

CPN ANNUAL REPORT 2010 TRANSFORMATION



PROPERTY
DEVELOPMENT
& INVESTMENT
A Member of Central Group

GENERAL INFORMATION

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

BUSINESS OVERVIEW:

Develop and invest in retail property for rent comprising large-scale shopping complexes and other related supportive businesses. In addition, the Company invests in Retail Growth Leasehold 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 in 1995 under the abbreviated Security Name of “CPN”.

REGISTERED CAPITAL:

Baht 2,178,816,000

ISSUED AND PAID-UP CAPITAL:

Baht 2,178,816,000

Comprising 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

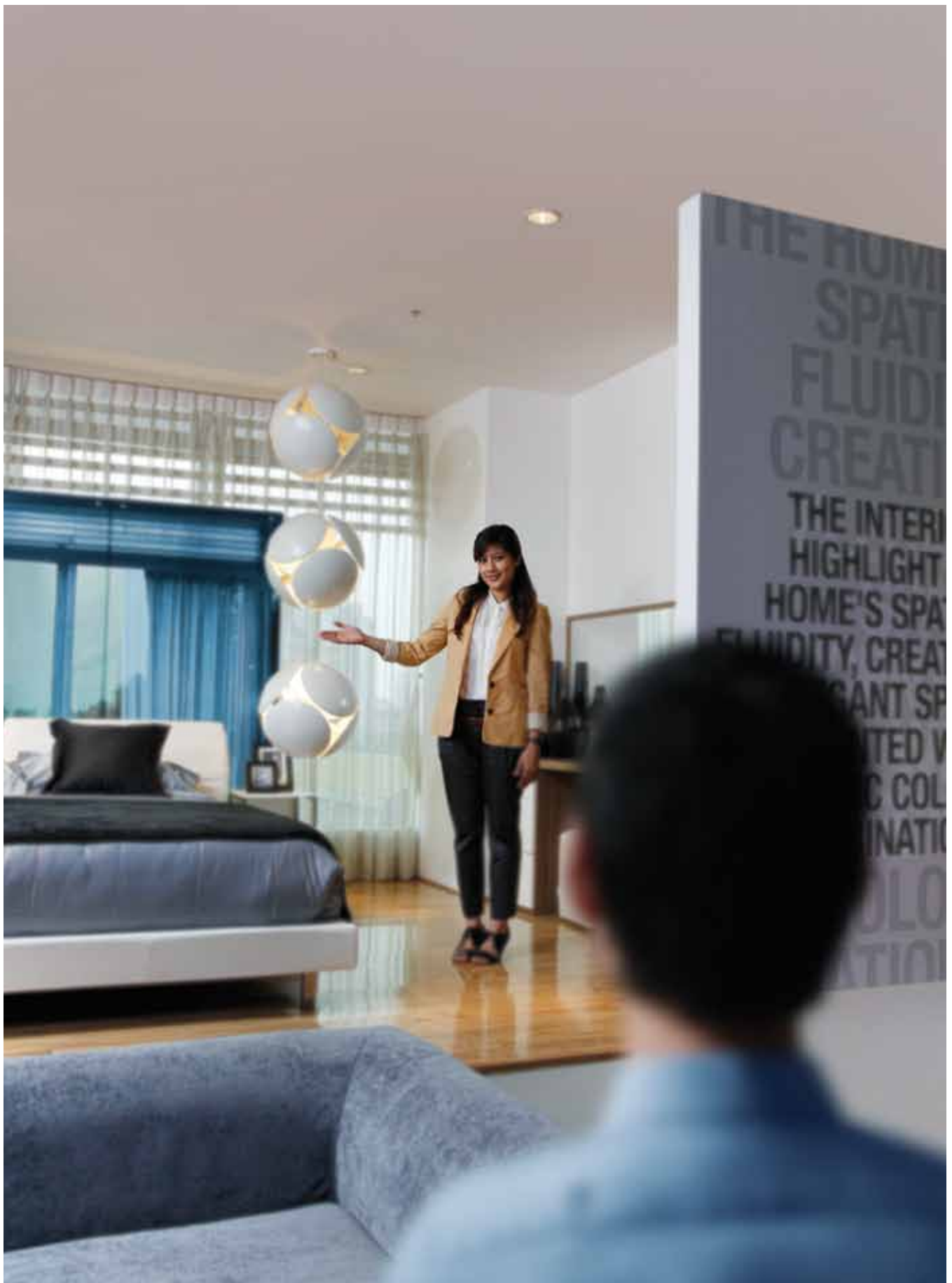
CONTENTS

CONSOLIDATED OPERATIONAL AND FINANCIAL HIGHLIGHTS	12
MESSAGE FROM THE BOARD OF DIRECTORS	16
REPORT OF THE AUDIT COMMITTEE	20
REPORT OF THE NOMINATION AND REMUNERATION COMMITTEE	22
REPORT OF THE RISK MANAGEMENT COMMITTEE	23
REPORT OF THE CORPORATE GOVERNANCE COMMITTEE	24
BOARD OF DIRECTORS AND MANAGEMENT TEAM	26
AWARDS OF GREAT PRIDE IN 2010	28
2010 YEAR IN BRIEF	32
BUSINESS OVERVIEW IN 2010	36
FINANCIAL PERFORMANCE REVIEW	38
CPN TODAY	42
OPERATIONAL PERFORMANCE OF ASSETS UNDER CPN'S MANAGEMENT	48
FUTURE PROJECTS	55
VISION & MISSION	59
STRATEGIES	61
NATURE OF BUSINESS	62
OUR VALUES	65
REVENUE STRUCTURE OF THE COMPANY AND ITS SUBSIDIARIES	66
GROUP STRUCTURE OF THE COMPANY AND ITS SUBSIDIARIES	67
CORPORATE GOVERNANCE	68
ORGANIZATION DEVELOPMENT	81
HUMAN CAPITAL MANAGEMENT	84
HUMAN CAPITAL DEVELOPMENT	88
SUSTAINABILITY MANAGEMENT	89
RISK FACTORS	96
CAPITAL STRUCTURE	98
ORGANIZATION CHART	101
MANAGEMENT STRUCTURE	102
NOMINATION OF DIRECTORS AND MANAGEMENT	111
REMUNERATION OF THE DIRECTORS AND MANAGEMENT	113
CONNECTED TRANSACTIONS	116
RESPONSIBILITY OF THE BOARD OF DIRECTORS TO FINANCIAL STATEMENTS	126
