildings and improvements thereon at the lease expiration date. Upon the expiration of the shophouse lease, the lessor will give the Group a priority in renewing the lease agreement.

The Group entered into three land lease agreements with the third parties to construct shop buildings for rent. The lease agreement covered a 30-year period ending in 2038. Under the conditions of the agreement, the Group had to pay advanced rental. In addition, the Group has to pay a rental annually. The rental will be increased every 3 years at the rate of 12%. The lease can be renewed for another 10-year period 2 years before the agreement terminated with the new rate and compensation agreed.

(h) In 2003, the Group entered into a land and building lease agreement as lessee with The Bureau of the Crown Property. The lease agreement was for a period of 30 years ending in December 2032 during which the Group has to pay a monthly rental. Under the conditions of the agreement, the agreement can be renewed for another 30-year period in which the terms have been agreed. The lessor obtains the ownership rights of building and improvements on the first day of the lease.

In 2007, the Group entered into two MOU comprising of the cancellation of certain land lease under the principal agreement with The Bureau of the Crown Property and appointment of its related company as the new lessee under conditions stipulated in a new agreement between the lessor and the related company for a period of 25 years commencing 1 January 2007 to 22 December 2032. However, the Group has commitment to pay rental fee to The Bureau of the Crown Property after the termination of the lease period.

On 19 August 2011 the Group entered into a land and building lease agreement as lessee in addition to principle agreement with The Bureau of the Crown Property. The lease agreement was for a period of 21 years and 7 months ending in December 2032. Under the conditions of the agreement the Group has to pay advance yearly rental. The agreement can be renewed for another 30-year period in which the terms have been adue for 3 years in advance faced on the rates and benefits, according to a new agreement. The lessor

pledges to provide prior benefits to the company to renew the lease.

(i) In 2005, the Group entered into a land lease agreement with a local company for the construction of shop buildings and parking. The land lease agreement was for a period of 28 years 10 months ending in September 2034. Under the conditions of the agreement, the Group has to pay a monthly rental from September 2006. The rental will be increased every five years at the rate of 5% of the latest month rental. The lease agreements can be renewed six months in advance by written notification before expiration in which the terms will be renegotiated upon renewal.

Subsequently, in 2009, the Group entered into an MOU to amend land lease agreement under the same period and condition as it may be surrendered to the government for the mass rapid transit.

On 9 August 2007, the Group entered into a land and building lease agreement with a third party. The lease agreement was for the period of 30 years ending in 31 August 2037. Under the conditions of the agreement, the Group has to pay a yearly rental. The rental will be increased every five years at the rate of 35% of the latest month rental. The lease agreement can be renewed by notification one year in advance.

40 Contingent liabilities

Guarantee

As at 31 December 2011, the Company entered into a loan guarantee agreement for

subsidiaries totalling Baht 4,668 million (2010: Baht 3,651 million).

Litigation

The significant litigation of the Company and the progress of litigation up to 31 December 2011 are as follows:

(a) In 1996, a local company filed a case with the court against the Company for breach of rental agreement amounting to Baht 83.4 million. The Company filed a counter-claim with the court against that company for damages of Baht 2.5 million. In October 2001, the First Court gave its verdict in favour of the Company. However, in September 2004, the Appeal Court gave verdict in favour of a counter party. At present, the case is being reviewed by Supreme Court. Consequently, the Supreme Court gave verdict in favour of the Company.

(b) In 2003, an individual filed a case with the court against the Company for damages caused by the Company's construction project amounting to Baht 52.0 million. The First Court and the Appeal Court rendered its verdict in favour of the Company. At present, the case is being reviewed by the Supreme Court. Consequently, the Supreme Court gave verdict in favour of the Company.

(c) In 2003, individuals filed a case with the court against the Company for damages caused by the Company's construction project amounting to Baht 12.9 million. The First Court rendered its verdict in favour of the Company. At present, the case is being reviewed by the

Appeal Court. Consequently, the Appeal Court gave verdict in favour of the Company.

41 Impact of severe flooding in Thailand

The Group's operation has been slightly affected by unusually severe flooding in parts of Thailand. Certain shopping centers have stopped operations since 26 October 2011. The Group has assigned workers to prevent the flood and minimises, the effects of the flooding on the Group's assets and operations. As at 31 December 2011, such shopping centers have been reopened, the Group has recorded the effect arising therefrom amounting to Baht 26.5 million and Baht 20.6 million in the consolidated and separate statement of comprehensive income, respectively.

42 Event after the reporting period

At the Board of Directors meeting on 24 February 2012 passed significant resolutions as follows:

- > approving the distribution of dividend from 2011 operating results in the amount of Baht 0.37 per share (totalling Baht 806.2 million).
- > approving the issuance of unsubordinated secured and/or unsecured debentures with a tenure of not over 10 years of not exceeding Baht 10,000 million to support the investment plan of the Company.
- > approving the issuance of short term debenture and/or bill of exchange in the amount not exceeding Baht 4,000 million with the maturity not exceeding 270 days.

43 Thai Financial Reporting Standards (TFRS) not yet adopted

The Group has not adopted the following new and revised TFRS that have been issued as of the reporting date but are not yet effective. The new and revised TFRS are anticipated to become effective for annual financial periods beginning on or after 1 January in the year indicated in the following table.

		Year
TFRS	Topic	effective
TAS 21	The Effects of	2013
(revised	Changes in Foreign	
2009)	Exchange Rates	

Management has determined that the functional currency of the Company is Thai Baht. Accordingly, the adoption of TAS 21 from 1 January 2013 is not expected to have a significant impact on the Company's reported assets, liabilities or retained earnings.

44 Reclassification of accounts

Certain accounts in the 2010 financial statements have been reclassified to conform to the presentation in the 2011 financial statements. These reclassifications have principally been made following changes in accounting policies consequent to the adoption of new and revised TFRS reporting as disclosed in note 3. Other significant reclassifications were as follows.

2010

(in thousand Baht)

	Consoli	dated financial st	atements	Separa	ate financial state	ments
	Before reclass.	After Reclass.	Before reclass.	After reclass.	Reclass.	reclass.
Statement of financial position						
Current assets						
Other accounts receivable	-	1,479,163	1,479,163	-	1,295,896	1,295,896
Other current assets	1,479,163	(1,479,163)	-	1,295,896	(1,295,896)	-
Non-current assets						
Deferred tax asset	1,091,204	9,778	1,100,982	-	504,174	504,174
Current liabilities						
Other accounts payable	-	(2,656,779)	(2,656,779)	-	(946,322)	(946,322)
Other current liabilities	(2,656,779)	2,656,779	-	(946,322)	946,322	-
Non-current liabilities						
Deferred tax liabilities	(1,677,091)	(9,778)	(1,686,869)	(546,271)	(504,174)	(1,050,455)
		_			-	
Statement of comprehensive income						
Expenses						
Administrative expenses	2,014,923	84,109	2,099,032	1,249,889	84,109	1,333,998
Management benefit						
expenses	84,109	(84,109)	-	84,109	(84,109)	-
		_			-	

The reclassifications have been made in the opinion of Group's management, the new classification is more appropriate to the Group's business and to comply with the classification set out in the Pronouncement of the Department of Business Development Re: Determination of items in the financial statements B.E. 2554 dated 28 September 2011.

AUDITOR'S FEE

1. Audit fee

In 2011, Audit fee of the Company and its subsidiaries had been paid for audit firm that the auditor work for amounted to Baht 5,230,000.

