more
from
CPN

Central Pattana Public Company Limited
2008 Annual Report

centralwOrld
SFW
WORLD CINEMA
TREND
OPENING 20 FEBRUARY

CPN is doing more...

With a firm commitment to strengthening our potential into a robust organization throughout our 28 years of existence, CPN has become a leader in retail property development, armed with the vision of shopping center management professionals and operating under good corporate governance. CPN is poised to create outstanding and innovative experience, filled with world-class service quality for the utmost satisfaction of all stakeholders.

More Satisfaction... More Value...

2 %

Increase in Net Profit

Baht 9,311 million in revenues, a 10% rise

Baht 2,186 million in net profit, a 23% rise

Our exceptional performance reflects not only our professional expertise in retail property management, but also a prudent financial policy to support our sustainable growth.

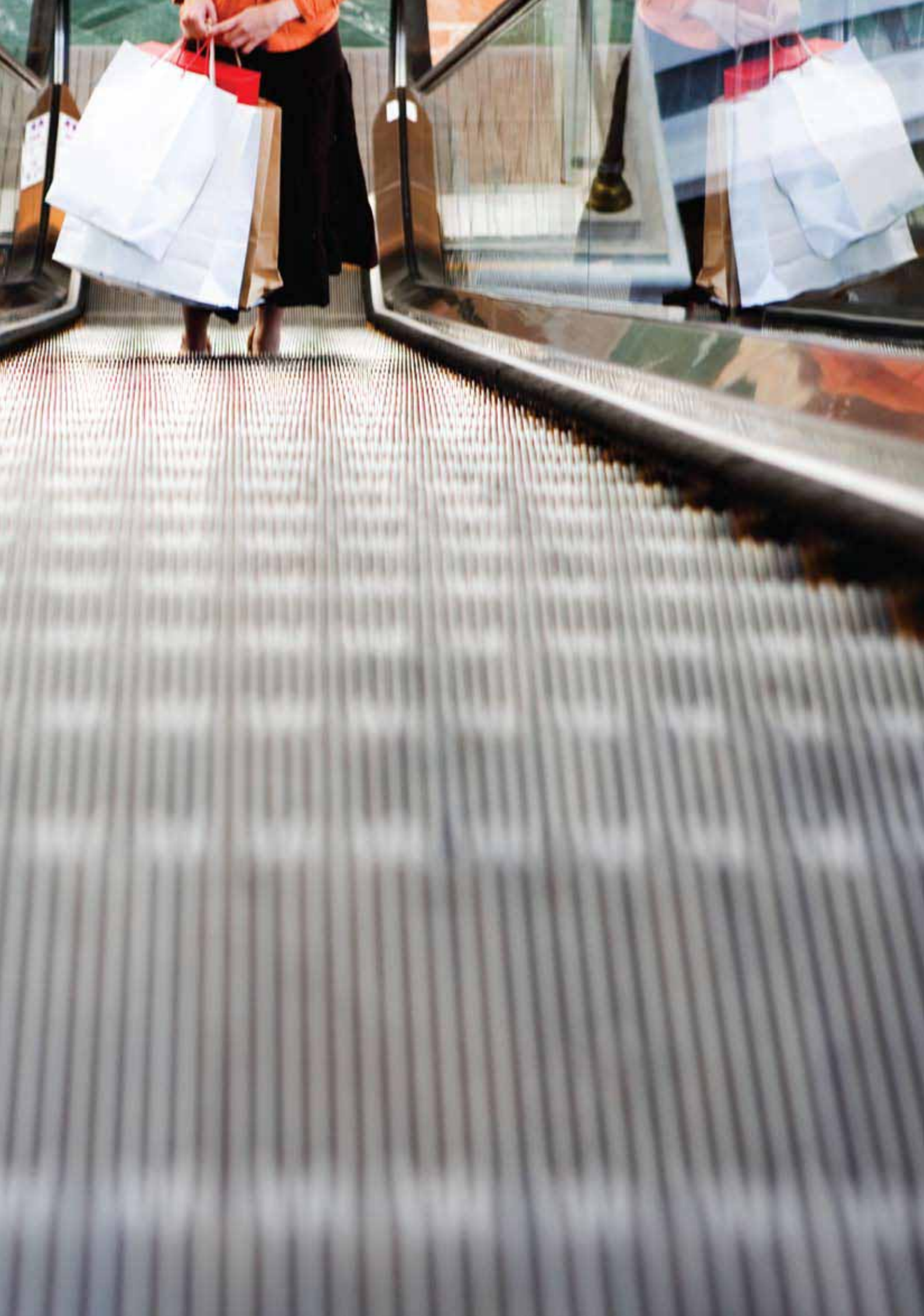
open

More Strategic Locations... to Serve Your Needs

Our decades of experience and appreciation of retail property development represent our key ingredients of success in pinpointing high-potential locations, unique designs, and appropriate merchandising mix to satisfy diverse lifestyles of today's shoppers. Businesses under CPN's auspices span strategic trade locations in Thailand–and are already on the verge of going regional.

More Remarkable Success...
and Everlasting Relationship

Through assorted activities, CPN has accumulated rewarding experience to foster cordial relationship with retailers in our shopping complexes, who conceptualize, collaborate, and jointly foster growth for mutual benefits. Furthermore, our investor relations activities yield information while solidifying our bonds with shareholders and investors. We also campaign for awareness by all of ethical and conscientious business conduct, hand in hand with continuous stewardship for society and the environment.



More of the Same Great Moves... from the Mastermind

With the vision to be the leading retail property developer with world-class experience, CPN sharpens innovation on business improvement to solidify our leadership in fostering experience excellence while investing in staff excellence with a high engagement level. This, along with its good corporate governance policy, has elevated CPN to another level of pride with “Top Corporate Governance Award” from SET Awards 2008, organized by the Stock Exchange of Thailand.

PROPERTY
DEVELOPMENT
& INVESTMENT
A Member of Central Group

Location
30th - 33rd Floors, The Offices at Centralworld,
999/9 Rama I Road, Patumwan Sub-District,
Patumwan District, Bangkok 10330, Thailand
Telephone : + 66 (0) 2667 - 5555
Facsimile : + 66 (0) 2264 - 5593

Corporate website
www.cpn.co.th

Registration no.
0107537002443

Year of establishment
1980

Year of being listed in the Stock Exchange of Thailand
1995

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

Securities information
Common shares of Central Pattana Public Company Limited were listed and traded on the Stock Exchange of Thailand under the abbreviated Security Name of “CPN”.

Registered capital
Baht 2,178,816,000

Issued and paid-up capital
Baht 2,178,816,000
comprising of ordinary shares of 2,178,816,000
Par value of Baht 1 per share

Contacts
Corporate Secretary
Telephone : + 66 (0) 2667 - 5555 ext. 1665
Facsimile : + 66 (0) 2264 - 5593
Email : co.secretary@cpn.co.th

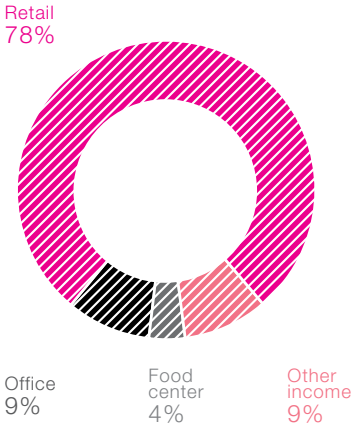
Investor Relations
Telephone : + 66 (0) 2667 - 5555 ext. 1614 or 1669
Facsimile : + 66 (0) 2264 - 5593
Email : ir@cpn.co.th

Contents

Operational and consolidated financial highlight 12
Message from the Board of Directors 14
Report of the Audit Committee 17
Report of the Nomination and Remuneration Committee 20
Report of the Risk Management Committee 21
Report of the Corporate Governance Commitee 22
Board of Directors, Executive Committee, Audit Committee & Management Team 24
Economic overview and retail industry in 2008 26
2008 year in brief 29
CPN today 34
New developments 38
Philosophy and corporate strategy 41
Business overview 44
Group structure of the company and its subsidiaries 47
Revenue structure of the company and its subsidiaries 48
Organizational development 49
Human capital development 52
Human resource management 54
Principles of good corporate governance 56
Social and environmental responsibilities 63
Risk factors and risk management 66
Capital structure 69
Organization chart 72
Management structure 74
Nomination of the directors and management 83
Remuneration of the directors and management team 85
Connected transactions 88
Financial performance review 97
Audit report of Certified Public Accountant and financial statements 103
Management biography 153
General information of business held by the company 10% upward 160
List of committee in subsidiaries 162
Reference firms 163
Existing projects managed by CPN 164
Information for investors 166

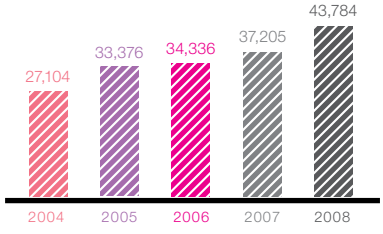
Operational and consolidated financial highlight

Revenue Breakdown

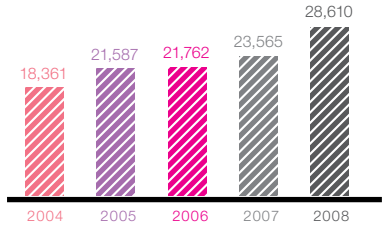


Note: Other income excludes dividend income and share of profits from investment in CPN Retail Growth Property Fund (CPNRF)

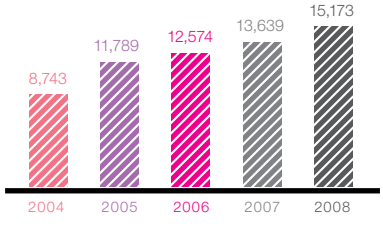
Total Assets
(Million Baht)



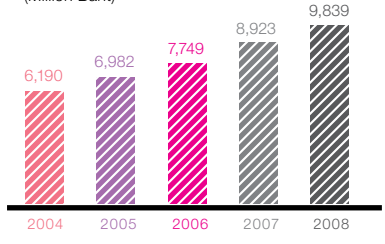
Total Liabilities
(Million Baht)



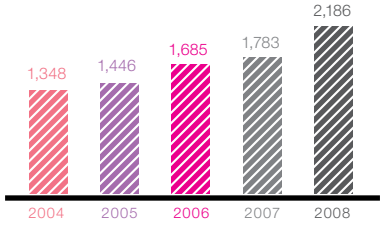
Total Shareholder's Equity
(Million Baht)



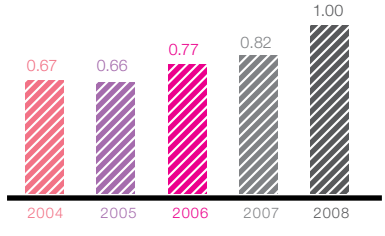
Total Revenue
(Million Baht)



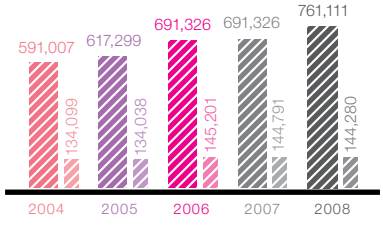
Adjusted Net Profit
(Million Baht)



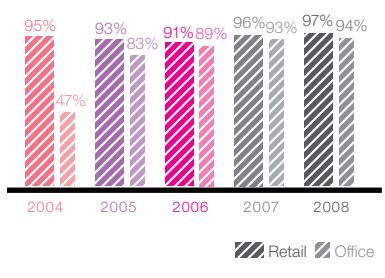
Adjusted Earnings per Share
(Baht per Share)



Retail & Office Leasable Area
(Square Metres)



Retail & Office Occupancy Rate
(Percent)



As at 31 December	2004	2005	2006	2007	2008
Operating results					
Leaseable area managed (square metres)	741,442	757,710	842,900	48,202	911,764
» Retail	591,007	617,299	691,326	697,038	761,111
» Office	134,099	134,038	145,201	144,791	144,280
» Residence	16,336	6,373	6,373	6,373	6,373
Occupancy rate (%)					
» Retail	95	93	91	96	97
» Office	47	83	89	93	94
» Residence	77	71	59	69	69
Consolidated financial results				Unit : ('000 Baht)	
Total revenues [1]	6,189,507	6,981,907	7,749,361	8,922,933	9,839,248
Revenue from rental & service, food & beverage	5,834,052	6,421,687	6,706,222	7,895,285	8,598,631
Cost of rental & service, food & beverage	3,155,735	3,500,723	3,782,797	4,473,363	4,889,598
Gross profit	2,678,317	2,920,964	2,923,425	3,421,923	3,709,033
Net profit	1,347,744	3,294,545	1,685,194	1,783,406	2,185,786
Adjusted net profit [2]	1,347,744	1,445,988	1,685,194	1,783,406	2,185,786
Consolidated financial position				Unit : ('000 Baht)	
Total assets	27,104,291	33,376,294	34,336,477	37,204,641	43,783,780
Total liabilities	18,361,089	21,587,212	21,762,292	23,565,349	28,610,457
Net interest bearing debt	7,553,191	4,901,104	7,421,757	8,061,863	12,768,404
Total shareholders's equity [3]	8,743,202	11,789,083	12,574,185	13,639,293	15,173,322
Total equity attributable to the company's shareholders	8,465,426	11,213,657	12,027,424	13,020,815	14,498,921
Retained earning	4,163,766	6,913,606	7,727,273	8,720,562	10,307,220
Issued and paid-up share capital	2,178,816	2,178,816	2,178,816	2,178,816	2,178,816
Total number of shares ('000 shares)	2,178,816	2,178,816	2,178,816	2,178,816	2,178,816
Consolidated financial ratios					
Net interest bearing debt to equity [3] (time)	0.86	0.42	0.59	0.59	0.84
Gross profit margin (%)	45.91	45.49	43.59	43.34	43.14
Net profit margin (%)	21.77	33.39	21.75	19.99	22.21
Return on assets (%)	5.32	10.89	4.98	4.99	5.40
Return on equity [4] (%)	16.78	33.48	14.50	14.24	15.89
Earnings per share [5] (Baht)	0.67	1.56	0.77	0.82	1.00
Adjusted earnings per share [5] (Baht)	0.67	0.66	0.77	0.82	1.00
Dividend per share (pay in the following year) [6] (Baht)	0.10	0.40	0.31	0.33	0.33

Remark :
[1] Total revenues excluded gain from exchange rate, gain from ECD buyback, gain from divestment of assets and gain on finance lease.
[2] Adjusted net profit in 2005 excluded gain from financial lease of partial areas of CentralPlaza Rama 2 and CentralPlaza Ratchada-Rama 3 to CPN Retail Growth Property Fund (CPNRF), and a write-off impairment assets under development and other related items.
[3] Net interest bearing debt excluded loans from related parties.
[4] Return on equity excluded minority interest in subsidiaries.
[5] Basic earnings per share only attributable to ordinary shareholders.
[6] Dividend payment was adjusted in accordance with the par value of one Baht per share.

Message from the Board of Directors

For the past year, Central Pattana Plc. (“CPN”) has grown incessantly. The performance in 2008 reflected its strength and genuine ability to manage shopping complexes. The successful opening of the new “CentralPlaza Chaengwattana” shopping complex on November 27, 2008, and the acknowledgment of “Top Corporate Governance Report Award”, which is an honorable award from SET Awards 2008, marked 2008 as the year of pride for CPN.

The long history of success during its business operation is partly due to the fact that CPN is one of business lines within Central Group, the leader in retail business for over six decades. Central Group encompasses various businesses, ranging from department stores, hotels, restaurants, to retail shops of hundreds of brands and products, which are anchor and retail tenants within CPN’s shopping complexes. It can be said that the alliance businesses within Central Group support CPN to increase its rental rate and build confidence among other prospects to become new tenants. These help guarantee the success of CPN’s projects and therefore, the high profits are yielded to CPN shareholders from such mutual relationship explained above. In fact, CPN and Central Group are two related business alliances, and such alliance businesses create synergies that benefit CPN. The Board of Directors is aware of the transparency of such transactions that must not cause any conflict of interest and they must build shareholders’ confidence in the process of connected transactions. In the previous year, the revised Securities and Exchange Act B.E. 2551 was promulgated, stating that the connected transactions are the responsibility of the Board. Therefore, the Board defined the trading conditions of normal business practice in engaging in any connected transaction as an apparent business guideline of CPN. Moreover, the Audit Committee has focused on and reviewed the rationality of the connected transaction policy. Prior to engaging in any significant connected transaction, the management will present a detailed report to the Audit Committee for consideration and comment each time. The information memorandum of the connected transaction is also disclosed according to the regulations of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).

CPN Performance in 2008

Under a strong pressure of economic deceleration, the projects under the management of CPN still maintained healthy occupancy rates. At the end of 2008, the average occupancy rate for the shopping complexes was 97%, while that of the office rental was 94%. In deed, such situation had an indirect affect on rental increases. It can be seen that the rental rate was raised according to the renewal contract, but with a lower rental growth when compared to the past years.

For the performance in 2008, CPN and its subsidiaries commanded total revenue of 9,310.6 million baht, increasing 9.6% from the previous year. The net profit was 2,185.8 million baht, 22.6 % up from the past year. Should the non-recurring revenue in 2007 not be taken into account, the total revenue and net profit of CPN in 2008 would grow at 12.4% and 39.3% respectively. It mainly resulted from continually better performance of shopping complexes and effective cost and expense management.

Even though the fund raising plan by transferring assets in CentralPlaza Pinklao and CentralPlaza Chiangmai to CPN Retail Growth Property Fund (“CPNRF”) was delayed due to the underperformed capital market, CPN’s projects in developing phases like CentralFestival Pattaya Beach (opened on Jan 23, 2009), CentralPlaza Chonburi, and CentralPlaza Khon Kaen were carried

"The successful opening of the new *CentralPlaza Chaengwattana* shopping complex in November 2008, and the acknowledgment of *Top Corporate Governance Report Award,* marked 2008 as the year of pride for CPN."

out as planned, facilitated by cash flow from operations and the financing loan from domestic financial institutions. However, for other future projects, they are likely to be postponed and CPN would review their feasibility again as it may be beneficial for CPN to develop them at a lower construction cost. Nonetheless, CPN's liquidity need to be maintained and the debt-to-equity ratio (D/E) must be kept from high level.

The enhancement of current shopping complex projects for added value is still continuing, including external renovation, interior structural redesign, and the change of floor plans and shops' merchandising mix. In 2008, CPN constructed additional parking space in CentralPlaza Rattanathibet project to support the spiraling volume of shoppers after the revamping and floor plan modification in 2007 was completed. CPN also renovated food center inside CentralPlaza Pinklao and reopened it as "Food Park". Moveover the new "Center Point" anchor tenant was added into the CentralWorld project. All these enhancing efforts are to ensure that CPN is all-inclusive, modern, facilitating, and responding to the shoppers' needs.

Nevertheless, after considering the performance in 2008, the overall financial status, a preparation a reserved fund for developing projects, and business support in case of the economic downturn with the strong impact on the business, the Board agreed to propose to the Annual General Shareholders' Meeting to be held on April 30, 2009, to approve a dividend payment of Baht0.33 per share or at a dividend payout ratio of 33% of the net profit of 2008, reflecting a decrease from the dividend payment policy of 40% of the net profit.

CPN is confident that amidst the financial crisis, there are still opportunities for business development, especially those of property purchase or acquire shopping center from other operators, not to mention the lower construction cost in line with the decreased construction material price. Hence, CPN is cautiously moving forward to build its business growth.

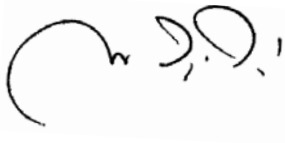
Organization development under the vision of "The Leading Retail Developer with World-Class Experience"

In addition to current project management and business expansion as mentioned above, the year 2008 was also a preparatory one for personnel development and internal operational process, corresponding to the fast-growing CPN business in a few more years. For the work on human resources in the previous year, CPN studied and developed its specific competency of CPN people to set recruitment standards and personnel training and developing courses so that CPN personnel may ultimately suit its business and vision and be able to support CPN's growth. The Leadership Development Program for the management is also

implemented to enhance managerial skills and career succession planning to strengthen business and maintain the organization's sustainable growth.

Furthermore, throughout 2008, CPN improved and modified several business processes to enhance the efficiency and effectiveness of internal processes. Thus, each project of CPN meets international standards, ranging from the adjustment of managerial structures, standardization of the business operations, in line with upgrading the service standards for excellence. Centralization has been introduced in supporting business divisions to replace all duplicate operating processes and decrease unnecessary manpower when a new business expansion occurs. Furthermore, new technology and knowledge are implemented in construction processes and energy-saving efforts. It does not only reduce the time for developing new projects, but is also incredibly effective in cost management.

The Board of Directors would like to thank our shareholders, business partners, tenants, financial institutions, and other stakeholders who have placed their trust in CPN and supported the business well throughout the years. CPN also would like to thank the management and staff for their dedication to duties under good corporate governance since it helps CPN overcome obstacles and difficulties. CPN can therefore achieve its goals and is ready to be the Leading Retail Developer with World-Class Experience.



Mr. Vanchai Chirathivat
Chairman

Mr. Kobchai Chirathivat
President & Chief Executive Officer

Report of the Audit Committee

The Audit Committee consists of three independent directors who have aligned component and qualifications with the specified regulations of the announcement of the Securities and Exchange Commission (SEC). As Chairman of the Committee, Mr. Paitoon Taveebhol is knowledgeable and experienced in reviewing the credibility of financial statement.

In 2008, 11 meetings were held with full attendance. Occasionally, as necessary, the Committee consulted the President, the management, the external auditor, internal audit unit, and other non-executive directors with report including their independent views and recommendations. The members performed their duties in compliance with the announcement of Stock Exchange of Thailand (SET) on audit committee qualifications and the scope of operation B.E 2551. The Committee co-examined, reviewed, and decided to revise their charters to cover and align with the changing regulations, effective from August 13th, 2008 onward.

The Committee reported its quarterly performance to the Board. The performance in 2008 was summarized below.

Accuracy, completeness, and credibility of financial reports

The Committee reviewed the quarterly and annually financial statement in 2008, deliberated the audit plan, and reported the findings to the management and the external auditor. They considered the significance of accounting policy, accurate and appropriate financial reports against generally accepted accounting principles including rentals and service fees and discounts for related parties and general stores alike, as well as financial and accounting internal control and IT system.

The Committee endorsed accurate, complete, and credible financial reports, quarterly and annually, by advising the management to improve procedures to prevent the reoccurrence of problems and avoid potential problems. They also gave comments to the external auditor to report the change of accounting standards, follow up the result of the management's improved performance, and report it to the Committee for acknowledgment and consideration.

Sufficiency of internal control and internal audit

Monitoring internal audit practices for consistency with professional standards, the Committee encouraged the application of risk assessment and internal control system under the standard of COSO and the application of computers in support of audit tasks for greater efficiency and more adequate internal control. The Committee also deliberated annual audit plans, reported the findings of each plan, and followed up all of them. Also, the Committee provided recommendations to the internal audit office and the management for their performance improvement, and constantly deliberated and supported manpower and their efficiency.

The Committee remarked that internal control and internal audit systems were sufficient. They also endorsed annual audit plans, performance updates on inspection and follow-up business processes by advising the management to improve the operation in accordance with findings by the Committee. Furthermore, they gave useful observations for the operation and recommended that the risk management unit should leverage internal audit findings to complement the assessment, monitoring, and management of relevant risks.

Compliance with securities and exchange laws, SET regulations, and relevant laws

The Committee regularly reviewed CPN's compliance with Securities and Exchange Laws, regulations of SET, and relevant laws.

The Committee remarked that the transactions needing compliance with Securities and Exchange laws, regulations of SET, and relevant laws are sufficient and asked the management to monitor the essence of Securities and Exchange Act No.4 of B.E.2551 and report for acknowledgement and closed consideration.

Connected transactions

The Committee deliberated relevant connected transactions for compliance with laws and regulations of SET to ensure that they were reasonableness and yielded the maximum benefits for CPN.

The Committee remarked that such transactions were indeed reasonableness and fairness and proposed to the management that operational framework and criteria for relevant transactions should be updated and clarified so that the task forces can accurately apply them as the standard operational guideline. Regarding the decision of transaction approval, the management should clearly record supporting reasons so that each reader can consistently understand that it is normal business operation practice for the utmost benefit for CPN.

Selection and appointment of external auditor

The Committee assessed the external auditor's performance in 2008, the third year of this auditor, as satisfactory as a whole, and suggested the external auditor to make use of internal auditor's work to reduce duplication. Deliberating the appropriate audit fee compared to the greater scope of work, the Committee proposed to the Board to re-appoint KPMG Phoomchai Audit Ltd. as the external auditor in 2009 for a Baht 1,510,000 fee.

The Committee deliberated the independence of the external auditor and provided the observation to the management that if CPN uses other services besides the audit of financial statement, it must be sufficiently disclosed in the annual report and others as necessary.

Furthermore, the Committee attended one meeting with the external auditor without the presence of the management, to ask for comments regarding work and coordination with the relevant management. Therefore, the comments to management included the review of reports' accuracy and completion before submitting them to the external auditor as well as adherence to the timeline and schedule that were agreed with the external auditor.

Overall comments and observations on operation in compliance with charter

From self-assessment of the Committee's operation in 2008 on January 19th, 2009, in five categories – composition of the Committee, training and resources, meetings, activities of the Committee, and relationship with the head of Internal Audit, the management, and the external auditor – the overall evaluation was summarized as sufficient and comprehensive operation at a very satisfactory level.

Nevertheless, the Committee has general comments and observations as follows: The managing unit should consider sending important and useful information to every Committee member to better support the latter's performance. The President and the external auditor should attend more meetings than they had in 2008, while the Committee should participate more in deliberating the performance, appointment, transfer, dismissal, and the remuneration setting and adjustment of the head of Internal Audit.

Other useful transactions for shareholders and investors under the scope of work and delegated responsibilities by the Board

Good corporate governance

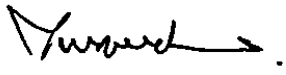
The Committee encouraged and followed up the progress of a continual corporate governance development process while providing essential guidance and recommendations. CPN was granted SET Awards 2008 among the top ten listed companies under the category of “Top Corporate Governance Report Awards” with the “Very Good” rating score.

The Committee recommended CPN to constantly improve good corporate governance. Moreover, corporate social responsibility is one instance of good corporate governance for stakeholders. CPN should set up a management system to promptly and properly respond to complaints, including a tracking system for measuring satisfaction with complaint handling in order to clearly show responsibility to different stakeholders in a more visible way.

Risk management

The Committee ensured that CPN manages risk systematically, efficiently, and effectively under a proper standard. The Chairman of Audit Committee also be in the office as the Advisory Chairman of Risk Management Committee attended every meeting of the Risk Management Committee to deliberate and make recommendations on the performance and updates of CPN’s risk management actions through regular information exchanges about the risks and internal control with potential impacts on CPN jointly with the Risk Management Committee, its task force, and the management.

The Audit Committee recommends CPN to review and improve the approach of risk management since it has been conducted for three consecutive years. The Audit Committee will also drive and encourage CPN to have a system of fraud risk management by linking it with more modern and effective strategic risk management at organizational level and subordinate levels.



Mr. Paitoon Taveebhol

Chairman of the Audit Committee

Report of the Nomination and Remuneration Committee

In 2008, the Nomination and Remuneration Committee performed its duties and responsibilities under its charter. Two meetings were held, with a summary appearing below:

1. Selected suitable candidates for tabling to the Board and Shareholders' meetings for consideration and nomination as replacements for retiring directors in 2008.
2. Deliberated the 2008 compensation for the Board and its subcommittees, comprising the Audit Committee, the Nomination and Remuneration Committee, and the Risk Management Committee and tabled it to the Board and Shareholders' meetings for consideration and approval under the standard of suitable responsibilities and performance, compared within the same industry.
3. Deliberated the succession plan for the Company's senior executives.
4. Deliberated the compensation for senior executives.
5. Deliberated and gave advice on human resource policies and work processes.
6. Deliberated and gave advice on target setting and performance assessment for the President & CEO.
7. Deliberated the appropriate tenure period of the Audit Committee.
8. Reviewed the duties and responsibilities, as well as the performance, under the Committee charter.
9. Issued work progress reports of the Committee and submitted them to Board at all meetings for acknowledgement.

In 2008, the Nomination and Remuneration Committee did its best to complete its duties and responsibilities independently and for the maximum and reasonable benefits of the Company, shareholders, and all stakeholders.

Mr. Chackchai Panichapat

Chairman of the Nomination and Remuneration Committee

Report of the Risk Management Committee

The Board of Directors is well aware of the significance of risk management. Under ever-changing circumstances, from both internal and external factors, that may affect the business, risk management is the critical key to every process of business operation. A clear risk management policy was therefore devised and implemented to ensure that risks are identified and managed to the Company's acceptable levels. A Risk Management Committee was also set up to take charge of driving the implementation of risk management throughout the Company.

In 2008, the Committee performed its duties and issued four reports on the progress of risk management, summarized below:

1. Strategic Risk: Deliberated Corporate Risk Profile strategies in line with the Company's mission. For example, in the formulation of strategies, the Committee considered risks that might obstruct achievements; identified, assessed, and prioritized risks; and formulated a risk management plan.
2. Operational, Regulation and Financial Risks: Deliberated the process and implementation plan of risk management to ensure that risk management and internal control were both efficient and sufficient for accepted risk levels and suitable for the evolving environment. The Committee also instituted risk management throughout the organization, both in shopping complexes and at the headquarters.
3. Every unit's participation in risk management: Deliberated all significant aspects and business processes while giving practical suggestions to the formulation of work plans and following up implementation progress to minimize or avoid that particular risks
4. Issued four timely and appropriate risk management reports with conclusive updated risk management progress and submitted them to the Board after each Risk Management Committee meeting, and then made two briefings for the Board.

In 2008, the Risk Management Committee ensured that risk management was both sufficient and suitable; risks were managed to acceptable levels. Moreover, risk management was continuously carried out and a risk management culture was nurtured. An useful advice was candidly given to all business units for the maximum and reasonable benefit of the Company, shareholders, and all stakeholders.

Mr. Naris Cheyklin

Chairman of the Risk Management Committee

Report of the Corporate Governance Commitee

The Board of Directors adheres to the good corporate governance policy and continuously supports the implementation and development of good corporate governance under SET regulations and the internationally accepted corporate governance practices. The Committee was set up to oversee such implementation. A working committee responsible for corporate governance promotion and public relations was formed to take charge of devising the implementation plan, campaigning and conducting public relations to cultivate awareness of good corporate governance and social responsibility among the management and all staff efficiently and effectively.

In 2008, the Corporate Governance Committee held four meetings to acknowledge and review the work progress to ensure conformity to the formulated policy. The essences of the duties performed for good corporate governance appear below:

1. Ensured that the management and staff embrace the policy on good corporate governance and act accordingly.
2. Supported activities promoting CPN's good corporate governance principles and practices, as detailed below:
    - » Put up announcements and mobile hanging campaigning for the six good corporate governance principles, namely *Integrity, Disclosure and Transparency, Treat People Equality, Fair to All, Keep Promises and Confidentiality, and Care for People and Society,* to cultivate awareness and stress the active implementation of good corporate governance.
    - » Organized roadshows at all branches to communicate the principles of good corporate governance via recreation to ensure that the management and all staff at all branches receive a single message.
    - » Disseminated information about the good corporate governance policy and activities via the Company's intranet and desktop wallpaper to ensure communication efficiency through modern, timely, and readily accessible means of communication.
    - » Arranged for the publication of an illustrated article titled "CG – easy to do, and we can do" in the ADMIRED Newsletter, the Company's bi-monthly in-house magazine, to foster understanding among staff of the desired work behavior and compliance with good corporate governance principles.
    - » Offered staff an opportunity to participate in expressing their opinions, including raising complaints through 'I-Box'. In 2008, CPN created another communication channel – mail box No. 99, Pratunam.
    - » Set up a CPN volunteer group and invited staff participation in social responsibility activities.
    - » Gave 'Khon Dee Khon CPN' awards to role models on good corporate governance who are well accepted by colleagues at each branch. This was to create pride among staff and express CPN's strong commitment to good corporate governance.
3. Visited Kasikorn Bank Plc to share experiences in good corporate governance and CSR activities for application at CPN.
4. Formulated a CSR policy and encourage activities that are relevant to the CPN's plan
5. Reviewed the policy, morality, and practices of good corporate governance to ensure compliance with SET regulations on good corporate governance enforced in 2006. A comparison with the practice in OECD (The Organisation for Economic Co-Operation and Development) was also made to internationalize CPN's good corporate governance.

6. Implemented Employee Opinion Survey (EOS) and an evaluation form for roadshows to evaluate staff's comprehension of good corporate governance principles. As for the findings, they acknowledged and understood it better than last year.
7. Regularly reported on good corporate governance to the Audit Committee and the Board.

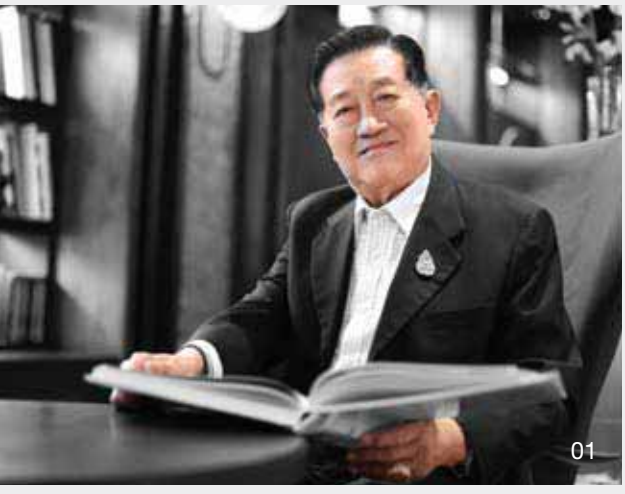
In 2008, the Corporate Governance Committee did its best in performing its duties with steady determination to develop CPN's good corporate governance in line with SET regulations and international principles for the maximum and reasonable benefit to the Company, shareholders, and all stakeholders. CPN is convinced that conforming to good corporate governance will supplement value to the organization while supporting continued and sustainable growth.

Because of CPN's dedication to and appreciation of the value of corporate governance, together with full support and cooperation from the directors, management and staff, CPN was granted SET Awards 2008 in a category of "Top Corporate Governance Report Awards" with the "Very Good" rating score from the evaluation of listed companies by Thai Institute of Directors Association (IOD). This award was given to outstanding listed companies for their compliance reports on good corporate governance. CPN is committed to continuously improving the standard of supervision and reporting.

Mr. Naris Cheyklin

Chairman of the Corporate Governance Committee

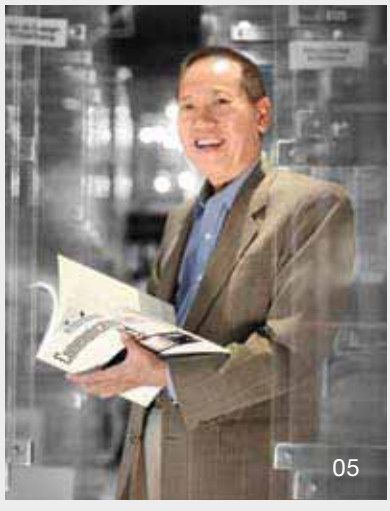
Board of Directors, Executive Committee, Audit Committee & Management Team


01

02

03

04


05

08

09

06

07

10

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

11

12

13

14

15

16

17

19

18

20

Economic overview and retail industry in 2008

In 2008, the economic overview was affected by internal and external factors. The political instability and government changes were considered significant internal factors in determining the country's economic direction and policy as well as directly undermining the confidence of both local and foreign investors. In the first half of 2008, factor affecting the decreased consumption and growth rate of the retail industry was soared prices of consumer goods caused by rising inflation and oil price. Despite the declined inflation and energy price in the second half of 2008, domestic economic situation was still pressured by external factor – a global financial crisis – leading to economic recession. This significant factor affected the manufacturing industry, household, finance and banking, as well as capital market. As a consequence, Thai economy in 2008 was in deceleration, both in consumption and investment from public and private sectors, which were the result of the factors mentioned above.

For retail industry, it is affected by domestic political instability as well as Thai and global economic fluctuation, undermining consumers' and business segment's confidence that was bound to continually decrease. Each retailer attempts to create novel strategies or innovation to stimulate consumers' spending. Strategies were developed and presented in many schemes as seen below:

- To present intensive marketing and promotional activities with business alliances, to enable retail developers to better approach and respond to the needs of shoppers in each segment by cooperating with business alliances to strengthen the promotion and public relations.
- To modernize shopping complexes to be compatible with the needs of shoppers in various segments in order to expand new client base and maintain the existing ones.
- To popularize the outstanding shopping complexes via activities which promote cordial relationship with tenants, business alliances, and shoppers. These activities are unique for each specific segment as the sustainable creation of loyal customers.

Retail property market in 2008

Bangkok's retail property supplies recorded 5.04 million sq.m. in 2008, an approximated increase of 313,000 sq.m., or represented a supply growth of 6.6% from 2007. The enlarged retail space was mostly contributed by shopping complexes and expanding community malls in suburban areas around Bangkok and its vicinity. The operators of hypermarket also continually multiplied their branches and tended to develop new projects with more retail space in order to support consumers' behavioral changes and their needs of comprehensive products and services. In 2008, retail property's occupancy rate in Bangkok dropped to 93.6% from 94.5% in 2007 as a result of decelerating economic activities since both retail operators and consumers lacked confidence in domestic political situation, including the potential affects from domestic and global economic deceleration. Therefore, both retail operators and consumers awaited the situation and examined the potential consequence for business operation and living, both in current and future circumstances. As a result, these should help explain reasons for descending trend of retail occupancy rate. Retail rentals in 2008 were stable compared to 2007 due to the declining consumers' confidence as seen in their lower spending with more caution. Consequently, the rising of retail rental rates for some businesses were pressured by the deceleration of consumer goods.

Office property market in 2008

For the office property market in 2008, office property supplies in Bangkok stood at 7.79 million sq.m, an approximated increase of 250,000 sq.m., or 3.3% from 2007, which was a continual decline in supply growth since 2007 due to Thai and global economic deceleration. It can be seen that several organizations has reduced their business expansion plan and deferred the plan to spread out branches or offices. Therefore, the need to expand office space of former companies or newly opened companies took a plunge. It is noted that there were considerably higher numbers of available office space for rent which were developed by office building developers since 2006. Consequently, the occupancy rate for office property has remained the same from 2006 until present, causing stable or a low growth rental rate during the mentioned period.

CPN's competitive strategies

Conducting business and market research to fully respond to customers' need and upgrade services

In the previous year, CPN conducted market survey by studying the satisfaction of shoppers with various and different needs. By doing so, CPN studied target shoppers' behavior, awareness, and CPN brand perception as well as the effectiveness of marketing activities to better comprehend and approach their needs. Subsequently, CPN utilized the market survey results to develop and improve the efficiency of our marketing plans. Furthermore, CPN studied the tenants' needs and listened to their opinions to jointly develop the shopping complexes for shoppers' maximum satisfaction. In addition, it is necessary and crucial to conduct market research to measure the competitiveness in the retail business, especially in highly competitive market situation with unique and rapidly changing shoppers' needs.