AUDIT REPORT OF CERTIFIED PUBLIC ACCOUNTANT	127
ANNUAL FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS	129
AUDITOR'S FEE	203
MANAGEMENT BIOGRAPHY	204
GENERAL INFORMATION OF BUSINESS HELD BY CPN 10% UPWARD	213
LIST OF COMMITTEE IN SUBSIDIARIES	216
EXISTING PROJECTS MANAGED BY CPN	217
REFERENCE FIRMS	220
INFORMATION FOR INVESTORS	221

TRANSFORMATION

After bringing revolutionary changes to Thailand's retail business over the last three decades, CPN is today poised to tackle regional challenges for shopping complexes, so as to extend its success and business growth in a sustainable way.





Transform Our Professionals

Apart from sound business strategies and financial strengths, professionals thrive on internationalizing CPN's work processes.

Underlying our international competitive edge are constant personnel development and management system efficiency improvement. These will fuel our success while leading CPN toward regional admiration.



Transform Together

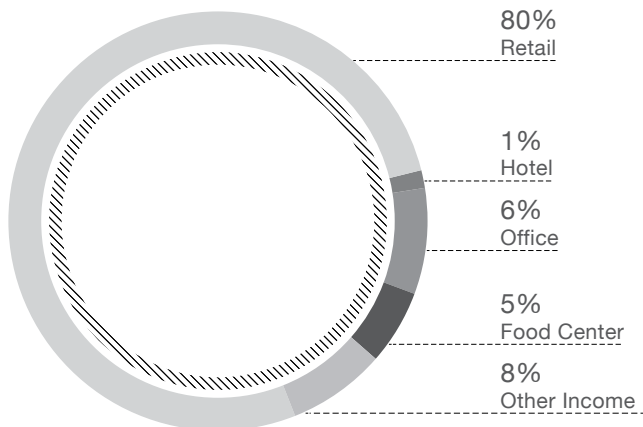
Capability transformation takes place not only at CPN, but we promote similar transformation for operators and trade partners alike. Together we must strive for the same goal, so as to galvanize all toward our mutual success.

Thanks to the support of our trade allies, operators, and shareholders, CPN is Thailand's leading shopping complex developer and the largest retail property developer on the Stock Exchange of Thailand today.

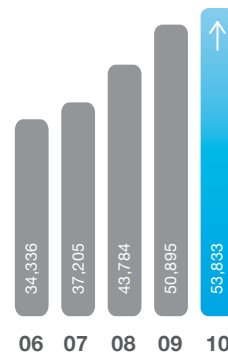


CONSOLIDATED OPERATIONAL AND FINANCIAL HIGHLIGHTS

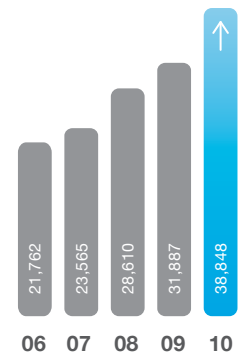
REVENUE
BREAKDOWN



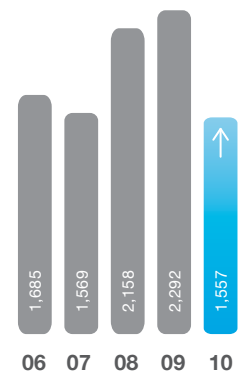
Note :
Other income excludes interest income, dividend income, share of profits of associate, and non-recurring incomes



