



CPN
ANNUAL
REPORT
2014

CPD NEW

TOGETHER WE ARE ONE

CENTRAL PATTANA PUBLIC COMPANY LIMITED

LOCATION :

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Patumwan District, Bangkok 10330, Thailand
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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.

SECURITIES 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 2,244,000,000

ISSUED AND PAID-UP CAPITAL :

Baht 2,244,000,000 comprising ordinary shares of 4,488,000,000 shares
Par value of Baht 0.5 per share

CONTACTS :

COMPANY SECRETARY

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ANNUAL REPORT 2014
TOGETHER WE ARE ONE



**PROPERTY
DEVELOPMENT
& INVESTMENT**

A Member of Central Group

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MANAGEMENT
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TOGETHER WE ARE ONE



MOST ADMIRABLE
RETAIL
DEVELOPER
OF ALL
STAKEHOLDERS



DYNAMIC
RETAIL
DEVELOPER



REGIONAL
RETAIL
DEVELOPER



WORLD-CLASS
REWARDING
EXPERIENCE



TO BE THE MOST
ADMIRABLE AND
DYNAMIC REGIONAL
RETAIL PROPERTY
DEVELOPER WITH
WORLD-CLASS
REWARDING
EXPERIENCE

*TOGETHER
WE ARE ONE*



ALL BECOME ONE

Collaboration between visionary executives, a high-caliber workforce, investors, and tenants drives us toward outstanding strategies in keeping with prevailing circumstances. That way, we may take long strides with confidence of success and mutual trust.



CREATIVE
TENANTS



HAPPY
SHOPPERS



SUCCESSFUL
INVESTORS



PROFESSIONAL
TEAMWORK

*AN UNBEATABLE
LEADER*



THE BEST ONE

Our foundation strengthened with knowledge, understanding, and expertise derived from long years of experience enables us, each year, to develop shopping malls admired by all for their uniqueness as well as differentiation, not to mention a style beyond imagination. For this underscores our leadership in retail property development.



25

SHOPPING COMPLEXES
IN THAILAND
2014



31

SHOPPING COMPLEXES
IN THAILAND
2017



1

SHOPPING COMPLEX
IN OVERSEAS
2017

SHOPPING DESTINATION
IN ONE WALK



OVERSEAS PROJECTS
CENTRALPLAZA WESTGATE
6 NEW PROJECTS

ONE DESTINA- TION

We are determined to develop the most admired and shopping complexes of Thais' pride. Through vision, dedication, and preparedness in all aspects, we are now pioneering operation beyond our borders to achieve our goal of becoming a leader at the forefront of lifestyle trends and retail development of Southeast Asia. Above all, we strive to address the interconnection that arises from the imminent AEC.



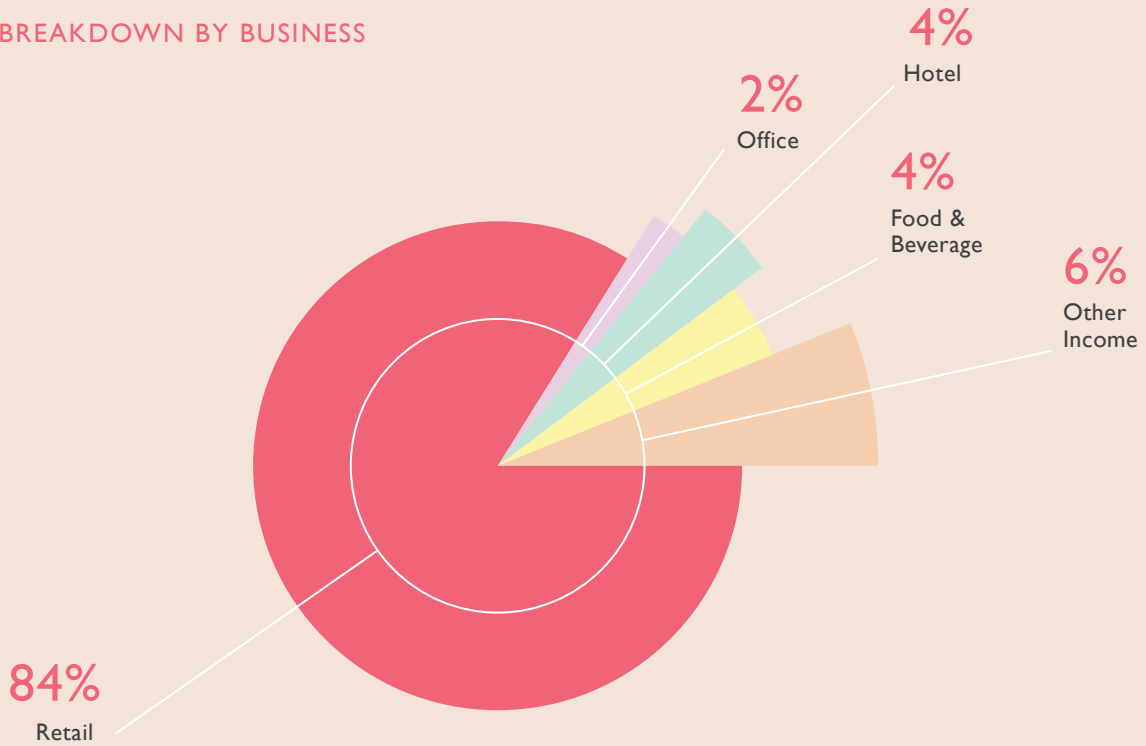
GLOBAL VISION



THE MOST DYNAMIC
RETAIL DEVELOPER

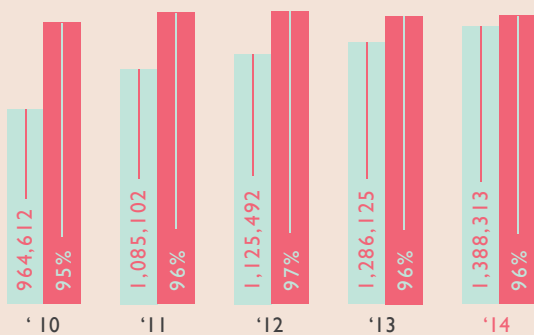
CONSOLIDATED OPERATIONAL AND FINANCIAL HIGHLIGHTS

REVENUE BREAKDOWN BY BUSINESS



Remark : Excludes interest income, dividend income, share of profit from associate, and non-recurring income.

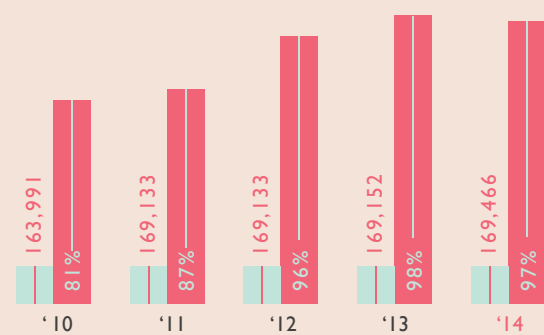
SHOPPING CENTER



Retail leasable area (sq.m.)

Occupancy rate (%)

OFFICE

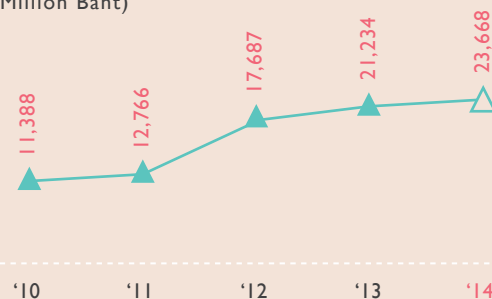


Office leasable area (sq.m.)

Occupancy rate (%)

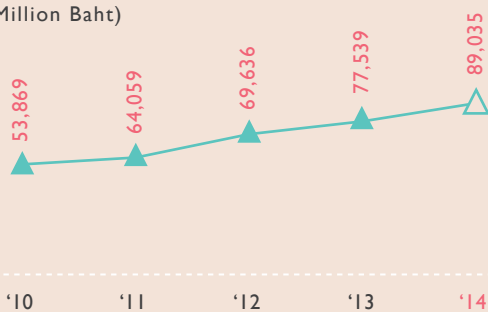
TOTAL REVENUES

(Million Baht)



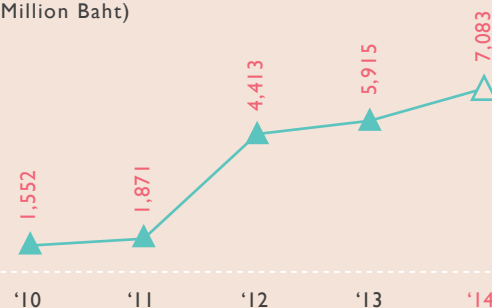
TOTAL ASSETS

(Million Baht)



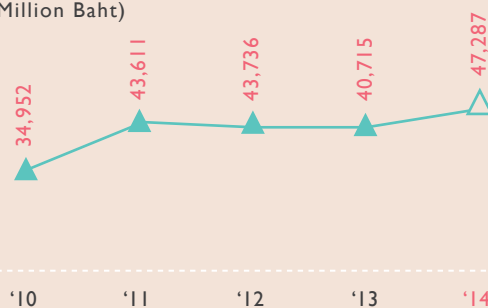
ADJUSTED NET PROFIT

(Million Baht)



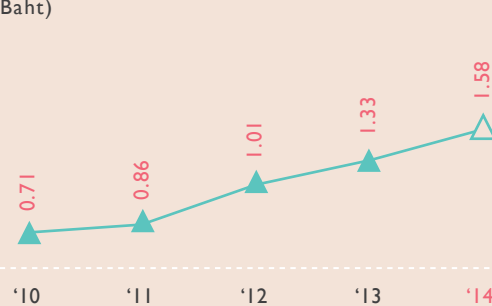
TOTAL LIABILITIES

(Million Baht)



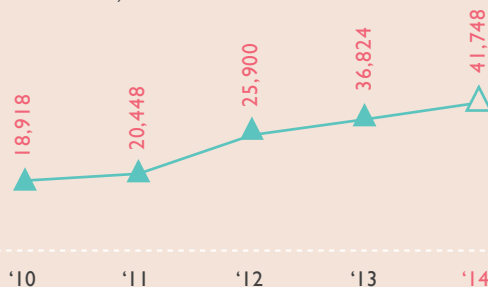
ADJUSTED EARNINGS PER SHARE

(Baht)



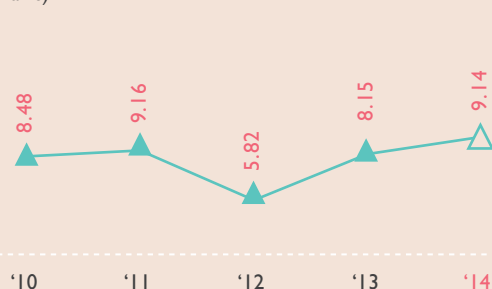
TOTAL SHAREHOLDERS' EQUITY

(Million Baht)



BOOK VALUE PER SHARE

(Baht)



Remarks : During the year 2013, the par value of the share has been converted.

The number of weighted average ordinary shares has been restated and used in computation of earning per share and book value per share for the year 2012-2014

CONSOLIDATED OPERATIONAL AND FINANCIAL HIGHLIGHTS

As of 31 December	2010	2011	2012	2013	2014
Operational performance of assets under CPN's management					
Leaseable Area (square metres)	1,134,976	1,260,608	1,300,998	1,461,650	1,564,152
Retail	964,612	1,085,102	1,125,492	1,286,125	1,388,313
Office	163,991	169,133	169,133	169,152	169,466
Hotel (room)	557	561	561	561	561
Residential	6,373	6,373	6,373	6,373	6,373
Occupancy Rate (%)					
Retail	95%	96%	97%	96%	96%
Office	81%	87%	96%	98%	97%
Hotel	50%	45%	76%	76%	75%
Residential	67%	52%	59%	67%	53%
Consolidated Financial Results					
Total Revenues ⁽¹⁾	11,387,613	12,765,702	17,687,323	21,234,033	23,667,717
Revenue from Rental & Service, Food & Beverage, Hotel	10,529,901	11,950,730	16,761,773	19,913,174	22,307,540
Cost of Rental & Service, Food & Beverage, Hotel	6,924,476	7,783,446	9,433,399	10,541,623	11,616,239
Gross Profit ⁽²⁾	4,463,137	4,982,256	8,253,924	10,692,410	12,051,478
Net Profit	1,124,866	2,058,123	6,188,698	6,292,529	7,306,953
Adjusted Net Profit ⁽²⁾	1,551,950	1,871,108	4,412,862	5,915,196	7,083,269

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

(2) Excludes non-recurring items.

(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.

(6) During the year 2013, the par value of the share has been converted.

The number of weighted average ordinary shares has been restated and used in computation of earnings per share for the year 2012-2014

As of 31 December	2010	2011	2012	2013	2014
Consolidated Financial Position					
Total Assets	53,869,402	64,059,165	69,635,639	77,538,774	89,035,187
Total Liabilities	34,951,652	43,610,988	43,735,665	40,715,133	47,287,267
Net Interest-Bearing Debt ⁽³⁾	17,452,337	24,300,067	21,357,620	17,972,416	12,245,660
Total Shareholders' Equity	18,917,749	20,448,177	25,899,974	36,823,641	41,747,921
Retained Earning	14,339,464	15,828,190	21,210,726	25,419,599	30,258,196
Issued and Paid-up Share Capital	2,178,816	2,178,816	2,178,816	2,244,000	2,244,000
Total Number of Shares ('000 Shares)	2,178,816	2,178,816	2,178,816	4,488,000	4,488,000
Consolidated Financial Ratios					
Net Interest-Bearing Debt to Equity ⁽³⁾ (time)	0.92	1.19	0.82	0.49	0.29
Gross Profit Margin ⁽²⁾ (%)	39.19	39.03	46.67	50.36	50.92
Net Profit Margin ⁽²⁾ (%)	13.03	14.06	24.05	26.41	28.60
Return on Assets (%)	2.15	3.49	9.26	8.55	8.77
Return on Equity ⁽⁴⁾ (%)	6.06	10.71	27.31	20.45	18.93
Earnings per Share ⁽⁵⁾⁽⁶⁾ (Baht)	0.52	0.94	1.42	1.42	1.63
Adjusted Earnings per Share ⁽²⁾⁽⁵⁾⁽⁶⁾ (Baht)	0.71	0.86	1.01	1.33	1.58
Book Value per Share ⁽⁶⁾ (Baht)	8.48	9.16	5.82	8.15	9.14
Dividend per Share (pay in the following year) ⁽⁶⁾ (Baht)	0.25	0.37	0.95	0.55	0.65

MESSAGE FROM THE BOARD OF DIRECTORS



TO THE SHAREHOLDERS

Despite political uncertainties during 2014, which prompted the domestic economy to slow down and consequently subdued consumer confidence, the overall economy moved on the recovery path toward the end of the year. For CPN, with the concerted support from retail partners and staff commitment, we achieved continuous growth and managed to expand our business as targeted, as reflected in the value of the CPN share, which showed a remarkable increase of 21% from the beginning of 2014.

CONTINUED BUSINESS EXPANSION

Even though the Thai economy was affected by the political situation, the Board of Directors and the management team remained confident in the potential of Thailand's retail sector. CPN, therefore, still carried on its business expansion plan, certainly with due caution. In 2014, we launched two new projects as scheduled, namely CentralFestival Samui and CentralPlaza Salaya, to a warm welcome by retail tenants, shoppers, and nearby communities. At present, CPN has altogether 25 stores under its management, 11 in Bangkok Metropolis and 14 in the provinces. CPN still aims for further expansion in both Bangkok and major economic cities, as well as locations with potential business connection to neighboring countries. Renovation to existing stores will also be carried out regularly. We will look out for new opportunities for doing innovative businesses to best respond to customers' expectations and add value to CPN stores. In store development and management, CPN always pays attention to energy-saving and application of environment-friendly technologies. This will not only improve cost efficiency but will also lead to business expansion with responsibility for the environment and consumption of natural resources in a thoughtful, sustainable manner.

CPN has been prepared for the inauguration of the ASEAN Economic Community (AEC) and has been seeking opportunities to expand its business to ASEAN countries, notably Malaysia and Vietnam. In this regard, by sharing with Central Group experiences in investment in those countries, we have been able to efficiently analyze project development with a better chance for success.

CPN targets to open 3-4 new projects each year on strategic locations where economic growth and urbanization could be envisaged. At present, six projects in Thailand and one overseas have been officially announced for development during 2015-2017: CentralPlaza Rayong, CentralPlaza WestGate, CentralFestival East Ville, CentralPlaza Nakhon Si Thammarat, CentralPlaza Nakhonratchasima, Central Phuket, and CentralPlaza i-City in Shah Alam City, Selangor, Malaysia. Renovation and shop redesign will also be carried out for the plaza sections of CentralPlaza Pinklao and CentralPlaza Bangna.

ROBUST PERFORMANCE AND FINANCIAL STANDING

For 2014, CPN and its subsidiaries posted a combined revenue of 23,953 MB, a 10% increase from last year. This resulted from the higher revenue reaped from new shopping complexes launched this year and those that came into full-scale operations this year as well, after their launches in 2013. The revenue also came from our higher rents at existing projects. A net profit of 7,307 MB was earned, an increase of 16% from the previous year. Excluding non-recurring items of 2013 and 2014, the net profit of CPN and its subsidiaries derived from normal operation rose by 21% from that of last year, in line with CPN's ability to generate better profits, particularly from the shopping centers and the hotel businesses.

CPN, moreover, managed to secure funds by adding CentralPlaza Chiangmai Airport to the CPN Retail Growth Leasehold Property Fund (CPNRF), which was well received by retail and institutional investors. After the offering of additional

investment units was made for Baht 15.00 per unit on the Stock Exchange of Thailand (SET) in April, the unit value during the year peaked at Baht 17.50 per unit and touched its low at Baht 15.20 per unit. The funding was used partly for debt repayment to strengthen the company's financial status and partly for supporting business expansion.

Still, CPN values flexible funding to ensure business agility. With flexible funding, the company could efficiently manage its costs, while commanding a strong financial structure. At the end of 2014, our net interest-bearing debt-to-equity ratio stood at 0.29. Flexible funding also favors our search for new business opportunities, which is well regulated by our risk management policy and financial policy.

SUSTAINABLE BUSINESS GROWTH

Under our business philosophy that dearly values sustainability, CPN focuses on efficient management while underscoring corporate governance and innovation. We treasure our human resources and continuously develop their caliber. Even more important, CPN runs its business with concerns about society at large, the environment, and all stakeholders, and relentlessly tries to take part in driving society and communities in earnest. We share pride with the management and staff for CPN's inclusion on the Dow Jones Sustainability Indices in the category of Emerging Markets in 2014 the first international recognition for CPN through such world-class criteria. This reflects the continuous growth and sustainability of the business and its ability to appropriately respond to the diverse needs of all stakeholders under internationally

accepted principles. This clicks with our vision and business strategies. In addition, CPN was recognized as one of the 18 listed companies in Thailand among the top 50 corporations in ASEAN on the ASEAN CG Scorecard for 2013/2014. Such international recognitions serve as a clear proof of CPN's desire to become an Asian leading property developer for the retail business, who aspires to grow a sustainable organization.

On behalf of all, we would like to express our sincere gratitude to all stakeholders, namely shareholders, retail tenants, shoppers, partners, financial institutes, and the media, for their continued trust and support for our overall business. Last year's success could never have been attained without the full cooperation from each and every member of the workforce, who moved in unison toward the agreed targets in revenue growth, branch expansion, relationships with tenants, shoppers, and staff. Continuous cooperation in energy-saving and constant attention to the environment and communities were also part of the foundation of success. Above all, the strict compliance with corporate governance principles and the corporate awareness of social responsibility to create maximum benefit for all stakeholders have earned CPN international recognition. We do hope that all parties will still move forward with CPN in the years ahead. They are encouraged to share CPN's pride since each and every one of them took part in making CPN one of the leading and sustainable companies in Thailand.



Suthichai Chirathivat
Chairman



Preecha Ekkunagul
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 reviewing the financial statements, with Mr. Chackchai Panichapat, Mrs. Sunandha Tulayadhan, and Mr. Karun Kittisataporn as members.

In 2014, there were total of 11 Audit Committee meetings, whereby all Audit Committee members attended all these meetings. 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 had reviewed the annual internal audit plan for the year which was based on the risk-based audit plan and also the outputs based on this plan, as well as regularly consulted Internal Audit executives in the absence of the management. Therefore, the Audit Committee considers that the Internal Audit activities of the Company are independent and appropriate.

PARTICIPATION IN THAILAND'S PRIVATE SECTOR COLLECTIVE ACTION COALITION AGAINST CORRUPTION (CAC)

On November 9, 2010, CPN enlisted in the declaration of intention by Thailand's Private Sector Collective Action Coalition against Corruption (CAC) and applied for CAC membership in December 2014. Membership certification was granted to CPN on January 16, 2015.

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 is 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 annually, as well as, 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 2014. 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 two meetings with the external auditor without any presence of the management team to obtain their opinions on the Company's operational activities and the coordination with relevant member of the management team.

In selecting and proposing the external auditor for 2015, given that a fee comparison had been undertaken in 2011, the Committee has considered the performance outcomes, work scope, and work volumes in comparison to the proposed audit fees for 2015 and agreed to appointed KPMG Phoomchai Audit Ltd. ("main external auditor") as the external auditor to provide views on the consolidated financial statements for CPN and its subsidiaries for 2015 and approved its audit fee for 2015 at no more than Baht 6,160,000.00 together with a fee at no more than Baht 550,000.00 for the auditor (s)

of CPN's selected subsidiaries registered in other countries. It also authorized the management to approve the fees for reviewing the financial statements of subsidiaries, associates, joint ventures, and mutual funds that may arise during the year.

OVERALL VIEW AND REMARKS AS A RESULT OF PERFORMANCE UNDER THE CHARTER

The Audit Committee had made a self-assessment of its overall performance for 2014 on January 7, 2015; whereby this assessment was 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 their accuracy and adequacy; (2) reviewing that both internal control systems and internal audit functions were fully effective and efficient; (3) reviewing that the Company activities were 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 operated; (4) reviewing and selecting the proposed appointment of the Company's external auditor; (5) reviewing all connected transactions; and (6) As for its own report, the Audit Committee overall view was that it had performed the duties and responsibilities-as stated in its own Board-approved charter-sufficiently and thoroughly with due competence, care, prudence, and independence for all stakeholders' equitable interests.



Mr. Paitoon Taveebhol

Chairman of the Audit Committee

REPORT OF THE NOMINATION AND REMUNERATION COMMITTEE

TO THE SHAREHOLDERS

In 2014, 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 2014 AGM for their consideration. The Company offered minor shareholders a chance to nominate directors from September 24, 2013, to January 15, 2014. Since no such nomination emerged, the Committee recommended that the retired directors who finished their terms in 2014 should be reappointed to another term. The Committee proposed the appointment to the Board of Mr. Preecha Ekkunagul, who assumed the post of CEO on January 2, 2014. The AGM of April 25, 2014, approved the appointment of all nominated directors. As a result, the Board now consists of 13 directors, one more than before.
2. Considered the 2014 remuneration for the Board and the subcommittees, comprising the Audit Committee, the Nomination and Remuneration Committee, and the Risk Policy 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 remuneration amounts are also compared with industry peers and met with approval from the shareholders.
3. 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.
4. Reviewed and commented on the approach to senior executive succession plan formulation to ensure that the succession process is suitable and fair, and can preserve its competitiveness and business continuity in the long term.
5. Acknowledged the outcomes of the Committee's self-assessment for 2013 as input for the development of its performance in line with corporate governance practices.
6. Monitored and provided comments on the policy and practices of human capital management and organizational management, including the plans of 2014, turnover rate, promotion of employee engagement with the organization, and talent pipeline.
7. Revision of the charter of the Committee: There is no revision this year, since the current charter is seen as complete and suitable.

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.



Mr. Chackchai Panichapat

Chairman of the Nomination and Remuneration
Committee

REPORT OF THE RISK POLICY COMMITTEE

TO THE SHAREHOLDERS

Central Pattana Public Company Limited has set a clear policy of treasuring sustainable risk management to supplement value to stakeholders. To this end, CPN focuses on developing risk management practices across the Company and promoting risk management as part of its value-added culture. Five key risk factors affecting CPN's business cover all dimensions at corporate and business unit levels. Emphasis is on managing such risks to an acceptable level through appropriate strategies of avoiding, transferring, controlling, and coping. Two risk management committees are currently in place:

1. The Risk Policy Committee, consisting of five members chaired by Mr. Paitoon Taveebhol, acknowledges and provides recommendations on all risk management policies, strategic plans, structures and frameworks at every corporate level; assessing risk management effectiveness; screening and endorsing acceptable levels of risk; participating in expressing opinions during CPN's annual analysis of risk management strategies; acknowledging reports on risk trends and risk issues; and reporting its activities to the Board for acknowledgment. These duties ensure the committee's effective responses to risk issues, accurate identification of immediate and long-term financial impacts on shareholders, and operational quality. The Risk Policy Committee meets at least once every quarter.
2. The Risk Management Committee, appointed by the President, comprises the unit's senior executives and management officers capable of performing duties by dedicating sufficient time and input. The committee defines policies, structural framework, methods, and tools for the identification, assessment, management, and reporting of risks that affect the objectives of its business unit; oversees standardized development of risk management within the scope of responsibility of the unit's management; ensures that risk management is integrated with business plans; reviews risk evaluation outcomes against acceptable ranges of deviation; communicates and manages the establishment and maintenance of corporate risk management at all levels compatible with the corporate vision; and constantly reports to the Risk Policy Committee progress and other issues of risk management. The Risk Management Committee meets at least once every quarter.

CPN values Enterprise Risk management. The top management together assesses risks and defines Key Risk Indicators (KRIs) so as to regularly track the status of each risk and set up a risk register and a risk response plan, in addition to focusing on managing branch risks. Each new risk is reviewed, and its risk management plan is continually set for all branches.

CPN's business units focuses on managing five categories of risk, namely strategic, operational, compliance, financial and hazard risks:

STRATEGIC RISKS

Maintaining Competitiveness Risk: In maintaining competitiveness and supporting the policy of growth through domestic branch expansion while tackling fiercer competition, CPN plans to constantly expand its domestic business to remain the industry leader by adhering to integrated risk management principles to analyze comprehensive risk factors. KRIs for individual risk status and concrete work plans for them are in place. For instance, a Strategic Workforce Planning is organized for compatibility with business expansion, together with a manpower model for shopping complexes and revised standard operating procedures, to ensure more competitiveness in shopping center management.

Foreign Investment Risk: CPN plans to expand its business abroad in constant response to the policy of business growth, for instance the CentralPlaza i-City in Malaysia. CPN recognizes differences in markets and competitive landscape, which produce business risks. A special workforce was therefore appointed to investigate details about economy, social situation, politics, industry environment, competitive landscape, business legislation apart from other risk factors potentially affecting the countries of CPN's investment interest. This way, CPN's international investment will be cautiously undertaken and based on sustainable growth.

OPERATIONAL RISKS

These risks arise from efforts to retain and recruit talents result from more intense competition, constantly increasing the needs for experienced and competent personnel in this business. To mitigate such risks, CPN appointed a People Development Committee to look after welfare, benefits, work satisfaction, and potential development through Individual Development Plans and career paths of employees at all levels. The committee composing of three levels - corporate, business function, and branch - aims to provide employees with high morale and develop their competency for maximum efficiency and effectiveness.

COMPLIANCE RISKS

Domestic and overseas legal limitations resulting from the continual branch expansion policy: To manage this risk, efficient response plans and measures are based on thorough study, follow-up, and analysis of legal limitations that may hinder CPN's domestic and overseas expansion, conducted by the Company's team of legal experts.

Compliance risks fall under the responsibility of all parties in CPN, from the Board, executives, to all employees, who must share the responsibility of inspecting, controlling, and steering business in strict compliance with related legislation and requirements.

FINANCIAL RISKS

Capital Sufficiency Risk: To sustain its strength under the highly capital-intensive requirements of the real estate business and fierce competition, CPN needs to acquire sufficient funding at an appropriate cost. To increase its flexibility for future business expansion and reduce financial risks under a volatile business environment, CPN endeavors to achieve robust financial statements by maintaining its capital structure with a low debt-to-equity ratio under a prudent monetary policy, as well as leveraging appropriate financial instruments in sourcing capital.

HAZARD RISKS

These risks arise from work-related hazards, accidents and losses, threats of various forms-whether natural catastrophes like earthquakes of the North, fires, accidents, lack of political stability, or incidents related to shopping complex administration. To manage work safety, CPN appointed a Safety, Occupational Health, and Work Environment Committee along with a team responsible for loss prevention under the administration of the Office of Standard Promotion and Supervision, serving as the center for safety risk factor analysis for risks arising from political situations, fires, floods, and other threats. To this end, a standard operating procedures manual has been developed. Also, a crisis management plan is

tracked and revised through simulated emergencies, the outcomes of which are analyzed for proactive plan modification that can help CPN cope with assorted situations under the Business Continuity Management standard.

The Board constantly updates CPN's charters governing the Risk Policy Committee and the Risk Management Committee to maintain their compatibility with the current business circumstances, with constant reviews of the Company's risk management processes to ensure its effectiveness and solid integration with CPN's strategic and business plans. This will directly influence the corporate caliber for strategizing and contribute to resounding success under CPN's mission.



Mr. Paitoon Taveebhol

Chairman of the Risk Policy Committee

REPORT OF THE CORPORATE GOVERNANCE AND SUSTAINABLE DEVELOPMENT COMMITTEE

TO THE SHAREHOLDERS

In compliance with the policy set forth by the Board of Directors, Central Pattana Public Company Limited (CPN) operates its business with strong commitment to its Code of Conduct and Corporate Governance (CG) Policy in parallel with CPN's sustainable growth, with the Corporate Governance and Sustainable Development Committee overseeing relevant programs and communicating with all personnel to ensure full compliance. The committee held three meetings this year and reported its performance to the Audit Committee and the Board as summarized below:

1. Revised and updated the Code of Conduct and CG Policy to ensure completeness and clarity in line with the Principles of Good Corporate Governance for Listed Companies 2012 of the Stock Exchange of Thailand (SET), Thai Institute of Directors's criteria, ASEAN CG Scorecard, Dow Jones Sustainability Indices (DJSI), and other international principles. The Board approved the revised code and policy as proposed.
2. Advocated a new Corporate Governance and Sustainable Development Committee to enable the composition to fully address the additional need to supervise sustainable development policy and programs. The Board approved this appointment as proposed.
3. Revised its own duties and responsibilities in line with its additional performance and extended scope of work incorporating sustainable development. The Board approved this revision as proposed.
4. Provided recommendations to the Board on anti-corruption programs in line with Thailand's Private Sector Collective Action Coalition Against Corruption's guidelines, which include the development of Anti-Corruption Measures, self-assessment on the implementation of Anti-Corruption Measures, and training programs on actions against conflicts of interest and corruption. By adopting the tone-at-the-top approach, relevant program activities were clearly communicated from directors to executives and employees.

5. Provided recommendations on projects promoting good governance with a focus on execution and serious compliance with the defined programs and policy.
6. Provided recommendations on projects promoting sustainable development and display of social responsibility, and monitored project and activity execution for completeness and continuity in the aspects of energy and environmental management, stewardship of stakeholders' living conditions and safety, and the CPN Growing Thai Wisdom Project and CPN volunteers. The focus is on audit, monitoring and assessment, and improvement of execution for suitability and community strengthening in the long run, in tandem with due regard for climate change prevention.
7. Acknowledged updates on the market situation and global trends resulting from environmental and social factors, including progress reports on sustainable development work, information disclosure, and Environment Social Governance (ESG). The latter was assigned to a Corporate Governance and Sustainable Development taskforce for implementation and submission of monitoring reports.



Mr. Preecha Ekkunagul

Chairman of the Corporate Governance
and Sustainable Development Committee

BOARD OF DIRECTORS AND MANAGEMENT TEAM



1 Mr. Suthichai Chirathivat
 2 Mr. Paitoon Taveebhol
 3 Mr. Chackchai Panichapat
 4 Mrs. Sunandha Tulayadhan

5 Mr. Karun Kittisataporn
 6 Mr. Kanchit Bunajinda
 7 Mr. Suthikiati Chirathivat
 8 Mr. Suthichart Chirathivat

9 Mr. Sudhisak Chirathivat
 10 Mr. Sudhitham Chirathivat
 11 Mr. Kobchai Chirathivat
 12 Mr. Prin Chirathivat



13 Mr. Preecha Ekkunagul
 14 Ms. Wallaya Chirathivat
 15 Mr. Somchart Baramichai
 16 Mr. Suthipak Chirathivat

17 Ph.D. Nattakit Tangpoonsinthana
 18 Mrs. Narttaya Chirathivat
 19 Mrs. Panida Sooksridakul
 20 Major Narit Ratanaphichetchai

21 Ms. Napat Sriwanvit
 22 Ft.Lt. Kree Dejchai
 23 Mrs. April Srivikorn

2014 YEAR IN BRIEF



JANUARY

Mr. Preecha Ekkunagul replaced Mr. Kobchai Chirathivat as President & CEO, effective from January 2, 2014, with Mr. Chirathivat continuing to serve as director.

MARCH

CentralFestival Samui was launched on Chaweng Beach, the most popular tourist spot and prime economic zone of Samui Island. As one of Thailand's world-class beach destinations, Samui enjoys a thriving economy with a rising number of beach resorts.

APRIL

- CPN formally proceeded with the lease of the properties (partial) in Central Plaza Chiangmai Airport to the CPNRF, amounted 10,496 MB approximately and has invested in 23.53% of the additional investment units of CPNRF, or 135,593,664 units at a value of Baht 15, for a total of 2,034 MB. This leads CPN to hold in total of 590,521,686 units, and the percentage of investment in CPNRF has changed from 27.80% to 26.69% after the capital increase.
- CPN held AGM No. 1/2014, covering the following agenda items: approval of its financial statements ended on December 31, 2013, and approval of Baht 0.55 per share dividend payments, based on the performance in 2013.

Transaction summary of lease of the properties (partial) in CentralPlaza Chiangmai Airport for 30 years to the CPN Retail Growth Leasehold Property Fund (CPNRF) and assets invested in by the fund through the issuance and offering of 2nd additional investment units are as follows:

TRANSACTION SUMMARY

Transaction	2 nd capital increase of CPN Retail Growth Leasehold Property Fund to acquire the new assets
Acquisition Price	Approximately Baht 10,496 million (including expense for issuance and offering of additional investment units)
No. of Additional Investment Units	576,150,000 units
No. of Additional Investment Units invested by CPN	135,593,664 units (23.53% of Total additional investment units)
Offering Price	Baht 15.00

DETAILS OF INVESTMENT ASSETS

Project	CentralPlaza Chiangmai Airport
Location	No. 2 Mahidol Road, 252-252/1, Wulai Road, Tambol Haiya, Amphur Muang, Chiangmai 50100
Type	Shopping Complex
Nature of the Properties to be invested in by the Fund	<p>(1) leasehold right in certain parts of one shopping complex and one multipurpose hall, including indoor parking spaces (in proportion to the utilized areas of the shopping complex and the multipurpose hall in which the Fund will invest),</p> <p>(2) leasehold right and/or accepting the transfer of ownership of utilities systems and other assets relevant to CentralPlaza Chiangmai Airport Project, and</p> <p>(3) leasehold right in the land where the shopping complex, the multipurpose hall, the indoor parking spaces, including certain parts of surrounding road and entrances and exits of CentralPlaza Chiangmai Airport Project are located</p>

As of March 31, 2013

Gross Floor Area	122,991 sq.m.
Net Lettable Area	35,343 sq.m.
Land Area	32 Rai 3 Ngan 56.85 Square wah
Source of Fund	The capital increase and cash on fund and bank loan



MAY

TRIS Rating has upgraded the company and the existing senior debenture ratings of Central Pattana PLC to “AA-” from “A+”. The upgrade reflects improvements in CPN’s operating and financial performances during the last three years. The “AA-” ratings continue to reflect CPN’s leading position in the retail property development industry in Thailand, proven record in managing high-quality shopping centers, reliable cash flow from contract-based rental and service income, and conservative financial policy. The ratings also take into consideration the large amount of capital expenditures needed for business expansion during 2014-2016.

The “stable” outlook reflects the expectation that CPN will continue to sustain its strong operating performance for its shopping center portfolio. Despite pursuing its growth strategy, the company is expected to maintain its financial discipline. The net interest-bearing debt to equity ratio is expected to stay below 1 time in the medium term.

JULY

Groove@CentralWorld was officially inaugurated along the side of Rama I Road in front of The Offices at CentralWorld, surrounded by office buildings, residential places, and luxury hotels. A downtown center of world-renowned lifestyle restaurants and fashion boutiques, Groove@CentralWorld is a world-class meeting place for office workers, business people, and tourists.

AUGUST

CentralPlaza Salaya was launched on Boromma Ratcha Chonnani Road, between Buddha Monthon 5 and 7 intersections, amid the westward expansion of Bangkok and its perimeters, covering the densely populated residential zones of Amphoe Buddha Monthon, Amphoe Nakhon Chaisi, Amphoe Samphran and Amphoe Muang Nakhon Pathom. Located within an educational zone surrounded by leading hotels and government offices, this shopping complex has the young generation with high purchasing power and tourists among its target groups.

**OCTOBER**


CPN, the first and only Thai company in the real estate sector, has been selected as an index component of 2014 Dow Jones Sustainability Indices Emerging Markets (DJSI Emerging Markets). This prestigious membership reaffirmed CPN’s philosophy of sustainable business conduct, taking into account the society, the environment, and all stakeholders, with active participation in social and community development.





AWARDS OF GREAT PRIDE IN 2014



The background of the page is a photograph of a modern office interior. It features a prominent staircase with a glass railing and metal handrails, set against a light-colored wall. The lighting is warm and ambient. A large, solid blue rectangular box is overlaid on the center of the image, containing white text.

Thanks to the commitment of CPN's visionary executives and all employees together driving CPN toward excellence, in tandem with business partners' support, in 2014 CPN garnered awards of pride from leading institutions worldwide—a solid proof of success of a corporation that focuses on sustainable business conduct under corporate governance and social responsibility.

AWARDS IN PROJECT DESIGN AND DEVELOPMENT

“BCI Asia Top 10 Developer Award 2014” has been granted to Central Pattana Plc. by BCI Asia Construction Information Pte., Ltd. and FuturArc Journal. These awards are granted to the top 10 outstanding real estate companies that own projects with remarkable design. The three projects that received the awards are: CentralFestival Samui, CentralPlaza Salaya and CentralPlaza WestGate at the Bangyai intersection.

01



“BCI Asia Top 10 Developer Award 2014”

“Asia Property Award 2014” from the International Property Awards Group is the ultimate real estate award for the Asia Pacific region, granted to real estate entrepreneurs and international shopping center projects. These awards are considered at an international level and widely recognized in the retail industry. CPN has received the Asia Property Award 2014 in the following fields:

- “5 Stars Best Retail Development Thailand” award was granted to CentralFestival Chiangmai as being a retail project that includes the most extensive global leading brands and fulfils customer demand in Chiangmai.
- “5 Stars Best Commercial Landscape Architecture Thailand” award was granted to CentralPlaza Chiangrai as being a retail project that has been designed to blend both a modern and local atmosphere perfectly. It is also considered a landmark of Chiangrai.
- “Highly Commended Retail Development Thailand” award was granted to CentralPlaza Ubonratchathani as the most extensive and largest retail project in the southern part of Northeastern Thailand. CentralPlaza Ubonratchathani fulfils the modern lifestyle with its remarkable design by reinterpreting the unique culture of Ubonratchathani into a new modern design.

02

AWARDS IN MARKETING AND BRANDING

“Thailand’s Corporate Brand Rising Star 2014” award was granted to Central Pattana Plc. by the Master of Science Programme, Department of Marketing, Faculty of Commerce and Accountancy, Chulalongkorn University. This award was granted to the company with the highest growth rate of corporate brand value.

03

“Thailand’s Property Awards 2014: Real Estate Personality of the Year” award was granted to Mr. Tos Chirathivat, CEO of the Central Group, by Ensign Media Co, the publisher of Property Report magazine. This award was granted to the person who played the most important role in the real estate business in 2014.

04

AWARDS IN MANAGEMENT AND FINANCE

“SET Awards of Honor 2014-Top Corporate Governance Report Award” was granted to Central Pattana Plc. by the Stock Exchange of Thailand and Money & Banking Magazine. CPN had received the Top Corporate Governance Report Award for four consecutive years from 2011-2014.

05



“SET Awards of Honor 2014-Top Corporate Governance Report Award”

“Corporate Governance Report of Thai Listed Companies 2014-‘Excellence’ scores” had been earned by Central Pattana plc for six consecutive years from 2009-2014. The assessment, conducted by the Thai Institute of Directors Association, showed that CPN was ranked in the ‘Top Quartile’ level for companies with market capitalization of Baht 10 billion.

06

CPN among 18 Thai listed companies was listed on Top 50 Companies in ASEAN countries for the “ASEAN CG Scorecard 2013/14” corporate governance assessment.

07



“Thailand Energy Awards 2014”

AWARDS IN ENVIRONMENT AND ENERGY CONSERVATION

“Thailand Energy Awards 2014” honoured companies with outstanding performance in both energy conservation and renewable energy development was presented to CentralPlaza Pinklao by the Ministry of Energy as follows:

- The winner: Best Regulating Structure
- The winner: Outstanding Responsibility for Energy Efficiency

08

MEMBER OF

**Dow Jones
Sustainability Indices**

In Collaboration with RobecoSAM

AWARDS AND ACHIEVEMENT IN SUSTAINABLE DEVELOPMENT

Dow Jones Sustainability Indices (DJSI) are the first global sustainability benchmarks that track the stock performance of the world's leading companies in terms of economic, environmental and social criteria. The indices are offered cooperatively by RobecoSAM and S&P Dow Jones Indices, assessing leading global companies with outstanding performance in terms of market capitalization, corporate governance, and social and environment responsibility. Being the first and only Thai company in the real estate sector, CPN has been selected as an index component of 2014 DJSI Emerging Markets.

09

MSCI Global Sustainability Indexes are widely tracked global equity benchmarks and serve as the basis in the investment processes of institutional investors around the world. It is one of the MSCI indexes constructed by Morgan Stanley Capital International, which has 35 years' expertise in calculating indexes based on each country's economic development, size, and liquidity. From around the world, Morgan Stanley Capital International selects the constituents from leading listed companies having outstanding performance in terms of market capitalization, liquidity and free-float in addition to analysis of how well companies manage their environmental, social and governance aspects. CPN has been selected as a constituent in the MSCI Global Sustainability Indexes in the Real Estate Management & Development sector with a rating of A out of the highest point scale AAA.

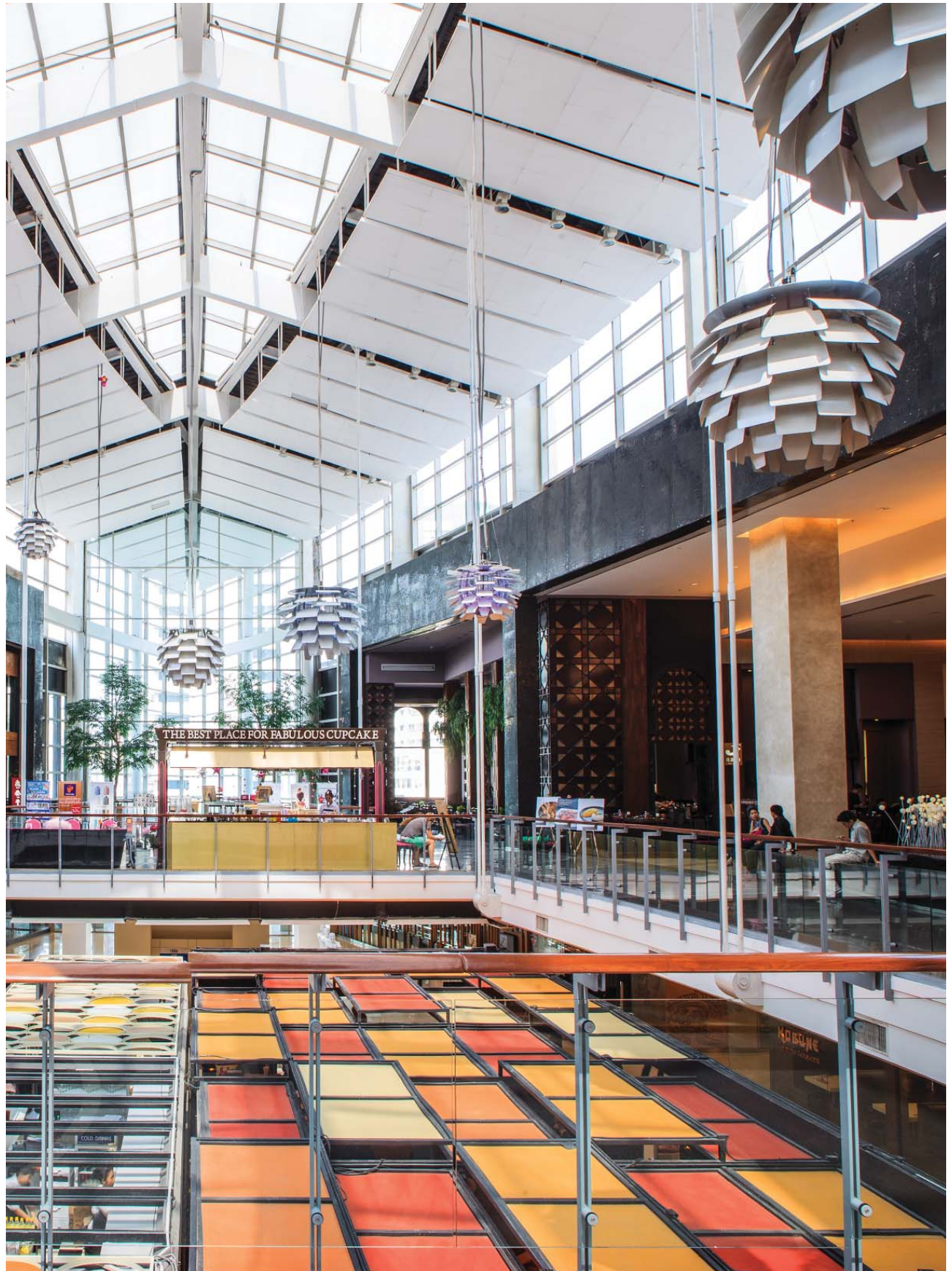
10

"Outstanding workplace to promote gender equality and protection of women's rights" award was granted to Central Pattana Plc. by the Ministry of Social Development and Human Security. These awards are granted to companies or institutes with policies or activities that promote gender equality and protection of women's rights.

11

"Asia Responsible Entrepreneurship in Health Promotion Award 2014" was granted to CentralFestival Pattaya Beach by Enterprise Asia, Singapore for its 'Sukhawadee' project, which was developed for the community around CentralFestival Pattaya Beach. These awards are granted to entrepreneurs with responsibility for the environment and society in the Southeast Asia region.

12



ECONOMIC AND RETAIL INDUSTRY OVERVIEW IN 2014*

ECONOMIC OVERVIEW

Thai economy in 2014 in all regions grew at a slower pace than the previous year. The country's GDP growth was only 1%, while inflation remained at the previous year's rate of 2.1% resulting from the government's price control measures imposed on producers.

Private consumption expanded at a modest rate of 0.1%, with the sales volume of most products remaining unchanged in the first quarter due to the slow revival of consumers' confidence after the end of political unrest. Sales increased more noticeably in the second quarter, particularly in durable goods including automobiles, electrical appliances, and furniture purchased by middle-income and upper-income groups. Sales of necessity goods, such as food, beverage, and personal effects, were otherwise growing little, resulting mainly from the problems of decreased income among farmers and household debts that affected low-income consumers.

The overall investment shrank 0.9% because most entrepreneurs already had sufficient production capacities for domestic and export markets, due to previous year's investments, and were holding up their new investments to wait for clearer indications of the political and economic situation and the public sector's major investment projects. Since Thailand was relatively stable with lower risk than other countries, the private sector continued to invest in machinery reparation, efficiency improvement, cost reduction, and import of machinery to replace old machinery.

Domestic production grew at the same rate as the previous year in line with private consumption. Export production recovered slowly in line with

the global economy, with increased purchase orders from the Middle East and South America for electronic components, petrochemical products, electrical appliances, and automotive parts from the Middle East and South America. The sports garment industry also received more purchase orders due to the World Cup Football Tournament this year.

Despite the political situation's obvious impacts on the tourism industry, most entrepreneurs in this sector viewed the problems as less severe than the effects caused by past political and flood crisis. The sector recovered steadily after the lifting of the emergency decree. Located far from the sites of political rallies, tourism destinations in the North and South remained popular among Chinese and European tourists and enjoyed high business growth. In covering business losses caused by the cancelation of training and seminars during political rallies, tourism entrepreneurs adopted new marketing approaches by targeting lovers, honeymoon couples, married couples, health-conscious tourists, and other high-potential groups.

RETAIL AND WHOLESALE INDUSTRY OVERVIEW

Shopping Centers and Department Stores

Recognizing the direct impacts of the emergency decree during the first quarter and the martial law in the second quarter, the Government continually implemented policies to stimulate confidence and spending. These resulted in a gradual revival of confidence among Thais, with marketing campaigns and promotions launched by developers to attract foreign tourists during festive seasons in the second half of this year.