Building and enhancing cordial relationship with tenants as business alliances

CPN concentrates on selecting tenants, who will operate their stores within CPN's shopping complexes, which is considered a significant CPN's competitive strategy. CPN selects high-quality stores whose business directions are consistent with CPN's, paying attention to product development, service, and systematic development of marketing plans, which enable CPN to identify the direction and suitably respond to market needs. Moreover, CPN continuously held activities to improve the relationship with tenants and reported new marketing information so that our business development can be unified and move to same direction.

Zoning and categorizing the merchandizing mix within shopping complexes

CPN has an effective managing system for selecting, categorizing, and zoning the stores to match shoppers' need. Thanks to its long-standing experience in managing shopping complexes, CPN is able to choose, allocate, and categorize the stores consistent with promoting the business operation of retail shops within the complexes, which creates the added value for shoppers and benefits the tenants.

Meticulous design of shopping complexes, focusing on beauty and modernity and developed into energy-saving and eco-friendly ones in community while maintaining reliable security systems

CPN recognizes the importance of the design of shopping complexes to be modern and meet the shoppers' needs. That is why the survey for the needs of target shoppers in each area is conducted to develop the complexes to match their needs. In addition, the design reflects each project's image to be in harmony with the environment, ambiance, and culture of each area. Furthermore, CPN values the energy and environmental saving in the community, including being aware of tenants' and shoppers' safety. CPN staff and tenants therefore attend training of the drill for possible fires and disasters. Safety equipment is also examined. In the previous year, more closed circuit television sets and emergency telephones were installed in and surrounding the shopping complexes.

Conducting integrated businesses to mutually benefit the shopping complexes and supportive businesses

To conduct integrated business to mutual benefits to the shopping complexes not only expands the revenue base for CPN, but also creates additional benefits from jointly beneficial shopping complexes and supportive businesses. For example, the office building is developed in the same area as shopping complexes; therefore, it can well facilitate office customers in terms of a variety of shops, services, and sufficient parking space. For food center operation in shopping complexes, the main purpose is to serve and facilitate shoppers in one stop shopping. CPN has selected well-known and popular restaurants and beverage shops, focusing on variety, good taste, and reasonable price, with modernized the atmosphere within the food parks and maintain the high standards of food and service.

Marketing activities to create new experience for shoppers

In addition to outstanding and unique design of shopping complexes, CPN's marketing activities focus on creating new experiences for shoppers under the concept of Experience Marketing. CPN organized unique signature events for the distinctiveness and differentiation from competitors, such as "Eat Crab and Admire Sea View" regularly held at CentralPlaza Rama 2. "Songkran Festival" or "Summer Fave" and "Thailand Balloon Festival" at CentralWorld, and "Hand Bangkok Countdown" to welcome New Year at CentralWorld Square.

2008 year in brief

Under the vision to be “the Leading Retail Developer with World-Class Experience” under the framework of strength and sustainable growth, CPN is focusing on business expansion to maintain its market and approach to the new market, together with upgrading the service standard as well as developing and managing shopping complexes to rule the hearts of tenants and shoppers.

In 2008, the retail business was still under pressure from the ongoing political instability since 2007, the rising oil price and living expenses, as well as the U.S. economic crisis. It has undermined consumers’ confidence, thereby causing less consumption. As a consequence, CPN proceeded with a retail policy focusing on increasing its competitive capability and stimulating shoppers’ spending by constantly holding strategic promotional and marketing activities for all through the year, together with developing shopping complexes and upgrading the service and management standard for excellence.

For the development of new shopping complexes, it was undertaken with caution. In 2008, CPN decided to suspend the plan of property purchase as well as the development of unconstructed projects while continuing developing four new shopping complexes, which were in construction and received good response in terms of space leasing, namely CentralPlaza Chaengwattana (opened in November 2008), CentralFestival Pattaya Beach (opened in January 2009) and CentralPlaza Chonburi and CentralPlaza Khon Kaen (scheduled to be opened in 2009).

Management development

To upgrade its management into one of international standards, CPN formulated the operational plan between 2006 - 2010, together with the social and environmental responsibility. The key projects in 2008 are:

Project of world-class property management company

To prepare all projects of shopping complex development and every unit in the shopping complexes for Thailand Quality Award, the ongoing project from CentralWorld, the prototype project, was submitted to Thailand Quality Award in August 2008. For the further success of management development in 2008, all 10 shopping complexes were certified by ISO 9001:2000 for its quality management standard last May while the new ones were in the preparation process for certification submission.

Energy-saving project for global warming alleviation

Energy-Saving Project for Global Warming Alleviation supports the government’s energy policy and was a continued project from 2007. In the year earlier, CPN replaced existing chillers with innovative high efficiency chillers in five shopping complexes, namely CentralWorld, CentralPlaza Bangna, CentralPlaza Ramindra, CentralPlaza Chiangmai Airport, and CentralPlaza Rattanathibet, which reduced the air conditioners’ energy consumption and carbon dioxide emissions.

Environmental project

To prepare for environmental management systems, CPN appointed CentralPlaza Bangna and CentralPlaza Pinklao as the pioneer projects for the certification of the ISO 14001:2004 standard environmental management system in 2009.

Development of current projects

The development of currently operational projects, both shopping complexes and office buildings, continuously proceeded as planned to maintain the standard of safety, beauty, completeness, modernity and facility for the shoppers' maximum satisfaction. In 2008, CPN developed the major shopping complexes as follows:

CentralWorld

At the beginning of 2008, CPN developed the space by negotiating with Major Cineplex to leased its space back and develop to Center Point Project, which will complete the shopping complex's whole picture and respond to teenagers' lifestyles and needs with high purchasing power in the heart of Bangkok.

Provided the following services: VIP Parking , VIP Lounge, Bag Deposit, and Allah-worship room

Paid attention to the cleaning job, service and restroom facility. As a consequence, CentralWorld received "Public Restroom Standard for Tourism" Award from the Ministry of Tourism and Sports.

The Offices at CentralWorld

Chosen as top three energy-saving building in Thailand Energy Award 2008. It is the only private office building among nationwide candidates that passed the contest of Department of Alternative Energy Development and Efficiency, Minister of Energy.

CentralPlaza Pinklao

The development of the existing food center with a focus on a new look. "Food Park", completed in March 2008, was opened under the concept of "Food Park with Affordable Price in Restaurant Ambience".

CentralPlaza Ratchada – Rama 3

The development of existing food center with the focus on new look. "Food Park", completed in April 2008, was opened under the concept of "Food Park at Affordable Prices in Restaurant Ambience".

The development of retail space in "XY Arena" and "Junction X" zones, linking the area with Food Park, was completed in November 2008.

CentralPlaza Rattanathibet

To support the increasing number of shoppers after the renovation in 2007, CPN added another car parking floor, divided into parking space for 364 vehicles with a circulation of approximately 1,500 vehicles a day.

CentralPlaza Chiangmai Airport

The foundation construction of a 3,000 sq.m. Convention Hall to support the future MICE (Meeting Incentive Convention and Exhibition) expansion. At present, the foundation has utilized as parking space and prepared to develop further.

Developed and upgraded the service, cleaning job and restroom facility. As a consequence, CentralPlaza Chiangmai Airport won the "Public Restroom Standard for Tourism" Award from Ministry of Tourism and Sports.

Newly opened projects

To maintain its leadership in retail development and expand the client base covering Bangkok's northern area and the Eastern Seaboard of Thailand, CPN opened two new shopping centers as below:

CentralPlaza Chaengwattana, is the trendiest and all-in-one project in the north of Bangkok. Officially opened on November 27, 2008, it was well received from tenants with an 85% occupancy rate on the opening date as expected.

CentralFestival Pattaya Beach, on the beach of Central Pattaya, is Asia's trendiest and largest premium lifestyle shopping complex located at a natural beach front in Asia. This is a significant project to attract a larger number of high-end customers to visit Pattaya. Officially opened on January 23, 2009, CPN's space leasing met the expectation and the occupancy rate was at 75% on the opening.

CPN's properties and operational performance in 2008

CPN retail properties	Land ownership	Leaseable area (Sq.m)	Occupancy rate (%)	No. of tenants (shops)	No. of average visitors (visitors per day)
CentralPlaza Lardprao	Leasehold	55,531	97%	344	181,000
CentralPlaza Ramindra	Leasehold	17,159	100%	79	32,000
CentralPlaza Bangna	Freehold	57,435	98%	303	116,000
CentralPlaza Pinklao	Leasehold	55,684	98%	277	134,000
Central Center Pattaya	Leasehold	15,227	100%	140	40,000
CentralPlaza Chiangmai Airport	Freehold	76,321	99%	531	76,000
CentralPlaza Ratchada-Rama 3[1]	Freehold	58,153	98%	297	83,000
CentralPlaza Rama 2[1]	Leasehold	99,244	99%	355	160,000
CentralWorld	Leasehold	184,592	97%	464	108,000
CentralPlaza Rattanathibet	Freehold	76,848	98%	222	66,000
CentralPlaza Chaengwattana	Freehold	64,917	91%	396	100,000
Total		**761,111**	**97%**	**3,408**	**1,096,000**

Remark: [1] For CentralPlaza Ratchada-Rama 3, 81% of CPN's asset leased out to CPNRF since August 2005 until August 2035.
For CentralPlaza Rama 2, 96% of CPN's asset leased out to CPNRF since August 2005 until August 2025.
Operational performance of CentralPlaza Rama 2 & Ratchada - Rama 3 included assets transferred to CPNRF and CPN acts as the property manager of CPNRF.

Source: Figures of leaseable area, occupancy rate, and no.of tenants were retrieved as at 31 December 2008.
Figures of no.of average visitors (visitors per day) was an average figure for the year.

CPN office properties	Land ownership	Leaseable area (Sq.m.)	Occupancy rate (%)	No. of tenants (units)
Lardprao Office	Leasehold	17,719	97%	56
Bangna Office	Freehold	10,007	97%	27
Pinklao Tower A Office	Leasehold	22,426	85%	48
Pinklao Tower B Office[1]	Leasehold	11,334	92%	40
The Offices at CentralWorld	Leasehold	82,794	96%	109
Chaengwattana Office[2]	Freehold	N/A	N/A	N/A
Total		**144,280**	**94%**	**280**

Remark: [1] Pinklao Tower B Office was converted from residentail building.
[2] Chaengwattana Office is expected to be opened in April 2009 with an approximate gross floor area of 27,000 sq.m.

CPN residential properties[1]	Leaseable area (Sq.m)	Occupancy rate (%)
Langsuan Colonade	4,466	75%
Central City Residential	1,907	55%
Total	**6,373**	**69%**

Remark: [1] CPN owns a partial of the residentail buildings.

Stride Together Governance, CPN's "Top Corporate Report Award" Awards 2008.

CPN received the Best Corporate Governance Report Award at SET Awards 2008 program which was held by The Stock Exchange of Thailand (SET) and co-sponsored by Money & Banking Magazine. The Best Corporate Governance Report Award was selected from the listed companies which are outstanding in reporting their corporate governance practices. The award was considered from information disclosure in Form 56-1, company's annual report, and invitation letter and minute of shareholders' meeting.

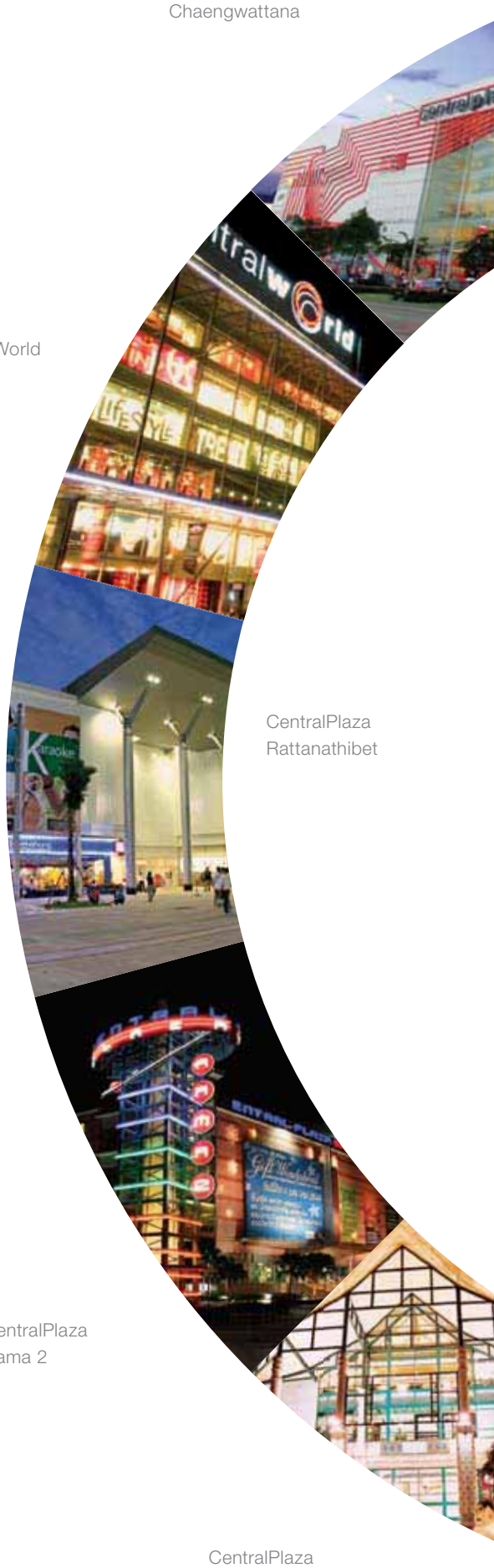
with Corporate Pride in Our Governance from SET

CPN today

Central Pattana Plc. has continually grown in investing and developing property business. CPN is enthroned as the leader in retail property market by having the largest and the most modern shopping complexes in Thailand.

Nowadays, CPN develops and manages 12 opened shopping complexes, five office buildings, and two resident buildings. The latest projects of CPN are two mega-shopping complexes: CentralPlaza Chaengwattana, on Chaengwattana Road, Nonthaburi Province (Bangkok's vicinity), and CentralFestival Pattaya Beach, on Central Pattaya, Chonburi Province (East of Bangkok).

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



CentralPlaza Chaengwattana

CentralWorld

CentralPlaza Rattanathibet

CentralPlaza Rama 2

CentralPlaza Chiangmai Airport

CentralPlaza
Lardprao
CentralFestival
Pattaya Beach
CentralPlaza
Ramindra
CentralPlaza
Bangna
CentralPlaza
Pinklao
Central Center
Pattaya
CentralPlaza
Ratchada-Rama 3

Potential Location...

As the leading retail property developer,

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

01 centralplaza LARDPRAO

Bangkok
Retail GFA: 78,700 sq.m.,
Office GFA: 27,500 sq.m.,
Parking space: 3,000 vehicles

As Thailand's first integrated shopping complex, CentralPlaza Ladprao comprises of office building, nine movie theaters, Central Department Store – reputed retails, both domestically and internationally, and a 9,000 sq.m. convention hall. CentralPlaza Lardprao was not only the first integrated shopping complex in Thailand, but also the most popular one, drawing over 40 million shoppers annually.

02 centralplaza RAMINDRA

Bangkok
Retail GFA: 23,500 sq.m.,
Parking space: 1,000 vehicles

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

03 centralplaza BANGNA

Bangkok
Retail GFA: 113,000 sq.m.,
Office GFA: 10,000 sq.m.,
Resident GFA: 2,000 sq.m.,
Parking space: 4,600 vehicles

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

04 centralplaza PINKLAO

Bangkok
Retail GFA: 104,500 sq.m.,
Office GFA: 48,300 sq.m.,
Parking space: 3,700 vehicles

As the integrated shopping complex on the west side of Bangkok, CentralPlaza Pinklao can respond to the needs of various target customer segments, such as educational institutes, offices, and communities. It includes leading retails, Central Department Store, eight movie theaters, and two office buildings.

05 centralplaza RATCHADA-RAMA III

Bangkok
Retail GFA: 98,000 sq.m.,
Parking space: 2,300 vehicles

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

06 CENTRAL CENTER PATTAYA

Chonburi
Retail GFA: 29,000 sq.m.,
Parking space: 400 vehicles

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

07 centralplaza CHIANGMAI AIRPORT

Chiangmai
Retail GFA: 107,000 sq.m.,
Parking space: 1,500 vehicles

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

08 centralplaza RAMA II

Bangkok
Retail GFA: 161,500 sq.m.,
Parking space: 3,200 vehicles

CentralPlaza Rama 2 is located on a main highway in the south of Bangkok, a rapidly expanding residential district. The complex has retails, Central Department Store, a supermarket, a food center, an entertainment and leisure complex, a 30-lane bowling center, 10 movie theaters, and public garden space.

09 centralplaza RATTANATHIBET

Nonthaburi
Retail GFA: 105,000 sq.m.,
Parking space: 2,000 vehicles

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

10 centralworld

Bangkok
Retail GFA: 302,100 sq.m.,
Office GFA: 127,400 sq.m.,
Parking space: 7,000 vehicles

This new shopping complex phenomenon in Thailand started in August 2006 when CentralWorld opened in the heart of Bangkok and became the largest shopping complex in South East Asia. With a leading design and liveliness in 21st century, CentralWorld rapidly became an exciting lifestyle shopping complex and attracted visitors from all over the world. The shopping complex house Zen Department Store and Isetan Department Stores, internationally renowned brand name stores, 15 integrated cinemas, and TK Park. Furthermore, other components to complete the comprehensive project are the largest convention center in the heart of the city, a premium 45-story office tower, and a 500-room five-star hotel.

11 centralplaza CHAENGWATTANA

Nonthaburi
Retail GFA: 160,000 sq.m.,
Office GFA: 27,000 sq.m.,
Parking space: 3,200 vehicles

Being the largest and most comprehensive lifestyle shopping complex on Chaengwattana Road on the northwestern side of Bangkok, CentralPlaza Chaengwattana is outstanding for its design technology that pays close attention to energy-saving and eco-friendly. The shopping complex consists of Central Department Store, B2S, Tops Market Place, SuperSports, PowerBuy, Office Depot, SFX Cinema, Fitness First, as well as over 300 leading stores. It was commenced the operation in November 2008.

12 centralfestival PATTAYA BEACH

Chonburi
Retail GFA: 240,000 sq.m.,
Parking space: 2,000 vehicles

CentralFestival Pattaya Beach is Asia's largest beachfront shopping complex with modern and lively lifestyle center for the urbanites, including local and foreign tourists. The complex includes Central Department Store, B2S, Central Food Hall, SuperSports, PowerBuy, Food Loft, SFX Cinema, and over 370 shops in total of fashion boutiques, international restaurants as well as service and entertainment complexes. It was inaugurated in January 2009.

New developments

CentralPlaza Chonburi Project

Location : Sukhumvit Road, Muang District, Chonburi Province; the business center of the Eastern of Thailand.

Project size : Representing the biggest shopping complex in Chonburi with total area of 62 rai. The shopping complex comprises of Robinson Department Store, Carrefour, retail shops, food and beverage varieties, and entertainment center with a total floor area of 175,000 sq. m. and facilitates shoppers with 1,500 car parking space.

Tenants : This shopping complex houses more than 225 retail shops, restaurants and entertainment complex with major and mini-anchors including Tops Supermarket, Power Buy, B2S, SuperSport, Office Depot, and SF Cinema City.

Project's potential :

Prime location in terms of downtown area

The complex located on the center of Chonburi's Eastern Business District surrounded by many tourist attractions such as Bang Saen Beach, Khao Khiao Open Zoo and Si Chang Island.

Prime location in terms of transportations

Situated on an easy access location with many convenient routes including Highway No.3 (Bangkok-Chonburi) and Highway No.7 (Motorway).

The biggest and trendiest lifestyle shopping complex in Chonburi with no other opened shopping malls within a 35 km. radius.

Planned opening : May 2009

Investment : Approximately 2,000 MB

CentralPlaza Khon Kaen Project

Location : Muang District, Khon Kaen Province; the major cities in the Northeastern of Thailand.

Project Size : Located on a land area of 35 rai with 95,000 sq. m. of shopping complex (including Robinson Department Store) and 1,500 car parking facilities representing the largest lifestyle and entertainment center in the Northeastern of Thailand.

Tenants : The complex features numerous mouth-watering restaurants and major and mini-anchors, including Tops Supermarket and Fitness First, plus the largest and most comprehensive entertainment center- SF Cinema City in the region.

Project's potential :

Prime location in terms of geographical

Khon Kaen is considered as "Tourism and Regional Business Hub" due to its location to the neighboring countries which are Lao People's Democratic Republic, the Socialist Republic of Vietnam, and The Kingdom of Cambodia. Moreover, Khon Kaen city is also featured as the center of development in terms of education, financial institutions, government offices and transportation, which makes Khon Kaen the hub of commercial in the Northeast of Thailand.

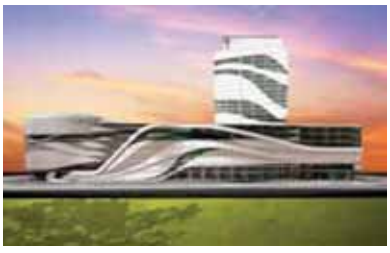
Prime location in terms of located area

CentralPlaza Khon Kaen is located only one km. away from the heart of city and only five minutes from Khon Kaen University and Khon Kaen Airport. It is also surrounded by a regional convention center and government offices which will ensure foot traffic to the complex.

CentralPlaza Khon Kaen, the largest and fully integrated shopping complex of the Northeast, is expected to attract more customers from nine surrounding provinces which will increase more customer base to the complex.

Planned opening : December 2009

Investment : Approximately 3,160 MB



CentralPlaza Rama 9 Project

Location : Bangkok, Ratchadaphisek - Rama 9 intersection, next to MRT Rama 9 Station.

Project size : Situated on a 15-rai plot of combined land with 119,000 sq. m. of shopping complex and 2,500 car parking facilities.

Progress of the project : Central Pattana Nine Square Co., Ltd., a subsidiary of CPN (95% interest), has already entered into a 30-year land lease agreement with the land owner, in which the agreement will be expired on June 30, 2040, with the rights of first refusal to renew the land lease agreement for 10 years.

The feasibility study of the complex is currently undergoing.

Project's potential : The complex situated on prime location and easily accessible from all directions with MRT Rama 9 Station right in front of the complex.

The complex is surrounded by local residences, hotels, office buildings, embassies, export promotion and trade fair center, government offices, and academic institutions.

Planned opening : Completion expected by mid 2012

Investment : Approximately 4,000 MB

Former Pre-Cadet School Project (Suanlum Night Bazaar)

Location : Bangkok, Rama 4–Wireless Road intersection, next to MRT Rama 4 Station

Project size : Situated on an approximately 40-rai plot of combined land

Progress of the project : The Crown Property Bureau, the landlord, has agreed to award CPN as a property developer of the land for 30 years.

The land lease agreement is expected to be completed in 2009.

Project's potential : The complex is located on Bangkok's Central Business District (CBD) surrounded by office buildings, exhibitions and convention centers, and hotels. Moreover, the situated land area has long been a Bangkok's famous tourist attraction for both foreigners and Thais. The complex is located right in front of MRT Rama 4 Station with many convenient routes to the complex.

Overseas projects

To gain advantages from global diversification and expansion, CPN has been exploring and considering an expansion plan to overseas projects, especially to Asian countries with substantially high economic growth rate. Having said that, CPN is currently undertaking a feasibility study on overseas with a cautious basis to become aware of global economic recession. It is certain that an overseas expansion is an aim to broaden return and diversify risk.

Regarding with competitiveness and risks in overseas, CPN has carefully assigned a team to research on a wide range of overseas investment aspects including economics, social, industrial, laws and regulations as well as any potential risks for each target countries by base on our principle of sustainable growth and optimal returns.

Philosophy and corporate strategy

Our philosophy

CPN has strictly followed the organization's mission:
"To constantly achieve sustainable growth for the maximum satisfaction of shareholders, partners, staff, clients and society."

Therefore, the Board of Directors, the Board of Executive Directors, management and staff are strongly committed to developing CPN for vigorous and continuous growth by collaborating with partners in improving and upgrading excellent services to create rewarding experience for customers, together with assisting, caring, and creating sustainability for the society and community.

CPN also operated the business on the basis of ethics and moral under the principles of good corporate governance. This is the origin of faith in the organization's meaning, consisting of:
Integrity, disclosure and transparency, treat people equality, fair to all, keep promise and confidentiality, and care for people and society

and the organizational value:
Innovative experience, trustworthiness, excellence, success of partners

to lead CPN to be:
"The leading retail developer with world-class experience".

Our mission & vision

Our mission

"To constantly achieve a sustainable growth with maximum satisfaction for all stakeholders"

Our vision

"The leading retail developer with world-class experience"

Our values

Committed to creating satisfaction

CPN is determined to promote positive creativity in every one of its personnel for thinking, approach, and innovation as one way to improve business procedures and performance to stress CPN's uniqueness.

Committed to trust

CPN is determined to build trust and gain extensive acceptance by others to develop reliability, honesty, fairness, and participation, as well as any action for the benefit of the organization and all stakeholders.

Committed to excellence

CPN stresses work achievement and drives for desired results while taking into account all issues concerning work quality. All personnel must demonstrate their professionalism and thorough knowledge on their jobs, striving for continuous self-development to add value to business and service.

Committed to joint achievement of business partners

CPN stresses that its personnel must foster and nurture positive relationships with others by giving with willingness, cooperation, support, and participation with other individuals or teams, both inside and outside the organization.

Our strategy

With strong confidence and intention to be

The leading retail developer with world-class experience

Within 2010, the Board of Directors, the Board of Executive Directors, and top managerial level jointly set CPN's strategic frame to create constant and sustainable growth and strength in the retail property development and management business, focus on proactive and multi-format for shopping complex business expansion to maintain the existing market and approach new markets that support business growth, create value as well as responding to the true needs of shoppers.

In 2008, CPN operated the business by following the main strategy,

"CPN the B-E-S-T"

consisting of four operational strategies for world-class experience as follows:

1. Business improvement
   The enhancement of organizational capability in developing and managing shopping complexes
2. Experience excellence
   The emphasis on leadership in creating outstanding and differentiated experiences
3. Staff excellence with high engagement level
   The development of excellent personnel in the business
4. Tenant & partnership excellence
   The continuity of good and sustained relationships with tenants and business partners

In the past year, CPN successfully followed the strategic plan as seen from key performance indicators in both organizational and departmental levels reaching the planned targets. This was a significant link for setting the operational strategy for 2009 – 2010, emphasizing the development of shopping complexes with high competitiveness as well as presenting the value that answers the true needs of shoppers, tenants and business partners under the core strategy of *"Rewarding Experience"*.

Business overview

CPN was established on June 17, 1980, with the objective of developing large-format and integrated shopping centers. The Company has been listed on the Stock Exchange of Thailand (SET) since March 1, 1995. Its current issued and paid-up share capital is Baht 2,178,816,000, of which the majority is held by Central Holdings Co., Ltd., and Chirathivat family members. CPN's core businesses comprise development of large-scale shopping complexes, and provide retail space for rent and services. At present, CPN has 12 shopping complexes under its management, with 10 project - owner and 2 project - management. CPN also has office and residential buildings as its supporting business to optimize the use of land, diversify income sources, and draw in more customers to shopping complexes. CPN is, moreover, operating other related businesses, such as water and recreational parks, and food centers in some shopping complexes to facilitate shoppers. Services and facilities provided at each place mainly depend on its location and the needs of target customers.

CPN's business is divided into various business groups. Categorized by the source of income, there are five business groups as follows:

1. Shopping Complexes

The shopping complex business is CPN's main source of income, generating over 70% of the total revenues. Income from the business includes rental of retail spaces, utility and security services, and cleaning service at ten properties. Another source of income in this category is the management fee at two property projects under CPN Retail Growth Property Fund (CPNRF) as well as a share of profits from investment in CPNRF.

CPN's shopping complex development starts from finding strategic locations, conducting feasibility studies, controlling the design and the 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.

2. Office Buildings

The office building business involves the development of office buildings for rent, whereas there are demands for office space in shopping complex areas. It was found that office building business complements that of the shopping complex, and adds value to the project. Moreover, it enhances the land usage and efficiency of car park management. The decision to develop an office building mainly depends on supply and demand for office space in each location. Income from the business comprises rental of office space, rental of retail shops in office buildings, and utility service fee.

CPN's office building development starts from conducting feasibility studies, controlling the design and construction, leasing, to managing the office 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 commands four office building projects, namely CentralPlaza Lardprao, CentralPlaza Pinklao, CentralPlaza Bangna, and CentralWorld (The Offices at CentralWorld). Tenants of office buildings in CentralPlaza Lardprao, CentralPlaza Pinklao, and

CentralPlaza Bangna projects are mostly operators of businesses benefiting from shopping complex, such as learning centers, beauty parlors, and brokerage firms. The Offices at CentralWorld is different, as it is a grade A office building located in the heart of the central business district, most tenants are leading businesses, both Thai and foreign, who intend to settle their headquarters.

3. Residential Buildings

At present, CPN manages two residential building projects. One is LangSuan Colonade, a serviced apartment. The other is Central City Residence Condominium, a 12-unit condominium situated on the premises of CentralPlaza Bangna.

4. Water Parks and Recreational Parks

Water parks and recreational parks are supporting businesses for shopping complexes, CPN's core business, 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. Current projects in this category are Leo Land Water Park on the 6th floor of CentralPlaza Bangna, and Central Park, a large-scale recreational park on the premises of CentralPlaza Rama 2, opened to the public consisting of a health park, a children playground, an activity area, and renowned restaurants.

5. Food Centers

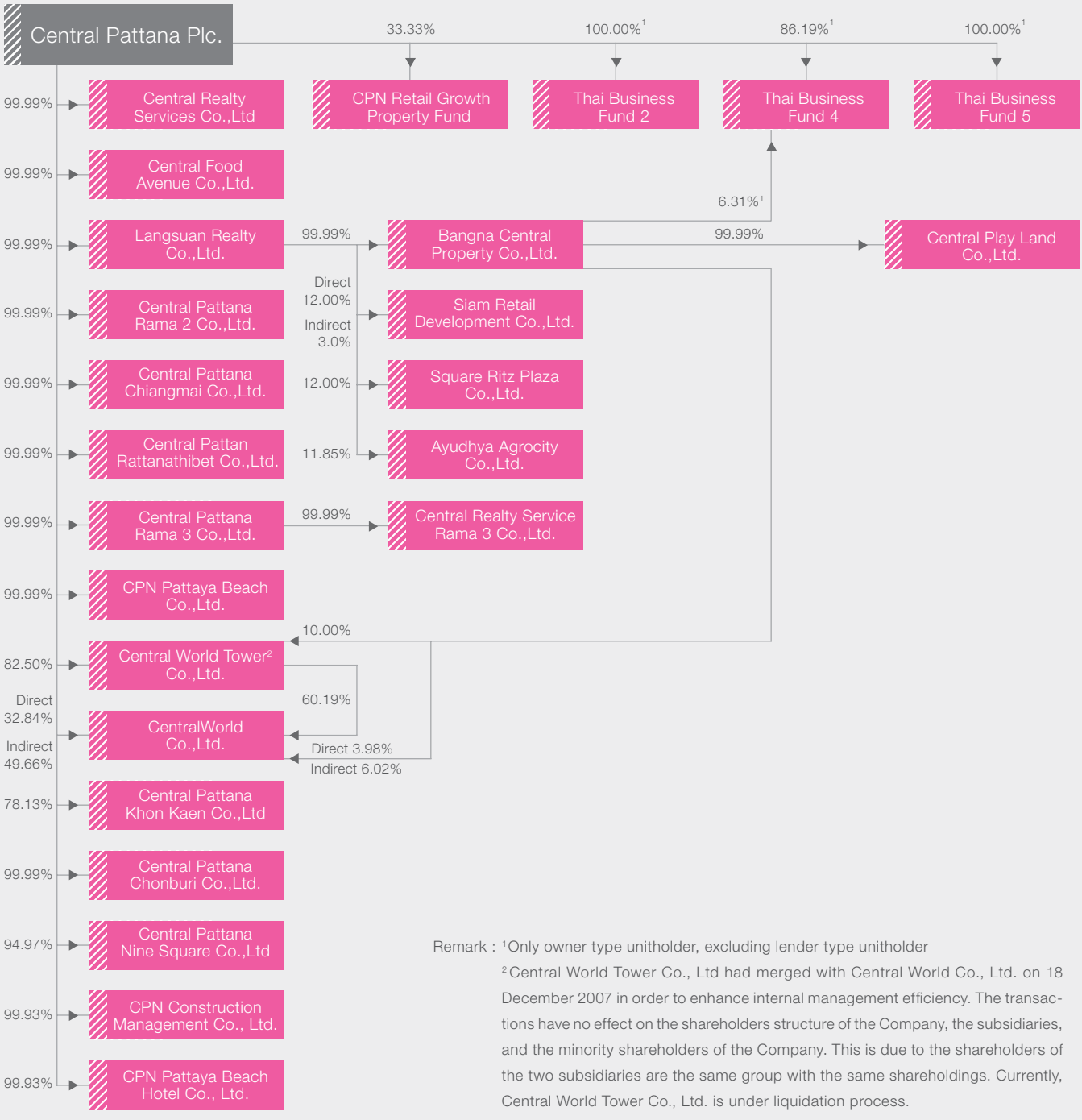
Food Centers are considered necessary complements to shopping complexes. They are intended for providing customers with a wide variety of economical and ready-to-serve dishes. CPN earns sizeable income from the sale of food and beverage in food centers.

Currently, the projects under management of CPN and its subsidiary as follows:

CPN's Projects	Year of operation	Shopping Complexes	Office Buildings	Residential Buildings	Food Centers
CentralPlaza Lardprao	December 1982	•	•		•
LuangSuan Colonade	June 1993			•	
CentralPlaza Ramindra	November 1993	•			
CentralPlaza Bangna	December 1993	•	•	•	•
CentralPlaza Pinklao	March 1995	•	•		•
Central Center Pattaya	July 1995	•			
CentralPlaza Chiangmai Airport	March 1996	•			•
CentralWorld	December 2002	•	•		
CentralPlaza Rattanathibet	December 2003	•			•
CentralPlaza Chaengwattana	November 2008	•			•
CentralFestival Pattaya Beach	January 2009	•			•
Projects leased out to CPNRF					
CentralPlaza Ratchada-Rama 3[1]	October 1997	•			•
CentralPlaza Rama 2[2]	December 2002	•			•

Remark : [1] 81 % of CPN's asset leased out to CPNRF since August 2005 until August 2035
[2] 96 % of CPN's asset leased out to CPNRF since August 2005 until August 2025

Group structure of the company and its subsidiaries



Remark : [1]Only owner type unitholder, excluding lender type unitholder

[2]Central World Tower Co., Ltd had merged with Central World Co., Ltd. on 18 December 2007 in order to enhance internal management efficiency. The transactions have no effect on the shareholders structure of the Company, the subsidiaries, and the minority shareholders of the Company. This is due to the shareholders of the two subsidiaries are the same group with the same shareholdings. Currently, Central World Tower Co., Ltd. is under liquidation process.

Revenue structure of the company and its subsidiaries

Type of Business / Operated By	% of Shareholding	Year 2008		Year 2007		Year 2006		Year 2005		Year 2004	
		Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Shopping Center		7,244	73.6%	6,680	74.9%	5,545	71.6%	5,474	78.4%	5,130	82.9%
Central Pattana PLC.											
Central Pattana Chiangmai Co., Ltd.	99.99%										
Bangna Central Property Co., Ltd.	99.99%										
Central Play Land Co., Ltd.	99.99%										
Central Pattana Rama 3 Co.,Ltd.	99.99%										
Central Pattana Rama 2 Co., Ltd.	99.99%										
Central Pattana Rattanathibet Co., Ltd.	99.99%										
Central Pattaya Beach Co., Ltd.	99.99%										
CentralWorld Co., Ltd.	92.50%										
Central Pattana Khon Kaen Co., Ltd.	78.13%										
Office Building		868	8.8%	809	9.1%	733	9.5%	482	6.9%	229	3.7%
Central Pattana PLC.											
Bangna Central Property Co., Ltd.	99.99%										
CentralWorld Co., Ltd.	92.50%										
Residential		24	0.2%	19	0.3%	22	0.3%	31	0.4%	40	0.6%
Langsuan Realty Co., Ltd.	99.99%										
Bangna Central Property Co., Ltd.	99.99%										
Water and Recreation Park		7	0.1%	9	0.1%	10	0.1%	14	0.2%	48	0.8%
Central Pattana Rama 2 Co., Ltd.	99.99%										
Bangna Central Property Co., Ltd.	99.99%										
Food Center		456	4.6%	378	4.2%	397	5.1%	420	6.0%	387	6.3%
Central Food Avenue Co., Ltd.	99.99%										
Central Pattana Chiangmai Co., Ltd.	99.99%										
Bangna Central Property Co., Ltd.	99.99%										
Central Pattana Rama 2 Co., Ltd.	99.99%										
Central Pattana Rattanathibet Co., Ltd.	99.99%										
CentralWorld Co., Ltd.	92.50%										
Interest Income		167	1.7%	110	1.2%	159	2.0%	55	0.8%	32	0.5%
Share of Profit from Investment in CPNRF		362	3.7%	317	3.5%	299	3.9%	83	1.2%	-	-
Other Incomes		712	7.2%	601	6.7%	586	7.6%	422	6.0%	324	5.2%
Total Revenues[1]		9,839	100%	8,923	100%	7,749	100%	6,981	100%	6,190	100%

Remark : [1]Total revenues of the year 2005 excluded gain on financial lease amounted to 2,885 MB

Organizational development

CPN is committed to its mission: "to Constantly Achieve Sustainable Growth with Maximum Satisfaction for Shareholders, Partners, Clients and Society". For the past three years, CPN has consistently focused its efforts on developing itself into a high-performance organization that operates under a vision and is able to efficiently and effectively manage with high regard for sustainable and mutual benefits of all stakeholders.

CPN steering committee

To integrate the organizational development of various depart ments, respond to organizational targets, and follow the direction that supports each other, the CPN Steering Committee was established with top executives as members. The committee is responsible for supervising and reviewing organizational development plans as well as advising and supporting decisions that could increase the efficiency of the organization management as a whole.

Strategic Planning and Business Policy Office

The Strategic Planning and Business Policy Office, established in 2006, analyzes and determines the direction that allows synergy within the organization, as well as applying various effective tools for organizational development. It has initiated development projects under the supervision of the CPN Steering Committee, which were approved by the executive committees and the management. The projects have gone through systematic and continuous evaluation and improvement.

For CPN's sustainable growth and achievement of the vision to become "the Leading Retail Developer With World-Class Experience", the upgrading of the management and service to the world-class standard of excellence is a crucial strategy, together with work morality under good governance principles. The organizational development in 2008 are as followings:

Campaign on good corporate governance

CPN strongly believes that business should operate on ethics and morality based on the benefits of all stakeholders, which in turn will be the foundation of sustainable business growth. To ensure that the performance of all departments is in line with good governance, CPN specified six good corporate governance principles as an operation guideline for staff at all levels, namely, Integrity, Disclosure and Transparency, Treat People Equality, Fair to All, Keep Promises and Confidentiality, and Care for People and Society. In 2008, the Company consistently organized activities to promote and reinforce the six principles, such as an Employee Opinion Survey (EOS), a project to encourage the employees to express their opinions via P.O. Box 99 and internal suggestion boxes (I-Box) that are available throughout all CPN offices, the social responsibility activities by the CPN Volunteer Group, and the "Good CPN People" ("Khon Dee Khon CPN") award for employees who have been role models (see additional information on good corporate governance on page 56).