2. Other service fee

- None -

MANAGEMENT BIOGRAPHY



Mr. Vanchai Chirathivat

Age 84 vears Percentage of Shareholding in the Company: None

> Honorary Chairman

Education

- > Honorary Doctor of Philosophy, Psychological, Ramkamhaeng University
- > Honorary Doctor of Business Administration, Khon Kaen University

Other Current Positions

- > Honorary Chairman, Central Plaza Hotel Plc.
- > Honorary Chairman, Malee Sampran Plc.
- > Honorary Chairman, Post Publishing Plc.
- > Vice Chairman, Indara Insurance Plc.
- > Chairman, Central Group of Companies Co., Ltd.
- > Chairman, Central Department Store Co.,Ltd.
- Chairman, Central Trading Co., Ltd.
- Director, Board of Commercial Investment Thailand - China
- > Permanent Honorary President, The Institute of Thai Hainan
- > Permanent Honorary President, Ethics and Morals Foundation
- > Vice Chairman, Thainfar Hospital Foundation



Mr. Suthichai **Chirathivat**

Age 71 years Percentage of Shareholding in the Company 1.92%

> Chairman

Education

- > Diploma in Civil Engineering, Kingston College of Technology, U.K.
- > Honorary Doctorate of Business Administration Program, Chiangrai Rajabhat University

Experience

- > Vice Chairman, Chief Financial Officer, Central Group of Companies Co., Ltd.
- > Assistant General Manager, Central Department Store Co.,Ltd
- > Manager, Central Department Store-Silom Branch
- > Assistant Manager, Central Department Store-Silom Branch

Other Current Positions

- > Chairman of Supervisory Board, Central Group of Companies Co., Ltd.
- > Vice Chairman, Central Plaza Hotel Plc.

Completed Program from Thai Institute of Directors (IOD)

- > 2006 Director Accreditation Program (DAP)
- > 2000 Role of Chairman Program (RCP)



Z Mr. Paitoon Taveebhol

Age 61 years Percentage of Shareholding in the Company: None

- > Independent Director
- > Chairman of Audit Committee
- > Chairman of Risk Management Committee

Education

- > B.A. (Accounting), Ramkhamhaeng University
- > MBA, Kasetsart University
- > Certificate in Auditing, Thammasat University

Experience

- > Managing Director, Arthur Andersen Business Advisory Ltd.
- > Director, Executive Director, SGV-Na Thalang Co., Ltd.
- > 2003-2005 Managing Director, BT Business Consulting Co., Ltd.
- > 1998-2000 Vice President, Council Member, The Institute of Internal Auditors of Thailand
- > 1991-2005 President, Secretary General The ASEAN Federation of Accountants
- > 1991-2003 Vice President, Council Member, The Institute of Certified Accountants and Auditors of Thailand

Other Current Positions

> Independent Director, Chairman of the Nomination and Remuneration Committee, Audit and CG Committee Member, Somboon Advance Technology Plc.

- Independent Director, Chairman of Audit Committee, Member of Corporate Governance Committee, Big C Super Center Plc.
- > Audit, Following and Evaluation Committee, Walailak University
- > Board Member, Mater Dei Institute
- > President, Mater Dei Institute Parent and Teacher Association
- > Vice Chairman, Mater Dei Institute Foundation

Completed Program from Thai Institute of Directors (IOD)

- > 2010 Monitoring the Internal Audit Function (MIA)
 - Monitoring the System of Internal Control and Risk Management (MIR)
 - Monitoring the Quality of Financial Reporting (MFR)
 - Role of the Compensation Committee (RCC)
- > 2009 Monitoring Fraud Risk Management (MFM)
- > 2008 Chartered Director Class (R-CDC)
- > 2005 Audit Committee Program (ACP)
 - Role of Chairman Program (RCP)
- > 2003 Director Certification Program (DCP)
 - Director Accreditation Program (DAP)

Other Programs / Seminars

- > 2011 Seminar "Financial Reporting Standard for Non-Publicly Accountable Entities"
 - Seminar "Corruption Prevention and Reporting under NACC's Law"
 - Seminar "Audit Committee Forum"



Mr. Chackchai
Panichapat

Age 73 years Percentage of Shareholding in the Company: None

- > Independent Director
- > Audit Committee Member
- > Chairman of Nomination and Remuneration Committee

Education

- > B.E. (Electrical Engineering), Chulalongkorn University
- > M.E. (Electrical Engineering), University of Texas, U.S.A.
- > National Defence College, The Joint State-Private Sectors Course, Class 1

Experience

 Deputy Secretary General of the Board of Investment, Thailand Board of Investment

Other Current Positions

- > Director, Executive Director, Amata Corporation Plc.
- > Independent Director, Advisory Board Member, Saha Union Plc.
- > Independent Director, Chairman of the Audit Committee, and Member of the Nomination and Remuneration Committee, City Sports and Recreation Plc.

- > Independent Director, Member of the Audit Committee and Chairman of the Nomination and Remuneration Committee, Kang Yong Electric Plc.
- > Chairman, Magnecomp Precision Technology Plc.
- > Chairman, Precipart Co., Ltd.
- > Chairman, Amata Water Co., Ltd.
- > Chairman, Amata (Vietnam) Joint Stock Company
- > Director, Amata Hong Kong Ltd.
- > Director, San Miguel Beer (Thailand) Co., Ltd.
- > Director, San Miguel Marketing (Thailand) Co., Ltd.
- > Director, Thai San Miguel Liquor Co., Ltd.

Completed Program from Thai Institute of Directors (IOD)

- > 2009 Audit Committee Program (ACP)
- > 2007 Role of the Compensation Committee (RCC)
- > 2006 Director Certification Program (DCP)
- > 2005 Finance for Non-Finance Directors (FND)
- > 2003 Director Accreditation Program (DAP)



Mrs. Sunandha Tulayadhan

Age 65 years Percentage of Shareholding in the Company : None

- > Independent Director
- > Audit Committee Member
- > Nomination and Remuneration Committee Member

Education

> B.A. (Liberal Arts), College of New Rochelle, U.S.A.

Experience

- > Chairman, Ogilvy & Mather Group, Thailand and Vietnam
- > Regional Executive Board Member, Ogilvy & Mather Asia Pacific
- > Director, Ogilvy & Mather Worldwide Board
- > Honorary Chairman, WPP Group, Thailand and Vietnam

Completed Program from Thai Institute of Directors (IOD)

- > 2011 Seminar "How New Foreign Bribery Laws Companies in Thailand"
- > 2009 Monitoring Fraud Risk Management (MFM)
- > 2007 Seminar "Audit Committee : Experience, Problems and Good Practices"
- > 2005 Audit Committee Program (ACP)
 - Finance for Non-Finance

Directors (FND)

- > 2004 Directors Accreditation Program (DAP)
 - Seminar : Directors Forum 3/2004
 - Seminar : Directors Forum 2/2004

Other Programs / Seminars

> 2011 - Seminar "Committee on the Great Flood Crisis."



06 Mr. Karun Kittisataporn

Age 64 years Percentage of Shareholding in the Company: None

- > Independent Director
- > Audit Committee Member
- > Nomination and Remuneration Committee Member

Education

- > B.C.A. (Economics) Victoria University of Wellington, New Zealand
- > M.A. (International Trade), Syracuse University, U.S.A.
- > Diploma, GATT Commercial Policy Course, Geneva, Switzerland
- > National Defence College, The Joint State-Private Sectors Course, Class 8

Experience

- > 2001-2007 Permanent Secretary, Ministry of Commerce
- > 2003-2008 Director, Bank of Thailand
- > 2006-2008 Member, The National Legislative Assembly Thailand

- > 2008-2011 Director, Public Sector Development Commission
- > 2009-2011 Commission Member, Securities and Exchange Commission

Other Current Positions

- > Independent Director, Chairman of Nomination and Remuneration Committee, Bank of Ayudhya Plc.
- > Independent Director, Audit Committee Member, Sahamit Machinery Plc.
- > Independent Director, Nomination and Remuneration Committee Member, Khon Kaen Sugar Industry Plc.
- > Director, Insurance Commission
- > Member, Council of State
- Chairman, Support Arts and Crafts International Centre of Thailand (Public Organization)

Completed Program from Thai Institute of Directors (IOD)

- > 2011 Financial Institutions Governance Program (FGP)
 - Monitoring the Quality of Financial Reporting (MFR)
 - Director Lunchon Briefing (DLB)
- > 2009 Audit Committee Program (ACP)
 - Financial Statements for Directors (FSD)
- > 2008 Role of the Compensation Committee (RCC)
- > 2006 Director Certification Program (DCP)



7 Mr. Kanchit Bunajinda

Age 44 years Percentage of Shareholding in the Company : None

- > Director
- > Nomination and Remuneration Committee Member
- > Risk Management Committee Member

Education

- > B.E. (Civil Engineering), Chulalongkorn University
- MBA (Finance and International Business) Sasin Graduate Institute of Business Administration, Chulalongkorn, University
- > Kellogg Graduate School Management, Northwestern University, in an exchange program of Sasin Graduate Institute of Business Administration, Chulalongkorn University

Experience

> Senior Vice President, Heading the Financial Institutions group and the Mergers and Acquisition practice, Merrill Lynch Phatra Co.,Ltd. (Currently- Phatra Securities Plc.)