Over 7 million sq.m. of retail and wholesale space was available in 2014, with shopping centers representing the largest market share at 59%, followed by community malls and superstore malls at 13% and 12% of the total space. Highly popular this year, community malls reduced the shopping centers' market share from 61% prior year. Even though tenants were affected by the economic slowdown produced by the political unrest, overall occupancy rate in 2014 was 95%, while the average rental rate was on a rise, as most entrepreneurs still retained their market confidence.

With the industry's top market share, CPN launched two new shopping complexes in 2014, namely CentralFestival Samui and CentralPlaza Salaya, including the announcement of the CentralPlaza WestGate Project at Bang Yai. Another project being kicked off this year that will turn Amphoe Bang Yai into a major shopping hub in 2015, the Mega Bangyai Project was announced by Siam Future Development Plc and Ikano (Thailand) Co., Ltd. Elsewhere, renovation plans were also made for other major shopping complexes, including The Emporium and other shopping centers under The Mall Group.

Under the current market conditions, consumers' purchasing behavior focused on convenience and speedy services, with less frequent visits to shopping centers and department stores due to the rapid growth of online shopping and drive-through stores. In attracting customers and satisfying their ever-changing needs, shopping center and department store entrepreneurs need to adopt new strategies and continually develop their services.

Community Malls and Lifestyle Malls

Despite the economy's slow recovery, this group of retail stores continued to thrive. Its growth outpaced other groups in the retail industry in the third quarter due to the completion of a large number of community mall and lifestyle mall projects, started during the past several years in tandem with the expansion of residential areas around Bangkok. In retail space, the group represented the second highest market share this year, replacing the hypermarket group.

The community malls and lifestyle malls launched this year included Victoria Garden Metro, West Town, One Udomsuk, I'm Park, The Sense Pinklao, Maze Thonglor, and The Crystal Ratchaprupek, with Habito and The Bright projects still under construction.

Under fierce competition within this retail group due to the numerous entries of large, medium, and small-scale entrepreneurs, community mall entrepreneurs need to adjust themselves for differentiation and constantly cater to consumers' needs by modifying and expanding projects, attracting new tenants to create diversity and thrills to satisfy all aspects of customers' needs, maintaining and continually expanding regular customer bases, and providing full facilities in their projects. These required skillful management under the challenge of rising costs.

Hypermarkets and Convenience Stores

Few hypermarkets were launched this year, while entrepreneurs are currently focusing on developing small stores and traditional markets to ease branch expansion work and serve diverse groups of

customers. Small-store projects resemble a combination of convenience stores and supermarkets, much like super convenience stores and convenience stores, such as Mini Big C, Tesco Lotus Express, Tops Deli, and MaxValu. Recognizing that online shopping will significantly increase the income of retail businesses very soon due to consumers' behavioral changes by focusing on convenience and speedy services, online accesses were provided this year to ease the purchases of target groups.

Entrepreneurs in this retail group also started penetrating the market with "Plus Mall" projects by increasing the diversification of shops in the plaza and mall areas, reducing shelf space for food products, while increasing other products instead, and added entertainment businesses such as cinemas and water parks to create novelties and attract customers. Through these adjustments, hypermarket and convenience store entrepreneurs are crossing into the business territory of shopping centers.

The overall focuses of convenience stores were the expansion of branches to maximize areal coverage, initiation of franchising to supplement branch expansion effort, offer of diverse products, including hygienic foods and beverages at reasonable prices to serve the needs of all consumers in their respective areas, and speedy services. This retail group also applied communication technologies in conducting its business via e-commerce and online shopping, together with leveraging the social media for efficient communication with customers.

2015 Retail Industry Outlook and Competition

Supply of retail space in Bangkok and surrounding areas scheduled for completion in 2015 amounts to some 1,500,000 sq.m. The new shopping centers to be launched in 2015 include Central Plaza WestGate, Central Festival East Ville, and The Emquartier, while new community malls will mostly be launched in suburban Bangkok during the year. Despite the increase in retail space supply, occupation rates remains unchanged, while rental rates are expected to rise by 3-5%, with a steady increase in the following years due to the unwavering demand of local and foreign brandname merchandises.

The Em District at Sukhumvit and IconSiam on the bank of Chao Phraya River, to be launched in the next 2-3 years, are expected to create two new shopping hubs in Bangkok. The retail industry is moving toward mixed-use development, combining residential areas, hotels, office buildings, and entertainment centers to create fully integrated shopping complexes.

Major projects under construction in other provinces include Central Plaza Rayong, Central Phuket, and The Mall Group's BluPort Huahin Resort Mall and BluPearl Phuket.

The establishment of AEC turns the attention of the retail industry to develop more projects in other provinces, especially border and major provinces in all regions of Thailand. Many superstore malls and specialty stores have been launched, together with the launches of shopping center development projects in border provinces. Having launched new development projects in Nakhonratchasima and Nakhonsithammarat provinces, CPN also plans to continually expand its businesses to other prospective provinces.

* Parts of data were obtained from the information provided by the Bank of Thailand, CBRE Research, and Colliers International Research.

NATURE OF BUSINESS



25

SHOPPING
COMPLEXES

7

OFFICE
BUILDINGS

2

HOTELS

20

FOOD
CENTERS

2

RESIDENTIAL
BUILDINGS

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 2,244,000,000, 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 25 shopping complexes- 11 in Bangkok Metropolitan area and its vicinities and 14 in prime provincial areas - of which 21 projects are owned by CPN, with four leased out to CPN Retail Growth Leasehold Property Fund ("CPNRF"). In 2014, CPN launched two newly

opened projects, namely CentralFestival Samui and CentralPlaza Salaya.

CPN also runs 7 office, 2 residential, and 2 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:

01

SHOPPING COMPLEXES

CPN's main source of income, the shopping complex business generates over 80% of the total revenue. Income includes rental of retail spaces, utility, and security services, cleaning services, rental & services of convention hall, apart from onsite media services at 25 properties. Other sources of income include the management fee at four property projects under CPNRF and a share of profits from investment in CPNRF.

According to its estimated data, as of 31 December 2014, CPN's earned a 20% market share of the retail industry in Bangkok with net leasable area of over 1.3 million sq.m. under the management of CPN and its subsidiaries. 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 site.

02

OFFICE 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 site.

At present, CPN runs seven projects of 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 four projects and manages three projects, two projects under CPNRF (Pinklao Tower A and B Office buildings at CentralPlaza Pinklao) and one project under CPNCG (The Offices at CentralWorld).

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.

03

HOTELS

CPN's hotels and shopping centers are located in the same areas since there is a natural demand that supports the retail business. This practice adds value to each project by making the most 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 guest 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.

04

RESIDENTIAL BUILDINGS

At present, CPN manages two residential building projects. One is Langsuan Colonade, a 50-unit

serviced apartment, and the other is Central City Residence Condominium, a 12-unit condominium on the premises of CentralPlaza Bangna.

05

WATER PARKS AND 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 where the water park is temporarily closed for its renovation and expected to reopen in 2015, 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.

06

FOOD CENTERS

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

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

Projects Owned by CPN	Shopping Complexes	Office Buildings	Hotels	Residential Buildings	Food Centers
CentralPlaza Lardprao	✓	✓			
CentralPlaza Ramindra	✓				
Central Center Pattaya	✓				
Langsuan Colonade				✓	
CentralPlaza Bangna	✓	✓		✓	✓
CentralWorld	✓				
CentralPlaza Rattathibet	✓				✓
CentralPlaza Chaengwattana	✓	✓			✓
CentralFestival Pattaya Beach	✓		✓		✓
CentralPlaza Udonthani	✓		✓		✓
CentralPlaza Chonburi	✓				✓
CentralPlaza Khonkaen	✓				✓
CentralPlaza Chiangrai	✓				✓
CentralPlaza Phitsanulok	✓				✓
CentralPlaza Grand Rama 9	✓	✓			
CentralPlaza Suratthani	✓				✓
CentralPlaza Lampang	✓				✓
CentralPlaza Ubonratchathani	✓				✓
CentralFestival Chiangmai	✓				✓
CentralFestival Hatyai	✓				✓
CentralFestival Samui	✓				✓
CentralPlaza Salaya	✓				✓

Projects Managed by CPN	Shopping Complexes	Office Buildings	Hotels	Residential Buildings	Food Centers
CentralPlaza Pinklao ¹⁾	✓	✓			✓
CentralPlaza Rama 3 ²⁾	✓				✓
CentralPlaza Rama 2 ³⁾	✓				✓
CentralPlaza Chiangmai Airport ⁴⁾	✓				✓
CentralWorld ⁵⁾		✓			

Remarks:

1) 42% of CPN's shopping malls and all of the office buildings were subleased to CPNRF from November 2009 to December 2024

2) 81% of CPN's asset was leased to CPNRF from August 2005 to August 2035 (a 30-year lease can be renewed twice)

3) 96% of CPN's asset was subleased to CPNRF from August 2005 to August 2025

4) 49% of CPN's asset was leased to CPNRF from April 2014 to April 2044

5) 97% of the Offices at CentralWorld was subleased to CPNCG from September 2012 to September 2032 (part 1) and from December 2012 to December 2032 (part 2)

ASSET UNDER CPN'S MANAGEMENT





RETAIL PROPERTIES

Retail Properties	Year of Operation	Development ²	Land Ownership ³
1. CentralPlaza Lardprao	December 1982	G	L (2028)
2. CentralPlaza Ramindra	November 1993	G	L (2023)
3. CentralPlaza Pinklao ¹	March 1995	G	L (2024)
4. Central Center Pattaya	July 1995	G	L (2015)
5. CentralPlaza Chiangmai Airport ¹	March 1996 ⁴	A	F
6. CentralPlaza Rama 3 ¹	October 1997	G	F
7. CentralPlaza Bangna	December 2001 ⁴	A	F
8. CentralPlaza Rama 2 ¹	December 2002	G	L (2025)
9. CentralWorld	December 2002 ⁴	A	L (2040)
10. CentralPlaza Rattanathibet	December 2003 ⁴	A	F
11. CentralPlaza Chaengwattana	November 2008	G	F
12. CentralFestival Pattaya Beach	January 2009	G	F
13. CentralPlaza Udonthani	April 2009 ⁴	A	F
14. CentralPlaza Chonburi	May 2009	G	F
15. CentralPlaza Khonkaen	December 2009	G	F

Investment Cost of Total Project as end of 2014 ⁵	Total Project GFA (sq.m.)	Parking Space (vehicles)	Hall (sq.m.)	Leaseable Area (sq.m)	Occupancy Rate (%)	No. of Tenants (shops)
4,362	310,000	3,000	4,500	48,148	100%	343
649	86,000	1,000	-	17,193	100%	79
1,323	340,000	3,500	-	57,601	99%	391
373	62,000	400	-	15,226	96%	106
2,144	250,000	2,300	4,800	76,476	99%	628
1,327	220,000	2,300	-	55,666	96%	294
4,953	450,000	3,250	3,100	61,193	96%	330
1,109	210,000	3,200	4,100	93,714	97%	354
12,974	830,000	7,000	5,100	199,501	94%	467
2,315	140,000	2,000	-	77,273	99%	212
5,289	310,000	3,300	4,200	65,864	94%	385
6,512	210,000	2,000	-	57,590	98%	250
5,109	250,000	2,000	5,000	72,416	94%	248
2,820	156,000	2,040	-	40,332	98%	287
3,897	200,000	2,100	4,100	49,743	96%	330



RETAIL PROPERTIES

Retail Properties	Year of Operation	Development ²	Land Ownership ³
16. CentralPlaza Chiangrai	March 2011	G	F
17. CentralPlaza Phitsanulok	October 2011	G	F
18. CentralPlaza Grand Rama 9	December 2011	G	L (2040)
19. CentralPlaza Suratthani	October 2012	G	F
20. CentralPlaza Lampang	November 2012	G	L (2040)
21. CentralPlaza Ubonratchathani	April 2013	G	F
22. CentralFestival Chiangmai	November 2013	G	F
23. CentralFestival Hatyai	December 2013	G	F
24. CentralFestival Samui	March 2014	G	L (2043)
25. CentralPlaza Salaya	August 2014	G	F&L (2044)

Total

Remarks: ¹ For CentralPlaza Pinklao, 42% of asset was subleased to CPNRF from November 2009 to December 2024. For CentralPlaza Rama 3, 81% of asset was leased to CPNRF from August 2005 to August 2035. For CentralPlaza Rama 2, 96% of asset was subleased to CPNRF from August 2005 to August 2025. For CentralPlaza Chiangmai Airport, 49% of asset was subleased to CPNRF from April 2014 to April 2044. Operational performance of CentralPlaza Pinklao, CentralPlaza Rama 3, CentralPlaza Rama 2 and CentralPlaza Chiangmai Airport includes those of assets transferred to CPNRF and CPN acts as the property manager.

² Development (A=Acquisition), (G= Greenfield)

³ Land Ownership (F=Freehold), (L=Leasehold Expired in (year))

⁴ Year of acquisition

⁵ Includes investment of office/residential/hotel components. Excludes annual lease payments and investments of the assets leased/subleased to CPNRF.

Investment Cost of Total Project as end of 2014 ⁵	Total Project GFA (sq.m.)	Parking Space (vehicles)	Hall (sq.m.)	Leaseable Area (sq.m)	Occupancy Rate (%)	No. of Tenants (shops)
1,634	110,000	1,000	-	22,325	99%	111
1,553	100,000	1,440	-	26,382	96%	138
5,141	214,000	2,400	-	59,672	97%	236
2,281	130,000	1,400	4,700	34,537	95%	121
1,108	110,000	2,000	-	22,227	100%	92
1,864	151,000	1,500	-	32,213	98%	132
4,234	260,000	3,500	-	66,237	93%	217
4,790	295,000	2,500	5,000	69,701	88%	211
1,742	76,000	600	-	28,611	91%	107
2,385	185,500	1,600	-	38,474	94%	179
81,887				1,388,315	96%	6,248

Data as of 31 December 2014



OFFICE PROPERTIES

Office Properties	Year of Operation	Development ⁴	Land Ownership ⁵	Leaseable Area (Sq.m)	Occupancy Rate (%)	No. of Tenants (units)
Lardprao Office	December 1982	G	L (2028)	16,250	94%	77
Pinklao Tower A Office ¹	March 1995	G	L (2024)	22,426	96%	57
Bangna Office	December 2001 ²	A	F	10,007	95%	29
The Offices at CentralWorld ³	November 2004	A	L (2040)	83,059	99%	105
Pinklao Tower B Office ¹	March 2006	G	L (2024)	11,334	98%	46
Chaengwattana Office	March 2009	G	F	19,936	97%	51
Grand Rama 9 Office	December 2011	G	L (2040)	6,454	97%	36
Total				169,466	97%	401

Remarks: ¹ Pinklao Tower A and Tower B were subleased to CPNRF from November 2009 to December 2024.

² Year of acquisition

³ 97% of the Offices at CentralWorld was subleased to CPNCG from September 2012 to September 2032 (part 1) and from December 2012 to December 2032 (part 2)

⁴ Development (A = Acquisition), (G = Greenfield)

⁵ Land Ownership (F = Freehold), (L = Leasehold)



HOTEL PROPERTIES

Hotel Properties	Year of Operation	No. of Guest Rooms	Occupancy Rate (%)
Centara Udonthani ¹	April 2009 ³	259	63%
Hilton Pattaya ²	November 2010	302	86%
Total		561	75%

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



RESIDENTIAL PROPERTIES

Residential Properties	Year of Operation	No. of Guest Rooms	Occupancy Rate (%)
Langsuan Colonade	December 1998	4,466	59%
Central City Residential ¹	December 2001 ²	1,907	38%
Total		6,373	53%

Remark: ¹ CPN owns strata-title of 12 units of the condominium.
² Year of acquisition



FUTURE PROJECTS



* All pictures in FUTURE PROJECTS part are subject to change as deemed appropriate.

DOMESTIC PROJECTS



CENTRALPLAZA RAYONG



LOCATION

On Highway 36 (Bangna-Trad), Tambon Choeng Noen, Amphoe Muang, Rayong Province. Lying on the motorway to Ban Phe near the Ko Kloi intersection, the front of the site faces the main highway and the back faces Nong Mahad Road, which is an easy access to downtown Rayong.



SIZE

About 60 rai of land (CPN has the land ownership), with a total project area of 180,000 sq.m., of which 150,000 sq.m. belongs to CPN. The project houses Robinson Department Store together with anchor tenants, namely Tops Market, PowerBuy, B2S, SuperSports, and OfficeMate. The site will also house over 200 retail fashion boutiques of leading brands as well as new-concept restaurants for all lifestyles. It is also intended to be the best entertainment complex featuring cinemas and Fun Planet amusement park, with parking space for over 1,500 vehicles.



POTENTIAL

The project is located on a potential site of Rayong, Thailand's eastern economic hub with GPP (gross provincial product)-highest in the East and the country's 2nd highest area after Bangkok. With a rising number of property projects, particularly condominiums, and over 1,900 factories in 19 large industrial sites, Rayong is one of the country's prime tourist attractions visited by more than 4.2 million tourists a year on average. The project therefore targets purchasing power of over 820,000 people in Rayong who are executives and workers in industrial estates, foreign workers and residents, as well as Thai and non-Thai tourists. Rayong, moreover, serves as a gateway to Cambodia and Vietnam that will reap benefits from the government's mega-projects, namely the Bangkok-Chonburi-Rayong high-speed train, the Chonburi-Pattaya-Mab Ta Phud motorway, ASEAN Highway R10, and the Southern Coastal Corridor stretching from Thailand (Bangkok-Trad) through Cambodia to Vietnam. The integration of AEC will also draw more local and foreign investments, which will further enhance the local purchasing power.



PROGRESS

Under construction, progressing as planned and budgeted



OPENING SCHEDULE

The project is planned for inauguration in the second quarter of 2015.



INVESTMENT

About 2,400 MB (excluding investment in Robinson Department Store, which is under the responsibility of Robinson Department Store)

CENTRALPLAZA WESTGATE



PROGRESS

Under construction, progressing as planned and budgeted including incremental budget allocated to construction work for convenient access to the site



OPENING SCHEDULE

The project is planned for inauguration in the third quarter of 2015.



INVESTMENT

About 7,200 MB (excluding investment in Central Department Store, which is under the responsibility of Central Department Store)



LOCATION

Located at the Bang Yai intersection, Tambon Sao Thong Hin, Amphoe Bang Yai, Nonthaburi Province, the site faces two main roads, namely Rattanathibet Road and Kanchanaphisek Road (the western ring road).



SIZE

About 98 rai of land (CPN owns the land lease rights) with a total project area of 430,000 sq.m., of which 380,000 sq.m. belongs to CPN. Designed as a Super Regional Mall under the concept of “Beyond Imagination Larger Than Life”, the project houses Central Department Store and anchor tenants, namely Tops Market, PowerBuy, B2S, SuperSports, and HomeWorks. It will also house over 1,000 retail fashion boutiques of leading Thai and international brands as well as new-concept restaurants to fulfill every lifestyle. Plus, the site is planned to be the state-of-the-art entertainment complex offering world-class attractions including ultramodern cinemas, with parking space for over 5,000 vehicles.



POTENTIAL

This is a large project on a strategic location in the Bang Yai Intersection, Bangkok’s “West Gate”, where the 12-lane Kanchanaphisek Road and the 10-lane Rattanathibet Road meet, carrying traffic of 85 million vehicles per year. The site is accessible through the government’s completely integrated transportation system linking all routes together, including the West Outer Ring Road and the Purple Line city train (Bang Yai-Bang Sue). An elevated walkway will connect the nearby train station to the store to facilitate over 13 million target customers. The planned Highway 81 (Bang Yai-Kanchanaburi), which will stretch to Dawei Port (Myanmar) and the Andaman Sea and will be constructed to welcome the AEC integration, will enhance purchasing power and benefit the project. Furthermore, the 3rd phase expressway linking the western ring road to the Chonburi Motorway will give rise to new residential areas, where over 150,000 residential units can be expected in the next five years.



CENTRALFESTIVAL EAST VILLE



LOCATION

East of Bangkok Metropolis, on Praditmanutham (frontage road along Ekamai-Ramindra Expressway), connecting key roads, namely Ramindra, Lardprao, and Rama 9.



SIZE

About 51 rai of land (CPN owns the land lease rights and owns part of the land) with a total project area of 160,000 sq.m., of which CPN 130,000 sq.m. belongs to CPN. The project consists of Central Department Store and anchor tenants like PowerBuy, B2S, SuperSports, etc. Housing more than 200 leading worldwide brands' outlets and novel-concept food outlets catering to all lifestyles, it is also an entertainment complex, featuring leading cinemas. One zone is to be dedicated to pet owners, while another features a jogging track for exercise lovers. The project provides parking space for over 1,900 vehicles.



POTENTIAL

Since this eastern zone of Bangkok is an enormous-potential residential zone, the project would accommodate owners of detached and semi-detached homes, town houses, and condominium-some 130 projects in all. It is estimated that the area embraces some 11 detached-home projects, each home worth over Baht 10 million, and residential projects straddling nine districts of Bangkok, namely Ladprao, Wang Thong Lang, Bueng Kum, Bangkapi, Jatujak, Bangkaen, Huay Kwang, Din Daeng and Kannayao. Target customers include a new, high-purchasing-power generation from some 78 leading universities and schools and white collar workers around the Sukhumvit area (Soi Ekamai and Soi Thong Lor), etc.



PROGRESS

Under construction, progressing as planned and budgeted



OPENING SCHEDULE

The project is planned for inauguration in the fourth quarter of 2015.



INVESTMENT

About 3,200 MB (excluding investment in Central Department Store, which is under the responsibility of Central Department Store)

CENTRALPLAZA NAKHONRATCHASIMA



PROGRESS

Currently in the design process, with construction expected to start in June 2015



OPENING SCHEDULE

The project is planned for inauguration in the fourth quarter of 2016.



INVESTMENT

About 5,000 MB (excluding investment in Central Department Store, which is under the responsibility of Central Department Store)



LOCATION

On Mittraphap Road, straddling three subdistricts (Ban Ko, Cho Ho, and Nai Mueang) of Amphoe Muang Nakhonratchasima, Nakhonratchasima province.



SIZE

About 60 rai of land (CPN has the land ownership) with a total project area of 300,000 sq.m., of which 261,000 sq.m. belongs to CPN. The project will house Central Department Store and anchor tenants like Tops Market, PowerBuy, B2S, SuperSports, and OfficeMate. The site will also house over 400 retail fashion boutiques of leading Thai and global brands and be a meeting place with a gathering of outdoor restaurants and a night market. The project provides a large activity terrace in front of the store and a multipurpose convention center intended to be an activity center at the national level. Planned to become the state-of-the-art entertainment complex, this new project will be fitted with cinemas and Fun Planet amusement park for children, with parking space for over 3,000 vehicles.



POTENTIAL

The project is situated on a strategic site of Nakhonratchasima, a northeastern economic hub with GPP growth of around 8% per year - the highest in the northeast and higher than the national average. Nakhonratchasima sees rapid urban growth and expansion of property projects, particularly housing projects. The province is also regarded as one of the country's prime industrial centers where the agricultural industry, and electronics and high-technology industries are located. It is a popular tourist attraction for over 5 million tourists a year. The project therefore targets the purchasing power of 2.8 million Nakhonratchasima residents and those from nearby Buri Ram and Chaiya Phum. Having long been the gateway to the Northeast, Nakhonratchasima has a geographical connection to 20 provinces in the region and some ASEAN economies. This is where the government's mega-projects are centered, including the logistics rail route, the Bangkok-Nakhonratchasima high-speed train, the Map Kabao-Nakhonratchasima dual carriage railway, and Bang Pa-In-Nakhonratchasima Motorway.



CENTRALPLAZA NAKHON SITHAMMARAT



LOCATION

On Highway 403, near Hua Thanon intersection of Ratchadamnoen Road, a junction of various mass transit transportation.



SIZE

About 50 rai of land (CPN has the land ownership) with a total project area of 150,000 sq.m., of which CPN owns 125,000 sq.m. Consisting of Robinson Department Store and anchor tenants like Tops Market, PowerBuy, B2S, SuperSports, and Office Mate, the project houses more than 250 leading international brand outlets and food outlets of various styles. Being an entertainment hub, featuring modern cinemas and an outdoor activity plaza in front of the shopping complex, the project can accommodate more than 1,500 cars.



POTENTIAL

The project's location is regarded as one with enormous potential in the province, whose population exceeds 1.5 million, the most populous Southern province. With a GPP of over 155,000 MB, Nakhonsithammarat is the economic/trade/investment gateway to the South, accommodating AEC with its logistics

hub, which also accommodates IMT-GT (Indonesia-Malaysia-Thailand Growth Triangle). The provincial airport is being upgraded to become a customs airport. The province also houses the Southern Merchandise Distribution Center-Thung Song, which provides rail logistics for the upcoming AEC. It also serves as Thailand's key agricultural and a para-rubber industrial hub, with a tourism industry on a popular rise and no less than 1.7 million tourists a year on average. Its many historical and natural tourist attractions increasingly draw tourists (domestic and abroad), notably those from Malaysia, which is bound to give local residents increasing revenue, while related businesses are bound to benefit. In addition, the overall residential market situation appears promising, buoyed by the development of a transport grid and urban growth, thus leading to an investment boom, high economic growth, more income to workers, not to mention more and more returning labor-which implies a higher need for accommodation. Evident are expansion of real-estate projects by local and other investors; these projects look highly promising, which will open up new opportunities for business development in emerging neighborhoods. CPN's project therefore accommodates the high purchasing power of target groups in the province as well as its neighboring provinces-Nakhonsithammarat residents and those living within 120 kilometers (one hour's drive) in two provinces (Trang and Phatthalung), altogether more than 2.7 million shoppers in addition to more than 1.7 million tourists a year.



PROGRESS

Under construction, progressing as planned and budgeted



OPENING SCHEDULE

The project is planned for inauguration in the second quarter of 2016.



INVESTMENT

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

Apart from these five projects, the **Central Phuket** project was publicized in November 2014. Its format and investment capital are under investigation and approval deliberation. The project is expected to be wrapped up and launched in 2017.



OVERSEAS PROJECTS

For the past five years, CPN has been contemplating overseas investment, especially in Asian countries with high economic potential, to expand its business base while diversifying investment risks. In doing so, different market conditions, competition, and business risks are considered. A working committee was appointed to investigate target countries in a variety of aspects, whether economic, social, political, industrial, competition, business laws, or associated risks in each country to screen markets blessed with potential, business opportunities, and suitability to CPN's business. All projects under the plan have undergone stringent feasibility assessment for maximum effectiveness of investment decisions to ensure that its overseas investment is made on the path of sustainability and growth.

CPN looked into additional investment opportunities in Southeast Asia, with a focus on Malaysia and Vietnam. Overseas projects include the renovation of existing shopping complexes as well as brand-new projects in areas with great potential. To this end, CPN may undertake joint investment with overseas business allies so as to penetrate new markets rapidly, efficiently, and robustly to boost competitiveness in a given country. Today, CPN has the data support of Central Group, a precedented investor in these countries, which has enabled CPN to analyze and develop overseas projects more efficiently. At this stage, CPN has participated in Malaysia's CentralPlaza i-City project as its pioneering shopping complex abroad, since it envisions retail commerce there to be blessed with opportunities and growth potential, underpinned by Malaysia's economic outlook, urbanization, and robust industrial growth.



CENTRALPLAZA i-CITY



JOINT VENTURE

CPN set up a joint-venture company with i-City Properties Sdn. Bhd. (ICP), an affiliate of Malaysia's I-Berhad, a listed company on the Bursa Stock Exchange engaged in the property development business, to develop Central Plaza i-City project. CPN holds 60% shares in the project through an affiliate registered in Malaysia, while ICP holds the rest 40%. The joint-venture company has agreed to hire CPN to manage the property.



LOCATION

In Section 7 of Shah Alam City, Selangor, 22 kilometers from Kuala Lumpur and between two main highways (Federal Highway and Baru Lembah Klang Highway). Directly connected to the Federal Highway, the site has convenient access from Kuala Lumpur, Klang, and Shah Alam.



SIZE

A total 12.12 acres (28 rai) of land under the ownership, with a total project area of 290,000

sq.m. Intended as a Regional Mall, CPN is in charge of the design, development, and management. The project will make a clear differentiation to Malaysia's retail industry, bringing in leading brands from Thailand and store design innovation. A parking area for over 3,300 vehicles will be provided.



POTENTIAL

The project is situated in the i-City "Malaysia Cybercenter", Malaysia's new technology city of 72 acres. The project is planned as an integrated community center in the west of Selangor, serving as a main business center, a residential area, and a recreational zone equipped with complete entertainment, a shopping mall, a cyber center, office space for leading businesses, a hotel, a housing complex, retail shops, as well as a water park, a snow dome, and a Ferris wheel. It is also planned as a tourist spot with night lighting decoration. A performing arts center will be developed to attract more tourists. The target customers are some 600,000 residents of Shah Alam, comprising middle to upper-income groups, noting that the middle-income group with high purchasing power is mushrooming. The over 5 million residents of Selangor and those from nearby states are also potential customers.



PROGRESS

Currently in the design stage and application for a construction permit.



OPENING SCHEDULE

Construction is expected to start in 2015 and inauguration in 2017.



INVESTMENT

About RM 740 million or THB 7,400 million (total investment for whole project including investment in department store with which CPN holds 60% stake in the joint venture)

VISION

"TO BE THE MOST ADMIRED AND DYNAMIC REGIONAL
RETAIL PROPERTY DEVELOPER WITH WORLD-CLASS
REWARDING EXPERIENCE"

& MISSIONS

BASED ON THE VISION, CPN STRIVES TO ACCOMPLISH FOUR
MISSIONS TO TURN ITS VISION INTO REALITY.

01

MOST ADMIRED RETAIL DEVELOPER OF ALL STAKEHOLDERS

“To be the preferred mall of choice, delivering extraordinary values that exceed all stakeholders’ expectation”

- > 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.

02

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.

03

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.

04

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.

CORPORATE VALUES

Defining a challenging business vision, CPN aspires to become the most admired and dynamic regional retail property developers. At CPN, each employee is committed to the “To be Confidently Creative and Strive for Excellence Together” value, passed on from one generation to another to drive value-creation and exceed all stakeholders’ expectations while maintaining quality in keeping with CPN’s way and culture.

“COMMITTED TO 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 FAITH”

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.

“COMMITTED TO 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.

SUSTAINABILITY MANAGEMENT

In 2014, the roles and responsibilities of the Sustainable Development Committee were adjusted by having the Corporate Governance Committee incorporated, the committee's name has now been changed to Corporate Governance and Sustainable Development Committee ("CG-SD Committee"), of which committee members are composed of CPN's executive committee and high-ranking officers from all business units along the value chain. The committee devises and reviews policies, strategies, work plans, and regulations, while following up results of work on sustainable development, which involves creating a good balance between business operations, environment care, and quality of life in communities and society. The mission needs participation from staff, business partners, and all stakeholders. At least three committee meetings are required each year with establishment of some supporting committees as detailed below:

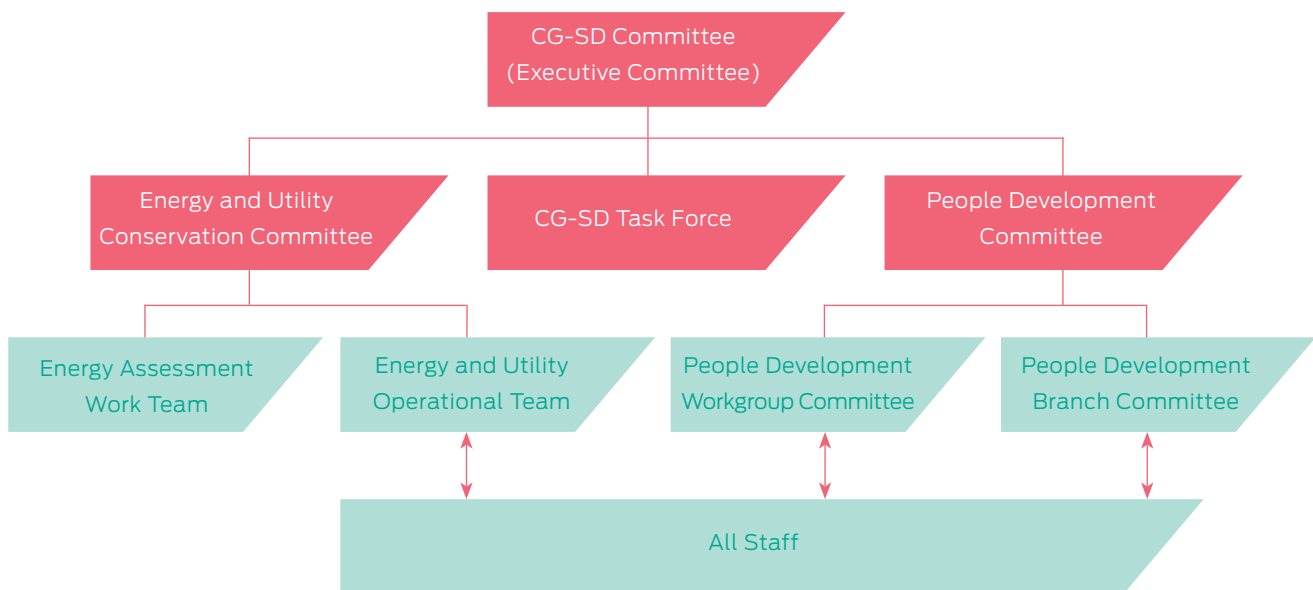
- The Corporate Governance and Sustainable Development Task Force ("CG-SD Task Force")
 - consisting of senior executives and staff at managerial levels. This task force meets at least once every quarter to drive policies on sustainable development throughout the value chain.
- The Energy and Utility Conservation Committee
 - consisting of senior executives and those at managerial levels from business development & construction units, and the property management unit. The committee holds a meeting at least once every quarter to drive policies on energy, water, and gas-saving, as well as those on the environment and



greenhouse gas (GHG) emission. The committee is also required to hold a discussion with the CG-SD Task Force at least once every quarter and report their work progress to the CG-SD Committee at least twice a year.

The roles and responsibilities of the People Development Committee at the corporate level remain unchanged.

STRUCTURE OF SUSTAINABILITY DEVELOPMENT MANAGEMENT



MATERIALITY MATRIX DEVELOPMENT

Marked by strong determination to run a business based on corporate governance (CG) principles and by CPN's own mission to deliver a "Rewarding Experience" to everyone in all parts of the country, as well as in ASEAN, without discrimination on race, social status, language, and culture, CPN managed to shape a more tangible and clearer business direction for sustainability. During

2013-2014, CPN worked with outside experts in formulating strategies on sustainable development. The strategies were integrated and aligned with business strategies along the value chain. The strategies that involve sustainable development were formulated through three development steps:

I. Critical issue identification

CPN's value chain



Critical economic, social and environment issues along the value chain were identified by analyzing information obtained from the various stakeholder engagement channels using internationally accepted methods. Such issues could be past and present happenings as well as issues pinpointed in future work plans or those mentioned in interviews with executives and people in charge of stakeholders throughout the value chain. A total of 15 key issues were identified, four issues on the economic dimension, four on the environmental dimension, and seven on the social dimension.

2. Prioritization and materializing

CPN's top executives agreed at a workshop on identifying four main groups of stakeholders: (1) business partners; (2) shoppers; (3) employees, and (4) communities. Subsequently, 15 key issues were analyzed using the materiality matrix for prioritization in terms of two dimensions: the importance of the issue to stakeholders and the importance of the issue to the company.

3. Alignment with business strategies

From 15 sustainability issues identified, four were consolidated by Executive committee through consideration of key differentiators that create business opportunities while mitigating risks to the company in long run as to align and integrate them with the corporate's 1-, 3-, and 5-year strategic plans. The four material sustainability issues are:

- Challenge involving business sustainability of partners and tenants
- Challenge involving resources and utilities efficiency management
- Challenge in acceptance and trust from surrounding communities and the society at large
- Challenge involving human resource

BUSINESS STRATEGIES

CPN aims to grow its business with sustainability and with comprehensive target achievement. The company, therefore, does not only aim for short-term success, but envisages a long-standing and sustainable business. In addition to business growth, CPN recognizes the raising of standards of living in communities and society around its operating areas. CPN has now merged its standpoints on sustainability, based on CG principles, environmental concerns, and relationships with stakeholders into its business plans and strategies. Material sustainability issues and business risks are also analyzed in parallel with the formulation of business strategies. This naturally prompts CPN to carry out regular reviews of its business plans.

01

STRATEGY FOR SHOPPING MALL EXPANSION AND DEVELOPMENT INNOVATION

CPN focuses on expanding its business steadily in both Bangkok Metropolis and major economic cities in upcountry. To develop a project, a location with present and future potential is selected through in-depth analysis to ensure its suitability. Existing stores are constantly modernized to maintain their upfront position in domestic market and be ready for the ASEAN Economic Community.

CPN also strives for developing its project management process by regularly liaising with relevant units to ensure the highest efficiency and effectiveness of project development. The process starts from project planning, identifying

the mall format, determining an appropriate merchandising mix, to meet customers' needs. The process also includes communication with tenants, marketing management and provision of entertainment within the complexes such as a family entertainment center and a water park. The project management process also controls the launch of a given shopping complex on the planned time and with the planned quality. CPN, moreover, looks out for opportunities to open retail stores of new formats, which would come with new offers that can respond to customers' needs and can add value to the stores with worthy returns on investment.

CPN looks for innovative designs and construction for store development that conform to its own standards, which stem from its first-hand experience and lessons learned. Customers' feedback also plays an essential part in the design and construction standards. This can enhance work efficiency by reducing the construction period and investment cost within specified quality, while enabling various projects to run in parallel.

02

REGIONAL STRATEGY

For its regional strategy, CPN has conducted additional studies on Southeast Asia investment with a focus on Malaysia and Vietnam. Today it has the support of the Central Group, which has previously invested in these countries, specifically in data, personnel, and other matters to enable CPN to analyze and develop regional projects more efficiently.

To this end, CPN has constantly prepared the organization by selecting local personnel in those countries with competency and experience in shopping centers to accelerate its business development by way of training on CPN business standards. That way, CPN-run regional shopping centers will consist of CPN components and standards, while catering to customers in such countries.

03

STRATEGY FOR OPERATIONAL AND SERVICE EXCELLENCE

CPN focuses on store management excellence to create added value, while developing and maintaining excellence standards of CPN stores. The company has over time brought remarks from tenants and shoppers into analysis to ensure its correct and timely decisions.

- **Unique Selling Point** - CPN strives to strengthen its unique selling point through store modernization, both interior and exterior, to reinforce their eye-catching appearances. Some special features are added, including transport convenience. Staff development and application of innovation are also focused on to increase service efficiency. This will lead to customers' trust and satisfaction while reducing operating costs.
- **Merchandising Mix** - CPN always tries to adjust its merchandising mix in parallel with the opening of new retail shops of foreign and local brands to keep up with the marketing trend. To this end, the company regularly analyzes marketing and customer information to enhance the store's modernity, while offering shoppers diverse experiences.
- **Target Marketing** - To create new experiences for shoppers, CPN organizes the so-called signature events, in which tenants and communities are welcome to take part. New advertising media, such as mobile advertising, applications and various online media, are used to help boost its marketing campaigns.
- **Integrated Services** - CPN values the provision of integrated services for shoppers, both Thais and foreigners, including provision of information and assistance while shopping and that of security service and shopping amenities. CPN services create convenience and impression among customers, while facilitating tenants' business operation. Regular satisfaction surveys are conducted, of which the results are systematically analyzed as part of improvement plans in various areas. The plans cover the upgrading of existing stores and developing new services to create a true "Rewarding Experience" to shoppers and partners.
- **Energy-saving Management** - CPN manages its stores with concerns on energy-saving and environment - friendly technology. The company pays attention to climate change and reduction of both direct and indirect emissions of GHG. CPN also values efficient use of public utilities with application of international utility benchmarking standards. The practice will lead to business expansion with responsibility for the environment and efficient resource consumption.

04

STRATEGY FOR HUMAN RESOURCE DEVELOPMENT AND MANAGEMENT

CPN employees represent the corporation's main driver for stability. CPN, therefore, takes very seriously staff development to strengthen their potential. The company also values the building of stronger teamwork under the corporate culture of "To be Confidently Creative and Strive for Excellence Together" and corporate governance principles.

Giving high priority to staff career growth, CPN set up an individual's career growth planning system and established CPN Academy as an in-house training center. To this end, the company developed various training courses for all employees. Both functional knowledge and working skills are provided to grow existing staff up their career paths as they wish. CPN also set up a new recruitment channel to draw capable individuals. Creation of 'Rewarding Experience' is what the company aims for in developing the organization in parallel with its workforce.

05

FLEXIBLE FUNDING STRATEGY

CPN places constant emphasis on provision of flexible funding to enhance business flow. In addition to CPN's internal cash from operation, it seeks funding from other sources, including the establishment of property funds, borrowings, issuance of debentures and shares to increase

registered capital in support of domestic branch expansion. CPN also studied the establishment of Real Estate Investment Trust ("REIT"). The large variety of sources of fund enables CPN to efficiently manage its business costs, while having a balanced financial ratio. The company, thus, has flexibility in seeking funds for business expansion and can be well prepared for new investment opportunities, which always adds value to the business. In this regard, CPN has in place policies on risk management and financial management that strictly regulate its funding.

06

STRATEGY FOR SUSTAINABLE STAKEHOLDER ENGAGEMENT

CPN listens to stakeholders' input through various channels. Information obtained is systematically stored and analyzed as part of the company's business plan formulation. CPN also gives feedback and encourages bilateral and multilateral discussions to maximize benefit of all parties. It promotes tenant partnership and provides tenants with an understanding of business operation and shop expansion, since tenants are regarded as important business partners and the heart of business. CPN, therefore, focuses on joint planning while nurturing good relationship with tenants and partners, of which the benefit has expanded to communities. CPN is always ready to help and solve problems with tenants to ensure their business continuity. Tenants receive support in various forms, such as organization of marketing activities to boost sales volumes, knowledge enhancement, expansion of

sales channels, and opening of commercial opportunities for small entrepreneurs. CPN cooperates with government agencies in developing and upgrading community wellbeing,

while preserving their respective social values, identities, and cultures. All of these are intended to enable tenants and communities to move forward with CPN with stability and sustainability.

Progress of Work Plan for Material Sustainability Issues in 2014

Work Plan	Progress and Performance	Goals and Way Forward
1. Challenges involving business sustainability of partners and tenants		
<ul style="list-style-type: none"> To devise strategic plans on sustainable relationship with stakeholders, with emphasis on tenant partnership 	<ul style="list-style-type: none"> Revenue from rent and services, and net profit growing by 12% and 16% respectively from 2013 Maintaining tenant satisfaction at the level as targeted 	<ul style="list-style-type: none"> Joining tenants in developing co-creation shared value projects
2. Challenges involving resources and utilities efficiency management		
<ul style="list-style-type: none"> To set up the Energy and Utility Conservation Committee to work on integration of policies involving energy and utility saving, the environment, and GHG emissions 	<ul style="list-style-type: none"> Energy consumption reducing by 6.15% from the base year 2012, exceeding the target by 0.15% Use of recycled water increasing by 7% Maintaining use of solar cells amounted to 162,836 kWh/year Addition of eight projects certified with ISO 14001 Having successfully installed LED light bulbs for 95% in Central Plaza Salaya's mall area 	<ul style="list-style-type: none"> Setting up internal benchmarking standards for energy-saving measures and expanding cooperation to key partners

Work Plan	Progress and Performance	Goals and Way Forward
3. Challenges involving acceptance and trust from surrounding communities and the society at large		
<ul style="list-style-type: none"> To cooperate with government agencies and non-profit organizations in developing projects and activities to create shared values 	<ul style="list-style-type: none"> Activities under Community Engagement Project accounted for 13% of the total marketing activities Joining hands with other members of Thai Shopping Center Association in upgrading safety standards of Thai shopping centers 	<ul style="list-style-type: none"> Carrying out a satisfaction survey in surrounding communities and use the survey results for expanding community engagement projects Developing shared co-creation shared value projects in a systematic manner
4. Challenges involving human resource		
<ul style="list-style-type: none"> Setting up medium-term and long-term plans on developing potential staff and groom them as CPN brand ambassadors to support business growth, both in and outside Thailand 	<ul style="list-style-type: none"> Staff resignation rate staying stable for three consecutive years and comparable to the labor market of peer businesses Staff engagement score increasing by 3% 	<ul style="list-style-type: none"> Developing guidelines on retention of staff in key positions to reduce departure of high-potential personnel (% Regrettable Loss)

PERFORMANCES

ECONOMIC DIMENSION

FINANCIAL PERFORMANCE REVIEW

2014 COMPANY'S PERFORMANCE OVERVIEW

The Thai Retailers Association's overall retail sales index in 2014 rose by 3.2%, following the continual growth of overall Thai economy, albeit at a slow pace, which gradually recovered in line with sluggishness of global economy. Softened Thai economy and subdued retail sentiment was affected by political situation in 1H14; nevertheless, the overall economy moved on the recovery path in 2H14 supported by the acceleration of government spending and a pick-up in tourism and export sectors at the end of the year.

Central Pattana Public Company Limited ("CPN") achieved continuous growth in revenue and net profit for another year despite that Thai economy had thrived at a slow rate in the past 2 years. CPN still managed to successfully launch according to strategic expansion plan two new projects, namely CentralFestival Samui and CentralPlaza Salaya with well-received responses from customers and tenants.

FY2014 CPN reported its consolidated net profit of 7,307 MB, increased by 16% y-o-y with total revenues (excluding investment income) of 23,891 MB, grew by 11% y-o-y.

FY2013 and FY2014 financial results incorporated the following non-recurring items:

FY2013:

- A 377 MB income from reversals of provisions for impairments of assets at CentralPlaza Grand

Rama 9 incorporated in the 4Q13 under other income. (See notes to the financial statements for the year ended 31 December 2013, Item 28)

FY2014:

- In April 2014, CPN successfully raised capital through a lease of partial properties of CentralPlaza Chiangmai Airport to the CPNRF, amounted 10,496 MB and re-invested in 23.53% of the additional investment units of CPNRF. This leads CPN to hold the percentage of investment in CPNRF to 26.69% after the capital increase. The afore-mentioned lease amount received was totally booked under unearned rental and service income and would be recognized on a straight-line basis throughout the lease period of 30 years according to generally accepted accounting principles given that CPN has the ownership over land and building and entered into 30-year land and building lease contract with the CPNRF. To this end, this should assist the company in realizing revenue consistently each year.

In 2014, CPN booked a 157 MB execution fee received from CPNRF in proceeding with the lease of the properties in CentralPlaza Chiangmai Airport incorporated in other income and a 128 MB finance cost associated with asset monetization into CPNRF.

- A 66.25 MB income from reversals of provisions for impairments of long-term investment in a related company, namely Siam Retail Development Co., Ltd., incorporated in the 4Q14 under other income. (See notes to the financial

statements for the year ended 31 December 2014, Item 11)

Without the non-recurring items, FY2014 consolidated net profit and total revenues would have recorded 7,231 MB and 23,668 MB, up 21% and 11% y-o-y respectively primarily due to

- The full-year operation in 2014 of CentralPlaza Ubonratchathani, CentralFestival Chiangmai and CentralFestival Hatyai after starting operation in 2013.
- Contributions from two new projects launched in 2014
- Solid performance of hotel businesses
- Efficient cost & administrative expense management, lower interest expenses owing to partial debt prepayment and issuance of debenture to refinance high-cost borrowings, and the economy of scale, reflecting in higher margins. Continuing in 2015, CPN will move forwards with improving productivity and efficiency in order to maintain its margin in the long term.

In addition, if excluding backdated service income of 2012 recorded in revenue from rent and services in 1Q13, FY2014 total revenues would have increased by 13% y-o-y.

As of December 31, 2014, CPN managed 25 shopping centers (11 projects in Bangkok and 14 projects in the provinces), 7 office towers, and 2 residential properties (totaling 62 units). These include the properties which had been transferred to CPN Retail Growth Leasehold Property Fund (“CPNRF”) and CPN Commercial Growth Leasehold Property Fund (“CPNCG”), of which

CPN acts as the property manager. In addition, CPN owned 2 hotel properties (totaling 561 guest rooms), but outsourced their managements.

At year-end 2014, the occupancy rate for CPN’s retail properties remained high at average of 96% despite that occupancy at CentralPlaza Grand Rama IX was temporarily down due to the change of tenants during renewal of expired 3-year contracts. Higher occupancy was shown at CentralPlaza Bangna after renovation and at CentralPlaza Chiangmai Airport after the replacement of vacant area of an anchor tenant that unoccupied for a while with a new fashion anchor.

FY2014, the average rental rate of all retail properties were 1,510 Baht/sqm./mth. Excluding CentralWorld (including The Groove), CentralPlaza Ubonratchathani, CentralFestival Chiangmai, CentralFestival Hatyai, and the two newly opened malls in 2014, the same store average rental rate of other retail properties grew 3.5% y-o-y from 1,469 to 1,521 Baht/sqm./mth.

FINANCIAL PERFORMANCE

Total Revenues

Revenues from Rent and Services

FY2014 consolidated revenues from rent and services increased by 12% y-o-y to 20,375 MB, confirming a well-diversified portfolio, driven by

- Full-year contributions from CentralPlaza Ubonratchathani, CentralFestival Chiangmai, and CentralFestival Hatyai that came into full-

scale operations in 2014 after their launches in 2013.