Toward excellence

Thailand quality award organizational development project

The criteria for the Thailand Quality Awards (TQA) are one of the guidelines used by CPN in upgrading the organization to the world-class standard. After a thorough study of the TQA criteria, CPN has formulated the operational structure and formed a committee and an evaluation team under TQA, while conducting "CPN's Journey to TQA" roadshow event to increase awareness of TQA among all employees.

2008 was the first year in which CPN utilized TQA criteria to improve the management of shopping complexes. CentralWorld, as the pilot project, was evaluated and its report nominated to

TGA so that it may receive the evaluation and suggestions from the award committee of the Secretary of Thailand Quality Award, which would in turn be used to improve the management of CentralWorld. The knowledge and experience gained from the pilot project have also been used to develop other shopping complexes of CPN to upgrade the overall management of the Company.

Service excellence development and upgrade project

In order to develop and upgrade the services of shopping centers as planned, a Standard Control Unit (SCU) was established to be in charge of upgrading the management and service of five divisions - tenant relations, customer relations, system, cleaning, and safety. Each division conducted a joint study, set a desired world-class standard of the shopping complexes, and developed the excellence service attitude of the personnel of all sectors. The development and operation plan was devised to be performed between 2006 and 2009.

Business process improvement project

CPN fully recognizes that one of the keys to the organization's success is an efficient and up-to-standard work process, which supports the business strategy and is suitable to the changing situation and technology. CPN has applied a quality management system (QMS), which regularly provides internal quality control evaluation, together with the review and revision of the work process in accordance with the situation and business competition. The company has also undertaken risk management and control for its projects while maintaining good corporate governance, resulting in an efficient, stable, and respectable internal work process that can handle CPN's sustainable growth.

To ensure that the management of all shopping complexes and departments are up to the same operational standard, CPN has utilized quality management systems, including ISO 9001:2000, ISO 14001:2004, and ISO 27001.

Retail management under ISO 9001:2000

In addition to CentralPlaza Lardprao and CentralPlaza Pinklao, which had earlier applied for the certification of ISO 9001:2000, CPN enlisted eight more shopping complexes in 2008, including CentralPlaza Rama 2, CentralPlaza Bangna, CentralPlaza Rachada-Rama 3, CentralPlaza Ramindra, CentralPlaza Chiangmai Airport, CentralPlaza Rattanathibet, Central Center Pattaya and CentralWorld.

Regarding to the plan in year 2009, CPN is preparing four new shopping complexes, namely CentralPlaza Chaengwattana, CentralFestival Pattaya Beach, CentralPlaza Chonburi and CentralPlaza Khon Kaen, to enter ISO 9001:2000, the quality management system, and subsequently apply for the certification.

Environmental management under ISO 14001:2004

In 2008, CPN began to set up an environmental management system in compliance with the standard of ISO 14001:2004 at CentralPlaza Pinklao and CentralPlaza Bangna as pilot projects. CPN is also planning to set up similar systems for two other projects, CentralPlaza Chiangmai Airport and Central Center Pattaya, as the next step before applying all other shopping complexes to ISO 14001:2004.

Information security management system under ISO 27001

The information security management and IT infrastructure development have always been regarded as important tasks. In 2008, CPN focused on upgrading its overall information management by applying the internationally accepted Information Security Management System (ISMS) standard as the guideline for its information management. It therefore formed an Information Security Group (ISG), a group of representatives from each department, to revise the company policy and standard on information security under the Computer Crime Act 2007 that came into effect in September 2008 and to prevent CPN from emerging electronics threats.

System development was completed in compliance with the new Act in 2008 as scheduled. The ISG panel has revised the policy and standard on information security management, expected to be implemented at the beginning of 2009. The ISG will also periodically evaluate the operation and revise the implementation, aiming for the certification of ISO 27001 at the end of 2009. If all achieves according to plan, CPN would be the first retail developer in the country to be certified with an internationally accepted information security management standard.

CPN Quality Award

The CPN Quality Award was established to encourage all employees to participate in the development of work processes and services to increase customer satisfaction under the following objectives:

» To generate ideas, principles, and tools that can be applied for better changes within each department

- To strengthen the learning network
- To develop the potential of an “CPN Innovator”, who leads the changes within the organization, as well as “Internal Trainer”
- To encourage knowledge sharing within the company.

The CPN Quality Award project in 2008 focuses on business process improvement and innovation. The participants are expected to apply the knowledge and skill gained from the training to improve the efficiency of their work processes.

Economic Value Management Project

In 2008, CPN further developed the Economic Value Management (EVM), started in late 2007, to assess the value of the Company in relation to the capital. CPN has gathered quantitative and qualitative data to calculate its economic profits. Currently, it is under development for a system that can accurately and appropriately reflect the economic value. Such system is expected to be in use in 2010.

Human capital development

CPN recognizes that its people are vital resources to grow a sustainable and competitive business. During 2008, CPN carried out human development programs to foster knowledge, skills, and capability. It was done together with the development of a human capital management system to ensure that CPN staffs are qualified for their responsibilities and able to effectively support the Company's strategy as summarized below.

In-house training

CPN designed training courses to support the organization's strategic plan, for instance, the concept idea development to be a successful leader, financial management, tax and fundamental law for foreign investment, communications etc. Moreover, there were courses for the development of career standards and the response to the department's operation; personality and service development, English Phonetics for Tenant Services and advanced skill-level fireman practice. Throughout 2008, 222 in-house training course were altogether arranged for staff to pursue CPN's strategy.

Public training

CPN delegated staff to join training with well-known institutes, professionals as well as Thai and foreign experts as instructors. Staff had a good opportunity not only to enhance their skills, knowledge and competency but to also build connections with colleagues within the same industry and career paths, which benefited their duties. Throughout 2008, CPN sent staff to local training by renowned institutes and lecturers, such as Chulalongkorn University, Thammasat University, Asia Business Forum and Marcus Evan Congress as well as overseas trainings at the Michigan Ross School of Business, Hong Kong ICSC (International Council of Shopping Center Conference). They also studied the operation of leading shopping centers in Japan, Hong Kong and the U.S.A. During the year earlier, CPN sent staff to attend 160 public training courses.

In addition to regular staff training, CPN set a human development system via human management tools to ensure CPN staff's appropriate skills, knowledge and competency for their responsibilities in order to support business growth. In 2008, CPN proceeded with human development projects as follows:

Competency development & management

To ensure that all staff members have suitable qualifications and character for their positions and are capable of effectively and efficiently doing their duties, CPN has studied and used the pattern of CPN staff's skills, knowledge, common competency, and professional and functional competency as the foundation to manage and develop the entire system of human resources.

Leadership development program

To develop the managerial staff's leadership skills, together with the managerial skills, knowledge and attitude suitable for the environment and competitiveness in current business, this project was developed for them. As a result of this project, all managerial staff individually acknowledged their leadership and skills, including the gaps to be filled for the required competency. This will be developed and devised into Individual Development Plans (IDPs) for every managerial staff member to have skills and attitude up to the international level and possess CPN leadership DNA, which are capable of effectively improving teamwork to readily support the organization's projected business growth.

Succession plan for executives

This is for the acknowledgement of skill and competency CPN's executives should have and stress on improving the recruitment process and devise a systematic plan to develop a personnel as an executive successor. This will strengthen the business in the future and maintain CPN's sustainable growth.

To proceed with the project, the attendants must go through an evaluation process via different tools, such as Development Center evaluation, 360 - degree questionnaire to assess CPN leadership competency and personality test. The result is expected to determine the target group as executive successors and be able to formulate systematic succession plans for executives.

As for the human development plan in 2009, it is still focusing on laying the foundation of human resource development system to create an advantage in terms of competitiveness and the response to organization's strategies. The key plans and projects in 2009 consist of:

Training center

CPN will establish a training center with full equipment and personnel that is suitable and in line with the learning patterns, including course development to enhance the effectiveness in CPN staff's duties, such as retail management, leadership development, work effectiveness improvement and skill improvement for each field of work.

Competency implementation

This is an ongoing project for Competency Model Development. In 2009, the pattern of skills, knowledge and competency model from the CPN Competency Model in 2008 will be adjusted for human resource management in each department, such as staff selection and recruitment, work evaluation, training road map and IDPs.

Career development

To determine the career path for every position in the organization so that all staff members can acknowledge the advancement for their career path in CPN, which creates the mutual understanding about career goals between staff and the organization, causing the staff's effective improvement and delivering of the extremely effective work.

Executives coach

This is a project for high-level executives to have the matching knowledge, skill and competency in management and leadership complied with CPN's leadership competency. It responds to the development of succession plans for executives to be ready for career advancement.

Human resource management

Personnel selection and recruitment

In order to support business growth and the launching of four new projects - CentralPlaza Chaengwattana in November 2008, CentralFestival Pattaya Beach in January 2009 as well as CentralPlaza Chonburi and CentralPlaza Khonkaen scheduled to be opened for 2009, CPN needs to aquire knowledgeable and capable personnel as a strong team. In the year earlier, CPN organized "Mass Recruitment" around the mentioned areas of new projects to recruit personnel and provide careers for the locals and people in the vicinity. From this recruitment event, many people were interested in working with CPN as shown by; 156 from 1,771 applicants were hired for CentralPlaza Chaengwattana, 68 from 124 applicants were hired for CentralFestival Pattaya Beach, and 74 from 427 applicants were hired for CentralPlaza Chonburi.

For the recruitment in the past year, CPN also used other channels, such as the CPN corporate website (www.cpn.co.th), job search websites, classified advertisements in newspapers, brochures and participated in recruitment activities, such as Campus Recruitment and Job Fairs, producing over 40,000 applicants with CPN in 2008.

Personnel management

CPN runs a policy of human resource management to keep staff in high spirits as members of the organization in terms of fundamental policy, such as competitive remuneration for the same industry or the same field in the labor market, higher benefits and welfare than legally regulated. These include a provident fund, medical welfare, life assurance and group health assurance, birthday leave, emergency fund, financial support for their weddings and funerals of their family members as well as a special personnel management policy consistent with the economic situation that affected staffs' cost of living. In 2008, CPN set forth additional personnel management policies as follows:

- Reconsider and improve the reimbursement regulation for operation in provincial areas and abroad to be consistent with the higher oil price during August 2008.
- Provide financial aid to staffs from the senior managerial level or equivalent downward in order to alleviate the burden of higher living expenses due to the economic downturn that affected staffs.

CPN believes that when staffs live together like a family and friends or in a cordial relationship, they will produce more effective work. Therefore, CPN has regularly organized recreation to strengthen relationships among staffs, enhance their work morale, and improve their quality of life. The activities in 2008 include:

- **Project of staff's family day** to strengthen the relationship and friendship between staffs, management and among staffs' families.
- **CPN sports day** to encourage staffs to recognize the importance of physical exercises.
- **Annual physical examination** for all staff to encourage them to recognize the importance of staying healthy and having a good quality of life.
- **Social and community activities**, such as blood donation in commemoration of the late HRH Princess GalyaniVadhana, with over 8,400,000 CC of blood donation exceeding the target.
- **Project on self-sufficient economy** in tribute to His Majesty the King to remind staffs of His Majesty's initiation and apply his ideas as guidance for their lives, such as a contest of conducting income and expense accounts.
- **Scholarship project for staffs' children** from elementary to undergraduate levels in order to alleviate the expense burden of staffs with good performance and promote education among staffs who filed scholarship applications from the secondary to undergraduate levels in order to improve the capability in the field of work.
- **Annual merit-making project** on Visakha Puja Day to offer staffs an opportunity to attend the religious ceremony with the Company and encourage them to have good mental health.

Personnel information

As at 31 December 2008, CPN's total head count was 2,121, divided by branch as follows:

Centers/Year	2004	2005	2006	2007	2008
Headquarters	230	289	349	417	584
Ladprao	170	192	191	193	183
Ramindra	50	51	51	54	50
Pinklao	130	159	181	180	146
Pattaya	54	54	72	88	96
Rama III	87	126	105	106	107
Chiangmai	141	142	144	143	143
Food Center[1]	78	-	-	-	-
Bangna	204	191	187	205	183
Rama II	152	150	155	159	142
CentralWorld	228	222	302	405	387
Rattanathibet	81	71	85	99	96
Lang Suan[2]	-	3	4	4	4
Total	1,605	1,650	1,826	2,053	2,121

Remark : [1] Food Center staffs are distributed to branches with food centers
[2] Before 2004, Lang Suan staffs were included in the headquarters

Total compensation for staff

Compensation/Year	2006	2007	2008
Salary, Bonus, Allowance, Provident Fund, and Welfare	Baht 555,319,862	Baht 662,013,352	Baht 828,328,323

Principles of good corporate governance

CPN recognizes the significance of good corporate governance and the Board is strongly determined to set the process of good corporate governance as a standard, leading to the practice across the organization. As a result, to ensure CPN's business compliance with good corporate governance practices under its policy, the Board formed guidelines under the policy, which every director, executive and each staff member must acknowledge, master and strictly observe. It is also the responsibility and crucial matter for executives at all levels to help their staff know, master and observe the policy. The Board constantly updates the principles and operational guidelines, as they believe that an effective system of good corporate governance will support CPN's competitive potential in both short and long terms. This is because it would bolster the confidence of investors, financial institutions, business allies and all stakeholders, leading to value appreciation for shareholders and balanced mutual benefits among all relevant parties. Details of the operation of corporate governance activities are as seen below:

Rights of shareholders

CPN values shareholders' rights and complies with the laws, regulations, and ethical guidelines as follows:

- A mechanism is in place to ensure shareholders of getting full returns on their investment. The alliance structure among CPN, its subsidiaries, and joint ventures is relatively simple, without joint shareholding or cross shareholding. CPN has no pyramid shareholding structure within the Group.
- CPN provides shareholders with basic rights and fair treatment in protecting their rights to hold shares, which include the rights to buy, sell, and transfer shares; the right to receive clear and accurate information; the right to attend shareholders' meetings and vote for the approval of significant transactions; the right to elect an individual executive to manage CPN; the right to decide the remuneration for the Board of Directors; the right to appoint external auditors and decide their fees; the right to receive part of CPN's profit in the form of dividend; the right to participate in, and to be sufficiently informed on, decisions concerning fundamental of CPN changes, etc.
- CPN, in the shareholders' meeting notice, provides shareholders with essential and adequate information for casting their votes on each item on the meeting agenda,
- the Annual General Shareholders' Meeting agendas are consist of:
  1) Nomination of Directors – CPN provides basic information on candidates, including the name, age, type of directorship, edcation, experience in holding positions in other businesses, number of years in each position, and participation on various committees during the past year. Such information was screened by the Nomination and Remuneration Committee and added with sufficient and clear remarks by the Board.
  2) Remuneration – CPN provides information on the policy, amount of money, form of compensation for each different position, criteria and procedures for paying compensation. Such information was screened by the Nomination and Remuneration Committee and added with sufficient and clear remarks by the Board.
  3) Appointment of the External Auditor – CPN provides information on the name of the auditor, independence, number of service years with CPN, and criteria and procedures for consideration of the suitability of the auditor's fee. Such information was screened by the Audit Committee and added with sufficient and clear remarks by the Board.

4) Dividend Payment – CPN provides information on the dividend policy and dividend amount subject to approval, against the amount paid in the previous year. Such information was added with sufficient and clear remarks by the Board.

» At the 2008 AGM, CPN provides minor shareholders with the right to propose in advance additional meeting agenda and the names of potential directors. This includes shareholders' rights to query the meeting agenda before the meeting date by submitting their queries to the Company Secretary in November 2007. Details of the criteria for such consideration, which were agreed on by the Board, can be viewed at corporate website, www.cpn.co.th.

» CPN provides two hours before each meeting for registration. IT and a barcode system facilitated the registration and vote counting while ensuring the accuracy of the information.

» Before each Shareholders' Meeting, the Company Secretary made clear the balloting and counting procedures, as already stated in the voting guidelines already distributed to all shareholders who registered. Participants will be informed of the balloting result for each agenda item and presented with the voting scores. The number of shareholders attending the meeting in 2008 accounted for 81% of the total shares.

» CPN allows shareholders to attend a meeting in progress and they still have the voting right for the items remaining on the agenda.

» CPN allows shareholders to express their views, suggestions, or complaints through the CPN corporate website, the Company Secretary's e-mail, telephone, and by ordinary mail. Such views and suggestions will be used for business improvement to meet shareholders' needs and satisfaction.

The detail of channel to contact the Company Secretary are as follow:

` The Company Secretary
Central Pattana Public Company Limited
999/9 The Offices at CentralWorld, 31st Floor
Rama 1 Road, Pathumwan, Bangkok 10330
Tel : +66(0) 2667-5555 ext. 1665 or 1678
E-mail : co.secretary@cpn.co.th

» The Company allows shareholders to fully express their views and raise their questions. The Chairpersons of the Board, the Audit Committee, and the Nomination and Remuneration Committee, and the President & CEO attend all meetings to address questions clearly to shareholders' satisfaction.

Equitable treatment of shareholders

CPN values the equality of all shareholders, be they major or minor ones, institution, or foreign investors. Its practical guidelines to promote genuine equality include the following:

» CPN provides shareholders with the voting right, equivalent to the number of shares held. One share yields one vote.

» CPN facilitates shareholders who cannot attend the meeting in person by enclosing in the meeting notice Proxy Form B, in which shareholders can state their voting preference, together with the detail about how to appoint a proxy to the Shareholders' Meeting. Shareholders can download Proxy form A, B, and C from www.cpn.co.th. In addition, the names and biographies of three independent directors have been provided for shareholders'choice as proxy. At the 2008 AGM, 83 shareholders appointed independent directors as their proxy.

» At the 2008 AGM, CPN posted the meeting notice at the website on 25 March 2008, 30 days ahead of the meeting

date to provide shareholders with sufficient time to scrutinize the information in both Thai and English. In the notice, CPN enclosed facts and rationales as well as remarks by the Board for all items on the agenda. No other significant document was given out at the meeting, no addition was made to the meeting agenda, and no amendment of significant information was made witout informing the shareholders in advance.

» CPN introduced the use of ballot paper for casting votes. Ballot paper is separately prepared for each agenda for shareholders to use as appropriate.

» CPN has in place a regulation to prevent the abuse of inside information and conflicts of interest. Relevant detail appears under the title of "Management of Inside Information" on page 62.

» In making connected transactions, CPN strictly manages the approval procedure in its best interests. Transactions with possible conflicts of interest are raised for the Audit Committee's scrutiny before submitting to the Board and shareholders' meetings for consideration, if applicable. CPN discloses complete important information in compliance with the regulation.

Roles of stakeholders

CPN values all stakeholders and observes the sustainability of the mutual benefit, as detailed below:

Staff :

CPN focuses on cultivating an pleasant culture andambiance; creating a safe work environment for lives and assets; conducting a regular safety review in the office; providing safety equipment for staff and making sure they can properly use it; being committed to labor law; treating staff equally and fairly; supporting teamwork; encouraging frequent staff training; organizing activities to build a cordial relationship between executives and staff; and providing suitable wages and welfare in line with performance and economic situation on employment. Details can be viewed under the title of "Human Resource Management" on page 54. Furthermore, CPN provides protection to its staff and employees in case of complaint filing concerning violation of or incompliance with laws, rules, regulations or business ethics as stated in CPN's corporate governance policy.

Creditors :

CPN repays principles plus interests to all creditors at the agreed time and amount and follows all the loan and related conditions, and does not misuse the loan throughout CPN's business life. In 2008, it has not any complaint from creditors.

Business partners :

CPN has a transparent and straightforward procedure in bidding, negotiating, and selecting contractors/suppliers. To enter into contracts concerning employment, sale-purchase of goods/service, it treats all business partners with equality and fairness. The Company's committee takes part in all stages of the deal. In 2008, it has not any complaint from business partners.

Tenants and customers :

CPN commands a development program for improving the efficiency of work process. It constantly comes up with new activities and services to enhance positive customer relationships and satisfaction while also providing them with novel and impressive experience. This demonstrates CPN's strong commitment to sharing with customers, jointly promoting business development with customers for sustainable growth. These activities are

1. Launching the CPN Retail Management Program II training program, the collaboration between CPN and Academic Service and Training Center, Faculty of Commerce and Accountancy, Chulalongkorn University. This program emphasized the development of store owners and CPN's executives to sustainably grow together with CPN. The course consisted of essential management principles for the retail and shopping complex industry.

2. Operating the World Class Service Project, aiming to build a cordial relationship with tenants, development and upgrading of management and providing world-class service to tenants under the supervision of Standard Control Unit (SCU). The activities run by SCU included the standardization of policies, work processes and document forms related to tenants in all branches, the improvement of reception areas in front of each complex, publicity of services provided by CPN, development of service staff and evaluation of their services, and tenant relations staff's visit to the stores to serve tenants and listen to problems and complaints from each store once a day.

3. Jointly making plans with tenants. The Sales Promotion Department and Tenant Relations Department have extended assistance to tenants in organizing activities on assorted occasions, including shop opening, launch of new products, customer relations, and joint sales promotion between retail shops and the shopping complex to enhance shop owners' preparedness to run the business.

4. Preparing a questionnaire of Service Satisfaction Survey to learn about the real needs of retail shops continuously. The information acquired will be used to support CPN's service excellence ambition.

5. Producing the Connections Magazine for distribution to tenants and customers. The magazine presents movements of CPN, including new projects, new shops in shopping complexes, activities held at shopping complexes, as well as other useful information.

6. Providing more communication channels for customers to receive business information and voice complaints, such as contact the tenant service officer directly, I - Box, the Company's website and CPN Call Center + 66 (0) 2635 - 1111.

Competitors :

CPN treats competitors with integrity without reaching for competitors' confidential business information unfairly and inappropriately. It will not do anything to abuse intellectual properties of others or competitors and acts under fair competition conditions. It will not harm competitors' reputation by accusing them without supporting facts. Incidentally, during 2008 no business conflict arose.

Community and Society :

Aiming to grow the business in tandem with the community and society strongly and sustainably, CPN continuously organizes activities to support the community and society. Activities during 2008 included the following:

1. Supporting charity projects, such as blood donation as merit making for the late HRH Princess Galyani Vadhana Krom Luang Naradhivas Rajanagarindra

2. Providing educational support, such as the establishment of the "CPN Cultivates Thai Wisdom" Project to support underprivileged communities by building community learning centers, libraries for needy schools, and donating computer rooms and computers to underprivileged children.

3. Organizing activities to support the community and society, such as a training course on basic firefighting for people in communities around shopping complexes, facilitated by CPN's own security personnel, and training on the correct use of tools and equipment for nearby educational institutes.

4. Conducting activities of a CPN volunteer group to offer staff opportunities to participate in community and social activities, including saving natural resources and the environment – "Pha Pa Phalang Ngan" (Energy Offering to Temples), garbage collection at Pattaya Beach, donation of items and clothes to Bang Lamung Home for boys in Chonburi province, and buying energy-saving bulbs from employees' contribution and repaint the temple "Wat Mai Samran" in Koh Lan of Pattaya in Chonburi province.

The environment :

CPN is committed to strict compliance with laws regarding to the environment. It therefore formulated a policy to develop an environmental management system under ISO 14001:2004. During 2008, CPN began developing an environmental management system project under ISO 14001:2004 at CentralPlaza Pinklao and CentralPlaza Bangna as pilot projects. CPN plans to nominate its shopping complexes for ISO 14001:2004 environmental management standard certification in 2009 and will expand such management to CPN's other shopping complexes as the next step. Its goal is to have every shopping centers under its management achieve environment management system certification equivalent to the international standard. In addition, CPN is committed to developing the continuous, sustainable and effective energy-saving measures, taking into account energy-saving from design, equipment installation to operation.

Disclosure of information and transparency

CPN highly values the disclosure of financial information and other information to the public through various channels to ensure the accuracy and adequacy of the information and timely disclosure. It treats all parties concerned fairly, the principle to which the Company steadfastly adheres. CPN believes this is the core factor for creating trust among all parties concerned,

which in the long term will supplement value to the Company. In disclosing information, it is required to do as follows:

- Disclose information on business operation, risk factors, capital and management, connected transactions, management of inside information, and share sale/purchase policy in the Annual Report and Form 56-1.
- Arrange an alternative channel for investors and public to access the Company's information through company website, www.cpn.co.th, under the heading of "Investor Relations", which discloses assorted significant information including financial information, management discussion and analysis (MD&A), shareholding structure, good corporate governance, company information submitted to SET through its ELCID system, Annual Report, Form 56-1, notice to shareholders' meeting, minutes of shareholders' meetings, investor relations newsletter, press release and photo release, presentation by Company executives during both domestic and international roadshows, and other financial information, which are available in both Thai and English and regularly updated.

- Establish an investor relations division to take charge of communication and manage the relation with investors, analysts, and the public. In 2008, an investor relations division, in cooperation with executives, performed 278 investor-related activities as well as communicated and informed the Company's information to 629 investors throughout the year. In addition, investor relations activities during 2008 consisted of the following:

  1) Joining SET in the organization of the quarterly "Opportunity Day" to meet retail investors and presented a quarterly report on operating results, in which induced 80-120 investors and public to the meeting quarterly. Visual and sound of the executives presentations were recorded and played through the web cast system, in which posted at the company website after the meeting, in Thai as well as translated in the forms of word document in English, to ensure that the quarterly performance results are comprehensively disseminated through both Thai and Foreign investors.

  2) Holding 127 company visits following appointments from investors to meet executives and investor relations to acquire Company information.

  3) Conducting nine roadshows, which comprises of four domestic roadshows and five overseas roadshows, in Hong Kong, Singapore, United Kingdom, and U.S.A. Consequently, executives and investor relations arranged a total meeting of 140 meetings throughout the year.

  4) Organizing three appointments with investors and analysts for site visit.

  5) Making four conference calls with investors.

  6) Establishing three to five direct communications through e-mail and telephone per day.

CPN aims that investor relations division will be the center for disseminating and informing information, answering any enquiries, as well as taking and exchanging any shareholders and investor's opinions regards with the company consistently and efficiently. Should shareholders, investors, and any interested person have any enquiries or wish to obtain more Company information, please contact our investor relations division directly at;

Contact person:
Ms. Choenporn Subhadhira
Senior Manager – Investor Relations
Address: 31st Floors, The Offices at Centralworld,
999/9 Rama I Road, Patumwan Sub-District, Patumwan District, Bangkok 10330, Thailand
Telephone: +66(0) 2667-5555 ext. 1614 or 1669
Facsimile: +66(0) 2264-5593

Board responsibilities

The CPN Board values the role of directors in directing the Company's business and tracking the performance of the management team. The Company takes full responsibility for the performance of the Board, which affects the Company and investors.

- The Board instituted the principles of corporate governance in business operation and a code of conduct for Board, executives and staff since 2001 with the latest revision in 2007. It also formulated good corporate governance policy in 2004, updated in November 2008 by the Board in order to in line with its latest guideline of good corporate governance. The mentioned policy was distributed via CPN's corporate website - www.cpn.co.th. Moreover, all new staff members

are required to get acquainted with the code of conduct and the corporate governance policy to extensively practice them. Furthermore, the Board supports the communication of corporate governance practices to each staff member to acknowledge and strictly observe for concretely yielding the result.

» During the past 5 years, no new director was appointed, since directors who completed their terms were all re-elected to the Board. Therefore, no orientation program was arranged for new directors. However, CPN's practice guideline is that the Company Secretary office is responsible to send information on CPN's business, operating results, and duties and responsibilities of directors to an incoming director on assuming the position.

» The Board jointly set its meeting dates in advance for a whole year, at least four times a year, with clear agenda for each. Should there be an additional agency, the President and the Board of Executive Directors will jointly consider each one as needed and as appropriate. For meeting documents that can be revealed in the written format and do not affect CPN's business, the Company Secretary must submit them to the Board at least seven days in advance for consideration. During the meeting, the chairman encourages all directors to creatively and freely express ideas with due discretion, with the Company Secretary in attendance to take notes every time. It is noted that relevant information or documents are to be safely stored. In 2008, there were seven Board meetings and in November 2008 one was held in Pattaya, Chonburi province, during which the Board took the opportunity to visit the construction progress of two new projects: CentralFestival Pattaya Beach and CentralPlaza Chonburi. They also explored the competitiveness in the vicinity.

» Non-executive directors meet once a year. During 2008, the meeting took place in July to deliberate various matters while providing useful suggestions and recommendations to the Board and the management for further implementation.

» A performance assessment is in place for the entire Board at every Board meeting for future improvement. Also, each director is to conduct self-assessment every year. The average score of the 2008 performance was 93.36%, in descending order of category:

1) relationship with the management
2) Board meeting
3) performance as director
4) roles, duties, and responsibilities of directors
5) self-development of directors and management development
6) structure and qualifications of the Board.

In addition, a conclusion of the Board's direction and assessment of the business trend for the following year need to be reached so that directors will understand where to focus. This information will be presented to all directors for acknowledgment and as guidelines for efficient and effective performance. It is to prepare an immediate prevention for any problems and business risks occurrence.

» The performance assessment of the President & CEO is the responsibility of the Executive Committee, who is to present the results of the assessment to the Nomination and Remuneration Committee and the Board for acknowledgment every year.

» The Board ensured activities were conducted in compliance with laws, rules and regulations. Especially in 2008, when the announcement of the amended Securities and Exchange Act 2008 was made, the Board gave priority to it by considering the amendments at the meeting to ensure the Board's acknowledgment of their roles, duties and responsibilities under the new law, and earnest undertaking of certain activities, such as policy formulation of normal business conditions and the policy on connected transactions.

» The Board lays down measures to carefully monitor conflicts of interest. The company has in place procedures for granting approval, which must be strictly followed. The Audit Committee reviews and remarks on significant connected transactions beyond the authority of the management. The Board gives thorough consideration on such transactions, taking into account the best interests of the Company. In this respect, directors with vested interests in these transactions must abstain from the meeting and voting on those particular agenda items. This information is disclosed every quarter in financial statements, annual report, and Form 56-1.

» The Board requires the disclosure of information on the involvement of directors, executives, and other stakeholders on every December 31 and every time before a transaction

between the Company and stakeholders and others concerned is conducted. The Company Secretary submits all information to the Board. In addition, directors and executives must complete the connected transaction form in the accounting ending period as at December 31 every year.

Management of inside information

CPN has in place a rule for keeping the confidentiality of inside information, which involves the ethics of directors, executives, and staff. It also has a regulation to control inside information and regulations concerning purchase and sale of CPN shares to ensure equality and fairness among all shareholders. Here are the essences of the regulations:

» Control of Inside Information : CPN prohibits insiders from using significant information not yet revealed to the public for purchase/sale of CPN shares for personal gains. It also prohibits insiders from disclosing information for the benefit of outsiders in their purchase/sale of CPN shares. All directors, executives, and staff are required to strictly observe this regulation, and negligence or refusal to do so may result in punishment. In addition, outsiders with involvement in CPN or with a chance to acquire CPN information must sign a Confidentiality Agreement to ensure that they will keep the confidentiality of Company information in the same manner as CPN's management and staff. Any one of CPN's management members and staff who violates this regulation faces disciplinary action if guilty under Section 241 and 242 of Securities and Exchange Act B.E. 2535

» Holding of CPN shares

1. Directors, executives, and staff with access to inside information must not buy, sell, transfer, or receive CPN shares by using such information, beginning from the date of the announcement of the operating results or inside information not yet revealed to three days after the announcing date and submission of the operating results to SET. The monitoring unit will, in practice, send e-mails to directors, executives, and staff, to prohibit them from buying, selling, transferring, and receiving CPN shares 30 days ahead of the date of the announcement of the operating results or significant inside information.

2. CPN informs directors and executives, under the definition of SET, as well as the accounting and finance vice president, of their duty to report changes in shareholding of their own selves, spouse, children under the legal age, as stipulated in Section 59 and the punishment under Section 275 of Securities and Exchange Act B.E. 2535.

3. Directors, executives, and staff with changes in share-holding are required to file a summary report about their shareholding and submit it to the Company's monitoring units every quarter.

4. CPN is required to file a quarterly report on shareholding of directors and executives and submit it to the Board.

In 2008, it has not any complaint about dishonesty of directors and executives about the misuse of inside information.

Social and environmental responsibilities

Determined to assist and care in society constructively and sustainably

Valuing the business operation on the basis of morality and ethics in parallel with taking responsibility for society and the environment, CPN is convinced that having a good quality of life and sharing good things with society are a strong foundation for sustainable business growth. CPN therefore continually organizes touchable social activities and places a focus on the staff, business partners, and shoppers to participate in these activities to build conscience in truly caring for and assisting society, communities, and the environment.

The guideline of CPN's social responsibility activities mainly focus on caring, assisting, and making better Thai society in terms of continuous educational support and improvement of the community´s and society's well-being, including environmental rehabilitation or improvement, reflecting in the following three key projects:

CPN cultivates Thai wisdom project ("CPN poh glar panya thai") project

Throughout the year, CPN supported various activities to endorse and create several aspects of learning experience for the Thai youths. To continue this support and make it more concrete, CPN has established "CPN cultivates Thai wisdom project" to endorse the community and underprivileged youths through community learning centers, libraries for underprivileged schools, educational equipment support to underprivileged children. During 2008, CPN cultivates Thai wisdom project has engaged in many activities as summarized below:

Development of community learning centers

In collaboration with the Institute for the Promotion of Teaching Science and Technology (IPST) and with support from partners, clients, and companies in Central Group, community learning centers were established in schools to extend learning opportunities via self-educational media, such as VDO, computer and Internet, book corner, and scientific experiment. The project was completed in four schools as follows:

- Baan Khlong Muang, Maung District, Krabi Province
- Bamrung Islam School, Maung District, Pattanee Province
- Charake Wittayayon School, Maung District, Khonkaen Province
- Tasdee Geeya School, Jana District, Songkhla Province

Donation of set of educational CDs in "Invite kids to click on project" ("chuan kids, chuan click")

CPN donated computers and educational CD set entitled "Invite kids to click project" instructing easy self-learning English to Phra Dabos School and donated such CDs set to 23 schools under the Bangkok Metropolitan Administration in five districts - Yannawa, Klongtoey, Bangrak, Sathorn, and Ratburana.

CPN volunteers ("CPN ASA") project

CPN supports societies and communities surrounding the shopping complexes by participating with them in organizing social activities, including constantly endorsing the government sector in holding environmental activities. To foster conscience in the mind of CPN staff to feel responsible for the society and willingly attend social activities, CPN established "CPN volunteer project" in 2008 with 250 members at the start, with activities carried out during the previous year as summarized below:

Save the world, care for the world projects ("rak lok, doo lae lok")

Project I:
"World Environment Day"

With the collaboration among Bangkok Metropolitan Administration, Central Retail Co., Ltd., and CPN, an event for World Environment Day was organized under the theme of "Save the World, Care for the World" on June 5, 2008, at CentralWorld Square. In the event, expired light bulbs, batteries, batteries for mobile phones were handed over to the Pollution Control Department in order to be recycled and properly disposed. A campaign to clean the footpath in nearby areas was also organized and it was divided into three routes: route 1. CentralWorld Square to Pathumwan Intersection, Rama 1 Road; route 2 CentralWorld Square to Isetan Department Store, Rajdamri Road; route 3 from Gaysorn Plaza to Central Chidlom Department Store. Simultaneously, CPN staff of CentralPlaza Ladprao, CentralPlaza Bangna, and CentralPlaza Pinklao cleaned the area around their shopping complexes as well. As a result, there were approximately 150 CPN volunteer members joined the project.

Project II:
Care for environment, take care of underprivileged children ("sai jai sing wadd lom, doo lae dek doi okad")

Joining Pattaya Municipality and Tourism Authority of Thailand Region 3, CPN provided community service by picking up garbage along Pattaya Beach and donating necessary utilities, such as educational equipment, apparel, and lawn mowers to 140 youths at Banglamung Home for Boys, Banglamung District, Chonburi Province, on June 28, 2008. Approximately 90 CPN volunteer members attended the project.

Project III:
Energy-saving merit making ("pha pa phalang-ngan")

CPN staff made merit by donating energy-saving light bulbs. This time, about 50 CPN volunteer members replaced deteriorating bulbs with energy-saving ones, fixed the breakers, and cleaned the air conditioners at Klang Kred Temple in Nonthaburi Province, Pathumwanaram Royal Temple in Bangkok, and Bangbamru Temple in Bangkok.

Project IV:
Know how to manage living income and expenses, in addition to reduce the electric expense, and live with self - sufficient ecomomy ("roo rab, roo jai, lod ka fai baan, yu dai yang popieng")

In recognition of global warming situation, CPN encouraged staff to frugally use natural resources in recognition of its value by holding a competition to reduce the electric bill for six months, from May to November 2008.

Project V:
Continued energy-saving merit making ("pha pa phalang-ngan taw nueang")

The continued project of Energy-Saving Merit Making Project III, CPN volunteer members and staff in CPN's M&E System Division replaced deteriorating bulbs with energy-saving ones, fixed broken light bulbs, cleaned temples, fixed and painted degenerating building, with the additional repair equipment supported by business alliances, at Mai Samran Temple in Koh Lan, Chonburi Province, on November 8, 2008, and Dishongsaram Temple in Bangkok, on October 6 to 7, 2008.

"CPN green experience" project

Being aware of doing business with social and environmental responsibility, CPN created a design innovation under the concept of Leadership in Energy & Environmental Design or LEED for new projects, emphasizing building design that lets natural light into shopping centers in order to save the energy, using eco-friendly materials, and increasing green areas in the building. In addition, CPN set a clear environmental policy and proceeded with energy and environmental saving activities under the project of "CPN Green Experience". The pilot projects were the replacement of long-aged air conditioners with high efficient chiller from Trane (Thailand) in CPN's 10 existing shopping complexes and newly developed ones. This innovation will improve the effectiveness of air conditioners in the building, save the energy, and be environmentally friendly. Compared with old air conditioners, this innovation will help CPN save the energy use for cooling by 16%, equal to 40,000 tons of reduction of carbon dioxide emission annually.

In addition to the care for community, society, and environment through three key projects as mentioned above, throughout 2008, CPN, together with business alliance, companies in Central Group and CPN staff, has undertaken several other social services, such as CPN against the Severe Cold in Remote Provinces Project ("CPN Su Phai Nao") by collecting and bringing those clothes donation for underprivileged people in order to help destitute communities in the remote northern region of Thailand. In addition, CPN also cleaned air conditioners, painted Prachapibal School in Bangkok, and provided fire and disaster preparation training and educating for community around CPN's shopping complexes. Furthermore, CPN joined with companies in Central Group to organize Big Brother/Sister Holding Hand of Little Brother/Sister Project ("Phi Chung Nong") by building libraries and donating computers to Baan Khlong 1 School in Nakhon Nayok Province. Besides, New Year Greeting Cards for Good Kids Project ("Saw Khaw Saw Dek Di") was a continued project from 2007; CPN staff showed their kindness and spread the joy to underprivileged children. In 2008, staff sent out the happiness by giving 290 students New Year gifts as they wished and lunch treat to fulfill their happiness and make them smile at Baan Pong Malaeng Wan School (under the patronage of the Chirathivat Family) in Nakhon Ratchasima Province.