Other Current Positions

- Director, Private Equity (Thailand)
 Co.,Ltd. (An affiliate of Lombard Investment, Inc.)
- > Audit Committee Member, True Visions Plc
- > Director, Pruksa Real Estate Plc.

- > Director, Central Plaza Hotel Plc.
- > Director, Robinson Department Store Plc.
- Alternate Director, Asian Corporate Governance Association Limited, Hong Kong

Completed Program from Thai Institute of Directors (IOD)

- > 2009 Director Luncheon Briefing (DLB)
 - Monitoring of the Quality of Financial Reporting (MFR)
 - Monitoring the Internal Audit Function (MIA)
 - Monitoring the System of Internal Control and Risk Management (MIR)
- > 2006 Audit Committee Program (ACP)
- > 2005 Director Accreditation Program (DAP)
- > 2003 Director Certification Program (DCP)



08 Mr. Suthikiati Chirathivat

Age 69 years Percentage of Shareholding in the Company 1.92%

> Director

Education

- > Diploma in Mechanical Engineering, South West Essex Technical College, U.K.
- > B.A. (Political Science), Ramkhamhaeng University

- > M.A. (Political Science), Ramkhamhaeng University
- Honorary Doctorate of Philosophy in Mass Communications, Ramkhamhaeng University
- > National Defence College, The Joint State-Private Sectors Course, Class 1
- > National Defence College, The Modern Management, Class 1

Experience

- > Assistant Manager, Central Trading Co., Ltd.
- > Assistant General Manager, Central Department Store Co., Ltd.
- > The Founder and Head of Thai Retailers Association, Thai Retailers Association
- > Advisor to The Minister of Tourism and Sports, Ministry of Tourism and Sports
- > Director, Assumption Association

Other Current Positions

- > Chairman, Central Plaza Hotel Plc.
- > Director, Chairman Executive Committee, Post Publishing Plc.
- > Vice Chairman of Supervisory Board, Central Group of Companies Co., Ltd.
- > Director, Thai Tourism Industry Association

Completed Program from Thai Institute of Directors (IOD)

> 2008 - Director Accreditation Program (DAP)



Mr. Suthichart Chirathivat

Age 66 years Percentage of Shareholding in the Company 0.43%

> Director

Education

- > B.A. (Accounting), St. Joseph's College. U.S.A.
- > National Defence College, The Joint State-Private Sectors Course, Class 11

Experience

- > President and Chief Executive Officer, Central Retail Corporation Ltd.
- > President, Thai Retailers Association
- > Chairman Committee of Retail Business, Thai Chamber of Commerce
- > Chairman, Big C Super Center Plc.
- > Advisor, Board of Trade of Thailand
- > Director, Treasurer, Foundation for Environment Preservation

Other Current Positions

- > Director, Central Plaza Hotel Plc.
- > Director of Supervisory Board, Central Group of Companies Co., Ltd.
- > Director, The Vintage Club Co.,Ltd.
- > Director, Tiang Chirathivat Foundation

Completed Program from Thai Institute of Directors (IOD)

> 2004 - Director Accreditation Program (DAP)

- > 2003 Finance for Non-Finance Directors (FND)
 - Board and CEO Assessment
- > 2000 Role of Chairman Program (RCP)



Mr. Sudhisak Chirathivat

Age 66 years Percentage of Shareholding in the Company 0.65%

- > Director
- > Advisory of Nomination and Remuneration Committee

Education

> B.A. (Mathematic), St. John Fisher College, U.S.A.

Experience

- > President, Central Marketing Group
- > Managing Director, Central Garment Factory Co., Ltd.
- > Managing Director, Prin Intertrade Co., Ltd.

Other Current Positions

- > Chairman, Robinson Department Store Plc.
- > Director, Central Plaza Hotel Plc.
- > Director of Supervisory Board, Central Group of Companies Co., Ltd.
- > Director, Central Garment Factory Co., Ltd.
- > Director, Harng Chiangmai Department Store Ltd.
- > Director, Central Trading Co., Ltd.

Completed Program from Thai Institute of Directors (IOD)

- > 2007 Director Accreditation Program (DAP)
 - Director Certification Program (DCP)



Mr. Sudhitham
Chirathivat

Age 64 years Percentage of Shareholding in the Company 0.61%

- > Director
- > Advisory of Nomination and Remuneration Committee

Education

- > B.A. (Electrical Engineering), University of Maryland (College Park), U.S.A.
- > MBA (Operations Research), Iona University, U.S.A.
- > National Defence College, The Joint State-Private Sectors Course, Class 13

Experience

- > Director, The Thai Chamber of Commerce
- > President, Rotary Club of Bangkhen
- > Chairman, Coffee Partners Co.,Ltd. (Starbucks-Thailand)
- > President and Founder, Thai Shopping Center Association
- > 1990-2002 Managing Director and Chief Executive Officer, Central Pattana Plc
- > Advisory, The Ministry of Commerce

> 1980-1992 Executive Vice President / President - Store Planning, Marketing, and Business Development / Vice President - Marketing, and Merchandising, Central Department Store Co., Ltd

Other Current Positions

- > Vice Chairman, Robinson Department Store Plc.
- > Director, Central Plaza Hotel Plc.
- > Director, Big C Super Center Plc.
- > Independent Director, Jasmine International Public Company Limited
- > Executive Chairman, Central Group of Companies Co., Ltd.
- > Director, Central Holding Co., Ltd.
- > Director, The Vintage Club Co., Ltd.
- > Member, The National Legislative Assembly Thailand

Completed Program from Thai Institute of Directors (IOD)

> 2003 - Director Certification Program (DCP)



12 Mr. Prin Chirathivat

Age 49 years Percentage of Shareholding in the Company 1.38%

- > Director
- > Advisory of Nomination and Remuneration Committee
- > Risk Management Committee Member

Education

- > B.A. (Accounting) Skidmore College,
- > MBA (Business Management), Sasin Graduate Institute of Business Administration, Chulalongkorn University
- National Defense College, The Joint State-Private Sectors Course, Class 22

Experience

- > 2002-2005 Director, Dhanamitr Factoring Plc.
- > 1999-2006 Director, Indara Insurance
- > 1998-2004 Executive Director, Interlife John Hancock Assurance Plc.
- > 1995-2007 Director, General Card Service Limited
- > 1990-2002 Executive Director, Central Department Store Co., Ltd.
- > 1988-1989 Investment Banking, Thanachart Securities Plc.