- Contributions from two new projects launched in 2014, i.e. CentralFestival Samui and CentralPlaza Salaya.
- Increased revenue from the revenue recognition for the lease of the properties in CentralPlaza Chiangmai Airport to the CPNRF and share of profit from the investment in CPNRF. In addition, CPN had also received the management fee as a property manager from the CPNRF. At the same time, revenue from CentralPlaza Chiangmai Airport as part of the lease of its properties (partial) to CPNRF had been transferred to CPNRF since April 23, 2014.

Revenues from Food and Beverage

FY2014, the business posted an 11% y-o-y sales growth to 975 MB. The increase was mainly attributed to the new food courts opened in 2013 and fully operated in 2014 at CentralPlaza Ubonratchathani, CentralFestival Chiangmai, CentralFestival Hatyai, and newly opened in 2014 at CentralFestival Samui, and CentralPlaza Salaya, together with an impressive sales growth at CentralPlaza Udonthani, CentralPlaza Pinklao, CentralPlaza Suratthani, CentralPlaza Rama 3, and CentralPlaza Rattanaithibet.

Revenues from Hotel Operations

Hotel operations are considered CPN's non-core businesses. FY2014, hotel operations reported a 6% y-o-y revenue growth to 958 MB, thanks to strong performances of both hotels driven by higher RevPAR of both Centara Hotel & Convention Centre Udonthani and Hilton

Pattaya Hotel, regardless of a slowdown in foreign tourist arrivals due to concern on Thai political uncertainty in 1H14.

Total Costs

Costs of Rent and Services

Costs of rent and services constituted utilities, security & cleaning services, on-site personnel, land rental, depreciation & amortization, repair & maintenance costs and insurance premium and property tax of properties owned to earn rentals.

FY2014, costs of rental and services increased by 10% y-o-y to 10,522 MB, due mainly to compounding effects of the following factors:

- Full-year realization of operating costs and depreciation of the new projects launched in 2013.
- Additional operating costs and depreciation of the new projects launched in 2014.
- Increased repair and maintenance costs and personnel expenses in general.

Costs of Food and Beverage

Costs of food and beverage constituted costs of operating in-mall food centers, as well as depreciation and repair & maintenance costs of food center equipment and furniture, and decoration costs.

FY2014, costs of food and beverage increased by 13% y-o-y to 780 MB, stemmed primarily from new food courts launched in 2013 and 2014 as previously mentioned.

Costs of Hotel Operations

FY2014 costs of hotel operations posted 315 MB, up 2% y-o-y. The rise in costs reflected the growth in hotel revenues.

Administrative Expenses

Total administrative expenses constituted expenses on personnel, marketing & promotion, office supplies, professional fees, and depreciation and amortization of office equipment and hotel properties.

FY2014, total administrative expenses recorded a 6% y-o-y increase to 3,667 MB, led by

- Higher personnel expenses from the increased number of employees to support business expansion and yearly salary raise for existing ones.
- Marketing and promotional expenses for the opening events of CentralFestival Samui and CentralPlaza Salaya as well as for new malls to launch in 2015.
- Increased depreciation of equipment for the back offices at new shopping malls.

Gross Profit Ratio & Operating Profit Ratio

FY2014, total revenues from core businesses experienced a growth of 12% compared to a mere 10% y-o-y increase in total corresponding operating costs and expenses, resulting in an increase in Gross Profit ratio (excluding other income) to 47.9% from 47.0% prior year and a rise in Operating Profit ratio to 35.6% from 34.5% last year. The improvement of profit margins reflected the growth in revenues earned and the efficiency of costs & expenses management.

Net Profit

FY2014 consolidated net profit posted 7,307 MB, an increase of 16% y-o-y. Excluding the non-recurring items occurred in 2013 and 2014, normalized net profit would have grown by 21% y-o-y. The y-o-y continuing growth for the CPN's performance was primarily attributable to

- The full-year contributions from three new projects launched in 2013.
- The contributions from two newly opened projects in 2014.
- Efficient costs and expenses management:
 - The increase in costs was noticeably lower than the increase in revenues, especially the retail and the hotel businesses, reflecting in higher gross margin. Excluding non-recurring items, gross profit of rent and services, food and beverage, and hotel operation businesses increased 17%, 2%, and 8% y-o-y respectively.
 - Similarly, the 6% y-o-y increase in SG&A was significantly lower than the 14% y-o-y increase in core revenues (revenues from rent and services (excluding non-recurring items), revenues from food and beverage, and revenues from hotel operations), reflecting efficient & effective cost management programs and economy of scale.
 - SG&A to core revenues decreased from 18% in 2013 to only 16% in 2014.

FUTURE DEVELOPMENTS

Under its 5-year plan, CPN aims to increase its revenues at a compound annual growth rate (CAGR) of 15% per annum through rental increase, continuous asset enhancement, and new project development. CPN targets to grow its portfolio by adding approximately 3 new projects annually. In light of Thailand's urbanization, CPN will expand its business in Bangkok's vicinities, and the provinces. In addition, CPN will also study other formats to introduce modern shopping malls to the market as well as overseas markets to sustain growth in the long-term.

Domestic Expansion

Currently, CPN's six new projects are under construction and design phase, namely CentralPlaza Rayong (east of Thailand), CentralPlaza WestGate (Bangkok suburb), CentralFestival East Ville (Bangkok), CentralPlaza Nakhonratchasima (northeast of Thailand), CentralPlaza Nakhon Si Thammarat (south of Thailand), including new projects recently announced on November 12, 2014 i.e. Central Phuket (south of Thailand) and the asset enhancement of two existing projects, namely CentralPlaza Pinklao and CentralPlaza Bangna (Phase 2).

Overseas Expansion

CPN signed a Joint Venture Agreement with I-City Properties SdnBhd ("ICP"), an I-Berhad wholly-owned subsidiary, to establish a joint venture, in which CPN through its local subsidiaries will hold a 60% stake and ICP will hold a 40% stake. The joint venture will develop a RM 740 million

(or approximately Baht 7,400 million) regional shopping mall at i-City, Shah Alam, Selangor Darul Ehsan, Malaysia.

For the total investment approximately Baht 7,400 million, CPN will finance the projects with its internal source of cash flows and/or proceeds from future bank loans and/or issuance of debentures and/or proceeds from future offering of investment units of Real Estate Investment Trust (REIT).

CAPITAL STRUCTURE

Total CAPEX for year 2014 was approximately 11,218 MB, comprising 1,001 MB asset enhancement projects, 10,217 MB new developments and land acquisitions.

In April 2014, CPN successfully raised capital through a lease of partial properties of CentralPlaza Chiangmai Airport to the CPNRF, amounted 10,496 MB and re-invested in 23.53% of the additional investment units of CPNRF as mentioned earlier. This transaction should strengthen CPN's overall financial position by enhancing its capital base and flexibility to capture more growth opportunities in the future in a bid to maintain our leading position and competitive advantage over our counterparts. Furthermore, partial proceeds would be used to prepay debts and/or to reserve for working capital.

During 2014, CPN raised new debts of approximately 7,600 MB, comprising 2,000 MB short-term borrowings and 5,600 MB long-term borrowings and repaid unsecured bonds and loans totaling 11,423 MB.

As of December 31, 2014, outstanding interest-bearing debts decreased to 16,019 MB from 19,842 MB prior year, comprising 81% fixed and 19% floating interest rate with a weighted average interest rate of 3.89% per annum, down from 4.25% in 2013.

Net interest-bearing debt to equity ratio stood at 0.29 times, considerably decreased from 0.49 times in previous year as a result of debt repayment and partial debt prepayment after the transferring part of CentralPlaza Chiangmai Airport to the CPNRF including higher balance of cash and cash equivalents and current investments temporarily in 4Q14 and increased retained earnings. Those cash and cash equivalents, and current investments will be used as near-term investment.

Finance costs in 2014 registered 677 MB, decreased by 17% y-o-y, thanks to debt repayment and partial debt prepayment as mentioned above. If excluding 128 MB finance cost associated with asset monetization into CPNRF during 2Q14, finance costs would be dropped to 549 MB, down 32% y-o-y.

DIVIDEND PAYOUT

CPN's Board of Directors has proposed Baht 0.65 per share (2,917 MB) dividend to be paid for the FY2014 performance, compared to Baht 0.55 per share (2,468 MB) in 2013, pending the approval at the shareholders' meeting in April 2015. The dividend payment represents a 39.90% dividend payout ratio of the FY2014 net profit.



ENVIRONMENTAL DIMENSION

CPN deliberately implements its policies on energy and environmental conservation in parallel with those on business operations. Besides its ambition to reduce operating costs, which fluctuate in response to the oil price, CPN recognizes impacts on climate change. Therefore, in 2014 the company adjusted and expanded the roles and responsibilities of the Energy Conservation Committee to also cover resource and environmental management and, consequently, renamed it the Energy and Utility Conservation Committee. The framework to drive policies by the committee covers in three areas, namely:

1. Energy and utility management, which also covers climate change
2. Garbage and waste management
3. Ecology management

Part of the environmental management includes compliance with laws and regulations related to the business in its impacts on the environment and impacts of natural disasters. Supervision, follow-ups, analyses, and risk assessments are strictly carried out by responsible parties, both quarterly and annually. During 2014, CPN operations were not found to breach the law or cause any environmental impact.

Energy and Utility Management

Over the years of operation, CPN has highly valued energy and utility management, since they constitute the major component of business costs. Power consumption makes up 90% of all costs involving utilities, followed by water and gas. In addition to establishing a working committee

and setting targets for all units concerned, CPN has adopted international standards and practices such as ISO 50001 and ISO 14001, and uses them as its performance indicators in this area of work. The company also adapted energy-saving techniques learned from experiences in existing projects into new projects, while continuously looking for environment-friendly innovative methods for utility management. CPN, in this respect, has shaped its utility management method in three dimensions, which run in parallel:

- (1) Management dimension - following efficient energy management standards, such as ISO 50001 and environmental management ISO 14001 with controls by real-time technology
- (2) Technical dimension - comprising preventive maintenance measures, machinery efficiency assessment, re-commissioning test, and adaptation of other new environment-friendly techniques
- (3) Behavioral dimension - concerning management of knowledge about energy and utility-saving, providing training, and nurturing energy-saving and environmental awareness values among concerned parties.

In line with the policy on impacts on the climate, the Energy and Utility Conservation Committee this year carried out a study for ways to reduce GHG based on the carbon footprint calculation method of Thailand Greenhouse Gas Management Organization (Public Organization) (TGO) and ISO 14064-1. This is to draw up more concrete measures for the control of GHG emissions. These involve four steps of work: (1) Study - to find out suitable methods, (2) Pilot run

- to collect data and make analysis at 3-5 selected sites, (3) Guarantee - to apply for standards considered suitable for the organizational context, and (4) Action - to bring what has been learned from the process to an analysis to find out appropriate measures. Findings from the analysis are then communicated internally to ensure a proper understanding and, subsequently, to the general public.

CPN also joins in Central Group companies in building up knowledge about energy-saving. The process starts from benchmarking energy-saving standards of each company in each project to widely sharing the knowledge among all.

CPN also cooperates with industry peers through Thai Shopping Center Association to share energy-saving experiences to develop standards for efficient use of energy among peer companies at the national level.

Performance on energy management and greenhouse gas reduction

In 2014 CPN applied energy conservation techniques to 23 malls at an investment of 91 million baht, which resulted in more efficient use of energy, evident in the Specific Energy Consumption (SEC) index that shows a 3% improvement from the previous year.

Year	Number of Projects	Power Consumption (GWh)	Scope-2 Greenhouse Gas Emission (Ton CO ₂ -e)	Specific Energy Consumption (kWh/m ²)
2010	14	448	237,633	284
2011	15	456	241,674	282
2012	18	585	310,086	288
2013	20	595	315,597	281
2014	23	659	349,484	278

Energy conservation measures CPN applied during 2014	Number of projects	Power consumption reduced (kWh/year) (estimated)	Ton CO ₂ reduced	Investment (million baht)
Technical dimension:				
Use of high-efficiency chiller	5	3,021,254	1,601	39.46
Installation of Variable Speed Drive (VSD) on the cooling system	8	1,793,943	951	6.17
Improvement of cooling tower functioning	5	2,556,724	1,355	35.11
Change of the lighting system and light bulbs	6	292,759	155	1.67
Application of solar cells as renewable energy	2	162,836	86	-
Other measures such as installation of automatic escalators and adjustment of the air-conditioning system	9	745,108	395	8.44
Management process and behavioral dimension:				
e.g. reduction of frequency and speed of the air-handling unit, adjustment of chiller's temperature set point, and reduction of equipment's operating time, etc.	28*	4,168,362	2,209	0.06

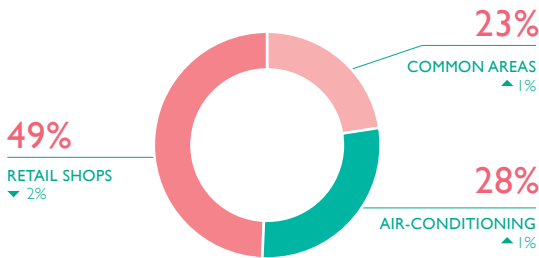
* means all techniques applied; more than one technique may be applied to one project.

Detail of other technical measures is presented on www.cpn.co.th/sustainability.

POWER CONSUMPTION BY PRIMARY SOURCE IN 2014

% Contribution Change from 2013

- ▲ Increase
- ▼ Decrease

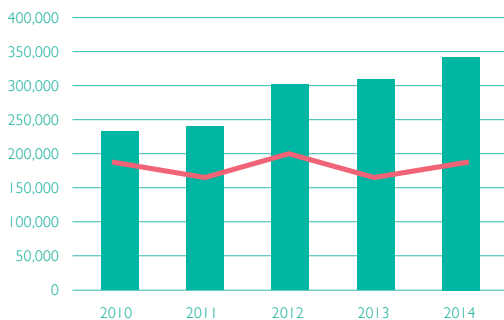


Management of Greenhouse Gas Emissions

Recognizing the impact of power consumption on the climate caused by mall management, in 2014 CPN assessed the situation and found out ways to reduce carbon dioxide (CO₂) emission in its operations in parallel to achieve maximum energy efficiency. The company opted for carbon footprint calculation with reference to Guarantee of Origin defined in Greenhouse Gas Protocol (GHG Protocol). Here, only CO₂ emission (Scope-2 emission), which involves GHG emission from power consumption (indirect emission) is presented.

CO₂ EMISSION (SCOPE2)

- CPN CO₂ Emission (ton CO₂-e)
- Carbon Intensity (kg CO₂-e/m²)

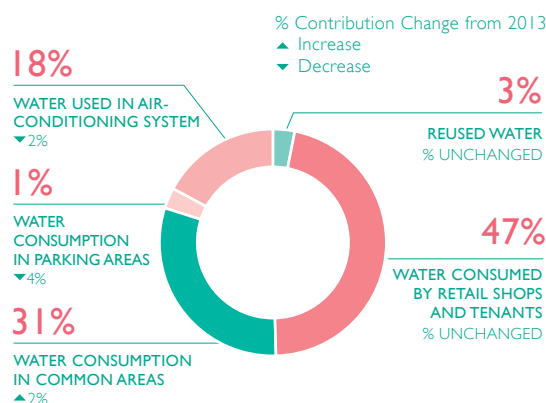


Water Management Performance

Most water used in CPN operations is piped water supplied by either Metropolitan Waterworks Authority or Provincial Waterworks Authority. Ground water and reused water is also used in mall management. In 2014, CPN consumed a total of 8,206,773 cubic meters of water (including reused water) in the operation of 23 stores. Water consumption efficiency was up by 2% from last year based on a same store basis, due partly to the automatic toilet system installed to replace old equipment. CPN also achieved a 7% increase in the reuse of water, representing a total amount of 217,503 cubic meters, which resulted from the improved water-recycling system at CentralPlaza Chonburi and CentralPlaza Khonkaen, where 56% of water for consumption comes from reused water (excluding data from CentralPlaza Chaengwattana, where the system was completely installed during the year). Water consumption in common areas rose by 2%. With water-recycling measures and other measures, water consumption in the air-conditioning system fell by 2% and in parking areas by 4%. In 2014, the CG-SD Committee agreed on the target to make use of reused water in another nine projects within three years.

Year	Number of Projects included in the calculation	Water Consumption (cubic meter)	Water Consumption per area unit (m ³ /m ²)	% of recycled water
2012	18	6,474,380	3.19	No report
2013	20	7,607,649	3.60	▲ 3 %
2014	23	8,206,773	3.46	▲ 7 %

WATER CONSUMPTION BY AREA OF OPERATION IN 2014



Garbage and Waste Management

CPN has a policy to reduce and segregate garbage in a closed waste piling shelter while encouraging retail shops to sort out their recyclable waste under ISO 14001. In 2014, CPN sent a total of 61,020 tons of waste from 23 stores for proper treatment, an increase of 6% on average per store from the previous year. The greater volume of waste was caused by the full-scale opening of three projects, namely CentralPlaza Ubonratchathani, CentralFestival Chiangmai, and CentralFestival Hatyai. Of the total waste, 52% was general garbage, 42% wet garbage, and 6% chemical and infectious garbage.

CPN observes the laws in its waste water management under ISO 14001 standards. It has a guideline to have waste water treated at each project's water treatment pond before releasing it to public water sources. The quality of waste water is inspected at least every quarter by an outside agency with an ISO/IEC 17025 certificate. CPN also supports the use of biotechnology for wastewater treatment. In 2014, 14 projects under CPN management received ISO 14001 certificates, accounting for 61% of all projects (excluding those launched during 2014). The company aims to have another five projects so certified by 2015.

CPN has now expanded its scope of work on waste management to its supply chain. MoUs were signed between CPN and construction contractors to encourage reduction of consumable materials, use of local contents, and recycling of some construction materials. The agreement also calls for reduction of waste caused by the construction work and for proper waste management. CentralFestival Samui was selected as the pilot project, where construction sand was reused as aggregate for laying parking pavement and pavement subbase around the project. Furthermore, scraps of concrete piles were brought for making retaining walls, project sign foundation, and part of office floor foundation, and so on.

Ecology Management

CPN has a concern on biodiversity and ecology in all new projects, as well as those projects that have undergone renovation. CPN looks into projects' ecology and seeks consultation from outside experts. The company takes care of and conserves the ecology around each construction site. CPN projects are mostly developed in major cities and near communities never in restricted or conservation areas. CPN has the projects' landscape architecture designed in the highest agreement with the city's characteristics and local ecology. Large trees grown on the land would be carefully uprooted and, later on, replanted when the project development is complete. An example is seen in the relocation of a large tree from CentralPlaza Pinklao for replanting at CentralPlaza Salaya. Ever since CPN started a policy on ecology management, over 500 trees were uprooted and replanted.

CPN also requires contractors to use only timbers that are officially certified or use woods from local sources for construction and for interior decoration. CPN, moreover, conserves local flora around each project area, such as conservation of over 30 types of native lotus in the front pool of CentralPlaza Ubonratchathani.

SOCIAL DIMENSION

Stakeholder Engagement

As one of the corporate strategies, CPN has fostered its relationships with stakeholders. The company has concerns on all groups of stakeholders and establishes various channels for listening to their views, as illustrated in table:



Stakeholders	Communication channel to receive stakeholders' opinions						
	Visits by executives/ working teams	Meetings	Listening to opinions and recommendations	Receiving complaints	Whistleblower	Call Center / Direct line	Satisfaction surveys
Retail shops / tenants	• D	• Q	•	•	○	○ D	○ Y
Shoppers			•	•	○		○ Y
Staff	• Q	• W/M/Q	•	○	○		○ Y
Surrounding communities	•		•	○	○		○ N
Partners (contractors)	○	○ W	○		○		
Shareholders		○ Q	○		○	○ D	
Creditors			•	○	○		
Government agencies and Independent organizations	•/○		•/○		○		
The media	•/○ Y		•/○		○		
Business competitors (through the Thai Shopping Center Association)	○ Y				○		

• Carried out by Branch Operation Unit

D = Daily

Q = Quarterly

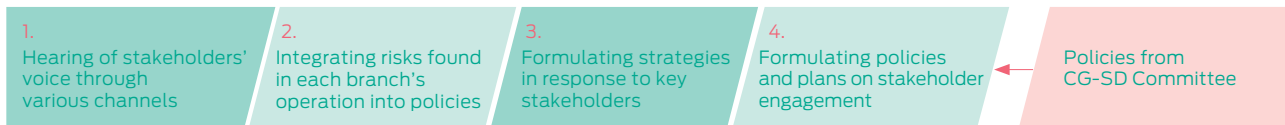
○ Carried out by Central Office

W = Weekly

Y = Yearly

M = Monthly

N = New project only



The hearing of stakeholders' voice can take place throughout the value chain, starting from project initiation, design, construction, layout design of retail shops, to organization of marketing activities and store administration. All suggestions and recommendations are collected and analyzed by the units with direct responsibility. Corrective actions are promptly taken, while feedback is given through appropriate channels. Special attention is paid to suggestions and recommendations from the four main groups of stakeholders which, after analysis and in-depth discussion, will be integrated to identify each year's risks and issues involving sustainability. The process benefits formulation of strategies and business plans.

More details about stakeholder engagement are presented on page 117

Human Resource Development and Management

CPN recognizes that managing "the entire company workforce" is like managing a small society within a large society. When members of the small society are happy and realize their values, they are ready to pass on good things to customers, partners, and communities. A key challenge in human resource management is to equip employees with knowledge, skills, and a sense of belonging to the organization. They are like CPN's brand ambassadors everywhere CPN operates. To achieve this in the long term, in 2014 CPN drew up a plan on human resource development and management, in which three key challenges are identified:

- Bridging the vacancy gap
- Enhancing people's capabilities
- Becoming an employer of choice

Bridging the Vacancy Gap

In 2014, CPN adjusted its recruitment method by using various different tools in response to business needs to ensure that new recruits can perform their duties with highest efficiency. In addition to each person's specialization, CPN has a concern on individuals' sustainable growth with the business. This is in accordance with the organization's core values. Selection of candidates for executive positions from within the company is a policy to provide opportunities for staff to climb their career paths in tandem with the company's business growth.

CPN will treat all candidates or persons interested in joining the company with equality without discrimination on race, gender, age, color, religion, and physical disability, as well as personal attributes unrelated to their duties. CPN, therefore, pays attention to fair recruitment process taking into consideration people's qualities in education and experience as well as other abilities required for the job. Valuing staff development and educational support, the company searches for its personnel from suitable sources using the required recruitment method to enable timely employment, which helps the company's target attainment.

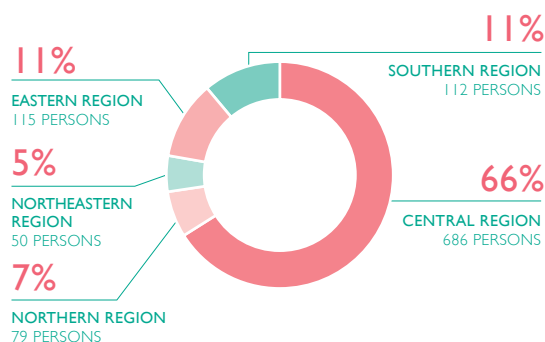
CPN joins other companies in Central Group in a project to promote careers for the disabled by recruiting people with disability to work in some leading companies in Central Group. If a knowledge gap is found among these people, the project provides them with training, which will lead to their sustainable self-dependence. A total of 98 people with disability showed their interest

in the project. Fourteen of them were recruited as staff in Central Group companies, while six were accepted to training programs.

To be in line with the plan to expand the business to the provinces in all parts of the country and as part of the plan on job creation and income distribution, CPN gives priority to recruitment of capable and skillful local people. The company also encourages transfer of staff to their hometowns to make them happy with the jobs they have, so as to have staff included as part of CPN's determination to raise people's quality of life and income distribution to the provinces.

In 2014, a total of 1,042 new recruits were registered with diverse domiciles as shown in the chart below. Distribution of new recruits' domiciles is found in accordance with the CPN's business expansion to each respective region, primarily in the Central Region. Altogether 334 staff requested transfers to their hometowns. Those requested for transfers to two new projects, namely CentralFestival Samui and CentralPlaza Salaya projects, accounted for 20% of the combined workforce of these two projects.

NEW RECRUITS BY REGION



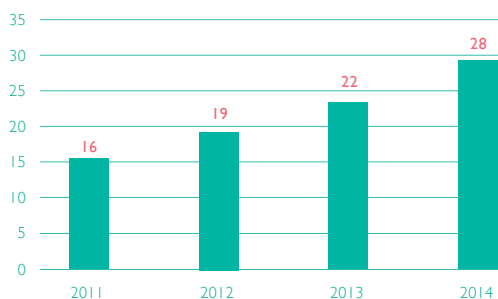
Enhancing people's capability

CPN supports enhancement of staff knowledge, skills, and capability to achieve their career excellence that matches the organization's requirements. This is to also get the business prepared for competition overseas. In 2014, CPN drew up a roadmap to build capable leaders and a strong teamwork through CPN Academy, details of which are shown below:

- **Equal opportunities to learn:** CPN provides training to all staff to raise their potential and benefit their career growth. Staff are trained to meet the requirements of their respective jobs under the Individual Development Plans (IDPs), which provide knowledge and skill enhancement training, as well as functional training and managerial skill training. Some courses are in-house training, while others are organized by outsiders or provided on electronic media.

In 2014, the average training hours per employee was reportedly increased by 28% from the previous year's average, or 28 training hours per year.

AVERAGE HOURS OF TRAINING PER YEAR PER EMPLOYEE



- **Easy access to knowledge:** In response to business growth, CPN provides training to employees in all regions, namely northern, northeastern, eastern, and southern regions, using the same facilitating team. A total of 12 different courses were provided for 49 batches of staff throughout this year. Staff could also access training provided through electronic media (e-learning) with no time and place limitation. At present, 11 e-learning courses are provided. As a result, an increase of 38.8% in the number of staff received training, both in the classroom and through e-learning.
- **Variety of knowledge:** CPN's staff development training is provided in seven different courses. They are orientation for new recruits, store development and administration, functional training, values and standards to enhance job performance, managerial skills, leadership skills, and language and culture courses.

Since CPN highly values business ethics, it is a compulsory course for all new recruits to attend. Other related courses that help enhance ethics awareness are also provided, such as conflicts of interest management and anti-corruption training.

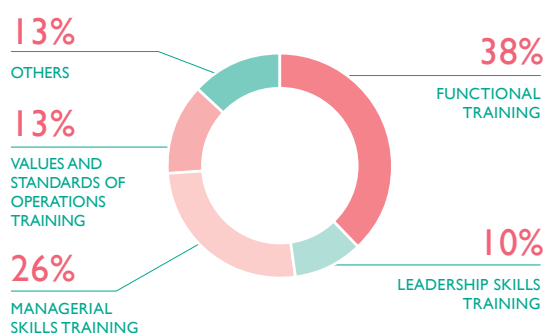
In addition to business ethics, which all employees are required to learn about, CPN developed an On-Boarding Program to equip employees with knowledge and understanding about the nature of the business, corporate culture, and core values of the company. The program is materialized

through various training courses, namely staff orientation, Growing with CPN Course, and those courses concerning quality management, safety, core values, risk management, and the CPN code of business conduct.

CPN grooms its leaders of new generation, and most of them have grown on the 'Promote from Within' principle. The company arranges training on leadership development to prepare future leaders of different levels as seen appropriate. The training includes 'Leading Yourself' for staff (Officer-Senior Officer), 'Leading Others' for supervisors and managers of the entry level (Supervisor-Senior Managers), and 'Leadership for Success' for middle managers (Assistant Vice President-Vice President levels). As for executives at Senior Vice President level upward, the company will consider providing training that suits each individual development. The company, moreover, initiated a Management Trainee Program to provide opportunities for staff with potential to climb up the career path in the property management division to develop their knowledge and skills for a property manager. The training is provided both in classrooms and via on-the-job training method to get its workforce ready for CPN's continuous business expansion.

Through the year 2014, CPN Academy organized altogether 93 training courses, an increase by 50% from the previous year. Overall satisfaction evaluation of the training program increased by 10.9%

TRAINING COURSE CATEGORIES



In addition to developing staff potential through training, CPN has undertaken career path planning to get its workforce ready to grow on each individual's career path and in line with the business expansion, both in and outside Thailand. Supervisors take charge of identifying gaps in their staff's Individual Career Development Plan, which consists of:

- Individual Career Plan: This involves short-term and long-term estimate of staff potential by comparing individuals' current ability against the organization's expectations from them in their higher position.
- Individual Development Plan (IDP): IDP pinpoints individuals' gaps that have to be filled, while suggesting methods to fill the gaps as advised in the manual for individuals' career growth, such as classroom training, on-the-job training, coaching, and project assignment, etc.

Staff will be updated with the IDP Monitoring Plan and will receive feedback from their respective supervisors every six months. Staff will learn from the feedback their progress and will have a discussion with their supervisor to ensure continuous potential development. The method serves as a base for individual career growth. Regarding the method for making individuals' potential estimates, one single method is applied for all staff and in all areas of work to enable cross-functional staff movements in the future. The method looks into three aspects, that is, staff's individual quality-which involves organizational values, business ethics, and employee code of conduct; staff's managerial skills; and staff's leadership skills. Staff's potential estimates and their annual performance assessment results will be raised to People Development Committee at different levels for consideration and agreement on high potential staff (potential consensus). The committee will also grant approval for selected staff in the talent pool for further development.

As for some key positions, CPN still carries on with its succession plan for high-ranking personnel. This is part of the company's plan to develop future leaders to grow in tandem with the organization's expansion.

Becoming Employer of Choice

According to the latest annual Employee Opinion Survey (EOS), CPN brought the results to the formulation of 2014 work plan on staff wellbeing and promotion of staff loyalty. This activity was carried out with the "CPN Happy Together" objective, which comprises good office, good relationships with friends, and good relationships with bosses. The plan is structured as follows:

- **Providing better staff welfare than the market:** CPN's welfare scheme provides educational assistance for both staff and their children, financial assistance for staff's wedding and funerals of family members, as well as emergency loans. Request for such assistance can be processed through the highly efficient Human Resource Information System (HRIS). Staff can also access HRIS to make requests for their work history, leave entitlement, and welfare reimbursement. The system helps shorten the approval process, thus enabling more efficient time management among staff. HRIS was, moreover, designed for accurate and rapid calculation of staff's salary and wage. The system is a result of the company's openness for staff's suggestions for improvement of the work process.
- **Respect for employee's rights:** CPN does not oppose the establishment of a labor union or oppose staff to join a labor union elsewhere. The company provides consultation for staff on their work and personal matters, while allowing discussions both with individuals and in groups. Staff can seek advice from the person with direct responsibility for personnel matters, from their supervisors, from representatives of the People Team, or send a subject matter through the I-dea box. Staff's suggestions and recommendations will be collected for making corrections and improvements by the People Development Committee (PDC). The approach opens a wider channel for staff to take part in problem-solving and in voicing their concerns.

In this regard, CPN does not have a labor union, and no CPN staff joins other labor unions.

- **Strengthening of teamwork and relationships:** CPN strives to enhance teamwork and staff relationship within each working unit through customized activities that match the preferences and cultures of each work unit. Such activities include staff party, birthday party, family day, and sports day, as well as outing under the “CPN Works with Love” theme.
- **Good Office Project:** CPN initiated the Good Office Project to rearrange the limited office space to welcome a larger workforce. The project ran in parallel with the 5S project to make clean, convenient, and safe offices.
- **Developing a plan to promote staff loyalty:** CPN initiated the EOS Boost up Plan as a tool to promote staff loyalty both by branch and by section under the “CPN Happy Together” framework. The 131 sub-plans under the

framework are driven by the People Team and the EOS change agent in each working unit. There are follow-ups and assessment by the PDC at branch, working unit, business and corporate levels.

- **Staff gathering:** CPN provides opportunities for staff gathering in the form of activity clubs according to their preferences and interests. The company grants support on funding, time, and necessary resources. Already established are CPN Football Club, Ping Pong Club, We Love Music Club, and Hand2Heart Club.

These endeavors brought about an increase of EOS score by 3% in 2014. Of the total score, the level of staff satisfaction with their workplaces increased by 3% and happiness at work increased by 13%.

Personnel Data

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

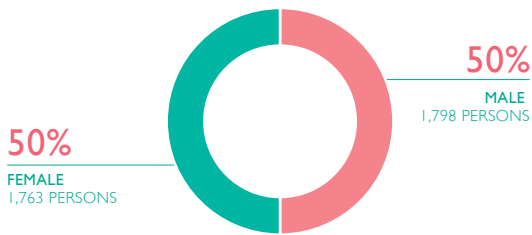
Region/year	2010	2011	2012	2013	2014
Headquarters *	655	725	896	834	990
Central	1,403 [9]	1,442 [10]	1,364 [10]	1,358 [10]	1,391 [12]
East	345 [3]	339 [3]	327 [3]	320 [3]	287 [4]
North	185 [2]	312 [3]	342 [4]	400 [5]	392 [5]
Northeast	235 [2]	237 [2]	269 [3]	271 [3]	264 [3]
South	-	-	76 [1]	172 [2]	237 [3]
Total branch staff	2,168 [16]	2,330 [18]	2,378 [21]	2,521 [23]	2,571 [27]**
Total staff	2,823	3,055	3,274	3,355	3,561

Remarks: [x] represents the number of branches in each particular region.

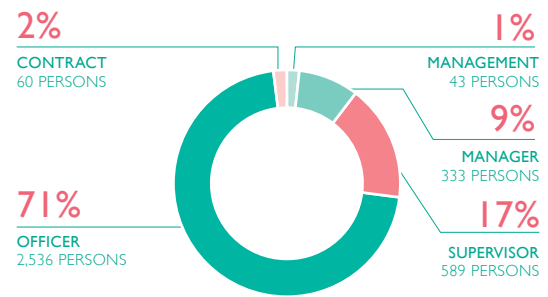
* Including staff in Langsuan Colonnade project

** Including staff recruited for CentralPlaza WestGate and CentralPlaza Rayong, which will be launched in 2015

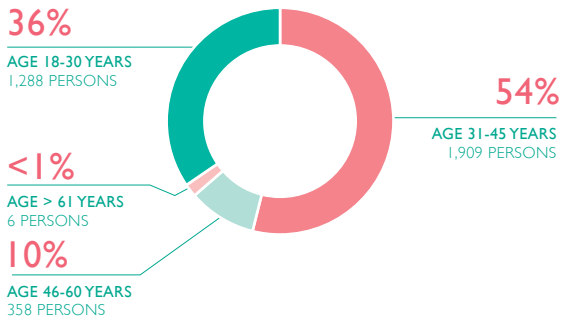
STAFF CLASSIFIED BY GENDER



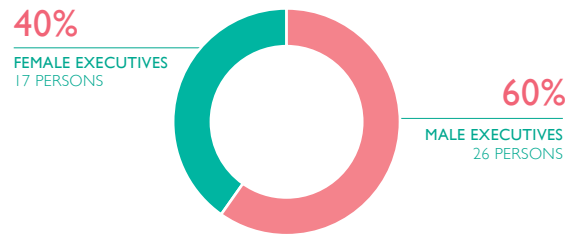
STAFF CLASSIFIED BY JOB LEVEL



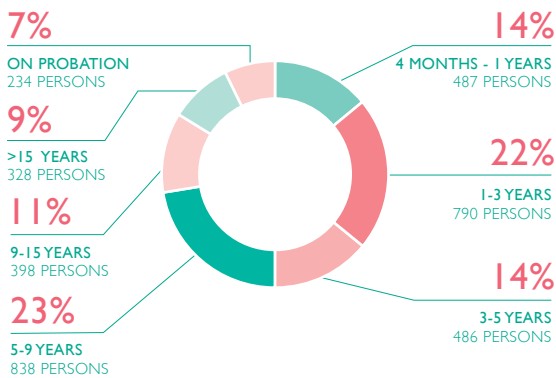
STAFF CLASSIFIED BY AGE



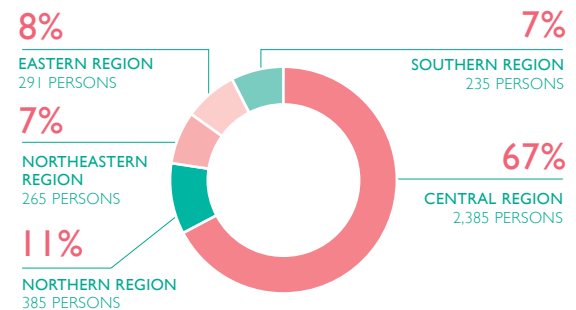
TOP MANAGERS CLASSIFIED BY GENDER (VP up)



STAFF CLASSIFIED BY YEAR OF SERVICE



STAFF CLASSIFIED BY DOMICILE



Health, Hygiene, and Safety Management

CPN pays due regard for the safety, health, properties, and lives of all groups of stakeholders, thus realizing the need to have preventive measures in the company's operational risk management. To take charge of the matter, the Safety, Occupational Health, and Environment Committee was established. The committee is required to hold a meeting every month to look into issues concerned and appraise the 5S (Clearing Up, Organizing, Cleaning, Standardizing, Training & Discipline) results at each branch. The committee also oversees progress of the loss prevention plan earlier devised by the Office of Standard Promotion and Supervision and making issues known through the Board of Directors and Risk Management Committee.

Health and Hygiene

- Control of indoor air quality: CPN installed automatic aerators to pump fresh air from outside into the building, while keeping control of the CO₂ volume under 1,000 ppm. In parking areas, carbon monoxide detectors (CO detectors) were installed. CPN is the first company that introduced the use of Intelligent Parking system, which signals empty parking rooms in a move to reduce carbon monoxide emission from customers' vehicles.
- Quality control of restaurants: CPN bases the quality of restaurants on the ISO 9001 standard, particularly the foods that are served in the 20 Food Park areas directly managed by CPN. There are altogether 470 restaurants under CPN supervision. A checklist was compiled for use to confirm restaurants' daily hygiene and safety. Random cleanliness inspection is run every month. A project on clean kitchens was initiated, while training on food hygiene and food safety was regularly provided by experts.

Safety

- CPN pays due regard to common areas that are free from vices or immoral behavior and are safe for family activities. Over 4,800 CCTV cameras have been installed at all CPN projects. Moreover, inspection and maintenance schedules have been set for particular pieces of equipment that are prone to causing accidents, such as lifts, escalators, gas stoves, and cooking equipment. An emergency plan was also drawn up under the ISO 9001 standard.
- As required by law, CPN runs a stringent safety inspection and assessment every month by the Safety, Occupational Health, and Environment Committee to confirm that CPN premises are free from risks to lives, assets, communities, and the environment. The company's Eagle Eye Team is sent out to inspect every area of each project, including common areas and interior of shops, every six months. Safety consultants will, in addition, inspect and make risk assessment on all types of firefighting equipment installed around the store area on a yearly basis.
- CPN jointly organizes fire drills with tenants. The company also provides both basic and advanced firefighting training for staff and all others concerned on a yearly basis. Over 570 trained firefighters are sent to station at all branches.

- An emergency response plan was drawn up with all necessary equipment prepared. The company has a backup power generation system and water reserved to support business continuity in case of emergency.
- CPN cooperates with industry peers through the Thai Shopping Center Association in defining safety standards for managing shopping center business. Joint planning on fire drills and fire prevention was carried out to ensure preparedness for helping neighboring stores in case of fires.

CPN has expanded its scope of safety policy to key partners in the supply chain. One of them is construction contractors, who play a crucial role during the construction of each project. Safety regulations must be incorporated in construction contracts. Contractors under direct contracts with CPN must strictly conform to the safety checklist. Safety officers are required to always be present at construction sites, while outside safety consultants certified with ISO 9001 are hired for inspection in addition to weekly inspection by the company's project manager. The scope of CPN's safety management is, furthermore, extended to subcontractors, who are hired by CPN's contractors, with concerns on human rights, e.g. prohibition of the use of child labor. Migrant workers must have work permits and be given fair wages. Proper facilities must be provided for those workers, such as toilets, shower rooms, washing areas, food shelters, welfare groceries, childcare rooms, and accommodation. Most importantly, those workers must be provided with safety training. CPN requires all contractors to arrange life insurance for their laborers in case of death while on duty, which is beyond the requirement of Thai laws.

In addition, CPN has cooperated with Royal Thai Police, Metropolitan Police Bureau, and Bangkok Metropolitan Council in giving support to the 'Push for Life' project. In the project, a full-scale 'call point', or an emergency notification point, is set up as an additional channel for emergency notification to reduce crimes in community areas, while increasing public safety. Push for Life buttons have now been installed at eight CPN sites, namely CentralWorld, CentralPlaza Lardprao, CentralPlaza Pinklao, CentralPlaza Grand Rama 9, CentralPlaza Rama 2, CentralPlaza Rama 3, CentralPlaza Bangna, and CentralPlaza Ramindra.

Community and Social Development

CPN aims to achieve growth under its business expansion plan, both in Bangkok and major economic cities in upcountry, with a determination to develop and upgrade people's standard of living without negative impacts on communities. CPN hopes to receive acceptance and trust from surrounding communities in return. Projects for community and social development are categorized by objective as follows:

Minimizing impacts and increasing convenience

Concerns of communities around the project sites before construction work starts are taken for corrective and preventive actions, part of which is to provide utilities for public convenience. Examples can be seen from cooperation with the local community on landscape and traffic planning, as well as transport planning to reduce traffic problems during the construction period of CentralPlaza Khonkaen, CentralFestival Hatyai, and CentralPlaza Salaya projects; cooperation with local agencies in charge of the environment

to arrange efficient waste management during the construction period at the CentralFestival Samui project; construction of a health station for the community behind the CentralPlaza Chaengwattana project as demanded by the community; construction of an elevated walkway linking Siam and Chidlom skytrain stations; construction of pedestrian bridges at Rama 2 and Bangna projects; and construction of children's playgrounds at Tongchai Wittaya School, Lampang, and Baan Bangtoey School, Nakhon Pathom, as demanded by communities.

Support for entrepreneurs

CPN provides opportunities for SMEs and local entrepreneurs by arranging vending space as seen suitable for their business potential, such as Northern Village Project and Kad Luang in CentralPlaza Chiangmai Airport; an evening outdoor market at the forecourt of CentralPlaza Ubonratchathani, and CentralFestival Samui; and Fashion Plus Zone for fashion entrepreneurs. CPN also welcomes small food vendors to its Food Park. The company, moreover, organizes sales promotion events to support the sale of local products at various sites, both in Bangkok and in the provinces, as seen appropriate. CPN also joins partners, such as the Tiang Chirathivat Foundation, to put local produce like longan, rambutan, durian, and long gong, on sale in a bid to help farmers under the Chuen Oey Chuen Chai project.

CPN, additionally, provides space for the disabled in a program to support their professions. In most cases, CPN welcomes them to sell government lottery in areas they request. This year, a total of 38 disabled persons received such support for doing their professions in 14 projects.

Center for communities

CPN promotes good social values and culture by providing space free of charge for running various activities to achieve the following objectives:

- To promote local culture and traditions such as organizing the Elephant Legend Activity at CentralPlaza Lampang; organizing a Buddhist Lent candle procession at CentralPlaza Ubonratchathani; and organizing the centenary celebration of Yannawa district at CentralPlaza Rama 3, and so on.
- To promote good social values such as organizing activities to promote family ties and National Children's Day; organizing blood donation activities; providing space for giving alms to monks on significant religious days; installing an anti-corruption signboard; joining the 60 Earth hour to reduce power consumption; serving as the central body for receiving donation items; and giving assistance in times of natural disasters.

Education

CPN emphasizes providing educational opportunities for those in need through CPN Growing Thai Wisdom Project and Long-distance learning-via-satellite Project. During 2013 - 2014, the company joined the Department of Local Administration in installing satellite dishes for long-distance learning at 64 schools, while joining the Department of Juvenile Observation and Protection in installing satellite dishes to support education at 95 youth detention houses around the country.

For high-potential youths, CPN provides space for them as a channel to publicize their skills and

knowledge through exhibitions of these in various fields as requested by educational institutes. The company also supports various skill contests, such as Thailand Graduated Fashion Week.

CPN Volunteer

The CPN Volunteer Project was initiated to promote staff's public-service mind and encourage staff to help the community and society. Staff are urged to adhere to CPN values of "Care for the Society and Environment" and corporate governance principles. Through the year 2014, a total of 54 volunteer projects were held, up from 32 projects in the previous year, with participation of 551 staff members (referring to only collected data; some staff are doubly counted). Expansion of the project was partly due to the improved data collection system and each branch's own initiative to organize activities, which were aimed for the benefit of children, the needy, communities, and society.

This year CPN provided assistance in the form of manpower and budget for community and society development as well as in the form of donation to various foundations, such as the Tiang Chirathivat Foundation and the Foundation for Environmental Preservation, for a total amount of baht 14,205,543. Of the total amount, 35% was cash donation. The company, through the CG-SD Committee, has a policy to create shared value for the society by making use of CPN's potential for the joint benefit of the organization, stakeholders and the society in a more tangible manner.



CPN incorporated the Sustainability Management Report to be a part of CPN's 2014 Annual Report, made for the third year, to publicize CPN's performance in economic, environment, and social aspects in 2014. The report writing method was based on Global Reporting Initiatives (GRI: G4) in accordance to core, which focuses on performance indicators that are in line with the company's strategies and are material issues for both the company and stakeholders. Outside consultants give advice on making material issues. A working team in charge of preparing annual reports verifies all information made for dissemination in this report.

The scope of the report covers business performance of 25 shopping centers under the management of CPN around Thailand which were operational from January 1 to December 31, 2014. The report on the environment, however, covers only 23 stores, with exclusion of CentralPlaza Salaya and CentralFestival Samui, which were newly launched during the year.

For any questions and recommendations concerning Sustainability Management Report, please contact:

Sustainability Development Department

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RISK FACTORS

CPN is committed to sustainably managing business risks and promoting risk management as part of its value-added culture. The emphasis is on managing such risks to an acceptable level through appropriate avoidance, transfer, control, and coping strategies. Below are the major types of risk facing the Company:



STRATEGIC RISK

1.1 Business Readiness Risk

In supporting the policy of growth through domestic branch expansion and tackling fierce competition, CPN focuses on becoming a regional retail property developer by implementing strategies in conformance to its missions and business plans. To achieve such goals and strategies, some business readiness risks may need to be effectively managed.

To ensure that strategies and objectives are compatible with acceptable risks, CPN undertakes project feasibility studies, business readiness and potential of partners analysis, solid strategic workforce planning, and formation of a manpower model for shopping complexes, along with close monitoring of key economic indicators, including the retail sales index and the customer confidence index, to track economic circumstances potentially affecting CPN's overall business and prepare appropriate plans for them.

1.2 Foreign Investment Risk

Under its overseas business expansion plan in response to the policy of constant business growth, CPN needs to manage investment risks in targeted countries by applying assorted measures. Such risks include the economic situations and demand fluctuation in these countries, which may affect its overseas investment policy. A key emphasis is to prepare its personnel to ensure business growth via effective handling of each country's economic situation.

Before making investment decisions, CPN proactively manages such risks by undertaking detailed studies into analysis on relevant information regarding business conduct in each target country. A special taskforce is appointed to study details and monitor continually economic, social, political, cultural, and industrial movement, as well as business legislation and related businesses, and identify competent investment alliances. The taskforce also defines personnel management policy, suited to countries of CPN's investment interest, for overseas staff and develops training courses on shopping center management with input from advisers, ensuring efficient allocation of competent personnel.



OPERATIONAL RISK

CPN values the stewardship of employees - a key strategy for developing the corporation toward sustainability - since its business growth policy with

a focus on continual branch launches and the increasingly fierce competition posed by competitors' expansion (whether old or new ones) have hiked the needs for knowledgeable, skillful personnel of all disciplines in this business. The result is therefore a risk of competent personnel shortages.

Therefore, a People Development Committee was set up to look after employees so that they may perform their tasks efficiently and effectively, not to mention being contented with their tasks. An employee opinion survey is annually conducted to gauge employees' views, comments, and work satisfaction. Once the outcomes are known, each level of the committee jointly plans to modify rules and processes or advocate suitable employee activities to improve their satisfaction. The committee also develops employees' caliber so that they may grow with CPN with a sense of belonging and pride in CPN's success.

For business continuity in case external circumstances or factors could seriously affect operation, CPN recognized the criticality of Business Continuity Management (BCM) and appointed a Business Continuity Management Committee. This group controls and supervises BCM practices to ensure that they are ready to efficiently handle assorted threats. Business continuity plans, also this group's mandate, are helpful in times of crises and enable CPN to restore operation within a suitable period.

03

COMPLIANCE RISK

As a retail developer with social, community, and environmental awareness, CPN strictly observes relevant laws and regulations. A team of legal experts studies, monitors, and analyzes legal limitations, including impacts from the amendment of relevant laws and regulations that may hinder CPN's domestic and overseas business growth, with the analyzed outcomes applied in formulating effective response measures. Under CPN's Business Continuity Management System, it closely coordinates with government agencies and takes part in community relations activities.

In repressing and managing risks arising from corrupt practices, CPN has in place communication channels for stakeholders to make recommendations, complain, or inform the company about possible corrupt practices directly to the Audit Committee or the President & CEO. It also appointed a panel to systematically, openly, and auditably handle grievances or complaints to ensure confidence and trust in its fair investigation process for all related parties.