Risk factors and risk management

External risk factors

1. Risks from economic situation

In the past year, all business sectors were undermined by the economic situation and domestic political instability despite a clearer political atmosphere in the country at year's end. However, in 2009, it is assumed that the world economy will be in recession, with widespread impacts on global trading, including Thai commerce and labor employment, especially exporting and tourism industries, which will be directly affected even though the government announced deficit budget policy and initiated a new economic stimulus package. Although the Bank of Thailand has reduced the policy rate to continuously boost domestic consumption, there are concerns for the economic situation, noticeably resulting in eroded consumers' confidence and more cautious spending. If the local and global economic recovery periods are prolonged, the shopping center operators must be prepared for the effects on the retail sector in terms of retail space rental, rental rate growth, and the shopper's circulation in shopping complexes. CPN therefore operates the business with care by deferring new project investments while awaiting to see how is the benefit on decreasing construction costs moved. Moreover, CPN has focused on internal processes to enhance the effectiveness and lower the cost. By doing so, CPN launched campaigns and implemented the cost control policy to save expenses to maintain sufficient liquidity. Thanks to CPN's lengthy experience and financial strength, it has led to the belief that CPN can get through this difficult time comfortably.

2. Risks from fluctuation in interest rates and tight money market

The Bank of Thailand's reduction of the policy interest rate to stimulate investment and domestic consumption may cause financial institutions to lower loan interest rates. Nevertheless, loan interest rates may not decrease as much as the policy interest rate since commercial banks try to keep the gap between loan and deposit interest rates to maintain the profits. Banks are more cautious in loan approval during an economic downturn, which caused tight money in the system. For CPN's development plans of new projects, most loans for project development are long-term, still facing the risk of changing of short and long term interest rates. As a consequence, to reduce such risk without losing an opportunity to benefit from decreasing interest rates, CPN has closely monitored and balanced a loan portion with fixed and floating interest rates. At the same time, CPN received a credit line from local banks to support the new project development, which was already sufficient for the investment plan. Furthermore, CPN is looking for alternatives to fund-raising in addition to loans, such as transferring the assets through property funds or finding partners in joint ventures for project development. This is to ensure efficient investment management at reasonable costs.

3. Risks from higher competition

In 2009, retail business is bound to face the economic downturn, both domestically and internationally, which obviously undermined consumers' confidence, resulting in more cautious spending and fiercer competition in the retail industry. Retailers are expected to attract more shoppers and stimulate their purchase decisions with assorted promotions and marketing activities. At present, many retail developers are interested in developing community malls to expand the client base at lower investment costs than mega-project development. However, CPN is still determined to develop mix-used shopping complexes in response to every aspect of customers' needs in terms of a wide variety of products and services for everyday life and special occasions. Shopping complexes are not only the centers of entertainment and meeting points, but also a place providing both academic and social knowledge, as can be seen from CentralWorld, which houses TK Park. Moreover, the strategic

location of each project has potential with population congestion, convenient access as well as a tendency for growing population and income. CPN has also improved its shopping complexes and has been upgrading services and management standard in order to differentiate itself and gain advantage. CPN believes that these factors will secure its leading position in property development and investment for the retail business in the future.

4. Risks from sabotage, accidents and natural disasters

While the integrated retail business gives priority to serving and facilitating customers, their confidence is also significant. CPN therefore has strict security policy and has laid down measures to prevent and respond to unexpected incidents, for instance sabotage or other adverse incidents, for damage prevention and reduction. Its well-trained with theoretically and practically examined security personnel, are posted at each shopping complex for sabotage responses. CPN institutes a regulation to conduct area inspection and closely follows up evolving situations through news sources. Furthermore, to prevent unexpected financial damage, CPN has bought comprehensive insurances for all properties that cover both physical and financial damage caused by natural disasters, accidents, and sabotage.

5. Risks from amendment of related laws

The operation of property development for the retail industry is prone to impacts from changes in laws and government policies. City planning, land expropriation, mass transit development, and environmental laws are all beyond its control. CPN therefore gives priority to site selection and the size of land. A detailed study of all related laws is a prerequisite for making investment decisions. It keeps a close watch on movements on legal matters to be able to properly map out its property development plan in case of any legal or governmental policy changes.

Internal risk factors

6. Risks from inability to renew land lease agreements

Due to limited strategic pieces of land suitable for property development, some projects of CPN are located on land managed by government agencies, the Crown Property Bureau, or land owners who do not wish to sell the property. Therefore, CPN needs to lease instead of buying it for the land ownership. This turns a risk if CPN cannot renew a land lease agreement despite renewal conditions. If this incident happens, it will cause suspension of some projects and loss of expected economic benefits. To reduce such risks, CPN would conduct studies of new projects, both in the vicinity of the land with expiring lease agreements and at other potential locations, to sustain future growth in both overall revenue and profits.

7. Risks from construction work

As a rule, any project is developed to maintain the steadily increasing growth rate of income and profits. CPN therefore pays very close attention to the control of construction to ensure construction quality and standard, as well as the efficient use of construction budgets according to our investment plan.

- Quality and standards of construction work: CPN has clearly identified qualifications and set up procedures for the selection of designers, engineering consultants, site engineers, as well as construction contractors to ensure that the selection process is transparent, efficient, careful, and can reach for experienced and widely-accepted project contractors.
- Financial strength and contractors' work records: To reduce risks from contractors' financial problems, which may result in a delay or suspension of the project. Hence, CPN recognizes the need to consider the financial strength and past records of contractors.
- Safety of lives and properties: Safety of lives and assets of tenants and shoppers, as well as the Company's own staff, is as crucial as providing good services in shopping complexes.

Therefore, in project development, CPN constantly gives priority to the construction of good quality and high standards to prevent damage to lives and assets. This also helps CPN efficiently control investment costs while reducing the investment costs for future improvement.

» The increase of construction costs: To reduce the impacts of rising construction costs, CPN has applied the design and construction process called 'Value Engineering', a technique to significantly reduce construction costs while maintaining the quality and standard of construction. For the risk of fluctuating prices of construction materials, in the procurement contract with each constructor, the project value is exactly specified at a fixed amount, together with clearly identified details of materials, patterns and project character. This significantly reduces the risk of the changing costs of construction materials. Currently, due to the economic downturn and lower construction material cost, from which CPN would benefit by developing new projects during this period.

8. Risks in operations

CPN recognizes risks in operations, which may cause from both internal and external factors and can result in the operations missing the targets or becoming less efficient. CPN has therefore set up a risk management unit to systematically take charge of control and management of risks in operations. The risk management team assesses risks in all stages of operations in all areas and will, together with other units, identify risks to lay down measures to prevent and reduce them in operations. This covers risks at the working-unit level and at the corporate level alike. Furthermore, CPN is under the so-called Business Process Improvement to reduce work repetition and enhance work effectiveness, which will support internal risk management and control. The risk management unit must report on risk management to the meeting of CPN' Risk Management Committee every quarter.

Capital structure

CPN's capital structure, as at 31 December 2008 was as follows:

Capital structure

Common shares

Authorized share capital	2,178,816,000	Baht
Paid-up share capital	2,178,816,000	Baht
Number of common shares	2,178,816,000	shares
Par value	1.00	Baht
Share price as at 30 December 2008	14.30	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 31 Dec 2008
CPN093A	A+	1,000	16/3/2004	5.0	Every 6 months	Upon maturity	16/3/2009	1,000
CPN10DA	A+	1,500	16/3/2004	6.7	Every 6 months	Upon maturity	9/12/2010	1,500
CPN096A	A+	1,000	14/6/2006	3.0	Every 6 months	Upon maturity	14/6/2009	1,000
CPN096B	A+	500	14/6/2006	3.0	Every 6 months	Upon maturity	14/6/2009	500
CPN126A	A+	3,000	14/6/2007	5.0	Every 6 months	Upon maturity	14/6/2012	3,000
CPN119A	A+	1,500	25/9/2008	3.0	Every 6 months	Upon maturity	25/9/2011	1,500

Remarks : Average applicable annual loan interest rate of 4.8% per annum

Company Financial Ratios following the Debenture's Rights and Conditions	Covenant Ratios	As at 31 Dec 2008
1. Total Debt to Total Shareholders' Equity	Not over 2.5 times	1.88
2. Total Interest Bearing Debt to Total Shareholders' Equity	Not over 1.75 times	1.09
3. Total Assets (excluding Secured Debt) to Unsecured Debt	Not less than 1.5 times	3.17

Shareholders

Major Shareholders

Top ten major shareholders as at 19 November 2008[1] are as follows:

	Shareholders	Shares	Shareholding
1.	Central Holding Co., Ltd.	588,171,980	27.00%
2.	Thailand Equity Fund	106,670,600	4.90%
3.	Thai NVDR Co., Ltd	98,591,680	4.53%
4.	HSBC (Singapore) Nominees Pte Ltd	92,540,797	4.25%
5.	Mrs.Arunee Chan	89,159,270	4.09%
6.	The Bank of New York (Nominees) Limited	76,597,510	3.52%
7.	State Street Bank and Trust Company for London	64,346,900	2.95%
8.	Mr.Suthikiati Chirathivat	41,730,200	1.92%
9.	Mrs.Suchittra Mongkolkiti	33,652,400	1.54%
10.	EFG Bank	32,801,350	1.51%

Remark: [1]The latest shareholder's book closing date of CPN.

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

Since Central Holding Co., Ltd., and members of the Chirathivat family altogether hold around 60% of the total shares in CPN, they have significant de facto influence on its policy formulation and operations. This is because 8 out of the 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. By 31 December 2008, foreign investors altogether held 24.13% of CPN's total paid-up capital.

CPN names of directors and executives holding CPN shares

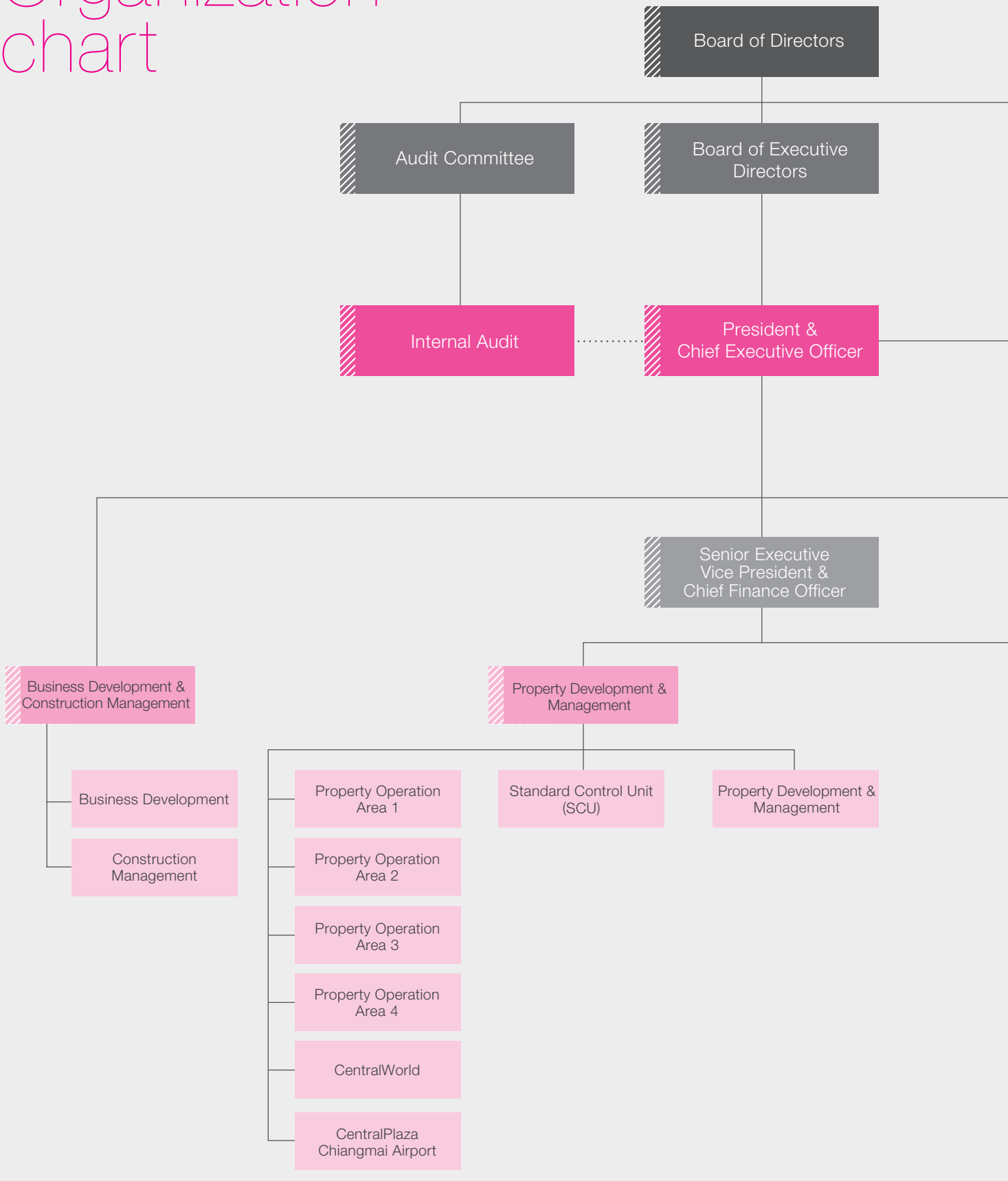
Directors and executives holding CPN shares as at 31 December 2008, are as follows:

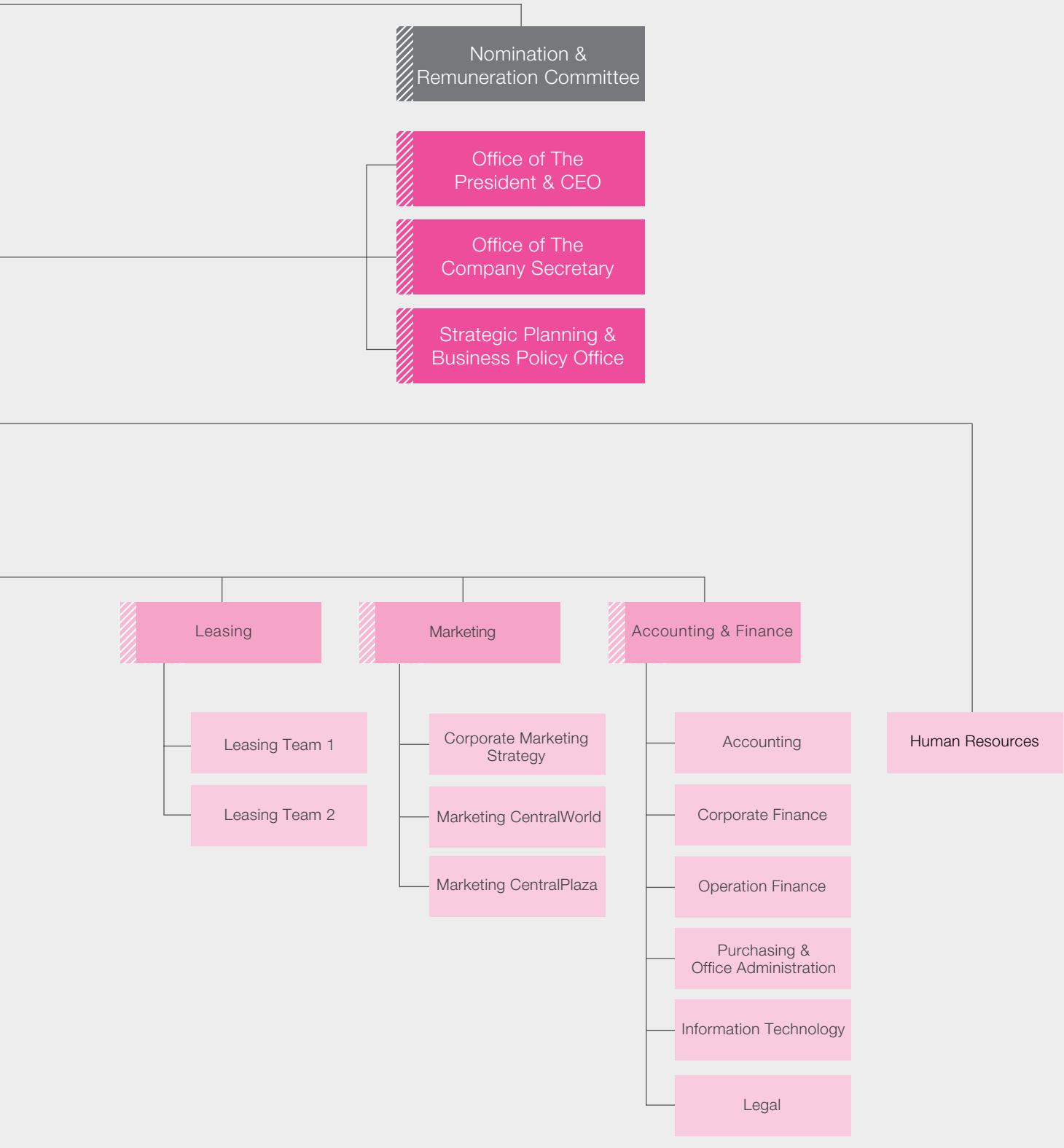
Name	Position	Shares	Shareholding (%)
1. Mr.Suthichai Chirathivat	Director	41,994,000	1.93%
2. Mr.Suthikiati Chirathivat	Director	41,730,200	1.92%
3. Mr.Prin Chirathivat	Director	30,150,550	1.38%
4. Mr.Kobchai Chirathivat	Director	26,668,500	1.22%
5. Mr.Sudhitham Chirathivat	Director	25,729,900	1.18%
6. Mr.Suthichart Chirathivat	Director	23,295,400	1.07%
7. Mr.Sudthidej Chirathivat	Senior Executive Vice President	20,142,100	0.92%
8. Mr.Sudhisak Chirathivat	Director	14,173,200	0.65%
9. Mr.Sudhipak Chirathivat	Executive Vice President	12,794,800	0.59%
10. Ms.Wallaya Chirathivat	Executive Vice President	8,634,900	0.40%
11. Mr.Naris Cheyklin	Senior Executive Vice President	100,000	0.005%

Dividend policy

The policy of CPN and its subsidiaries is to pay dividends at the rate of about 40% of its annual net profit, except when there is a compelling reason not to.

Organization chart




Nomination & Remuneration Committee
Office of The President & CEO
Office of The Company Secretary
Strategic Planning & Business Policy Office
Leasing
Marketing
Accounting & Finance
Human Resources
Leasing Team 1
Leasing Team 2
Corporate Marketing Strategy
Marketing CentralWorld
Marketing CentralPlaza
Accounting
Corporate Finance
Operation Finance
Purchasing & Office Administration
Information Technology
Legal

Management structure

The management structure of CPN consists of the Board of Directors, Executive Committee and Management Committee together with four Sub-Committees namely Audit Committee, Nomination and Remuneration Committee, Risk Management Committee and Corporate Governance Committee. Below are details of each:

Board of directors

The Board of Directors ("the Board") currently consists of 13 members, which chairman is the representative of the shareholders and he is not the President & CEO. There are 11 Non-Executive Directors and two Executive Directors. The details are as follow:

1.	Mr.Vanchai Chirathivat[1]	Chairman	(Non-Executive Director)
2.	Mr.Anek Sithiprasasana	Vice Chairman	(Executive Director)
3.	Mr.Paitoon Taveebhol	Independent Director	(Non-Executive Director)
4.	Mr.Chackchai Panichapat	Independent Director	(Non-Executive Director)
5.	Mrs.Sunandha Tulayadhan	Independent Director	(Non-Executive Director)
6.	Mr.Kanchit Bunajinda[1]	Director	(Non-Executive Director)
7.	Mr.Suthichai Chirathivat[1]	Director	(Non-Executive Director)
8.	Mr.Suthikiati Chirathivat[1]	Director	(Non-Executive Director)
9.	Mr.Suthichart Chirathivat[1]	Director	(Non-Executive Director)
10.	Mr.Sudhisak Chirathivat[1]	Director	(Non-Executive Director)
11.	Mr.Sudhitham Chirathivat[1]	Director	(Non-Executive Director)
12.	Mr.Kobchai Chirathivat[1]	Director	(Executive Director)
13.	Mr.Prin Chirathivat[1]	Director	(Non-Executive Director)

Remark : [1]The directors are the representative of the shareholders.

The directors who are CPN's signatories are Mr.Anek Sithiprasasana, Mr.Sudhitham Chirathivat, Mr.Prin Chirathivat, and Mr.Kobchai Chirathivat. The joint signatures of any two of these four directors with Company seal are required for validity.

Duties and responsibilities of the Board

1. Comply with the laws, company objectives and regulations, as well as the resolutions of Shareholders' Meetings with honesty, integrity, ethics, and care for the Company's interest and be consistently accountable to the shareholders and protect the benefit of each shareholder equally.
2. Define CPN's vision, strategies, policy, and business directions and ensure that the business is efficiently and effectively administered by the management team under CPN's policy to add the highest value, which must be secure and sustained, to the Company and shareholders.
3. Arrange for the disclosure of CPN's information to shareholders, investors, and all stakeholders. Such information must be correct, complete, standardized, transparent, and timely.
4. Ensure efficient internal control and audit.
5. Ensure efficient risk management and regular monitoring.
6. Ensure good corporate governance practices and supervision and regular monitoring.
7. Arrange for a company secretary to assist the Board in its various activities and help the Board and CPN run the business in line with the related laws and regulations.
8. Ensure the availability of business ethics for directors, management team members, and staff, which serve as CPN's standard of practice.
9. Independent directors should exercise independent discretion in the formulation of strategies, management of work and resources, appointment of directors, and determination of business standards. They should also be ready to disagree with management team members and other directors on matters that may affect the equality of each shareholder.
10. Directors may hire an out-source business consultant from professional service providers and CPN shall response for the fee of hiring an out-source persons as professional service provider.

Company secretary

CPN has established an Office of the Company Secretary, appointed by the Board of Directors to efficiently take charge of secretarial work to the Board. Currently, the Company Secretary is Ms.Naparat Sriwanvit.

Duties and responsibilities of the company secretary

1. Preparing and keeping the following documents:
   - a register of directors;
   - an annual report of the company;
   - a notice calling director meeting, a minute of meeting of the board of directors;
   - a notice calling Shareholder Meeting and a minute of Shareholders' Meeting;

2. Keeping a report on interest filed by a director or an executive.
3. Submit a copy of report on interest of a director and an executive or a related person to the Chairman of the Board and the Chairman of Audit Committee within seven business days from the date on which the company has received such report.
4. Arrange the Board Meeting and Shareholders' Meeting comply with the related regulations, Article of Association and laws.
5. Take charge of inspect and give advice on business processes and to the Board in line with CPN's Memorandum of Association, Company Regulation, Securities and Exchange Act, Public Limited Company Act and other relevant laws.
6. Communicate the information between the Board, the management and shareholders.
7. Coordinate and follow up the operation to comply with the Board and shareholders resolutions.
8. Take charge of disclosure of any information and information memorandum report to the government's office supervision rules and regulations.
9. Performing any other acts as specified in the notification of the Capital Market Supervisory Board or any assignment from the Board.

   In addition, legal department is responsible for preparing reports for the Board and Shareholders' Meetings,including taking charge of inspecting and giving advice on CPN's and the Board's work in compliance with rules, regulations and other relevant laws.

Executive committee

The Executive Committee, appointed by the Board, currently consists of six members, namely:

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

Duties and responsibilities of executive committee

1. Consider the following matters and submit them for the consideration of the Board:
   - » CPN strategies
   - » Annual budget estimates, based on CPN's strategies
   - » Capital expenditure budget exceeding 200 MB
   - » Activities and operations concerning mergers and takeovers
   - » Appointment of President & CEO
2. Ensure that business is conducted under budget and in line with the stipulated objectives.
3. Approve the transaction with bank and financial institution which is the normal business of CPN.
4. Approve the transaction of the subsidiary of CPN and the investment in capital shares as assigned by the Board.
5. Approve the registration of the rights and juristic acts for all shopping centers of CPN and its subsidiaries that represent normal business practice or support normal business practice of CPN.

6. Approve the signing of a memorandum of understanding for each joint-venture agreement in projects and joint-venture agreement signing with up to 200 MB in investment.
7. Approve the establishment, addition, reduction, or revocation of assorted accounting provisions, including those for doubtful loans, those for losses due to depreciation of investment capital, and those for losses for projects under development, up to 100 MB each time.
8. Approve the allocation of net income to legal reserve provisions.
9. Approve the capital expenditure budget which not exceed 200 MB.
10. Response to the human resource management for the executive management.
11. Encourage and drive the motivation of the employees.
12. Other transactions which assigned by the Board on each occasion.

Management committee

The Management Committee currently consists of 8 members, namely:

1. Mr.Kobchai Chirathivat	President & CEO
2. Mr.Sudthidej Chirathivat	Senior Executive Vice President, Business Development & Project Construction
3. Mr.Naris Cheyklin	Senior Executive Vice President, Finance, Accounting and Property Management
4. Mr.Sudhipak Chirathivat	Executive Vice President, Office of the President
5. Ms.Wallaya Chirathivat	Executive Vice President, Business Development & Project Construction
6. Mr.Terachart Numanit	Executive Vice President, Project Construction
7. Ph.D.Nattakit Tangpoonsinthana	Executive Vice President, Marketing
8. Mrs.Panida Sooksridakul	Senior Vice President, Property Management

Duties and responsibilities of the management committee

1. Develop and propose strategic business plans.
2. Develop and propose annual budget estimates.
3. Propose capital expenditure budgets exceeding 50 MB.
4. Propose the appointment of executive members reporting directly to the President & CEO.
5. Approve projects as assigned by the Board and the Executive Committee:
   - The transaction with bank and financial institution which is the normal business of CPN.
   - The transaction of the subsidiary of CPN and the investment in capital shares as assigned by the Board and the Executive Committee.
   - The right registration and legal act about the shopping centers of CPN and the subsidiary's which is the normal business or supporting the normal business.
   - Capital expenditure budget which not exceed 50 MB.
   - Other transactions which assigned by the Board and the Executive Committee on each occasion.

Sub-committee

Audit committee

The Audit Committee, appointed by the Board, consists of three independent directors who are Non-Executive Director, a chairman of the Audit Committee is an accounting expert. The details are as follow:

1. Mr.Paitoon Taveebhol	Chairman	(Independent and Non-Executive Director)
2. Mr.Chackchai Panichapat	Committee	(Independent and Non-Executive Director)
3. Mrs.Sunandha Tulayadhan	Committee	(Independent and Non-Executive Director)

Duties and ressponsibilities of the audit committee

1. Review and ensure that the preparation and disclosure processes for CPN's financial reports are accurate, complete, credible, and timely through coordination with the external auditor and the management team members responsible for preparing quarterly and annual financial reports.
2. Deliberate the related or connected transactions or items with potential conflicts of interest for laws and regulations of the Stock Exchange of Thailand ("SET") to ensure that transactions be appropriated and taking into account the best interests of CPN.
3. Deliberate the disclosure of CPN's information on related or connected transactions, or items with potential conflicts of interest for accuracy and completeness.
4. Review CPN's internal control to ensure its suitability and effectiveness.
5. Deliberate the findings and recommendations of the external auditor and CPN's Office of Internal Auditor concerning internal control processes, propose to the management the actions in line with such recommendations, and track such actions.
6. Ensure that CPN has an independent internal audit unit with an efficient internal control system
7. Review the activities and structure of the Office of Internal Audit and approve its charter.
8. Offer views on the appointment, removal, transfer, and merit, including the dismissal, of the head of the Office of Internal Audit, as well as the decision on and adjustment of his/her compensation.
9. With the head of the Office of Internal Audit, review audit plans, in particular that dealing with the internal audit process and financial management processes.
10. Offer its views and observations on the outlay and manpower requirements of the Office of Internal Audit to the management for approval.
11. Deliberate the audit plan and the work scope of the internal auditor and the external auditor for a mutually helpful, however not redundant relationship.
12. Select, propose, and remove the external auditor, and deliberate its fees, taking into account its credibility, resource adequacy, outstanding audit volumes, and experience of individual auditors dedicated to CPN's audit, as well as its performance over the previous year.

13. Review the audit scope and procedure proposed by the external auditor, and deliberate the rationale for any subsequent audit change(s).

14. Recommend that the external auditor review or inspect any item considered necessary and significant in the course of CPN's and its subsidiaries' audits.

15. Review the report of the external auditor recommending remedial actions by the management, and track such actions.

16. Deliberate the adequacy and efficiency of coordination between the external auditor and the internal auditor.

17. Receive the information discovered from the external auditor without delay about any suspicious circumstance that the director, manager or any person responsible for the operation of such juristic person commits an offence under 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 and continue the inspection without delay. The Audit Committee shall report the result of preliminary inspection to the Securities and Exchange Commission ("SEC") and external auditor within 30 days.

18. Review and ensure CPN's compliance with securities and exchange laws, the requirements of the Stock Exchange of Thailand, and laws related to CPN's business.

19. Report its own performance for the acknowledgment and scrutiny of the Board at least every quarter of the year.

20. Issue an Audit Committee's report on its annual performance as the criteria set by the SET, signed by the Chairman of Audit Committee, for publication in CPN's annual report.

21. Report to the Board when identifying any trace of conflicts of interest, fraud or violation of Security and Exchange laws, rules of Stock Exchange of Thailand (SET) or laws relevant to CPN's business, which may significantly affect its financial status and performance. If the Board or executives fail to make any amendment within an appropriate as advised by the Audit Committee, the latter may report to Securities and Exchange Commission (SEC) or SET.

22. Review and ensure CPN's continuous corporate governance process, and offer suitable guidance and recommendations for development.

23. Encourage CPN to include good corporate governance as a regular Board and Shareholders' Meeting agendas.

24. Ensure that the Chairman of Audit Committee receives from the Company Secretary a copy of the connected transaction report as specified by Section 89/14 of Securities and Exchange Act within seven days of reporting the transaction to CPN.

25. Review and ensure CPN's systematic, standard, competent and effective risk management process.

26. With the Risk Management Committee, the task force, and the management, deliberate the findings and provide recommendations on risk management performance and updates.

27. Perform other tasks assigned by the Board with the concurrence of the Audit Committee, who is responsible to the Board for its assigned tasks. The accountability to external parties, nevertheless, lies with the entire Board.

28. Annually revise and update the charter for this Committee to stay relevant to CPN's circumstances.

Nomination and remuneration committee

The Nomination and Remuneration Committee, appointed by the Board, currently consists of three members that two of them are Independent Directors and the Chairman is Independent Director. The details are as follow:

1.	Mr.Chackchai Panichapat	Chairman	(Independent and Non-Executive Director)
2.	Mrs.Sunandha Tulayadhan	Committee	(Independent and Non-Executive Director)
3.	Mr.Kanchit Bunajinda	Committee	(Non-Executive Director)

Moreover, the Board has appointed four advisories of the Nomination and Remuneration Committee. The committees are namely:

1.	Mr.Suthichart Chirathivat	Advisory	(Non-Executive Director)
2.	Mr.Sudhisak Chirathivat	Advisory	(Non-Executive Director)
3.	Mr.Sudhitham Chirathivat	Advisory	(Non-Executive Director)
4.	Mr.Prin Chirathivat	Advisory	(Non-Executive Director)

Duties and responsibilities regarding nomination

1. Propose a clear, fair, and reasonable policy on the selection and recruitment of directors for submission for the Board's consideration and further to Shareholders' Meetings for approval.
2. Propose a clear, fair, and reasonable policy on the selection and recruitment of the President and CEO for submission for the Board's approval.
3. Review and table for approval from the Board policies and strategies concerning human resources in line with CPN's business strategies.
4. Nominate selected candidates with knowledge, ethics, and other qualifications as directors or the President & CEO.
5. Review the proportion of the Board, taking into account the appropriate numbers and each director's experience. This includes making suggestions on the recruitment of director replacement.
6. Ensure the preparation of a succession plan for directors as well as the President & CEO.
7. Define the President & CEO's employment period and contractual conditions for employment, assess his/her performance, and propose his/her successor.

Duties and responsibilities regarding compensation

1. Formulate a policy and form of compensation for directors in line with business strategies, for submission to the Board and further to Shareholders' Meetings for approval, based upon clear, fair, and reasonable principles.
2. Formulate a policy and form of compensation for the President & CEO in line with business strategies, for submission to the Board for approval, based upon clear, fair, and reasonable principles.
3. Propose a compensation plan, in cash or in kind, for the Board and committee members appointed by the Board as well as the President & CEO.

4. Consider, review, and keep the compensation method and compensation rate in line with market conditions and CPN's business performance and the performance of individual directors and the President & CEO.

5. Ensure that directors and the President & CEO receive a compensation package suitable for their duties and responsibilities.

6. Define an assessment approach for the performance of directors and the President & CEO and decide their annual compensation by taking into consideration their duties and responsibilities as well as long-term value that they can create for shareholders.

7. Consider the annual compensation for each director and the President & CEO before tabling them for the Board's approval.

Risk management committee

The Risk Management Committee is currently 10 members consist of managements from many divisions, and committee members namely:

1. Mr.Naris Cheyklin	Chairman
2. Mrs.Suwadee Singngam	Vice Chairman
3. Ms.Wallaya Chirathivat	Committee
4. Mr.Terachart Numanit	Committee
5. Mrs.Panida Sooksridakul	Committee
6. Mr.Wiwat Charoensawatpong	Committee
7. Mrs.Pattra Sapyaprapa	Committee
8. Mr.Athivut Suwanchinda	Committee
9. Mr.Thanasombat Sanitwange	Committee
10. Mrs.Prapairat Kanavittaya	Committee

Moreover, the committee has three advisories consist of directors and executive managements. The advisories are namely:

1. Mr.Paitoon Thaveebhol	Advisory Chairman
2. Mr.Prin Chirathivat	Advisory Vice Chairman
3. Mr.Kobchai Chirathivat	Advisory Vice Chairman

Duties and responsibilities of risk management committee

1. Make suggestions and give support to the Board in formulating the risk management policy and defining acceptable risk levels.

2. Define the framework of CPN's risk management in line with the risk management policy, and follow up on its implementation as well as reviewing the effectiveness of the framework.

3. Table a broad view for the Board's consideration of business risks and its management method. It included a follow up on results and a verification efficiency of risk management framework.

4. Review risk management reports, ensure adequate and suitable risk management to acceptable levels, and ensure continued implementation of risk management.

5. Regularly coordinate with the Audit Committee by sharing information about risks and internal control potentially affecting CPN's business.

6. Decide and provide recommendations on critical issues which learn from the risk management process.

7. Support CPN's culture for adequate risk management and internal control.

Corporate governance committee

The Corporate Governance Committee is currently six members consist of managements from many divisions, and committee members namely:

1.	Mr.Naris Cheyklin	Chairman
2.	Ph.D.Nattakit Tangpoonsinthana	Committee
2.	Mrs.Pussadee Phanthumphan	Committee
3.	Ms.Naparat Sriwanvit	Committee
4.	Mrs.Suwadee Singngam	Committee
5.	Mr.Uthai Kongkittiwong	Committee

Duties and responsibilities of corporate governance committee

1. Decide and review the policy, regulations, and procedures in line with corporate governance principles.

2. Decide the policy and plans for social responsibility activities.

3. Meet every quarter to monitor the progress of corporate governance and social responsibility plans, and provide suitable recommendations and necessary support to the work force on corporate governance.

4. Conduct an internal assessment under the criteria of good corporate governance to identify issues needing improvement.

5. Represent CPN in communication and activities concerning good corporate governance with the management, employees, and external agencies.

Apart from this, the Corporate Governance Committee has appointed a work force to campaign for the communication on corporate governance, consisting of department representatives, with the following responsibilities:

1. Formulating action plans, campaigns, and public relations to cultivate awareness of corporate governance and social responsibility among the management and all employees.

2. Educate all management team members on their roles concerning corporate governance and social responsibility.

3. Track, revise, and improve on performance against plans, and prepare a quarterly summary for the Corporate Governance Committee.

Nomination of the directors and management

Nomination of directors

Under CPN's regulations, one-third of the directors must leave the Board at every Annual General Meeting of Shareholders. In the case that the total number is not divisible by three, the number closest to one-third must used with the exit of the director who stays the longest with the Board of directors. The exit director may be re-elected to the Board. Recruitment of directors is under the responsibility of Nomination and Compensation Committee. The committee will screen candidates with qualifications predetermined in Company regulations and tabled them to the Board for consideration before submission to shareholders' meetings to decide and appoint them under the following methods:

1. A director is elected by the majority vote of shareholders. For each share of the shareholder, it has one voting rights.
2. Each shareholder must exercise all of his/her voting rights to elect the proposed candidate one by one.
3. The candidates with the majority vote and number of votes next to the majority vote will become directors. The numbers of successful candidates equal the number of directors required or the number of directors to be elected at that meeting.The chairperson of the meeting will cast his/her vote if more than one candidate receives equal votes.

In case of the nomination of independent directors, CPN sets up a more stringent qualification of independent directors than that defined by the Securities and Exchange Commission, details as followings;

1. Holding shares not exceeding 0.5 percent of the total number of voting rights of the company, its parent company, subsidiary, affiliate or juristic person which may have conflicts of interest, including the shares held by related persons of the independent director;
2. Neither being nor having been an executive director, employee, staff, or advisor who receives salary, or a controlling person of the company, its parent company, subsidiary, affiliate, same-level subsidiary or juristic person who may have conflicts of interest unless the foregoing status has ended not less than two years prior to the date of assignment;
3. Not being a person related by blood or registration under laws, such as father, mother, spouse, sibling, and child, including spouse of the children, executives, major shareholders, controlling persons, or persons to be nominated as executive or controlling persons of the company or its subsidiary;
4. Not having a business relationship with the company, its parent company, subsidiary, affiliate or juristic person who may have conflicts of interest, in the manner which may interfere with his independent judgment, and neither being nor having been a major shareholder, non-independent director or executive of any person having business relationship with the company, its parent company, subsidiary, affiliate or juristic person who may have conflicts of interest unless the foregoing relationship has ended not less than two years prior to the date of assignment;

The term 'business relationship' aforementioned under paragraph one includes any normal business transaction, rental or lease of immovable property, transaction relating to assets or services or grant or receipt of financial assistance through receiving or extending loans, guarantee, providing assets as collateral, including any other similar actions, which the value of transaction is more than twenty million baht or more than three percent of net tangible assets, whichever is lower. The value of transaction shall be calculated according to the calculation method for value of connected transactions under the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Act of Listed Companies Concerning the Connected Transactions. According to the regulation, the transactions occurred within a year of proceeding transaction shall be included in the calculation of value of transactions

5. Neither being nor having been an auditor of the company, its parent company, subsidiary, affiliate or juristic person who may have conflicts of interest, and not being a major shareholder, non-independent director, executive or partner of an audit firm which employs auditors of the company, its parent company, subsidiary, affiliate or juristic person who may have conflicts of interest unless the foregoing relationship has ended not less than two years from the date of assignment;

6. Neither being nor having been any professional advisor including legal advisor or financial advisor who receives an annual service fee exceeding two million Baht from the company, its parent company, subsidiary, affiliate or juristic person who may have conflicts of interest, and neither being nor having been a major shareholder, non-independent director, executive or partner of the professional advisor unless the foregoing relationship has ended not less than two years from the date of assignment;

7. Not being a director who has been appointed as a representative of the company's director, major shareholder or shareholders who are related to the company's major shareholder;

8. Not having any characteristics which make him incapable of expressing independent opinions with regard to the company's business affairs.