Other Current Positions

- > Chairman of Audit Committee, Bualuang Securities Plc.
- > Director, Central Plaza Hotel Plc.
- > Director, Robinson Department Store Plc.
- > Director, Malee Sampran Plc.
- Executive Director & Chief Financial Officer, Central Group of Companies Co., Ltd.
- > Director, Executive Director, Central Retail Corporation Ltd.
- > Advisor, Marketing For Alternative Investment (MAI)

> Steering Support Committee, Chiangrai Rajabhat University

Completed Program from Thai Institute of Directors (IOD)

- > 2010 Advanced Audit Committee Program
- > 2009 Monitoring Fraud Risk Management (MFM)
 - Monitoring of the Quality of Financial Reporting (MFR)
- > 2007 Monitoring the Internal Audit Function (MIA)
 - Monitoring the System of Internal Control and Risk Management (MIR)
- > 2006 Chief Financial Officer
- > 2005 Director Accreditation Program (DAP)
 - Audit Committee Program (ACP)
 - Role of Chairman Program (RCP)
- > 2000 Director Certification Program (DCP)



Mr. Kobchai Chirathivat

Age 56 years Percentage of Shareholding in the Company 1.22%

- > Director
- > President & Chief Executive Officer
- > Risk Management Committee Member

Education

- > LL.B. (Law), Chulalongkorn University
- > M.A. (Political Science), University of Norte Dame, Indiana, U.S.A.

- > MBA, University of Chicago, Graduate School of Business, U.S.A.
- National Defence College, The Joint State-Private Sectors Course, Class 21

Experience

- Chief Operating Officer and Executive Vice President, Central Pattana Plc.
- > Senior Vice President Business Development, Central Pattana Plc.
- > Director-Property Management, Central Pattana Plc.
- > Deputy Managing Director, Central Trading Co., Ltd.
- > Marketing Manager, Central Trading Co., Ltd.
- > Assistant Manager, Central Trading Co., Ltd.

Other Current Positions

- > Executive Director, Central Group of Companies Co., Ltd.
- > Director, Sakura Restaurant Co., Ltd.
- > Director, Central Advance System Co., Ltd.
- > Director, Genesis Corporation Co., Ltd.

Completed Program from Thai Institute of Directors (IOD)

> 2001 - Director Certification Program (DCP)



Mr. Sudthidej
Chirathivat

Age 61 years Percentage of Shareholding in the Company 0.75%

> Senior Executive Vice President

Education

> B.A. (Business Management), Prince George College, U.S.A.

Experience

- > Executive Vice President Business Development and Project Construction, Central Pattana Plc.
- > Vice President Leasing, Central Pattana Plc.
- > Manager Leasing, Bangna Central Property Co., Ltd.
- > Vice President Leasing and Marketing, Central Trading Co., Ltd.
- > Vice President, Food Park Co., Ltd.
- > 2002-2004 Director, Central Pattana Plc.



15 Mr. Naris Cheyklin

Age 50 years Percentage of Shareholding in the Company : None

- Senior Executive Vice President,
 Finance, Accounting and Property
 Management
- > Risk Management Committee Member

Education

- > B.A. (Accounting), Thammasat University
- > M.A. (Accounting), Thammasat University

Experience

- > Director, Vice President, Thai Wah Plc.
- > Group Financial Controller, Tanayong Plc.
- > Computer Audit Supervisor, SGV Na ThaLang Co., Ltd.
- > 1996-1998 Senior Vice President, Siam City Bank Plc.
- > 1996-1998 Director, Executive Director, Siam City Insurance Co., Ltd.



16 Ms. Wallaya Chirathivat

Age 50 years Percentage of Shareholding in the Company 0.40%

 Senior Executive Vice President, Business Development and Project Construction

Education

- > B.A. (Business Management), University of California, Los Angeles (UCLA), U.S.A.
- > MBA, University of Hartford, U.S.A.
- > Advance Management Program -Executive Course, Harvard Business School, U.S.A.

Experience

> 1998-2004 Executive Vice President, Central Retail Corporation Co., Ltd.

- > 1996-1998 Co-Chief Executive Officer, Tops Supermarket
- > 1988-1996 Managing Director, Central Supermarket
- > 1985-1988 Vice President, Central Department Store Co., Ltd.

17 Mr. Suthipak Chirathivat

Age 50 years Percentage of Shareholding in the Company 0.59%

> Executive Vice President, Office of the President

Education

> Mini MBA (Property), Faculty of Architecture, Chulalongkorn University

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- > Mini MBA, Faculty of Commerce and Accountancy, Chulalongkorn University
- > Real Estate Investment, Sasin Graduate Institute of Business Administration, Chulalongkorn University
- > Executive MBA, Sasin Graduate Institute of Business Administration, Chulalongkorn University

Experience

- > Executive Vice President Leasing, Central Pattana Plc.
- > Executive Vice President Business Development, Central Pattana Plc.
- > Executive Vice President Marketing, Central Pattana Plc.
- > Vice President Business Development, Central Pattana Plc.
- > Senior Leasing and Marketing Manager, Central Pattana Plc.

- > Executive Vice President, Thai International Fast - Food Co., Ltd.
- > Executive Vice President, Central Garment Factory Co., Ltd.
- > Marketing Manager, Central Garment Factory Co., Ltd.



18 Mr. Terachart Numanit

Age 54 years Percentage of Shareholding in the Company: None

> Executive Vice President, Project Construction

Education

- > BSCE, Polytechnic University, U.S.A.
- Certificate Program: Executive Financial Management Class 11, Faculty of Economics, Chulalongkorn University

Experience

- > Chief Estimate, John Holland (Thailand)
- > Project Manager, New York City, Transit Authority, U.S.A.
- > Engineer, Project Parsons Brinckerhoff, New York City, U.S.A.
- > Special Project Manager, Philip Holzman (Thailand)
- > 2001-2003 Project Director, Itochu (Thailand) Co., Ltd.
- > 1997-2001 Special Project Director, K-Tech Construction and Engineering Co., Ltd.



19 Ph.D. Nattakit Tangpoonsinthana

Age 47 years Percentage of Shareholding in the Company : None

> Executive Vice President, Marketing

Education

- > B.A. (Communication Arts), Chulalongkom University
- > M.A.(Communication), The University of North Texus, U.S.A.

••••••

- > MBA (Marketing), The University of North Texas, U.S.A.
- > Ph.D.Communication (Broadcasting Management), Chulalongkorn University

Experience

- > Advisor to the Ministry of Science and Technology, The Ministry of Science and Technology
- > 2004-2006 Chief Marketing Officer -Strategic Marketing Division, Thai Samsung Electronics Co., Ltd.

Other Current Positions

> Visiting Lecturer-Mass Communication The Faculty of Communication Arts, Chulalongkorn University



20 Mrs. Narttaya Chirathiyat

Age 48 years Percentage of Shareholding in the Company 0.40%

> Executive Vice President, Leasing

Education

> B.A. (Economic), University of Hartford, U.S.A.

> MBA, University of Hartford, France

Experience

- > 1995-2009 Senior Vice President -Merchandising, Robinson Department Store Plc.
- > 1992-1995 Director Softline Merchandising, Big C Super Center Plc.
- > 1990-1992 General Manager, Central Retail Logistic Co., Ltd.
- > 1988-1990 Director, Central Department Store Co., Ltd.
- > 1986-1988 Manager, J & S Import Ltd., Part.



21 $^{\scriptscriptstyle{\mathrm{M}}}_{\scriptscriptstyle{\mathrm{S}}}$

Mrs. Panida Sooksridakul

Age 56 years Percentage of Shareholding in the Company : None

> Acting Executive Vice President, Property Management

Education

- > B.A (Political Science), Ramkhamhaeng University
- > M.A (Political Science), Ramkhamhaeng University

Experience

- > 2006 2011 Senior Vice President -Property Development and Management, Central Pattana Plc.
- > 1995 2005 Vice President -Property Management, Central Pattana Plc.