04

FINANCIAL RISK

In fulfilling its mission of becoming the most admired retail developer of all stakeholders and in implementing its policy of constant business growth via domestic and overseas branch

expansion, CPN needs to acquire sufficient funding and maintain operational liquidity under the capital-intensive requirements of the real-estate business and fierce competition.

To increase its flexibility to acquire sufficient funding at an appropriate cost and return on investment for future business expansion and reduce financial risks under a volatile business environment, CPN endeavors to maintain robust financial statements by managing its capital structure with a low debt-to-equity ratio under a prudent monetary policy, as well as leveraging appropriate financial instruments in sourcing capital. Comprehensive investment analysis is also undertaken for each project so that only the right projects with high potential may be pondered by the Investment Committee before eventual approval.

05

HAZARD RISK

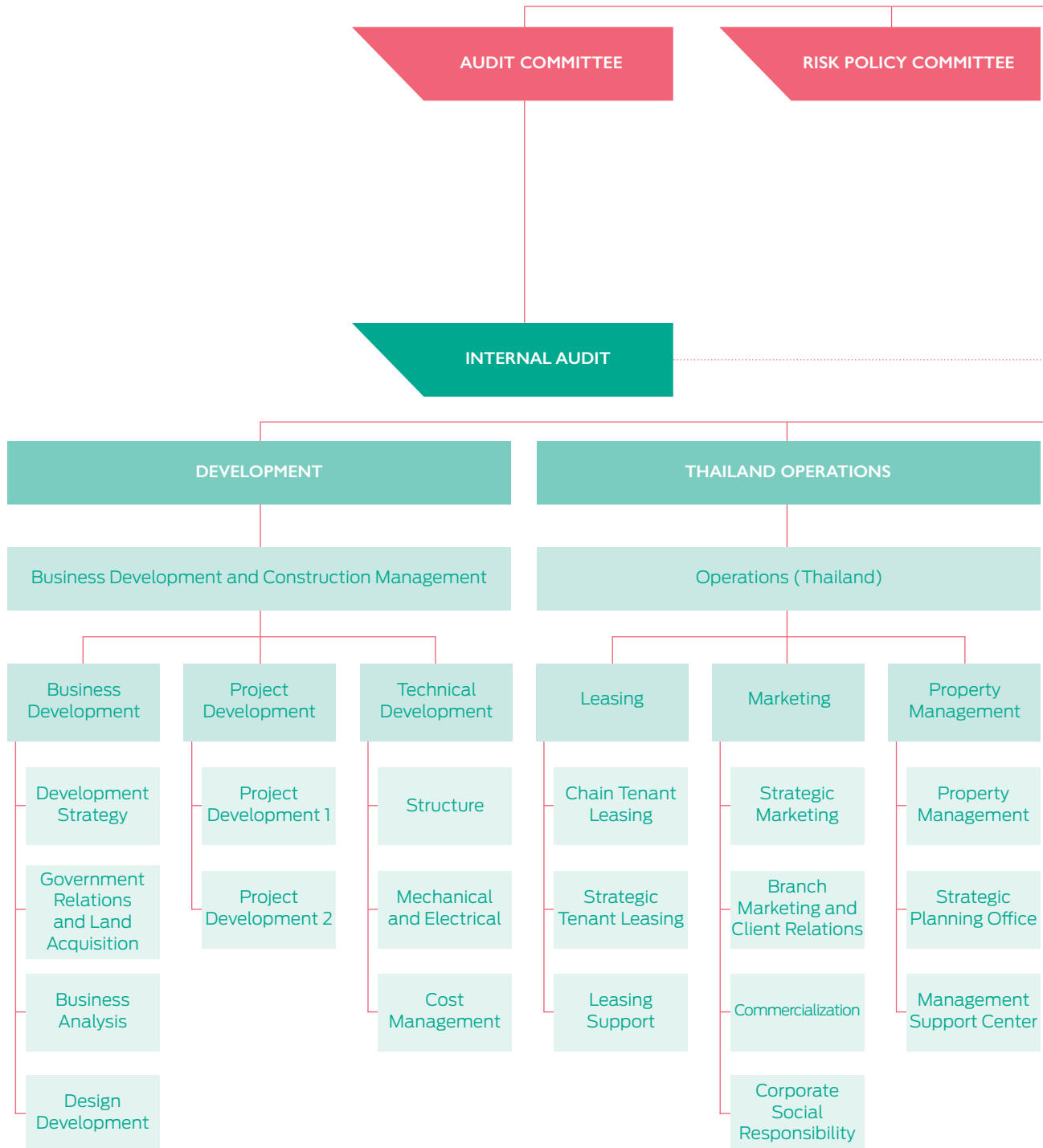
As a shopping complex developer that brings more shopping happiness than its competitors in the number of patrons and nationwide service areas, CPN is more prone to work and service-related accidents and incidents like fires, flooding, earthquakes, political hazards, and assorted events related to the administration of shopping complexes that are difficult to anticipate. These could, however, produce significant losses to CPN's processes, properties, personnel, reputation, financial standing, and business opportunities.

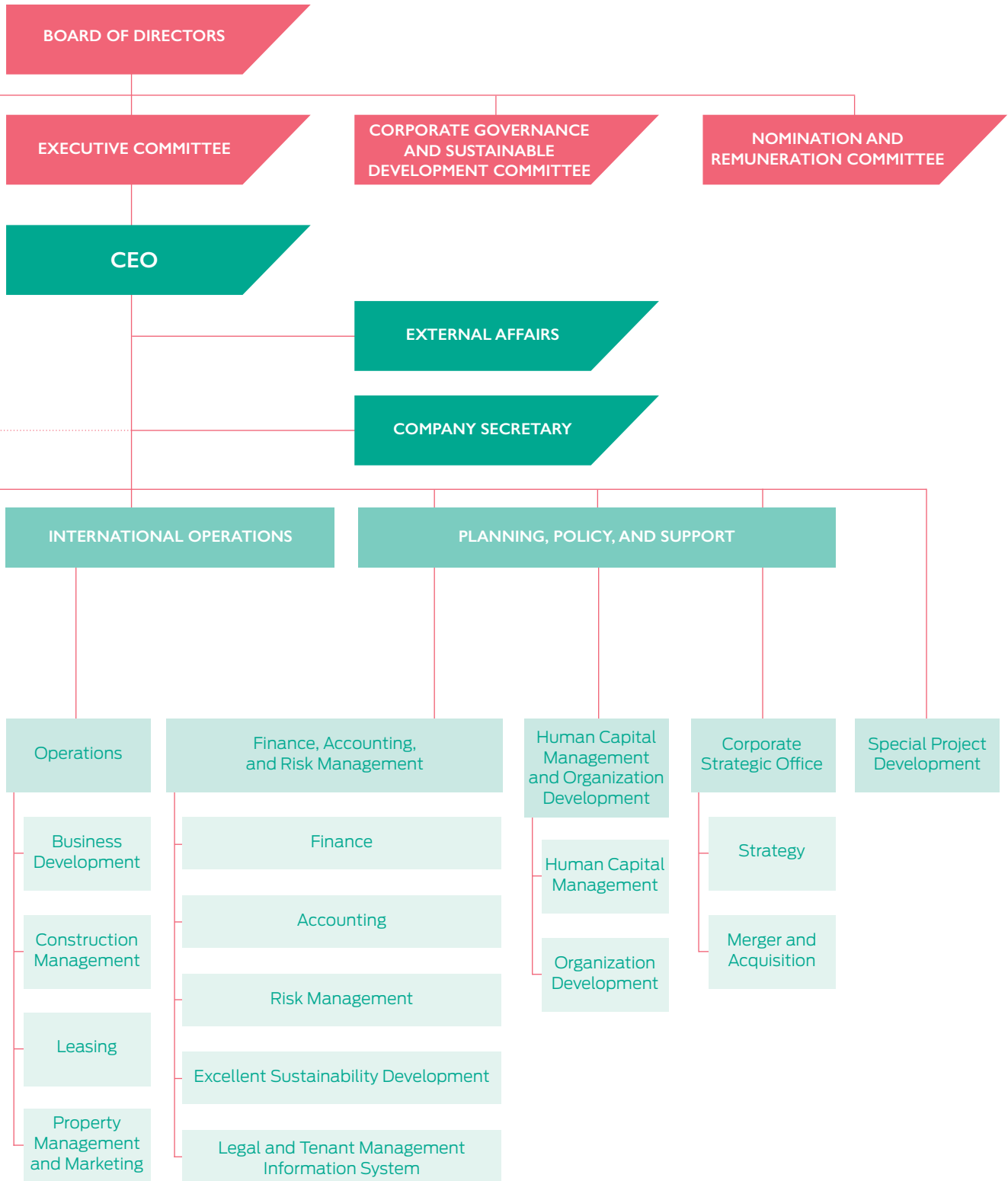
In conducting risk management for safety from threats to lives and properties, CPN has developed a system for monitoring and collect statistics on incident cases in all branches nationwide to analyze for causes and prepare solutions and future risk prevention efficiently and effectively.

In managing the risk of safety of lives and properties, CPN has required the appointment of a Safety, Occupational Health, and Work Environment Committee under a ministerial regulation. Playing a key role in the prevention and resolution of problems, accidents, and losses, the committee ensures that CPN can effectively manage workplace safety.

In addition, CPN has in place a team tasked with loss prevention under the administration of the Office of Standard Promotion and Supervision, which centralizes the analysis of safety risk factors covering political situations, fires, flooding, and others hazards. To this end, a manual has been developed for standard operating procedures, and a crisis management plan is monitored for revision by simulating assorted emergencies and applying the outcomes to the analysis and plan modification. That way, proactive plans are developed for various scenarios under the Business Continuity Management standard.

ORGANIZATION CHART





MANAGEMENT STRUCTURE

CPN's Management Structure comprises of the following:

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

Details of each Board Committee are as follows:

BOARD OF DIRECTORS

The Board of Directors consists of 13 directors, as follows:

- Five independent directors or equivalent to more than one-third of the Board of Directors.
- 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.
- 12 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 ¹ | 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 | Independent
Director |
| 7. Mr. Suthikiati Chirathivat ¹ | Director |
| 8. Mr. Suthichart Chirathivat ¹ | Director |
| 9. Mr. Sudhisak Chirathivat ¹ | Director |
| 10. Mr. Sudhitham Chirathivat ¹ | Director |
| 11. Mr. Kobchai Chirathivat ¹ | Director |
| 12. Mr. Prin Chirathivat ¹ | Director |
| 13. Mr. Preecha Ekkunagul | Director |

Note : ¹Representatives of the shareholders

Directors with company signatory rights

Directors with company signatory rights are Mr. Sudhitham Chirathivat, Mr. Prin Chirathivat, Mr. Kobchai Chirathivat, and Mr. Preecha Ekkunagul. The joint signatures of any two of these four directors with the Company seal are required for validity. In case of filing taxes or submitting financial statements to the government agencies, a signature of any of the aforementioned director with the company seal is required.

Duties and responsibilities of the Board

- 1) Perform all duties in compliance with the law, Company objectives and articles of association, the Board of Directors' meeting resolutions 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
- 2) 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) Not holding more than 0.5% of the total outstanding voting shares of the Company, its parent company, subsidiary or affiliated company, major shareholders or controlling person including shares held by related persons of the independent director
- 2) Neither being nor having been an executive director, officer, employee, controlling person or advisor who receives a salary of the Company, its parent company, subsidiary, a same-level subsidiary, affiliate, major shareholder or controlling person, unless the foregoing status ended not less than two years prior to the date of appointment
- 3) Not being a person related by blood or registration under law, such as a father, mother,

spouse, sibling, or child, including spouses of children of executives, major shareholders, controlling persons, or persons to be nominated as executives or controlling persons of the Company or its subsidiaries

- 4) Not having nor have had a business relationship with the Company, its parent company, subsidiary, affiliate, major shareholder or controlling person, in a manner which may interfere with his or her independent judgment, and neither being nor having been a substantial shareholder or controlling person of any entity having business relationship with the Company, its parent company, subsidiary, affiliate, major shareholder or controlling person, unless the foregoing status ended not less than two years prior to the date of appointment. 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) Neither being nor having been an auditor of the Company, its parent company, subsidiary,

affiliate, major shareholder or controlling person nor being a substantial shareholder, controlling person or partner of an audit firm which employs auditors of the Company, its parent company, subsidiary, affiliate, major shareholder or controlling person, unless the foregoing relationship ended not less than two years from the date of appointment

- 6) Neither being nor having been any kind of professional advisor including a legal advisor or financial advisor who receives an annual service fee exceeding two million baht from the Company, its parent company, subsidiary, affiliate, major shareholder or controlling person, and neither being nor having been a substantial shareholder, controlling person or partner of the professional advisor unless the foregoing relationship ended not less than two years from the date of appointment
- 7) Not being a director who has been appointed as representative of the Company's directors, major shareholders, or shareholders who are related to CPN's major shareholders
- 8) Not conducting any businesses which have the same nature as or in competition with the Company's or its subsidiaries or neither being a substantial partner, executive director, employee, officer or advisor who receives regular salary, shareholder holding more than 1% of the voting shares of businesses which have the same nature as or in competition with the Company or its subsidiaries
- 9) Not having any characteristics that could prevent him/her from giving independent opinions concerning CPN's operation

Independent directors may be assigned by the Board to make decisions regarding the operation of the Company, its parent company, subsidiaries,

associated companies, a same-level subsidiary, major shareholders or controlling person in an organization's collective decision.

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. Additional information regarding Company Secretary is disclosed under Management Biography on page 261

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
- 3) Send copies reporting vested interests of directors and executives or related persons to the Chairman of the 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:

- Four independent directors
- The first member on the list 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 :

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

Duties and responsibilities of the Audit Committee

- 1) 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) Review extraordinary significant items of the past year (if any) on the basis of their sensibility, impacts on the financial standing and company performance, as well as the accuracy and completeness of the data disclosed
- 3) 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
- 4) Consider the accurate and complete disclosure of information in case of connected or related transactions or other transactions that may cause conflict of interest
- 5) Review the internal control system to ensure its suitability and effectiveness, including any transactions that may cause financial fraud
- 6) 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
- 7) Review and ensure that Internal Audit is independent and has an efficient internal audit process, in addition to ensuring Internal Audit's access to essential data
- 8) Review the activities and structure of Internal Audit and approve its charter
- 9) Provide views on the appointment, removal, transfer, commendation or discharge, as well as adjustment of compensation of the head of the Internal Audit Office, to ensure its independence
- 10) Provide suggestions and remarks about the budget and manpower of Internal Audit for the management's approval
- 11) Review and endorse annual internal audit plans and changes subject to the assessment outcomes of enterprise risk management and Internal Audit's strategic plans
- 12) Review the internal audit plan with the head of the Internal Audit Office, especially about the internal control system and financial management process
- 13) Review audit plans and coordinate the scope of audit of internal auditor and the external auditor to be mutually supportive and eliminate redundancy
- 14) Review Internal Audit's performance outcomes against the Audit Committee-approved audit plans to ensure conformance to the Audit Committee-assigned framework of responsibility
- 15) Review the hiring of external experts to conduct internal audit if the internal auditor lacks essential skills or specialization needed to conduct internal audit, including IT aspects
- 16) Institute annual quality assurance reviews and external quality reviews at least every five years
- 17) 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

- 18) Review the scope and method of auditing proposed by the external auditor as well as reasons for changing the auditing method (if any)
- 19) 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
- 20) Review the report of the external auditor and submit to the management for adjustments in practices as well as following up on such suggestions
- 21) Consider the adequacy and efficiency of coordination between the external auditor and Internal Audit
- 22) 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
- 23) Review conformance by the Company to Securities and Exchange laws, SET requirements, or CPN business-related laws and ethics
- 24) Review the management's performance and follow up in case of nonconforming
- 25) Review issues identified by external regulators and remarks by auditor
- 26) Review the communication of Code of Ethics to the employees and monitor its conformance
- 27) Review progressed report from management and Company's legal advisor regarding key issues on conforming to the relevant laws and regulations
- 28) Report its performance for acknowledgement and consideration once every quarter
- 29) Review any reports prepared by the Company regarding duties and responsibilities of the Audit Committee
- 30) Prepare Audit Committee's annual performance report in accordance to SET's guideline and signed by the Chairman of the Audit Committee as well as disclose it in the Company's annual report
- 31) In case of any suspicious transactions or actions that may significantly affect the Company's financial status and performance, the Audit Committee shall report the findings to the Board to make any improvement or correction in a timely manner as seen appropriate by the committee. Detailed are displayed below:
 - 31.1) Transactions regarding conflict of interests
 - 31.2) Transactions regarding frauds, irregularities or significant deficiencies in internal control system
 - 31.3) Any violation of SEC's laws, rules of SET or laws relevant to the Company's business
- 32) In case the Board or the management fails to take corrective actions on those transactions under 31.1), 31.2), and 31.3) within the timeframe set by the audit committee, any of the Audit Committee members may

report of such transactions or actions directly to SEC or SET

- 33) Review CPN's continual process of good corporate governance, as well as providing approaches and advices for development
- 34) Emphasize and promote good corporate governance as a regular agenda for the Board meetings and AGMs
- 35) 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
- 36) Review CPN's risk management process to ensure standardization, effectiveness, and efficiency
- 37) Work with the management in considering key policies regarding risk management and risk assessment as well as risks from corruptions
- 38) Work with the Risk Management Committee, the Risk Management task force, and the management in considering, making recommendations, and updating reports on CPN's risk management
- 39) Conduct other Board-assigned duties
- 40) Regularly review the Audit Committee Charter on an annual basis in order to consider and assess its current assigned roles and responsibilities as well as to propose any required amendments accordingly
- 41) Conduct other duties assigned by SET
- 42) 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

- 43) Monitor any special investigation as necessary

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:

- Four independent directors
- 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. Mrs. 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 |

The advisors may attend the Nomination and Remuneration Committee meeting, however, they are not allowed to vote. Also, if any advisor has stakes in the reviewed agenda, such advisor shall leave the meeting to prevent conflict of interests and allow other committee members and advisors to fully discuss.

Duties and responsibilities of the Nomination

- 1) Consider the appropriate structure, size, and composition of the Board to suit the organization and changing environment
- 2) Ensure that Board structure comprises ethical and honest experts who are knowledgeable, experienced, and skillful in diverse fields relevant to the conduct of business. Furthermore, Board members are selected with non-discrimination of gender, race, religion, age, professional skill, or other qualifications
- 3) Consider the criteria for selecting directors, as well as select and nominate those persons qualified and appropriate to be considered by the Board of Directors before further submission to shareholders' meetings for appointment as directors
- 4) Consider the criteria for selecting President & CEO, as well as select and nominate those persons qualified and appropriate to be considered by the Board of Directors for appointment as President & CEO
- 5) 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
- 6) Formulate succession plans for President & CEO and senior executive position and review such plan on a regular basis
- 7) Consider appropriate strategies relating to human capital management and organization development to be implemented to ensure its consistency with the Company's business operations

Duties and responsibilities of the Remuneration

- 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
- 2) 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

Other duties and responsibilities

- 1) If it is considered essential and suitable to do so, the Committee may appoint regular advisor(s) or hire project advisor(s), or both, to provide advice on the Committee's performance. As seen essential and suitable, NRC may decide on such advisors' fees at CPN's expenses
- 2) Revise and amend the Committee charter in line with prevailing circumstances and seeks Board approval

- 3) Perform other Board-assigned duties related to nomination and remuneration

RISK POLICY COMMITTEE

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

- Five directors
- The Chairman is an independent director.

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

- | | |
|---------------------------------------|----------|
| 1. Mr. Paitoon Taveebhol | Chairman |
| 2. Mr. Kanchit Bunajinda | Member |
| 3. Mr. Kobchai Chirathivat | Member |
| 4. Mr. Prin Chirathivat | Member |
| 5. Mr. Preecha Ekkunagul ¹ | Member |

Note : ¹Taking the position on May 29, 2014

Duties and responsibilities of the Risk Policy Committee

- 1) Acknowledge and provide recommendations on all risk management policies, strategies, structures and development frameworks at every corporate level
- 2) Assess the effectiveness of risk management established by the management
- 3) Review and endorse the manageable levels of risks and deviation acceptable by the Company
- 4) Review CPN's overall risk management in comparison with the manageable risks to CPN
- 5) Acknowledge the identified key risks and review the management's responsive actions
- 6) Participate in CPN's annual analysis of risk management strategies and provide recommendations

- 7) Provide directions and guidance for risk management supervision
- 8) Supervise the identification of performance goals and key risk KPIs
- 9) Acknowledge reports on the trends of corporate risks and ensure that CPN's strategies can effectively address identified risk issues
- 10) Ensure proper prioritization of CPN's actions based on immediate and long-term financial impacts on shareholders and operational quality
- 11) Report the committee's risk management activities to the Board every quarter
- 12) Perform other tasks as assigned by the Board.

In addition, the management has appointed a risk management committee consisting of senior executives and the executives from each core department to steer and ensure that CPN's risk management is systematically conducted by an explicitly responsible unit and that all CPN units adhere and conform to such risk management practices, whether in strategic plan definition or in business performance.

CORPORATE GOVERNANCE AND SUSTAINABLE DEVELOPMENT COMMITTEE

Corporate Governance and Sustainable Development Committee consists of 11 members :

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

- | | |
|----------------------------|----------|
| 1. Mr. Preecha Ekkunagul | Chairman |
| 2. Ms. Wallaya Chirathivat | Member |
| 3. Mr. Somchart Baramichai | Member |

4. Mr. Suthipak Chirathivat	Member
5. Ph.D. Nattakit Tangpoonsinthana	Member
6. Mrs. Narttaya Chirathivat	Member
7. Mrs. Panida Sooksridakul	Member
8. Major Narit Ratanaphichetchai	Member
9. Ms. Naparat Sriwanvit	Member
10. Mrs. April Srivikorn	Member
11. Mr. Chanavat Uahwatanasakul	Member

Duties and responsibilities of the Corporate Governance and Sustainable Development Committee

- 1) Define and amend CPN's Code of Conduct and Corporate Governance Policy to ensure alignment with international guidelines before submission to the Board for approval
- 2) Define and revise corporate governance and sustainable development policies, regulations, and guidelines, together with promoting and providing recommendations on related programs and activities
- 3) Represent CPN in communicating corporate governance and sustainable development activities with directors, management, employees, and all stakeholders
- 4) Ensure accurate, comprehensive disclosure of CPN's corporate governance and sustainable development information via appropriate communication channels
- 5) Review and revise all components of the Corporate Governance and Sustainable Development Committee's duties and responsibilities to ensure alignment with corporate governance policy before submission to the Board for approval.

EXECUTIVE COMMITTEE

The Board of Directors is responsible for the appointment of members of the Executive

Committee, which consist of a total of six members, comprising as follows:

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

1. Mr. Suthichai Chirathivat	Executive Chairman
2. Mr. Suthikiati Chirathivat	Member
3. Mr. Suthichart Chirathivat	Member
4. Mr. Sudhisak Chirathivat	Member
5. Mr. Sudhitham Chirathivat	Member
6. Mr. Prin Chirathivat	Member

Duties and responsibilities of the Executive Committee

- 1) Screen the followings 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 notary's rights and legal transactions concerning all CPN shopping centers and subsidiaries that constitute or support normal business
- 6) 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

- 7) 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 names and positions of the Management Committee are as follows:

1. Mr. Preecha Ekkunagul Chairman
President & CEO
2. Ms. Wallaya Chirathivat Member
Senior Executive Vice President, Business Development and Project Construction
3. Mr. Somchart Baramichai Member
Executive Vice President, Operation
4. Mr. Suthipak Chirathivat Member
Executive Vice President, Office of the President
5. Ph.D. Nattakit Tangpoonsinthana Member
Executive Vice President, Marketing
6. Mrs. Narttaya Chirathivat Member
Executive Vice President, Office of the President
7. Mrs. Panida Sooksridakul Member
Executive Vice President, Property Management
8. Major Narit Ratanaphichetchai Member
Executive Vice President, Project Development 1

9. Ms. Naparat Sriwanvit Member
Executive Vice President, Finance, Accounting and Risk Management

10. Flt.Lt. Kree Dejchai ¹ Member
Executive Vice President, Special Project Development

11. Mrs. April Srivikorn ² Member
Executive Vice President, Corporate Strategic Office

Note :¹ Taking the position on April 1, 2014

² Taking the position on September 1, 2014

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 notary's 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

Director	Board of Directors	The Audit Committee	The Nomination and Remuneration Committee	The Risk Policy Committee
1. Mr. Suthichai Chirathivat	C	-	-	-
2. Mr. Paitoon Taveebhol	M	C	-	C
3. Mr. Chackchai Panichapat	M	M	C	-
4. Mrs. Sunandha Tulayadhan	M	M	M	-
5. Mr. Karun Kittisataporn	M	M	M	-
6. Mr. Kanchit Bunajinda	M	-	M	M
7. Mr. Suthikiati Chirathivat	M	-	-	-
8. Mr. Suthichart Chirathivat	M	-	-	-
9. Mr. Sudhisak Chirathivat	M	-	A	-
10. Mr. Sudhitham Chirathivat	M	-	A	-
11. Mr. Kobchai Chirathivat	M	-	-	M
12. Mr. Prin Chirathivat	M	-	A	M
13. Mr. Preecha Ekkunagul	M	-	-	M

Note: C - Chairman
M - Member
A - Advisory

CORPORATE GOVERNANCE

Recognizing the significance of good corporate governance, the Board of Directors has formulated CPN's corporate governance (CG) Policy since 2004. Besides aiming to raise the economic value of CPN's business and satisfy all stakeholders, the policy targets social and environmental sustainability.

Revised and updated on September 26, 2014, to ensure completeness and clarity, the current version of CPN's Code of Conduct and CG Policy fully conforms to The Principle of Good Corporate Governance for Listed Companies 2012 of the Stock Exchange of Thailand (SET), the Thai Institute of Directors Association's (IOD) criteria, ASEAN CG Scorecard, Dow Jones Sustainability Indices (DJSI), and other international standards.

CORPORATE GOVERNANCE POLICY

Below are the five sections of CPN's CG principles:

1. Rights of Shareholders

CPN takes the following measures to protect the rights of every shareholder:

- CPN ensures that shareholders will receive full returns from their investments by maintaining a straightforward structure of alliance among CPN, its affiliates, and joint ventures, with no joint-holding or cross-holding of shares. It also has no pyramid shareholding structure within the Group.
- CPN equitably provides shareholders, whether major or minor ones, foreign or institutional investors, with basic shareholding rights and right protection treatment, including the right to

purchase, sell, and transfer shares; to receive clear and accurate information; to attend shareholders' meetings and vote on significant transactions; to elect or dismiss directors to manage CPN; to set Board compensation; to appoint and dismiss external auditors and set their fees; to receive part of CPN's profit as dividends; and to participate in and be adequately informed on decisions about CPN's fundamental changes.

- Details about the exercise of these rights are distributed via SET's information disclosure system, with due respect for the equitable and convenient access to information, as well as the right-exercising period. No action will be taken to limit shareholders' rights of access to CPN's information system or obstruct communication between shareholders.

2. Equitable Treatment of Shareholders

CPN observes the principle of affording equitable treatment to all shareholders without discrimination, whether major or minor ones, institutional or foreign investors. Practical guidelines to promote genuine equality include:

- CPN has put in place internal regulations to prevent abuse of inside information and conflicts of interest. Relevant details appear under "Control and Prevention of the Use of Inside Information" on page 129

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,

essential information under the law and regulations. Relevant details appear under “Monitoring of Conflicts of Interest” on page 129

- Acting under the principles and guidelines on affording equal treatment to all shareholders during shareholders’ meetings as detailed below:

2014 AGM:

CPN recognizes the importance of giving identical rights and affording equal treatment to all shareholders. Relevant guidelines have been adopted for actual actions (before, during and after meetings) for all shareholders’ meetings.

The 2014 AGM was held on Friday, April 25, 2014, at 14.06 hours at World Ballroom, 23rd floor, Centara Grand & Bangkok Convention Center at CentralWorld, 999/99 Rama 1 Road, Patumwan, Bangkok. A total of 1,981 shareholders personally attended or were represented by their proxies (equal to 75.95% of all shares issued) together with 8 (of the 12) directors (equal to 66.67% of the Board), which included the Chairman of the Board, Chairman of the Audit Committee, Chairman of the Nomination and Remuneration Committee, Chairman of the Risk Policy Committee, President & CEO, Chief Financial Officer, Company Secretary, and the external auditor. Details of the AGM proceedings are as follows:

Before the Meeting

- CPN provided minority shareholders with the right to propose in advance additional agenda

items and nominate directors from September 24, 2013 to January 15, 2014. This included shareholders’ rights to query meeting agenda before the meeting date by submitting their queries to the Company Secretary. Criteria for such consideration, which were agreed by the Board, can be viewed at CPN’s website. However, in 2014, no shareholder proposed any name or agenda item for consideration.

- Meeting notices are in Thai and English. For the 2014 AGM, the meeting notice was posted on CPN’s website on March 20, 2014, 30 days ahead of the meeting date, and was distributed to shareholders 21 days ahead. This provided shareholders with enough time to examine the information.
- In the meeting notice, CPN enclosed essential, adequate facts and rationales, as well as directors’ comments on all items on the agenda for shareholders’ consideration. The AGM agenda comprises:
 - 1) Nomination of Directors: CPN provides basic information on candidates, including each one’s name, age, type of directorship, education, director training/seminar courses attended, experience, positions held in other businesses, date of being a director, number of years in each position, and participation in committees’ meetings as member of such committees of the last three years, shareholding in CPN, and other information such as any conflict of interest incurred in the previous year.
 - 2) Compensation: CPN provides information on the policy, amount, and form of compensation for 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 affiliations, auditors' independence, and the number of service years with the audit company for consideration of the suitability of the auditors' fee, presented separately from other fees.

4) Dividend Payment: CPN provides information on the dividend policy and dividend amount proposed for approval, in comparison with the amount paid in the previous year.

- There was no significant, extraordinary document distributed at the meeting, no added item, and no amendment made to material 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 they 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 five independent directors are provided for shareholders' voting by proxy. At the 2014 AGM, 636 shareholders appointed independent directors as their proxies. Details are as follows:
 - 541 shareholders appointed Mr. Paitoon Taveebhol, Chairman of the Audit Committee.
 - 95 shareholders appointed Mr. Chackchai Panichapat, Chairman of the Nomination and Remuneration Committee.

During the Meeting

- CPN provided at least a two-hour registration period before the meeting. A barcode system eased registration and vote counting to speed up the process and ensure information accuracy and reliability.
- CPN provided shareholders with voting rights equivalent to the number of shares held. One share yields one vote.
- Shareholders were informed by CPN about the vote-tallying procedures before the shareholders' meeting.
- CPN introduced the use of ballots for casting votes. The ballots were prepared separately for each agenda item for shareholders' voting convenience.
- Participants were informed of the voting result for each agenda item and presented with the voting scores.
- CPN transparently conducted the AGM by following respective agenda items as stated in the meeting notice, in strict conformance to the law and CPN's regulations. Representatives from KPMG Phoomchai Audit Limited were invited to observe the meeting.
- Shareholders were allowed to attend a meeting in progress and vote on remaining items.
- CPN allowed shareholders to freely express their views and raise their questions at the meeting. The Chairman of the Board, Chairman of the Audit Committee, Chairman of the Nomination and Remuneration Committee, President & CEO, executive management, and external auditor attended the meeting to clearly answer all aspects of shareholders' questions.

After the Meeting

- CPN submitted the resolutions of every shareholders' meeting through SET's information disclosure system on the same day so that non-attending shareholders might be immediately informed.
- Shareholders could also view a webcast of the AGM via CPN's website or request a video recording of each meeting from the Office of the Company Secretary.
- Minutes of each shareholders' meeting were distributed in Thai and English through the Company's website within 14 days after the meeting date, with a copy sent to SET within the stated period.
- Shareholders' opinions on the organizing of shareholders' meeting were obtained through a satisfaction survey. The information acquired was then applied to improving the efficiency of future shareholders' meetings.

In 2014, CPN received a quality assessment score of 98.75 for 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 sustainability of common benefits. It has clearly set policies and roles toward stakeholders in its "Code of Business Conduct for Stakeholders", 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; disclose correct and actual information; conduct business based on honesty, transparency, and fairness. Relevant details appear under "Rights of Shareholders" and "Equitable Treatment of Shareholders"
- **Customers:** Satisfy the customers with good service, fair, and proper treatment of customers; 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. For existing shopping complexes, CPN holds one tenants' meeting every quarter.
4. Jointly developing plans with tenants such as organizing 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 the tenants on a regular and 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. Creating superior value to satisfy customers' needs and expectations via responsive procurement in line with the Value Chain principle.
 7. Providing more 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.
 8. Conducting focus groups to learn the specific needs of each tenant group and assessing the outcomes for service improvement.

9. 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.
10. 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:** Based on equitable treatment of business partners and joint benefit, CPN observes its clearly detailed procurement procedures and practices to facilitate mutual trust and long-term relationships, including economic, social, and environmental cooperation.

Business partner selection processes are clearly defined in CPN's procurement, project development, and construction management procedures, which include E-Auction, price bargaining, and open tendering procedures.

- **Creditors:** Strictly respect agreements with creditors; manages loans according to lending objectives; avoid using the loans to cause damage to CPN; ensure timely repayment of loans and interests; thoroughly honor loan conditions as agreed; and competently operate the business to assure creditors about CPN's healthy financial standing and loan repayment capabilities.

While maintaining its financial ratios as specified in loan agreements or the terms and conditions of such agreements, with regular reporting of its performance to creditors as required, CPN has

never defaulted on either debt or interest payment, or caused any concern among creditors on its debt repayment ability. Moreover, CPN provides loans only to subsidiaries under its shareholding structure, with no financial assistance offered to any unrelated company.

- **Employees:** CPN provides fair and proper treatment of employees without discrimination, whether in opportunity, compensation, job assignment, job transfer, or competency development, as well as managing employees' workplaces to ensure the safety of their lives and properties. In addition, CPN encourages dialogue between the Company and employees or their representatives to present information to its decision-makers so as to improve the quality of their work lives in pursuit 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 the sharing of information that benefits the overall development and management of shopping complexes to strengthen the business and contribute to sustainable national economic, social, and environmental development.

The establishment of the Thai Shopping Center Association exemplifies close cooperation between CPN and industry peers, designed to share useful business directions and experience for common benefit, with CPN holding membership and directorship in the association since 1998. In 2014, joint discussions included the following matters:

1. Organizing AEC (Asean Economic Community) seminars to study and share information regarding the operation of businesses in Myanmar, Vietnam, Indonesia, and other neighboring countries.
 2. Sharing of information on the shopping center businesses and notable international strategies.
 3. Newsletter production for the dissemination of relevant news and information about the shopping center business in Thailand and other countries.
 4. Supporting the automotive-business entrepreneurs' WBCSD (World Business Council for Sustainable Development) Project in solving traffic problems by assigning association members to review their parking facilities for shuttle buses that provide transportation services for their employees and students.
 5. Organizing sports activities to bolster relationships between association members and other organizations, including the Tourism Authority of Thailand and agencies under the Bangkok Metropolitan Administration.
- **Society, communities and the environment:** Respect relevant laws and/or regulations and try to surpass standards, such as inventing or applying the innovation of energy-efficient buildings in CPN's shopping centers and office buildings; 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.

Furthermore, CPN actively communicates and spreads knowledge of environmental conservation to its relevant stakeholders to establish an environmental protection network that spreads knowledge and experience to all social sectors. Relevant details appear under “Sustainability Management” on page 65

- **Government:** Cooperate and support government policies for the benefit of the country under relevant law and criteria; actively implements projects beneficial to the public, whether as assigned by the government or company-initiated projects.
- **Independent organizations and related social organizations:** CPN upgrades cooperation and information-sharing with independent organizations and other related social organizations for joint, sustainable development of society and the country, taking into account impacts on the economy, society, and the environment.

Policy on intellectual properties

CPN conducts its business strictly under the law or regulations on intellectual property rights, whether in trademarks, patents, copyrights, classified commercial information, or other stipulated categories of intellectual property, such as using only licensed software that has been inspected and installed by CPN’s Information Technology Department, and encouraging employees to ensure that the application of research findings or other data in their work does not constitute a violation of other people’s intellectual property rights.

Policy on adherence to human rights protection laws and regulations

A key basis of CPN’s business conduct is legal compliance, which includes domestic and foreign laws, as well as relevant customs, traditions, and cultures. CPN also tries to surpass standards, such as undertaking studies of relevant laws during conducting feasibility studies of projects and complying with them throughout the development stages, with constant monitoring of any legal revision that may affect its business operation. For example, CPN fully complies with city planning laws to avoid causing any economic, social, and environmental impacts. CPN also strictly observes the laws of every targeted country, including tax-related laws, to ensure that its overseas investments are properly and transparently executed.

CPN promotes and respects the protection of human rights, and ensures that its business conducts have no connection with any human rights violation such as forced labor or child labor. All stakeholders are treated fairly on human dignity and non-discrimination of national origin, race, gender, age, skin color, religion, physical condition, status, or birth. It also promotes the monitoring of human rights compliance within CPN and encourages subsidiary companies, investors, business partners, and all stakeholders to observe the international standards of the principles of human rights. Another example of CPN’s human rights practices is the protection of stakeholders whose rights are affected by CPN’s operation by offering compensation at a rate comparable to what is stated by the law.

Policy against fraud and corruption

On November 9, 2010, CPN stated its position on the “Collective Action Coalition” on anti-corruption practices, a collaboration jointly undertaken by the Thai Institute of Directors Association (IOD), Thai Chamber of Commerce, Foreign Chambers of Commerce, Thai Listed Companies Association, and Thai Bankers’ Association.

Approved by the Audit Committee and the Board on November 7, 2014, CPN’s Anti-Corruption Measures prescribe the following components and functions:

- Effective Anti-Corruption Policy
- Clearly defined procedures for the implementation of the Anti-Corruption Policy
- Strict compliance with anti-corruption procedures
- Reporting CPN’s anti-corruption practices to the public.

As part of the corresponding execution, CPN’s Anti-Corruption Measures were included in staff training and the orientation of new staff, and disseminated via the Company’s website, intranet system, and announcement boards. In ensuring fairness and transparency in CPN’s procurement and business practices, anti-corruption notification letters and emails were sent to business partners and customers, including construction contractors, merchandisers, service providers, and tenants.

After continually implementing the Anti-Corruption Measures, CPN conducted a self-evaluation in line with the Thailand’s Private

Sector Collective Action Coalition Against Corruption’s (CAC) guidelines and became a certified member of CAC with the approval by CAC Council on January 16, 2015.

Details of these policies and other important policies appear in the “Code of Conduct and CG Principles” and Anti-Corruption Measures.

Whistleblowing and Complaints

CPN has set up a committee responsible for reviewing and investigating complaints or information, and has given clear assignment of roles, responsibilities, and procedures to deal with such situations with transparency and accountability to ensure that 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, or code of business conduct, they can ask, alert or file complaints together with detailed evidence to the company or relevant agencies via the following channels. Then, the Audit Committee or CPN’s management will investigate the facts related to such activities and propose its findings to the Board for acknowledgement and further consideration. Details of communication channels 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 President & CEO

P.O. Box 99
Pratunam, Bangkok 10409
Email : CEO@cpn.co.th

Use i-dea Box located across the workplace.

The rights of whistleblowers who are employees, customers, and outsourced persons will be protected under the law. Relevant details appear in “Code of Conduct and CG Policy”.

In 2014, CPN was engaged in no significant dispute with any stakeholder.

4. Disclosure and Transparency

CPN is committed to 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 adequate information for their decisions. Disclosure of such information includes:

- CPN’s financial information and material information, such as financial statements of CPN and its subsidiaries; information on major shareholders and voting rights; information on directors and members of subcommittees; CPN’s dividend payment policy, Code of Conduct and CG Policy, provided via assorted communication channels, such as CPN’s annual information disclosure form (Form 56-1), annual report (Form 56-2), SET’s information disclosure system, CPN’s website, and quarterly reports.
- CPN’s major business updates and activities, such as the launch of new shopping complexes, exhibitions, festive events, and jointly held activities with business partners, communicated

throughout this year via 15 press conferences held in Bangkok and upcountry.

Responsible persons for information disclosure

CPN has assigned specific persons responsible for disclosing its material information, comprising the President & CEO, Company Secretary, and top executives responsible for finance and investor relations, including top executives responsible for marketing and public relations. These parties are responsible for disclosing information only related to their respective areas of responsibility.

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 ensures an accurate, complete, equitable, and timely dissemination of material information to the target group 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 SET Community Portal (SCP) 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 9,197 visitors a month, with over 286,665 viewings of the webpage information

a month. Furthermore, over 4,103 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 40-50 investors and the interested public participated. SET also provides a live webcast via SET's website. 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 2014, including answering questions. This year these activities included:

1. Hosting roadshows, which were divided into:
 - 9 overseas roadshows
 - 3 domestic roadshows.
2. Hosting 64 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. Organizing CEO Forum twice, inviting analysts and Thai institutional investors to introduce Mr. Preecha Ekkunagul who has taken up the CEO post, with effect from January 2, 2014 and attend his presentation of vision and management directions, followed by a Q&A session.
4. Via prior appointments, hosting 19 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.
5. Holding 14 conference calls with investors.
6. Communicating information via email and telephone 4-6 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:

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 1688
 Fax: +66(0) 2264 5593
 E-mail: ir@cpn.co.th

5. Board Responsibilities

Ensuring profit optimization and strict compliance with CPN's CG policy, the Board undertakes close supervision of CPN's business operation by setting forth its policy, vision, missions, and five-year strategic plans, with an annual review and revision to confirm their compatibility with the prevailing business environment.

The Board's structure

The Board consists of five independent directors out of a total of 13, accounting for more than one-third of the total. A list of independent directors' names and information appears under "Management Biography" on page 247 Fully qualified under CPN's standard, independent directors can effectively and efficiently discharge their duties for the full benefit of CPN.

To ensure an inclusive supervision of all operational aspects under CG principles, CPN has set up four Sub-Committees, one Executive Committee, and one Management Committee, as well as appointing the Company Secretary to help

the Board in performing its duties. Relevant details appear under “Management Structure” on page 102

Diversity in Board structure

CPN’s emphasis on the diversity of the Board’s structure, its policy is clearly defined in the Code of Conduct and CG Policy and the Nomination and Remuneration Committee Charter. The Board considers it appropriate that its structure comprises ethical and honest experts who are knowledgeable, experienced, and skillful in diverse fields relevant to the conduct of business. Furthermore, Board members are selected with non-discrimination of gender, race, religion, age, professional skill, or other qualifications.

Roles of the Chairman and the President

For clear role segregation and checks and balances, the Chairman and the President are always two different persons.

While not being an independent director himself, the current Chairman represents 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, in fact, is a forte supporting CPN’s constant success and business growth, since the Chairman is knowledgeable, experienced, skillful in the retail and property development industries, and conforms to the principles of good governance.

As a director bound by the Charter of the Board, the Chairman is committed to the Code of Conduct and CG policy in providing a role model

for the Board, executives, and employees. The Chairman presides over the meetings of the Board as well as the shareholders, ensuring smooth meetings and giving directors and shareholders opportunities to express their views and recommendations freely and creatively.

The President is responsible for managing and administering day-to-day CPN businesses under its strategic plans, vision, and missions, with a scope of authority bound by law, objectives, and company regulations, in addition to the decisions of the Board and shareholders’ meetings.

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

- A director must not serve on more than five SET-listed companies. Currently, this requirement applies.
- Independent directors may hold office for up to two consecutive terms, extendable to up to nine years in total. Taking effect from September 27, 2013, this decision is not retroactive for independent directors who assumed their titles before directors’ appointment in 2008.
- The President may hold directorships in another company, but such action must not affect his own responsibility for CPN. In addition, the other company must not be in the same business or in competition with CPN. Board approval must first be sought before accepting a directorship in another company. As of December 31, 2014, the President 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 2014, there were six Board meetings, consisting of five regular meetings and one extraordinary meeting, consisting of a total of 41 agenda items for consideration and 41 agenda items for acknowledgment.
- The Chairman, President, and Company Secretary jointly set a clear agenda before each Board meeting. All directors can freely propose agenda items for consideration by the Chairman before inclusion in a meeting.
- The Company Secretary must submit meeting documents that can be revealed in a written form without affecting CPN's business operations to the directors at least seven days in advance for consideration, together with an invitation letter specifying the meeting date, time, place, and agenda. In emergencies, to protect CPN'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.
- Any director with a vested interest on any agenda item must abstain from the meeting and voting on that item.
- If a situation occurs that is critically important or may have a significant impact on CPN and/or any stakeholder, the management will submit full details of the incident to the Board for consideration, opinions, and suggestions—for example, the determination of the contractual framework required for overseas investment and impacts from Northern Region earthquakes and the Southern unrest, together with crisis response measures.
- The minutes of Board meetings and all relevant information and documents are safely stored in electronic files together with the original documents.
- For any question arising during a meeting that requires follow-ups and/or additional information from any involved department, the Company Secretary will coordinate and submit additional details/information to the Board as soon as possible.
- The Company Secretary must submit monthly reports, comparing achievements against the Board-approved targets, for the directors' acknowledgment.
- Non-executive directors must hold at least one exclusive meeting a year. In 2014, two meetings were held in August and November to discuss strategic plans, business directions, risk management, and operation on corporate responsibility activities. A summary of issues and recommendations from the meetings were acknowledged by the Board and the management for further improvement of CPN.
- The efficiency of Board meetings is evaluated at every Board meeting to promote constant improvement of directors' performance and meeting arrangement. The outcomes of such evaluations for 2014 averaged 96.75%.
- The Board also regularly considers any changes in relevant laws, rules, and regulations that are crucial to CPN, together with any news and updates on good CG practices, so that ongoing activities of the Board fully conform to any revised and relevant laws, as well as rules, regulations, and guidelines currently in effect.

The board's self-evaluation

I. Board's Self-evaluation Form

• Method

CPN Board's Self-evaluation Form applies SET's evaluation approach to suit the characteristics and structure of the Board of Directors. The results are key factors for the enhancement of directors' performance and related duties. The evaluation form consists of two key components:

Component I The Board evaluates the scores given to the following six aspects of its operation:

- 1) Board structure and qualifications
- 2) The roles, duties, and responsibilities of the Board
- 3) Board meetings
- 4) Board performance
- 5) Relationship with management
- 6) Director's self-improvement and executive development.

Component II The Board gives its opinions and suggestions or identifies special issues of interest about its performance or different aspects of CPN's operation.

• Procedure

At the end of each year, the Company Secretary will send a self-evaluation form to every director, collect the completed forms, prepare a summary report, and submit it to a Board meeting as an agenda item for acknowledgment and discussion.

This year the Board also commented on the promotion of CPN's leadership image and corporate governance, including social

responsibility programs, anti-corruption practices, competitive-landscape analysis, and an in-depth study on new generation's lifestyles.

2. Director's Self-evaluation Form

• Method

Designed to assist each director in reviewing and enhancing his/her performance, this evaluation form fully aligns with the Board's legal obligation, CPN Director's Charter and Code of Conduct, and the best-practice guidelines of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET), by focusing on:

- 1) Director's code of conduct and performance
- 2) Strategic formulation, supervision, and monitoring of CPN's operation
- 3) Responsibilities toward stakeholders.

• Procedure

At the end of each year, the Company Secretary will send a self-evaluation form to every director, collect the completed forms, prepare a summary report, and submit it to a Board meeting as an agenda item for acknowledgment and discussion.

3. Subcommittee's Self-evaluation Form

All subcommittees including 1) Audit Committee, 2) Nomination and Remuneration Committee, 3) Risk Policy Committee, and 4) Corporate Governance and Sustainable Development Committee must undertake annual self-evaluation, the outcomes of which are applied to boost their input to supporting CPN committees' work and each dimension of its business operation.

Evaluation of the CEO's performance

• Method

Based on SET's evaluation approach, the CEO evaluation form consists of two key components:

Component I Evaluation of the 10 following aspects of CEO's performance:

- 1) Leadership skills
- 2) Strategic identification skills
- 3) Adherence to strategic plans
- 4) Financial planning and outcomes
- 5) Relationship with the Board
- 6) Relationship with other business entities and other sectors
- 7) Management skills and staff relationship
- 8) Succession plan
- 9) Products and service knowledge
- 10) Personal qualifications.

Component II CEO development: Under this component, CEO's strengths are identified, including other aspects that should be further developed, with additional opinions provided by the Board.

• Procedure

The CEO participates in the process of setting his own performance targets and acknowledges the targets approved for the year. At the end of each year, the Company Secretary will distribute a CEO evaluation form to all directors and the CEO for self-evaluation. The completed forms will then be compared, and the information acquired from the comparison will be used for the CEO's further career development.

The Company Secretary will collect all the information and prepare a summary report, which will be submitted to the Nomination and Remuneration Committee and the Board for the consideration of the CEO's future compensation.

Training and Seminars of the Board

In supporting Board members' continual knowledge enhancement and the sharing of experience gained from their discharge of duties as a Board and/or sub-committees member, the Company Secretary keeps them informed about upcoming seminars and training courses dedicated to directors, as well as coordinating and facilitating their attendance. Details of attendance at seminars and participation in directors' training courses appear under "Management Biography" on page 247

Internal Control and Internal Audit

CPN's internal control and internal audit are key mechanisms ensuring the efficiency and effectiveness of CPN's operation, the accuracy and reliability of financial reports, and strict compliance to relevant laws and regulations. Staff's understandings of these mechanisms are constantly enhanced at all levels via their respective lines of command and CPN's diverse public relations channels.