Shareholders have been allowed to take part in the proposal of candidates for selection. The selection method and process are posted on corporate website, www.cpn.co.th, and investors are informed of the information through Electronic Company Information Disclosure (ELCID) of the SET. However, no shareholder has proposed any name for consideration in 2008.

Newly appointed directors acknowledge their roles, duties and responsibilities, rules for directors, CPN's key strategic plans and policies, management structure, the nature of business and the past performance to make them appreciate their roles and CPN's business. Furthermore, they are fully encouraged to attend directors' training program in order to better understand their roles and duties required by good corporate governance, including rules and practices by regulating agencies, for being effective and efficient directors.

In 2008, the Board remained unchanged, both in number and persons. Nevertheless, the nomination and remuneration committee has planned to recruit additional independent directors within 2010 to maintain the ratio of having independent directors no less than one third of total directors in compliance with the regulations of SEC.

Nomination of management

Nomination of president & CEO :

The Executive Committee will conduct a preliminary screening of candidates with the required qualifications, knowledge, skills, and experience; then, table them to the Nomination and Compensation Committee for consideration and endorsement before submitting the final list to the Board of Directors for consideration.

Nomination of executives :

The President & CEO will select and appoint candidates with the qualifications, knowledge, skills, and experience suitable for each executive position. The recruitment will be done under the human resources department's regulations.

Remuneration of the directors and management team

Directors' remuneration

CPN prescribes policy for fair and reasonable remuneration of directors, which has been determined by the Nomination and Remuneration Committee. It take into account the roles and responsibilities of each directors and performance of CPN. This ensures that remuneration of directors is at an appropriate rate commensurate with directors at the same or related type of business of that is compatible with CPN. The budget of Directors' remuneration in 2008 was not exceeding Bath 8,500,000 of which payment structure, approved by the resolution at the Annual General Meeting of Shareholders' on April 25th, 2008, as follows:

	Type of remuneration	Amount (Baht)
1.	Quarterly Retainer (Baht/Quarter)	
	Chairman	100,000
	Independent Director (Chairman of Audit Committee)	100,000
	Independent Director (Audit Committee Member)	80,000
	Independent Director and Director	60,000
2.	Meeting Fee for Board of Directors (Baht/Meeting)	
	Chairman	40,000
	Independent Director	20,000
	Director	20,000
3.	Meeting Fee for Audit Committee (Baht/Meeting)	
	Chairman of Audit Committee	40,000
	Audit Committee Member	22,500
4.	Meeting Fee for Nomination and Remuneration Committee (Baht/Meeting)	20,000
5.	Meeting Fee for Advisory of Risk Management Committee (Baht/Meeting)	20,000

Director remuneration in form of director fees and meeting fees paid by CPN to the Board of Directors in their capacity as Directors, Audit Committee members, Nomination and Remuneration Committee members, and Advisory of Risk Management Committee members comprising a total of 13 directors totaled Baht 6,170,000. The details of the meeting attendance and remuneration in 2008 are as follow;

Meeting attendance and remuneration of the directors in 2008

(Unit : Bath)

Director's Name	Position	Meeting Attandance (Meeting)						Quarterly Remuneration	Meeting Allowances for Board Directors	Meeting Allowances for Audit Committee	Meeting Allowances for Nomination and Remuneration Committee	Meeting Allowances for Risk Management Commit tee Advisory	Total
		Board of Director			Audit Committee	Nomination and Remuneration Committee	Risk Management Committee Advisory						
		Normal Session	Special Session	Total									
1. Mr.Vanchai Chirathivat	Chairman	4/4	1/3	5/7	-	-	-	320,000	180,000	-	-	-	500,000
2. Mr.Anek Sithiprasasana	Vice Chairman	-	-	-	-	-	-	200,000	-	-	-	200,000	
3. Mr.Paitoon Taveebhol	Director, Audit Committee Chairman, Risk Management Committee Advisory Chairman	4/4	3/3	7/7	11/11	-	4/4	370,000	150,000	395,000	-	60,000	975,000
4. Mr.Chackchai Panichapat	Director, Audit Committee Member, Nomination and Remuneration Committee Chairman	4/4	3/3	7/7	11/11	2/2	-	300,000	150,000	347,500	40,000	-	837,500
5. Mrs.Sunandha Tulayadhan	Director, Audit Committee Member, Nomination and Remuneration Committee Member	4/4	2/3	6/7	11/11	2/2	-	300,000	130,000	347,500	40,000	-	817,500
6. Mr.Kanchit Bunajinda	Director, Nomination and Compensation Committee Member	4/4	3/3	7/7	-	2/2	-	200,000	140,000	-	40,000	-	380,000
7. Mr.Suthichai Chirathivat	Director	4/4	2/3	6/7	-	-	-	200,000	120,000	-	-	-	320,000
8. Mr.Suthikiati Chirathivat	Director	4/4	2/3	6/7	-	-	-	200,000	120,000	-	-	-	320,000
9. Mr.Suthichart Chirathivat	Director, Nomination and Remuneration Committee Advisory	3/4	3/3	6/7	-	2/2	-	200,000	120,000	-	40,000	-	360,000
10. Mr.Sudhisak Chirathivat	Director, Nomination and Remuneration Committee Advisory	4/4	3/3	7/7	-	2/2	-	200,000	140,000	-	40,000	-	380,000
11. Mr.Sudhitham Chirathivat	Director, Nomination and Remuneration Committee Advisory	4/4	3/3	7/7	-	2/2	-	200,000	140,000	-	40,000	-	380,000
12. Mr.Kobchai Chirathivat	Director	2/4	2/3	4/7	-	-	-	200,000	80,000	-	-	-	280,000
13. Mr.Prin Chirathivat	Director, Nomination and Remuneration Committee Advisory, Risk Management Committee Advisory Vice Chairman	4/4	2/3	6/7	-	2/2	4/4	200,000	120,000	-	40,000	60,000	420,000
Total								3,090,000	1,590,000	1,090,000	280,000	120,000	6,170,000

Management remuneration

CPN prescribes policy for fair and reasonable remuneration of executive management, which considered an appropriate rate with performance of CPN and each person. Moreover, it is commensurate with other same type of business that is compatible with CPN. The remunerations of executive management are as follow:

Salaries and bonuses

CPN contributed remuneration in form of salaries and bonuses paid to nine executive managements in 2008 amounted to Baht 49,097,890.

Provident fund

CPN contributed the Provident Fund paid to eight executive managements in 2008 amounted to Baht 2,706,720.

Connected transactions

CPN's core business is the provision of retail space rental followed by other integrated businesses which support CPN's core function. Throughout its operation, one factor endorsing CPN's strength and successful market leadership is to enlist its major shareholders as the business allies, namely Central Holding Co., Ltd. with shareholding of 27% and the Chirathivat Group with shareholding of 33%, therefore altogether accounting approximately 60%.In deed, Central Group, the leader in retail business for over six decades, encompassing various business ranging from department store, hotels, restaurants, to retail shops of hundreds of brands and products, which are anchor and retail tenants within CPN's shopping complexes. It can be said that alliances 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's 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 is aware of the transparency of such transactions that must not cause any conflict of interest and they must build shareholders' confidence in the process of connected transactions. Therefore, the Board defined the trading conditions of normal business practice in engaging in any connected transaction as an apparent business guideline of CPN. Moreover, the Audit Committee has focused on and reviewed the rationality of the connected transaction policy. Prior to engaging in any significant connected transaction, the management will present a detailed report to the Audit Committee for consideration and comment each time. The information memorandum of the connected transaction is also disclosed according to the regulations of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).

CPN and its subsidiaries conducted transactions with related parties with potential conflicts of interest, as disclosed in item fourth of the notes to financial statements of 2008. Most of the connected transactions were engaged with Central Holding Co., Ltd., and the Chirathivat Group as described below:

Connected transactions with related parties

1. Revenue from related parties

comprises revenue from space rental and utility service fee in shopping complexes, revenue from land rental, management fees, as well as revenue from other sources, including insurance premiums, property taxes, sales promotion expenses, guarantee fees, commissions, and other fees for various services collected from related parties. Total amount of revenue from related parties in 2008 was 1,499 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 and recreational parks located on the premises of shopping complex projects. CPN is also the provider of utility services in shopping complexes. Various businesses in the Central Group, with high growth potential and secure financial status, 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. In addition, businesses under popular brands, including department stores, supermarkets, retail shops and restaurants, can draw more shopperrs to CPN's shopping complexes. This, as a consequence, produces higher returns to CPN and its shareholders. CPN's policy on the rates of rental and services collected from related parties is as follows:

» Rates of rental and service, and utility fees from space rental in shopping complexes collected from related businesses are based on market prices. Compared with other spaces for rent in the vicinity, or in the same floor, CPN's rental rates and service fees charged to related parties are comparable. It is noted that rental rates are subject to locations, area space, rent type, period rental, and business categories, and are in line with normal business practice.

» Other types of revenue derive from the collection of insurance premiums, property taxes, sales promotion expenses, guarantee fees, and other service fees from tenants in shopping complexes. CPN's policy is to standardize revenue collection from both related parties and general tenants, based on the actual cost, space rental category, and the usual business practice.

» 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 lessee 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 rent or sub-rent. The rental is the cost plus actual interests or market price which evaluated by the independent appraiser complied with the regulations of SEC, SET and other related regulations. Furthermore, all connected transactions concerning revenue from land leases are reviewed and verified by the auditor annually.

» 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. Furthermore, all connected transactions concerning revenue from large space rental in shopping complexes are reviewed and verified by the auditor annually.

Details of revenue derived from related parties

	Related parties	Connected transaction value (Baht million)	Detail of connected transaction
1.1	Central Retail Corporation Co., Ltd. (CRC) (the Chirathivat Group as a major shareholder)	928	• CPN earns revenue from rental and service fees, utility fees, and other revenues from leasing retail areas in shopping complexes to various retail businesses under the CRC Group. All transactions in this category occur in the course of normal business. • CPN earns revenue from land leasing to Big C Super Center Plc, a company in the CRC Group. This is the lease of partial land in CPN's CentralPlaza Khon Kaen Project. Rental rates are in line with the above-mentioned policy. • CPN charges management fees from Central Department Store Co., Ltd. (the owner of Central Department Store, which is in the CRC Group.) This is in fact in return for the compensation paid to executives who run both companies. Such compensation is of the same rate as that collected by other companies in the same business.
1.2	Central Marketing Group Co., Ltd. (CMG) (the Chirathivat Group as a major shareholder)	162	• CPN earns revenue from rental and service fees, utility fees, and other revenues from easing retail space in shopping complexes under normal business practice to various retail businesses in CMG.

	Related parties	Connected transaction value (Baht million)	Detail of connected transaction
1.3	The Central Plaza Hotel Plc Group of Companies (CHR) (the Chirathivat Group as a major shareholder)	68	• CPN collects rental and service fees from CHR for the lease of the area where Bangkok Convention Center is located in the CentralPlaza Lardprao Project. This is a long-term lease of 17 years valid until December 18, 2008. • The Thai Business Fund 4 has made a sublease contract with CHR for land and part of the building in the premises of CentralWorld Project. 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 divided into two parts, one of which is the up-front payment that was paid in the year when the agreement was signed and the other is the annual rental.
1.4	Central Restaurant Co., Ltd., (CRG) (the Chirathivat Group as a major shareholder)	173	• CPN earns revenue from rental and service fees, utility fees, and other revenues from the lease of space in shopping complexes to businesses in CRG. All transactions in this category occur in the course of normal business.
1.5	Businesses in which related parties hold shares or serve as directors	168	• CPN earns revenue from rental and service fees, utility fees, and other revenue from the lease of space in shopping complexes to othercompanies in which CPN directors hold shares or hold a director position, such as Fuji Japanese Restaurant, Zen Japanese Restaurant, the Body Shop, Thai Privilege Health Care Spa, Sakura Restaurant, Lee Coopers, and Ragazze etc. All transactions in this category occur in the course of normal business practice.

Remark:

1. Central Retail Corporation Co., Ltd. (CRC) consists of various retail businesses, which comprises Central Department Store, Robinson Department Store, Zen Department Store, Tops Supermarket, PowerBuy, B2S, SuperSports, Homework, Office Depot (franchise), Marks & Spencer (franchise), Watson (joint venture), Muji (franchise), and Bic C Super Center (joint venture).
2. Central Marketing Group Co., Ltd. (CMG) consists of import, manufacturing, distribution, and sale of consumer goods bearing both international and house brands. These retailers are:
   2.1 Clothing products and accessories, such as Guess, Calvin Klein, Lee, FCUK, G2000, U2, Benetton, Casualist etc.
   2.2 Cosmetic products, such as CLARINS, YVES SAINT LAURENT, Elizabeth Arden, Laura Mercier, H2O+, PAYOT etc.
   2.3 Watches, such as Guess, Casio, Marc Ecko, Nautica, Nike, Timberland etc.
   2.4 Baggage, sports gear, and others
3. The Central Plaza Hotel Plc Group of Companies (CHR) operates hotels and resorts in Centara Group in Bangkok and various tourist destinations in Thailand.
4. Central Restaurant Co., Ltd., (CRG) engaged in assorted Western-style fast-food businesses, including Quick Service Restaurants; namely Mister Donut, KFC, Auntie Anne's, Baskin Robbins, Pizza Hut, Pepper Lunch, and Steak Hunter.

2. Expenses paid to related parties

comprise expenses for space rental in shopping complexes, land rental, and management fees. In 2008, CPN paid altogether 197 MB to related 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 lessee 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 complied with the regulations of SEC, SET and other related regulations. In addition, the auditor verifies each transaction concerning rental of land payment.
- 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 leased 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 are evaluated by the independent appraiser complied with the regulations of SEC, SET and other related regulations. In addition, the auditor verifies each transaction concerning large space rental payment.
- 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 CPN's connected business, are the actual expenses the service provider incurs in its services suitable for all businesses in the Central Group.
- The application for insurance with a connected business is considered a normal transaction in the normal business practice which has the market price and conditions or the best coverage offered from insurance agents by comparing the price. In case of only one insurance agent make a quotation, CPN shall consider by comparing the price in the past year, however it depends on the conditions and insurance market situation.

Expenses paid to connected parties

2.1 CPN rents land from Central Department Store Co., Ltd., which Chirathivat Group is major shareholder, to be the location of CentralPlaza Ramindra and CentralPlaza Pinklao projects.

2.2 CPN sub-lease land from Central International Development Co., Ltd. ("CID"), which Chirathivat Group is major shareholder, to be the location of CentralPlaza Lardprao project (ownership of the land is held by the State Railway of Thailand). The sub-lease contract is due to expire on 18 December 2008. CPN has entered into a memorandum of understanding to confirm and preserve the rights for the renewal sub-lease agreement with CID. In doing so, CID required CPN to make a payment of 300 MB as a guarantee for the right to sub-lease land and/or building of CentralPlaza Lardprao on the date that CID entered into a lease agreement with SRT. Since the renewal sub-lease agreement between CPN and CID has not yet come to a conclusion, the guarantee payment was derived from initial negotiation between CPN and CID. Moreover, non-interested Directors and the Audit Committee agree that such transaction and CPN has disclosed the details of transaction to SET on 9 December 2008.

2.3 CPN sub-lease land from Central Pattaya Co., Ltd., which Chirathivat Group is major shareholder, to be a location of Central Center Pattaya Project (ownership of the land is held by an individual).

2.4 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.

2.5 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. This hiring contract lasts from 1 January 2008 to 31 December 2009. Under this contract, CPN pays service fees to HCDS at 0.75% of the revenue from rental and service fees each month, which must be in the range of Baht 4,950,000 to Baht 7,420,000 each month. The ceiling and minimum of management fees are also subject to a five percentage increase each year. The rate of fees was tabled for approval by the Audit Committee and the Board of Directors, in which directors who hold stakes in this transaction abstained from voting. CPN disclosed the details of the transactions to SET on 7 November 2007.

2.6 CPN applied 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.

2.7 The Board of Directors held on 5 November 2008 has resolved to approve the entering into a land lease agreement with Robinson Nakarin Co., Ltd., which the Chirathivat Group is major shareholder, to develop a lifestyle center. Total area of such land is 20 Rai 1 Ngarn 49 Square Wah, located on Srinakarin Road and Soi On Nuch 39 (Soi Anamai), Suan Luang (North Prakhanong), Suan Luang (Prakhanong), Bangkok. The total value of land lease agreement as at the market price which evaluated by the independent appraiser is 387 million baht, which will be paid in four installments with a present value of approximately 340 MB (at 12% discount rate).

The Board of Directors considered that the location is suitable for developing the lifestyle project and the project will also add value to CPN in long term. Moreover, such development is in line with CPN's strategy, which is to develop new formats of shopping mall in order to serve customer's need. However, the appropriate timing to develop the project still depends on economic and market situation. Non-interested Directors and the Audit Committee agree that such transaction and CPN has disclosed the details of transaction to SET on 5 November 2008. As at 31 December 2008. In addition, CPN is in process of land lease agreement with Robinson Nakarin Co., Ltd.

3. Loans between CPN and related parties

Policies on loans between CPN and related parties

All loans must comply with the following policies on loans between CPN and related 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 CPN. Connected transaction approvers consist of the Vice President for Finance, 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. Approval is needed from the Senior Executive Vice President for Finance & Accounting, the President & CEO, and the Board of Directors, respectively. In this case, promissory notes are prepared as evidence. As regards interest rates, the applied rates are based on commercial banks' MLR.

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

CPN has no policy to let associated companies, with CPN holding less than 50% shares, or connected parties borrow from it. In fact, for the past five years, no such instance has occurred. 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 as an average interest rate.

Loans between CPN and connected parties

Description	31 December 2008 (Baht Million)	Financial Statements
3.1 Loans[1]		
1) Loans obtained from subsidiaries	3,976	Separate
2) Loans obtained from related parties	165	Consolidated
3.2 Loans[2]		
1) Loans granted to subsidiaries	8,215	Separate
2) Loans granted to related parties	-	Consolidated

Remark: [1] These items without collaterals are payable on demand and carry interest at the average interest rate of unsecured debt securities issued by CPN.

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

As for the 162.7 MB loan granted to Siam Retail Development Co., Ltd. (in which CPN held 15% of the shares), the amount was in proportion to CPN's equity in that company and was intended for use in project development. Howerver since Siam Retail Development Co.,Ltd was under debt restructuring called for by a rehabilitation plan, CPN is likely to get partial repayment of the loan – but at an uncertain date and for an uncertain total amount. Therefore, CPN has set up a provision for the full amount. Currently, CPN has no policy of extending loans to any associated company.

4. Guarantees for loans for related 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 warrant fees from subsidiaries for such guarantees.

As at 31 December 2008, CPN had four categories of guarantee obligations to connected parties:

	Description	Million Baht
4.1	Guarantees for subsidiaries' outstanding loans	
	Thai Business Fund 4	2,265
	Thai Business Fund 5	929
	Total	3,194
4.2	Guarantees for bank overdraft for subsidiaries [1]	69[1]
4.3	Guarantees offered to subsidiaries' aval on promissory notes	147
4.4	Loan ceiling guarantees for subsidiaries' public utilities guarantees given to Thai commercial banks	168

Remark : [1] As at year-end 2008, it was no bank overdraft outstanding.

Approval procedure of connected transactions

All transactions with related businesses or individuals must go through an approval process, as stipulated by CPN'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 CPN and its shareholders, like engaging in transactions with outsiders. All transactions with related parties must also be lawfully conducted to ensure transparency and compliance with the relevant laws, rules, and regulations. CPN has instituted that normal business practice and supporting normal business practice with operation under the condition of general trading set by the Committee who are under the jurisdiction of the operational task forces to deliberate the transaction in accordance with CPN'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 related parties and CPN 's scrutinized by the Office of Internal Audit and External Audit to ensure CPN's compliance with laws and re lated regulations.

Policy or trend for future connected transactions

Since transactions with related parties represent those conducted in the course of normal business practice, therefore 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, which is the strength 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 CPN and its shareholders. CPN's Board has clearly approved the condition of normal trading in CPN and its subsidiaries' transaction with related 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 initial principle that has been practiced since CPN was listed on SET in 1995****

To develop an integrated shopping complex, it is necessary to have components enhancing the CPN'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 CPN's and shareholders' added value. Below are the characteristics of joint shopping complex development with other companies in the Central Group.

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 land cost.)

Price and condition setting: Cost plus cost of fund

Construction of shopping complexes and department stores or business units

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.

Construction of common areas, comprising car parks and landscape

Principles: CPN holds the ownership of the car park and the outer area 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 Business Unit (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 and business units 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.

Large space rental or space for rent in shopping complexes

Principles: CPN may rent or rent out large areas with 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 and service fees and utility fee

Principle: In charging short-term or long-term rental and 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, space size, format of rent, rental patterns, rent periods, and business categories. The benefits earned are not only rentals and service fees, and utility fees, but also the potential in business operation and 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 clients" means tenants with high potential, who rent large retail space or in many projects and provide direct or indirect support for CPN successful operation.

The Central Group conducts related 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, guarantee fees, and service fees collected by tenants

Principles: Asset management incurs operating expenses. In normal business practice, CPN charges these expenses by calculating from the actual operating cost. The rate, in the same standard for general tenants, 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 CPN. In case there is no comparable offer, CPN 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 CPN'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 CPN.

Financial performance review

Consolidated Financial Results for the Fiscal Year 2008

Overall performance

Central Pattana Public Company Limited ("CPN") reported FY2008 consolidated total revenues of 9,310.6 MB, up 9.6% y-o-y and the net profit of 2,185.8 MB, up 22.6% y-o-y. Noted that FY2007 performance included a non-recurring income of 214.3 MB from compensation for cancellation of rights to certain land at CentralWorld. Without the non-recurring item, consolidated total revenues and net profit in FY2008 would have increased 12.4% y-o-y and 39.3% y-o-y, respectively. The main contributors remained organic growths of its retail properties and the efficient cost control.

As for operational performance, CPN's retail space was stood at 97%, marginally increased from 96% as the end of FY2007 whilst that of office space slight increased from 92% in the preceding year to 94% in FY2008. Effective rental rate for FY2008 averaged 1,259 Bt/sqm/month, up 3.2% y-o-y.

Noted that starting from January 1, 2008, accounting policy for any excess of acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over cost has been changed from the previous "negative goodwill" to realized profit or loss. Such change has impact on consolidated financial statements. (see Note 29 to the financial statements for the year ended December 31, 2008)

Operational performance summary

As at December 31, 2008 total leasable area stood at 778,496 sqm (up 9.1% q-o-q and 8.8% y-o-y), which includes 627,843 sqm of retail space, 144,280 sqm of office space, and 6,373 sqm of residential space. The leasable area mentioned above excludes that of CentralPlaza Rama 2 and CentralPlaza Rama 3, totaling 133,268 sqm, as the two properties were transferred to CPN Retail Growth Property Fund ("CPNRF") which CPN acts as the property manager.

At the end of FY2008, average occupancy for CPN's retail malls stood at 97%, slightly increased from that of the FY2007 year-end. Occupancy rate at CentralWorld improved to 97% in the quarter following openings of a mini anchor "Center Point" and other retail fashion outlets, whilst that of the newly opened CentralPlaza Chaengwattana stood at 91% as end of FY2008, improved from 85% as at the opening.

Rental rate maintained its upward momentum as rate increases were achieved from renewals and new leases at almost all properties. Effective rental rate in FY2008 averaged 1,259 Bt/sqm/month (up 3.2% y-o-y). For comparative purpose, excluding that of the newly opened CentralPlaza Chaengwattana, averaged effective rental rates in FY2008 was 1,260 Bt/sqm/month (up 3.3% y-o-y). Noted that these rental rates were taken into account special rental discount given to groups of tenants at CentralWorld.

At the end of FY2008, occupancy rate for CPN's offices average 94%, slightly increased from 92% at the FY2007 year-end.

Financial performance summary

Total revenue

In FY2008 CPN recorded consolidated total revenue of 9,310.6 MB, up 9.6% y-o-y whilst rental & service income and food & beverage sales registered 6,598.6 MB, up 8.9% y-o-y. Noted that the FY2007 performance included a non-recurring income of 214.3 MB from compensation for cancellation of rights to certain land at CentralWorld to ZEN Department Store. Without the non-recurring item, consolidated total revenues would have increased 12.4% y-o-y and rental & service income and food & beverage sales would have gained 11.9% y-o-y. These improvements were due to four distinct sources;

1. Increased service income after adjustment of common area, air-conditioning, and maintenance ("CAM charge") rate in January 2008.
2. Higher contribution from CentralWorld upon cutting down special rental discount and escalating occupancy rate.
3. Rental growth achieved at all properties.
4. Additional income from the newly opened CentralPlaza Chaengwattana.

Food & beverage sales for FY2008 increased 20.7% y-o-y to 456.3 MB. The growth was due to re-openings of food centers "Food Park" at CentralPlaza Rama 3 and CentralPlaza Pinklao after completions of their renovations, in addition to an additional contribution from food center at the newly opened CentralPlaza Chaengwattana (opened in 4Q08).

Total cost

Total cost of rental & service and food & beverage include utilities, depreciation and amortization of rented properties, on-site personnel, repair & maintenance and property tax. In FY2008, total cost increased by 9.3% y-o-y to 4,889.6 MB. Cost of rental & service grew by 7.9% y-o-y to 4,516.4 MB, mainly due to:

1. Higher depreciation and amortization of CentraWorld upon further completion of its enhancement project.
2. Additional depreciation of the newly opened CentralPlaza Chaengwattana
3. Higher lease payment at CentralPlaza Lardprao, which was an estimated amount based on the renewed lease payment structure which will be proposed for an approval at the Extraordinary Shareholders' Meeting on March 25, 2009.

Cost of food & beverage increased 29.5% y-o-y, which was in line with the increase in food and beverage sales.

Total operating and administration expenses

Total operating and administration expenses constitute expenses on personnel, marketing and promotion costs, office supplies, professional fees, depreciation and amortization of office equipments. Total operating and administration expenses for FY2008 amounted to 1,556.8 MB, up 2.8% y-o-y from compounding effects of declined marketing and promotion expenses and increased personnel expenses as a result of an increase in number of employees to support new projects.

On the backdrop of stagnant economy and soft spending, CPN's marketing and promotion expenses were well managed through top-line driven basis. For FY2008, excluding the one-time expenses of the opening celebrations of CentralPlaza Chaengwattana, the marketing and promotion expenses amounted to 461.5 MB, decreased by 18.4% y-o-y and representing 5.4% of total revenues, compared to 7.4% of the previous year.

Net profit

CPN reported FY2008 consolidated net profit of 2,185.8 MB, up 22.6% y-o-y. Excluding the non-recurring item in FY2007, consolidated net profit for the FY2008 would have grown 39.3% y-o-y, mainly from organic growth of the shopping mall business.

Financial position as at December 31, 2008

Assets

As at December 31, 2008, CPN reported consolidated total assets of 43,783.8 MB, increased by 6,579.1 MB, or 17.7% from the end of FY2007. The key contributor is a 6,178.0 MB increase in Property & Equipment and Leasehold Rights (representing totaling 80.0% of total assets). The increase was from a land acquisition in Chiangmai Province (north of Thailand) and construction in progress of under-developing projects and the newly opened CentralPlaza Chaengwattana.

Liabilities

Consolidated total liabilities stood at 28,610.5 MB, increased by 5,045.1 MB, or 21.4%, from the end of FY2007. During FY2008, CPN issued 1,450 MB short-term loan (revolving promissory notes and bills of exchange) and 1,500 MB unsecured bonds and drew 2,500 MB from its long-term credit line. Interest-bearing debts increased by 4,400.2 MB, or 36.5%, to 16,445.1 MB, representing 57.5% of total liabilities as at December 31, 2008

Shareholders' equity

Consolidated total Shareholders' equity was registered at 15,173.3 MB, an increase of 1,534.0 MB or 11.2% from the end of FY2007. As of December 31, 2008 retained earnings stood at 10,307.2 MB, up 1,586.7 MB from FY2007, primarily due to the following reasons.

1. The FY2008 consolidated net earnings of 2,185.8 MB.
2. Dividend payment of 718.9 MB (0.33 Baht/share) for FY2007 performance that will pay in 2008.
3. Net increase of 211.1 MB from realizing negative goodwill as gains to retained earnings as a result of a change in accounting policy*

   (*see Note 29 to the financial statements for the year ended December 31, 2008)

Capital structure

As plan to raise fund through the property fund vehicle "CPNRF" has to be postponed due to unfavorable market sentiment, CPN's capital structure has been diverted from property fund to borrowings. During FY2008, new debts of totaling 5,450 MB were raised to support business expansion. These include 1,450 MB short-term loan (average interest rate of 3.80% p.a.), 1,500 MB unsecured bond (3-year term, bullet payment and fixed interest rate of 4.80% p.a.) and 2,500 MB long-term bank loan (7-year repayment term and floating interest rate of MLR-2.0% p.a.). This brought up the net interest-bearing debt to equity ratio to 0.8 time, compared to 0.6 time at the end of FY2007.

At the end of FY2008 interest-bearing debt comprised of 65% fixed and 35% floating interest rate. Interest expenses and financial charges for FY2008 amounted to 543.4 MB, decreased by 6.4% from the FY2007 year-end. Weighted average interest declined to 5.2% per annum, compared to 5.5% per annum in the FY2007. In declining interest rate environment, CPN has a policy to maintain interest rate at the fixed-to-floating ratio of 60:40.

Change in accounting policy

With the implementation of revised Thai Accounting Standard No.43 (TAS No.43) "Business Combinations", starting from January 1, 2008, the accounting for any excess of acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over cost has been changed from the previous "negative goodwill" to realized profit or loss.

The effect of the change in accounting policy* on Consolidated Financial Statements as at December 31, 2008 is highlighted as followings.

Consolidated Balance Sheet as at December 31, 2008

- A decrease of 112.6 MB in Negative goodwill with a corresponding increase in the Unappropriated retained earnings.
- An increase of 98.5 MB in Intangible assets with a corresponding increase in the Unappropriated retained earnings.

Consolidated Statements of Income as at December 31, 2008

- A reduction of 6.7 MB in reported profit for the year from reduction of credit to the statement of income resulting from the amortization of negative goodwill that would have been recognized under the previous accounting policy.

(*see Note 29 to the financial statements for the year ended December 31, 2008)

Audit report of certified public accountant

To the Shareholders of Central Pattana Public Company Limited

I have audited the accompanying consolidated and separate balance sheets as at 31 December 2008 and 2007, the related statements of income, changes in shareholders' equity and cash flows for the years then ended of Central Pattana Public Company Limited and its subsidiaries, and of Central Pattana Public Company Limited, respectively. The Company's management is responsible for the correctness and completeness of information presented in these financial statements. My responsibility is to express an opinion on these financial statements based on my audits.

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

In my opinion, the consolidated and separate financial statements referred to above present fairly, in all material respects, the financial positions as at 31 December 2008 and 2007, the results of operations and cash flows for the years then ended of Central Pattana Public Company Limited and its subsidiaries, and of Central Pattana Public Company Limited, respectively, in accordance with generally accepted accounting principles.

Thirdthong Thepmongkorn
Certified Public Accountant
Registration No. 3787

KPMG Phoomchai Audit Ltd.
Bangkok
20 February 2009

Balance sheets

Central Pattana Public Company Limited and its Subsidiaries
As at 31 December 2008 and 2007

(in Baht)

		Consolidated		Separate	
Assets	*Note*	2008	2007	2008	2007
Current assets					
Cash and cash equivalents	*5*	2,407,345,899	1,026,000,685	1,281,730,192	242,189,056
Currrent investments	*6*	1,269,355,534	2,957,083,995	701,201,863	693,922,567
Trade accounts receivable	*7*	536,595,036	378,804,711	204,119,356	63,391,213
Short-term loans to related parties	*4*	-	-	136,137,000	152,530,877
Other current assets	*8*	1,179,220,612	860,376,970	717,600,438	443,980,500
Total current assets		5,392,517,081	5,222,266,361	3,040,788,849	1,596,014,213
Non-current assets					
Investments in subsidiaries, jointly-controlled entity and associates	*9*	2,354,751,757	2,306,473,984	19,017,121,850	17,932,495,806
Long-term investments - related parties	*10*	-	-	-	-
Other long-term investments	*6*	1,895,194	1,000,000	1,000,000	1,000,000
Long-term loans to related parties	*4*	-	12,167,165	8,078,815,376	5,600,027,642
Property and equipment	*11*	31,660,922,018	25,433,988,733	7,333,334,398	4,373,524,141
Leasehold rights	*12*	3,312,126,806	3,361,056,285	297,497,530	249,984,215
Intangible assets	*13*	183,676,622	93,494,999	-	-
Deferred tax assets	*14*	734,424,504	655,162,109	347,228,719	319,631,752
Other non-current assets	*15*	143,465,533	119,031,566	61,577,986	63,024,156
Total non-current assets		38,391,262,434	31,982,374,841	35,136,575,859	28,539,687,712
Total assets		43,783,779,515	37,204,641,202	38,177,364,708	30,135,701,925

The accompanying notes are an integral part of these financial statements

Balance sheets

Central Pattana Public Company Limited and its Subsidiaries
As at 31 December 2008 and 2007

(in Baht)

		Consolidated		Separate	
Liabilities and equity	*Note*	2008	2007	2008	2007
Current liabilities					
Trade accounts payable		53,325,273	54,711,489	6,001,278	12,907,740
Short-term loans from related parties	*4,16*	3,429,068	3,300,159	159,225,914	159,339,285
Current portion of long-term loans	*16*	3,320,419,636	1,233,591,261	2,500,000,000	-
Other short-term loans payable	*16*	1,450,000,000	-	1,450,000,000	-
Income tax payable		316,571,142	252,448,562	130,915,406	120,206,365
Contractor payable		851,814,659	379,211,889	432,394,404	10,667,141
Other current liabilities	*17*	2,355,265,883	2,611,788,665	878,373,559	563,548,243
Total current liabilities		8,350,825,661	4,535,052,025	5,556,910,561	866,668,774
Non-current liabilities					
Long-term loans from related parties	*4,16*	161,587,774	40,885,256	3,816,640,030	3,767,662,567
Other long-term loans payable	*16*	11,674,686,104	10,770,470,484	8,500,000,000	7,000,000,000
Deferred tax liabilities	*14*	715,324,822	759,512,233	-	-
Unearned rental and service income		4,817,191,627	4,893,018,074	779,516,137	830,883,827
Deposits received from customers		2,857,708,211	2,405,361,563	1,175,625,408	992,893,134
Guarantees for leasehold prepayments		33,132,999	161,049,067	-	410,692
Total non-current liabilities		20,259,631,537	19,030,296,677	14,271,781,575	12,591,850,220
Total liabilities		28,610,457,198	23,565,348,702	19,828,692,136	13,458,518,994

The accompanying notes are an integral part of these financial statements

Balance sheets

Central Pattana Public Company Limited and its Subsidiaries
As at 31 December 2008 and 2007

(in Baht)

		Consolidated		Separate	
Liabilities and equity	*Note*	2008	2007	2008	2007
Equity					
Share capital					
Authorised share capital	*18*	2,178,816,000	2,178,816,000	2,178,816,000	2,178,816,000
Issued and paid-up share capital		2,178,816,000	2,178,816,000	2,178,816,000	2,178,816,000
Reserves	*19*				
Share premium		2,007,565,850	2,007,565,850	2,007,565,850	2,007,565,850
Fair value changes		5,319,194	1,277,030	387,921	1,334,644
Negative goodwill		-	112,594,465	-	-
Retained earnings					
Appropriated for legal reserve	*19*	217,881,600	217,881,600	217,881,600	217,881,600
Unappropriated		10,089,338,299	8,502,680,424	13,944,021,201	12,271,584,837
Total equity attributable to equity holders of the Company		14,498,920,943	13,020,815,369	18,348,672,572	16,677,182,931
Minority interest		674,401,374	618,477,131	-	-
Total equity		15,173,322,317	13,639,292,500	18,348,672,572	16,677,182,931
Total liabilities and equity		43,783,779,515	37,204,641,202	38,177,364,708	30,135,701,925

The accompanying notes are an integral part of these financial statements

Statements of income

Central Pattana Public Company Limited and its Subsidiaries
For the years ended 31 December 2008 and 2007

(in Baht)

		Consolidated		Separate	
	Note	2008	2007	2008	2007
Revenues					
Rental and service income	*4*	8,142,321,686	7,517,298,536	3,250,956,557	3,066,185,687
Food and beverage sales		456,309,095	377,986,619	-	-
Interest income	*4*	166,696,909	110,030,776	354,437,373	177,464,236
Dividend income		60,146	-	1,566,937,497	3,949,311,444
Other income	*4,21*	711,953,116	601,147,514	509,116,466	479,177,025
Share of profits from investments accounted for using the equity method		361,907,080	316,469,454	-	-
Total revenues		9,839,248,032	8,922,932,899	5,681,447,893	7,672,138,392
Expenses					
Cost of rental and service	*4*	4,516,397,860	4,185,223,693	1,389,852,919	1,262,616,216
Cost of food and beverage sales	*4*	373,199,836	288,138,833	-	-
Administrative expenses	*4,22*	1,551,534,959	1,511,107,980	1,063,546,935	910,542,098
Directors' remuneration	*4*	5,290,000	3,400,000	5,290,000	3,400,000
Total expenses		6,446,422,655	5,987,870,506	2,458,689,854	2,176,558,314
Profit before interest and income tax expenses		3,392,825,377	2,935,062,393	3,222,758,039	5,495,580,078
Interest expense	*4,24*	(543,386,101)	(580,753,116)	(498,770,685)	(427,585,110)
Income tax expense	*25*	(650,702,311)	(563,439,437)	(332,656,154)	(343,214,187)
Profit for the year		2,198,736,965	1,790,869,840	2,391,331,200	4,724,780,781
Attributable to:					
Equity holders of the Company		2,185,786,248	1,783,405,830	2,391,331,200	4,724,780,781
Minority interest		12,950,717	7,464,010	-	-
Profit for the year		2,198,736,965	1,790,869,840	2,391,331,200	4,724,780,781
Basic earnings per share	*26*	1.00	0.82	1.10	2.17

The accompanying notes are an integral part of these financial statements

Statements of changes in equity

Central Pattana Public Company Limited and its Subsidiaries for the years ended 31 December 2008 and 2007

Consolidated financial statements

(in Baht)