GENERAL INFORMATION OF BUSINESS HELD BY THE COMPANY 10% UPWARD

Company	Address	Nature of Business	Registered Capital	Percentage of Shareholding
1 Central Realty Services Co.,Ltd.	999/9 Rama I Rd., Patumwan, BKK 10330 Tel. +66(0) 2667-5555	Servicing of Shopping Center Facilities	1,000,000	99.99%
2 Central Food Avenue Co.,Ltd.	1697 Phaholyothin Rd., Chatuchak, Chatuchak, BKK 10900 Tel. +66(0) 2793-6000	Restaurant operations and servicing of shopping complex food center	5,000,000	99.99%
3 Lang Suan Realty Co.,Ltd.	95/3 Lang suan Rd., Lumpini, Patumwan, BKK 10330 Tel. +66(0) 2652-2277	Residential condominium and shop space for rent	1,000,000,000	99.99%
4 Central Pattana Rama 2 Co.,Ltd.	160 Rama 2 Rd.,Samaedum, Bangkhuntian, BKK 10150 Tel. +66(0) 2866-4300	Shopping Center: CentralPlaza Rama 2	1,500,000,000	99.99%
5 Central Pattana Chiangmai Co.,Ltd.	2 Mahidol Rd., 252-252/1 Wualai Rd., Haiya, Muang, Chiangmai 50100 Tel. +66(0) 5399-9199	Shopping Center: Central Plaza Chiangmai Airport	1,000,000,000	99.99%
6 Central Pattana Rattanathibet Co.,Ltd.	68/100, 68/919 M.8 Rattanathibet Rd., Bangkrasor, Muang,Nontaburi 11000 Tel. +66(0) 2834-6000	Shopping Center: CentralPlaza Rattanathibet	800,000,000	99.99%
7 Central Pattana Rama 3 Co.,Ltd.	79 Sathupradit Rd., Chongnonsee, Yannawa, BKK 10120 Tel. +66(0) 2649-6000	Shopping Center: CentralPlaza Ratchda-Rama 3	324,738,000	99.99%
8 Central Pattana Khon Kaen Co.,Ltd.	99, 99/1 Si Chan Road, Nai Muang, Muang, Khon Kaen. 40000 Tel. +66(0) 4300-1200	Shopping Center: CentralPlaza KhonKaen	2,000,000,000	78.13%
9 Central Pattana Chonburi Co.,Ltd.	55/88-89, 55/91 Moo 1, Samed, Muang, Chonburi 20000 Tel. +66(0) 3764-1880-5	Shopping Center: CentralPlaza Chonburi	900,000,000	99.99%
10 Central Pattana Nine Square Co.,Ltd.	9/9 Rama 9 Rd., Huai Khwang, BKK 10310 Tel. +66(0) 2103 5999	Shopping Center, Central Plaza Grand Rama 9	3,200,000,000	93.30%

	Company	Address	Nature of Business	Registered Capital	Percentage of Shareholding
11	Central Realty Service Rama 3 Co.,Ltd.	79 Sathupradit Rd., Chongnonsee, Yannawa, BKK 10120 Tel. +66(0) 2649-6000	Servicing of Shopping Center Facilities	175,000,000 (Hold by Central Patta	99.99% ana Rama3 Co.,Ltd.
12	Bangna Central Property Co.,Ltd.	587, 589 Bangna-Trad Rd., Bangna, BKK 10260 Tel. +66(0) 2763-6000	Shopping Center/Office/ Residential/Playland at CentralPlaza Bangna Project	600,000,000 (Hold by Lang S	99.99% uan Realty Co.,Ltd.
13	CPN Pattaya Beach Co.,Ltd.	333/99 Moo 9, Nongprue, Banglamung, Chonburi 20260 Tel. +66(0) 3764-1601-10	Shopping Center: CentralFestival Pattaya Beach	1,500,000,000	99.99%
14	CentralWorld Co.,Ltd.	4, 4/1-4/2, 4/4 Ratchadumri Rd., Patumwan, BKK 10330 Tel. +66(0) 2640-7000	Servicing of Shopping Cente Facilities at CentralWorld, Shopping Center: CentralPla Udonthani, CentralPlaZa Phitsanulok and renting offic space at The Offices at Centr	za- ce (Hold	90.00% I by Bangna Centra erty Co.,Ltd. 10.00%
15	Central Play Land Co.,Ltd.	591 Bangna-Trad Rd., Bangna, BKK 10260 Tel. +66(0) 2763-6000	Shopping Center: CentralPlaza Bangna (1	518,000,000 Hold by Bangna Centr	99.99% al Property Co.,Ltd.,
16	Siam Retail Development Co.,Ltd.	5/5-6 M.7 Ramindra Rd., Kannayao, BKK 10230 Tel. +66(0) 2947-5000	Shopping Center: Fashion Island (F.	500,000,000 Told By Lang Suan Rea Square Ri	15.00% ilty Co.,Ltd. 12% and tz Plaza Co.,Ltd. 3%,
17	Square Ritz Plaza Co.,Ltd.	5/5 M.7 Ramindra Rd., Kannayao, BKK 10230 Tel. +66(0) 2947-5000	Real Estate Developer	125,000,000 (Hold by Lang S	12.00% uan Realty Co.,Ltd.,
18	Ayudhya Agrocity Co.,Ltd.	47 M.2 Bangna-Trad Rd., Bangchalong, Bangplee, Samutprakam 10540 Tel. +66(0) 2399-4510	Real Estate Developer	400,000,000 (Hold by Lang S	11.85% uan Realty Co.,Ltd.)
19	CPN Retail Growth Leasehold Property Fund Managed by SCB Asset Management Co.,Ltd.	119 SCB Park Plaza 3., 21st-22nd, Ratchadapisek Rd., chatuchak, BKK 10900 Tel. +66(0) 2949 1500	Property Investment in CentraPlaza Rama 2 Project, CentralPlaza Ratchada-Rama Project and CentralPlaza Pin		27.80%
20	Thai Business Fund 4 Managed by Krung Thai Asset Management Pcl.	11 Q House Sathorn Building, M,G Fl., South Sathorn Rd., BKK 10120 Tel. +66(0) 2670-4900	Property Investment in CentralWorld Project	4,600,000,000	100.00%

	Company	pany Address Nature of Business		Registered Capital	Percentage of Shareholding
21	Thai Business Fund 5 Managed by Krung Thai Asset Management Pcl.	11 Q House Sathorn Building, M,G Fl., South Sathorn Rd., BKK 10120 Tel. +66(0) 2670-4900	d., BKK 10120 CentralPlaza Bangna		100.00%
22	CPN Construction Management Co.,Ltd.	999/9 Rama I Rd., Patumwan, BKK 10330 Tel. +66(0) 2667-5555	Construction Management	1,000,000	99.93%
23	CPN Pattaya Beach Hotel Co.,Ltd.	333/101 M.9, Nongprue, Banglamung, Chonburi 20150 Tel. +66(0) 3764-1601-10	lamung, Chonburi 20150		99.99%
24	CPN Chiangrai Co.,Ltd.	99/9 M 13 , Rop Wiang Muang , Chiang Rai 57000	Shopping Center : CentralPlaza Chiangrai	700,000,000	99.99%
25	CPN Global Co.,Ltd.	999/9 Rama I Rd., Patumwan, BKK 10330 Tel. +66(0) 2667-5555	Real Estate Developer	Developer 1,000,000	
26	CPN City Co.Ltd.	999/9 Rama I Rd., Patumwan, BKK 10330 Tel. +66(0) 2667-5555	Real Estate Developer	1,863,485,000 (Hold by Central Fc 24.99% and Central Wc	99.99% ood Avenue Co.,Ltd. orld Co., Ltd. 75.00%)
27	CPN Complex Co., Ltd.	999/9 Rama I Rd., Patumwan, BKK 10330 Tel. +66(0) 2667-5555	Real Estate Developer	1,341,600,000 (Hold by Ce	99.99% ntral World Co.,Ltd.)
28	Global Retail Development & Investment Limited.	30/F Jardine House One Connaught Place Central HK	Real Estate Developer	HK\$10,000	100.00%
29	Global Commercial Property Limited	30/F Jardine House One Connaught Place Central HK	Real Estate Developer HK\$10,00		100.00%
30	Central (Shanghai) Management Consulting Co.,Ltd.	Room 1107, No.238 Jiangchang (No.3) Rd., Zhabei District, Shanghai	Real Estate Developer	RMB10,000,000	100.00%