Internal Audit's scope of work is to ensure that all employees perform their duties in strict compliance with CPN's policies, standards, work procedures, regulations, and applicable laws.

Assessment on the adequacy of CPN's internal control system is undertaken annually by relevant management divisions and Internal Audit. The five aspects of control are as follows:

- 1) Control environment
- 2) Risk assessment
- 3) Control activities
- 4) Information and Communication
- 5) Monitoring activities.

The findings are reviewed by the Audit Committee and reported to the Board for consideration and opinions.

CPN's current head of Internal Audit is Ms. Nonglak Sriwongphanawes, appointed by the Audit Committee and serving as Assistant Vice President of Internal Audit.

Control and Prevention of the Use of inside information

To ensure equitable treatment of all shareholders and assuring them that relevant directors and executives are prohibited from undertaking dishonest stock transactions for their own benefit or the benefit of others, the Board ensures that a policy is in place to control the use of inside information and transactions on CPN's shares.

- **Control of inside information:** Directors, executives, and all employees must not use any significant information of CPN, not yet disclosed to the public, for their own benefit or the benefit of others and must strictly observe the policy specifying the safeguarding and use of inside information.
- **CPN stocks:** CPN directors, executives, and employees may invest in CPN's share transactions. However, to prevent conflicts of interest, these personnel and related persons (spouses and under-aged children) must not buy, sell, transfer, or accept any transfer of the shares during the one-month period before the

public disclosure of CPN's financial statements. If any of them buys, sells, transfers, or accepts transfer of CPN's stocks, they must prepare and report their lists of shareholding and any change in their shareholding to the regulators as specified.

If any executive or employee violates this policy, they will be considered guilty of having violated CPN's regulations and may be punishable by law.

- **Disclosure on the holding of CPN shares:** The Company Secretary must file a quarterly report on the shareholding of directors, executives, and related persons and submit it to the Board.

Monitoring of conflicts of interest

It is CPN's policy to conduct business with honesty, open-mindedness, transparency, and fairness. CPN's directors, executives, and employees must not engage in any business in competition with CPN or undertake any connected transaction related to them or people/legal entities, which could pose any conflict of interest to CPN. The Board must ensure strict conformance to the regulations and procedures for the disclosure of connected transactions specified by the law and the regulators.

If a connected transaction is unavoidable, however, such transaction must follow the general business provisions as specified and approved by the Board, based on transparency and fairness in the same way as ordinary transactions undertaken with outsiders, taking into account the best interests of CPN. Any party involved in a conflict of interest transaction must not take part in the consideration of such transaction. If

connected transactions that breach the approved general business provisions could pose any conflict of interest, the Audit Committee will examine such transactions and include its opinions to the Board or shareholders for approval.

- **Disclosure of connected transactions:** For each fiscal year ending on December 31, directors and executives must fill out the connected transactions disclosure form to demonstrate their transparency, thoroughness, and discretion for deliberating connected transactions during the year. The form is provided by the Company Secretary, who also collects the disclosed information.
- **Disclosure of personal interests held by directors, executives, and related parties:** Directors and executives must submit their first disclosure report within 30 days after first holding office and submit subsequent reports of their interests as of December 31 every year. To ensure the transparency of direct and indirect transactions undertaken by directors, executives, or related parties during the year, such directors or executives must notify CPN without delay by indicating facts about the nature of such contracts, names of counterparties, and their personal interests in such contracts.
- **Disclosure of vested interests:** Directors and executives must report vested interests held by themselves and related persons under the regulations, conditions, and methods specified by the Capital Market Supervisory Board. The Company Secretary must compile and submit a copy of the report of such vested interests to the Chairman and Chairman of Audit Committee within seven days after receiving the report.

In 2014, CPN did not receive any complaint about misuse of inside information committed by any director or executive.

Additional Implementation under CG Principles

Further good corporate governance practices implemented by CPN in 2014 were as follows:

- Appointing a new Corporate Governance and Sustainable Development Committee to replace the former Corporate Governance Committee for efficient supervision of corporate governance in tandem with the achievement of concrete results for CPN's sustainable development programs. The committee performs its duties with support from the Corporate Governance and Sustainable Development Task Force (CGSD Task force) and the Energy and Utility Conservative Committee.
- Organizing training programs on actions against conflicts of interest, covering the offering and acceptance of gifts, the use of inside information/ securities trading, connected transactions, and anti-corruption practices, with case studies provided.
- Producing E-learning media on connected transactions to facilitate staff's understanding and compliance.
- Communicating the revised CPN's Code of Conduct and CG Policy to directors, executives, and employees via email, CPN's intranet and website, with an E-book version of the Code of Conduct and CG Policy being under its development stage.



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 office for up to two consecutive terms, extendable to up to nine years in total, for the expression of free views and service as independent directors. Taking effect from September 27, 2013, this decision is not retroactive for independent directors who assumed their titles before directors' appointment in 2008.

Criteria for nomination

The Nomination and Remuneration Committee reviews eligible directors by:

- Allowing the major shareholder, minor shareholders, directors, and executives to nominate 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. There was no shareholder proposed any person to be nominated as a director of the Company in 2014

- Examining the Director Pool of the Thai Institute of Directors Association or other agencies with similar lists
- Leveraging other channels considered suitable by the Nomination and Remuneration Committee.

Recruitment of directors is the responsibility of Nomination and Remuneration Committee, which screens candidates with qualifications predetermined in Company's articles of association, Board charter, and applicable criteria before tabling their names for the Board's endorsement and finally for the shareholders' appointment 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.

Orientation for newly-appointed Directors

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:

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

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

- 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; CPN's Memorandum of Association; charters of the Board of Directors and sub committees;

manual of listed companies' directors; suggestions for disclosure of information; and applicable laws

- Company profile
- Regulations on the CPN's internal information control
- Regulations on the CPN's securities portfolio
- Policy on reporting of directors' and executives' vested interests and relevant forms for report preparation
- Annual reports of the last three years, with information about CPN's business operation and performance, and details on risk management and internal control
- Board meeting minutes dating back one year
- Performance reports of the Audit Committee dating back one year
- Performance reports of the Nomination and Remuneration Committee dating back one year
- Performance reports of the Risk Policy 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 Remuneration 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 and Organization Development Department's regulations.

Succession Plan

CPN's succession planning covers the levels of senior executives upward to the President & CEO, to be implemented by the Human Capital Management and Organization Development Department with approval given by the Corporate PDC (People Development & Engagement Committee). Following the implementation of the succession plan for the President & CEO, candidates are screened by the Nomination and Remuneration Committee before being shortlisted and sent to the Board for consideration.

Regarding senior executive positions, succession planning is required for those considered critical, based on recruitment difficulties in the job market, the incumbent's service years before retirement age (60), health condition, and likelihood of being recruited by other companies. The identification of candidates and succession planning for critical positions are jointly conducted by Human Capital Management and Organization Development Department and the top executives of relevant operation units, with career plan and individual development plan developed for each candidate. The department must also report the outcomes of every implementation step to Corporate PDC and CG Corporate PDC.

CPN undertakes competency development for all employees and executives to accommodate the

implementation of its succession plans through the following programs and actions:

- Competency improvement through internal training developed in cooperation with the Academy team for each level:
 - Management courses, such as management, strategic thinking, initiation, prioritization, and time management skills
 - Leadership courses, such as driving change, creating inspiration and incentives, effective feedback, and communication
- Short training courses for executives conducted locally and abroad, enabling them to keep abreast of novel management knowledge and trends, as well as network building
- Other non-training programs:
 - Field study trips to leading shopping centers abroad
 - Project assignments to improve specific, needed skills and cross-functional performance
 - Participation in meetings on corporate strategies, human resource development, and business process development
 - Job rotations for middle management and executives to enhance their experience and readiness for promotion, as well as to accommodate future business expansion abroad.
- Transparent, appropriate, and fair management of compensation and benefits under Performance-based Pay principles, with competitive compensation rates with other leading companies in the same industry to encourage their long-term commitment and growth along with CPN.

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 2014, 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 2014 Annual General Meeting of Shareholders on April 25, 2014 for approval with a ceiling of Baht 12,000,000, details as follows :

Type of Remuneration	Amount (Baht)
1. Quarterly Retainer (Baht/Quarter)	
- Chairman	138,000
- Chairman of the Audit Committee	127,000
- Member of the Audit Committee	98,000
- Director	81,000
2. Board Meeting Allowance for the Board of Directors (Baht/Meeting)	
- Chairman	57,500
- Director	40,000
3. Meeting Allowance for the Audit Committee (Baht/Meeting)	
- Chairman of the Audit Committee	65,000
- Member of the Audit Committee	50,000
4. Meeting Allowance for the Nomination and Remuneration Committee including Advisory (Baht/Meeting)	23,000
5. Meeting Allowance for the Risk Policy Committee (Baht/Meeting)	23,000
Total Remuneration for the Directors as approved by the shareholders	12,000,000

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 2014 totaled Baht 10,697,000, whereby details of meeting attendance and remuneration are as follows:

Meeting Attendance and Remuneration of Directors in 2014

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

Total

Note: 1 Since the appointment of Mr. Preecha Ekkunagul as a director was effective from the Annual General Meeting of Shareholders of April 25, 2014, he has begun attending Board meetings from Meeting No. 3/2014 onward.

Director Remuneration (Baht)					Total (Baht)
Quarterly Retainer	Meeting Allowance for Board of Directors	Meeting Allowance for the Audit Committee	Meeting Allowance for the Nomination and Remuneration Committee	Meeting Allowance for the Risk Policy Committee	
552,000	345,000	-	-	-	897,000
508,000	240,000	715,000	-	92,000	1,555,000
392,000	240,000	550,000	46,000	-	1,228,000
392,000	240,000	550,000	46,000	-	1,228,000
392,000	200,000	550,000	46,000	-	1,188,000
324,000	240,000	-	46,000	92,000	702,000
324,000	160,000	-	-	-	484,000
324,000	200,000	-	-	-	524,000
324,000	240,000	-	46,000	-	610,000
324,000	240,000	-	46,000	-	610,000
324,000	240,000	-	-	92,000	656,000
324,000	200,000	-	23,000	92,000	639,000
216,000	160,000	-	-	-	376,000
4,720,000	2,945,000	2,365,000	299,000	368,000	10,697,000

REMUNERATION OF MANAGEMENT

For the remuneration of the management, CPN bases its decisions on fairness and suitability for their responsibilities proportionally to company performance and comparison with pay rates of industry peers.

In addition, it takes into account individual performance outcomes against their goals in line with CPN's vision, mission, and annual strategic plans so as to drive the CEO's and the management's long-term contribution to organizational stability and growth. Below are the details.

Remuneration for CEO:

The Nomination and Remuneration Committee and the Board of Directors evaluate the performance of the CEO annually to set appropriate remuneration in form of salary and bonuses.

Remuneration of Senior Management:

Each year the CEO assesses the performances of individual members of senior management, the outcomes of which support decisions on their remuneration (salaries and bonuses).

The total remuneration paid to the management for 2014 are as follows:

Salaries and Bonuses

CPN contributed remuneration in form of salaries and bonuses paid to 14 executive managements in 2014 amounted to Baht 119,121,757.

Provident Fund

CPN contributed the Provident Fund paid to 14 executive managements in 2014 amounted to Baht 6,172,680.40.

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 constant leader in retail business. Central Group encompasses various businesses, ranging from department stores, hotels, restaurants, to retail shops of various 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.

CPN and its subsidiaries conducted transactions with connected parties with potential conflicts of interest, as disclosed financial statements of 2014. Most of the connected transactions were engaged with Central Holding Co., Ltd., and the Chirathivat Group as described below:

CONNECTED TRANSACTIONS WITH RELATED PARTIES

I. 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, and other fees for various services collected from connected parties. Total amount of revenue from connected parties in 2014 was 3,765 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

Detail	Connected Party	Relationship	Transaction value (MB)
1. CPN earns revenue from rental, service fees, utility fees, and other revenue from leasing retail areas in shopping complexes and office building. The transactions in this category occur in the course of normal business following the condition of general trading.	1. Central Department Store Group: CDG) ⁽¹⁾	Majority share held by the Chirathivat Group	1,354
	2. Central Food Retail Group (CFG) ⁽²⁾		367
	3. Central Hardlines Group (CHG) ⁽³⁾		230
	4. OfficeMate Group (OFM) ⁽⁴⁾		74
	5. Central Marketing Group (CMG) ⁽⁵⁾		552
	6. Centara Hotels and Resorts Group (CHR) ⁽⁶⁾		111
	7. Central Restaurant Group (CRG) ⁽⁷⁾		431
2. CPN has made a sub-lease contract for land and part of the building in the premises of CentralWorld Project ⁽⁹⁾ and land in Khonkaen Province. ⁽¹⁰⁾	8. Other businesses ⁽⁸⁾	Related parties of CPN are serve as major shareholders, directors, management or controlling persons	646

- Remark: (1) CDG runs department stores, which comprise Central Department Store, Robinson Department Store, Zen Department Store, Central Embassy Shopping Center, SuperSports, La Rinascente Department Store and ILLUM Department Store
- (2) CFG operates consumer goods retailers, which comprise Central Food Hall, Tops Supermarket, FamilyMart, EATHAI and Central Wine Cellar
- (3) CHG operates home decoration, electronic and construction products retailers, which comprise PowerBuy, Homework, baan & BEYOND and Thai Watsadu
- (4) OFM operates stationery shops, bookstores, and office supplies solution providers through both in-store and online formats, which comprise OfficeMate and B2S
- (5) CMG manages imported consumer goods bearing both international and house brands in categories as follows.
- Apparels : such as 5cm, Benetton, Dorothy Perkins, Hush Puppies, G2000, izzue, Jockey, Lee, Miss Selfridge, Wrangler and Topshop Topman, etc.
 - Cosmetic : such as CLARINS, Laura Mercier, PAYOT and H2O+, etc.
 - Watches : such as Guess, Casio and Nautica, etc.
 - Miscellaneous : such as Samsonite, Casio and Kawai, etc.
- (6) CHR operates hotels and resorts in Centara Group.
- (7) CRG operates Quick Service Restaurants in various brands such as Mister Donut, KFC, Auntie Anne's, Pepper Lunch, Chabuton, Cold Stone Creamery, RYU Shabu Shabu, Yoshinoya, Ootoya, The Terrace and Tenya, etc.
- (8) Other businesses such as Fuji Japanese Restaurant, Zen Japanese Restaurant, AKA, Sakura Restaurant, Bar-B-Q Plaza, Thai Privilege Health Care Spa, Body Shop and Ragazze, etc.
- (9) 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.
- (10) 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 June 16, 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.

2. Expenses paid to connected parties

Comprise expenses for space rental in shopping complexes, land rental, and management fees. In 2014, CPN paid altogether 768 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 transactions 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.
- **Hiring of IT Infrastructure Management with a connected business** for maximum and optimal efficiency in IT infrastructure in the investment, system administration, and personnel development aspects. Savings arise with the economies of scale along with bargaining power over IT transactions. Conditions and service fees are based on actual costs, which are comparable to market rates as well as CPN-administered fees. Every two years,

the average fees undergo revisions for baseline fees.

Details of 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 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.
- 2.3 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 December 18, 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 March 25, 2009.
- 2.4 CPN hired Central Department Store Co., Ltd. ("HCDS") which Chirathivat Group is major shareholder, to manage 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 24, 2014.

- 2.5 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.
- 2.6 CPN has signed a 30-year lease on a plot of land with Vantage Ground Co., Ltd. ("Vantage"), a company in Central Group which Chirathivat Group is a major shareholder, for developing CentralPlaza WestGate Project. This contract will end on February 17, 2043. Total upfront and annual rental fee, which CPN has to pay to Vantage for the whole duration of the contract, is 5,099 MB. This transaction was approved by the shareholders with no conflict of interest in the EGM No.1/2013 on January 18, 2013
- 2.7 CPN purchased some merchandises and services from the businesses in Central Group; OFM 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.
- 2.9 CPN hired RIS, a company in Central Group which Chirathivat Group is a major shareholder, to provide IT infrastructural management, namely the procurement and installation of essential IT and communication equipment, namely hardware and software, maintenance and control of applications to efficiently accommodate business applications, and provide troubleshooting through service desks and hardware to CPN.

3. Loans between CPN and connected parties

Justification and Rationale for Connected Transactions

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 and

with the average interest rate of unsecured debt securities issued by the Company.

- 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, 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 December 31, 2014	Amount (MB)	Financial Statements of
1. Loans		
1) Loans obtained from subsidiaries ⁽¹⁾	15,429	CPN
2) Loans obtained from related parties ⁽²⁾	4	Consolidated
2. Loans ⁽³⁾		
1) Loans granted to subsidiaries	12,740	CPN
2) Loans granted to related parties	-	Consolidated

Remarks: (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 commercial banks' MLR.

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

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 December 31, 2014	Amount (MB)
1. Guarantees for subsidiaries' outstanding loans	
- Thai Business Fund 5	290
- Central Pattana Chonburi Co., Ltd.	200
Total	490
2. Guarantees for bank overdraft for subsidiaries	14 ⁽¹⁾
3. Loan ceiling guarantees for subsidiaries' public utilities guarantees given to Thai commercial banks	298

Remark : (1) As at year-end 2014, it was no bank overdraft outstanding.

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 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 are 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 guidance 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 Business Units (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:
 - 1) 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

Principles: 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, recognition 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

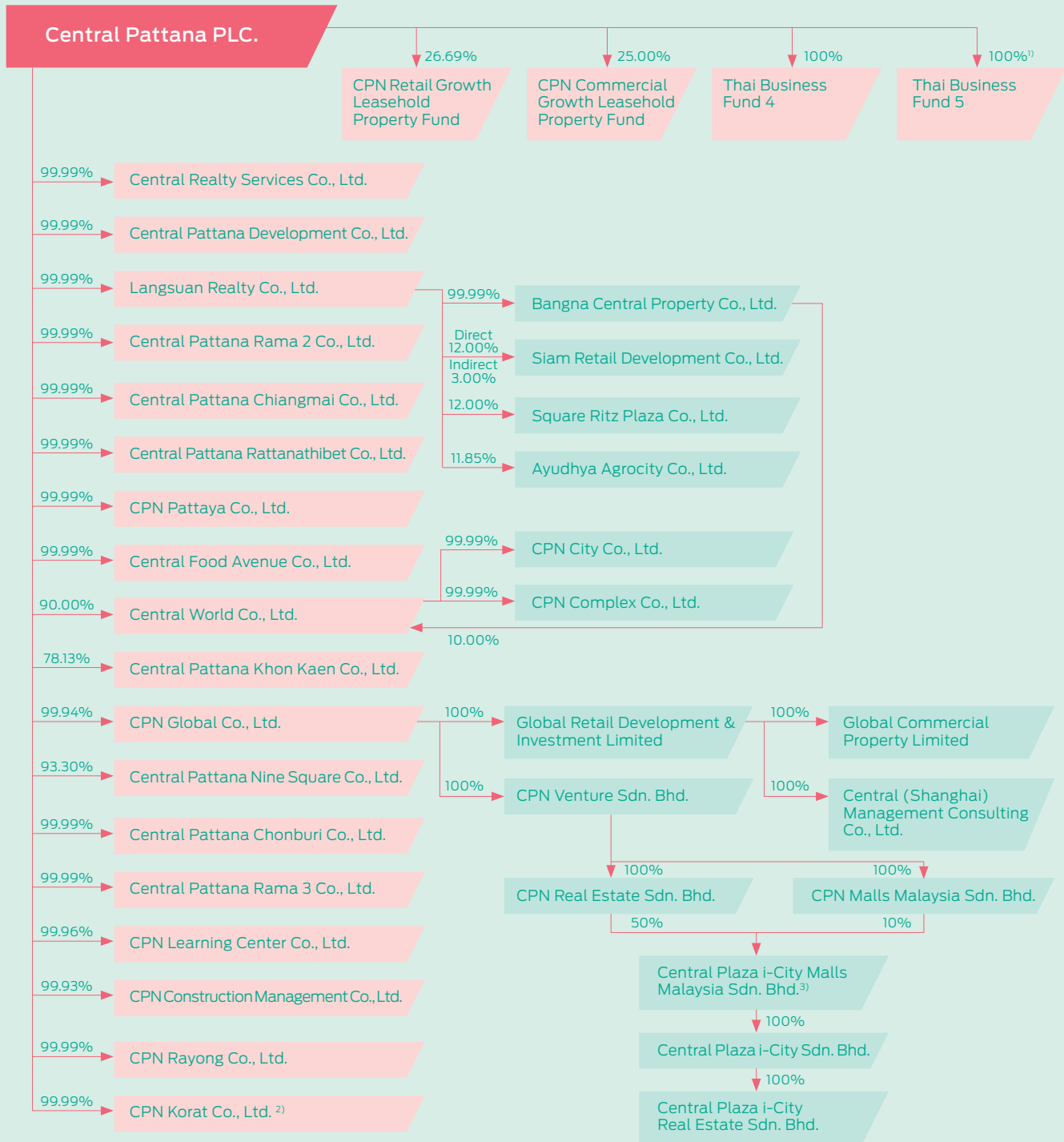
"Employment" means to hire a seller, manufacturer, contractor or organizer to produce, organize, manage, assemble or construct from the beginning stage to completion, including service provision, inclusive service, and transportation.

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.

GROUP STRUCTURE OF THE COMPANY AND ITS SUBSIDIARIES



Remarks: 1) Only proportion unit holder of owner type except unit holders of lender type.

2) Formerly Korat Land Owner Co., Ltd., changed to CPN Korat Co., Ltd. on January 20, 2015.

3) Central Plaza i-City Malls Malaysia Sdn. Bhd. is the joint venture company in which i-City Properties Sdn. Bhd. holds 40%.

REVENUE STRUCTURE OF THE COMPANY AND ITS SUBSIDIARIES

Type of Business / Operated By	% of Shareholding	Year 2014		Year 2013		Year 2012		Year 2011		Year 2010	
		Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Shopping Centers		19,743	79.93%	17,522	79.58%	14,505	79.10%	10,062	75.60%	9,142	76.70%
- 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 Rattana Thibet 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%										
- Central Pattana Development Co., Ltd.	99.99%										
Office Buildings		612	2.48%	579	2.63%	794	4.30%	767	5.80%	655	5.50%
- Central Pattana Plc.											
- Bangna Central Property Co., Ltd.	99.99%										
- Central Pattana Nine Square Co., Ltd.	93.30%										
Hotels		958	3.88%	903	4.10%	712	3.90%	465	3.50%	157	1.30%
- Central World Co., Ltd.	100.00%										
- CPN Pattaya Co., Ltd.	99.99%										
Residences		17	0.07%	19	0.08%	18	0.10%	18	0.10%	20	0.20%
- Langsuan Realty Co., Ltd.	99.99%										
- Bangna Central Property Co., Ltd.	99.99%										
Water and Recreation Parks		3	0.01%	8	0.04%	8	0.00%	6	0.00%	6	0.10%
- Central Pattana Rama 2 Co., Ltd.	99.99%										
- Bangna Central Property Co., Ltd.	99.99%										
Food Centers		975	3.95%	882	4.01%	725	4.00%	632	4.70%	550	4.60%
- 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 Rattana Thibet Co., Ltd.	99.99%										
- Central World Co., Ltd.	100.00%										
- Central Pattana Development Co., Ltd.	99.99%										
Interest Income		61	0.25%	98	0.44%	78	0.40%	48	0.40%	49	0.40%
Share of Profits from Investment in CPNRF		813	3.29%	686	3.12%	584	3.20%	498	3.70%	475	4.00%
Others		1,518	6.14%	1,321	6.00%	925	5.00%	815	6.10%	858	7.20%
Total Revenues*		24,700	100%	22,018	100%	18,349	100.0%	13,311	100.0%	11,912	100.0%

Remarks: * Excludes non-recurring items.
FY2013, the revenue from office buildings has been restated



CAPITAL STRUCTURE

CPN's capital structure, as at December 31, 2014, was as follows:

I. CAPITAL STRUCTURE

Common shares

Authorized share capital	2,244,000,000	Baht
Paid-up share capital	2,244,000,000	Baht
Number of common shares	4,488,000,000	Shares
Par value	0.50	Baht
Share price	45.50	Baht

Unsecured and unsubordinated debentures

Debenture	Credit Rating	Amount (MB)	Issuance Date	Life (year)	Interest Payment Cycle	Repayment of Principle	Maturity Date	Balance as at Dec 31, 2014
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	AA-	1,000	29/04/2011	5	Every 6 months	Upon maturity	29/04/2016	1,000
CPN16OA	AA-	1,200	12/10/2011	5	Every 3 months	Upon maturity	12/10/2016	1,200
CPN18OA	AA-	500	12/10/2011	7	Every 3 months	Upon maturity	12/10/2018	500
CPN21OA	AA-	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
CPN176A	AA-	1,000	01/06/2012	5	Every 6 months	Installment started	01/06/2017	750
CPN172A	AA-	1,500	19/02/2014	3	Every 6 months	Upon maturity	19/02/2017	1,500
CPN15OA	AA-	500	04/04/2014	1.5	Every 6 months	Upon maturity	04/10/2015	500
CPN174A	AA-	500	04/04/2014	3	Every 6 months	Upon maturity	04/04/2017	500
CPN19NA	n/a	1,000	07/11/2014	5	Every 6 months	Upon maturity	07/11/2019	1,000

Remarks: Average applicable annual loan interest rate of 3.97% per annum

Company Financial Ratios following the Debenture's Rights and Conditions	Covenant Ratios	As at Dec 31, 2014
1. Total Debt to Total Shareholders' Equity	Not over 2.50 times	1.10 times
2. Total Interest Bearing Debt to Total Shareholders' Equity		
2.1 Before deducting cash and cash equivalents, and current investments	Not over 1.75 times	0.38 times
2.2 After deducting cash and cash equivalents, and current investments	Not over 1.75 times	0.29 times
3. Total Assets (excluding Secured Debt) to Unsecured Debt	Not less than 1.50 times	4.76 times

Shareholders

CPN's shareholding distributions as at December 31, 2014 are:

Shareholders	Shares	Shareholding (%)
Registered Capital	4,488,000,000	100.00%
Local Shareholders		
- Juristic persons	1,777,349,904	39.60%
- Persons	1,481,458,904	33.01%
Total	3,258,808,808	72.61%
Foreign Shareholders		
- Juristic persons	1,152,134,252	25.67%
- Persons	77,056,940	1.72%
Total	1,229,191,192	27.39%

Top ten major shareholders as at December 31, 2014 are:

Shareholders	Shares	Shareholding (%)
1 Central Holding Co., Ltd.	1,176,343,960	26.21%
2 HSBC (SINGAPORE) NOMINEES PTE LTD *	258,281,603	5.76%
3 Thai NVDR Co., Ltd.	217,039,224	4.84%
4 STATE STREET BANK EUROPE LIMITED *	199,173,649	4.44%
5 CREDIT SUISSE AG, HONG KONG BRANCH *	78,444,160	1.75%
6 THE BANK OF NEW YORK MELLON *	74,254,600	1.66%
7 BARCLAYS BANK PLC, SINGAPORE *	70,850,648	1.58%
8 BANK OF SINGAPORE LIMITED-BOS SEG A/C 102016 *	64,275,620	1.43%
9 MRS. ARUNEE CHAN	57,645,820	1.28%
10 UBS AG SINGAPORE BRANCH *	54,135,000	1.21%

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 who 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 55% of the total shares in CPN, they have significant de facto influence on its policy formulation and operations. This is because 7 out of 13 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 December 31, 2014, foreign investors altogether held 27.39% of CPN's total paid-up capital.

Directors and executives holding CPN shares in 2014, are as follows:

No.	Name	Position	No. of Shares As at January 1, 2014		
			Direct	Indirect ⁽²⁾	Total
1.	Mr. Suthichai Chirathivat	Chairman	83,588,000	400,000	83,988,000
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	Independent Director	-	-	-
7.	Mr. Suthikiati Chirathivat	Director	83,460,400	-	83,460,400
8.	Mr. Suthichart Chirathivat	Director	12,972,400	18,636,400	31,608,800
9.	Mr. Sudhisak Chirathivat	Director	28,346,400	-	28,346,400
10.	Mr. Sudhitham Chirathivat	Director	26,764,600	-	26,764,600
11.	Mr. Kobchai Chirathivat	Director	27,105,400	100,000	27,205,400
12.	Mr. Prin Chirathivat	Director	42,145,895	192,000	42,337,895
13.	Mr. Preecha Ekkunagul	Director, President & CEO	-	3,000	3,000
14.	Ms. Wallaya Chirathivat	Senior Executive Vice President, Business Development and Project Construction	17,159,200	-	17,159,200
15.	Mr. Somchart Baramichai	Senior Executive Vice President, Operation	-	-	-
16.	Mr. Suthipak Chirathivat	Executive Vice President, Office of the President	25,589,600	-	25,589,600
17.	Ph.D. Nattakit Tangpoonsinthana	Executive Vice President, Marketing	-	-	-
18.	Mrs. Narttaya Chirathivat	Executive Vice President, Office of the President	17,084,200	-	17,084,200

Remarks: (1) The acquisition and disposition of securities were disclosed under an quarterly report on shareholding of directors and executive officers (Form 59-2).

(2) Securities held by a spouse and / or children under the legal age of directors or executive officers.

Changes in No. of Shares ⁽¹⁾ Increased/(Decreased) during 2014			No. of Shares As at December 31, 2014			Shareholding (%) As at December 31, 2014
Direct	Indirect ⁽²⁾	Total	Direct	Indirect ⁽²⁾	Total	
(80,275,200)	21,893,200	(58,382,000)	3,312,800	22,293,200	25,606,000	0.57
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
(60,814,500)	-	(60,814,500)	22,645,900	-	22,645,900	0.51
-	-	-	12,972,400	18,636,400	31,608,800	0.70
-	-	-	28,346,400	-	28,346,400	0.63
-	-	-	26,764,600	-	26,764,600	0.60
-	10,000	10,000	27,105,400	110,000	27,215,400	0.61
-	-	-	42,145,895	192,000	42,337,895	0.94
-	-	-	-	3,000	3,000	0.00
40,000	-	40,000	17,199,200	-	17,199,200	0.38
-	-	-	-	-	-	-
-	-	-	25,589,600	-	25,589,600	0.57
-	-	-	-	-	-	-
15,000	-	15,000	17,099,200	-	17,099,200	0.38

No.	Name	Position	No. of Shares As at January 1, 2014		
			Direct	Indirect ⁽²⁾	Total
19.	Mrs. Panida Sooksridakul	Executive Vice President, Property Management	-	-	-
20.	Major Narit Ratanaphichetchai	Executive Vice President, Project Development 1	40,000	-	40,000
21.	Ms. Naparat Sriwanvit	Executive Vice President, Finance, Accounting and Risk Management	54,000	-	54,000
22.	Flt.Lt. Kree Dejchai	Executive Vice President, Special Project Development	-	-	-
23.	Mrs. April Srivikorn	Executive Vice President, Corporate Strategy	-	-	-
24.	Mrs. Suwadee Singngam	Senior Vice President, Accounting and Administration	20,000	48,000	68,000

Remarks: (1) The acquisition and disposition of securities were disclosed under an quarterly report on shareholding of directors and executive officers (Form 59-2).
(2) Securities held by a spouse and / or children under the legal age of directors or executive officers.

Changes in No. of Shares ⁽¹⁾ Increased/(Decreased) during 2014			No. of Shares As at December 31, 2014			Shareholding (%) As at December 31, 2014
Direct	Indirect ⁽²⁾	Total	Direct	Indirect ⁽²⁾	Total	
-	-	-	-	-	-	-
(10,000)	-	(10,000)	30,000	-	30,000	0.00
-	-	-	54,000	-	54,000	0.00
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	20,000	48,000	68,000	0.00

2. 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.





RESPONSIBILITY OF THE BOARD OF DIRECTORS TO THE FINANCIAL STATEMENTS

The Board of Directors of Central Pattana Public Company Limited (“the Company”) is responsible for the consolidated financial statements of the Company and its subsidiaries as well as financial information as presented in the annual report. The financial statements are prepared in conformity 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 statements.

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 statements of the Company and its subsidiaries as of December 31, 2014.



Mr. Suthichai Chirathivat
Chairman



Mr. Preecha Ekkunagul
Director
President & CEO

CENTRAL PATTANA PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES

FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31 DECEMBER 2014
AND INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Central Pattana Public Company Limited

I have audited the accompanying consolidated and separate financial statements of Central Pattana Public Company Limited and its subsidiaries (the “Group”), and of Central Pattana Public Company Limited, (the “Company”), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2014, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes comprising a summary of significant accounting policies and other explanatory information.

Management’s Responsibility for the Consolidated and Separate Financial Statements

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

Auditor’s Responsibility

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

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

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

Opinion

In my opinion, the consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2014 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.



(Thanit Osathalert)
Certified Public Accountant
Registration No. 5155

KPMG Phoomchai Audit Ltd.
Bangkok
20 February 2015

Central Pattana Public Company Limited and its Subsidiaries

Statement of financial position

Assets	Note	Consolidated financial statements		Separate financial statements	
		31 December 2014	31 December 2013	31 December 2014	31 December 2013
<i>(in Baht)</i>					
Current assets					
Cash and cash equivalents	5	2,487,781,567	1,752,178,399	1,743,814,177	699,184,185
Current investments	6	1,285,220,512	117,010,721	1,144,837,577	3,560,000
Trade accounts receivable	4, 7	1,404,324,122	1,229,673,788	756,595,427	626,979,232
Other receivables	4, 8	1,840,825,306	2,400,239,657	1,153,717,314	1,667,212,440
Short-term loans to related parties	4	-	-	69,349,014	88,124,293
Total current assets		7,018,151,507	5,499,102,565	4,868,313,509	3,085,060,150
Non-current assets					
Investments in subsidiaries and funds	9	-	-	22,783,141,100	21,807,139,780
Investment in associates	10	5,443,526,858	3,354,239,257	7,578,673,686	5,544,768,726
Investment in jointly-controlled entities		-	-	-	-
Long-term investments related parties	11	66,250,000	-	-	-
Other long-term investments	6	2,217,827	2,218,702	1,000,000	1,000,000
Long-term loans to related parties	4	-	-	12,670,446,871	13,234,089,917
Investment properties	12	60,927,249,949	53,575,156,506	23,070,219,321	16,483,119,890
Property, plant and equipment	13	2,140,491,324	2,352,903,164	364,245,410	370,262,316
Leasehold rights	14	11,795,158,799	11,456,563,951	6,453,411,814	5,803,275,519
Asset usage rights	15	122,588,750	127,264,252	-	-
Deferred tax assets	16	731,388,996	745,362,460	153,144,174	130,091,727
Other non-current assets	4, 17	788,163,715	425,963,382	254,605,877	302,056,699
Total non-current assets		82,017,036,218	72,039,671,674	73,328,888,253	63,675,804,574
Total assets		89,035,187,725	77,538,774,239	78,197,201,762	66,760,864,724

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

Central Pattana Public Company Limited and its Subsidiaries

Statement of financial position

Liabilities and equity	Note	Consolidated financial statements		Separate financial statements	
		31 December 2014	31 December 2013	31 December 2014	31 December 2013
<i>(in Baht)</i>					
Current liabilities					
Loan from financial institution	18	200,000,000	900,000,000	200,000,000	900,000,000
Trade accounts payable	4, 19	828,393,324	598,412,053	508,218,871	320,375,333
Other payables	4, 20	4,890,294,549	5,157,203,879	2,003,654,507	2,089,577,028
Short-term loans from related parties	4, 18	4,387,061	4,159,962	11,944,597,420	3,377,972,226
Current portion of long-term loans	18	4,478,722,000	5,153,567,000	3,962,580,000	3,982,225,000
Current portion of unearned rental and service income		688,904,684	317,870,781	117,955,178	110,080,547
Income tax payable		253,605,371	547,968,060	-	171,087,007
Contractor payables		2,782,184,394	2,779,050,202	1,690,408,909	1,507,126,206
Total current liabilities		14,126,491,383	15,458,231,937	20,427,414,885	12,458,443,347
Non-current liabilities					
Long-term loans from related parties	4, 18	-	-	3,484,191,061	3,421,792,207
Other long-term loans payable	18	11,339,939,680	13,788,036,680	11,141,510,000	11,363,465,000
Deferred tax liabilities	16	139,265,420	155,447,688	-	-
Employee benefit obligations	21	193,475,849	171,551,584	167,229,865	145,352,171
Unearned rental and service income		14,830,725,268	4,941,489,040	696,014,602	714,089,098
Deposits received from customers		5,395,426,934	5,184,958,035	2,132,399,811	1,729,844,137
Long-term provisions		39,967,449	-	39,967,449	-
Guarantees for leasehold rights	4	1,221,974,671	1,015,418,010	947,597,059	774,714,219
Total non-current liabilities		33,160,775,271	25,256,901,037	18,608,909,847	18,149,256,832
Total liabilities		47,287,266,654	40,715,132,974	39,036,324,732	30,607,700,179

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

Central Pattana Public Company Limited and its Subsidiaries

Statement of financial position

	Note	Consolidated financial statements		Separate financial statements	
		31 December 2014	31 December 2013	31 December 2014	31 December 2013
<i>(in Baht)</i>					
Liabilities and equity					
Equity					
Share capital	22				
Authorised share capital		<u>2,244,000,000</u>	<u>2,244,000,000</u>	<u>2,244,000,000</u>	<u>2,244,000,000</u>
Issued and paid-up share capital		2,244,000,000	2,244,000,000	2,244,000,000	2,244,000,000
Premium on ordinary shares		8,558,557,850	8,558,557,850	8,558,557,850	8,558,557,850
Retained earnings					
Appropriated for legal reserve	23	224,400,000	224,400,000	224,400,000	224,400,000
Unappropriated		30,033,795,650	25,195,199,173	28,131,064,536	25,123,672,051
Other components of equity	23	<u>(40,044,888)</u>	<u>(43,736,017)</u>	<u>2,854,644</u>	<u>2,534,644</u>
Equity attributable to owners of the Company		41,020,708,612	36,178,421,006	39,160,877,030	36,153,164,545
Non-controlling interests		<u>727,212,459</u>	<u>645,220,259</u>	-	-
Total equity		<u>41,747,921,071</u>	<u>36,823,641,265</u>	<u>39,160,877,030</u>	<u>36,153,164,545</u>
Total liabilities and equity		<u>89,035,187,725</u>	<u>77,538,774,239</u>	<u>78,197,201,762</u>	<u>66,760,864,724</u>

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

Central Pattana Public Company Limited and its Subsidiaries

Statement of comprehensive income

	Note	Consolidated financial statements		Separate financial statements	
		For the year ended		For the year ended	
		2014	2013	2014	2013
		(in Baht)			
Income					
Revenue from rent and services	4	20,374,891,383	18,128,314,102	9,176,390,819	7,085,786,442
Revenue from food and beverage	4	974,774,728	881,882,893	105,984,604	13,347,698
Revenue from hotel operation		957,875,577	902,978,834	-	-
Investment income	4, 25	61,441,989	97,655,779	4,254,960,688	2,834,396,467
Other income	4, 26	1,583,861,906	1,698,192,611	1,396,250,075	1,322,387,916
Total income		23,952,845,583	21,709,024,219	14,933,586,186	11,255,918,523
Expenses					
Cost of rent and services	4	10,521,874,336	9,541,895,158	5,408,015,507	4,249,972,148
Cost of food and beverage	4	779,659,998	690,764,382	84,197,266	10,543,143
Cost of hotel operation		314,706,536	308,964,107	-	-
Administrative expenses	4, 27	3,666,737,678	3,445,545,818	2,396,666,415	2,256,738,444
Finance costs	4, 30	676,751,105	812,532,817	1,131,852,165	906,356,612
Total expenses		15,959,729,653	14,799,702,282	9,020,731,353	7,423,610,347
Share of profit (loss)					
Associates	10	813,751,247	686,122,862	-	-
Jointly-controlled entities		(479,755)	(191,368)	-	-
Total		813,271,492	685,931,494	-	-
Profit before income tax expense		8,806,387,422	7,595,253,431	5,912,854,833	3,832,308,176
Income tax expense	31	(1,378,041,110)	(1,206,049,820)	(437,106,183)	(330,695,478)
Profit for the year		7,428,346,312	6,389,203,611	5,475,748,650	3,501,612,698
Other comprehensive income					
Foreign currency translation differences for foreign operations		1,438,915	28,971	-	-
Net change in fair value of available-for-sale investments		2,252,214	1,912,203	320,000	(350,000)
Defined benefit plan actuarial losses, net of income tax		-	(13,912,117)	-	(11,241,147)
Other comprehensive income for the year, net of income tax		3,691,129	(11,970,943)	320,000	(11,591,147)
Total comprehensive income for the year		7,432,037,441	6,377,232,668	5,476,068,650	3,490,021,551

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

Central Pattana Public Company Limited and its Subsidiaries

Statement of comprehensive income

	Note	Consolidated financial statements		Separate financial statements	
		For the year ended 31 December		For the year ended 31 December	
		2014	2013	2014	2013
<i>(in Baht)</i>					
Profit attributable to:					
Owners of the Company		7,306,952,642	6,292,529,045	5,475,748,650	3,501,612,698
Non-controlling interests		121,393,670	96,674,566	-	-
Profit for the year		<u>7,428,346,312</u>	<u>6,389,203,611</u>	<u>5,475,748,650</u>	<u>3,501,612,698</u>
Total comprehensive income attributable to:					
Owners of the Company		7,310,643,771	6,280,558,102	5,476,068,650	3,490,021,551
Non-controlling interests		121,393,670	96,674,566	-	-
Total comprehensive income for the year		<u>7,432,037,441</u>	<u>6,377,232,668</u>	<u>5,476,068,650</u>	<u>3,490,021,551</u>
Basic earnings per share	32	<u>1.63</u>	<u>1.42</u>	<u>1.22</u>	<u>0.79</u>

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

Central Pattana Public Company Limited and its Subsidiaries
Statement of changes in equity

	Consolidated financial statements											
	Retained earnings					Other components of equity					Total equity	
	Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated	Currency translation differences	Fair value changes in available-for-sale investments (in Baht)	Reserve on business combination involving entities under common control	Total other components of equity	Equity attributable to owners of the Company	Non-controlling interests		
Year ended 31 December 2013												
Balance at 1 January 2013	2,178,816,000	2,007,565,850	217,881,600	20,992,843,892	(1,081,794)	9,776,378	(54,371,775)	(45,677,191)	25,351,430,151	548,544,093	25,899,974,244	
Transactions with owners, recorded directly in equity												
<i>Contributions by and distributions to owners of the Company</i>												
Issue of ordinary shares	65,184,000	6,550,992,000	-	-	-	-	-	-	6,616,176,000	-	6,616,176,000	
Dividends to owners of the Company	-	-	-	(2,069,743,247)	-	-	-	-	(2,069,743,247)	-	(2,069,743,247)	
Total contributions by and distributions to owners of the Company	65,184,000	6,550,992,000	-	(2,069,743,247)	-	-	-	-	4,546,432,753	-	4,546,432,753	
Changes in ownership interests in subsidiary												
Acquisition of non-controlling interests without a change in control	-	-	-	-	-	-	-	-	-	1,600	1,600	
Total changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	-	-	1,600	1,600	
Comprehensive income for the year												
Profit	-	-	-	6,292,529,045	-	-	-	-	6,292,529,045	96,674,566	6,389,203,611	
Other comprehensive income	-	-	-	(13,912,117)	28,971	1,912,203	-	1,941,174	(11,970,943)	-	(11,970,943)	
Total comprehensive income for the year	-	-	-	6,278,616,928	28,971	1,912,203	-	1,941,174	6,280,558,102	96,674,566	6,377,232,668	
Transfer to legal reserve	-	-	6,518,400	(6,518,400)	-	-	-	-	-	-	-	
Balance at 31 December 2013	2,244,000,000	8,558,557,850	224,400,000	25,195,199,173	(1,052,823)	11,688,581	(54,371,775)	(43,736,017)	36,178,421,006	645,220,259	36,823,641,265	

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

Central Pattana Public Company Limited and its Subsidiaries
Statement of changes in equity

	Consolidated financial statements											
	Retained earnings					Other components of equity						
	Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated	Currency translation differences	Fair value changes in available-for-sale investments (in Baht)	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 equity	
Year ended 31 December 2014												
Balance at 1 January 2014	2,244,000,000	8,558,557,850	224,400,000	25,195,199,173	(1,052,823)	11,688,581	(54,371,775)	(43,756,017)	36,178,421,006	645,220,259	36,823,641,265	
Transactions with owners, recorded directly in equity												
<i>Contributions by and distributions to owners of the Company</i>												
Dividends to owners of the Company	-	-	-	(2,468,356,165)	-	-	-	-	(2,468,356,165)	(39,400,150)	(2,507,756,315)	
<i>Total contributions by and distributions to owners of the Company</i>	-	-	-	(2,468,356,165)	-	-	-	-	(2,468,356,165)	(39,400,150)	(2,507,756,315)	
Changes in ownership interests in subsidiary												
Acquisition of non-controlling interests without a change in control	-	-	-	-	-	-	-	-	-	(1,320)	(1,320)	
Total changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	-	-	(1,320)	(1,320)	
Comprehensive income for the year												
Profit	-	-	-	7,306,952,642	-	-	-	-	7,306,952,642	121,393,670	7,428,346,312	
Other comprehensive income	-	-	-	-	1,438,915	2,252,214	-	3,691,129	3,691,129	-	3,691,129	
Total comprehensive income for the year	-	-	-	7,306,952,642	1,438,915	2,252,214	-	3,691,129	7,310,643,771	121,393,670	7,432,037,441	
Balance at 31 December 2014	2,244,000,000	8,558,557,850	224,400,000	30,033,795,650	386,092	13,940,795	(54,371,775)	(40,044,888)	41,020,708,612	727,212,459	41,747,921,071	

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

Central Pattana Public Company Limited and its Subsidiaries
Statement of changes in equity

	Separate financial statements							Total equity
	Retained earnings	Other comprehensive income	Fair value changes in available-for-sale investments					
			Legal reserve	Share premium	Unappropriated (in Baht)	Legal reserve	Unappropriated investments	
Note	Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated (in Baht)	Other comprehensive income	Fair value changes in available-for-sale investments	Total equity	
Year ended 31 December 2013								
Balance at 1 January 2013	2,178,816,000	2,007,565,850	217,881,600	23,709,562,147	2,884,644	28,116,710,241		
Transactions with owners, recorded directly in equity								
<i>Contributions by and distributions to owners of the Company</i>								
Issue of ordinary shares	65,184,000	6,550,992,000	-	-	-	6,616,176,000		
Dividends to owners of the Company	-	-	-	(2,069,743,247)	-	(2,069,743,247)		
Total contributions by and distributions to owners of the Company	65,184,000	6,550,992,000	-	(2,069,743,247)	-	4,546,432,753		
Comprehensive income for the year								
Profit	-	-	-	3,501,612,698	-	3,501,612,698		
Other comprehensive income	-	-	-	(11,241,147)	(350,000)	(11,591,147)		
Total comprehensive income for the year	-	-	-	3,490,371,551	(350,000)	3,490,021,551		
Transfer to legal reserve	-	-	6,518,400	(6,518,400)	-	-		
Balance at 31 December 2013	2,244,000,000	8,558,557,850	224,400,000	25,123,672,051	2,534,644	36,153,164,545		

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

Central Pattana Public Company Limited and its Subsidiaries

Statement of changes in equity

		Separate financial statements					Total equity
		Retained earnings	Other comprehensive income				
Note	Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated investments	Fair value changes in available-for-sale investments		
Year ended 31 December 2014							
	2,244,000,000	8,558,557,850	224,400,000	25,123,672,051	2,534,644	36,153,164,545	
Balance at 1 January 2014							
Transactions with owners, recorded directly in equity							
<i>Contributions by and distributions to owners of the Company</i>							
33	-	-	-	(2,468,356,165)	-	(2,468,356,165)	
Total contributions by and distributions to owners of the Company							
	-	-	-	(2,468,356,165)	-	(2,468,356,165)	
Comprehensive income for the year							
	-	-	-	5,475,748,650	-	5,475,748,650	
	-	-	-	-	320,000	320,000	
Total comprehensive income for the year							
	-	-	-	5,475,748,650	320,000	5,476,068,650	
Balance at 31 December 2014							
	2,244,000,000	8,558,557,850	224,400,000	28,131,064,536	2,854,644	39,160,877,030	

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

Central Pattana Public Company Limited and its Subsidiaries

Statement of cash flows

	Consolidated financial		Separate financial	
	statements		statements	
	For the year ended 31 December		For the year ended 31 December	
	2014	2013	2014	2013
	<i>(in Baht)</i>			
<i>Cash flows from operating activities</i>				
Profit for the year	7,428,346,312	6,389,203,611	5,475,748,650	3,501,612,698
<i>Adjustments for</i>				
Depreciation	3,075,217,361	2,613,640,472	941,418,950	485,897,859
Amortisation of leasehold right	943,961,417	1,070,064,933	560,706,700	540,123,669
Reversal of allowance for impairment of assets	-	(377,333,334)	-	(177,704,852)
Foreign currency translation differences for foreign operations	1,438,915	28,971	-	-
Reversal of allowance for impairment of investments	(66,250,000)	-	-	-
Investment income	(61,441,989)	(97,655,779)	(4,254,960,688)	(2,834,396,467)
Finance costs	676,751,105	812,532,817	1,131,852,165	906,356,612
Allowance for doubtful accounts (reversal)	4,995,182	(3,358,920)	4,646,925	1,178,028
(Gain) loss on disposal of assets	(2,180,255)	746,822	(241,471)	(1,657,350)
Recognition of unearned rental and service income	(781,519,670)	(387,966,727)	(138,135,165)	(130,249,711)
Employee benefit obligations	25,914,845	26,946,500	25,836,894	19,831,220
Share of profit of associates and jointly-controlled entities	(813,271,492)	(685,931,494)	-	-
Unrealised loss on exchange	6,388,200	20,753,640	-	-
Unrealised (gain) loss from financial instruments	22,039,817	(43,706,478)	(3,407,379)	(5,760,196)
Income tax expense	1,378,041,110	1,206,049,820	437,106,183	330,695,478
	<u>11,838,430,858</u>	<u>10,544,014,854</u>	<u>4,180,571,764</u>	<u>2,635,926,988</u>
<i>Changes in operating assets and liabilities</i>				
Trade accounts receivable	(179,645,516)	(599,593,083)	(134,263,120)	(310,474,544)
Other receivables	353,597,763	(905,934,607)	409,058,200	(1,163,093,222)
Other non-current assets	(356,852,821)	(48,603,076)	52,838,443	(86,730,600)
Trade accounts payable	229,981,271	582,193,119	187,843,538	199,661,399
Other payables	(80,343,929)	972,937,948	(393,601)	1,130,082,412
Unearned rental and service income	11,041,789,801	614,083,147	127,935,300	165,451,765
Deposits from customers received	1,415,366,718	1,420,021,361	884,328,528	637,950,473
Repayment of deposits received from customers	(1,204,897,819)	(737,310,288)	(481,772,854)	(169,172,948)
Guarantee for leasehold prepayment	387,400,000	372,100,000	249,000,000	340,100,000
Employee benefits obligations paid	(3,990,580)	(761,490)	(3,959,200)	(680,400)
Cash generated from operating activities	<u>23,440,835,746</u>	<u>12,213,147,885</u>	<u>5,471,186,998</u>	<u>3,379,021,323</u>
Income tax paid	<u>(1,674,612,605)</u>	<u>(1,188,159,928)</u>	<u>(646,805,078)</u>	<u>(476,961,899)</u>
Net cash from operating activities	<u>21,766,223,141</u>	<u>11,024,987,957</u>	<u>4,824,381,920</u>	<u>2,902,059,424</u>

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

Central Pattana Public Company Limited and its Subsidiaries

Statement of cash flows

	Consolidated financial		Separate financial	
	statements		statements	
	For the year ended 31 December		For the year ended 31 December	
	2014	2013	2014	2013
	<i>(in Baht)</i>			
<i>Cash flows from investing activities</i>				
Interest received	55,452,910	92,602,722	545,480,472	670,143,265
Dividends received	758,498,606	640,802,827	3,726,748,521	2,487,380,594
(Increase) decrease in current investments	(1,165,957,577)	1,198,410,968	(1,140,957,577)	1,198,214,172
Purchase of investments in subsidiary, fund, associates, and jointly-controlled entities	(2,033,904,960)	-	(3,033,906,280)	(1,998,999)
Proceeds from redemption of investment units in funds	-	-	24,000,000	24,664,000
Loans to related parties	-	-	(5,030,966,779)	(4,645,953,620)
Loans repaid by related parties	-	-	5,634,608,384	4,933,160,452
Purchase of investment properties	(8,524,399,880)	(8,424,820,191)	(6,263,959,361)	(6,105,061,830)
Purchase of property, plant and equipment	(126,455,967)	(249,692,434)	(81,865,024)	(113,835,332)
Purchase leasehold rights	(1,373,930,647)	(1,020,157,387)	(1,179,967,302)	(1,366,692,311)
Sales equipment, leasehold rights and investment properties	211,033,706	65,667,190	7,315,064	43,516,740
Decrease in contractor payables	(1,654,081,215)	(1,892,859,777)	(969,194,720)	(780,937,227)
Decrease in leasehold rights payables	-	(219,292,248)	-	(219,292,248)
Net cash used in investing activities	(13,853,745,024)	(9,809,338,330)	(7,762,664,602)	(3,876,692,344)
<i>Cash flows from financing activities</i>				
Finance costs paid	(845,059,694)	(1,175,965,948)	(1,186,595,944)	(1,236,142,843)
Dividends paid	(2,507,590,041)	(2,069,545,077)	(2,468,189,892)	(2,069,545,077)
Payment for liability under financial lease	(1,281,894)	(4,612,323)	(1,281,893)	(4,612,323)
Proceeds from loans from related parties	-	-	15,763,145,679	2,308,897,588
Proceeds from borrowings	7,500,000,000	1,400,000,000	7,500,000,000	1,400,000,000
Repayment of loans from related parties	-	-	(7,182,565,276)	(1,482,651,639)
Proceeds from issue of ordinary shares	-	6,616,176,000	-	6,616,176,000
Acquisition of non-controlling interests	(1,320)	1,600	-	-
Repayments of borrowings	(11,322,942,000)	(7,123,160,520)	(8,441,600,000)	(5,804,220,000)
Net cash from (used in) financing activities	(7,176,874,949)	(2,357,106,268)	3,982,912,674	(272,098,294)
Net increase (decrease) in cash and cash equivalents	735,603,168	(1,141,456,641)	1,044,629,992	(1,246,731,214)
Cash and cash equivalents at 1 January	1,752,178,399	2,893,635,040	699,184,185	1,945,915,399
Cash and cash equivalents at 31 December	2,487,781,567	1,752,178,399	1,743,814,177	699,184,185

Central Pattana Public Company Limited and its Subsidiaries

Statement of cash flows

Non-cash transactions

During the year 2014, the Group has constructed investment properties at a total cost of Baht 10,277.9 million (2013: Baht 10,805.9 million), of which Baht 8,524.4 million was paid by cash (2013: Baht 8,424.8 million), and Baht 1,753.5 million was outstanding as payable for investment property and long-term provisions as at 31 December 2014 (2013: Baht 2,381.1 million).