			Reserves			Retained earnings				
		Issued and paid-up Noteshare capital	Share premium	Fair value changes	Negative goodwill	Appropriated to legal reserve	Unappropriated	Total equity attributable to equity holders of the Company	Minority interest	Total equity
Balance at 1 January 2007		2,178,816,000	2,007,565,850	1,174,644	112,594,465	217,881,600	7,509,391,324	12,027,423,883	546,761,214	12,574,185,097
Changes in equity for 2007										
Fair value changes		-	-	102,386	-	-	-	102,386	-	102,386
Changes in ownership interests in a subsidiary		-	-	-	-	-	(114,683,770)	(114,683,770)	114,683,770	-
Net income (expense) recognised directly in equity		-	-	102,386	-	-	(114,683,770)	(114,581,384)	114,683,770	102,386
Profit for the year		-	-	-	-	-	1,783,405,830	1,783,405,830	7,464,010	1,790,869,840
Total recognised income and expense		-	-	102,386	-	-	1,668,722,060	1,668,824,446	122,147,780	1,790,972,226
Dividends	27	-	-	-	-	-	(675,432,960)	(675,432,960)	(50,431,863)	(725,864,823)
Balance at 31 December 2007		2,178,816,000	2,007,565,850	1,277,030	112,594,465	217,881,600	8,502,680,424	13,020,815,369	618,477,131	13,639,292,500
Balance at 1 January 2008		2,178,816,000	2,007,565,850	1,277,030	112,594,465	217,881,600	8,502,680,424	13,020,815,369	618,477,131	13,639,292,500
Changes in accounting policy	29	-	-	-	(112,594,465)	-	211,132,472	98,538,007	-	98,538,007
Restated balance		2,178,816,000	2,007,565,850	1,277,030	-	217,881,600	8,713,812,896	13,119,353,376	618,477,131	13,737,830,507
Changes in equity for 2008										
Fair value changes		-	-	4,042,164	-	-	-	4,042,164	-	4,042,164
Changes in ownership interests in a subsidiary		-	-	-	-	-	(91,366,009)	(91,366,009)	91,366,009	-
Net income (expense) recognised directly in equity		-	-	4,042,164	-	-	(91,366,009)	(87,323,845)	91,366,009	4,042,164
Profit for the year		-	-	-	-	-	2,185,786,248	2,185,786,248	12,950,717	2,198,736,965
Total recognised income and expense		-	-	4,042,164	-	-	2,094,420,239	2,098,462,403	104,316,726	2,202,779,129
Dividends	27	-	-	-	-	-	(718,894,836)	(718,894,836)	(48,392,483)	(767,287,319)
Balance at 31 December 2008		2,178,816,000	2,007,565,850	5,319,194	-	217,881,600	10,089,338,299	14,498,920,943	674,401,374	15,173,322,317

The accompanying notes are an integral part of these financial statements

Statements of changes in equity

Central Pattana Public Company Limited and its Subsidiaries for the years ended 31 December 2008 and 2007

Separate financial statements

(in Baht)

	Note	Issued and paid-up share capital	Reserves		Retained earnings		Total equity attributable to equity holders of the Company
			Share premium	Fair value changes	Appropriated to legal reserve	Unappropriated	
Balance at 1 January 2007		2,178,816,000	2,007,565,850	1,174,644	217,881,600	8,222,237,016	12,627,675,110
Changes in equity for 2007							
Fair value changes		-	-	160,000	-	-	160,000
Net income (expense) recognised directly in equity		-	-	160,000	-	-	160,000
Profit for the year	-		-	-	-	4,724,780,781	4,724,780,781
Total recognised income and expense		-	-	160,000	-	4,724,780,781	4,724,940,781
Dividends	27	-	-	-	-	(675,432,960)	(675,432,960)
Balance at 31 December 2007		2,178,816,000	2,007,565,850	1,334,644	217,881,600	12,271,584,837	16,677,182,931
Balance at 1 January 2008		2,178,816,000	2,007,565,850	1,334,644	217,881,600	12,271,584,837	16,677,182,931
Changes in equity for 2008							
Fair value changes		-	-	(946,723)	-	-	(946,723)
Net income (expense) recognised directly in equity		-	-	(946,723)	-	-	(946,723)
Profit for the year		-	-	-	-	2,391,331,200	2,391,331,200
Total recognised income and expense		-	-	(946,723)	-	2,391,331,200	2,390,384,477
Dividends	27	-	-	-	-	(718,894,836)	(718,894,836)
Balance at 31 December 2008		2,178,816,000	2,007,565,850	387,921	217,881,600	13,944,021,201	18,348,672,572

The accompanying notes are an integral part of these financial statements

Statements of cash flows

Central Pattana Public Company Limited and its Subsidiaries
For the years ended 31 December 2008 and 2007

(in Baht)

	Consolidated		Separate	
	2008	2007	2008	2007
Cash flows from operating activities				
Profit for the year	2,198,736,965	1,790,869,840	2,391,331,200	4,724,780,781
Adjustments for				
Depreciation and amortisation	1,329,232,991	1,122,429,325	203,528,001	182,526,556
Amortisation of leasehold	133,429,816	123,693,776	24,780,351	24,965,264
Dividend income	(60,146)	-	(1,566,937,497)	(3,949,311,444)
Interest income	(166,532,814)	(110,030,776)	(354,437,372)	(177,464,236)
Interest expense	543,386,101	580,753,116	498,770,685	427,585,110
Allowance for doubtful accounts (reversal of)	598,795	(550,380)	513,207	(181,105)
Gain on disposal of quipment	(3,729,504)	(938,919)	(2,838,735)	(264,516)
Amortisation of negative goodwill	-	(6,658,672)	-	-
Recognition of unearned rental and service income	(773,285,328)	(501,998,997)	(127,503,182)	(125,433,468)
Share of profits from investments accounted for using the equity method	(361,907,080)	(316,469,454)	-	-
Written - off guarantee for leasehold prepayment	(127,916,069)	(3,903,150)	(410,692)	(3,903,150)
Income tax expense	650,702,311	563,439,437	332,656,154	343,214,187
	3,422,656,038	3,240,635,146	1,399,452,120	1,446,513,979
Changes in operating assets and liabilities				
Trade accounts receivable	(158,389,121)	(111,286,694)	(141,241,350)	9,172,009
Other current assets	(331,153,746)	(331,780,043)	(276,579,814)	(78,929,865)
Other non-current assets	(16,077,583)	517,425,603	1,446,170	2,180,940
Trade accounts payable	(1,386,216)	51,001,423	(6,906,462)	7,716,912
Other current liabilities	272,442,695	54,141,075	304,387,941	44,655,844
Unearned rental and service income	288,860,096	474,786,967	76,135,492	42,119,473
Deposits from customers received	798,427,574	907,226,053	280,498,917	359,307,184
Repayment of deposits received from customers	(346,080,927)	(614,596,642)	(97,766,643)	(232,312,098)
Guarantees for leasehold prepayment	-	13,740,207	-	-
Income taxes paid	(710,029,536)	(823,123,343)	(349,544,080)	(400,267,399)
Net cash provided by operating activities	3,219,269,274	3,378,169,752	1,189,882,291	1,200,156,979

The accompanying notes are an integral part of these financial statements

Statements of cash flows

Central Pattana Public Company Limited and its Subsidiaries
For the years eanded 31 December 2008 and 2007

(in Baht)

	Consolidated		Separate	
	2008	2007	2008	2007
Cash flows from investing activities				
Interest received	181,302,918	101,499,288	252,985,677	175,298,201
Dividends received	313,689,454	289,812,897	1,576,946,673	3,756,261,237
Decrease (increase) in current investments	1,690,875,431	(1,890,208,845)	(8,226,019)	(691,559,014)
Purchase of equity securities	-	(33,153,740)	(1,161,985,106)	(1,236,788,289)
Proceeds from redemption of investment units in funds	-	-	77,359,062	58,021,766
Loans to related parties	-	(2,049,241)	(4,053,217,618)	(1,525,219,105)
Loans repaid by related parties	12,167,165	-	1,693,266,599	522,663,573
Purchase of property and equipment	(6,556,854,107)	(3,455,824,787)	(2,678,855,018)	(1,277,166,379)
Leasehold	(142,931,666)	(42,513,378)	(20,666)	(125,374)
Sales of equipment	16,130,293	43,735,892	3,100,199	13,171,261
(Decrease) increase in contractor payables	(379,211,889)	481,602,373	(10,667,141)	(38,940,369)
Net cash used in investing activities	(4,864,832,401)	(4,507,099,541)	(4,309,313,358)	(244,382,492)
Cash flows from financing activities				
Interest paid	(761,187,415)	(663,128,247)	(617,684,931)	(595,072,842)
Decrease in bank overdrafts	-	(11,719,321)	-	-
Proceeds from loans from related parties	115,000,000	40,730,360	1,807,000,000	2,889,131,760
Proceeds from borrowings	6,200,000,000	2,959,269,640	6,200,000,000	3,000,000,000
Repayment of loans from related parties	-	-	(1,760,787,110)	(4,717,231,572)
Repayments of borrowings	(1,758,956,005)	(2,067,140,401)	(750,000,000)	(1,000,000,000)
Proceeds from minority interest of subsidiaries	(698,281)	(823,343)	(698,281)	(823,343)
Dividends paid	(767,249,958)	(725,816,849)	(718,857,475)	(675,384,986)
Net cash provided by (used in) financing activities	3,026,908,341	(468,628,161)	4,158,972,203	(1,099,380,983)
Net increase (decrease) in cash and cash equivalents	1,381,345,214	(1,597,557,950)	1,039,541,136	(143,606,496)
Cash and cash equivalents at beginning of year	1,026,000,685	2,623,558,635	242,189,056	385,795,552
Cash and cash equivalents at end of year	2,407,345,899	1,026,000,685	1,281,730,192	242,189,056

Non-cash transactions

The Company has unpaid liabilities for construction of property under development as at 31 December 2008 amounting to approximately Baht 432.4 million (2007: Baht 1.0 million).

The Group has unpaid liabilities for construction of property under development as at 31 December 2008 amounting to approximately Baht 851.8 million *(2007: Baht 9.7 million).*

The accompanying notes are an integral part of these financial statements

Notes to the financial statements

Central Pattana Public Company Limited and its Subsidiaries
For the years ended 31 December 2008 and 2007

Note	Contents	Note	Contents
1	General information	19	Reserves
2	Basis of preparation of the financial statements	20	Segment information
3	Significant accounting policies	21	Other income
4	Related party transactions and balances	22	Administrative expenses
5	Cash and cash equivalents	23	Personnel expenses
6	Other investments	24	Interest expense
7	Trade accounts receivable	25	Income tax
8	Other current assets	26	Basic earnings per share
9	Investments in subsidiaries, jointly-controlled entities and associates	27	Dividends
10	Long-term investments - related parties	28	Investment in increased investment units and leasing or sub-leasing properties
11	Property and equipment	29	Changes in accounting policy
12	Leasehold rights	30	Financial instruments
13	Intangible assets	31	Commitments with non-related parties
14	Deferred tax	32	Contingent liabilities
15	Other non-current assets	33	Events after the balance sheet date
16	Interest-bearing liabilities	34	Thai Accounting Standards (TAS) not yet adopted
17	Other current liabilities		
18	Share capital	35	Reclassification of accounts

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the directors on 20 February 2009.

1. General information

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

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

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

The principal activities of the Company are to invest in developing new projects, manage projects and earn income from property management. Details of the Company's subsidiaries, jointly controlled entities and Funds as at 31 December 2008 and 2007 were as follows:

Name of the entity	Type of business	Country of incorporation	Ownership interest (%) 2008	2007
Direct subsidiaries				
Central Pattana Rama 2 Co., Ltd.	(1)	Thailand	100.0	100.0
Central Pattana Chiangmai Co., Ltd.	(1), (2) and (4)	Thailand	100.0	100.0
Langsuan Realty Co., Ltd.	(3)	Thailand	100.0	100.0
Central Pattana Rattanathibet Co., Ltd.	(1)	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 Tower Co., Ltd. *(in the process of liquidation)*	(1)	Thailand	92.5	92.5
Central World Co., Ltd.	(2) and (4)	Thailand	92.5	92.5
Central Pattana Khon Kaen Co., Ltd.	(1)	Thailand	78.1	78.1
Central Pattana Nine Square Co., Ltd.	(1)	Thailand	87.1	87.1
Central Pattana Rama 3 Co., Ltd.	(1)	Thailand	100.0	100.0
CPN Pattaya Beach Co., Ltd.	(1)	Thailand	100.0	100.0
Central Pattana Chonburi Co., Ltd.	(1)	Thailand	100.0	-
CPN Pattaya Beach Hotel Co., Ltd.	(7)	Thailand	100.0	-
CPN Construction Management Co., Ltd.	(1)	Thailand	100.0	-
Indirect subsidiaries				
Central Play Land Co., Ltd.	(1) and (5)	Thailand	100.0	100.0
Bangna Central Property Co., Ltd.	(1) to (5)	Thailand	99.9	99.9
Central Realty Service Rama 3 Co., Ltd.	(2)	Thailand	100.0	100.0
Jointly controlled entity				
Central Pattana Chonburi Co., Ltd.	(1)	Thailand	-	60.0
Funds				
The Thai Business Fund 2	(6)	Thailand	100.0	100.0
The Thai Business Fund 4 *(including 6.3% of the share capital owned by Bangna Central Property Co., Ltd.)*	(6)	Thailand	92.5	92.5
The Thai Business Fund 5	(6)	Thailand	100.0	100.0

Type of business

(1) Construction of shopping centre buildings for rent
(2) Provision of utilities services in shopping centres
(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 centres
(6) Investment in real estate
(7) The hotel business

2. Basis of preparation of the financial statements

The financial statements issued for Thai reporting purposes are prepared in the Thai language. This English translation of the financial statements has been prepared for the convenience of readers.

The financial statements are prepared in accordance with Thai Accounting Standards ("TAS") including related interpretations and guidelines promulgated by the Federation of Accounting Professions ("FAP") and with generally accepted accounting principles in Thailand.

The Group has adopted the following new and revised Thai Accounting Standards (TAS) which were issued by the FAP during 2007 and effective for accounting periods beginning on or after 1 January 2008.

TAS 25 (revised 2007)	Cash Flows Statements
TAS 29 (revised 2007)	Leases
TAS 33 (revised 2007)	Borrowing Costs
TAS 35 (revised 2007)	Presentation of Financial Statements
TAS 39 (revised 2007)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 41 (revised 2007)	Interim Financial Reporting
TAS 43 (revised 2007)	Business Combinations
TAS 51	Intangible Assets

The adoption of these new and revised TAS does not have any material impact on the consolidated or separate financial statements except as disclosed in note 29.

The FAP has issued during 2008 a number of revised TAS which are only effective for financial statement beginning on or after 1 January 2009 and have not been adopted in the preparation of these financial statements. These revised TAS are disclosed in note 34.

The financial statements are presented in Thai Baht, rounded in the notes to the financial statements to the nearest thousand unless otherwise stated. They are prepared on the historical cost basis except as stated in the accounting policies.

The preparation of financial statements in conformity with TAS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These judgements, estimates and assumptions are based on historical experience and various other factors, including management's assessment of the potential impact on the Group's operations and financial position of the global economic crisis. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

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

Note 30	Valuation of financial instruments
Note 32	Contingencies

3. Significant accounting policies

(a) Basis of consolidation

The consolidated financial statements relate to the Company and its subsidiaries and jointly controlled entities (together referred to as the "Group") and the Group's interests in associates.

Significant intra-group transactions between the Company and its subsidiaries and jointly controlled entities are eliminated on consolidation.

Subsidiaries

Subsidiaries are those companies controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of a company 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.

Jointly controlled entities

Jointly controlled entities are those entities over whose activities the Group has joint control, established by contractual agreement. The consolidated financial statements include the Group's proportionate share of the entities' assets, liabilities, revenue and expenses combined with items of a similar nature on a line by line basis, from the date that joint control commences until the date that joint control ceases.

Associates

Associates are those companies in which the Group has significant influence, but not control, over the financial and operating policies. The consolidated financial statements include the Group's share of the total recognised gains and losses of associates on an equity accounted basis, from the date that significant influence commences until the date that significant influence ceases. When the Group's share of losses exceeds its interest in an associate, the Group's carrying amount is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

Business combinations

Business combination of entities or businesses under common control is accounted for using a method similar to the pooling of interest method.

(b) Foreign currencies

Foreign currency transactions

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

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to Thai Baht at the foreign exchange rates ruling at that date. Foreign exchange differences arising on translation are recognised in the statement of income.

(c) Hedging

Hedge of interest rates

The Company has entered into an interest rate swap contract to protect it from risks incurring from movements in interest rates. Interest differentials under swap arrangements are accrued and recorded as adjustments to the interest expense relating to the hedged loans.

(d) Cash and cash equivalents

Cash and cash equivalents in the statement 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, jointly-controlled entities and associates

Investments in subsidiaries, jointly-controlled entities and associates in the separate financial statements of the Company are accounted for using the cost method. Investments in associates in the consolidated financial statements are accounted for using the equity method.

Investments in other debt and equity securities

Debt 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 the statement of income.

Debt securities that the Group intends and is able to hold to maturity are stated at amortised cost less 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 being available-for-sale and are stated at fair value, with any resultant gain or loss being recognised directly in equity. The exceptions are impairment losses and foreign exchange gains and losses, which are recognised in the statement of income. When these investments are derecognised, the cumulative gain or loss previously recognised directly in equity is recognised in the statement of income. Where these investments are interest-bearing, interest calculated using the effective interest method is recognised in the statement of income.

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

The fair value of financial instruments classified as held-for-trading and available-for-sale is determined as the quoted bid price at the balance sheet 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 the statement of income.

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) Property and equipment

Property and equipment comprise land, assets for lease and operating furniture, fixtures and equipment are stated at cost less accumulated depreciation and impairment losses.

Depreciation

Depreciation is charged to the statement of income on a straight-line basis over the estimated useful lives of each part of an item of property and equipment. The estimated useful lives are as follows:

Buildings and improvements	25-30 years
Furniture, fixtures and equipment	5-15 years
Transportation equipment	5 years

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

(h) Leasehold rights

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

Amortisation

Leasehold rights are charged to statement of income on a straight-line basis over the period of lease as follows:

Leasehold rights to land and buildings	30 years (over the period of lease)
Leasehold rights to land	25-30 years (over the period of lease)

(i) 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 the statement of income 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 the statement of income 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 the statement of income 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 has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

Where the Group is the lessor

Assets leased out under operating leases are included in property and equipment in the balance sheet. 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 balance sheet.

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.

(j) Intangible assets

Negative goodwill

Negative goodwill in a business combination represents the excess of the fair value of the Group's share of the identifiable net assets acquired over the cost of acquisition. The Group has changed its accounting policy for negative goodwill with effect from 1 January 2008 as discussed in note 29.

Acquisitions prior to 1 January 2008

Negative goodwill represents the amount recognised under the Group's previous accounting policy under which negative goodwill was stated at cost. Negative goodwill carried in the financial statements as at 31 December 2007 is recognised in full in the beginning balance of retained earnings as at 1 January 2008.

Negative goodwill occurring on acquisitions of subsidiaries after 1 January 2000, the effective date of TAS 43: Business Combinations is classified under assets and is presented as a deduction from other assets in the balance sheet. As this negative goodwill does not relate to future losses or expenses, this negative goodwill, not exceeding the fair values of the non-monetary assets acquired, is recognised in the income statement on a straight-line method over the remaining weighted average useful life of the depreciable assets.

Negative goodwill occurring on acquisitions of subsidiaries before 1 January 2000 represents the excess of fair value of land over the cost of acquisition and is presented under shareholders' equity in the balance sheet. This is negative goodwill which occurred before the effective date of TAS 43: Business Combinations. The Group chose not to restate the financial statements on adoption of TAS 43. However, if the Group had made a retroactive adjustment, the retained earnings would have increased by the same amount as the negative goodwill.

Acquisitions on or after 1 January 2008

Goodwill and negative goodwill is stated at cost. Negative goodwill is recognised immediately in the statement of income.

Subsequent measurement

Goodwill is measured at cost less impairment losses. In respect of equity accounted investments, the carrying amount of goodwill is included in the carrying amount of the investment.

Assets usage right

Assets usage rights that are acquired by the Group are stated at cost less accumulated amortisation and impairment losses.

Amortisation

Amortisation is recognised in the statement of income on a straight-line basis over the estimated useful lives of intangible assets, from the date that they are available for use. The estimated useful lives are as follows:

Assets usage rights	10 and 28 years

(k) Impairment

The carrying amounts of the Group's assets are reviewed at each balance sheet 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 whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognised in the statement of income.

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 the statement of income even though the financial asset has not been derecognised. The amount of the cumulative loss that is recognised in the statement of income is the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognised in the statement of income.

Calculation of recoverable amount

The recoverable amount of the Group's investments in held-to-maturity securities is calculated as the present value of estimated future cash flows, discounted at the original effective interest rate.

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

The recoverable amount of non-financial assets is the greater of the assets' net selling price and value in use. 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. For financial assets carried at amortised cost and available-for-sale financial assets that are debt securities, the reversal is recognised in the statement of income. For Available-for-sale financial assets that are equity securities, the reversal is recognised directly in equity.

An impairment loss in respect of goodwill is not reversed. Impairment losses recognised in prior periods in respect of other non-financial assets are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimated used to determine the recoverable amount. An impairments loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(l) Interest-bearing liabilities

Interest-bearing liabilities are recognised initially at fair value.

(m) Trade and other accounts payable

Trade and other accounts payable are stated at cost.

(n) Provisions

A provision is recognised in the balance sheet when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect is material, 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, where appropriate, the risks specific to the liability.

(o) Revenue

Revenue excludes value added taxes and is arrived at after deduction of trade discounts.

Rental and service income

Rental income is recognised in the statement of income on a straight-line basis over the term of the lease. Service income is recognised as services are provided. Lease incentives granted are recognised as a integral part of the total rental income. Unearned rental and service income are recognised on a straight-line basis over the term of the lease.

Food and beverage income

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

Interest and dividend income

Interest income is recognised in the statement of income as it accrues. Dividend income is recognised in the statement of income 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.

(p) Expenses

Operating leases

Payments made under operating leases are recognised in the statement of income on a straight line basis over the term of the lease. Contingent rentals are charged to the statement of income for the accounting period in which they are incurred.

Finance costs

Interest expenses and similar costs are charged to the statement of income in the period in which they are incurred, except to the extent that they are capitalised as being directly attributable to the acquisition, construction of an asset which necessarily takes a substantial period of time to be prepared for its intended use or sale.

(q) Income tax

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the statement of income.

Current tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the balance sheet date and applicable to the reporting period and any adjustment to tax payable in respect of previous years.

Deferred tax

Deferred tax is provided, using the liability method, on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Temporary differences are not recognised for goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred

tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profit will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

4. Related party transactions and balances

Related parties are those parties linked to the Group and the Company as shareholders or by common shareholders or directors. Transactions with related parties are conducted at prices based on market prices or, where no market price exists, at contractually agreed prices.

Relationships with related parties that control or jointly control the Company or are being controlled or jointly controlled by the Company or have transactions with the Company/Group were as follows:

Name of entities	Country of incorporation/ nationality	Nature of relationships
Central Holdings Co., Ltd.	Thailand	Major shareholders, Some common directors
Central Department Store Co., Ltd.	Thailand	Some common directors
ZEN 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
Thai Privilege Healthcare Co., Ltd.	Thailand	Some common directors
Thai Privilege Center 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
Fuji Gimmick Co., Ltd.	Thailand	Some common directors
Central Friend Co., Ltd.	Thailand	Some common directors
Sakura Restaurant Co., Ltd.	Thailand	Some common directors
Food Excellent Co., Ltd.	Thailand	Some common directors
Central International Development Co., Ltd.	Thailand	Some common directors
Robinson Nakarin Co.,Ltd.	Thailand	Some common directors
Robinson Department Store Public Company Limited	Thailand	Some common directors
Central Watson Co., Ltd.	Thailand	Some common directors
F&D International Co., Ltd.	Thailand	Some common directors
Food Festival Co., Ltd.	Thailand	Some common directors
Food Millennium Co., Ltd	Thailand	Some common directors
Central Retail Corporation Co., Ltd.	Thailand	Some common directors
Fairy Plaza Co., Ltd.	Thailand	Some common directors
Big C Fairy Co., Ltd.	Thailand	Some common directors
Siam Retail Development Co., Ltd.	Thailand	Some common directors
Ayudhaya Agrocity Co., Ltd.	Thailand	Some common directors
Square Ritz Plaza Co., Ltd.	Thailand	Some common directors

The relationships with subsidiaries, jointly controlled entities and funds are disclosed in note 1.

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

Transactions	Pricing policies
Rental and service income	Market prices which are subject to location, lease space, lease form, timing and type of lease
Management income	The rate being charged by other parties in the business
Interest charged to subsidiaries those are wholly owned	The average interest rate of debt securities issued by the Company
Interest charged to other subsidiaries and related parties	The average interest rate of debt securities issued by the Company
Cost of rental and services	Market prices
Cost of food and beverage sales	Market prices
Other income	The rate being charged by other parties in the business
Administrative expenses	At cost

Significant transactions for the years ended 31 December 2008 and 2007 with related parties were summarised as follows:

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2008	2007	2008	2007
Revenue				
Rental and service income				
Subsidiaries	-	-	169,935	132,130
Related parties	1,384,671	1,403,413	538,143	501,468
Total	1,384,671	1,403,413	708,078	633,598
Management income				
Subsidiaries and fund	-	-	112,066	99,043
Related parties	2,960	2,388	2,960	2,321
Total	2,960	2,388	115,026	101,364
Interest income				
Subsidiaries	-	-	328,762	144,893
Related parties	132	308	18	175
Total	132	308	328,780	145,068
Other income				
Subsidiaries and funds	-	-	82,804	84,007
Related parties	111,137	48,490	35,632	19,062
Total	111,137	48,490	118,436	103,069

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2008	2007	2008	2007
Expenses				
Cost of rental and services				
Subsidiaries and funds	-	-	310,796	286,328
Related parties	111,628	93,850	107,689	89,654
Total	111,628	93,850	418,485	375,982
Cost of food and beverage				
Related parties	56	37	-	-
Management fee				
Subsidiaries	-	-	20	24
Related parties	72,115	76,657	72,115	76,657
Total	72,115	76,657	72,135	76,681
Administrative expenses				
Subsidiaries and funds	-	-	27,685	25,192
Related parties	12,737	25,757	5,845	11,032
Total	12,737	25,757	33,530	36,224
Interest expense				
Subsidiaries	-	-	180,084	139,391
Total	-	-	180,084	139,391

Balances as at 31 December 2008 and 2007 with related parties were as follows:

Trade accounts receivable

(in thoudand Baht)

	Consolidated financial statements		Separate financial statements	
	2008	2007	2008	2007
Subsidiaries:				
Bangna Central Property Co., Ltd.	-	-	3,907	4,268
Central Pattana Chiangmai Co., Ltd.	-	-	3,645	4,074
Central Realty Service Co., Ltd.	-	-	9,699	5,793
Central World Co., Ltd.	-	-	2,967	2,189
Central Pattana Rattanathibet Co., Ltd.	-	-	1,590	1,794
Others	-	-	3,004	576
Total subsidiaries	-	-	24,812	18,694
Related parties:				
Central Department Store's Group	54,479	48,730	24,209	5,534
Others	92,919	86,780	2,829	1,235
Total related parties	147,398	135,510	27,038	6,769
Total	147,398	135,510	51,850	25,463

Advance and loans to related parties

(in thousand Baht)

	Interest Rate (%p.a.)		Consolidated financial statements		Separate financial statements	
	2008	2007	2008	2007	2008	2007
Advances to						
Subsidiaries:						
Central Realty Service Co., Ltd.	4.69	2.25	-	-	-	303
Short- term loans to						
Subsidiaries:						
Thai Business Fund 5	6.50	6.50	-	-	136,137	152,228
Total short- term loans			-	-	136,137	152,228
Total advance and short-term loans			-	-	136,137	152,531
Long- term loans to						
Subsidiaries and jointly controlled entity:						
Central World Co., Ltd.	4.69	2.25	-	-	3,516,741	3,298,794
Central Pattana Rattanathibet Co., Ltd.	4.69	2.25	-	-	756,138	943,690
Central Pattana Khon Kaen Co., Ltd.	4.69	5.50	-	-	1,455,277	781,910
CPN Pattaya Beach Co., Ltd.	4.69	2.25	-	-	1,056,393	340,630
Central Pattana Chiangmai Co., Ltd.	4.69	2.25	-	-	333,442	204,586
Central Pattana Chonburi Co., Ltd.	4.69	5.50	-	12,167	761,700	30,418
Central Food Avenue Co., Ltd	4.69	-	-	-	71,257	-
Others	4.69	5.50	-	-	127,867	-
			-	12,167	8,078,815	5,600,028
Related party:						
Siam Retail Development Co., Ltd.	7.00	7.00	162,739	162,739	162,739	162,739
Less allowance for doubtful accounts			(162,739)	(162,739)	(162,739)	(162,739)
			-	-	-	-
Total long- term loans			-	12,167	8,078,815	5,600,028
Total loans to related parties, net			-	12,167	8,214,952	5,752,559

Advance and loans to related parties

(in thoudand Baht)

	Consolidated financial statements		Separate financial statements	
	2008	2007	2008	2007
Summary of advance and loans to related parties				
Advances and short-term loans	-	-	136,137	152,531
Long-term loans	162,739	174,906	8,241,554	5,762,767
	162,739	174,906	8,377,691	5,915,298
Less allowance for doubtful accounts	(162,739)	(162,739)	(162,739)	(162,739)
Total advance and loans to related parties, net	-	12,167	8,214,952	5,752,559

Movements for the years ended 31 December 2008 and 2007 on advance and loans to related parties were as follows:

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2008	2007	2008	2007
Short-term				
Subsidiaries				
At 1 January	-	-	152,531	147,229
Increase	-	-	14,031	21,381
Decrease	-	-	(30,425)	(16,079)
At 31 December	-	-	136,137	152,531
Long-term				
Subsidiaries				
At 1 January	-	-	5,600,028	4,596,440
Increase	-	-	4,367,949	1,667,887
Decrease	-	-	(1,889,162)	664,299)
At 31 December	-	-	8,078,815	5,600,028
Jointly-controlled entities				
At 1 January	12,167	10,118	-	-
Increase	-	3,595	-	-
Decrease	(12,167)	(1,546)	-	-
At 31 December	-	12,167	-	-
Total long-term loans to related parties				
At 1 January	12,167	10,118	5,600,028	4,596,440
Increase	-	3,595	4,367,949	1,667,887
Decrease	(12,167)	(1,546)	(1,889,162)	(664,299)
At 31 December	-	12,167	8,078,815	5,600,028

Loans to subsidiaries and related parties are unsecured and denominated in Thai Baht, except a loan to Central Pattana Khon Kaen Co., Ltd., a subsidiary, which is secured by plots of land owned by the subsidiary with a carrying value of land of Baht 572 million *(2007: Baht 572 million).* All loans are repayable on demand. In 2007, loans to subsidiaries wholly owned by the Company carry interest at the bank's fixed deposit rate of the Company, loans to other subsidiaries and related parties carry interest at the bank's borrowing rate of the Company. During 2008, loans to subsidiaries and related parties carry interest at the average interest rate of debt securities issued by the Company.

Advances and loans from related parties

(in thousand Baht)

	Interest Rate (%p.a.)		Consolidated financial statements		Separate financial statements	
	2008	2007	2008	2007	2008	2007
Advances from						
Subsidiaries:						
Central Realty Service Co., Ltd.	4.69	2.25	-	-	17	349
Langsuan Realty Co., Ltd	4.69	-	-	-	219	-
Short-term loans from						
Subsidiaries:						
Thai Business Fund 2	6.50	6.50	-	-	158,990	158,990
Related parties:						
Others	5.50	5.50	3,429	3,300	-	-
Total short-term loans			3,429	3,300	158,990	158,990
Total advances and short-term loans			3,429	3,300	159,226	159,339
Long-term loans from						
Subsidiaries:						
Central Pattana Rama 2 Co., Ltd.	4.69	2.25	-	-	1,835,403	1,497,321
Central Pattana Rama 3 Co., Ltd.	4.69	2.25	-	-	1,390,182	1,104,544
Thai Business Fund 2	6.50	6.50	-	-	335,623	494,802
Central Pattana Nine Square Co., Ltd.	4.69	2.25	-	-	255,432	670,996
Related parties:						
Other	5.50	5.50	161,588	40,885	-	-
Total long-term loans			161,588	40,885	3,816,640	3,767,663
Total loans from related parties			165,017	44,185	3,975,866	3,927,002

Movements for the years ended 31 December 2008 and 2007 of advance and loans from related parties were as follows:

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2008	2007	2008	2007
Short-term loans				
Subsidiaries				
At 1 January	-	-	159,339	159,592
Increase	-	-	1,073,185	1,286,893
Decrease	-	-	(1,073,298)	(1,287,146)
At 31 December	-	-	159,226	159,339
Related parties				
At 1 January	3,300	3,171	-	-
Increase	129	129	-	-
At 31 December	3,429	3,300	-	-
Total advances and short-term loans from related parties				
At 1 January	3,300	3,171	159,339	159,592
Increase	129	129	1,073,185	1,286,893
Decrease	-	-	(1,073,298)	(1,287,146)
At 31 December	3,429	3,300	159,226	159,339

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2008	2007	2008	2007
Long-term				
Subsidiaries				
At 1 January	-	-	3,767,663	5,693,619
Increase	-	-	913,900	1,741,978
Decrease	-	-	(864,923)	(3,667,934)
At 31 December	-	-	3,816,640	3,767,663
Related parties				
At 1 January	40,885	-	-	-
Increase	120,703	40,885	-	-
At 31 December	161,588	40,885	-	-
Total long-term loans from related parties				
At 1 January	40,885	-	3,767,663	5,693,619
Increase	120,703	40,885	913,900	1,741,978
Decrease	-	-	(864,923)	(3,667,934)
At 31 December	161,588	40,885	3,816,640	3,767,663

Short-term loans from related parties are unsecured and denominated in Thai Baht. The loans are repayable on demand. In 2007 short-term loans from subsidiaries and related parties carry interest at three months bank's fixed deposit rate. Loans from funds carry interest at rates from 6.0 % to 7.0 % per annum. During 2008, loans from subsidiaries and related parties carry interest at the average interest rate of unsecured debt securities issued by the Company.

A subsidiary of the Group has entered into an agreement with Central Plaza Hotel Public Company Limited to lease or sublease its leasehold land and part of its construction located at Central World for 29 years. According to the agreement, the lessee agreed to use land and its constructions to develop a hotel, a parking lot and a convention hall.

Commitments with related parties

The Group has lease agreements covering rental and service agreements with related parties. The rental and service fees are payable as follows:

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2008	2007	2008	2007
Non-cancellable operating lease commitments				
Within one year	9	10	450	334
After one year but within five years	37	37	919	1,009
After five years	13	23	13	23
Total	59	70	1,382	1,366

In 2007, the Company entered into a lease agreement of Central Plaza Pinklao shopping centre building with a related company, the Thai Business Fund 2. The lease agreement is for a period of three years ending in December 2010. Under the conditions of the agreement, the Company has to pay a monthly rental. The rental rate can be revised either up or down from January 2009, at a rate not exceeding 15% of the average rental of the previous year. The agreement can be renewed for a 3 years each, but not over 10 years in total. To warrant the Company's performance regarding its obligations under this agreement, the Company transferred its rights on the land where the shopping centre was located and Central Realty Service Co., Ltd., a subsidiary, mortgaged its utility systems as collateral.

A resolution was passed by the Board of Directors' meeting held on 5 November 2008 approving entering into a land lease agreement with Robinson Nakarin Co.,Ltd, a subsidiary of Robinson Department Store Public Company Limited, holding 99.86%. As at 31 December 2008, the Company is in the process of entering into the agreement with such company.

5. Cash and cash equivalents

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2008	2007	2008	2007
Cash on hand	5,388	4,247	2,904	1,783
Call deposits	2,401,958	1,020,550	1,278,826	240,406
Fixed bank deposits and promissory note with financial institutions maturing in less than or equal to 3 months	-	1,203	-	-
Total	2,407,346	1,026,000	1,281,730	242,189

6. Other investments

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2008	2007	2008	2007
Current				
Short-term deposits	151,698	1,059,691	11	4
Debt securities available-for-sale	-	1,419,380	-	691,559
Debt securities held-to-maturities	429,618	-	249,778	-
Equity securities available-for-sale	682,720	469,659	451,025	1,025
Add unrealised holding gain	5,319	8,354	388	1,335
	1,269,355	2,957,084	701,202	693,923
Non-current				
Other equity securities	1,895	1,000	1,000	1,000
Total	1,271,250	2,958,084	702,202	694,923

Short-term deposits amounting to Baht 4.3 million *(2007: Baht 4.3 million)* were pledged with commercial banks for letters of guarantee issued by the banks on behalf of the Group.

7. Trade accounts receivable

(in thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2008	2007	2008	2007
Trade accounts receivable from related parties	*4*	147,398	135,510	51,850	25,463
Trade accounts receivable from other parties		391,509	245,009	153,103	38,249
		538,907	380,519	204,953	63,712
Less allowance for doubtful accounts		(2,312)	(1,714)	(834)	(321)
Total		536,595	378,805	204,119	63,391
Bad and doubtful expense for the year		609	-	504	-

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

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2008	2007	2008	2007
Related parties				
Within credit terms	37,367	103,220	50,430	23,354
Overdue:				
Less than 3 months	11,902	11,173	782	370
3-6 months	3,934	2,513	144	187
6-12 months	313	15,158	97	1,406
Over 12 months	93,882	3,446	397	146
Total	147,398	135,510	51,850	25,463
Deposits from customers	126,798	103,821	29,371	20,468
Other parties				
Within credit terms	106,586	52,195	103,686	26,037
Overdue:				
Less than 3 months	115,926	66,395	36,563	8,422
3-6 months	71,838	47,851	5,850	1,188
6-12 months	41,820	55,553	3,481	1,008
Over 12 months	55,339	23,015	3,523	1,594
	391,509	245,009	153,103	38,249
Less allowance for doubtful accounts	(2,312)	(1,714)	(834)	(321)
Net	389,197	243,295	152,269	37,928
Deposits from customers	830,929	332,443	412,039	101,705

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

8. Other current assets

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2008	2007	2008	2007
Accrued income	471,543	534,782	321,560	357,337
Guarantee for rights	300,000	-	300,000	-
Other accounts receivable	290,802	202,127	48,568	16,705
Prepaid expenses	50,080	35,367	32,473	16,166
Others	66,796	88,101	14,999	53,772
Total	1,179,221	860,377	717,600	443,980

On 9 December 2008, the Company entered into a MOU with Central International Development Co., Ltd. ("CID") to confirm and preserve the right to enter into a new sub-lease agreement. To confirm such right, CID has required the Company to pay a guarantee for the right to sub-lease land and /or building of Central Plaza Ladprao amounting to Baht 300 million on the date that CID entered into a lease agreement with The State Railway of Thailand.

Consequently, the Company recorded rental expenses for the period from 19 December 2008 to 31 December 2008 by estimating expected rental payable in the future since the new contract is in the process of negotiation with such related company.

9. Investments in subsidiaries, jointly-controlled entities and associates

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2008	2007	2008	2007
At 1 January	2,306,474	2,246,664	17,932,496	16,753,729
Share of profit of investments - equity method	361,907	316,469	-	-
Acquisitions	-	33,154	1,161,985	1,256,128
Dividend income	(313,629)	(289,813)	-	-
Disposal and redemption of investment units in funds	-	-	(77,359)	(77,361)
At 31 December	2,354,752	2,306,474	19,017,122	17,932,496

Central World Company Limited and Central World Tower Company Limited

In 2007, the Company restructured its 2 subsidiaries in which the Company directly and indirectly holds 92.5%, and which have the same group of minority shareholders as follows:

1. A resolution was passed by the extraordinary shareholders' meetings of Central World Tower Company Limited held on 13 November 2007 and 28 November 2007 approving the registration for dissolution of Central World Tower Company Limited, which manages the Offices at Central World. The registered capital is Baht 1,850 million. The Company registered the dissolution on 17 December 2007 and Central World Tower Company Limited is now in the process of liquidation.
2. A resolution was passed by the extraordinary shareholders' meetings of Central World Company Limited held on 27 November 2007 and 12 December 2007 approving the registration of the increase the capital of Central World Company Limited, which provides utilities service for Central World Shopping Center. The Company registered the increase in its share capital from Baht 1,000 million to Baht 2,511 million with the Ministry of Commerce on 18 December 2007. The proceeds of the capital increase will be used to fund the transfer of the total assets and liabilities of Central World Tower Company Limited to Central World Company Limited. New shares will be allotted to Central World Tower Company Limited's shareholders based on the same ratio as the existing shareholders.