LIST OF COMMITTEE	
IN SUBSIDIARIES	

Mr.Vanchai Chirathivat		ST OF COMMITS SUBSIDIARIES		Central Realty Services Co.,Ltd.	Central Food Avenue Co, Ltd.	Central World Co.,Ltd.	Langsuan Realty Co.,Ltd.	Central Pattana Rattanathibet Co.,Ltd.	Bangna Central Property Co.,Ltd.	Central Play Land Co.,Ltd.	Central Pattana Rama 3 Co.,Ltd.	Central Realty Service Rama 3 Co., Ltd.	Central Pattana Rama 2 Co., Ltd.	Central Pattana Chiangmai Co.,Ltd.	Central Pattana Chonburi Co, Ltd.	Central Pattana Khon Kaen Co, Ltd.	CPN Pattaya Beach Co,,Ltd.	CPN Pattaya Beach Hotel Co., Ltd.	Central Pattana Nine Square Co.,Ltd.	CPN Construction management Co.,Ltd.	CPN Chiangrai Co,,Ltd.	CPN Global Co, Ltd.	CPN City Co.Ltd.	CPN Complex Co., Ltd.	Slobal Retail Development & Investment Limited.	Slobal Commercial Property Limited.	Central (Shanghai) Management Consulting Co, Ltd.
2 Mr.Anek Sithiprasasana - <th></th> <th></th> <th>Cen</th> <th>Cen</th> <th>Cen</th> <th>Cen</th> <th>Lang</th> <th>Cen</th> <th>Bani</th> <th>Cen</th> <th>Cen</th> <th>Cen</th> <th>Cen</th> <th>Cen</th> <th>Cen</th> <th>Cen</th> <th>CPN</th> <th>CPN</th> <th>Cen</th> <th>CPN</th> <th>CPN</th> <th>CPN</th> <th>CPN</th> <th>CPN</th> <th>Glok</th> <th>Glok</th> <th>Cen</th>			Cen	Cen	Cen	Cen	Lang	Cen	Bani	Cen	Cen	Cen	Cen	Cen	Cen	Cen	CPN	CPN	Cen	CPN	CPN	CPN	CPN	CPN	Glok	Glok	Cen
3 Mr.Suthichai Chirathivat • • • • • • • • • • • • • • • • • • •	1	Mr.Vanchai Chirathivat	_	•	•	•	•	•	•	•	•	•	•	•	•	•	_	_	•	-	_	-	_	_	_	-	_
4 Mr.Sudhitham Chirathivat	2	Mr.Anek Sithiprasasana	_	•	•	•	•	•	•	•	•	•	•	•	•	-	•	•	•	•	-	-	-	-	-	-	_
5 Mr.Suthikiati Chirathivat • • • • • • • • • • • • • • • • • • •	3	Mr.Suthichai Chirathivat	•	-	_	-	_	_	•	•	-	_	-	_	-	-	_	_	-	-	_	-	_	-	-	-	_
6 Mr.Suthichart Chirathivat	4	Mr.Sudhitham Chirathivat	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	-	-	-
7 Mr.Kobchai Chirathivat 8 Mr.Prin Chirathivat 9 Mr.Sudhisak Chirathivat 0 0 10 Mr.Paitoon Taveebhol 10 0 11 Mr.Chackchai Panichapat	5	Mr.Suthikiati Chirathivat	•	-	-	-	-	-	-	-	-	-	-	-	-	-	-	_	-	-	-	-	-	-	-	-	-
8 Mr.Prin Chirathivat 9 Mr.Sudhisak Chirathivat 0 - 0 Mr.Paitoon Taveebhol 0 -	6	Mr.Suthichart Chirathivat	•	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9 Mr.Sudhisak Chirathivat	7	Mr.Kobchai Chirathivat	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
10 Mr.Paitoon Taveebhol •	8	Mr.Prin Chirathivat	•	•	•	•	•	•	•	•	•	•	•	•	-	•	-	•	•	-	•	•	•	•	-	-	-
11 Mr.Chackchai Panichapat •	9	Mr.Sudhisak Chirathivat	•	-	_	-	_	-	-	-	-	-	-	-	-	-	-	_	-	-	_	-	_	-	-	-	-
	10	Mr.Paitoon Taveebhol	•	-	_	-	-	-	-	-	-	-	-	-	-	-	-	_	-	-	-	-	_	-	-	-	-
12 Mrs.Sunandha Tulayadhan •	11	Mr.Chackchai Panichapat	•	-	_	-	-	-	-	-	-	_	-	_	-	-	-	- -	-	-	_	-	_	-	-	-	_
	12	Mrs.Sunandha Tulayadhan	•	-	_	-	_	-	-	_	- -	_	-	- -	-	-	-	- -	-	-	_	-	_	-	-	-	-
13 Mr.Kanchit Bunajinda •	13		•	-	_	-	-	-	-	-	-	-	-	- -	-	-	-	- -	-	-	_	-	_	-	-	-	_
14 Mr.Karun Kittisataporn •	14	Mr.Karun Kittisataporn	•	-	_	_	_	-	-	_	-	_	-	-	_	-	_	_	_	-	_	_	_		_	-	_
15 Mr.Sudthidej Chirathivat – • • • • • • • • • • • - • • •	15		-	•	•	•	_	•	•	•	•	•	•	•	•	•	•	•	-	•	•	•	•	•	_	-	-
16 Mr.Suthiphand Chirathivat - • • - • • • • • •			-	•	•	-	•	•	•	•	-	-	•	•	-	-	-	_	•	-	_	-	_		_	-	-
17 Mr.Suthipak Chirathivat	17		-	-	_	•	•	-	•	•	•	•	-	-	•	•	•	•	_	•	•	-	_		_	-	-
18 Miss Wallaya Chirathivat - • • • • - • • • • • • • • •	18	Miss Wallaya Chirathivat	- -	•	•	_	_	-	- -	- -	•	•	-	•	•	•	•	•	•	•	•	•	•	•	- -	-	_
19 Mrs.Narttaya Chirathivat – – – – – – – – – – • – – – – – – – –	19	Mrs.Narttaya Chirathivat	- -	-	- -	_	_	- -	- -	- -	- -	- -	-	- -	_	•	- -	- -	-	- -	- -	_	- -	- -	- -	-	_
20 Mr.Suthilaksh Chirathivat • •	20	Mr.Suthilaksh Chirathivat			- · · · · · · ·	_		- · · · · · · · · · · · · · · · · · · ·	- -	- -		- -	- -	- -	_	- -	- -	•	-		•	_		- · · · · · · · · · · · · · · · · · · ·	- -	-	_
21 Mr.Vinyoo Kuvanant •	21	Mr.Vinyoo Kuvanant			- · · · · · ·	_	-		- -	- -			-		_	•	- -	- -	-		- · · · · · ·	_		- · · · · · · · · · · · · · · · · · · ·		-	_
22 Mr.Yotin Booddicharern •			-		_	-	-						-		_	-	- -		•		_	_	_	- · · · · · · · · · · · · · · · · · · ·	- -	-	_
23 Mr.Jatesiri Booddicharern – – – – – – – – – – – – • – – – – – –			-		_	-	-					-	-	-	_	-	-		•		_	_	_		- -	-	_
24 Mr.Premchai Karnasuta – – – – – – – – – – – • – – – – – • – – – – – – –	24	Mr.Premchai Karnasuta	-		- · · · · · · · ·	-	_						-		_				•		_	_	_	 -		-	_
25 Mr.Thaveepol Kongseri •					- · · · · · · · · · · · · · · · · · · ·	-	-			- -				- -	- -	-	- -	- -	•		- · · · · · · · · · · · · · · · · · · ·	_				-	_
26 Mr.Jarern Jirawisan •	26	Mr.Jarern Jirawisan	- -		- -	-	- -	- · · · · · · · · · · · · · · · · · · ·	- -		_	·····	-	- -	-		- -	- -	•	- -	- -	_			- -	-	_
27 Mr.Peerapon Pattanapeeradej – – – – – – – – – – – – – – – – – – –	•••••		- -					- -	- -			·····	- -	- -	_	•	- -	- -	_			_		- -	- -	-	_
28 Mr.Noppadon Pattanapeeradej	• • • • • • •		- -					- -	- -			·····	- -	- -	_	•	- -	- -	_		_	_			- -	-	_
29 Mr.Chanavat Uahwatanasakul				 -						·····		·····	- -		•		· · · · · · · · · · · · · · · · · · ·	- -	_	· · · · · · · · · · · · · · · · · · ·	-	•					_
30 Mr.Sakkanon Chirathivat	• • • • • • • • • • • • • • • • • • • •				- · · · · · · · ·				- -	·····	_	·····		_	•				_	·····	- · · · · · · · ·	_					_
31 Mr.Isareit Chirathivat	• • • • • • • • • • • • • • • • • • • •			 -	-				- -					-	•		-	- -	-	·····	-	-	-				