During the year 2014, the Company has constructed investment properties at a total cost of Baht 7,436.2 million (2013: Baht 7,682.8 million), of which Baht 6,264.0 million was paid by cash (2013: Baht 6,105.1 million), and Baht 1,172.2 million was outstanding as payable for investment property and long-term provisions as at 31 December 2014 (2013: Baht 1,577.7 million).

During the year 2014, the Group acquired property, plant and equipment at a total cost of Baht 127.9 million (2013: Baht 284.9 million) of which Baht 126.5 million was paid by cash (2013: Baht 249.7 million), nil finance lease agreements (2013: Baht 1.9 million), and Baht 1.4 million was outstanding as payable for purchases of property, plant and equipment as at 31 December 2014 (2013: Baht 33.3 million).

During the year 2014, the Company acquired property, plant and equipment at a total cost of Baht 93.3million (2013: Baht 119.9 million) of which Baht 81.9 million was paid by cash (2013: Baht 113.8 million), nil finance lease agreements (2013: Baht 1.9 million), and Baht 11.4 million was outstanding as payable for purchases of property, plant and equipment as at 31 December 2014 (2013: Baht 4.2 million).

During the year 2014, the Group acquired leasehold rights at a total cost of Baht 1,502.4 million (2013: Baht 1,258.6 million) of which Baht 1,373.9 million was paid by cash (2013: Baht 1,020.2 million), and Baht 128.5 million was outstanding as payable for leasehold rights as at 31 December 2014 (2013: Baht 238.4 million).

During the year 2014, the Company acquired leasehold rights at a total cost of Baht 1,309.6 million (2013: Baht 1,547.1 million) of which Baht 1,180.0 million was paid by cash (2013: Baht 1,366.7 million), and Baht 129.6 million was outstanding as payable for leasehold rights as at 31 December 2014 (2013: Baht 180.4 million).

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

Central Pattana Public Company Limited and its Subsidiaries

Notes to the financial statements

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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 20 February 2015.

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 (26.2% 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, associates, jointly-control entities and related parties as at 31 December 2014 and 2013 are additional given in notes 4, 9, 10 and 11. Details are as follows:

Name of entity	Type of business	Country of incorporation	Ownership interest	
			2014	2013
			(%)	
<i>Direct subsidiaries</i>				
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
Central Pattana Chonburi Co., Ltd.	(1) (2) (4)	Thailand	100.0	100.0
CPN Construction Management Co.,Ltd.	(1)	Thailand	100.0	100.0
Central Pattana Development Co., Ltd.	(1) (2) (4)	Thailand	100.0	100.0
CPN Global Co., Ltd.	(6)	Thailand	100.0	100.0
Central Pattana Nine Square Co., Ltd.	(1) (2)	Thailand	93.3	93.3
Central Pattana Khon Kaen Co., Ltd.	(1) (2) (4)	Thailand	78.1	78.1
CPN Pattaya Co., Ltd.	(1) (2) (4) (7)	Thailand	100.0	100.0
CPN Learning Center Co., Ltd.	(9)	Thailand	100.0	100.0
CPN Rayong Co., Ltd.	(1) (2) (4)	Thailand	100.0	100.0
Korat Land Owner Co., Ltd.	(1) (2) (4)	Thailand	100.0	-

Name of entity	Type of business	Country of incorporation	Ownership interest	
			2014	2013
<i>Indirect subsidiaries</i>				
Central Play Land Co., Ltd. <i>(Liquidated on 20 March 2014)</i>	(1)	Thailand	-	100.0
Bangna Central Property Co., Ltd.	(1) to (5)	Thailand	99.9	99.9
Global Retail Development & Investment Limited	(6)	Hong Kong	100.0	100.0
Global Commercial Property Limited	(6)	Hong Kong	100.0	100.0
Central (Shanghai) Management Consulting Co.,Ltd.	(8)	China	100.0	100.0
CPN Complex Co.,Ltd.	(1) (2)	Thailand	99.9	99.9
CPN City Co.,Ltd.	(6)	Thailand	99.9	99.9
CPN Ventures Sdn. Bhd.	(8)	Malaysia	100.0	100.0
CPN Real Estate Sdn. Bhd.	(8)	Malaysia	100.0	100.0
CPN Malls Malaysia Sdn. Bhd.	(8)	Malaysia	100.0	100.0
<i>Funds</i>				
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
- (9) Training service and personnel development

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); guidelines promulgated by the Federation of Accounting Professions (“FAP”); and applicable rules and regulations of the Thai Securities and Exchange Commission.

The FAP has issued the following new and revised TFRS relevant to the Group’s operations and effective for accounting periods beginning on or after 1 January 2014:

TFRS	Topic
TAS 1 (revised 2012)	Presentation of financial statements
TAS 7 (revised 2012)	Statement of Cash Flows
TAS 12 (revised 2012)	Income Taxes
TAS 17 (revised 2012)	Leases
TAS 18 (revised 2012)	Revenue
TAS 19 (revised 2012)	Employee Benefits
TAS 21 (revised 2012)	The Effects of Changes in Foreign Exchange Rates
TAS 24 (revised 2012)	Related Party Disclosures
TAS 28 (revised 2012)	Investments in Associates
TAS 31 (revised 2012)	Interests in Joint Ventures
TAS 34 (revised 2012)	Interim Financial Reporting
TAS 36 (revised 2012)	Impairment of Assets
TAS 38 (revised 2012)	Intangible Assets
TFRS 3 (revised 2012)	Business Combinations
TFRS 5 (revised 2012)	Non-current Assets held for Sale and Discontinued Operations
TFRS 8 (revised 2012)	Operating Segments
TIC 15	Operating Leases-Incentives
TIC 27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TIC 32	Intangible Assets-Web Site Costs
TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 10	Interim Financial Reporting and Impairment

Application of these new and revised TFRS has resulted in changes in certain of the Group's accounting policies. These changes have no material effect on the financial statements.

In addition to the above new and revised TFRS, the FAP has issued a number of other new and revised TFRS which are effective for financial statements beginning on or after 1 January 2015 and have not been adopted in the preparation of these financial statements. Those new and revised TFRS that are relevant to the Group's operations are disclosed in note 40.

(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) Functional and presentation currency

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

(d) Use of estimates and 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 3(t)	Current and deferred taxation
Note 12	Valuation of investment properties
Note 14	Leasehold rights
Note 16	Utilisation of tax losses
Note 21	Measurement of defined benefit obligations
Note 36	Valuation of financial instruments
Note 37	Commitments with non-related parties
Note 38	Contingent liabilities

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all period presented in these financial statements.

(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 associates and jointly-controlled entities.

Business combinations

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 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.

Loss of control

Upon the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as an equity-accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

Associates and jointly-controlled entities

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.

Jointly-controlled entities are those entities over whose activities the Group has joint control, established by contractual agreement and requiring unanimous consent for strategic and operation decisions.

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

The consolidated financial statements include the Group's share of profit or loss and other comprehensive income of equity accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases. When the Group's share of losses exceeds its interest in an equity accounted investee, the Group's carrying amount of that interest is reduced to zero and recognition of further losses is discontinued except to the extent that the Group has an obligations or has made payments on behalf of the investee.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with associates and jointly-controlled entities 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 the functional currency at the dates of the transactions.

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

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

Foreign currency differences arising on retranslation are generally recognised in profit or loss. However, foreign currency differences arising from the retranslation of the following items are recognised in other comprehensive income:

- Available-for-sale equity investments (except on impairment in which case foreign currency differences that have been recognised in other comprehensive income are reclassified to profit or loss);
- A financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; or
- Qualifying cash flow hedges to the extent the hedge is effective.

Foreign operations

The assets and liabilities of foreign operations 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 operations are stated at exchange rates ruling on transaction dates.

The revenues and expenses of foreign operations 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 in the statements of cash flows comprise cash balances, call deposits and highly liquid short-term investments. Bank overdrafts that are repayable on demand are a component of financing activities for the purpose of the statement of cash flows.

(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, associates and jointly-controlled entities*

Investments in subsidiaries, associates and jointly-controlled entities in the separate financial statements of the Company are accounted for using the cost method. Investment in associates and jointly-controlled entities 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 profit or loss. Where these investments are interest-bearing, interest calculated using the effective interest method is recognised in profit or loss.

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

The fair value of financial instruments classified as 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
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(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. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

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

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within other income in profit or loss.

Reclassification to investment property

When the use of a property changes from owner-occupied to investment property, the property is remeasured to fair value and reclassified as investment property.

Subsequent costs

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

Depreciation

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

Depreciation is charged to profit or loss 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
Leasehold rights over land	25-40 years (over the period of lease)

(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 statements of financial 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 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 40 years
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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 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 impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(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 post-employment benefit plan under which an entity pays fixed contributions into a separate entity (Provident Fund) 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 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.

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 an 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.

Food and beverage

Revenue from food and beverage is recognised upon delivery of goods to customers.

Investments

Revenue from investments comprises dividend and interest income from bank deposits and investments.

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.

Interest income

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

(r) Finance costs

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions and contingent consideration, losses on disposal of available-for-sale financial assets, 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, over the term of the lease.

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

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 in subsidiaries and jointly-controlled entities to the extent that it is probable that they will not reverse in the foreseeable future.

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

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

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

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

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) Basic earnings per share

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

(v) Segment reporting

Segment results that are reported to the Group's CEO (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets (primarily the Company's headquarters), head office expenses, and tax assets and liabilities.

4 Related parties

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

Relationship with key management and other related parties were as follows:

Name of entities	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 26.7%
CPN Commercial Growth Leasehold Property Fund	Thailand	Associate, holding 25.0%
Central Plaza i-City Malls Malaysia Sdn. Bhd.	Malaysia	Jointly-controlled entity, holding 60.0%

Name of entities	Country of incorporation/ nationality	Nature of relationships
Central Plaza i-City Sdn. Bhd.	Malaysia	Jointly-controlled entity, holding 60.0%
Central Plaza i-City Real Estate Sdn. Bhd.	Malaysia	Jointly-controlled entity, holding 60.0%
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
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
Food 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 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 Agrocitcity Co., Ltd.	Thailand	Some common directors
Square Ritz Plaza Co., Ltd.	Thailand	Some common directors
Vantage Ground Co., Ltd.	Thailand	Some common directors
Bara,Windsor & Co.,Ltd.	Thailand	Some common directors
Spaghetti Factory Co.,Ltd.	Thailand	Some common directors
Fuji Delicious Creation Co.,Ltd.	Thailand	Some common directors
CMG Marketing Co., Ltd.	Thailand	Some common directors
CRC Thai Watsadu Co., Ltd.	Thailand	Some common directors
Central Restaurant Holding Co., Ltd.	Thailand	Some common directors
CRG International Food Co., Ltd.	Thailand	Some common directors
The Barbecue Plaza Co., Ltd.	Thailand	Some common directors

Relationships between the Company and its subsidiaries and funds are disclosed in note 1.

The 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 and other income	The rate being charged by other parties in the business
Interest charged to wholly owned subsidiaries and related parties	The average interest rate of debt securities issued by the Company
Cost of rent and services	Market prices
Cost of food and beverage	Market prices
Administrative expenses	At cost
Management fee and leasehold rights	Contractually agreed prices
Directors' remuneration	As defined by the nomination and remuneration committee which does not exceed the amount approved by the shareholders

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

	Consolidated		Separate	
	financial statements		financial statements	
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
Revenue				
Revenue from rent and services				
Subsidiaries	-	-	72,220	85,405
Associates	334,719	105,365	4,214	1,722
Other related parties	3,601,777	3,470,001	1,727,587	1,353,985
Total	3,936,496	3,575,366	1,804,021	1,441,112
Revenue from food and beverage				
Other related parties	6,938	6,385	-	-
Total	6,938	6,385	-	-
Management income				
Subsidiaries and funds	-	-	269,194	271,052
Associates	387,763	351,403	387,763	351,403
Jointly-controlled entities	40,568	16,928	40,569	16,928
Other related parties	1,650	3,310	1,650	3,310
Total	429,981	371,641	699,176	642,693
Interest income				
Subsidiaries and funds	-	-	548,967	603,954
Other related parties	5,390	3,870	5,390	3,890
Total	5,390	3,870	554,357	607,844
Dividend income				
Subsidiaries and funds	-	-	2,924,369	1,522,680
Associates	-	-	758,368	640,673
Total	-	-	3,682,737	2,163,353

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
Other income				
Subsidiaries and funds	-	-	157,539	155,349
Associates	205,269	16,292	171,516	16,292
Other related parties	149,167	95,736	55,357	30,602
Total	354,436	112,028	384,412	202,243
Expenses				
Cost of rent and services				
Subsidiaries and funds	-	-	258,749	249,247
Associates	5,664	3,289	3,039	1,811
Other related parties	547,262	527,939	535,610	524,197
Total	552,926	531,228	797,398	775,255
Cost of food and beverage				
Subsidiaries and funds	-	-	242	-
Associates	38,705	29,128	-	-
Other related parties	18	9	11	-
Total	38,723	29,137	253	-
Management fees				
Other related parties	154,427	137,458	142,794	126,756
Administrative expenses				
Subsidiaries and funds	-	-	23,443	27,933
Associates	45,318	50,553	45,318	50,553
Other related parties	65,551	19,415	54,166	15,925
Total	110,869	69,968	122,927	94,411
Interest expense				
Subsidiaries	-	-	493,660	262,147
Other related parties	227	215	-	-
Total	227	215	493,660	262,147

Key management personnel compensation

Key management personnel compensation for the years ended 31 December consist of:

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
Short-term benefits	136,266	121,684	136,266	121,684
Long-term benefits	3,055	2,855	3,055	2,855
Total	139,321	124,539	139,321	124,539

Significant balances as at 31 December with related parties were as follows:

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
<i>Trade accounts receivable</i>				
Subsidiaries:				
Central Pattana Rattanathibet Co., Ltd.	-	-	3,633	4,638
Central Pattana Khon Kaen Co., Ltd.	-	-	3,781	4,316
Central World Co., Ltd.	-	-	11,087	5,310
Central Pattana Chonburi Co., Ltd.	-	-	2,931	3,830
Central Pattana Development Co, Ltd.	-	-	6,379	8,015
Central Pattana Chiangmai Co., Ltd.	-	-	1,754	5,525
Bangna Central Property Co., Ltd.	-	-	4,112	4,868
Central Food Avenue Co.,Ltd.	-	-	252	609
Central Pattana Rama 2 Co., Ltd.	-	-	430	391
Central Realty Service Co., Ltd.	-	-	6,671	14,639
Central Pattana Nine Square Co.,Ltd.	-	-	4,955	5,237
The Thai Business Fund 4	-	-	397	1,325
CPN Pattaya Co.,Ltd.	-	-	5,046	6,077
CPN Learning Center Co., Ltd.	-	-	32	165
Central Pattana Rama 3 Co., Ltd.	-	-	2,111	1,118
Langsuan Realty Co., Ltd.	-	-	276	296
Total subsidiaries	-	-	53,847	66,359
Other related parties:				
Central Department Store's Group	207,558	147,160	105,270	59,550
Others	156,730	58,734	90,966	32,537
Total other related parties	364,288	205,894	196,236	92,087
Total	364,288	205,894	250,083	158,446
<i>Accrued dividend income</i>				
Subsidiaries:				
The Thai Business Fund 4	-	-	70,691	119,056
The Thai Business Fund 5	-	-	28,497	23,865
Total	-	-	99,188	142,921
<i>Accrued interest income:</i>				
Subsidiaries:				
The Thai Business Fund 4	-	-	1,509	1,596
The Thai Business Fund 5	-	-	196	260
Other related party:				
Siam Retail Development Co., Ltd.	135,456	135,456	135,456	135,456
Total	135,456	135,456	137,161	137,312

Loans to related parties

	Interest rate 2014 2013 (% per annum)		Consolidated		Separate	
			financial statements		financial statements	
			2014	2013	2014	2013
				(in thousand Baht)		
Short-term loans to						
Subsidiaries:						
The Thai Business Fund 5	4.25	4.34	-	-	54,380	71,078
CPN Global Co., Ltd.	3.92	4.26	-	-	14,467	9,020
CPN Learning Center Co., Ltd.	3.92	4.26	-	-	502	8,026
Total short-term loans			-	-	69,349	88,124
Long-term loans to						
Subsidiaries:						
Central World Co., Ltd.	3.92	4.26	-	-	8,145,434	8,376,391
Central Pattana Development Co, Ltd.	3.92	4.26	-	-	2,163,126	2,867,971
Central Food Avenue Co., Ltd.	3.92	4.26	-	-	15,263	15,694
Central Pattana Khon Kaen Co., Ltd.	3.92	4.26	-	-	44,382	278,506
Central Pattana Chonburi Co., Ltd.	-	4.26	-	-	-	187,877
Langsuan Realty Co., Ltd.	3.92	4.26	-	-	1,235,014	939,196
CPN Pattaya Co., Ltd.	-	4.26	-	-	-	221,430
CPN Rayong Co., Ltd.	3.92	4.26	-	-	349,665	347,025
Korat Land Owner Co., Ltd.	3.92	-	-	-	717,563	-
Total long-term loans			-	-	12,670,447	13,234,090
Total loans to related parties			-	-	12,739,796	13,322,214
Summary of loans to related parties						
Short-term loans			-	-	69,349	88,124
Long-term loans			-	-	12,670,447	13,234,090
			-	-	12,739,796	13,322,214
Less allowance for doubtful accounts			-	-	-	-
Total loans to related parties, net			-	-	12,739,796	13,322,214

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

	Consolidated		Separate	
	financial statements		financial statements	
	2014	2013	2014	2013
			(in thousand Baht)	
Short-term loans to				
Subsidiaries				
At 1 January	-	-	88,124	82,148
Increase				
- Principal	-	-	6,574	32,454
- Interest	-	-	445	290
Decrease				
- Principal	-	-	(24,719)	(26,546)
- Interest	-	-	(1,075)	(222)
At 31 December	-	-	69,349	88,124

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
Long-term loans to Subsidiaries				
At 1 January	-	-	13,234,090	13,531,655
Increase				
- Principal	-	-	5,024,393	4,613,500
- Interest	-	-	527,491	577,931
Decrease				
- Principal	-	-	(5,609,890)	(4,906,614)
- Interest	-	-	(505,637)	(582,382)
At 31 December	-	-	12,670,447	13,234,090

Loans to subsidiaries are unsecured and denominated in Thai Baht. All loans bear interest at the average interest rate of debt securities issued by the Company. Loans to funds carry interest at the rates ranging from 3.0 % to 5.0 % per annum.

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
Trade accounts payable				
Subsidiaries:				
Central World Co., Ltd.	-	-	2,190	4,182
Central Realty Service Co., Ltd.	-	-	1,202	-
The Thai Business Fund 4	-	-	6,416	878
Central Pattana Nine Square Co.,Ltd.	-	-	1,150	1,131
Central Pattana Khon Kaen Co., Ltd.	-	-	1,128	2,191
Central Pattana Chiangmai Co., Ltd.	-	-	1,533	1,017
Bangna Central Property Co., Ltd.	-	-	228	880
Central Pattana Development Co, Ltd.	-	-	887	2,989
Central Pattana Rattanathibet Co., Ltd.	-	-	672	2,726
Central Pattana Chonburi Co., Ltd.	-	-	643	393
Central Pattana Rama 2 Co., Ltd.	-	-	21	-
CPN Pattaya Co., Ltd.	-	-	760	1,012
CPN Learning Center Co., Ltd.	-	-	71	669
CPN Rayong Co., Ltd.	-	-	15	-
Total subsidiaries	-	-	16,916	18,068
Other related parties:				
Central Department Store's Group	27,979	3,705	21,416	3,086
Others	34,865	27,396	26,867	21,079
Total related parties	62,844	31,101	48,283	24,165
Total	62,844	31,101	65,199	42,233
Guarantees for leasehold rights				
Other related party:				
Central Department Store's Group	1,209,410	1,015,418	947,597	774,714

Loans from related parties

	Interest rate		Consolidated		Separate	
	2014	2013	financial statements		financial statements	
	(% per annum)		2014	2013	2014	2013
			(in thousand Baht)			
Short-term loans from						
Subsidiaries:						
Central Pattana Nine Square Co.,Ltd.	3.92	4.26	-	-	401,225	2,089,664
CPN Construction Management Co., Ltd.	3.92	4.26	-	-	1,080	10,105
Central Pattana Chiangmai Co., Ltd.	3.92	4.26	-	-	9,886,313	413,379
Central Realty service Co., Ltd.	3.92	4.26	-	-	18,379	53,192
The Thai Business Fund 4	2.50	2.55	-	-	761,103	661,104
Central Pattana Rattana Thibet Co., Ltd.	3.92	4.26	-	-	471,718	150,528
CPN Pattaya Co., Ltd.	3.92	-	-	-	272,346	-
Central Pattana Chonburi Co., Ltd.	3.92	-	-	-	132,433	-
Other related parties:						
Others	5.50	5.50	4,387	4,160	-	-
Total short-term loans			4,387	4,160	11,944,597	3,377,972
Long-term loans from						
Subsidiaries:						
Central Pattana Rama 3 Co., Ltd.	3.92	4.26	-	-	1,681,675	1,596,747
Central Pattana Rama 2 Co., Ltd.	3.92	4.26	-	-	1,802,516	1,825,045
Total long-term loans			-	-	3,484,191	3,421,792
Total loans from related parties			4,387	4,160	15,428,788	6,799,764

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

	Consolidated		Separate	
	financial statements		financial statements	
	2014	2013	2014	2013
	(in thousand Baht)			
Short-term loans from				
Subsidiaries				
At 1 January	-	-	3,377,972	2,603,184
Increase				
- Principal	-	-	14,904,386	2,182,897
- Interest	-	-	316,913	100,237
Decrease				
- Principal	-	-	(6,372,928)	(1,402,652)
- Interest	-	-	(281,746)	(105,694)
At 31 December	-	-	11,944,597	3,377,972
Other related parties				
At 1 January	4,160	3,945	-	-
Increase				
- Interest	227	215	-	-
At 31 December	4,387	4,160	-	-

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
Total short-term loans from related parties				
At 1 January	4,160	3,945	3,377,972	2,603,184
Increase				
- Principal	-	-	14,904,386	2,182,897
- Interest	227	215	316,913	100,237
Decrease				
- Principal	-	-	(6,372,928)	(1,402,652)
- Interest	-	-	(281,746)	(105,694)
At 31 December	<u>4,387</u>	<u>4,160</u>	<u>11,944,597</u>	<u>3,377,972</u>

**Long-term loans from
Subsidiaries**

At 1 January	-	-	3,421,792	3,378,903
Increase				
- Principal	-	-	858,760	126,000
- Interest	-	-	150,515	145,685
Decrease				
- Principal	-	-	(809,637)	(80,000)
- Interest	-	-	(137,239)	(148,796)
At 31 December	<u>-</u>	<u>-</u>	<u>3,484,191</u>	<u>3,421,792</u>

Loans from related parties are unsecured and denominated in Thai Baht. 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 3.0 % to 6.0 % per annum.

Commitments with related parties

As at 31 December the Group has entered into service and premise lease agreements with related parties. The rental and service fees are payable as follows:

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(in million Baht)</i>			
Non-cancellable operating lease commitments				
Within one year	626	598	866	618
After one year but within five years	3,215	2,962	4,175	3,042
After five years	13,520	14,399	16,639	14,678
Total	<u>17,361</u>	<u>17,959</u>	<u>21,680</u>	<u>18,338</u>

The Group entered into the 2 land lease agreements with Central Department Store Co., Ltd., a related party, for a period of 30 years ending in 2023 and 2024.

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 ending in December 2032. According to the agreement, the sub-lessee agreed to use land and its constructions a hotel, a parking and a convention hall project.

Thai Business Fund 4

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 utilities system sublease contract. The lease agreement was for a period of 30 years and ending in December 2032. Under the conditions of the contract, Central World Co., Ltd. had to make an advance lump sum payment of unearned leasehold right in advance of Baht 80 million and monthly rent as stated in the contract to TBF4. Central World had Central Pattana Public Company Limited (“CPN”) as a guarantor. Moreover, TBF4 entered into a real estate management contract with Central World Co., Ltd., the property management fee is charged as specified in the contract.

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.

According to the 4th TBF4’s unitholders’ resolution on 7 September 2012, the unitholders had an unanimous resolution to terminate the sublease offices contract with Central World Co., Ltd. and approved to enter into new sublease office contracts with Property Fund Type I and CPN and Central World Co., Ltd. and amended the real estate management contract with CPN.

As a result, on 14 September 2012, TBF4 terminated the sublease office contract of The Offices at Central World. TBF4 had obligation to pay compensation in amount of Baht 3,530.3 million for investment in system and development of offices building by Central World and contract termination. TBF4 had entered into sub-lease contract with CPN Commercial Growth Leasehold Property Fund (“CPNCG”) for part of land and office integrated components, related equipment and system including right for the use of the parking spaces at The Offices at Central World. The contract covered for a period of 20 years up until 22 December 2032. In addition, TBF4 had entered into sublease contracts with CPN and Central World Co., Ltd for parts of office building. The contracts covered the period 14 September 2012 to 22 December 2032 and 14 September 2012 to 23 December 2012, respectively.

On 25 September 2013, the Fund entered into a memorandum for the cancellation of a certain land leasehold under the agreement with The Crown Property Bureau and subsequent appointment to Central Pattana Public Company Limited as the new lessee of the lease directly with The Crown Property Bureau. Central Pattana Public Company Limited acquired the leasehold right to land on the cancellation under conditions in a new agreement. Therefore, to compensate the Fund for the loss of the leasehold right to land of the cancellation of certain land lease. Central Pattana Public Company Limited agreed to pay compensation to the Fund in amount of Baht 502 million by payments of Baht 425 million on 15 December 2013 and Baht 77 million in January 2033.

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 (“the lessor”) 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 lessee”) upon expiry of the agreement together with certain equipment specified in the lease agreement.

Central West Gate

In January 2013, the Company entered into a land lease agreement with Vantage Ground Co., Ltd., a related party, for the construction of shop buildings for lease with a period of 30 years ending on 18 February 2043. Under the conditions of the agreement, the Company had to pay rental in the amount of Baht 654.9 million and pay the annual rent throughout the agreement period totalling Baht 4,443.7 million. The lease can be renewed for another 10-years, at the rate and the terms to be agreed upon in writing in advance not less than 2 years prior to the completion of the lease.

5 Cash and cash equivalents

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
Cash on hand	13,802	9,153	5,636	4,090
Call deposits	2,473,980	1,743,025	1,738,178	695,094
Total	<u>2,487,782</u>	<u>1,752,178</u>	<u>1,743,814</u>	<u>699,184</u>

Cash and cash equivalents of the Group and the Company as at 31 December 2014 and 2013 were denominated entirely in Thai Baht.

6 Other investments

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
Current				
Debt securities held-to-maturities	499,236	-	499,236	-
Equity securities available-for-sale	772,044	105,323	642,747	1,025
Add unrealised holding gain	13,941	11,688	2,855	2,535
	<u>1,285,221</u>	<u>117,011</u>	<u>1,144,838</u>	<u>3,560</u>
Non-current				
Other equity securities	2,218	2,219	1,000	1,000
Total	<u>1,287,439</u>	<u>119,230</u>	<u>1,145,838</u>	<u>4,560</u>

Other investments of the Group and the Company as at 31 December 2014 and 2013 were denominated entirely in Thai Baht.

7 Trade accounts receivable

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
		<i>(in thousand Baht)</i>			
Subsidiaries and other related parties	4	364,288	205,894	250,083	158,446
Other parties		1,065,455	1,044,204	513,613	470,987
Total		1,429,743	1,250,098	763,696	629,433
Less allowance for doubtful accounts		(25,419)	(20,424)	(7,101)	(2,454)
Net		<u>1,404,324</u>	<u>1,229,674</u>	<u>756,595</u>	<u>626,979</u>
Bad and doubtful debt expenses (reverse) for the year		4,995	(3,359)	4,647	1,178

Aging analyses for trade accounts receivable and deposits from overdue customers were as follows:

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
Subsidiaries and other related parties				
Within credit terms	67,806	27,969	95,178	79,871
Overdue:				
Less than 3 months	252,998	117,660	130,893	40,187
3-6 months	17,210	30,035	9,297	22,364
6-12 months	26,274	19,806	14,715	9,867
Over 12 months	-	10,424	-	6,157
Total	<u>364,288</u>	<u>205,894</u>	<u>250,083</u>	<u>158,446</u>
Deposits from overdue customers	<u>601,400</u>	<u>583,580</u>	<u>234,843</u>	<u>211,988</u>

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
Other parties				
Within credit terms	182,722	80,306	119,462	57,446
Overdue:				
Less than 3 months	637,831	678,184	268,622	308,894
3-6 months	110,812	175,010	61,264	57,587
6-12 months	62,074	74,750	50,524	28,494
Over 12 months	72,016	35,954	13,741	18,566
	<u>1,065,455</u>	<u>1,044,204</u>	<u>513,613</u>	<u>470,987</u>
Less allowance for doubtful accounts	(25,419)	(20,424)	(7,101)	(2,454)
Net	<u>1,040,036</u>	<u>1,023,780</u>	<u>506,512</u>	<u>468,533</u>
Deposits from overdue customers	<u>4,221,672</u>	<u>4,406,628</u>	<u>1,535,392</u>	<u>1,293,297</u>

The normal credit term granted by the Group and the Company ranges from 1 day to 30 days.

Trade accounts receivable of the Group and the Company as at 31 December 2014 and 2013 were denominated entirely in Thai Baht.

Deposits received from overdue customers were in excess of the overdue receivables.

8 Other receivables

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
		<i>(in thousand Baht)</i>			
Accrued income	4	740,637	793,077	448,385	451,224
Receivables from					
Revenue Department		72,144	178,902	4,287	-
Other accounts receivable		251,788	180,263	132,242	105,623
Prepaid expenses		410,939	413,748	332,786	330,696
Others		365,317	834,250	236,017	779,669
Total		<u>1,840,825</u>	<u>2,400,240</u>	<u>1,153,717</u>	<u>1,667,212</u>

9 Investments in subsidiaries and funds

	Separate financial statements	
	2014	2013
	<i>(in thousand Baht)</i>	
At 1 January	21,807,140	21,652,100
Acquisitions of investments	1,000,001	1,999
Disposal of investments and redemption of investment units	(24,000)	(24,664)
Reversal of allowance for impairment	-	177,705
At 31 December	<u>22,783,141</u>	<u>21,807,140</u>

Central (Shanghai) Management Consulting Co., Ltd.

At the Company's Board of Directors' meeting held on 21 February 2014, the Board members approved the registration of the dissolution and the liquidation of the Central (Shanghai) Management Consulting Co., Ltd. which resulted from the adjustment of the Group's investing strategy in the overseas projects.

Central Play Land Co., Ltd.

Central Play Land Co., Ltd. was registration of the dissolution on 2 September 2013 and had completed liquidation on 20 March 2014.

CPN Rayong Co., Ltd.

At the extraordinary shareholders meeting of CPN Rayong Co., Ltd. on 27 October 2014, the shareholders approved a resolution to increase the registered capital from Baht 1 million to Baht 1,000 million by reissuing the new ordinary capital as common stock, totalling 9,990,000 shares with a par value of Baht 100 each in order to use for its working capital.

Korat Land Owner Co., Ltd.

On 25 December 2014, the Company had acquired 99.94% shares of Korat Land Owner Co., Ltd. which has the authorised shares of Baht 1 million comprised of 100,000 shares with a par value of Baht 10 each, and the share capital was fully paid-up.

Investments in subsidiaries and funds as at 31 December 2014, and 2013 and dividend income from those investments for the years then ended were as follows:

	Separate financial statements											
	Ownership interest		Paid-up capital		Cost		Impairment		At cost - net		Dividend income	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
	(in million Baht)											
	(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	-	-	1,500,000	1,500,000	-	-
Central Pattana Chiangmai Co., Ltd.	100.0	100.0	1,000.0	1,000.0	1,000,000	1,000,000	-	-	1,000,000	1,000,000	659,999	170,000
Langsuan Realty Co., Ltd.	100.0	100.0	830.0	830.0	830,000	830,000	-	-	830,000	830,000	-	-
Central Pattana Rattanaathibet Co., Ltd.	100.0	100.0	800.0	800.0	589,998	589,998	-	-	589,998	589,998	182,899	-
Central Realty Service Co., Ltd.	100.0	100.0	1.0	1.0	1,000	1,000	-	-	1,000	1,000	54,997	-
Central Food Avenue Co., Ltd.	100.0	100.0	5.0	5.0	5,000	5,000	-	-	5,000	5,000	-	-
Central World Co., Ltd.	100.0	100.0	2,511.9	2,511.9	2,412,733	2,412,733	-	-	2,412,733	2,412,733	-	-
Central Pattana Rama 3 Co., Ltd.	100.0	100.0	324.7	324.7	2,166,751	2,166,751	-	-	2,166,751	2,166,751	-	-
CPN Pattaya Beach Co., Ltd.	-	-	-	-	-	-	-	-	-	-	-	172,500
Central Pattana Chonburi Co., Ltd.	100.0	100.0	900.0	900.0	808,984	808,984	-	-	808,984	808,984	-	-
CPN Construction Management Co.,Ltd.	100.0	100.0	1.0	1.0	999	999	-	-	999	999	9,993	39,972
Central Pattana Development Co., Ltd.	100.0	100.0	700.0	700.0	744,285	744,285	-	-	744,285	744,285	-	-
CPN Global Company Limited	100.0	100.0	1.0	1.0	1,000	1,000	-	-	1,000	1,000	-	-
Central Pattana Nine Square Co., Ltd.	93.3	93.3	2,400.0	2,400.0	2,239,200	2,239,200	-	-	2,239,200	2,239,200	559,600	-
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	-	-
CPN Learning Center Co., Ltd.	100.0	100.0	1.0	1.0	1,000	1,000	-	-	1,000	1,000	-	-
CPN Pattaya Co., Ltd	100.0	100.0	2,500.0	2,500.0	2,500,060	2,500,060	-	-	2,500,060	2,500,060	200,000	-
CPN Rayong Co., Ltd.	100.0	100.0	1,000.0	1,000.0	999,999	999	-	-	999,999	999	-	-
Bangna Central Property Co., Ltd.	-	-	962.5	-	1	-	-	-	1	-	-	-
Korat Land Owner Co., Ltd.	100.0	-	1.0	-	1,000	-	-	-	1,000	-	-	-
Funds												
The Thai Business Fund 4 ⁽¹⁾⁽²⁾	100.0	100.0	5,443.8	5,443.8	5,443,793	5,443,793	-	-	5,443,793	5,443,793	918,817	852,903
The Thai Business Fund 5 ⁽¹⁾	100.0	100.0	76.2	100.2	100,160	100,160	-	-	76,160	100,160	338,064	287,305
Total			22,884,646	21,908,645	21,908,645	21,908,645	(101,505)	(101,505)	22,783,141	21,807,140	2,924,369	1,522,680

⁽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*

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.

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. Such investment unit purchase had no effect on capital and proportion of units that have rights to receive the dividends (Investment units type C).

10 Investment in associates

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
At 1 January	3,354,239	3,308,789	5,544,769	5,544,769
Acquisitions	2,033,905	-	2,033,905	-
Share of net profit of investment - equity method	813,751	686,123	-	-
Dividend income	(758,368)	(640,673)	-	-
At 31 December	<u>5,443,527</u>	<u>3,354,239</u>	<u>7,578,674</u>	<u>5,544,769</u>

Investment in associates as at 31 December 2014 and 2013 and dividend income from the investment for the years then ended were as follows:

Consolidated financial statements												
<i>(in thousand Baht)</i>												
	Ownership interest (%)		Paid-up capital		Cost		Equity		Fair value of listed securities		Dividend income	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Associates												
CPN Retail Growth												
Leasehold Property Fund	26.7	27.8	24,406,208	15,763,958	6,480,076	4,446,171	4,902,234	2,820,246	9,507,399	7,142,370	674,950	553,329
CPN Commercial Growth												
Leasehold Property Fund	25.0	25.0	4,394,382	4,394,382	1,098,598	1,098,598	541,293	533,993	1,098,598	1,077,266	83,418	87,344
Total												
			7,578,674	7,578,674	7,578,674	5,544,769	5,443,527	3,354,239	10,605,997	8,219,636	758,368	640,673
Separate financial statements												
<i>(in thousand Baht)</i>												
	Ownership interest (%)		Paid-up capital		Cost		Equity		Fair value of listed securities		Dividend income	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Associates												
CPN Retail Growth												
Leasehold Property Fund	26.7	27.8	24,406,208	15,763,958	6,480,076	4,446,171	4,902,234	2,820,246	9,507,399	7,142,370	674,950	553,329
CPN Commercial Growth												
Leasehold Property Fund	25.0	25.0	4,394,382	4,394,382	1,098,598	1,098,598	541,293	533,993	1,098,598	1,077,266	83,418	87,344
Total												
			7,578,674	7,578,674	7,578,674	5,544,769	5,443,527	3,354,239	10,605,997	8,219,636	758,368	640,673

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

	Ownership interest (%)	Total assets	Total liabilities <i>(in thousand Baht)</i>	Total revenues	Net profit
2014					
CPN Retail Growth Leasehold Property Fund	26.7	30,991,344	3,301,149	3,309,407	2,677,239
CPN Commercial Growth Leasehold Property Fund	25.0	5,457,291	550,323	537,567	362,874
Total		36,448,635	3,851,472	3,846,974	3,040,113
2013					
CPN Retail Growth Leasehold Property Fund	27.8	19,779,691	1,953,126	2,707,742	2,152,477
CPN Commercial Growth Leasehold Property Fund	25.0	5,438,110	562,794	517,912	350,782
Total		25,217,801	2,515,920	3,225,654	2,503,259

11 Long-term investments - related parties

	Ownership interest		Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013	2014	2013
	(%)		<i>(in thousand Baht)</i>			
Siam Retail Development Co., Ltd.	15	15	66,250	66,250	-	-
Ayudhaya Agrocitcity 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			(65,397)	(131,647)	-	-
Net			66,250	-	-	-

12 Investment properties

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
Cost				
At 1 January	65,736,003	55,066,732	18,856,601	11,185,450
Additions	10,277,882	10,805,937	7,436,179	7,682,792
Disposals/transfer	(1,225,189)	(136,666)	(11,946)	(11,641)
At 31 December	74,788,696	65,736,003	26,280,834	18,856,601
Accumulated depreciation and impairment losses				
At 1 January	12,160,846	10,028,267	2,373,481	1,990,073
Depreciation charge for the year	2,730,678	2,243,471	842,253	392,342
Disposals/transfer	(1,030,078)	(110,892)	(5,119)	(8,934)
At 31 December	13,861,446	12,160,846	3,210,615	2,373,481

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
<i>Net book value</i>				
At 1 January 2013	-	45,038,465	-	9,195,377
At 31 December 2013 and 1 January 2014	53,575,157	53,575,157	16,483,120	16,483,120
At 31 December 2014	60,927,250	-	23,070,219	-

Investment properties were revalued as at 31 December 2014 by S.L. Standard Appraisal Co., Ltd., a firm of independent professional valuers, using a “Income method, DCF Technique”. The appraised value (including partial of leasehold right) was Baht 127,664 million (2013: Baht 115,803 million) which show as below:

	Consolidated financial statements			
	2014		2013	
	Book value	Fair value	Book value	Fair value
Investment properties	60,927		53,575	
Leasehold right	11,795		11,457	
Total	72,722	127,664	65,032	115,803

Investment properties comprise a number of commercial properties that are leased to third parties which consist of:

- Central Plaza Chiangmai Airport
- Central Plaza Bangna
- Central Centre Pattaya
- Central Plaza Rattanathibet
- Central Festival Pattaya Beach
- Central Plaza Chonburi
- Central Plaza Chiangrai
- Central Plaza Grand Rama 9
- Chaengwattana Office
- Langsuan Colonade
- Central Plaza Lampang
- Central Festival Chiangmai
- Central Festival Samui
- Project under development
- Central Plaza Ramindra
- Central Plaza Pinklao
- Central Plaza Ratchada - Rama 3
- Central Plaza Changwattana
- Central Plaza Udonthani
- Central Plaza Khonkhan
- Central Plaza Pisanulok
- Central City Residential
- Bangna Office
- Central Plaza Suratthani
- Central Plaza Ubonratchathani
- Central Festival Hat-Yai
- Central Plaza Salaya

The Group’s projects under development consist of 7 shopping centres.

Collateral

As at 31 December 2014, long-term borrowings, as discussed in note 18, are secured by the Group’s and Company’s investment properties with book values of Baht 6,690 million and nil, respectively (2013: Baht 14,382 million and Baht 3,901 million, respectively).

13 Property, plant and equipment

(a) Group

	Consolidated financial statements (in thousand Baht)				
	Land	Buildings and improvements	Transportation and office equipments	Construction in progress	Total
Cost					
At 1 January 2013	91,371	2,159,739	812,732	159,204	3,223,046
Additions	-	6,157	151,161	127,607	284,925
Transfer - net	-	58,259	154,158	(212,417)	-
Disposals / write off	-	(1,801)	(54,727)	-	(56,528)
At 31 December 2013 and 1 January 2014	91,371	2,222,354	1,063,324	74,394	3,451,443
Additions	-	30,110	75,789	22,003	127,902
Transfer - net	-	30,507	(2,614)	(27,893)	-
Disposals / write off	-	(1,636)	(1,757)	-	(3,393)
At 31 December 2014	91,371	2,281,335	1,134,742	68,504	3,575,952
Accumulated depreciation and impairment losses					
At 1 January 2013	-	374,844	384,768	-	759,612
Depreciation charge for the year	-	173,978	196,191	-	370,169
Transfer - net	-	(13,073)	13,073	-	-
Disposals / write off	-	(689)	(30,552)	-	(31,241)
At 31 December 2013 and 1 January 2014	-	535,060	563,480	-	1,098,540
Depreciation charge for the year	-	186,045	153,777	-	339,822
Transfer - net	-	971	(971)	-	-
Disposals / write off	-	(1,291)	(1,610)	-	(2,901)
At 31 December 2014	-	720,785	714,676	-	1,435,461

Consolidated financial statements

	Land	Buildings and improvements	Transportation and office equipments <i>(in thousand Baht)</i>	Construction in progress	Total
Net book value					
At 1 January 2013					
Owned assets	91,371	1,784,895	418,840	159,204	2,454,310
Assets under finance leases	-	-	9,124	-	9,124
	91,371	1,784,895	427,964	159,204	2,463,434
At 31 December 2013 and 1 January 2014					
Owned assets	91,371	1,687,294	494,620	74,394	2,347,679
Assets under finance leases	-	-	5,224	-	5,224
	91,371	1,687,294	499,844	74,394	2,352,903
At 31 December 2014					
Owned assets	91,371	1,560,550	416,929	68,504	2,137,354
Assets under finance leases	-	-	3,137	-	3,137
	91,371	1,560,550	420,066	68,504	2,140,491

Most of property, plant and equipment and office equipment are in respect to 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 2014 amounted to Baht 304 million (2013: Baht 293 million).