These transactions have no effect on the shareholders structure of the Company, the subsidiaries, and the minority shareholders of the Company and 2 subsidiaries since the shareholders of both subsidiaries are the same group with the same shareholding.

Central Pattana Nine Square Company Limited

In 2007, the Company changed its share holding structure in the Rama 9 project by acquiring 792,000 shares of Central Pattana Nine Square Company Limited ("the Subsidiary") from the minority shareholders at the price of Baht 67 per share, which is equivalent to the amount called up per share from the par value of Baht 100 per share. This resulted in a change in the ownership percentage of the Company in the Subsidiary from 60% to 73.2%. The Subsidiary also called for the remaining unpaid capital of Baht 33 per share, resulting in fully issued and paid up share capital of 6 million shares at Baht 100 par value. The Company paid a total of Baht 198 million in this respect.

Subsequently, the Subsidiary increased its capital by issuing 26 million shares, par value of Baht 100 each. As the minority shareholders did not exercise the pre-emptive right to maintain their proportionate ownership in the Subsidiary, the Company paid up Baht 650 million for 25% of the par value on 26 new million shares with par value of Baht 100 each issued by the Subsidiary. Consequently, the Company's interest in the issued and paid up share capital of the Subsidiary following these transactions increased from 73.2%, as stated above, to 87.14%. The Subsidiary's financial statements at the time showed an accumulated deficit of approximately Baht 420 million. The effective premium paid by the Company over the net assets value of the Subsidiary, amounting to approximately Baht 114 million (27.14% of the Subsidiary's accumulated deficit of Baht 420 million), has been recorded as a reduction in the consolidated unappropriated retained earnings of the Group with a corresponding increase in the minority interest presented in the consolidated balance sheet. The management believes that this premium results from an allowance for impairment loss, which will be recovered from the performance of this project in the future.

CPN Pattaya Beach Co., Ltd.

A resolution was passed by the extraordinary shareholders' meetings of CPN Pattaya Beach Company Limited ("the Subsidiary") held on 15 January 2007 and 31 January 2007 approving to increase its capital by issuing 14.99 million shares, par value of Baht 100 each, and calling for payment of 25% of the par value, amounting to Baht 375 million. The Subsidiary registered the increase in paid-up share capital with the Ministry of Finance on 2 February 2007.

On 16 December 2008, the Subsidiary called for the remaining unpaid capital of 75% of the par value, resulting in fully paid up share capital at Baht 100 par value, amounting to Baht 1,128 million.

Central Pattana Chonburi Co., Ltd.

At the Board of Directors' meeting of the Company held on 20 February 2008, the Board of Directors approved to acquire an additional 40% of the ordinary shares in Central Pattana Chonburi Co., Ltd. ("CPC"), a jointly controlled entity in which the Company then held 59.99%, from Ocmador Thailand B.V., which then held 40% of the total shares in CPC for Baht 35 million. After the shares purchase, the Company holds 99.99% of CPC. The Company completed the purchase on 25 March 2008.

CPN Pattaya Beach Hotel Co., Ltd.

On 11 February 2008, the management of the Company approved to acquire 100% of the issued share capital of CPN Pattaya Beach Hotel Co., Ltd. ("the Subsidiary") from Central Friend Co., Ltd., comprising 9,993 shares, at Baht 31.155 per share, amounting to Baht 0.3 million.

On 30 December 2008, the Subsidiary called for the remaining unpaid capital of 75% of the par value, resulting in fully paid up share capital at Baht 100 par value, amounting to Baht 0.7 million.

CPN Construction Management Co., Ltd.

At the Board of Directors' meeting of the Company held on 14 May 2008, the Board of Directors approved to acquire 100% of the issued share capital of CPN Construction Management Co., Ltd., comprising 9,993 shares, at Baht 100 per share, amounting to Baht 1.0 million.

CPN Retail Growth Property Fund

During the year 2007, the Company invested in an additional 0.33% of the total issued investment units of CPN Retail Growth Property Fund for Baht 33.2 million.

Investments in subsidiaries, jointly-controlled entities and associates as at 31 December 2008 and 2007, and dividend income from those investments during the years ended on those dates, were as follows:

Consolidated financial statements

(in thousand Baht)

	Ownership interest (%)		Paid-up capital		Cost method		Equity method		Dividend income	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
Associate										
CPN Retail Growth Property Fund	33.3	33.3	10,915,000	10,915,000	3,635,104	3,635,104	2,354,752	2,306,474	313,629	289,813

Separate financial statements (in million Baht) (in thousand Baht)

	Ownership interest (%)		Paid-up capital		Cost method		Impairment		At cost - net		Dividend income	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
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	-	2,400,000
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	-	-
Langsuan Realty Co., Ltd.	100.0	100.0	830.0	830.0	830,000	830,000	-	-	830,000	830,000	-	-
Central Pattana Rattanathibet Co., Ltd.	100.0	100.0	800.0	800.0	589,998	589,998	-	-	589,998	589,998	-	-
Central Realty Service Co., Ltd.	100.0	100.0	1.0	1.0	1,000	1,000	-	-	1,000	1,000	174,988	167,838
Central Food Avenue Co., Ltd.	100.0	100.0	1.0	1.0	1,000	1,000	-	-	1,000	1,000	-	7,149
Central World Tower Co., Ltd. (in the process of liquidation)	92.5	92.5	1,850.0	1,850.0	1,526,249	1,526,249	-	-	1,526,249	1,526,249	-	-
Central World Co., Ltd.	92.5	92.5	2,511.9	2,511.9	824,999	824,999	-	-	824,999	824,999	-	-
Central Pattana Khon Kaen Co., Ltd.	78.1	78.1	260.0	260.0	203,148	203,148	(101,505)	(101,505)	101,643	101,643	-	-
Central Pattana Nine Square Co., Ltd.	87.1	87.1	1,250.0	1,250.0	1,089,200	1,089,200	(177,705)	(177,705)	911,495	911,495	-	-
Central Pattana Rama 3 Co., Ltd.	100.0	100.0	126.7	126.7	1,933,776	1,933,776	-	-	1,933,776	1,933,776	69,667	112,100
CPN Pattaya Beach Co., Ltd.	100.0	100.0	1,500.0	375.1	1,499,999	375,074	-	-	1,499,999	375,074	-	-
Central Pattana Chonburi Co., Ltd.	100.0	-	315.1	-	224,084	-	-	-	224,084	-	-	-
CPN Pattaya Beach Hotel Co., Ltd.	100.0	-	1.0	-	1,061	-	-	-	1,061	-	-	-
CPN Construction Management Co.,Ltd	100.0	-	1.0	-	999	-	-	-	999	-	-	-
Associate												
CPN Retail Growth Property Fund	33.3	33.3	10,915.0	10,915.0	3,635,104	3,635,104	-	-	3,635,104	3,635,104	313,629	289,813
Jointly controlled entity												
Central Pattana Chonburi Co., Ltd. Separate financial statements	-	60.0	-	315.1	-	189,084	-	-	-	189,084	-	-
Funds												
The Thai Business Fund 2	100.0	100.0	154.3	203.7	154,347	203,722	-	-	154,347	203,722	261,511	226,868
The Thai Business Fund 4	86.2	86.2	4,600.0	4,600.0	4,044,608	4,044,608	-	-	4,044,608	4,044,608	556,018	588,307
The Thai Business Fund 5	100.0	100.0	236.8	264.7	236,760	264,744	-	-	236,760	264,744	191,064	157,182
					19,296,332	18,211,706	(279,210)	(279,210)	19,017,122	17,932,496	1,566,877	3,949,257

Paid up capital of and percentage of holding in The Thai Business Fund 2, The Thai Business Fund 4 and The Thai Business Fund 5 are capital of, and holdings in, units that have rights to receive dividends after all other classes of unit holders.

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

(in thousand Baht)

	Ownership (%)	Total assets	Total liabilities	Total revenues	Net profit
2008					
CPN Retail Growth Property Fund	33.3	11,935,795	603,652	1,333,341	1,085,830
Total		11,935,795	603,652	1,333,341	1,085,830
2007					
CPN Retail Growth Property Fund	33.3	11,749,859	562,564	1,270,834	958,042
Total		11,749,859	562,564	1,270,834	958,042

The following summarised financial information on interests in jointly-controlled entities which have been included in the consolidated financial statements represents the Group's share:

(in thousand Baht)

	Ownership (%)	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities	Total revenues	Total expenses	Net loss
2007										
Central Pattana Chonburi Co., Ltd.	60	750	178,007	178,757	6,861	31,905	38,766	139	6,826	(6,687)
Total		750	178,007	178,757	6,861	31,905	38,766	139	6,826	(6,687)

10. Long-term investments - related parties

(in thousand Baht)

	Ownership interest (%)		Consolidated financial statements		Separate financial statements	
	2008	2007	2008	2007	2008	2007
Siam Retail DevelopmentCo., Ltd.	15	15	66,250	66,250	-	-
Ayudhaya Agrocity Co., Ltd.	12	12	50,397	50,397	-	-
Square Ritz Plaza Co., Ltd.	12	12	15,000	15,000	-	-
Total investment, at cost			131,647	131,647	-	-
Less allowance for impairment			(131,647)	(131,647)	-	-
Net			-	-	-	-

11. Property and equipment

Consolidated financial statements (In thousand Baht)

	Land	Buildings and improvements	Transportation and office equipment	Construction in progress	Projects under development	Total
Cost						
At 1 January 2007	3,496,546	22,808,214	745,705	395,591	3,789,152	31,235,208
Additions	9,363	150,479	55,543	640,618	3,044,895	3,900,898
Transfers - net	-	761,482	41,706	(803,188)	-	-
Disposals	-	(25,550)	(75,537)	-	-	(101,087)
Transfer to leasehold rights	-	(116,897)	-	-	-	(116,897)
At 31 December 2007 and 1 January 2008	3,505,909	23,577,728	767,417	233,021	6,834,047	34,918,122
Additions	-	160,727	138,500	422,160	6,921,912	7,643,299
Transfers - net	874,426	3,637,604	34,717	165,141	(4,711,888)	-
Disposals	-	(1,246,229)	(80,101)	-	(87,663)	(1,413,993)
Transfer to leasehold rights	-	(74,733)	-	-	-	(74,733)
At 31 December 2008	4,380,335	26,055,097	860,533	820,322	8,956,408	41,072,695
Accumulated depreciation						
At 1 January 2007	-	6,923,547	529,460	-	896,429	8,349,436
Depreciation charge for the year	-	1,032,097	86,781	-	3,552	1,122,430
Disposals	-	(19,435)	(66,415)	-	-	(85,850)
Transfer from leasehold right	-	98,117	-	-	-	98,117
At 31 December 2007 and 1 January 2008	-	8,034,326	549,826	-	899,981	9,484,133
Depreciation charge for the year	-	1,189,228	92,861	-	47,144	1,329,233
Disposals	-	(1,234,391)	(79,539)	-	(87,663)	(1,401,593)
At 31 December 2008	-	7,989,163	563,148	-	859,462	9,411,773
Net book value						
Owned assets	3,505,909	15,543,402	214,429	233,021	5,934,066	25,430,827
Asset under financial lease	-	-	3,162	-	-	3,162
At 31 December 2007	3,505,909	15,543,402	217,591	233,021	5,934,066	25,433,989
Owned assets	4,380,335	18,065,934	295,520	820,322	8,096,946	31,659,057
Asset under financial lease	-	-	1,865	-	-	1,865
At 31 December 2008	4,380,335	18,065,934	297,385	820,322	8,096,946	31,660,922

Separate financial statements (In thousand Baht)

	Land	Buildings and improvements	Transportation and office equipment	Construction in progress	Projects under development	Total
Cost						
At 1 January 2007	209,681	3,954,538	343,803	107,165	993,869	5,609,056
Additions	-	21,283	24,353	32,288	1,278,733	1,356,657
Transfers - net	-	78,687	1,602	(80,289)		
Disposals	-	(13,593)	(59,819)	-	-	(73,412)
At 31 December 2007 and 1 January 2008	209,681	4,040,915	309,939	59,164	2,272,602	6,892,301
Additions	-	2,453	71,862	74,070	3,089,948	3,238,333
Transfers - net	874,426	3,389,539	21,728	426,195	(4,711,888)	-
Disposals / write-off	-	(1,190,438)	(70,579)	-	-	(1,261,017)
Transfer to leasehold rights	-	(74,733)	-	-	-	(74,733)
At 31 December 2008	1,084,107	6,167,736	332,950	559,429	650,662	8,794,884
Accumulated depreciation						
At 1 January 2007	-	2,162,919	239,641	-	-	2,402,560
Depreciation charge for the year	-	147,857	34,670	-	-	182,527
Disposals	-	(9,315)	(51,189)	-	-	(60,504)
Transfer to leasehold rights	-	(4,795)	(1,010)	-	-	(5,805)
At 31 December 2007 and 1 January 2008	-	2,296,666	222,112	-	-	2,518,778
Depreciation charge for the year	-	164,531	38,997	-	-	203,528
Disposals	-	(1,190,438)	(70,319)	-	-	(1,260,757)
At 31 December 2008	-	1,270,759	190,790	-	-	1,461,549
Net book value						
Owned assets	209,681	1,744,249	84,665	59,164	2,272,602	4,370,361
Asset under financial lease	-	-	3,162	-	-	3,162
At 31 December 2007	209,681	1,744,249	87,827	59,164	2,272,602	4,373,523
Owned assets	1,084,107	4,896,977	140,295	559,429	650,662	7,331,470
Asset under financial lease	-	-	1,865	-	-	1,865
At 31 December 2008	1,084,107	4,896,977	142,160	559,429	650,662	7,333,335

Most of the Group's property and equipment are leased out under operating leases.

Long-term borrowings according to note 16 are secured by the Group's properties with book values of Baht 7,767 million *(2007: Baht 7,177 million).*

The Group has a liability under a long-term lease agreement amounting to Baht 1,152 million *(2007: Baht 1,021 million)* resulting from the difference between the actual amount paid according to the contract and amortisation on a systematic basis according to TAS 29: Leases. Liabilities under long-term lease agreement are deducted from the advance paid for leasehold right on land and building because both accounts relate to acquisition of the same project.

The Group's projects under development for shopping centres and office comprise of a total of 6 projects.

In 2008, development of 2 projects located in Bangkok and up-country has been suspended. The management's decision to continue the development of these projects depends on future economic conditions and the ability to obtain additional funds. The total costs of these projects, and related allowance for impairment as of 31 December 2008 amounted to Baht 6,200 million and Baht 407 million, respectively *(2007: Baht 4,000 million and Baht 407 million, respectively).*

12. Leasehold rights

(in thousand Baht)

	Consolidated financial statements	Separated financial statements
Cost		
At 1 January 2007	5,095,316	568,416
Additions	42,514	126
Write-off	(33,375)	-
Transfer from property and equipment	116,897	-
At 31 December 2007 and 1 January 2008	5,221,352	568,542
Additions	142,932	20
Write-off	(74,733)	(74,733)
Transfer from property and equipment	74,733	74,733
Transfer to other non-current assets	(2,460)	(2,460)
At 31 December 2008	5,361,824	566,102
Accumulated amortisation		
At 1 January 2007	1,629,393	287,787
Amortisation charge for the year	123,694	24,965
Write-off	(5,815)	-
Obligation under long-term operating leases	211,141	-
Transfer (to) from property and equipment	(98,117)	5,805
At 31 December 2007 and 1 January 2008	1,860,296	318,557
Amortisation charge for the year	133,430	24,780
Write-off	(74,733)	(74,733)
Obligation under long-term operating leases	130,704	-
At 31 December 2008	2,049,697	268,604
Net book value		
At 31 December 2007	3,361,056	249,985
At 31 December 2008	3,312,127	297,498

13. Intangible assets

Consolidated financial statements (in thousand Baht)

	Negative goodwill	Assets usage rights	Total
Cost			
At 1 January 2007	(133,173)	207,695	74,522
Additions	-	8,944	8,944
At 31 December 2007	(133,173)	216,639	83,466
Reversal at 1 January 2008 Negative goodwill written off (note 29)	133,173	-	133,173
At 1 January 2008	-	216,639	216,639
Additions	-	673	673
At 31 December 2008	-	217,312	217,312
Accumulated amortisation			
At 1 January 2007	(27,976)	15,765	(12,211)
Amortisation charge for the year	(6,659)	8,841	2,182
At 31 December 2007	(34,635)	24,606	(10,029)
Reversal at 1 January 2008 (note 29)	34,635	-	34,635
At 1 January 2008	-	24,606	24,606
Amortisation charge for the year	-	9,029	9,029
At 31 December 2008	-	33,635	33,635
Net book value			
At 31 December 2007	(98,538)	192,033	93,495
At 31 December 2008	-	183,677	183,677

During the years 2008 and 2007, the Group secured assets usage rights for the benefit of the Group's business. This cost is amortised at the commencement of usage date onward.

14. Deferred tax

Deferred tax assets and liabilities determined after appropriate offsetting are included in the balance sheets as follows:

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2008	2007	2008	2007
Deferred tax assets	734,425	655,162	347,229	319,632
Deferred tax liabilities	(715,325)	(759,512)	-	-
Net	19,100	(104,350)	347,229	319,632

Movements in deferred tax assets and liabilities, prior to offsetting of balances, during the year were as follows:

Consolidated financial statements

(in thousand Baht)

	At 1 January 2008	(charge) / credit to statement of income (note25)	At 31 December 2008
Deferred tax assets			
Allowance for doubtful accounts	49,336	180	49,516
Allowance for impairment	207,630	(1,010)	206,620
Building under consignment sale	750,568	(43,271)	707,297
Deposits from customers	203,110	32,189	235,299
Other provisions	194,153	46,351	240,504
Total	1,404,797	34,439	1,439,236
Deferred tax liabilities			
Unearned revenue	(749,635)	44,824	(704,811)
Gain on finance leases	(759,512)	44,187	(715,325)
Total	(1,509,147)	89,011	(1,420,136)
Net	(104,350)	123,450	19,100

Separate financial statements

(in thousand Baht)

	At 1 January 2008	(charge) / credit to statement of income (Note 25)	At 31 December 2008
Deferred tax assets			
Allowance for doubtful accounts	48,918	154	49,072
Allowance for impairment	111,130	-	111,130
Building under consignment sale	358,138	(20,754)	337,384
Deposits from customers	137,166	22,700	159,866
Other provisions	21,484	3,191	24,675
Total	676,836	5,291	682,127
Deferred tax liability			
Unearned revenue	(357,204)	22,306	(334,898)
Net	319,632	27,597	347,229

Consolidated financial statements

(in thousand Baht)

	At 1 January 2007	(charge) / credit to statement of income (note 25)	At 31 December 2007
Deferred tax assets			
Allowance for doubtful accounts	49,501	(165)	49,336
Allowance for impairment	207,142	488	207,630
Building under consignment sale	855,520	(104,952)	750,568
Deposits from customers	161,972	41,138	203,110
Other provisions	107,542	86,611	194,153
Total	1,381,677	23,120	1,404,797
Deferred tax liabilities			
Unearned revenue	(855,335)	105,700	(749,635)
Gain on finance leases	(796,080)	36,568	(759,512)
Total	(1,651,415)	142,268	(1,509,147)
Net	(269,738)	165,388	(104,350)

Separate financial statements

(in thousand Baht)

	At 1 January 2007	(charge) / credit to statement of income (note25)	At 31 December 2007
Deferred tax assets			
Allowance for doubtful accounts	48,972	(54)	48,918
Allowance for impairment	111,130	-	111,130
Building under consignment sale	378,835	(20,697)	358,138
Deposits from customers	105,558	31,608	137,166
Other provisions	27,127	(5,643)	21,484
Total	671,622	5,214	676,836
Deferred tax liability			
Unearned revenue	(378,650)	21,446	(357,204)
Net	292,972	26,660	319,632

15 Other non-current assets

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2008	2007	2008	2007
Withholding tax deducted at source	84,115	60,955	-	2
Deposits and other rights	39,460	35,700	42,287	40,645
Guarantees for leasehold rights	19,891	22,377	19,291	22,377
Total	143,466	119,032	61,578	63,024

16. Interest-bearing liabilities

(in thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2008	2007	2008	2007
Current					
Unsecured short-term loans from related parties	4	3,429	3,300	159,226	159,339
Unsecured short-term loans from financial institutions		1,450,000	-	1,450,000	-
Secured current portion of long-term loans from financial institutions		-	199,421	-	-
Current portion of long-term loans from institutional investors					
- secured		820,420	820,420	-	-
- unsecured		2,500,000	213,750	2,500,000	-
		3,320,420	1,034,170	2,500,000	-
		4,773,849	1,236,891	4,109,226	159,339
Non-current					
Unsecured long-term loans from related parties	4	161,588	40,885	3,816,640	3,767,663
Unsecured long-term loans from other parties		183,750	-	-	-
Secured long-term loans from financial institutions		2,500,000	-	2,500,000	-
Long-term loans from institutional investors					
- secured		2,990,936	3,770,471	-	-
- unsecured		6,000,000	7,000,000	6,000,000	7,000,000
		8,990,936	10,770,471	6,000,000	7,000,000
		11,836,274	10,811,356	12,316,640	10,767,663
Total		16,610,123	12,048,247	16,425,866	10,927,002

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

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2008	2007	2008	2007
Within one year	4,773,849	1,236,891	4,109,226	159,339
After one year but within five years	10,961,404	10,108,959	11,441,770	7,000,000
After five years	874,870	702,397	874,870	3,767,663
Total	16,610,123	12,048,247	16,425,866	10,927,002

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

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2008	2007	2008	2007
Land	1,000,612	784,071	-	-
Leasehold rights to land	313,554	331,868	-	-
Buildings and improvements	6,452,390	6,061,033	-	-
Total	7,766,556	7,176,972	-	-

As at 31 December 2008 the Group had unutilised credit facilities totalling Baht 5,177 million *(2007: Baht 3,348 million).*

A subsidiary has a loan from a bank which is dominated in Thai Baht from a local commercial bank. The loan matures in December 2008 and bears interest at the rate of Minimum Lending Rate (MLR) per annum. The loan facility is Baht 800 million and is secured by the subsidiary's land title deeds. In December 2008, the subsidiary repaid the whole amount.

During the year 2004, the Company issued unsecured and unsubordinated debentures, denominated in Thai Baht, offered to institutional investors and maturing in 2009 and 2010, bearing interest rates of 4.20% and 5.24% per annum, respectively.

During the year 2005, the Company issued unsecured and unsubordinated debentures, denominated in Thai Baht in the amount of Baht 1,000 million, offered to institutional investors and maturing in 2007, bearing interest rates at 3.80% per annum.

During the year 2006, the Company issued unsecured and unsubordinated debentures, denominated in Thai Baht in the amount of Baht 1,500 million, offered to institutional investors and maturing in 2009, bearing interest rates at 6.39% per annum and at Minimum Loan Rate (MLR) less 1.55% per annum.

During the year 2007, the Company issued unsecured and unsubordinated debentures, denominated in Thai Baht 3,000 million, offered to institutional investors and maturing in 2012, bearing interest rates at 4.25% per annum.

During 2008, The Company issued unsecured and unsubordinated debentures, dominated in Thai Baht 1,500 million, offered to institutional investors and maturing in 2011, bearing interest rates at 4.80% per annum.

During 2008, The Company has a loan from a bank which is dominated in Thai Baht in the amount of Baht 2,500 million from a local commercial bank. The agreement is for a period of 7 years and no principal is payable until October 2010. The loan bears interest at MLR-2.0% per annum. The loan is payable in 60 instalments of no more than Baht 41.67 million each. The Company uses its land and building as collateral.

Effective interest rates and repricing / maturing analysis

Consolidated financial statements

(in thousand Baht)

	Effective interest rate (%)	Floating interest rate	Fixed interest rate maturing			Total carrying value	Fair value
			Within 1 year	In 1 to 5 years	After 5 years		
2008							
Long-term loans from financial institutions and institutional investors	5.16	5,757,263	2,275,604	6,962,239	-	14,995,106	15,208,815
2007							
Long-term loans from financial institutions and institutional investors	5.49	3,832,079	475,025	4,518,350	3,178,608	12,004,062	12,611,005

Separate financial statements

(in thousand Baht)

	Effective interest rate (%)	Floating interest rate	Fixed interest rate maturing			Total carrying value	Fair value
			Within 1 year	In 1 to 5 years	After 5 years		
2008							
Long-term loans from financial institutions and institutional investors	4.75	3,000,000	2,000,000	6,000,000	-	11,000,000	11,024,568
2007							
Long-term loans from financial institutions and institutional investors	4.96	500,000	-	6,500,000	-	7,000,000	7,152,436

17. Other current liabilities

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2008	2007	2008	2007
Accrued expenses	1,187,887	1,333,349	422,321	261,054
Retention payable	505,140	298,294	161,670	50,415
Other accounts payable	236,113	678,558	87,340	106,062
Accrued interest expense	50,083	39,120	49,810	38,711
Unearned income	125,705	65,976	54,049	29,267
Others	250,338	196,492	103,184	78,039
Total	2,355,266	2,611,789	878,374	563,548

18. Share capital

(in thousand share / in thousand Baht)

		2008		2007	
	Par Value (in Baht)	Number	Baht	Number	Baht
Authorised					
At 1 January - ordinary shares	*1*	2,178,816	2,178,816	2,178,816	2,178,816
At 31 December- ordinary shares	*1*	2,178,816	2,178,816	2,178,816	2,178,816
Issued and fully paid					
At 1 January - ordinary shares	*1*	2,178,816	2,178,816	2,178,816	2,178,816
At 31 December - ordinary shares	*1*	2,178,816	2,178,816	2,178,816	2,178,816

19. Reserves

Share premium

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account ("share premium"). Share premium is not available for dividend distribution.

Fair value changes

Fair value changes recognised in shareholders' equity relate to cumulative net changes in the fair value of available-for-sale investments.

Legal reserve

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

20. Segment information

Segment information is presented in respect of the Group's business and geographic segments. The primary format, business segments, is based on the Group's management and internal reporting structure.

Segment results and assets include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Business segments

The Group comprises the following main business segments:

Segment 1 Development of shopping centre buildings, office building and condominiums for rent including provision of utility services, operator of play land and water theme park in the shopping centre buildings

Segment 2 Sales of food and beverage in the shopping centres buildings

Financial information by business segments

(in thousand Baht)

	Segment 1		Segment 2		Total	
	2008	2007	2008	2007	2008	2007
Revenues	8,142,322	7,517,299	456,309	377,987	8,598,631	7,895,286
Segment results	3,625,924	3,332,075	83,109	89,848	3,709,033	3,421,923
Interest income					166,697	110,031
Other income					712,013	601,148
Share of profits from investments accounted for using the equity method					361,907	316,469
Administrative expense					(1,551,535)	(1,511,108)
Directors' remuneration					(5,290)	(3,400)
Profit before interest and income tax expenses					3,392,825	2,935,063
Interest expense					(543,386)	(580,753)
Income tax					(650,702)	(563,440)
Profit after tax					2,198,737	1,790,870
Net profit of minority interest					(12,951)	(7,464)
Net profit for the year					2,185,786	1,783,406
Fixed assets by segment (As at 31 December)	31,574,959	25,430,389	85,963	3,600	31,660,922	25,433,989
Total assets by segment (As at 31 December)	43,667,102	37,181,040	116,678	23,601	43,783,780	37,204,641

21. Other income

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2008	2007	2008	2007
Expenses claimed from tenants	237,892	175,650	68,894	61,914
Management income	169,726	181,121	273,694	267,445
Others	304,335	244,377	166,528	149,818
Total	711,953	601,148	509,116	479,177

22. Administrative expenses

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2008	2007	2008	2007
Marketing	506,309	565,686	221,584	204,166
Personnel	681,152	548,432	578,111	473,378
Administrative	109,054	102,969	94,652	83,024
Others	255,020	294,021	169,200	149,974
Total	1,551,535	1,511,108	1,063,547	910,542

23. Personnel expenses

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2008	2007	2008	2007
Wages and salaries	719,980	609,331	558,617	475,039
Contribution to defined contribution plans	15,680	12,827	13,318	10,690
Others	92,668	39,854	79,102	52,585
Total	828,328	662,012	651,037	538,314

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 by the employees at rates ranging from 3% to 10% of their basic salaries and by the Group at from 3% to 10% of the employees' basic salaries. The provident funds are registered with the Ministry of Finance as juristic entities and are managed by a licensed Fund Manager.

24. Interest expense

(in thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2008	2007	2008	2007
Interest paid and payable to:					
- related parties	*4*	-	-	180,084	139,391
- financial institutions		543,386	580,753	318,687	288,194
Total finance costs		543,386	580,753	498,771	427,585
Finance costs capitalised		234,671	88,485	18,660	74,446
		778,057	669,238	517,431	502,031

Finance costs for properties under development for the year 2008 and 2007 have been capitalised at rates of 4.77% and 5.09%, respectively. The capitalisation rate used represents the weighted average interest rate of general purposes borrowings.

25. Income tax

(in thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2008	2007	2008	2007
Current tax expense					
Current year		774,152	728,827	360,253	369,874
		774,152	728,827	360,253	369,874
Deferred tax expense					
Movements in temporary differences	14	(123,450)	(165,388)	(27,597)	(26,660)
		(123,450)	(165,388)	(27,597)	(26,660)
Total		650,702	563,439	332,656	343,214

Reconsiliation of effective tax rate

Condolidated financial statements

	2008		2007	
	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)
Profit before tax		2,849,439		2,354,309
Income tax using the Thai corporation tax rate	30	854,832	30	706,293
Income tax reduction	(1)	(15,000)	-	-
Income not subject to tax	(9)	(249,643)	(8)	(194,447)
Expenses not deductible for tax purposes	2	60,513	2	51,593
Total	22	650,702	24	563,439

Separate financial statements

	2008		2007	
	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)
Profit before tax		2,723,987		5,067,995
Income tax using the Thai corporation tax rate	30	817,196	30	1,520,399
Income tax reduction	(1)	(15,000)	-	-
Income not subject to tax	(18)	(490,835)	(23)	(1,184,794)
Expenses not deductible for tax purposes	1	21,295	-	7,609
Total	12	332,656	7	343,214

Income tax reduction

Royal Decree No. 475 B.E. 2551 dated 29 July 2008 grants companies listed on the Stock Exchange of Thailand a reduction in the corporate income tax rate from 30% to 25% for taxable profit not exceeding Baht 300 million for the three consecutive accounting periods beginning on or after enactment but not beyond the 2010 accounting period ending on or after 31 December 2010.

26. Basic earnings per share

The calculations of basic earnings per share for the years ended 31 December 2008 and 2007 were based on the profit for the period attributable to equity holders of the Company and the number of ordinary shares outstanding during the year, calculated as follows:

(thousand share / thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2008	2007	2008	2007
Profit attributable to equity holders of the Company (basic)	2,185,786	1,783,406	2,391,331	4,724,781
Number of ordinary shares outstanding	2,178,816	2,178,816	2,178,816	2,178,816
Basic earnings per share (Baht)	1.00	0.82	1.10	2.17

27. Dividends

At the annual general meeting of the shareholders of the Company held on 20 April 2007, the payment of dividends of Baht 0.31 per share were approved from 2006 operating results (total sum of Baht 675.4 million). The dividend was paid to shareholders in May 2007.

At the annual general meeting of the shareholders of the Company held on 20 April 2008, the payment of dividends of Baht 0.33 per share were approved from 2007 operating results (total sum of Baht 719.0 million). The dividend was paid to shareholders in May 2008.

28. Investment in increased investment units and leasing or sub-leasing properties

The Board of Directors' Meeting No. 3/2008, held on 2 July 2008, approved the basis of investing in the increased investment units of CPN Retail Growth Property Fund ("CPNRF") and entering into the following land and building lease or sub-lease agreement as a lessor with CPNRF;

- Land and buildings, owned by the Company, at CentralPlaza Pinklao including a shop building (partly), 2 office buildings, parking areas, relevant utilities systems, surrounding streets, entrances and exits for approximately 16 years.
- Land and buildings of Central Pattana Chiangmai Co., Ltd., a subsidiary, at CentralPlaza Chiangmai Airport including a shop building (partly), indoor and outdoor parking areas, relevant utilities systems, surrounding streets, entrances and exits to lease for 40 years.

However, on 13 October 2008, the Board of Directors' Meeting No. 5/2008 approved to suspend leasing or sub-leasing such properties to CPNRF until the capital market status is better.

29. Changes in accounting policies

The following change of accounting policy by the Group has no effect on the separate financial statements of the Company.

Until 31 December 2007, the Group accounted for negative goodwill arising from a business combination at cost, for acquisitions before 1 January 2000, and at cost less accumulated amortisation, for acquisitions after 1 January 2000. Amortisation was charged to the statement of income over the estimated useful life of 20 years.

During 2007, the Federation of Accounting Professions issued Thai Accounting Standard (TAS) 43 (revised 2007) "Business Combinations" which is effective for accounting periods beginning on or after 1 January 2008. TAS 43 (revised 2007) requires that any excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over cost, commonly referred to as "negative goodwill", shall be recognised immediately in profit or loss.

The Group has, accordingly, changed its accounting policy for negative goodwill prospectively from 1 January 2008. The effect of the change in accounting policy on the Group's consolidated financial statements for the year ended 31 December 2008 is to decrease the carrying amount of negative goodwill and increase the balance of retained earnings brought forward as at 1 January 2008 by Baht 211.1 million and reduce the credit to the statement of income resulting from the amortisation of negative goodwill that would have been recognised under the previous accounting policy by approximately Baht 6.7 million, with a corresponding reduction in reported profit for the year.

30. Financial instruments

The principal financial risks faced by the Group are interest rate risk and credit risk. The Group borrows at both fixed and floating rates of interest to finance its operations. Credit risk arises from the risk in the collectability of rental fees.

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.

Risk management: Main sources of capital of the Group are from equity, long-term loans and procuring capital through local money and capital markets by issuing debentures and transferring assets to property fund under conservative capital structure policies consisting 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 debts with floating interest rate not over debts with fixed interest rate to prevent from interest rate fluctuation risk.

Fair values

The carrying amounts of the following financial assets and financial liabilities approximate to their fair values: cash and cash equivalents, investments, trade accounts receivables and payables, other receivables and payables, loans to subsidiaries, short-term borrowings and floating interest rate long-term borrowings. Information on the fair values of borrowings is included in Note 16.

31. Commitments with non-related parties

(in million Baht)

	Consolidated financial statements		Separate financial statements	
	2008	2007	2008	2007
Capital commitments				
Contracted but not provided for Vehicle	2	3	2	3
Buildings and facilities system	2,414	3,621	1	1,689
Total	2,416	3,624	3	1,692
Non-cancellable operating lease commitments				
Within one year	278	276	-	-
After one year but within five years	1,404	1,181	-	-
After five years	14,554	14,449	-	-
	16,236	15,906	-	-
Other commitments				
Bank guarantees	287	192	121	81

(a) 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, which is presented in the balance sheets as leasehold rights and has to pay monthly rental. The rental will be increased every five years at the rate of 10% of the latest month rental.

(b) 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, which is presented in the balance sheet as leasehold rights, 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 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. One agreement charges no monthly lease fee for the period of 3 years, from 1 July 2007 to 30 June 2010. The other agreement is a land lease agreement for the period of 30 years from 1 July 2010 to 30 June 2040. Under the conditions of the latter agreement, the Group has to pay the land rental charge of Baht 700,000 per month which will be increased at the rate of 15%, every three years from 1 July 2010. This agreement can be renewed for another 10-year period (till 30 June 2050) with monthly rental charge at the same rate as at 30 June 2040 for the whole additional 10 years. The Group uses these leasehold rights as collateral for Bank aval on the promissory notes, which are also guaranteed by the Company.

(c) 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 advance rental, which is presented in the balance sheets as projects under development, and guarantee for leasehold rights. In addition, the Group has to pay a monthly rental which will be revised every five years. The Group received a refundable guarantee deposit amounting to Baht 20 million in 1997 and will receive the remaining balance of the refundable guarantee deposits amounting to Baht 298.6 million from the 21st year of the lease to the end of the 30 years lease term. The land lease agreements can be renewed for a period of not less than 15 years through a one year advance written notification before expiration in which the terms will be renegotiated upon renewal. The lessor will obtain the ownership rights of buildings and improvements thereon at the lease expiration date. Upon the expiration of the shophouse lease, the lessor will give the Group a priority in renewing the lease agreement.

The Group entered into three land lease agreements with the third parties to construct shop buildings for rent. The lease agreement covered a 30-year period ending in 2038. Under the conditions of the agreement, the Group had to pay advanced rental, which was presented in the balance sheets as leasehold right. 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.

(d) 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.

(e) 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.

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.

32. Contingent liabilities

Guarantee

As at 31 December 2008, the Company entered into a loan guarantee agreement for subsidiaries totalling Baht 3,578 million *(2007: Baht 4,732 million).*

Litigation

The significant litigation of the Company and the progress of litigation up to 31 December 2008 are as follows:

(a) In 1996, a local company filed a case with the court against the Company for breach of rental agreement amounting to Baht 83.4 million. The Company filed a counter-claim with the court against that company for damages of Baht 2.5 million. In October 2001, the First Cour gave its verdict in favour of the Company. However, in September 2004, the Appeal Court gave a verdict in favour of a counter party. At present, the case has been appealed in the Supreme Court.

(b) In 2003, individuals filed a case with the court against the Company for damages caused by the Company's construction project amounting to Baht 64.9 million. In August 2005, the First Court gave its verdict in favour of the Company. At present, the case has been appealed in the Appeal Court.

33. Events after the balance sheet date

At the Board of Directors' meeting of the Company held on 20 February 2009, the significant resolutions were approved:

- Approved the Company to enter into an agreement to sub-lease assets on which the Central Plaza Lardprao Project is located with Central International Development Company Limited. The total value of this transaction is Baht 16,178.3 million. This transaction has to be approved by the Extraordinary General Meeting of Shareholders to be held on 25 March 2009.
- Approved the appropriation of dividends from 2008 operating results of Baht 0.33 per share (total sum of Baht 719.0 million).
- Approved the issuance of unsubordinated secured and/or unsecured debentures for an amount not exceeding Baht 5,000 million, with a tenure not exceeding 10 years. The purpose of the fund raising is to support the Company's investment plan.

34. Thai Accounting Standards (TAS) not yet adopted

The Group has not adopted the following revised TAS that have been issued as of the balance sheet date but are not yet effective. These revised TAS will become effective for financial periods beginning on or after 1 January 2009.

TAS 36 (revised 2007)	Impairment of Assets
TAS 54 (revised 2007)	Non-current Assets Held for Sale and Discontinued Operations

The adoption and initial application of these revised TAS is not expected to have any material impact on the consolidated or separate financial statements.