EXISTING PROJECTS MANAGED BY CPN

CentralPlaza
Lardprao

Senior Vice President Property Area 1:

Address: 1693 Phaholyothin Road,

Mr. Wiwat Charoensawatpong

Chatuchak , Chatuchak, Bangkok 10900

Shopping Center General Manager:
Ms. Dounghathai Sirichartichai

Tel: +66(0) 2793 6000 Fax: +66(0) 2541 1341

CentralPlaza
Ramindra

Senior Vice President Property Area 1 :

Address: 109/10, Ramindra Road,

Mr. Wiwat Charoensawatpong

Bangkhen, Bangkok 10220 Tel: +66(0) 2790 3000

Shopping Center General Manager : Ms. Wanphen Kawbuakaew

Fax: +66(0) 2552 5513

CentralPlaza
Pinklao

Vice President Property Area 2:

Address: 7/222 Baromrachachonnanee Road,

Arunamarin, Bangkoknoi, Bangkok 10700

Shopping Center General Manager:

Tel: +66(0) 2877 5000

Mr. Visit Udomkitchote

Mr. Sathit Wikhantanakul

Fax: +66(0) 2884 8486

Central Center
Pattaya

Vice President Property Area 3:

Address: 78/54 Moo 9, Pattaya Sai 2 Road,

Banglamung, Chonburi 20260

Shopping Center Assistant General Manager:

Tel: +66(0) 3300 3888

Mr. Pairoj Boonjan

Mr. Sarun Tuntijumnun

Fax: +66(0) 3300 3888 ext. 1225-7

CentralPlaza
Chiangmai Airport

Vice President Property Area 4:

Address: 2 Mahidol Road, 252-252/1

Ms. Orachorn Chanwiwattana

Waulai Road, Haiya, Muang, Chiangmai 50100

Shopping Center General Manager:
Ms. Orachorn Chanwiwattana

Tel: +66(0) 5399 9199 Fax: +66(0) 5399 9122-3

CentralPlaza
Ratchada - Rama 3

Vice President Property Area 3 : Mr. Thanasombat Sanitwongse Address: 79 Sathupradit Road, Chongnonsee,

Yannawa, Bangkok 10120 Tel : + 66(0) 2649 6000 Fax : + 66(0) 2673 6009

Shopping Center General Manager : Mrs. Songsiri Manonunti CentralPlaza
Bangna

Vice President Property Area 2: Address: 587, 589 Bangna-Trad (KM.3) Road,

Mr. Sathit Wikhantanakul Bangna, Bangkok 10260 Shopping Center General Manager : Tel: +66(0) 2763 6000

Mr. Sathit Wikhantanakul Fax: + 66(0) 2703 6000

OS CentralPlaza Rama 2

Vice President Property Area 2 : Address : 160 Rama 2 Road, Samaedum,

Mr. Sathit Wikhantanakul Bangkhuntian, Bangkok 10150

Shopping Center General Manager : Tel: + 66(0) 2866 4300 Ms. Duangsamorn Charoenbunditchai Fax: + 66(0) 2872 4560

CentralWorld

Vice President Shopping Center: Address: 4, 4/1-4/2, 4/4 Rajdamri Road,

Mrs. Oranee Poolkwan Patumwan, Bangkok 10330

Assistant General Manager Shopping Center : Tel : + 66(0) 2640 7000

Ms. Patcharin Apirukworawut Fax : + 66(0) 2255 9767

CentralPlaza
Rattanathibet

Senior Vice President Property Area 1: Address: 68/100, 68/919 Moo 8, Rattanathibet Road,

Mr. Wiwat Charoensawatpong Bangkrasor, Muang, Nonthaburi 11000

Shopping Center General Manager : Tel: + 66(0) 2103 5777Mr. Nantawat Naovaratpong Fax: + 66(0) 2526 6092

CentralPlaza Chaengwattana

Senior Vice President Property Area 1: Address: 99,99/9 Moo 2, Chaengwattana Road,

Mr. Wiwat Charoensawatpong Bangtarad, Pak Kret, Nonthaburi 11120

Shopping Center General Manager (Acting): Tel: +66(0) 2101 0000 Mr. Wiwat Charoensawatpong Fax: +66(0) 2101 1343

CentralFestival Vice President
Pattaya Beach Mr. Sarun Tunti

Vice President Property Area 3: Address: 333/99 Moo 9,

Mr. Sarun Tuntijumnun Banglamung, Chonburi 20260

Shopping Center General Manager: Tel: +66(0) 3300 3999

Mr. Sarun Tuntijumnun Fax: +66(0) 3300 3999 ext. 1225-6

13	CentralPlaza Udonthani	Vice President Property Area 5 : Mr. Thanasombat Sanitwongse Shopping Center General Manager : Mr. Taninrath Pakdeepinyotavee	Address: 277/1-3,271/5 Prajaksillapakhom Road, Markkeang, Muangudonthani, Udonthani 41000 Tel: +66(0) 4224 9192 Fax: +66(0) 4224 4639
14	CentralPlaza Chonburi	Vice President Property Area 3 : Mr. Sarun Tuntijumnun Shopping Center General Manager : Mrs. Theeraporn Chitnawa	Address: 55/88-89, 55/91 Moo 1, Sa-Med, Muang, Chonburi 20000 Tel: +66(0) 3300 3333 Fax: +66(0) 3300 3179
15	CentralPlaza Khonkaen	Vice President Property Area 5: Mr. Thanasombat Sanitwongse Shopping Center General Manager: Mrs. Amornrat Bunyongsin	Address: 99,99/1 Srichan Road, Naimuang, Muang, Khonkaen 40000 Tel: +66(0) 4300 1000 Fax: +66(0) 4300 1209
16	CentralPlaza Chiangrai	Vice President Property Area 4: Ms. Orachorn Chanwiwattana Shopping Center General Manager: Ms. Thanutchaporn Phongyen	Address: 99/9 Moo 13, Robwiang, Muang District, Chiang Rai 57000 Thailand. Tel: +66(0) 5202 0999 Fax: +66(0) 5202 0900
17	CentralPlaza Phitsanulok	Vice President Property Area 4 : Ms. Orachorn Chanwiwattana Shopping Center General Manager : Mrs. Montatip Thongklai	Address: 9/99 Moo 5 Plaichomphon, Muang, Phitsanulok 65000 Tel: + 66(0) 5500 0999 Fax: + 66(0) 5500 0990
18	CentralPlaza Grand Rama 9	Senior Vice President Property Area 1 : Mr. Wiwat Charoensawatpong Shopping Center General Manager : Mr. Olam Vaiudomvut	Address: 9/9 Rama 9 Road, Huai Khwang, Bangkok 10320 Tel: +66(0) 2103 5999 Fax: +66(0) 2103 5990