Collateral

As at 31 December 2014, long-term borrowings, as discussed in note 18, are secured by the Group's properties with book values of Baht 1,004 million (2013: Baht 1,088 million).

(b) Company

	Buildings and improvements	Separate financial statements Transportation and office equipments <i>(in thousand Baht)</i>	Construction in progress	Total
Cost				
At 1 January 2013	60,906	459,336	146,392	666,634
Additions	-	85,221	34,651	119,872
Transfer - net	-	110,272	(110,272)	-
Disposals / write off	(1,802)	(47,967)	-	(49,769)
At 31 December 2013 and 1 January 2014	59,104	606,862	70,771	736,737
Additions	25,635	66,218	1,443	93,296
Transfer - net	13,732	(5,199)	(8,533)	-
Disposals / write off	(417)	(1,757)	-	(2,174)
At 31 December 2014	98,054	666,124	63,681	827,859
Accumulated depreciation and impairment losses				
At 1 January 2013	34,044	267,782	-	301,826
Depreciation charge for the year	1,308	92,247	-	93,555
Disposals / write off	(754)	(28,152)	-	(28,906)
At 31 December 2013 and 1 January 2014	34,598	331,877	-	366,475
Depreciation charge for the year	15,354	83,812	-	99,166
Transfer - net	911	(911)	-	-
Disposals / write off	(417)	(1,610)	-	(2,027)
At 31 December 2014	50,446	413,168	-	463,614
Net book value				
At 1 January 2013				
Owned assets	26,862	182,430	146,392	355,684
Assets under finance leases	-	9,124	-	9,124
	26,862	191,554	146,392	364,808
At 31 December 2013 and 1 January 2014				
Owned assets	24,506	269,761	70,771	365,038
Assets under finance leases	-	5,224	-	5,224
	24,506	274,985	70,771	370,262

	Buildings and improvements	Separate financial statements Transportation and office equipments <i>(in thousand Baht)</i>	Construction in progress	Total
At 31 December 2014				
Owned assets	47,608	249,819	63,681	361,108
Assets under finance leases	-	3,137	-	3,137
	<u>47,608</u>	<u>252,956</u>	<u>63,681</u>	<u>364,245</u>

The gross amount of the Company's fully depreciated property, plant and equipment that was still in use as at 31 December 2014 amounted to Baht 277 million (2013: Baht 169 million).

14 Leasehold rights

	Consolidated financial statements <i>(in thousand Baht)</i>	Separate financial statements
Cost		
At 1 January 2013	20,177,438	7,652,068
Additions	1,258,603	1,547,066
Disposals / transfer	(15,710)	(19,238)
At 31 December 2013 and 1 January 2014	21,420,331	9,179,896
Additions	1,502,399	1,309,622
Disposals / transfer	(20,472)	(140)
At 31 December 2014	22,902,258	10,489,378
Accumulated amortisation and impairment losses		
At 1 January 2013	8,836,642	2,332,013
Amortisation for the year	1,070,065	540,124
Disposals / transfer	(359)	(945)
Obligation under long-term operating leases	434,752	505,430
Reversal of impairment losses	(377,333)	-
At 31 December 2013 and 1 January 2014	9,963,767	3,376,622
Amortisation for the year	943,961	560,707
Disposals / transfer	(7,213)	(40)
Obligation under long-term operating leases	206,584	98,677
At 31 December 2014	11,107,099	4,035,966
Net book value		
At 1 January 2013	<u>11,340,796</u>	<u>5,320,055</u>
At 31 December 2013 and 1 January 2014	<u>11,456,564</u>	<u>5,803,274</u>
At 31 December 2014	<u>11,795,159</u>	<u>6,453,412</u>

During the year 2014, the Company entered into lease agreements with third parties for developing and constructing the shopping centres in the future project by paying for the leasehold right with amount of Baht 1,194 million.

Most of the Group's leasehold rights, relating to Central World, Central Plaza Lardprao and part of Investment properties projects, are leased under long-term operating leases.

Collateral

As at 31 December 2014, leasehold right, as discussed in note 18, are secured by the Group's properties with book value of Baht 78 million (2013: Baht 627 million).

15 Assets usage rights

	Consolidated financial statements (in thousand Baht)
<i>Cost</i>	
At 1 January 2013	251,675
Disposal / Transfer	(65,734)
At 31 December 2013 and 1 January 2014	185,941
Disposal / Transfer	40
At 31 December 2014	185,981
<i>Accumulated amortisation</i>	
At 1 January 2013	70,672
Amortisation charge for the year	8,472
Disposal / Transfer	(20,467)
At 31 December 2013 and 1 January 2014	58,677
Amortisation charge for the year	4,715
At 31 December 2014	63,392
<i>Net book value</i>	
At 1 January 2013	181,003
At 31 December 2013 and 1 January 2014	127,264
At 31 December 2014	122,589

16 Deferred tax

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

	Consolidated financial statements			
	Assets		Liabilities	
	31 December 2014	31 December 2013	31 December 2014	31 December 2013
		(in thousand Baht)		
Total	1,301,046	1,401,175	(708,922)	(811,260)
Set off of tax	(569,657)	(655,813)	569,657	655,813
Net deferred tax assets (liabilities)	731,389	745,362	(139,265)	(155,447)

	Separate financial statements			
	Assets		Liabilities	
	31 December 2014	31 December 2013	31 December 2014	31 December 2013
		<i>(in thousand Baht)</i>		
Total	612,132	649,396	(458,988)	(519,304)
Set off of tax	(458,988)	(519,304)	458,988	519,304
Net deferred tax assets (liabilities)	153,144	130,092	-	-

Movements in total deferred tax assets and liabilities during the year were as follows:

	Consolidated financial statements			
	At 1 January 2014	(charge) / credit		At 31 December 2014
		to profit or loss <i>(note 31)</i>	Other comprehensive income	
		<i>(in thousand Baht)</i>		
Deferred tax assets				
Allowance for doubtful accounts	3,586	997	-	4,583
Allowance for impairment	46,807	-	-	46,807
Building under consignment sale	201,398	20,669	-	222,067
Deposits from customers	631,105	(58,128)	-	572,977
Loss carry forward	75,976	(53,993)	-	21,983
Liabilities under long-term operating leases	338,205	(6,684)	-	331,521
Defined benefit obligation	34,310	4,391	-	38,701
Others	69,788	(7,381)	-	62,407
Total	1,401,175	(100,129)	-	1,301,046
Deferred tax liabilities				
Gain on lease under finance lease	(811,260)	102,338	-	(708,922)
Total	(811,260)	102,338	-	(708,922)
Net	589,915	2,209	-	592,124

Consolidated financial statements

	At 1 January 2013	(charge) / credit to profit or loss (note 31) (in thousand Baht)	Other comprehensive income	At 31 December 2013
Deferred tax assets				
Allowance for doubtful accounts	1,379	2,207	-	3,586
Allowance for impairment	161,927	(115,120)	-	46,807
Building under consignment sale	188,857	12,541	-	201,398
Deposits from customers	450,293	180,812	-	631,105
Loss carry forward	187,416	(111,440)	-	75,976
Liabilities under long-term operating leases	260,267	77,938	-	338,205
Defined benefit obligation	25,598	5,234	3,478	34,310
Others	28,502	41,286	-	69,788
Total	1,304,239	93,458	3,478	1,401,175
Deferred tax liabilities				
Gain on lease under finance lease	(921,438)	110,178	-	(811,260)
Total	(921,438)	110,178	-	(811,260)
Net	382,801	203,636	3,478	589,915

Separate financial statements

	At 1 January 2014	(charge) / credit to profit or loss (note 31) (in thousand Baht)	Other comprehensive income	At 31 December 2014
Deferred tax assets				
Allowance for doubtful accounts	488	929	-	1,417
Allowance for impairment	26,667	-	-	26,667
Deposits from customers	221,104	(30,427)	-	190,677
Liabilities under long-term operating leases	326,483	(8,920)	-	317,563
Defined benefit obligation	29,070	4,376	-	33,446
Unearned rental income	12,880	9,639	-	22,519
Others	32,704	(12,861)	-	19,843
Total	649,396	(37,264)	-	612,132
Deferred tax liability				
Gain on lease under finance lease	(519,304)	60,316	-	(458,988)
Total	(519,304)	60,316	-	(458,988)
Net	130,092	23,052	-	153,144

	Separate financial statements (charge) / credit			At 31 December 2013
	At 1 January 2013	to profit or loss (note 31) (in thousand Baht)	Other comprehensive income	
Deferred tax assets				
Allowance for doubtful accounts	253	235	-	488
Allowance for impairment	62,672	(36,005)	-	26,667
Deposits from customers	149,168	71,936	-	221,104
Liabilities under long-term operating leases	250,209	76,274	-	326,483
Defined benefit obligation	22,430	3,830	2,810	29,070
Unearned rental income	10,105	2,775	-	12,880
Others	32,843	(139)	-	32,704
Total	527,680	118,906	2,810	649,396
Deferred tax liability				
Gain on lease under finance lease	(579,617)	60,313	-	(519,304)
Total	(579,617)	60,313	-	(519,304)
Net	(51,937)	179,219	2,810	130,092

17 Other non-current assets

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
<i>(in thousand Baht)</i>					
Accrued interest receivable	4	135,456	135,456	135,456	135,456
Withholding tax deducted at source		502,406	94,398	-	-
Deposits and other rights		106,339	148,288	75,787	119,380
Guarantees for leasehold rights		43,963	47,821	43,363	47,221
Total		788,164	425,963	254,606	302,057

18 Interest-bearing liabilities

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
<i>(in thousand Baht)</i>					
Current					
Unsecured short-term loans from related parties	4	4,387	4,160	11,944,597	3,377,972
Unsecured short-term loans from financial institution		200,000	900,000	200,000	900,000

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
<i>(in thousand Baht)</i>					
Current portion of long-term loans from financial institutions					
- secured		424,840	2,229,910	-	1,149,870
- unsecured		1,662,580	1,582,355	1,662,580	1,582,355
		<u>2,087,420</u>	<u>3,812,265</u>	<u>1,662,580</u>	<u>2,732,225</u>
Current portion of long-term loans from institutional investors					
- secured		91,302	91,302	-	-
- unsecured		2,300,000	1,250,000	2,300,000	1,250,000
		<u>2,391,302</u>	<u>1,341,302</u>	<u>2,300,000</u>	<u>1,250,000</u>
Total current portion of long-term loans		<u>4,478,722</u>	<u>5,153,567</u>	<u>3,962,580</u>	<u>3,982,225</u>
Non-current					
Unsecured long-term loans from related parties	4	-	-	3,484,191	3,421,792
Long-term loans from financial institutions					
- secured		-	3,384,840	-	1,250,000
- unsecured		3,191,510	3,363,465	3,191,510	3,363,465
		<u>3,191,510</u>	<u>6,748,305</u>	<u>3,191,510</u>	<u>4,613,465</u>
Long-term loans from institutional investors					
- secured		198,430	289,732	-	-
- unsecured		7,950,000	6,750,000	7,950,000	6,750,000
		<u>8,148,430</u>	<u>7,039,732</u>	<u>7,950,000</u>	<u>6,750,000</u>
Total other long-term loans		<u>11,339,940</u>	<u>13,788,037</u>	<u>11,141,510</u>	<u>11,363,465</u>
Total		<u>16,023,049</u>	<u>19,845,764</u>	<u>30,732,878</u>	<u>23,045,454</u>

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

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
<i>(in thousand Baht)</i>				
Within one year	4,683,109	6,057,727	16,107,177	8,260,197
After one year but within five years	11,039,940	13,398,662	14,325,701	14,395,882
After five years	300,000	389,375	300,000	389,375
Total	<u>16,023,049</u>	<u>19,845,764</u>	<u>30,732,878</u>	<u>23,045,454</u>

Secured interest-bearing liabilities as at 31 December were secured on the following assets:

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
Land	1,023,698	1,898,123	-	874,425
Leasehold rights over land	77,556	626,741	-	-
Buildings and improvements	6,670,911	13,571,687	-	3,026,411
Total	<u>7,772,165</u>	<u>16,096,551</u>	<u>-</u>	<u>3,900,836</u>

As at 31 December 2014 the Group had unutilised credit facilities totalling Baht 8,874 million (2013: Baht 9,739 million).

In November 2014, 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 in 7 November 2019, and pay interest every six-month period.

In October 2014, the Company has a loan denominated in Thai Baht of Baht 2,000 million from a local financial institution. The loan is payable in 36 instalments of Baht 55 million per instalment, every month and the rest on final instalment. As at 31 December 2014, the Company has already utilised Baht 500 million of the said facility.

In April 2014, the Company had disposed of through a 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 3 years, and pay interest every six-month period, as referred in the agreement.

In April 2014, the Company had disposed of through a 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 1 year and 6 months, and pay interest every six-month period, as referred in the agreement.

In February 2014, the Company issued through private placement Baht 1,500 million worth of Thai Baht denominated, name registered, unsubordinated and unsecured debentures without debentureholders' representative. The debentures have term to maturity of 3 years, maturing in February 2017, and pay interest every six-month period.

In December 2013, the Company has a loan dominated in Thai Baht of Baht 1,000 million from a local financial institution. Such agreement stipulates that the Company repays monthly principal totalling 36 months. The loan is payable in 35 instalments of Baht 27.8 million per instalment, every month and the rest in final instalment. As at 30 September 2014, the Company has already utilised Baht 500 million of the said facility.

In December 2013, the Company entered into a loan agreement with a financial institution in the amount not exceeding of Baht 1,000 million. Such agreement stipulates that the Company repay the principal instalments totalling 60 monthly instalments at Baht 16.7 million on the last working day of the month due for each period, beginning with the first instalment on the last working day of 25th month on 30 September 2014, the Company has not unutilised the credit facilities as above.

In December 2013, the Company entered into a Baht 1,000 million credit facility (Term Loan) agreement with a financial institution. Such agreement shall completely repay the drawn down amount, by November 2020. The Company agrees to pay interest on the last working day of the month and return principal in 60 monthly installments, beginning in December 2015. As at 31 December 2014, the Company has not utilised.

In August 2012, the Company has a loan denominated in Thai Baht of Baht 500 million from a local financial institution. The agreement covers a grace period of 18 months. The loan is payable in 42 instalments of Baht 12 million per instalment, every month and final instalment Baht of 8 million. The first repayment will due in February 2014. As at 30 September 2012, the Company has already fully utilised of the said facility.

In July 2012, the Company has a loan denominated in Thai Baht of Baht 500 million from a local financial institution. The agreement covers a grace period of 23 months. The loan is payable in 60 instalments of Baht 8.4 million per instalment, every month and final instalment Baht of 5.9 million. The first repayment will due in June 2014. As at 30 September 2012, the Company has already fully utilised of the said facility.

In June 2012, the Company has a loan denominated in Thai Baht of Baht 500 million from a local financial institution. The agreement covers a grace period of 27 months. The loan is payable in 20 instalments of Baht 25 million per instalment, every 3 months. The first repayment will due in September 2014. As at 30 June 2012, the Company has already fully utilised of the said facility.

In June 2012, the Company has a loan denominated in Thai Baht of Baht 1,500 million from a local financial institution. The agreement covers a grace period of 2 years. The loan is payable in 36 instalments of Baht 41.7 million per instalment, every month. The first repayment will due in June 2014. As at 30 June 2012, the Company has already fully utilised of the said facility.

In June 2012, the Company issued, through a private placement, Baht 1,000 million worth of Thai Baht denominated, principal instalment, name registered, non-subordinated and unsecured debentures without debentureholders' representative. The debentures have term to maturity of 5 years. The first repayment will due by June 2014 and mature in June 2017. The principal and the interest will be paid every six-month period.

In December 2011, the Company has a loan denominated in Thai Baht of Baht 3,000 million from a local financial institution. The agreement covers a grace period of 2 years. The loan is payable in 60 instalments of Baht 50 million per instalment, every month. The first repayment will due in October 2013. The Company pledged land and building as collateral for the borrowing. As at 30 June 2012, the Company has already fully utilised of the said facility.

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 23 June 2015, and pay interest every six-month period.

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 23 January 2017, and pay interest every six-month period.

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.

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 2018, and pay interest every six-month period.

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.

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. As at 31 December 2012, the Company has already utilised of the said facility.

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 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 been completely utilised.

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.

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.

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. 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.

In December 2010, 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 30 monthly instalments 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. As at 30 June 2011, the Company has already fully utilised of the said facility.

In December 2010, the Company entered into a Baht 1,500 million credit facility (Term Loan) agreement with a financial institution. Such agreement stipulates that the Company shall completely repay the drawn down amount, 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 instalments 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.

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 repayment due in January 2011. The loan is payable in 60 instalments. The subsidiary used its leasehold right of 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, the Company issued through private placement Baht 1,000 million worth of Thai Baht denominated, unsecured and unsubordinated debentures, offered to institutional investors. The debentures have term to maturity 5 years, maturing in 2014, and pay interest every six-months period.

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 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.

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 is payable in 60 instalments. The subsidiary used its subleased 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 financial institution. The agreement is for a period of 7 years and no principal is payable until October 2010. The loan is payable in 60 instalments. The Company uses its land and building as collateral.

As at 31 December 2014, Baht 715 million worth of interest-bearing and secured liabilities of the Group (2013: Baht 5,996 million) have been secured by Investment property, Property, plant and equipment and leasehold right on land under project being financed by such lenders.

Effective interest rates and reprising / maturing analysis

	Consolidated financial statements					Fair value
	Interest rate maturing					
	Effective interest rate (%)	Floating interest rate	Within 1 year	After 1 year but within 5 years	After 5 years	
2014						
Loans from financial institutions and institutional investors	3.89	3,039,732	3,987,420	8,691,510	300,000	16,018,662
				<i>(in thousand Baht)</i>		17,033,850
2013						
Loans from financial institutions and institutional investors	4.25	4,131,034	4,962,265	10,358,930	389,375	19,841,604
						20,089,846

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	Effective interest rate (%)	Floating interest rate	Interest rate maturing			Total carrying value	Fair value
			Within 1 year	After 1 year but within 5 years	After 5 years		
2014							
Loans from financial institutions and institutional investors	3.88	2,750,000	3,562,580	8,691,510	300,000	15,304,090	16,292,186
				<i>(in thousand Baht)</i>			
2013							
Loans from financial institutions and institutional investors	4.16	1,850,000	4,282,225	9,724,090	389,375	16,245,690	16,424,791

19 Trade accounts payables

	Note	Consolidated financial statements		Separate financial statements	
		31 December 2014	31 December 2013	31 December 2014	31 December 2013
		<i>(in thousand Baht)</i>			
Related parties	4	62,844	31,101	65,199	42,233
Other parties		765,549	567,311	443,020	278,142
Total		828,393	598,412	508,219	320,375

20 Other payables

	Consolidated financial statements		Separate financial statements	
	31 December 2014	31 December 2013	31 December 2014	31 December 2013
	<i>(in thousand Baht)</i>			
Other payables	1,897,803	1,871,186	351,234	332,886
Accrued expenses	841,324	1,089,895	495,976	616,397
Retention payable	1,815,649	1,702,914	947,352	702,870
Accrued interest expense	70,320	52,648	70,320	52,648
Unearned income	161,105	74,396	74,181	64,039
Account payable-aval	-	236,747	-	236,747
Others	104,094	129,418	64,592	83,990
Total	4,890,295	5,157,204	2,003,655	2,089,577

21 Employee benefit obligations

The Group and the Company operate defined benefit plans based on the requirement of Thai Labour Protection Act B.E. 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		Separate financial statements	
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
Defined benefit obligations at 1 January	171,552	127,976	145,352	112,150
Benefits paid by the plan	(3,991)	(761)	(3,959)	(680)
Current service costs and interest	25,915	26,947	25,837	19,831
Actuarial losses in other comprehensive income	-	17,390	-	14,051
Defined benefit obligations at 31 December	193,476	171,552	167,230	145,352

Expense recognised in profit or loss:

	Consolidated		Separate	
	financial statements		financial statements	
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
Current service costs	19,236	21,265	19,519	14,984
Interest cost	6,679	5,682	6,318	4,847
Total	25,915	26,947	25,837	19,831

The expense is recognised in the following line items in the statement of comprehensive income:

	Consolidated		Separate	
	financial statements		financial statements	
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
Cost of rental and service	4,925	6,133	5,961	2,114
Cost of food and beverage	85	77	-	-
Administrative expenses	20,905	20,737	19,876	17,717
Total	25,915	26,947	25,837	19,831

Actuarial gain and losses recognised in other comprehensive income:

	Consolidated		Separate	
	financial statements		financial statements	
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
Included in retained earnings:				
At 1 January	17,390	-	14,051	-
Recognised during the year	-	17,390	-	14,051
At 31 December	17,390	17,390	14,051	14,051

Principal actuarial assumptions at the reporting date:

	Consolidated		Separate	
	financial statements		financial statements	
	2014	2013	2014	2013
	<i>(%)</i>			
Average discount rate at 31 December	4.1	4.1	4.1	4.1
Average future salary increases	6	6	6	6

Mortality assumption of the mortality rate are based published statistics and mortality tables from Thailand Mortality Ordinary issued by the Office of the Insurance Commission.

22 Share capital

	Par Value (in Baht)	2014 Number	2014 Baht (thousand share / thousand Baht)	2013 Number	2013 Baht
Authorised					
At 1 January					
- ordinary shares	0.5	4,488,000	2,244,000	4,357,632	2,178,816
Issue of new shares	0.5	-	-	130,368	65,184
At 31 December					
- ordinary shares	0.5	4,488,000	2,244,000	4,488,000	2,244,000
Issued and paid-up					
At 1 January					
- ordinary shares	0.5	4,488,000	2,244,000	4,357,632	2,178,816
Issue of new shares	0.5	-	-	130,368	65,184
At 31 December					
- ordinary shares	0.5	4,488,000	2,244,000	4,488,000	2,244,000

At the ordinary shareholder's meeting held on 26 April 2013, the shareholders approved significant resolutions as follows:

- Approved the conversion of the par value of the Company's shares from Baht 1 per share, totalling 2,178,816,000 shares to Baht 0.5 per share, totalling 4,357,632,000 shares, whereby the paid-up capital of the Company is Baht 2,178,816,000 representing ordinary shares in cash of 4,357,632,000 shares and approved the amendment to the Memorandum of Association of the Company to be in accordance with the conversion of the par value of the Company's shares. The Company registered the conversion of the par value of the Company's shares with the Ministry of Commerce on 29 April 2013.
- Approved the increase of the registered capital of the Company from Baht 2,178,816,000 to Baht 2,244,000,000, divided into 4,488,000,000 shares with a par value of Baht 0.5 per share by issuing new ordinary shares in the number of 130,368,000 shares with a par value of Baht 0.5 per share to the institutional investors and approved the amendment to the Memorandum of Association of the Company to be in accordance with the increase of the registered capital. The Company had fully paid-up and registered the increased in its paid-up capital with the Ministry of Commerce on 22 May 2013.

Share premium

Section 51 of the Public Companies Act B.E. 1992 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.

23 Reserves

Reserves comprise:

Appropriations of profit and/or retained earnings

Legal reserve

Section 116 of the Public Companies Act B.E. 1992 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.

During 2013, the Company allocated the additional legal reserve in amounts of Baht 6.5 million. As a result of, the Company’s legal reserve as at 31 December 2013 was Baht 224.4 million, which was equal 10% of the registered authorised capital.

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.

Movements in reserves

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

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.

24 Segment information

The Group has three reportable segments, as described below, which are the Group's strategic divisions. The strategic divisions offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the strategic divisions, the chief operating decision maker (CODM) reviews internal management reports on at least a quarterly basis. The following summary describes the operations in each of the Group's reportable 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

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Group's CODM. Segment profit before tax is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Information about reportable segments

	Segment 1		Segment 2		Segment 3		Total	
	2014	2013	2014	2013	2014	2013	2014	2013
External revenue	20,374,891	18,128,314	974,775	881,883	957,876	902,979	22,307,542	19,913,176
Inter-segment revenue	38,620	30,982	126	261	1,957	5,338	40,703	36,581
Total segment revenue	20,413,511	18,159,296	974,901	882,144	959,833	908,317	22,348,245	19,949,757
Interest revenue	59,699	94,385	-	61	1,613	3,080	61,312	97,526
Interest expense	661,340	706,451	-	-	15,411	33,428	676,751	739,879
Depreciation and amortisation	3,740,525	3,460,948	44,434	27,052	234,218	195,705	4,019,177	3,683,705
Segment profit before income tax	10,051,396	8,651,456	162,726	160,141	643,405	562,168	10,857,527	9,373,765
Share of profit of associates	813,751	686,123	-	-	-	-	813,751	686,123
Share of loss of jointly-controlled entities	(480)	(191)	-	-	-	-	(480)	(191)
Material items of income and expense	-	377,333	-	-	-	-	-	377,333
Other material non-cash items:								
- Impairment loss on leasehold rights reversed	-	-	-	-	-	-	-	-
Segment assets	72,744,253	65,063,356	162,224	154,356	1,956,423	2,166,911	74,862,900	67,384,623
Segment liabilities	2,602,065	2,763,303	5,640	-	174,479	15,747	2,782,184	2,779,050

Reconciliations of reportable segment revenues, profit or loss, assets and liabilities and other material items

	2014	2013
	<i>(in thousand Baht)</i>	
Revenues		
Total revenue from reportable segments	22,348,245	19,949,757
Other revenue	1,645,304	1,795,848
	<u>23,993,549</u>	<u>21,745,605</u>
Elimination of inter-segment revenue	(40,703)	(36,581)
Consolidated revenue	<u>23,952,846</u>	<u>21,709,024</u>
Profit or loss		
Total profit for reportable segments	<u>10,857,527</u>	<u>9,373,765</u>
Elimination of inter-segment profits	(166,227)	(2,213)
Unallocated amounts:		
- Other revenue	1,645,304	1,795,848
- Other expenses	(4,343,488)	(4,258,079)
Share of loss of jointly-controlled entities	(480)	(191)
Share of profit of associates	<u>813,751</u>	<u>686,123</u>
Consolidated profit before income tax	<u>8,806,387</u>	<u>7,595,253</u>
Assets		
Total assets for reportable segments	74,862,900	67,384,623
Other unallocated amounts		
- Investment	6,797,215	3,473,469
- Deferred tax assets	731,389	745,362
- Other assets	<u>6,643,684</u>	<u>5,935,320</u>
Consolidated total assets	<u>89,035,188</u>	<u>77,538,774</u>
Liabilities		
Total liabilities for reportable segments	2,782,184	2,779,050
Other unallocated amounts		
- Loans	16,023,049	19,845,764
- Deferred tax liabilities	139,265	155,448
- Other liabilities	<u>28,342,769</u>	<u>17,934,871</u>
Consolidated total liabilities	<u>47,287,267</u>	<u>40,715,133</u>

Geographical information

The Group is mostly managed and operates principally in Thailand. There are no material revenues derived from, or assets located in, foreign countries.

25 Investment income

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
<i>(in thousand Baht)</i>					
Dividend income					
Subsidiaries and funds	4	-	-	2,924,369	1,522,680
Associates	4	-	-	758,368	640,673
Other parties		130	130	130	130
		<u>130</u>	<u>130</u>	<u>3,682,867</u>	<u>2,163,483</u>
Interest income					
Subsidiaries and funds	4	-	-	548,967	603,954
Other related parties	4	5,390	3,870	5,390	3,890
Other parties		55,922	93,656	17,737	63,069
		<u>61,312</u>	<u>97,526</u>	<u>572,094</u>	<u>670,913</u>
Total		<u>61,442</u>	<u>97,656</u>	<u>4,254,961</u>	<u>2,834,396</u>

26 Other income

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
<i>(in thousand Baht)</i>					
Expenses claimed by tenants		591,873	584,543	162,955	140,217
Management fees		430,014	392,322	699,209	642,740
Reversal of allowance for impairment	9, 11, 14	66,250	377,333	-	177,705
Others		495,725	343,995	534,086	361,726
Total		<u>1,583,862</u>	<u>1,698,193</u>	<u>1,396,250</u>	<u>1,322,388</u>

27 Administrative expenses

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
<i>(in thousand Baht)</i>				
Marketing	708,046	617,468	408,422	385,646
Personnel	1,581,801	1,392,416	1,193,753	1,112,394
Administrative	262,780	236,525	184,772	162,565
Depreciation	556,665	514,074	149,222	131,387
Others	557,446	685,063	460,497	464,746
Total	<u>3,666,738</u>	<u>3,445,546</u>	<u>2,396,666</u>	<u>2,256,738</u>

28 Employee benefit expenses

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
Management				
Wages and salaries	85,514	86,160	85,514	86,160
Others	50,752	35,524	50,752	35,524
Total	136,266	121,684	136,266	121,684
Other employees				
Wages and salaries	1,428,287	1,279,371	922,662	840,412
Contribution to defined contribution plans	31,096	26,698	26,192	22,291
Others	544,288	466,635	347,714	281,884
Total	2,003,671	1,772,704	1,296,568	1,144,587

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 the 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.

29 Expenses by nature

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
		<i>(in thousand Baht)</i>			
Personal expenses	28	2,139,937	1,894,388	1,432,834	1,266,271
Depreciation / amortisation	12,13,14,15	4,019,176	3,683,705	1,502,126	1,026,021
Finance cost	30	676,751	812,533	1,131,852	906,357
Utilities expenses		3,617,952	3,251,925	2,071,990	1,665,111
Rental expenses		1,266,493	1,324,737	919,283	932,483
Marketing	27	708,046	617,468	408,422	385,646
Consult and others fee		358,890	431,185	249,736	329,701
Others		3,172,485	2,783,761	1,304,488	912,020
Total		15,959,730	14,799,702	9,020,731	7,423,610

30 Finance costs

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
		<i>(in thousand Baht)</i>			
Interest expense:					
- subsidiaries and related parties	4	227	215	493,660	262,147
- financial institutions and institutional investors		741,535	1,040,922	641,480	833,200
Fee					
- financial institutions and institutional investors		119,578	72,654	117,572	69,838
Total finance costs		861,340	1,113,791	1,252,712	1,165,185
Finance costs capitalised		(184,589)	(301,258)	(120,860)	(258,828)
Net		676,751	812,533	1,131,852	906,357

Finance costs for properties under development for the years 2014 has been capitalised at rates ranging from 2%-5% (2013: 2%-5%), representing the weighted average interest rate of general purposes borrowings.

31 Income tax

Income tax recognised in profit or loss

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
		<i>(in thousand Baht)</i>			
Current tax expense					
Current year		1,380,250	1,409,686	460,158	509,914
		<u>1,380,250</u>	<u>1,409,686</u>	<u>460,158</u>	<u>509,914</u>
Deferred tax expense					
Movements in temporary differences		(2,209)	(203,636)	(23,052)	(179,219)
	16	<u>(2,209)</u>	<u>(203,636)</u>	<u>(23,052)</u>	<u>(179,219)</u>
Total		1,378,041	1,206,050	437,106	330,695

Reconciliation of effective tax rate

	Consolidated financial statements			
	2014		2013	
	<i>Tax rate</i>	<i>(in thousand</i>	<i>Tax rate</i>	<i>(in thousand</i>
	<i>(%)</i>	<i>Baht)</i>	<i>(%)</i>	<i>Baht)</i>
Profit for the year		7,428,346		6,389,204
Total income tax expense		1,378,041		1,206,050
Profit before income tax expense		<u>8,806,387</u>		<u>7,595,254</u>
Income tax using the tax rate	20	1,761,277	20	1,519,051
Income from Thai operations not subject to tax		(572,170)		(452,630)
Expenses not deductible for tax purposes		6,814		6,738
Elimination in consolidated financial statement from income not subject to tax		<u>182,120</u>		<u>132,891</u>
Total	16	<u>1,378,041</u>	16	<u>1,206,050</u>

	Separate financial statements			
	2014		2013	
	<i>Tax rate</i>	<i>(in thousand</i>	<i>Tax rate</i>	<i>(in thousand</i>
	<i>(%)</i>	<i>Baht)</i>	<i>(%)</i>	<i>Baht)</i>
Profit for the year		5,475,749		3,501,613
Total income tax expense		437,106		330,695
Profit before total income tax expense		<u>5,912,855</u>		<u>3,832,308</u>
Income tax using the tax rate	20	1,182,571	20	766,462
Income from Thai operations not subject to tax		(746,466)		(438,195)
Expenses not deductible for tax purposes		1,001		2,428
Total	7	<u>437,106</u>	9	<u>330,695</u>

Income tax reduction

Royal Decree No. 530 B.E. 2011 dated 21 December 2011 grants a reduction in the corporate income tax rate for the three accounting periods 2012, 2013 and 2014; from 30% to 23% for the accounting period 2012 which begins on or after 1 January 2012 and to 20% for the following two accounting periods (2013 and 2014) which begin on or after 1 January 2013 and 2014, respectively. Royal Decree No. 577 B.E. 2014 dated 10 November 2014 extends the reduction to 20% for the accounting period 2015 which begins on or after 1 January 2015.

The Company and subsidiaries has applied the reduced tax rate of 20% in measuring deferred tax assets and liabilities as at 31 December 2014 and 2013 in accordance with the clarification issued by the FAP in 2012.

32 Basic earnings per share

The calculations of basic earnings per share for the years ended 31 December 2014 and 2013 were based on the profit for the years attributable to ordinary shareholders of the Group/Company and the number of ordinary shares outstanding during the years, calculated as follows:

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2014	2013	2014	2013
	<i>(in thousand Baht/thousand shares)</i>			
Profit attributable to ordinary shareholders of the Company (basic)	<u>7,306,953</u>	<u>6,292,529</u>	<u>5,475,749</u>	<u>3,501,613</u>
Number of ordinary shares outstanding at 1 January	4,488,000	2,178,816	4,488,000	2,178,816
Effect of conversion of the par value	-	2,178,816	-	2,178,816
Effect of shares issued	<u>-</u>	<u>80,005</u>	<u>-</u>	<u>80,005</u>
Weighted average number of Ordinary shares outstanding (basic)	<u>4,488,000</u>	<u>4,437,637</u>	<u>4,488,000</u>	<u>4,437,637</u>
Earnings per share (basic) (in Baht)	<u>1.63</u>	<u>1.42</u>	<u>1.22</u>	<u>0.79</u>

33 Dividends

At the Company's annual general meeting of the shareholders of the Company held on 25 April 2014, the shareholders approved the distribution of dividend from 2013 operating result in the amount of Baht 0.55 per share, totalling Baht 2,468.4 million, and was paid to the shareholders in May 2014.

At the Company's annual general meeting of the shareholders of the Company held on 26 April 2013, the shareholders approved the distribution of dividend from 2012 operating result in the amount of Baht 0.95 per share, totalling Baht 2,069.9 million, and was paid to the shareholders in May 2013.

34 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.

The Group has recorded losses from the write-off of damaged properties in the consolidated financial statements for the year then ended 31 December 2010 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.

On 1 March 2013 the Court of first instance has ruled the judgment in favor of the Group.

In August 2013, the insurance company has filed the appeal objecting against such judgement of Court of first instance to the Appeal Court. Subsequently, the Group had filed the appeal to the Appeal Court in December 2013

Subsequently, on 9 October 2014, the Appeal Court reversed the judgement of the First Court. As a result, the insurance company did not have to make payment of compensation to the Group.

As at 31 December 2014, the lawsuit is still under a request to extend the period for submitting the appeal of the Group to the Supreme Court. The management believes that the Group will be able to claim for the amount of indemnity. However, the Group had not received the said indemnity which is still under the court's consideration.

35 Leasing properties

CPN Retail Growth Leasehold Property Fund ("CPNRF")

The Board of Directors' meeting held on 9 August 2013, approved in principle to lease the property (partial) for a period of 30 years and sell the property (partial) of CentralPlaza Chiangmai Airport from the Central Pattana Chiangmai Company Limited, which is a subsidiary of Central Pattana Public Company Limited holding 99.99 percent of its total issued shares to the CPN Retail Growth Leasehold Property Fund ("CPNRF") as follows:

- Leasing the part of land where the shopping complex, the multipurpose hall, the indoor parking spaces, including certain parts of the surrounding roads and the entrances and exits (excluding other land under development).

- Leasing certain parts of one shopping complex and a multipurpose hall, including indoor parking spaces (in proportion to the utilized areas of the shopping complex and the multipurpose hall in which will lease). Provided that it excludes spaces located which will be leased to Robinson Department Store, under a long-term lease, and the rental area located in parking spaces.
- Leasing the system relevant to the shopping complex, the multipurpose hall, and the indoor parking spaces of the building.
- Selling the furniture and the related equipment.

On 23 April 2014, The Group of companies has rented a partial of the above mentioned Central Plaza Chiangmai Airport Project to CPNRF, totalling approximately Baht 10,496 million (this amount excludes additional insurance and offering expense of Baht 128 million, which was the responsibility of CPN) and the Company has invested in investment units to increase the capital of CPNRF in the percentage of 23.53 of all of the investment units to increase capital of CPNRF or 135,593,664 units at the value of Baht 15 per unit totalling Baht 2,033.90 million, as a result the Company has amount of investment unit in CPNRF totalling 590,521,686 units and the proportion holding investment had changed from 27.80% before increasing the capital to 26.69% after increasing the capital. Accordingly, the Group had fully collected the lease amount in April 2014.

36 Financial instruments

Financial risk management policies

The principal financial risks faced by the Group are interest rate risk, foreign currency 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 purchases and sales which are denominated in foreign currencies. The Group will consider to utilise forward exchange contracts 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 non-financial assets and liabilities. The fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

The fair value of trade 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 receivable 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 18.

37 Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(in million Baht)</i>			
Capital commitments				
Contracted but not provide for Buildings and facilities systems	3,258	4,467	2,436	3,572
Total	<u>3,258</u>	<u>4,467</u>	<u>2,436</u>	<u>3,572</u>
Non-cancellable operating lease commitments				
Within one year	577	549	49	28
After one year but within five years	2,800	2,445	334	142
After five years	24,728	23,478	5,839	3,280
Total	<u>28,105</u>	<u>26,472</u>	<u>6,222</u>	<u>3,450</u>
Other commitments				
Bank guarantees	703	584	474	345

(a) Forward contracts

As at 31 December 2014 and 2013, the Group has forward contracts covering U.S. Dollars currencies with local financial institutions totalling of U.S. Dollars 23.4 million. The repayment terms of the forward contracts are less than one year.

- (b) 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

- (c) 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 latest month rental.
- (d) 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.

- (e) 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.

- (f) 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 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 February 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.

- (g) 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.

On 25 September 2013, the Group had made amendment to the lease agreement No.3, with the Crown Property Bureau by amending the renewal period from the 30 years to 38 years. After, the completing of the lease period, the lease conditions will be the same, except that the rental expenses should be divided in to two phases, i.e. 8 years and 30 years, respectively, under the following conditions:

- The first 8-year phase, (i.e. from 31th year – 38th year), after the terminated date of the lease period, the lessee needs to send a written notification, and the Group needs to sign a renewal agreement or a new agreement within 22 December 2029, by making annual rental payments under the conditions as stated in the lease agreement.

- The 30-year phase, (i.e. 39th – 68th year inclusive), after the terminated date of the first 8-year term, under the conditions of the lease agreement, the Group has to notify, in writing, within the 33rd year as from the effective date of the agreement, to the lessor within 22 December 2035, in order to fix a new rate of the rental charge. The Group needs to sign the renewal agreement, or the new lease agreement within 22 December 2037.

- (h) 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.

During 2012, the Group entered into a land lease agreement with the third parties. The lease agreement was for a period of 3 years, ending on 31 March 2015. Under the conditions of the agreement, the Group has to pay a monthly rental. The lease agreement can be renewed not less than 60 days in advance, in writing, before the agreement terminated in which the terms have been agreed.

- (i) The Group entered into two lease agreements with third parties for the construction of shop buildings for lease. The principal land lease agreement was for a period of 2 years commencing 21 June 2012 to 20 June 2014. Under the conditions of the agreement, the Group has to pay annual rent in the amount of Baht 1.5 million. Another agreement is a land lease agreement for the period of 30 years from 21 June 2014 to 20 June 2044. Under the conditions of the latter agreements, the Group has to pay monthly land rental which will be increased at the rate of 15%, every three years. This agreement can be renewed by notification three months in advance at the notification date from the lessor in which the terms have been agreed.
- (j) The Group entered into a land lease agreement with third parties for the construction of shop buildings for lease. The land lease agreement was for a period of 30 years ending in September 2043. Under the conditions of the agreement, the Group paid advance rental and has to pay yearly rental. The rental will be increased every five years at the rate of 15% of the latest month rental. The lease can be renewed for another 10-year period 2 years before the agreement terminated with the new rate and compensation agreed.
- (k) On 25 September 2013, the Company had made amendment to the lease agreement No.3, with the Crown Property Bureau by amending the renewal period from the 30 years to 38 years. After, the completing of the lease period, the lease conditions will be the same, except that the rental expenses should be divided in to two phases, i.e. 8 years and 30 years, respectively, under the following conditions:
 - The first 8-year phase, (i.e. from 31th year – 38th year), after the terminated date of the lease period, the lessee needs to send a written notification within 27th year as from the effective date of the agreement has been in force, by making annual rental payments under the conditions as stated in the lease agreement.
 - The 30-year phase, (i.e. 39th – 68th year inclusive), after the terminated date of the first 8-year term, under the conditions of the lease agreement, the Company has to notify, in writing, within the 33rd year as from the effective date of the agreement to the lessor in order to fix a new rate of the rental charge. The Company needs to sign the renewal agreement, or the new lease agreement within 22 December 2037.
- (l) The Company entered into a land lease agreement with a third party for construction of a shopping centre for lease. The lease agreement was for a period of 30 years ending in September 2045. Under the condition of the agreement, the Company paid advance rental and has to pay rental annually. The rental will be increased every three years at the rate of 15 % of the final rental.
- (m) The Company entered into many land lease agreements with a third party for construction of a shopping centre for lease. The lease agreements were for a period of 30 years. However, these agreements can extend for 10 years and ending in June 2056. Under the condition of the agreement, the Company has to pay rental annually. The rental will be increased every three years at the rate of 10 % of the final rental.

38 Contingent liabilities

Guarantee

As at 31 December 2014, the Company entered into a loan guarantee agreement for subsidiaries totalling Baht 802 million (2013: Baht 1,425 million).

39 Events after the reporting period

Korat Land Owner Co., Ltd.

At the extraordinary shareholders meeting of Korat Land Owner Co., Ltd. on 13 January 2015, the shareholders passed a resolution to change the company's name from "Korat Land Owner Co., Ltd." to "CPN Korat Co., Ltd.". The name change was registered with the Ministry of Commerce on 20 January 2015.

Dividend

At the Board of Director of the Company meeting held on 20 February 2015, the Board approved the distribution of dividend from 2014 operating result in the amount of Baht 0.65 per share, totaling Baht 2,917.2 million.

40 Thai Financial Reporting Standards (TFRS) not yet adopted

The Group has not adopted the following new and revised TFRS that have been issued but are not yet effective. The new and revised TFRS are expected to become effective for annual financial periods beginning on or after 1 January in the year indicated in the following table.

TFRS	Topic	Year effective
TAS 1 (revised 2014)	Presentation of Financial Statements	2015
TAS 2 (revised 2014)	Inventories	2015
TAS 7 (revised 2014)	Statement of Cash Flows	2015
TAS 8 (revised 2014)	Accounting Policies, Changes in Accounting Estimates and Errors	2015
TAS 10 (revised 2014)	Events after the Reporting Period	2015
TAS 12 (revised 2014)	Income Taxes	2015
TAS 16 (revised 2014)	Property, Plant and Equipment	2015
TAS 17 (revised 2014)	Leases	2015
TAS 18 (revised 2014)	Revenue	2015
TAS 19 (revised 2014)	Employee Benefits	2015
TAS 21 (revised 2014)	The Effects of Changes in Foreign Exchange Rates	2015
TAS 23 (revised 2014)	Borrowing Costs	2015
TAS 24 (revised 2014)	Related Party Disclosures	2015
TAS 27 (revised 2014)	Separate Financial Statements	2015
TAS 28 (revised 2014)	Investments in Associates and Joint Ventures	2015
TAS 33 (revised 2014)	Earnings per Share	2015
TAS 34 (revised 2014)	Interim Financial Reporting	2015
TAS 36 (revised 2014)	Impairment of Assets	2015
TAS 37 (revised 2014)	Provisions, Contingent Liabilities and Contingent Assets	2015
TAS 38 (revised 2014)	Intangible Assets	2015
TAS 40 (revised 2014)	Investment Property	2015

TFRS	Topic	Year effective
TFRS 3 (revised 2014)	Business Combinations	2015
TFRS 5 (revised 2014)	Non-current Assets Held for Sale and Discontinued Operations	2015
TFRS 8 (revised 2014)	Operating Segments	2015
TFRS 10	Consolidated Financial Statements	2015
TFRS 12	Disclosure of Interests in Other Entities	2015
TFRS 13	Fair Value Measurement	2015
TSIC 15 (revised 2014)	Operating Leases - Incentives	2015
TSIC 27 (revised 2014)	Evaluating the Substance of Transactions Involving the Legal Form of a Lease	2015
TSIC 32 (revised 2014)	Intangible Assets—Web Site Costs	2015
TFRIC 1 (revised 2014)	Changes in Existing Decommissioning, Restoration and Similar Liabilities	2015
TFRIC 10 (revised 2014)	Interim Financial Reporting and Impairment	2015

The Group has made a preliminary assessment of the potential initial impact on the financial statements of these new and revised TFRS expects that there will be no material impact on the financial statements in the period of initial application. However, the Group is still in process determining whether an investee should be consolidated and disclosure of information about new and revised TFRS are as follows:

TFRS 10 – Consolidated Financial Statements and TFRS 12 – Disclosures of Interests in Other Entities

TFRS 10 introduces a single control model to determine whether an investee should be consolidated. As a result, the Group may need to change its consolidation conclusion in respect of its investees, which may lead to changes in the current accounting for these investees.

TFRS 12 brings together into a single standard all the disclosure requirements about an entity's interests in its subsidiaries, joint arrangements, associates and unconsolidated structured entities. The Group is currently assessing these disclosure requirements in comparison with the existing disclosures. TFRS 12 requires the disclosure of information about the nature, risks and financial effects of these interests.

AUDITOR'S FEE

Audit Fee

In 2014 audit fee out of the Company and its subsidiaries has been paid for audit firm that the auditor work for amounted to Baht 5,920,000.

Other Service Fee

- None -

MANAGEMENT BIOGRAPHY



01

**MR. SUTHICHAJ
CHIRATHIVAT**

Chairman

Been a CPN Director since : March 28, 2000

Age 74 years

Percentage of Shareholding in the Company : 0.57%

Education

- Diploma in Civil Engineering,
Kingston College of Technology, U.K.
- Honorary Doctorate of Business Administration
Program, Chiangrai Rajabhat University

Experience

- Chairman of Supervisory Board,
Vice Chairman of the Executive Committee,
Chief Financial Officer
Central Group of Companies Co., Ltd.
- Assistant General Manager
Central Department Store Co., Ltd.
- Manager, Assistant Manager
Central Department Store-Silom Branch

Positions in other listed companies in SET

- Vice Chairman
Central Plaza Hotel Plc.

Positions in non-listed companies

- Chairman of Board of Directors
Central Group of Companies Co., Ltd.

Completed Program from Thai Institute of Directors (IOD)

- Year 2006 - Director Accreditation Program (DAP)
- Year 2000 - Role of Chairman Program (RCP)



02

**MR. PAITOON
TAVEEBHOL**

Independent Director

Chairman of the Audit Committee

Chairman of the Risk Policy Committee

Been a CPN Director since : July 10, 2002

Age 64 years

Percentage of Shareholding in the Company : None

Education

- B.A. (Accounting), Ramkhamhaeng University
- MBA, Kasetsart University
- Certificate in Auditing, Thammasat University

Experience

- Independent Director,
Chairman of Audit Committee,
Member of Corporate Governance Committee
Big C Supercenter Plc.
- Audit, Following and Evaluation Committee
Walailak University
- President
Mater Dei Institute Parent and Teacher Association
- Vice Chairman
Mater Dei Institute Foundation
- Managing Director
BT Business Consulting Co., Ltd.
- Vice President, Council Member
The Institute of Internal Auditors of Thailand
- President, Secretary General
The ASEAN Federation of Accountants
- Vice President, Council Member
The Institute of Certified Accountants and
Auditors of Thailand

- Managing Director
Arthur Andersen Business Advisory Ltd.
- Director, Executive Director
SGV-Na Thalang Co.,Ltd.

Positions in other listed companies in SET

- Independent Director,
Chairman of Audit Committee
KCE Eletronics Plc.
- Independent Director,
Chairman of the Nomination and
Remuneration Committee,
Audit and CG Committee Member
Somboon Advance Technology Plc.