35. Reclassification of accounts

Certain accounts in the 2007 financial statements have been reclassified to conform to the presentation in the 2008 financial statements as follows:

2007 (in million Baht)

	Consolidated financial statements			Separate financial statements		
	Befores reclass.	Reclass.	After reclass.	Before reclass.	Reclass.	After reclass.
Balance sheets						
Property and equipment	28,795	(3,361)	25,434	4,624	(250)	4,374
Leasehold rights	-	3,361	3,361	-	250	250
Other current liabilities	2,546	66	2,612	534	29	563
Long-term loans from related parties	-	41	41	-	-	-
Other long-term loans payable	10,881	(41)	10,770	-	-	-
Unearned rental and service income	4,959	(66)	4,893	860	(29)	831
	-				-	

The reclassifications have been made because, in the opinion of the management, the new classification is more appropriate to the Group's business, and is to comply with the accounting guideline on lease accounting.

Auditor's fee

1. Audit fee

In 2008, Audit fee of the Company and its subsidiaries had been paid for audit firm that the auditor work for amounted to Baht 4,280,000.

2. Other service fee

- None -

Management biography

1. Mr. Vanchai Chirathivat

Chairman

Age 82 years
Shareholding 0%

Education
» Honorary Doctor of Philosophy, Psychological, Ramkamhaeng University

Other current positions
» Chairman: Central Group of Companies
» Chairman: Central Department Store Co.,Ltd.
» Chairman: Central Trading Co.,Ltd.
» Honorary: Chairman Malee Sampran Public Co.,Ltd.
» President, Executive Director: Central Plaza Hotel Pcl.
» Honorary Chairman: Post Publishing Pcl.
» Permanent Honorary President: Ethics and Morals Foundation
» Vice Chairman: Thainfar Hospital Foundation
» Director: Board of Commercial Investment Thailand - China
» Permanent Honorary President: The Institute of Thai Hainan
» Director: Indara Insurance Pcl.

2. Mr. Anek Sithiprasasana

Vice Chairman

Age 80 years
Shareholding 0%

Education
» B.A. (Political Science), Chulalongkorn University
» M.A. (Political Science), Public Administration, Indiana University, U.S.A.
» Doctor Emeritus, (Public Administration), Kensington University, U.S.A.
» Certificate, Defense College

Experience
» Deputy Minister of Interior
» Chairman of The Board of Directors: The Mass Communication Organization of Thailand
» Permanent Secretary of The Prime Minister's Office
» Permanent Secretary of The Minister of Interior's Office
» Director General of The Department of Provincial Administration

Completed program from Thai Institute of Directors (IOD)
» 2007 - Director Accreditation Program (DAP)
» 2003 - Finance for Non-Finance Director (FND)
» 2002 - CG Workshop 1/2002 "Board Policy"

3. Mr. Paitoon Taveebhol

Independent Director,
Chairman of Audit Committee,
Advisory Chairman of Risk Management Committee

Age 59 years
Shareholding 0%

Education
» B.A. (Accounting), Ramkhamhaeng University
» M.B.A, Kasetsart University
» Certificate in Auditing, Thammasat University

Experience
» Managing Director: Arthur Andersen Business Advisory Ltd.
» Director and Executive Director: SGV-Na Thalang Co.,Ltd.
» Vice President and Council Member: The Institute of Internal Auditors of Thailand (1998-2000)
» Vice President and Council Member: The Institute of Certified Accountants & Auditors of Thailand (1991-2003)
» President and Secretary General: The ASEAN Federation of Accountants (1991-2005)
» Managing Director: BT Business Consulting Co.,Ltd. (1991- 2005)

Other current positions
» Director, Audit Committee and Corporate Government: Somboon Advance Technology Pcl.
» Board Member: Mater Dei Institute
» President: Mater Dei Institute Parent and Teacher Association
» Director: Mater Dei Institute Foundation

Completed program from Thai Institute of Directors (IOD)
» 2008 - Chartered Director Class (CDC)
» 2005 - Audit Committee Program (ACP)
- The Role of Chairman Program (RCP)
» 2003 - Director Certification Program (DCP)
- Director Accreditation Program (DAP)

4.Mr. Chackchai Panichapat

Independent Director,
Audit Committee Member,
Chairman of Nomination and Renumeration Committee

Age *71 years*
Shareholding *0%*

Education
» B.E. (Electrical Engineering), Chulalongkorn University
» M.E. (Electrical Engineering), University of Texas, Austin, U.S.A.
» Certificate, Defense College

Expereince
» Deputy Secretary General of the Board of Investment: Thailand Board of Investment

Other current positions
» Independent Director and Advisory Board Member: Saha Union Pcl.
» Director and Executive Director: Amata Corporation Pcl.
» Independent Director, Chairman of Audit Committee, and Member of Nomination and Remuneration Committee: City Sports and Recreation Pcl.
» Independent Director, Member of Audit Committee and Chairman of Nomination and Remuneration Committee: Kang Yong Electric Pcl.
» Advisor: Thitikorn Pcl.
» Chairman: Magnecomp Precision Technology Pcl.
» Chairman: Precipart Co., Ltd.
» Chairman: Amata Water Co., Ltd.
» Chairman: Amata Vietnam Co., Ltd.
» Director: Union Energy Co., Ltd.
» Director: San Miguel Beer (Thailand) Co., Ltd.
» Director: San Miguel Marketing (Thailand) Co., Ltd.

Completed program from Thai Institute of Directors (IOD)
» 2007 - Role of the Compensation Committee (RCC)
» 2006 - Director Certification Program (DCP)
» 2005 - Finance for Non-Finance Director (FND)
» 2003 - Director Accreditation Program (DAP)

5.Mrs. Sunandha Tulayadhan

Independent Director,
Audit Committee Member,
Nomination and Remuneration Committee Member

Age *63 years*
Shareholding *0%*

Education
» B.A. (Liberal Arts), College of New Rochelle, New York, U.S.A.

Experience
» Chairman: Ogilvy & Mather Group, Thailand and Vietnam
» Regional Executive Board Member: Ogilvy & Mather Asia Pacific
» Director: Ogilvy & Mather Worldwide Board

Other current positions
» Chairman: WPP Group, Thailand and Vietnam

Completed program from Thai Institute of Directors (IOD)
» 2005 - Audit Committee Program (ACP)
- Finance for Non-Finance Director (FND)
» 2004 - Director Accreditation Program (DAP)

6.Mr. Kanchit Bunajinda

Director,
Nomination and Remuneration Committee Member

Age *42 years*
Shareholding *0%*

Education
» B.E. (Civil Engineering), Chulalongkorn University
» M.B.A. (Finance and International Business), Sasin Graduate Institute of Business Administration, Chulalongkorn, University
» Kellogg Graduate School Management, Northwestern University, in an exchange program Sasin Graduate Institute of Business Administration, Chulalongkorn, University

Experience
» Senior Vice President Heading the Financial Institutions group and the Mergers & Acquisition practice: Merrill Lynch Phatra Co.,Ltd. (Now change to Phatra Securities Plc.)

Other current positions
» Director: Private Equity (Thailand) Co.,Ltd. (An Affiliate of Lombard Investment, Inc.)
» Director: Preuksa Real Estate Pcl.
» Director: Central Plaza Hotel Pcl.
» Audit Committee Member: True Visions Pcl.
» Alternate Director: Asian Corporate Governance Association Limited, Hong Kong

Completed program from Thai Institute of Directors (IOD)
» 2006 - Audit Committee Program (ACP)
» 2005 - Director Accreditation Program (DAP)
» 2003 - Director Certification Program (DCP)

7. Mr. Suthichai Chirathivat

Director

Age	*69 Years*
Shareholding	*1.93%*

Education
» Diploma in Civil Engineering, Kingston College of Technology, London, U.K.
» Honorary Degree of Doctor Business Administration Program, Chiangrai Rajabhat University

Experience
» Assistant Manager: Central Department Store-Silom Branch
» Manager: Central Department Store-Silom Branch
» Assistant General Manager: Central Department Store Co.,Ltd
» Vice Chairman & CFO: Central Group of Companies

Other current positions
» Executive Chairman: Central Group of Companies
» Executive Director: Central Plaza Hotel Pcl.

Completed program from Thai Institute of Directors (IOD)
» 2006 - Director Accreditation Program (DAP)
» 2000 - The Role of Chairman Program (RCP)

8. Mr. Suthikiati Chirathivat

Director

Age	*67 years*
Shareholding	*1.92%*

Education
» Diploma in Mechanical Engineering, South West Essex Technical College, U.K.
» Certificate, Defense College
» B.A. Political Science, Ramkhamhaeng University
» A.M. Political Science, Ramkhamhaeng University
» Honorary Doctoral Degree of Philosophy in Mass Communications, Ramkhamhaeng University

Experience
» Assistant Manager: Central Trading Co.,Ltd.
» Assistant General Manager: Central Department Store Co.,Ltd
» One of the founder of CentralPlaza Ladprao
» The first importer and originated BARCODE system in Thailand
» The founder & head of Thai Retailers Association
» The first founder of food franchises in Thailand (KFC, Mister Donut, Baskin Robbins)
» Director: Assumption Association
» Advisor to The Minister of Tourism and Sports: Ministry of Tourism and Sports

Other current positions
» Director: Thai Tourist Industry Association
» Member of Old England Students Association
» Honorary Advisory Board Member: The Magazine Association of Thailand
» Director, Chairman of The Executive Board: Central Plaza Hotel Pcl.
» Director, Chairman Executive Committee: Post Publishing Pcl.
» Director, Executive Vice Chairman: Central Group of Companies

Completed program from Thai Institute of Directors (IOD)
» 2008 - Director Accreditation Program (DAP)

9. Mr. Sudhisak Chirathivat

Director,
Advisory of Nomination and Renumeration Committee

Age *64 years*
Shareholding *0.65%*

Education
» B.A. (Mathematic), St. John Fisher College, U.S.A.

Experience
» President: Central Marketing Group
» Managing Director: Central Garment Factory Co.,Ltd.
» Managing Director: Prin Intertrade Co.,Ltd.

Other current positions
» Executive Director: Central Group of Companies
» Director and Executive Director: Central Plaza Hotel Pcl.
» Chairman: Robinson Department Store Pcl.
» Director: Central Garment Factory Co.,Ltd.
» Director: Central Retail Logistic Co.,Ltd.
» Director: Harng Chiangmai Department Store Ltd.
» Director: Central Trading Co.,Ltd.

Completed program from Thai Institute of Directors (IOD)
» 2007 - Director Accreditation Program (DAP)

10. Mr. Suthichart Chirathivat

Director,
Advisory of Nomination and Renumeration Committee

Age *69 years*
Shareholding *1.07%*

Education
» B.A. (Accounting) (Honor), St. Joseph's College, U.S.A.
» Certificate, Defense College

Experience
» President and Chief Executive Officer: Central Retail Corporation Ltd.
» President: Thai Retailers Association
» Chairman: Committee on Retail Business Thai Chamber of Commerce
» Advisor: Board of Trade of Thailand
» Director and Treasurer: Foundation for Environment Preservation

Other current positions
» Chairman: Big C Super Center Pcl.
» Director and Treasurer: Billiard Sports Association of Thailand
» Director: The Vintage Club Co.,Ltd.
» Director and Executive Director: Central Plaza Hotel Pcl.
» Executive Director: Central Group of Companies
» Director: Tiang Chirathivat Foundation

Completed program from Thai Institute of Directors (IOD)
» 2004 - Director Accreditation Program (DAP)
» 2003 - Finance for Non-Finance Director (FND)
- Board and CEO Assessment
» 2000 - The Role of Chairman Program (RCP)

11. Mr. Sudhitham Chirathivat

Director,
Advisory of Nomination and Renumeration Committee

Age *62 years*
Shareholding *1.18%*

Education
» B.Sc (Electrical Engineering), University of Maryland (College Park), U.S.A.
» MBA (Operation Research), Iona University, New York, U.S.A.

Experience
» Director: The Thai Chamber of Commerce
» President: Rotary Club of Bangkhen
» Chairman: Coffee Partners Co.,Ltd. (Starbucks-Thailand)
» President and Founder: Thai Shopping Center Association
» Executive Vice President / President - Store Planning, Marketing, and Business Development / Vice President - Marketing, and Merchandising: Central Department Store Co.,Ltd (1980-1992)
» Managing Director and CEO: Central Pattana Pcl. (1990-2002)
» Advisor to The Minister of Commerce: Ministry of Commerce Thailand

Other current positions
» Executive Director: Central Group of Companies
» Director: Central Holding Co.,Ltd.
» Director: TT&T Pcl.
» Director: The Vintage Club Co.,Ltd.
» Director: Central Plaza Hotel Pcl.
» Executive Director and Vice Chairman: Robinson Department Store Pcl.
» Member of the National Legislative Assembly Thailand Bullet: The National Legislative Assembly Thailand Bullet

Completed program from Thai Institute of Directors (IOD)
» 2003 - Director Certification Program (DCP)

12. Mr. Kobchai Chirathivat

Director,
Advisory of Risk Management Committee

Age	*54 years*
Shareholding	*1.22%*

Education
» LL.B. (Law), Chulalongkorn University
» M.A. (Political Science), University of Norte Dame, Indiana, U.S.A.
» MBA, University of Chicago Graduate School of Business, U.S.A.

Experience
» Chief Operating Officer & Executive Vice President: Central Pattana Pcl.
» Senior Vice President-New Business Development: Central Pattana Pcl.
» Director-Property Management: Central Pattana Pcl.
» Deputy Managing Director: Central Trading Co.,Ltd.
» Marketing Manager: Central Trading Co.,Ltd.
» Assistant Manager: Central Trading Co.,Ltd.

Other current positions
» Director: Sakura Restaurant Co.,Ltd.
» Director: Central Advance System Co.,Ltd.
» Director: Genesis Corporation Co.,Ltd.
» Director: Central Holding Co.,Ltd.
» Director: Central Capital Co.,Ltd.
» Director: CPN Global Co.,Ltd.

Completed program from Thai Institute of Directors (IOD)
» 2001 - Director Certification Program (DCP)

13. Mr. Prin Chirathivat

Director,
Advisory of Nomination and Renumeration Committee,
Advisory of Risk Management Committee

Age	*47 years*
Shareholding	*1.38%*

Education
» B.Ac (Accounting) Skidmore College, U.S.A.
» MBA (Business Management), Sasin Graduate Institute of Business Administration, Chulalongkorn University

Experience
» Investment Banking: Thanachart Securities Pcl. (1988-1989)
» Executive Director: Interlife John Hancock Assurance Pcl. (1998-2004)
» Director: Indara Insurance Pcl. (1999-2006)
» Director: Dhanamitr Factoring Pcl. (2002-2005)
» Director: General Card Service Limited (1995-2007)

Other current positions
» Director and Executive Director: Central Plaza Hotel Pcl.
» Director and Executive Director: Central Retail Corporation Ltd.
» Director: Malee Sampran Pcl.
» Executive Director: Central Group of Companies
» Chairman of Audit Committee: Bualuang Securities Public Company Limited
» Advisor: Marketing For Alternative Investment (MAI)
» Chiangrai Rajabhat University Steering Support Committee: Chiangrai Rajabhat University
» Director: Robinson Department Store Pcl.
» Director: Central Department Store Co.,Ltd.

Completed program from Thai Institute of Directors (IOD)
» 2006 - Chief Financial Officer (CFO)
» 2005 - Director Accreditation Program (DAP)
- Audit Committee Program (ACP)
- The Role of Chairman Program (RCP)
» 2000 - Director Certification Program (DCP)

14. Mr. Sudthidej Chirathivat

Senior Executive Vice President - Business Development and Project Construction

Age 59 years
Shareholding 0.92%

Education
» B.A., Prince George College, U.S.A.

Experience
» Vice President - Leasing and Marketing: Central Trading Co.,Ltd.
» Vice President: Food Park Co., Ltd.
» Leasing Manager: Bangna Central Property Co., Ltd.
» Vice President - Leasing: Central Pattana Pcl.
» Executive Vice President - Business Development and Construction Management: Central Pattana Pcl.
» Director: Central Pattana Pcl. (2002-2004)

15. Mr. Naris Cheyklin

Senior Executive Vice President - Finance, Accounting and Property Management,
Chairman of Risk Management Committee

Age 48 years
Shareholding 0.005%

Education
» B.Ac (Accounting), Thammasat University
» M.Ac (Accounting), Thammasat University

Experience
» Computer Audit Supervisor: SGV Na ThaLang Co.,Ltd.
» Group Financial Controller: Tanayong Public Co.,Ltd
» Director & Vice President: Thai Wah Public Co.,Ltd
» Senior Vice President: Siam City Bank Plc. (1996-1998)
» Director & Executive Director: Siam City Insurance Co.,Ltd. (1996-1998)

16. Mr. Sudhipak Chirathivat

Executive Vice President - Office of the President

Age 48 years
Shareholding 0.59%

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
» Marketing Manager: Central Garment Factory Co., Ltd.
» Executive Vice President: Central Garment Factory Co., Ltd.
» Executive Vice President: Thai International Fast-Food Co., Ltd.
» Senior Leasing and Marketing Manager: Central Pattana Pcl.
» Vice President - Business Development: Central Pattana Pcl.
» Executive Vice President - Marketing: Central Pattana Pcl.
» Executive Vice President - Business Development: Central Pattana Pcl.
» Executive Vice President - Leasing: Central Pattana Pcl.

17. Mr. Terachart Numanit

Executive Vice President, Project Construction,
Risk Management Committee Member

Age 52 years
Shareholding 0%

Education
» B.Sc (Science), Polytechnic University Brooklyn, New York, U.S.A.

Experience
» Chief Estimate: John Holland (Thailand)
» Project Manager: New York City, Transit Authority, NYC., U.S.A.

» Project Engineer: Parsons Brinckerhoff, NYC., USA
» Special Project Manager: Philip Holzman (Thailand)
» Special Project Director: K-Tech Construction and Engineering Co.,Ltd. (1997-2001)
» Project Director: Itochu (Thailand) Co.,Ltd. (2001-2003)

18. Ph.D. Nattakit Tangpoonsinthana

Executive Vice President - Marketing

Age *44 years*
Shareholding *0%*

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
» Chief Marketing Officer - Strategic Marketing Division: Thai Samsung Electronics Co., Ltd. (2004-2006)

Other Current Positions
» Visiting Lecturer - Mass Communication: The Faculty of Communication Arts, Chulalongkorn University
» Advisor to the Minister of Science and Technology: Ministry of Science and Technology

19. Ms. Wallaya Chirathivat

Executive Vice President - Business Development and Project Construction,
Risk Management Committee Member

Age *47 years*
Shareholding *0.40%*

Education
» B.A., 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.

Eeperience
» Vice President: Central Department Store (1985-1988)
» Managing Director: Central Supermarket (1988-1996)
» Co-Chief Executive Officer: Tops Supermarket (1996-1998)
» Executive Vice President: Central Retail Corporation Co., Ltd. (1998-2004)

20. Mrs. Panida Sooksridakul

Senior Vice President - Property Development and Management

Age *54 years*
Shareholding *0%*

Education
» B.A.(Political Science), Ramkhamhaeng University
» M.A.(Political Science), Ramkhamhaeng University

Expereince
» General Manager - Shopping Center: Central Pattana Pcl. (1995-2005)

General information of business held by the company 10% upward

	Company	Nature of business	Registered capital	Percentage of shareholding
1	**Central Realty Services Co.,Ltd.** 999/9 Rama I Road, Patumwan, Bangkok 10330 Tel. +66 (0) 2667-5555	Servicing of shopping center facilities	1,000,000	99.99%
2	**Central Food Avenue Co.,Ltd.** 1697 Phaholyothin Road, Chatuchak, Chatuchak, Bangkok 10900 Tel. +66 (0) 2793-6000	Restaurant operations and servicing of shopping complex food center	1,000,000	99.99%
3	**Lang Suan Realty Co.,Ltd.** 95/3 Lang Suan Road, Lumpini, Patumwan, Bangkok 10330 Tel. +66 (0) 2652-2277	Residential condominium and shop space for rent	1,000,000,000	99.99%
4	**Central Pattana Rama2 Co.,Ltd.** 128 Moo 6, Rama 2 Road, Samaedum, Bangkhuntian, Bangkok 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 Road, 252-252/1 Wualai Road, 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.** 68/100, 68/919 Moo 8, Rattanathibet Road, Bangkrasor, Muang, Nontaburi 11000 Tel. +66 (0) 2834-6000	Shopping center: CentralPlaza Rattanathibet	800,000,000	99.99%
7	**Central Pattana Rama3 Co.,Ltd.** 79 Sathupradit Road, Chongnonsee, Yannawa, Bangkok 10120 Tel. +66 (0) 2649-6000	Shopping center: CentralPlaza Ratchda-Rama 3	126,667,000	99.99%
8	**Central Pattana Khon Kaen Co.,Ltd.** 999/9 Rama I Road,Patumwan, Bangkok 10330 Tel. +66 (0) 2667-5555	Shopping center	260,000,000	78.13%
9	**Central Pattana Chonburi Co.,Ltd.** 999/9 Rama I Road,Patumwan, Bangkok 10330 Tel. +66 (0) 2667-5555	Shopping center	350,000,000	99.99%
10	**Central Pattana Nine Square Co.,Ltd.** 999/9 Rama I Road,Patumwan, Bangkok 10330 Tel. +66 (0) 2667-5555	Shopping center	3,200,000,000	94.97%
11	**Central Realty Service Rama3 Co.,Ltd.** 79 Sathupradit Road, Chongnonsee, Yannawa, Bangkok 10120 Tel. +66 (0) 2649-6000	Servicing of shopping center facilities	175,000,000	99.99% (Hold by Central Pattana Rama3 Co.,Ltd.)

	Company	Nature of business	Registered capital	Percentage of shareholding
12	**Bangna Central Property Co.,Ltd.** 1091,1093 Moo 12, Bangna-Trad(KM3), Bangna, Bangkok 10260 Tel. +66 (0) 2763-6000	Shopping Center/Office/Residential/ Playland at CentralPlaza Bangna Project	600,000,000	99.99% (Hold by Lang Suan Realty Co.,Ltd.)
13	**CPN Pattaya Beach Co.,Ltd.** 333/99 Moo 9, Nongprue, Banglamung, Chonburi Tel. +66 (0) 3764-1601-10	Shopping Center: CentralFestival Pattaya Beach	1,500,000,000	99.99%
14	**CentralWorld Co.,Ltd.**[1] 4, 4/1-4/2, 4/4 Ratchadumri Road, Patumwan, Bangkok 10330 Tel. +66 (0) 2640-7000	Servicing of shopping center facilities at CentralWorld and renting office space at The Offices at CentralWorld	2,511,938,100	92.50% (Hold by Bangna Central Property Co.,Ltd. 10.00%)
15	**Central Play Land Co.,Ltd.** 1094 Moo 12, Bangna-Trad(KM3), Bangna, Bangkok 10260 Tel. +66 (0) 2763-6000	Shopping center: CentralPlaza Bangna	518,000,000	99.99% (Hold by Bangna Central Property Co.,Ltd.)
16	**Siam Retail Development Co.,Ltd.** 5/5-6 Moo 7, Ramindra Road, Kannayao, Bangkok Tel. +66 (0) 2947-5000	Shopping center: Fashion Island	500,000,000	15.00% (Hold By Lang Suan Realty Co.,Ltd. 12% and Square Ritz Plaza Co.,Ltd. 3%)
17	**Square Ritz Plaza Co.,Ltd.** 5/5 Moo 7, Ramindra Road, Kannayao, Bangkok Tel. +66 (0) 2947-5000	Real estate developer	125,000,000	12.00% (Hold by Lang Suan Realty Co.,Ltd.)
18	**Ayudhya Agrocity Co.,Ltd.** 47 Moo 2 Bangna-Trad Road, Bangchalong, Bangplee, Samutprakarn 10540 Tel. +66 (0) 2399-4510	Real estate developer	400,000,000	11.85% (Hold by Lang Suan Realty Co.,Ltd.)
19	**CPN Retail Growth Property Fund Managed by TMB Asset Management Co., Ltd** 990 Abdulrahim Place, 32th Floor, Rama IV Road, Silom, Bangrak, 10500 Tel. +66 (0) 2636-1800	Property investment in CentraPlaza Rama 2 and CentralPlaza Ratchada-Rama 3	10,915,000,000	33.33%
20	**Thai Business Fund2 Managed by Krung Thai Asset Management Pcl.** 11 Q House Sathorn Building, M,G Floor, South Sathorn Road, Bangkok 10120 Tel. +66 (0) 2670-4900	Property investment in CentralPlaza Pinklao	154,340,000[2]	100.00%
21	**Thai Business Fund4 Managed by Krung Thai Asset Management Pcl.** 11 Q House Sathorn Building, M,G Floor, South Sathorn Road, Bangkok 10120 Tel. +66 (0) 2670-4900	Property investment in CentralWorld	4,600,000,000[2]	92.50% (Hold by Bangna Central Property Co.,Ltd. 6.31%)
22	**Thai Business Fund5 Managed by Krung Thai Asset Management Pcl.** 11 Q House Sathorn Building, M,G Floor, South Sathorn Road, Bangkok 10120 Tel. +66 (0) 2670-4900	Property investment in CentralPlaza Bangna	236,760,000[2]	100.00%
23	**CPN Construction Management Co.,Ltd.** 999/9 Rama I Road, Patumwan, Bangkok 10330 Tel. +66 (0) 2667-5555	Construction management	1,000,000	99.93%
24	**CPN Pattaya Beach Hotel Co.,Ltd.** 999/9 30th Floor, Rama I Road, Patumwan, Bangkok 10330 Tel. +66 (0) 2667-5555	Hotel	1,000,000	99.93%

Remark : [1] Central World Tower Co.,Ltd. was merged with CentralWorld Co.,Ltd. on 18 December 2007.

[2] Only capital from owner type unitholders

List of committee in subsidiaries

Committee	Central Pattana Plc.	Central Realty Services Co.,Ltd.	Central Food Avenue Co.,Ltd.	Langsuan Realty Co.,Ltd.	Central Pattana Rama 2 Co.,Ltd.	Central Pattana Chiangmai Co.,Ltd.	Central Pattana Rattanathibet Co.,Ltd.	Central Pattana Rama 3 Co.,Ltd.	Central Pattana Khon Kaen Co.,Ltd.	Central Pattana Chonburi Co.,Ltd.	Central Pattana Nine Square Co.,Ltd.	Bangna Central Property Co.,Ltd.	Central Realty Service Rama 3 Co.,Ltd.	CentralWorld Co.,Ltd.	Central Play Land Co.,Ltd.	CPN Pattaya Beach Co.,Ltd.	CPN Pattaya Beach Hotel Co.,Ltd.	CPN Construction management Co.,Ltd.
1 Mr.Vanchai Chirathivat	●	●	●	●	●	●	●	●	●	●	●	●	●	-	●	-	-	-
2 Mr.Suthichai Chirathivat	●	-	-	-	-	-	-	-	-	-	-	●	-	-	●	-	-	-
3 Mr.Sudhitham Chirathivat	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	-	●
4 Mr.Prin Chirathivat	●	●	●	●	●	●	●	●	-	-	●	●	●	●	●	-	●	-
5 Mr.Kobchai Chirathivat	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
6 Mr.Anek Sithiprasasana	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
7 Mr.Suthikiati Chirathivat	●	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8 Mr.Suthichart Chirathivat	●	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9 Mr.Sudhisak Chirathivat	●	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10 Mr.Paitoon Taveebhol	●	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11 Mr.Chackchai Panichapat	●	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12 Mrs.Sunandha Tulayadhan	●	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13 Mr.Kanchit Bunajinda	●	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14 Mr.Sudthidej Chirathivat	-	●	●	-	●	●	●	●	●	●	-	●	●	●	●	●	●	●
15 Mr.Suthiphand Chirathivat	-	●	●	●	●	●	●	-	-	-	●	●	-	-	●	-	-	-
16 MissWallaya Chirathivat	-	●	●	-	-	●	-	●	●	●	●	-	●	-	-	●	●	●
17 Mr.Sudhipak Chirathivat	-	-	-	●	-	-	-	●	●	●	-	●	●	●	●	●	●	●
18 Mr.Suthilaksh Chirathivat	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	●	-
19 Mr.Vinyoo Kuvanant	-	-	-	-	-	-	-	-	●	-	-	-	-	-	-	-	-	-
20 Mr.Yotin Booddicharern	-	-	-	-	-	-	-	-	-	-	●	-	-	-	-	-	-	-
21 Mr.Jatesiri Booddicharern	-	-	-	-	-	-	-	-	-	-	●	-	-	-	-	-	-	-
22 Mr.Premchai Karnasuta	-	-	-	-	-	-	-	-	-	-	●	-	-	-	-	-	-	-
23 Mr.Thaveepol Kongseri	-	-	-	-	-	-	-	-	-	-	●	-	-	-	-	-	-	-
24 Mr.Jarern Jirawisan	-	-	-	-	-	-	-	-	-	-	●	-	-	-	-	-	-	-
25 Mr.Uthai Kongkittiwong	-	-	-	-	-	●	-	-	-	-	-	-	-	-	-	-	-	-
26 Mr.Peerapon Pattanapeeradej	-	-	-	-	-	-	-	-	●	-	-	-	-	-	-	-	-	-
27 Mr.Noppadon Pattanapeeradej	-	-	-	-	-	-	-	-	●	-	-	-	-	-	-	-	-	-
28 Mr.Vorapong Pattanapeeradej	-	-	-	-	-	-	-	-	●	-	-	-	-	-	-	-	-	-
29 Mr.Chanavat Uahwatanasakul	-	-	-	-	-	-	-	-	-	●	-	-	-	-	-	-	-	-
30 Mr.Sakkanon Chirathivat	-	-	-	-	-	-	-	-	-	●	-	-	-	-	-	-	-	-
31 Mr.Isareit Chirathivat	-	-	-	-	-	-	-	-	-	●	-	-	-	-	-	-	-	-

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) 2359 - 1262, + 66 (0) 2359 - 1263

Registrar of unsecured debentures

Debentures CPN093A and CPN10DA
TMB Bank Public Company Limited
393 Silom Road,
Silom, Bangkok 10500, Thailand
Telephone: + 66 (0) 2230 - 6061
Facsimile: + 66 (0) 2266 - 8150

Debentures CPN074A, CPN074B, CPN096A, CPN096B, CPN126A and CPN119A
BankThai Public Company Limited
44 Langsuan Road, Lumpini Sub-District,
Pathumwan, Bangkok 10330, Thailand
Telephone: + 66 (0) 2626 - 7503
Facsimile: + 66 (0) 2626 - 7542

Authorized auditor

KPMG Phoomchai Audit Ltd.
Mr. Thirdthong Thepmongkorn,
Certified Public Account, Registration No.3787
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 - 3681

Existing projects managed by CPN

1. CentralPlaza Lardprao
Vice President Property Area 3 : Mr. Athivut Suwanchinda
General Manager : Ms. Dounghathai Sirichartichai
Address : 1693 Phaholyothin Road, Chatuchak, Chatuchak, Bangkok 10900
Tel : + 66 (0) 2793 - 6000
Fax : + 66 (0) 2541 - 1341

2. CentralPlaza Ramindra
Vice President Property Area 3 : Mr. Athivut Suwanchinda
General Manager : Ms. Wanphen Kawbuakaew
Address : 109/10 Moo 3, Ramindra Road, Bangkhen, Bangkok 10220
Tel : + 66 (0) 2790 - 3000
Fax : + 66 (0) 2552 - 5513

3. CentralPlaza Bangna
Vice President Property Area 3 : Mr. Athivut Suwanchinda
General Manager : Mr. Sathit Wikhantanakul
Address : 1091, 1093 Moo 12, Bangna-Trad (KM.3), Bangna, Bangkok 10260
Tel : + 66 (0) 2763 - 6000
Fax : + 66 (0) 2398 - 8941

4. CentralPlaza Pinklao
Vice President Property Area 2 : Ms. Pattra Sapyaprapa
General Manager : Mr. Surasit Manawatanakij
Address : 7/222 Baromrachachonnanee Road, Arunamarin, Bangkoknoi, Bangkok 10700
Tel : + 66 (0) 2877 - 5000
Fax : + 66 (0) 2884 - 9280

5. CentralPlaza Ratchada - Rama 3
Vice President Property Area 2 : Ms. Pattra Sapyaprapa
General Manager : Ms. Thanthika Phiangphor
Address : 79 Sathupradit Road, Chongnonsee, Yannawa, Bangkok 10120
Tel : + 66 (0) 2649 - 6000
Fax : + 66 (0) 2673 - 6009

6. Central Center Pattaya
Vice President Property Area 4 : Mr. Thanasombat Na Ayutaya
General Manager : Ms. Theeraporn Chitnawa
Address : 78/54 Moo 9, Pattaya Sai 2 Road, Banglamung, Cholburi 20260
Tel : + 66 (0) 3836 - 1456
Fax : + 66 (0) 3836 - 1443 ext. 1225, 1226

7. CentralPlaza Chiangmai Airport

General Manager : Ms. Orachorn Chanwiwattana
Address : 2 Mahidol Road, Haiya, Muang, Chiangmai 50100
Tel : + 66 (0) 5399 - 9199
Fax : + 66 (0) 5399 - 9122, +66 (0) 5399 - 9123

8. CentralPlaza Rama 2

Vice President Property Area 4 : Mr. Thanasombat Na Ayutaya
General Manager : Mr. Olarn Vaiudomvut
Address : 128 Moo 6, Rama 2 Road, Samaedum, Bangkhuntian, Bangkok 10150
Tel : + 66 (0) 2866 - 4300
Fax : + 66 (0) 2872 - 4560

9. CentralPlaza Rattanathibet

Vice President Property Area 2 : Ms. Pattra Sapyaprapa
General Manager : Ms. Oranee Poolkwan
Address : 68/100, 68/919 Moo 8, Rattanathibet Road, Bangkrasor, Muang, Nonthaburi 11000
Tel : + 66 (0) 2834 - 6000
Fax : + 66 (0) 2526 - 6092

10. CentralWorld

Vice President : Ms. Nujaree Maratanalert
General manager : Mr. Visit Udomkitchote
Address : 4, 4/1-4/2, 4/4 Rajdamri Road, Patumwan, Bangkok 10330
Tel: + 66 (0) 2640 - 7000
Fax: + 66 (0) 2255 - 9767

11. CentralPlaza Chaengwattana

Senior Vice President Property Development and Management : Mr. Wiwat Charoensawatpong
Assistant Vice President Property Development and Management & General Manager : Mr. Amorn Amornkul
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

Vice President Property Area 4 : Mr. Thanasombat Na Ayutaya
General Manager : Mr. Sarun Tuntijumnun
Address : 333/99 Moo 9, Banglamung, Chonburi 20260
Tel : + 66 (0) 3300 - 3999
Fax : + 66 (0) 3300 - 3999 ext. 1225

Information for investors

Registered capital Baht 2,178,816,000

Issued and paid-up capital Baht 2,178,816,000

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

Securities information

Common shares of Central Pattana Public Company Limited were listed and traded on the Stock Exchange of Thailand with “CPN” as the abbreviated Security Name.

Shareholders’ meeting

The Board of Directors of Central Pattana Public Company Limited agreed to hold the Annual General Meeting of Shareholders (AGM) No.1/2009 on April 30, 2009, at 10:00 am. at: Chidlom Room, 30th Floor, The Offices at CentralWorld, 999/9 Rama I Road, Patumwan Sub-District, Patumwan District, Bangkok 10330, Thailand.

Investor relations

Contact persons: Ms.Choenporn Subhadhira
Ms.Kalvalee Thongsomaung

Address: Central Pattana Public Company Limited
31st Floor, the Offices at CentralWorld,
999/9 Rama I Road, Patumwan
Sub-District, Patumwan District,
Bangkok 10330, Thailand

Telephone: +66(0) 2667 5555 ext. 1614 or 1669
Facsimile: +66(0) 2264 5593
E-mail: ir@cpn.co.th
Website: www.cpn.co.th

Dividend policy

CPN has a policy to pay dividends at a rate of about 40 percent of the annual net profit (unless there is a compelling reason against this).

Share prices and dividend payments for the past five years (2004-2008).

Unit: Baht/share

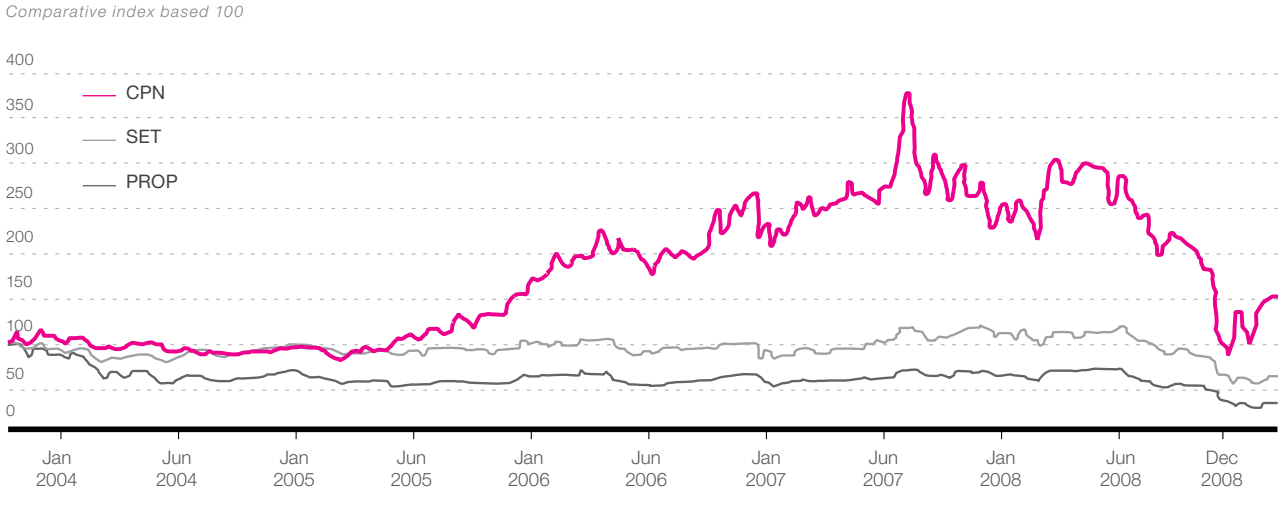
Year	Highest price[1]	Lowest price[1]	Dividend payment
2004	10.90	7.75	0.10
2005	14.50	7.30	0.40
2006	26.50	13.80	0.31
2007	37.00	18.50	0.33
2008	29.75	7.60	0.33

Remark: [1]Share price was adjusted in accordance with the par value of one baht per share.

Movements of CPN Index against SET Index and Property Development Index.

Increase of share price index	5 years	3 years	1 year
SET Index	(42%)	(38%)	(48%)
Property Development Index	(71%)	(47%)	(53%)
CPN Index	44%	(3%)	(43%)

5 years CPN Share Price Movement Compared to SET Index and Property Development Index (based price on year 2004)



Source: Stock Exchange of Thailand (SET)

Designed by: Pink Blue Black & Orange Co., Ltd.
Tel. +66 (0) 2300 - 5124
www.colorparty.com

PROPERTY
DEVELOPMENT
& INVESTMENT
A Member of Central Group

Central Pattana Public Company Limited

Head Office : 30th - 33rd Floors, The Offices at Centralworld,
999/9 Rama I Road, Patumwan, Bangkok 10330, Thailand
Telephone : + 66 (0) 2667 - 5555
Facsimile : + 66 (0) 2264 - 5593
www.cpn.co.th