REFERENCE FIRMS

Registrar of Common Shares

Thailand Securities Depository Co., Ltd. 4th Floor, The Stock Exchange of Thailand 62 Ratchadapisek Road, Klongtoey, Bangkok 10110, Thailand Telephone: +66(0) 2229 2888 Facsimile: +66(0) 2654 5427

Debenture Holder Representatives

Debentures CPN135A and CPN145A TMB Bank Public Company Limited 393 Silom Road, Bangrak Bangkok 10500, Thailand Telephone: +66(0) 2626 7503 Facsimile: +66(0) 2266 8150

Registrar of Unsecured Debentures

Debentures CPN126A, CPN136A and CPN15DA CIMB Thai Bank Public Company Limited 44 Langsuan Road, Lumpini Sub-District, Pathumwan Bangkok 10330, Thailand

Telephone: +66(0) 2626 7503 Facsimile: +66(0) 2626 7542

Debentures CPN135A and CPN145A Kasikorn Bank Public Company Limited

1 Soi Kasikornthai, Ratburana Road, Bangkok 10140, Thailand Telephone: +66(0) 2470 1987 Facsimile: +66(0) 2470 1998

Debentures CPN127A, CPN126B, CPN164A, CPN16OA, CPN18OA, CPN21OA, CPN156A and CPN171A Siam Commercial Bank Public Company Limited 9 Ratchadapisek Road, Chatuchak

Bangkok 10900, Thailand Telephone: +66(0) 2256 2323-8 Facsimile: 66(0) 2256 2406

Debentures CPN163A Bank of Ayudhya Public Company Limited

1222 Rama3 Road, Bang Phongphang, Yan Nawa, Bangkok 10120, Thailand Telephone: +66(0) 2296 3582 Facsimile: +66(0) 2296 2202

Authorized Auditor

KPMG Phoomchai Audit Ltd. Mr. Vichien Thamtrakul, Certified Public Account, Registration No.3183 50th – 51st Floor, Empire Tower 195 South Sathon Road, Yannawa Sub-District, Sathorn Bangkok 10120, Thailand Telephone: +66(0) 2677 2000 Facsimile: +66(0) 2677 2222

Credit Rating and Debenture Rating Company

TRIS Rating Co., Ltd.
24th Floor, Silom Complex Building,
191 Silom Road, Silom Sub-District,
Bangrak Bangkok 10500, Thailand
Telephone: +66(0) 2231 3011
Facsimile: +66(0) 2231 3012

INFORMATION FOR INVESTORS

Central Pattana Public Company Limited

Registered Capital: Baht 2,178,816,000

Issued and Paid-up Capital: Baht 2,178,816,000 Comprising of ordinary shares of 2,178,816,000 shares

Par Value of Baht 1 per share

Securities Information

Common shares of Central Pattana Public Company Limited were listed and traded on the Stock Exchange of Thailand with "CPN" as the abbreviated security name.

Shareholders' Meeting

The Board of Directors of Central Pattana Public Company Limited agreed to hold the Annual General Meeting of Shareholders ("AGM") No. 1/2011 on 27 April 2012, at 2.00 pm, at Bangkok Convention Center, 5th Floor, Central Plaza Ladprao, 1693 Phaholyothin Road, Chatuchak Sub-District, Chatuchak District, Bangkok 10900, Thailand.

Investor Relations

Contact person:

Ms. Choenporn Subhadhira

Address:

Central Pattana Public Company Limited 31st Floor, the Offices at CentralWorld, 999/9 Rama I Road, Patumwan Sub-District, Patumwan District, Bangkok 10330, Thailand Telephone: +66(0) 2667 5555 ext. 1614 or 1669

Facsimile: +66(0) 2264 5593 E-mail: ir@cpn.co.th Website: www.cpn.co.th

Dividend Policy

CPN has a policy to pay dividends at a rate of about 40 percent of the annual net profit (unless there is a compelling reason against this).

Share prices and dividend payments for the past five years (2007-2011).

Unit: Baht/share

Year	Highest price	Lowest Price	Dividend payment
2007	37.00	18.50	0.33
2008	29.75	7.60	0.33
2009	24.80	11.60	0.58
2010	32.50	17.60	0.25
2011	40.00	25.75	0.37*

Remark: * Subject to AGM approval

Movements of CPN Index against SET Index and Property Development Index.

Increase of share price index	3 years	1 year
SET Index	52%	(2%)
Property Development Index	48%	(1%)
CPN Index	85%	39%

3-year comparison of CPN share price, Property Index, and SET Index (2009 as base-year)



Source: Stock Exchange of Thailand (SET)

Financial Calendar for 2011 and tentative 2012

Financial Calendar	2011	2012 (Tentative)
Announcement of full year financial results (prior year)	February	February
Analyst Meeting for full year performance (prior year)	March	March
The closing date of the shareholders registration book for the rights to attend the AGM	April	April
The Annual General Meeting of the Shareholders	April	April
Dividend payment for the prior year performance	May	May
Announcement of first quarter financial results	May	May
Analyst Meeting for first quarter performance	May	May
Announcement of second quarter financial results	August	August
Analyst Meeting for second quarter performance	August	August
Announcement of third quarter financial results	November	November
Analyst Meeting for third quarter performance	November	November

Investor Relations Activities for 2011

Date	Investor Relations Activities
1 February	Local investment conference in Bangkok, organized by Bualuang Securities
24 February	Local investment conference in Bangkok, organized by Tisco Securities
7-8 March	Investment conference in Australia, organized by UBS Securities
10-11 March	Investment conference in Singapore, organized by UBS Securities
14-18 March	Non-deal roadshow in The United States, organized by Kim Eng Securities
23 March	Analyst briefing for the 2010 fiscal year performance at The Stock Exchange of Thailand
28-29 March	Investment conference in Bangkok, organized by The Stock Exchange of Thailand incorporation with Phatra Securities and Bank of America Merrill Lynch
20 April	Investment conference in Hong Kong, organized by DBS Vickers Securities
29 April	Annual General Meeting of Shareholders 1/2011 at Centara Grand at Central World
25 May	Analyst briefing for the first quarter of 2011 performance at The Stock Exchange of Thailand
9-10 June	Non-deal roadshow in Singapore, organized by Bualuang Securities and Morgan Stanley
23 June	Local investment conference in Bangkok, organized by Tisco Securities
4-8 July	Investment conference in England, Scotland, Netherlands, and Italy, organized by The Stock Exchange of Thailand incorporation with BNP Paribas
2-3 August	Investment conference in Hong Kong, organized by The Stock Exchange of Thailand incorporation with Daiwa Securities
23-25 August	Investment conference in Singapore, organized by Macquarie Securities
30 August	Analyst briefing for the second quarter of 2011 performance at The Stock Exchange of Thailand
2 September	Investment conference in Hong Kong, organized by Bualuang Securities and Morgan Stanley
12-14 October	Investment conference in England, organized by The Stock Exchange of Thailand incorporation with Phatra Securities and Bank of America Merrill Lynch
23 November	Analyst briefing for the third quarter of 2011 performance at The Stock Exchange of Thailand
29 November – 1 December	Investment conference in England, organized by UBS Securities

Special Thanks To

- > Zen Department Store > Central Trading Co.,Ltd.

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Color Party Object Co., Ltd. Tel : +66 (0) 2300 5124



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