Positions in non-listed companies

- Chairman
Zen Corporation Group Co., Ltd.
- Independent Director,
Audit Committee Member
EASY BUY Plc.
- Board Member
Mater Dei Institute

Completed Program from Thai Institute of Directors (IOD)

- Year 2014 - Seminar "Invitation to the 5th National Conference on Collective Action Against Corruption"
- Year 2013 - Seminar "The 2nd National Director Conference 2013 Board Leadership Evolution"
- Year 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)

Year 2009 - Monitoring Fraud Risk Management (MFM)

Year 2008 - Chartered Director Class (R-CDC)

Year 2005 - Audit Committee Program (ACP)

- Role of Chairman Program (RCP)

Year 2003 - Director Certification Program (DCP)

- Director Accreditation Program (DAP)

Other Programs/Seminar

Year 2012 - Seminar "11th Asian Forum on Corporate Social Responsibility (AFCSR)"

- Seminar "Anti-Corruption Day 2012: Join Forces to Change Thailand"

Year 2011 - Seminar "Financial Reporting Standard for Non-Publicly Accountable Entities"

- Seminar "Corruption Prevention and Reporting under NACC's Law"

- Seminar "Audit Committee Forum"



03

**MR. CHACKCHAI
PANICHAPAT**

Independent Director

Member of Audit Committee

Chairman of Nomination and Remuneration Committee

Been a CPN Director since : July 10, 2002

Age 76 years

Percentage of Shareholding in the Company : None

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
- Chairman Amata (Vietnam) Joint Stock Company
- Independent Director, Advisory Board Member Saha Union Plc.
- Chairman Precipart Co., Ltd.

Positions in other listed companies in SET

- Independent Director, Member of the Audit Committee, Chairman of the Nomination and Remuneration Committee Kang Yong Electric Plc.
- Director, Executive Director Amata Corporation Plc.
- Independent Director, Chairman of the Audit Committee, Member of the Nomination and Remuneration Committee City Sports and Recreation Plc.

Positions in non-listed companies

- Chairman Magnecomp Precision Technology Plc.
- Chairman Amata Water Co., Ltd.

- Director Amata Hong Kong Ltd.
- Vice Chairman Amata City Co., 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)

- Year 2009 - Audit Committee Program (ACP)
- Year 2007 - Role of the Compensation Committee (RCC)
- Year 2006 - Director Certification Program (DCP)
- Year 2005 - Finance for Non-Finance Directors (FND)
- Year 2003 - Director Accreditation Program (DAP)



04

**MRS. SUNANDHA
TULAYADHAN**

Independent Director
Member of the Audit Committee
Member of the Nomination and Remuneration Committee

Been a CPN Director since : July 10, 2002

Age 68 years

Percentage of Shareholding in the Company : None

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
- Chairman
WPP Group, Thailand and Vietnam

Positions in other listed companies in SET

- None

Positions in non-listed companies

- Advisor of Executive Committee
KIS International School

Completed Program from Thai Institute of Directors (IOD)

- Year 2014 - Seminar "Invitation to the 5th National Conference on Collective Action Against Corruption"
- Year 2013 - Anti-Corruption for Executive Program (ACEP)
- Year 2011 - Seminar "How New Foreign Bribery Laws Companies in Thailand"
- Year 2009 - Monitoring Fraud Risk Management (MFM)
- Year 2007 - Seminar "Audit Committee : Experience, Problems and Good Practices"
- Year 2005 - Audit Committee Program (ACP)
- Finance for Non-Finance Directors (FND)
- Year 2004 - Directors Accreditation Program (DAP)
- Seminar : Directors Forum 3/2004
- Seminar : Directors Forum 2/2004

Other Programs/Seminar

- Year 2012 - Seminar "Audit Committee Effectiveness"
- Year 2011 - Seminar "Committee on the Great Flood Crisis"



05

**MR. KARUN
KITTISATAPORN**

Independent Director

Member of the Audit Committee

Member of the Nomination and Remuneration Committee

Been a CPN Director since : April 30, 2009

Age 67 years

Percentage of Shareholding in the Company : None

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

- Director
Insurance Commission
- Commission Member
Securities and Exchange Commission
- Director
Public Sector Development Commission
- Member
The National Legislative Assembly Thailand

- Director
Bank of Thailand
- Permanent Secretary
Ministry of Commerce

Positions in other listed companies in SET

- Independent Director,
Audit Committee Member
Sahamit Machinery Plc.
- Independent Director,
Audit Committee Member,
Nomination and Remuneration Committee
Khon Kaen Sugar Industry Plc.
- Independent Director,
Chairman of Nomination and
Remuneration Committee
Bank of Ayudhya Plc.

Positions in non-listed companies

- Member
Council of State
- Chairman
Support Arts and Crafts International
Centre of Thailand (Public Organization)

Completed Program from Thai Institute of Directors (IOD)

- Year 2013 - Monitoring The Internal Audit Function (MIA)
- Anti-Corruption for Executive Program (ACEP)
- Year 2011 - Financial Institutions Governance Program (FGP)
- Monitoring the Quality of Financial Reporting (MFR)
- Year 2009 - Audit Committee Program (ACP)
- Financial Statements for Directors (FSD)

Year 2008 - Role of the Compensation Committee (RCC)

Year 2006 - Director Certification Program (DCP)



06

**MR. KANCHIT
BUNAJINDA**

Independent Director

Member of Nomination and Remuneration Committee

Member of Risk Policy Committee

Been a CPN Director since : June 26, 2003

Age 47 years

Percentage of Shareholding in the Company : None

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, U.S.A. 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.)
- Alternate Director
Asian Corporate Governance Association Limited,
Hong Kong

- Director
Private Equity (Thailand) Co., Ltd.
(An affiliate of Lombard Investment, Inc.)
- Director
Central Plaza Hotel Plc.

Positions in other listed companies in SET

- Director
Robinson Department Store Plc.
- Independent Director,
Member of Risk Management Committee
Pruksa Real Estate Plc.

Positions in non-listed companies

- Director
Aksorn Education Co., Ltd.
- Director,
Member of Risk Management Committee,
Chairman of Nomination and
Remuneration Committee
Zen Corporation Group Co., Ltd.

Completed Program from Thai Institute of Directors (IOD)

- Year 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)
- Year 2006 - Audit Committee Program (ACP)
- Year 2005 - Director Accreditation Program (DAP)
- Year 2003 - Director Certification Program (DCP)



07

**MR. SUTHIKIATI
CHIRATHIVAT**

Director

Been a CPN Director since : July 10, 2002

Age 72 years

Percentage of Shareholding in the Company : 0.50%

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
- Honorary Doctorate of Philosophy
in Hotel and Tourism Studies,
Kasem Bundit University
- Honorary Doctorate of Philosophy
in Business Administration Program,
Dhurakij Pundit University
- Honorary Doctorate of Philosophy
in Business Administration Program,
College of Asian Scholars
- 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.
- Heads of Political Science Association
Ramkhamhaeng University
- Committee of Ramkhamhaeng University Council
Ramkhamhaeng University
- The Founder and Head of Thai Retailers Association
Thai Retailers Association
- Advisor to The Minister of Tourism and Sports
Ministry of Tourism and Sports
- Vice Chairman of Supervisory Board
Central Group of Companies Co., Ltd.
- One of the Founding Members importer and
owner in usage of barcodes in Thailand,
Central Ladprao Shopping Complex project
Central Group of Companies Co., Ltd.

Positions in other listed companies in SET

- Chairman
Central Plaza Hotel Plc.
- Director, Chairman of Executive Committee
Post Publishing Plc.

Positions in non-listed companies

- Vice Chairman of Board of Directors
Central Group of Companies Co., Ltd.
- Director
Post International Media Co., Ltd.
- Director
Post - ACP Co., Ltd.
- Director
Post - IM Plus Co., Ltd.
- Director
Thai Tourism Industry Association
- Honorary Advisor
THAI HAINANESE TRADE ASSOCIATION

Completed Program from Thai Institute of Directors (IOD)

Year 2008 - Director Accreditation Program (DAP)



Director

Been a CPN Director since : July 10, 2002

Age 69 years

Percentage of Shareholding in the Company : 0.70%

Education

- B.A. (Accounting), St. Joseph's College. U.S.A.
- National Defence College,
The Joint State-Private Sectors Course, Class 11

Experience

- Director of Supervisory Board
Central Group of Companies Co., Ltd.
- 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 Supercenter Plc.
- Advisor
Board of Trade of Thailand
- Director, Treasurer
Foundation for Environment Preservation

Positions in other listed companies in SET

- Director
Central Plaza Hotel Plc.

Positions in non-listed companies

- Vice Chairman of Board of Directors
Central Group of Companies Co., Ltd.

- Director
Tiang Chirathivat Foundation

Completed Program from Thai Institute of Directors (IOD)

- Year 2004 - Director Accreditation Program (DAP)
- Year 2003 - Finance for Non-Finance Directors (FND)
 - Board and CEO Assessment
- Year 2000 - Role of Chairman Program (RCP)



09

**MR. SUDHISAK
CHIRATHIVAT**

Director
Advisory of the Nomination and Remuneration Committee

Been a CPN Director since : July 10, 2002

Age 69 years

Percentage of Shareholding in the Company : 0.63%

Education

- B.A. (Mathematic), St. John Fisher College, U.S.A.

Experience

- Director of Supervisory Board
Central Group of Companies Co., Ltd.
- President
Central Marketing Group Co., Ltd.
- Managing Director
Central Garment Factory Co., Ltd.
- Managing Director
Prin Intertrade Co., Ltd.

Positions in other listed companies in SET

- Chairman
Robinson Department Store Plc.

- Director
Central Plaza Hotel Plc.

Positions in non-listed companies

- Director
Central Group of Companies Co., Ltd.
- Director
Central Garment Factory Co., Ltd.
- Director
Harnng Chiangmai Department Store Co., Ltd.
- Director
Central Trading Co., Ltd.

Completed Program from Thai Institute of Directors (IOD)

- Year 2007 - Director Accreditation Program (DAP)
- Director Certification Program (DCP)



10

**MR. SUDHITHAM
CHIRATHIVAT**

Director
Advisory of the Nomination and Remuneration Committee

Been a CPN Director since : March 1, 1995

Age 67 years

Percentage of Shareholding in the Company : 0.60%

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

- Chairman of Executive Committee
Central Group of Companies Co., Ltd.
- Director
Big C Supercenter Plc.
- Member, Member of Committee on Commerce
The National Legislative Assembly Thailand
- Director
The Thai Chamber of Commerce
- President
Rotary Club of Bangkok
- Chairman
Coffee Partners Co., Ltd. (Starbucks-Thailand)
- President and Founder
Thai Shopping Center Association
- Managing Director and Chief Executive Officer
Central Pattana Plc.
- Advisor to The Ministry of Commerce
The Ministry of Commerce
- Executive Vice President,
President - Store Planning, Marketing,
and Business Development,
Vice President - Marketing, and Merchandising
Central Department Store Co., Ltd.

Positions in other listed companies in SET

- Independent Director
Jasmine International Plc.
- Vice Chairman
Robinson Department Store Plc.
- Director
Central Plaza Hotel Plc.

Positions in non-listed companies

- Director
Central Group of Companies Co., Ltd.
- Director
Central Holding Co., Ltd.

- Director
The Vintage Club Co., Ltd.

Completed Program from Thai Institute of Directors (IOD)

Year 2003 - Director Certification Program (DCP)



**MR. KOBCHAI
CHIRATHIVAT**

Director

Member of the Risk Policy Committee

Been a CPN Director since : March 1, 1995

Age 59 years

Percentage of Shareholding in the Company : 0.61%

Education

- LL.B. (Law), Chulalongkorn University
- M.A. (Political Science),
University of Norte Dame, 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

- President & CEO,
Chief Operating Officer and
Executive Vice President,
Senior Vice President - Business Development,
Director-Property Management
Central Pattana Plc.
- Deputy Managing Director,
Marketing Manager,
Assistant Manager
Central Trading Co., Ltd.

- Assistant Branch Management
Central Department Store Co., Ltd.

Positions in other listed companies in SET

- Director
Malee Sampran Plc.

Positions in non-listed companies

- Director and Member of Executive Committee
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)

Year 2001 - Director Certification Program (DCP)



12
MR. PRIN
CHIRATHIVAT

Director

Member of the Risk Policy Committee
Advisory of the Nomination and Remuneration Committee

Been a CPN Director since : March 1, 1995

Age 52 years

Percentage of Shareholding in the Company : 0.94%

Education

- B.A.(Accounting), Skidmore College, U.S.A.

- MBA (Business Management),
Sasin Graduate Institute of
Business Administration,
Chulalongkorn University
- Capital Market Academy Leadership
Program 2004 Class 1
- The Program for Senior Executive Criminal Justice
Administration (Courts of Justice), Class 13/2008
- National Defence College,
The Joint State-Private Sectors Course, Class 22

Experience

- Director
Malee Sampran Plc.
- Advisor
Marketing For Alternative Investment (MAI)
- Chairman of Audit Committee
Bualuang Securities Plc.
- Director
Dhanamitr Factoring Plc.
- Director
Indara Insurance Plc.
- Executive Director
Interlife John Hancock Assurance Plc.
- Director
General Card Service Co., Ltd.
- Executive Director
Central Department Store Co., Ltd.
- Investment Banking
Thanachart Securities Plc.

Positions in other listed companies in SET

- Member of Audit Committee
Bumrungrad Hospital Plc.
- Director
Robinson Department Store Plc.
- Director
Central Plaza Hotel Plc.

Positions in non-listed companies

- Director, Member of Executive Committee, Deputy Group CEO
Central Group of Companies Co., Ltd.
- Director, Executive Director
Central Retail Corporation Co., Ltd.
- Steering Support Committee
Chiangrai Rajabhat University

Completed Program from Thai Institute of Directors (IOD)

- Year 2010 - Advanced Audit Committee Program (AACP)
- Year 2009 - Monitoring Fraud Risk Management (MFM)
 - Monitoring of the Quality of Financial Reporting (MFR)
- Year 2007 - Monitoring the Internal Audit Function (MIA)
 - Monitoring the System of Internal Control and Risk Management (MIR)
- Year 2006 - Chief Financial Officer Program (CFO)
- Year 2005 - Director Accreditation Program (DAP)
 - Audit Committee Program (ACP)
 - Role of Chairman Program (RCP)
- Year 2000 - Director Certification Program (DCP)



13

**MR. PREECHA
EKKUNAGUL**

Director

President & CEO

Member of the Risk Policy Committee

Been a CPN Director since : April 25, 2014

Age 56 years

Percentage of Shareholding in the Company : 0.0001%

Education

- B.Sc., Chulalongkorn University
- M.Eng., Asia Institute of Technology
- Capital Market Academy Leadership Program 2008, Class 7

Experience

- Director
Office Mate Plc.
- Director, Executive Director, President
Robinson Department Store Plc.
and its Subsidiaries
- President
B2S Co., Ltd.
- President
CRC Power Retail Co., Ltd.
- Managing Director
Big C Supercenter Plc.

Completed Program from Thai Institute of Directors (IOD)

- Year 2005 Director Certificate Program (DCP)
- Year 2004 Director Accreditation Program (DAP)



14

**MS. WALLAYA
CHIRATHIVAT**

Senior Executive Vice President,
Business Development and
Project Construction

Age 53 years

Percentage of Shareholding in the Company : 0.38%

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.
- CapitalMarketAcademyLeadershipProgram2010
Class 10
- National Defence College,
The Joint State-Private Sectors Course, Class 55

Experience

- Executive Vice President
Central Retail Corporation Co., Ltd.
- Executive Vice President
Central Pattana Plc.
- Co-Chief Executive Officer
Tops Supermarket
- Managing Director
Central Supermarket
- Vice President
Central Department Store Co., Ltd.

Positions in non-listed companies

- President
Thai Shopping Center Association

Other Programs/Seminar

Year 2014 - PoompalungPandin Class 3



15

**MR. SOMCHART
BARAMICHAJ**

Senior Executive Vice President, Operation

Age 64 years

Percentage of Shareholding in the Company : None

Education

- B.E. (Sanitary),
Chulalongkorn University
- M.E.(Sanitary),
Delft University of Technology, Netherlands
- M.B.A.,
Thammasat University
- Advanced Management Program (AMP)
at Wharton,
University of Pennsylvania, U.S.A.

Experience

- Director, Member of Nomination Committee,
Member of Executive Committee
Thai British Securities Printing Plc.
- Chairman
Thai British Dpost. Co., Ltd.
- Managing Director
Thai Containers Group Co., Ltd.
- Managing Director
Phoenix Pulp and Paper Plc.

Completed Program from Thai Institute of Directors (IOD)

Year 2009 - Director Certification Program (DCP)

Year 2004 - Director Accreditation Program (DAP)



16
MR. SUTHIPAK
CHIRATHIVAT

Executive Vice President, Office of the President

Age 53 years

Percentage of Shareholding in the Company : 0.57%

Education

- Mini MBA (Property), Faculty of Architecture, Chulalongkorn University
- 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, Executive Vice President - Business Development, Executive Vice President - Marketing, Vice President - Business Development, Senior Leasing and Marketing Manager Central Pattana Plc.
- Executive Vice President Thai International Fast - Food Co., Ltd.
- Executive Vice President, Marketing Manager Central Garment Factory Co., Ltd.



17
PH.D. NATTAKIT
TANGPOONSINTHANA

Executive Vice President, Marketing

Age 50 years

Percentage of Shareholding in the Company : None

Education

- B.A.(Communication Arts), Chulalongkorn University
- M.A.(Communication), The University of North Texas, 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
- 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
- Director Metropolitan Waterworks Authority



18

**MRS. NARTTAYA
CHIRATHIVAT**

Executive Vice President, Office of the President

Age 51 years

Percentage of Shareholding in the Company : 0.38%

Education

- B.A. (Economic),
University of Hartford, U.S.A.
- MBA,
University of Hartford, France

Experience

- Senior Vice President - Merchandising
Robinson Department Store Plc.
- Director - Softline Merchandising
Big C Supercenter Plc.
- General Manager
Central Retail Logistic Co., Ltd.
- Director
Central Department Store Co., Ltd.
- Manager
J & S Import Ltd.,Part.



19

**MRS. PANIDA
SOOKSRIDAKUL**

Executive Vice President, Property Management

Age 60 years

Percentage of Shareholding in the Company : None

Education

- B.A. (Political Science),
Ramkhamhaeng University
- M.A. (Political Science),
Ramkhamhaeng University

Experience

- Senior Vice President - Property Development
and Management,
Vice President - Property Management
Central Pattana Plc.



20

**MAJOR NARIT
RATANAPHICHETCHAI**

Executive Vice President, Project Development 1

Age 55 years

Percentage of Shareholding in the Company : 0.001%

Education

- B. ARCH,
Chulalongkorn University
- M. ARCH,
Chulalongkorn University
- Executive Financial Management,
Chulalongkorn University
- Engineer Officer Basic Course,
Engineer Department,
Royal Thai Army
- Engineer Officer Advance Course,
Engineer Department,
Royal Thai Army

Experience

- Senior Vice President, Business Development
Central Patana Plc.
- Senior Vice President, Project Development
Noble Development Plc.
- Commissioned Officer,
Post Engineer Department
Royal Thai Army
- Visiting Lecturer,
TU-RE Faculty of Commerce and Accountancy
Thammasat University
- Visiting Lecturer, MRE Faculty of Architecture
Chulalongkorn University



21

**MS. NAPARAT
SRIWANVIT**

Executive Vice President, Finance,
Accounting and Risk Management
Company Secretary

Been Company Secretary since : August 15, 2008

Age 42 years

Percentage of Shareholding in the Company : 0.001%

Education

- B.A. (Faculty of Commerce and Accountancy),
Chulalongkorn University
- M.A.(Faculty of Commerce and Accountancy),
Thammasat University

Experience

- Senior Vice President, Finance Department,
Vice President, Finance Department,
Central Pattana Plc.
- Assistant Auditor
Pricewaterhouse Ltd.
(Currently-PricewaterhouseCoopers ABAS Co., Ltd.)

Completed Program from Thai Institute of Directors (IOD)

- Year 2002 - Company Secretary Program (CSP)
Class 2



22

**FLIGHT LIEUTENANT
KREE DEJCHAI**

Executive Vice President,
Special Project Development

Age 51 years

Percentage of Shareholding in the Company : None

Education

- B.E. (Civil Engineering),
Chulalongkorn University
- M.B.A,
Kasetsart University
- National Defence College,
The Joint State-Private Sectors Course, Class 55

Experience

- Chief Operating Officer
SC Asset Corporation Public Co., Ltd.
- Executive Vice President Property Development
(Low Rise)
SC Asset Corporation Public Co., Ltd.
- Director
Casa Ville Co., Ltd.
- Senior Vice President
Quality Houses Public Co., Ltd.
- Vice President
Quality Houses Public Co., Ltd.
- Assistant Manager
Quality Houses Public Co., Ltd.
- Engineer Consult
P.A. Design Co., Ltd.
- Instructor
Royal Thai Air Force Academy



23

**MRS. APRIL
SRIVIKORN**

Executive Vice President, Corporate Strategy

Age 33 years

Percentage of Shareholding in the Company : None

Education

- Master of Business Administration,
Stanford Graduate School of Business,
Stanford, CA, U.S.A.
- Bachelor of Arts in Economics with Minor in
Psychology,
Stanford University, Stanford, CA, U.S.A.

Experience

- Engagement Manager
McKinsey & Company

GENERAL INFORMATION OF BUSINESS HELD BY THE COMPANY 10% UPWARD

Company	Nature of Business	Registered Capital (THB)	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 and 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: CentralPlaza Chiangmai Airport	1,000,000,000	99.99%
6 Central Pattana Rattanathibet Co., Ltd. 562, 566 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 Rama 3	324,738,000	99.99%
8 Central Pattana Khon Kaen Co., Ltd. 999/9 Rama I Rd., Patumwan, BKK. 10330 Tel +66 (0) 2667 5555	Shopping Center: CentralPlaza Khonkaen	2,000,000,000	78.13%

Company	Nature of Business	Registered Capital (THB)	Percentage of Shareholding
9 Central Pattana Chonburi Co., Ltd. 999/9 Rama I Rd., Patumwan, BKK. 10330 Tel +66 (0) 2667 5555	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: CentralPlaza Grand Rama 9	3,200,000,000	93.30%
11 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	1,160,563,400	99.99% (Held by Lang Suan Realty Co., Ltd.)
12 CPN Pattaya Co., Ltd. 999/9, Rama I Rd., Patumwan, BKK. 10330 Tel +66 (0) 2667 5555	Shopping Center: CentralFestival Pattaya Beach	2,500,000,000	99.99%
13 Central World Co., Ltd. 4, 4/1-4/2, 4/4 Ratchadumri Rd., Patumwan, BKK. 10330 Tel +66 (0) 2640 7000	Servicing of Shopping Center Facilities at CentralWorld, Centara Hotel & Convention Centre Udon Thani, Shopping Center: CentralPlaza Udonthani, CentralPlaza Phitsanulok, CentralPlaza Ubonratchathani, and CentralFestival Samui	2,511,938,100	90.00% (Held by Bangna Central Property Co., Ltd. 10.00%)
14 Siam Retail Development Co., Ltd. 5/5-6 M.7 Ramindra Rd., Kannayao, BKK. 10230 Tel +66 (0) 2947 5000	Shopping Center: Fashion Island	500,000,000	15.00% (Held by Lang Suan Realty Co., Ltd. 12% and Square Ritz Plaza Co., Ltd. 3%)
15 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	12.00% (Held by Lang Suan Realty Co., Ltd.)

Company	Nature of Business	Registered Capital (THB)	Percentage of Shareholding
16 Ayudhya Agrocitcity Co., Ltd. 47 M.2 Bangna-Trad Rd., Bangchalong, Bangplee, Samutprakarn 10540 Tel +66 (0) 2399 4510	Real Estate Developer	400,000,000	11.85% <small>(Held by Lang Suan Realty Co., Ltd.)</small>
17 CPN Retail Growth Leasehold Property Fund Managed by SCB Asset Management Co., Ltd. 19 SCB Park Plaza 3, 21 st -22 nd Floor, Ratchadapisek Rd., Chatuchak, BKK. 10900 Tel. +66 (0) 2949 1500	Property Investment in CentralPlaza Rama 2, CentralPlaza Rama 3, CentralPlaza Pinklao, CentralPlaza Pinklao Office Tower A & Tower B, and CentralPlaza Chiangmai Airport	24,406,207,630	26.69%
18 CPN Commercial Growth Leasehold Property Fund Managed by SCB Asset Management Co., Ltd. 19 SCB Park Plaza 3, 21 st -22 nd Floor, Ratchadapisek Rd., Chatuchak, BKK. 10900 Tel. +66 (0) 2949 1500	Property Investment in The Offices at CentralWorld	4,394,381,700	25.00%
19 Thai Business Fund 4 Managed by Krung Thai Asset Management Pcl. 1 Empire Tower, 32 nd Fl., South Sathorn Rd., Yannawa, Sathorn, BKK. 10120 Tel. +66 (0) 2686 6100	Property Investment in CentralWorld	5,443,793,158.53*	100.00%
20 Thai Business Fund 5 Managed by Krung Thai Asset Management Pcl. 1 Empire Tower, 32 nd Fl., South Sathorn Rd., Yannawa, Sathorn, BKK. 10120 Tel. +66 (0) 2686 6100	Property Investment in CentralPlaza Bangna	76,160,000*	100.00%
21 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%

Remark : * Only capital from owner type unitholders

Company	Nature of Business	Registered Capital (THB)	Percentage of Shareholding
22 Central Pattana Development Co., Ltd. 999/9 Rama I Rd., Patumwan, BKK. 10330 Tel +66 (0) 2667 5555	Shopping Center: CentralPlaza Chiangrai, CentralPlaza Suratthani, and CentralPlaza Lampang	700,000,000	99.99%
23 CPN Global Co., Ltd. 999/9 Rama I Rd., Patumwan, BKK. 10330 Tel +66 (0) 2667 5555	Real Estate Developer	1,000,000	99.94%
24 CPN City Co., Ltd. 999/9 Rama I Rd., Patumwan, BKK. 10330 Tel +66 (0) 2667 5555	Real Estate Developer	1,863,485,000	99.99% (Held by Central World Co., Ltd.)
25 CPN Complex Co., Ltd. 999/9 Rama I Rd., Patumwan, BKK. 10330 Tel +66 (0) 2667 5555	Real Estate Developer	1,341,600,000	99.99% (Held by Central World Co., Ltd.)
26 CPN Learning Center Co., Ltd 999/9 Rama I Rd., Patumwan, BKK. 10330 Tel +66 (0) 2667 5555	Human Capital Management	1,000,000	99.96%
27 CPN Rayong Co., Ltd. 999/9 Rama I Rd., Patumwan, BKK. 10330 Tel +66 (0) 2667 5555	Real Estate Developer	1,000,000,000	99.99%
28 CPN Korat Co., Ltd. 999/9 Rama I Rd., Patumwan, BKK. 10330 Tel +66 (0) 2667 5555	Real Estate Developer	1,000,000	99.99%
29 Global Retail Development & Investment Limited 30/F Jardine House One Connaught Place Central, Hong Kong	Real Estate Developer	HKD10,000	100.00%
30 Global Commercial Property Limited 30/F Jardine House One Connaught Place Central, Hong Kong	Real Estate Developer	HKD10,000	100.00%

Company	Nature of Business	Registered Capital (THB)	Percentage of Shareholding
31 Central (Shanghai) Management Consulting Co., Ltd. Room 1107, No.238 Jiangchang (No.3) Road, Zhabei District, Shanghai, China	Real Estate Developer	CNY16,000,000	100.00%
32 CPN Venture Sdn. Bhd. Level 18, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia	Holding Company	MYR400,000	100.00%
33 CPN Real Estate Sdn. Bhd. Level 18, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia	Holding Company	MYR400,000	100.00%
34 CPN Malls Malaysia Sdn. Bhd. Level 18, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia	Holding Company	MYR400,000	100.00%
35 Central Plaza i-City Malls Malaysia Sdn. Bhd. Level 18, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia	Holding Company	MYR400,000	60.00%
36 Central Plaza i-City Sdn. Bhd. Level 18, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia	Shopping Mall and Real Estate Management	MYR400,000	60.00%
37 Central Plaza i-City Real Estate Sdn. Bhd. Level 18, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia	Land and Real Estate Owner	MYR400,000	60.00%

LIST OF COMMITTEE IN SUBSIDIARIES

		Central Pattana Plc.	Central Realty Services Co., Ltd.	Central Food Avenue Co., Ltd.	Central World Co., Ltd.	Langsuan Realty Co., Ltd.	Central Pattana Rattana Thibet Co., Ltd.	Bangna Central Property Co., Ltd.	Central Pattana 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 Co., Ltd.	Central Pattana Nine Square Co., Ltd.	CPN Construction Management Co., Ltd.	Central Pattana Development Co., Ltd.	CPN Global Co., Ltd.	CPN City Co., Ltd.	CPN Complex Co., Ltd.	CPN Learning Center Co., Ltd.	CPN Rayong Co., Ltd.	CPN Korat Co., Ltd.	Global Retail Development & Investment Limited	Global Commercial Property Limited	Central (Shanghai) Management Consulting Co., Ltd.	CPN Venture Sdn. Bhd.	CPN Real Estate Sdn. Bhd.	CPN Malls Malaysia Sdn. Bhd.	Central Plaza I-City Malls Malaysia Sdn. Bhd.	Central Plaza I-City Sdn. Bhd.	Central Plaza I-City Real Estate Sdn. Bhd.	
1	Mr. Vanchai Chirathivat	-	-	-	-	-	-	-	-	-	-	-	-	-	●	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
2	Mr. Anek Sithiprasasana	-	●	●	-	-	-	-	-	-	-	-	-	-	●	●	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
3	Mr. Suthichai Chirathivat	●	-	-	-	-	-	●	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
4	Mr. Sudhitham Chirathivat	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	-	-	-	●	●	●	-	-	-	
5	Mr. Suthikiati Chirathivat	●	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
6	Mr. Suthichart Chirathivat	●	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
7	Mr. Kobchai Chirathivat	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
8	Mr. Prin Chirathivat	●	●	●	●	●	●	●	●	●	●	-	●	-	●	-	●	●	●	●	●	●	●	●	-	-	-	-	-	-	-	-	
9	Mr. Preecha Ekkunagul	●	-	●	●	●	●	●	●	●	●	●	●	●	-	-	●	-	●	●	-	●	●	●	●	-	-	-	-	-	-	-	
10	Mr. Sudhisak Chirathivat	●	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
11	Mr. Paitoon Taveebhol	●	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
12	Mr. Chackchai Panichapat	●	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
13	Mrs. Sunandha Tulayadhan	●	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
14	Mr. Kanchit Bunajinda	●	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
15	Mr. Karun Kittisataporn	●	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
16	Mr. Sudthidej Chirathivat	-	●	●	●	-	●	●	●	●	●	●	●	●	-	●	●	●	●	●	●	●	●	●	-	-	-	-	-	-	-	-	
17	Mr. Suthiphand Chirathivat	-	●	●	-	●	●	●	-	●	●	-	-	●	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
18	Mr. Suthipak Chirathivat	-	-	-	●	●	-	●	●	-	-	●	●	●	-	●	●	-	●	●	-	●	●	-	-	-	-	-	-	-	-	-	-
19	Miss Wallaya Chirathivat	-	●	●	-	-	-	●	-	●	●	●	●	●	●	●	●	●	●	●	●	●	●	-	-	-	●	●	●	●	●	●	●
20	Mrs. Narttaya Chirathivat	-	-	-	-	-	-	-	-	-	-	-	●	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Mr. Suthilaksh Chirathivat	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	●	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Mr. Yotin Booddicharearn	-	-	-	-	-	-	-	-	-	-	-	-	-	●	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	Mr. Jatesiri Booddicharearn	-	-	-	-	-	-	-	-	-	-	-	-	-	●	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24	Mr. Premchai Karnasuta	-	-	-	-	-	-	-	-	-	-	-	-	-	●	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25	Mr. Thaveepol Kongseri	-	-	-	-	-	-	-	-	-	-	-	-	-	●	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26	Mr. Jarern Jirawisan	-	-	-	-	-	-	-	-	-	-	-	-	-	●	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
27	Mr. Peerapon Pattanapeeradej	-	-	-	-	-	-	-	-	-	-	-	●	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
28	Mr. Noppadon Pattanapeeradej	-	-	-	-	-	-	-	-	-	-	-	●	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Mr. Chanavat Uahwatanasakul	-	-	-	-	-	-	-	-	-	-	●	-	-	-	-	-	●	-	-	●	●	●	-	-	-	-	-	-	-	-	-	-
30	Mr. Sakkanon Chirathivat	-	-	-	-	-	-	-	-	-	-	●	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	Mr. Isareit Chirathivat	-	-	-	-	-	-	-	-	-	-	●	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	Ms. Puan Sri Tey Siew Thuan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
33	Mr. Soon Thien Suan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

EXISTING PROJECTS MANAGED BY CPN

-
- 01 CENTRALPLAZA LARDPRAO**
Address : 1693 Phaholyothin Road, Chatuchak, Chatuchak, Bangkok 10900
Tel : + 66 (0) 2793 6000 Fax : + 66 (0) 2541 1341
-
- 02 CENTRALPLAZA RAMINDRA**
Address : 109/10 Ramindra Road, Bangkhen, Bangkok 10220
Tel : + 66 (0) 2790 3000 Fax : + 66 (0) 2552 5513
-
- 03 CENTRALPLAZA PINKLAO**
Address : 7/222 Baromrachachonnanee Road, Arunamarin, Bangkoknoi, Bangkok 10700
Tel : + 66 (0) 2877 5000 Fax : + 66 (0) 2884 8486
-
- 04 CENTRAL CENTER PATTAYA**
Address : 78/54 Moo 9, Pattaya Sai 2 Road, Banglamung, Chonburi 20260
Tel : + 66 (0) 3300 3888 Fax : + 66 (0) 3300 3888 ext. 1225-7
-
- 05 CENTRALPLAZA CHIANGMAI AIRPORT**
Address : 2 Mahidol Road, 252-252/1 Wulai Road, Haiya, Muang, Chiangmai 50100
Tel : + 66 (0) 5399 9199 Fax : + 66 (0) 5399 9122-3
-
- 06 CENTRALPLAZA RAMA 3**
Address : 79 Sathupradit Road, Chongnonsee, Yannawa, Bangkok 10120
Tel : + 66 (0) 2649 6000 Fax : + 66 (0) 2673 6009
-
- 07 CENTRALPLAZA BANGNA**
Address : 587, 589 Bangna-Trad (KM.3) Road, Bangna, Bangkok 10260
Tel : + 66 (0) 2763 6000 Fax : + 66 (0) 2399 5777
-
- 08 CENTRALPLAZA RAMA 2**
Address : 160 Rama 2 Road, Samaedum, Bangkhuntian, Bangkok 10150
Tel : + 66 (0) 2866 4300 Fax : + 66 (0) 2872 4560
-
- 09 CENTRALWORLD**
Address : 4, 4/1-4/2, 4/4 Rajdamri Road, Patumwan, Bangkok 10330
Tel : + 66 (0) 2640 7000 Fax : + 66 (0) 2255 9767
-

10 CENTRALPLAZA RATTANATHIBET
Address : 68/100, 68/919 Moo 8, Rattathibet Road, Bangkrasor, Muang, Nonthaburi 11000
Tel : + 66 (0) 2103 5777 Fax : + 66 (0) 2526 6092

11 CENTRALPLAZA CHAENGWATTANA
Address : 99, 99/9 Moo 2, Chaengwattana Road, Bangtarad, Pak Kret, Nonthaburi 11120
Tel : + 66 (0) 2101 0000 Fax : + 66 (0) 2101 1343

12 CENTRALFESTIVAL PATTAYA BEACH
Address : 333/99 Moo 9, Banglamung, Chonburi 20260
Tel : + 66 (0) 3300 3999 Fax : + 66 (0) 3300 3999 ext. 1225-6

13 CENTRALPLAZA UDONTHANI
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
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
Address : 99, 99/1 Srichan Road, Naimuang, Muang, Khonkaen 40000
Tel : + 66 (0) 4300 1000 Fax : + 66 (0) 4300 1209

16 CENTRALPLAZA CHIANGRAI
Address : 99/9 Moo 13, Robwiang, Muang District, Chiang Rai 57000
Tel : + 66 (0) 5202 0999 Fax : + 66 (0) 5202 0900

17 CENTRALPLAZA PHITSANULOK
Address : 9/99 Moo 5 Plaichomphon, Muang, Phitsanulok 65000
Tel : + 66 (0) 5500 0999 Fax : + 66 (0) 5500 0990

-
- 18 CENTRALPLAZA GRAND RAMA 9**
Address : 9/9 Rama 9 Road, Huai Khwang, Bangkok 10320
Tel : + 66 (0) 2103 5999 Fax : + 66 (0) 2103 5990
-
- 19 CENTRALPLAZA SURATTHANI**
Address : 88 Moo 10, Watpradu, Muang, Suratthani 84000
Tel : + 66 (0) 7796 3555 Fax : + 66 (0) 7796 3599
-
- 20 CENTRALPLAZA LAMPANG**
Address : 319 Highway Lampang-Ngao Rd., Suandok, Muang, Lampang 52100
Tel : + 66 (0) 5401 0555 Fax : + 66 (0) 5401 0599
-
- 21 CENTRALPLAZA UBONRATCHATHANI**
Address : 311 Moo 7 Chae Ra Mae, Muang, Ubonratchathani 34000
Tel : + 66 (0) 4595 0699 Fax : + 66 (0) 4595 0600
-
- 22 CENTRALFESTIVAL CHIANGMAI**
Address : 99, 99/1, 99/2 Moo 4 Superhighway Road, Fa Ham, Muang, Chiangmai 50000
Tel : + 66 (0) 5399 8999 Fax : + 66 (0) 5200 1700
-
- 23 CENTRALFESTIVAL HATYAI**
Address : 1518, 1518/1, 1518/2 Kanchanavanid Road, Hatyai, Hatyai, Songkhla 90110
Tel : + 66 (0) 7480 1555 Fax : + 66 (0) 7480 1599
-
- 24 CENTRALFESTIVAL SAMUI**
Address : 209, 209/1-209/2 Moo 2, Borpud, Samui, Suratthani 84320
Tel : + 66 (0) 7796 2777 Fax : + 66 (0) 7796 2799
-
- 25 CENTRALPLAZA SALAYA**
Address : 99/19, 99/20 Moo 2, Bangtoey, Sampran, Nakornpatom 73210
Tel : + 66 (0) 3410 0888 Fax : + 66 (0) 3410 0899
-

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

REGISTRAR OF UNSECURED DEBENTURES

*Debentures CPN15DA, CPN176A, CPN172A,
and CPN19NA*

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 CPN164A, CPN160A, CPN180A,
CPN210A, 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, CPN150A, and CPN174A

Bank of Ayudhya Public Company Limited
1222 Rama 3 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. Thanit Osathalert,
Certified Public Account, Registration No.5155
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 2,244,000,000
 Issued and Paid-up Capital: Baht 2,244,000,000
 Comprising of ordinary shares of 4,488,000,000 shares
 Par Value of Baht 0.5 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”) 2015 on 24th April 2015, at 2.00 pm at World Ballroom 23rd Floor, Centara Grand and Bangkok Convention Centre at CentralWorld, 999/99 Rama I Road, Patumwan Sub-District, Patumwan District, Bangkok 10330, Thailand.

Investor Relations

Contact person:

Mr. Chanyuth Waroonthepraksa

Ms. Supatcha Lohwanitchai

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) 26675555 ext.1614 or 1688
 Facsimile : +66(0) 2264 5593
 E-mail : ir@cpn.co.th

Dividend Policy

CPN has a policy to pay dividend at a rate of approximately 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 (2010-2014).

Unit: Baht/share

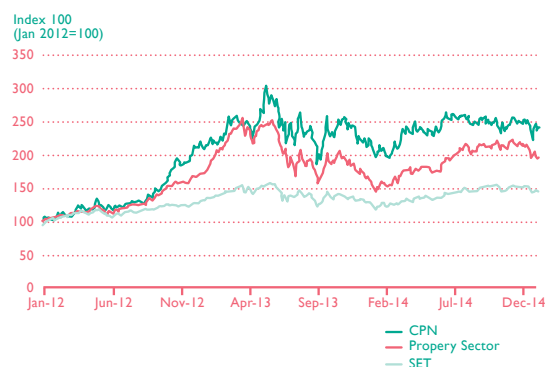
Year	Highest Price	Lowest Price	Dividend Payment
2010	32.50	17.60	0.25
2011	40.00	25.75	0.37
2012	81.75	37.75	0.95
2013	57.25 ¹	36.00 ¹	0.55
2014	49.50 ¹	37.00 ¹	0.65 ²

Remark: 1 At par value of Baht 0.5 per share (par value has been changed from Baht 1 per share, effective as of 7th May 2013)
 2 Subject to AGM approval

Movements of CPN Index against SET Index and Property Development Index.

Increase of share price index	3 years	1 year
CPN Index	141%	21%
SET Index	45%	22%
Property Development Index	97%	33%

3-year comparison of CPN share price, Property Index, and SET Index (2012 as base-year)



Financial Calendar for 2014 and 2015

Financial Calendar	2014	2015 (Tentative)
Announcement of full year financial results (prior year)	February	February
Analyst Meeting for full year performance (prior year) (Opportunity Day) organized by The Stock Exchange of Thailand	March	April
The closing date of the shareholders registration book for the rights to attend the AGM	March	March
The Annual General Meeting of the Shareholders	April	April
Dividend payment for prior year performance	May	May
Announcement of first quarter financial results	May	May
Analyst Meeting for first quarter performance (Opportunity Day) organized by The Stock Exchange of Thailand	May	May
Announcement of second quarter financial results	August	August
Analyst Meeting for second quarter performance (Opportunity Day) organized by The Stock Exchange of Thailand	August	August
Announcement of third quarter financial results	November	November
Analyst Meeting for third quarter performance (Opportunity Day) organized by The Stock Exchange of Thailand	November	November

Investor Relations Activities for 2014

Date	Events
5 Mar 2014	ASEAN Stars Conference 2014 in Singapore, organized by Phatra Securities in cooperation with Bank of America Merrill Lynch
21 Mar 2014	Analyst Briefing with CEO in Bangkok, organized by Central Pattana Plc
27 Mar 2014	Non-deal roadshow in Hong Kong, organized by Bualuang Securities in cooperation with Morgan Stanley
2 Apr 2014	Invest ASEAN Conference 2014 in Singapore, organized by Maybank KimEng Securities
7 May 2014	Thai Corporate Day 2014 with foreign institutions in Bangkok, organized by The Stock Exchange of Thailand in cooperation with DBS Vickers Securities
8 May 2014	CLSA ASEAN Forum 2014 with foreign institutions in Bangkok, organized by CLSA Securities
26-27 May 2014	Daiwa ASEAN Conference –Thailand Corporate Day 2014 in Japan, organized by Thanachart Securities in cooperation with Daiwa Securities
13 Jun 2014	Thai SET Conference 2014 in Hong Kong, organized by The Stock Exchange of Thailand in cooperation with Finansia Syrus Securities and BNP Paribas Securities Asia
25-27 Jun 2014	SET Roadshow 2014 in USA (Boston & New York), organized by The Stock Exchange of Thailand in cooperation with Thanachart Securities and Daiwa Securities
28 Aug 2014	Thailand Focus 2014 with foreign institutions in Bangkok, organized by Phatra Securities in cooperation with Bank of America Merrill Lynch
2 Sept 2014	CEO Forum with local fund managers in Bangkok, organized by Central Pattana Plc
10-11 Sept 2014	Non-deal roadshow in Malaysia, organized by Maybank KimEng Securities
13-17 Oct 2014	Non-deal roadshow in UK and Italy, organized by CLSA Securities
3-4 Dec 2014	Non-deal roadshow in Singapore, organized by DBS Vickers Securities

GRI INDEX

GRI Content Index for “In accordance” - Core

GRI Indicator	Description	Page Reference and Remarks
General standard disclosure		
Strategy and Analysis		
G4-1	Statement from senior decision-maker	017-019
G4-2	Description of key impacts, risks, and opportunities	023-025, 097-099
Organization Profile		
G4-3	Organization's name	096
G4-4	Primary brands, products, and services	Inside cover, 043-053
G4-5	Location of the organization's headquarters	Inside cover, 273
G4-6	Countries of operation	273
G4-7	Nature of ownership and legal form	047-053, 148, 263-267
G4-8	Markets served	047-053
G4-9	Scale of the organization	012-015
G4-10	Workforce figures	091
G4-11	Percentage of total employees covered by collective bargaining agreements	090
G4-12	Organization's supply chain	067
G4-13	Significant changes during the reporting period	030-032, 073-074
G4-14	Report whether and how the precautionary approach or principle is addressed by the organization	073-074, 079
G4-15	List of externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes	096, 114
G4-16	Memberships of associations and national or international advocacy organizations	072, 119

GRI Indicator	Description	Page Reference and Remarks
Identified Aspects and Key Boundaries		
G4-17	Entities included in the organization's consolidated financial statements	148-149
G4-18	Process for defining the report content and the aspect boundaries	096
G4-19	Material aspects identified in the process for defining report content	066-067
G4-20	Aspect boundary within the organization	096
G4-21	Aspect boundary outside the organization	096
G4-22	Effect of any restatements of information provided in previous reports	065, 096
G4-23	Significant changes from previous reports in the scope and aspect boundaries	096
Stakeholder Engagement		
G4-24	List of stakeholder groups	085, 117-120
G4-25	Identification and selection of stakeholders	066-067
G4-26	Approaches to stakeholder engagement	085
G4-27	Key topics and concerns raised through stakeholder engagement	122
Report Profiles		
G4-28	Reporting period	096
G4-29	Date of previous report	096
G4-30	Reporting cycle	096
G4-31	Contact point	096
G4-32	GRI Content Index	096
G4-33	Assurance	None
Governance		
G4-34	Governance structure	066, 100-101
Ethics and Integrity		
G4-56	Organization's values, principles, standards and norms of behavior	064, 114

GRI Indicator		Description	Page Reference and Remarks
Performance Indicators			
Economic			
Economic Performance	G4-EC1	Direct economic value generated and distributed	074-078
Market Presence	G4-EC6	Proportion of hired from the local community	087
Indirect Economic impacts	G4-EC7	Development and impact of infrastructure investments and services supported	094-096
	G4-EC8	Indirect economic impacts, including the extent of impacts	087, 094-095
Environment			
Materials	G4-EN2	Recycled input materials	080-084
Energy	G4-EN3	Energy consumption within the organization	080-084
	G4-EN5	Energy intensity	080-084
	G4-EN6	Reduction of energy consumption	080-084
	G4-EN7	Reductions in energy requirements of products and services	080-084
	Water	G4-EN8	Total water consumption
G4-EN9		Water sources significantly affected by withdrawal of water	082-083
G4-EN10		Total volume of water recycled and reused	082-083
Biodiversity	G4-EN11	Operational sites owned, leased, managed in, or adjacent to, protected areas	084
	G4-EN12	Biodiversity in protected areas	084
Emissions	G4-EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	082
	G4-EN18	Greenhouse gas (GHG) emissions intensity	082
	G4-EN19	Reduction of greenhouse gas (GHG) emissions	082
Effluents and Waste	G4-EN22	Total water discharge by quality and destination	082-083
	G4-EN23	Total weight of waste by type and disposal method	082-083
	G4-EN29	Fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	079

GRI Indicator		Description	Page Reference and Remarks
Social			
Employment	G4-LA1	Total number and rates of new employee hires	087-088
	G4-LA2	Benefits provided to full-time employees	090-091
Occupational Health and Safety	G4-LA5	Workforce in formal joint management-worker health and safety	093
	G4-LA8	Health and safety topics covered in formal agreements with trade unions	Not applicable as no employee joins any trade unions
Training and Education	G4-LA9	Average hours of training	088
	G4-LA10	Skills management and lifelong learning	089
Diversity and equal Opportunity	G4-LA11	Performance and career development reviews	089-090
	G4-LA12	Breakdown of employees per employee category according to indicators of diversity	087, 092
Labor Practices Grievance Mechanisms	G4-LA16	Grievances about labor practices	090, 121
Non-Discrimination	G4-HR3	Incidents and actions taken	None
Freedom of Association	G4-HR4	The right to exercise freedom of association	090, 120
Child Labor	G4-HR5	Child labor, and measures taken to contribute to the effective abolition of child labor	090, 120
Forces or Compulsory Labor	G4-HR6	Incidents of forced or compulsory labor	None
Indigenous Rights	G4-HR8	Incidents of violations involving rights of indigenous peoples and actions taken	None
Human Rights Grievance Mechanisms	G4-HR12	Grievances about human rights impacts filed	None
Local Communities	G4-SO1	Operations with local community engagement	094-096
	G4-SO2	Operations with negative impacts on local communities	122

GRI Indicator		Description	Page Reference and Remarks
Social			
Anti-Corruption	G4-SO3	Risk assessment on corruption	098, 121
	G4-SO4	Communication and training on anti-corruption	088, 121
	G4-SO5	Incidents of corruption and actions taken	None
Public Policy	G4-SO6	Political contributions	Not applicable as the Company does not extend political donations
Compliance	G4-SO8	Fines and non-monetary sanctions for non-compliance with laws and regulations	None
Grievance Mechanisms for Impacts on Society	G4-SO11	Grievances about impacts on society filed, addressed, and resolved	None
Customer Health and Safety	G4-PR1	Health and safety impacts assessment	093-094
	G4-PR2	Incidents of non-compliance	None
Product and Service Labeling	G4-PR5	Results of surveys measuring customer satisfaction	071
Marketing Communication	G4-PR7	Incidents of non-compliance	None
Customer Privacy	G4-PR8	Complaints regarding breaches of customer privacy data and losses of customer	122
Compliance	G4-PR9	Fines for non-compliance	None



**PROPERTY
DEVELOPMENT
& INVESTMENT**

A Member of Central Group

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