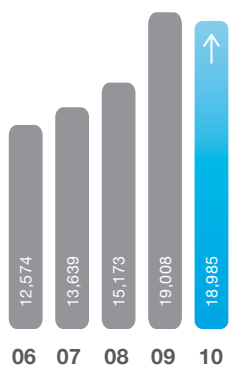
TOTAL ASSETS
(Million Baht)



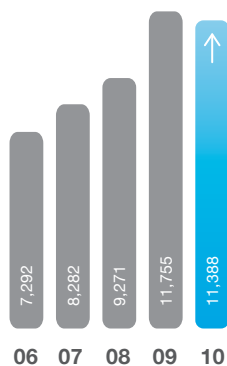
TOTAL LIABILITIES
(Million Baht)



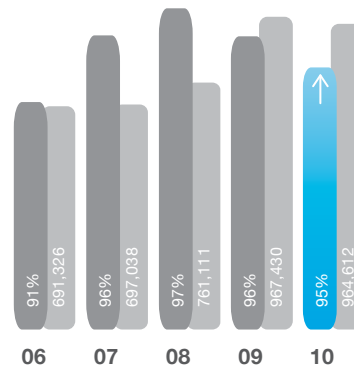
ADJUSTED NET PROFIT
(Million Baht)



TOTAL SHAREHOLDERS EQUITY
(Million Baht)

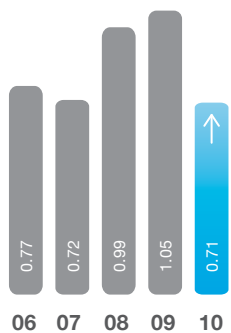


TOTAL REVENUES
(Million Baht)

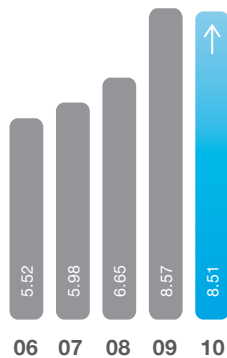


OPERATIONAL PERFORMANCE : RETAIL

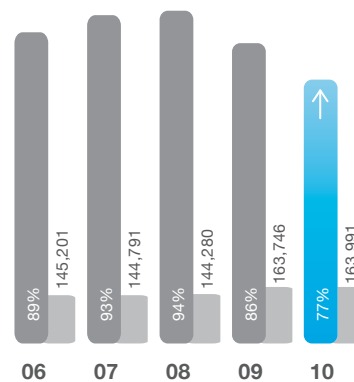
■ Occupancy Rate (%)
■ Leasable Area (Square Metre)



ADJUSTED EARNINGS PER SHARE
(Baht per share)



BOOK VALUE PER SHARE
(Baht per share)



OPERATIONAL PERFORMANCE : OFFICE

■ Occupancy Rate (%)
■ Leasable Area (Square Metre)

CONSOLIDATED OPERATIONAL AND FINANCIAL HIGHLIGHTS

As at 31 December	2006	2007	2008	2009	2010
-------------------	------	------	------	------	------

OPERATIONAL PERFORMANCE OF ASSETS UNDER CPN'S MANAGEMENT

Leaseable Area (square metres)	842,900	848,202	911,764	1,137,549	1,134,976
• Retail	691,326	697,038	761,111	967,430	964,612
• Office	145,201	144,791	144,280	163,746	163,991
• Hotel (Room)	-	-	-	255	557
• Residential	6,373	6,373	6,373	6,373	6,373
Occupancy Rate (%)					
• Retail	91%	96%	97%	96%	95%
• Office	89%	93%	94%	86%	77%
• Hotel	0%	0%	0%	68%	50%
• Residential	59%	69%	69%	67%	67%

CONSOLIDATED FINANCIAL RESULTS

Unit : ('000 Baht)

Total Revenues ¹	7,291,816	8,282,131	9,270,743	11,754,650	11,387,613
Revenues from Rental & Service, Food & Beverage, Hotel	6,706,222	7,680,984	8,598,631	10,934,257	10,529,901
Costs of Rental & Service, Food & Beverage, Hotel	3,782,797	4,473,361	4,889,596	6,696,678	6,921,046
Gross Profit ²	3,509,020	3,808,770	4,381,147	5,057,972	4,466,567
Net Profit	1,685,194	1,783,406	2,185,788	4,951,623	1,130,499
Adjusted Net Profit ²	1,685,194	1,569,106	2,157,858	2,292,460	1,557,224

Note :

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

2 Excludes non-recurring items.

	2006	2007	2008	2009	2010
--	------	------	------	------	------

CONSOLIDATED FINANCIAL POSITION

Unit : ('000 Baht)

Total Assets	34,336,477	37,204,641	43,783,780	50,895,450	53,832,563
Total Liabilities	21,762,292	23,565,347	28,610,457	31,887,348	38,847,604
Net Interest-Bearing Debt ³	7,420,757	8,061,863	12,768,404	14,128,862	17,452,338
Total Shareholders' Equity	12,574,185	13,639,293	15,173,322	19,008,102	18,984,959
Retained Earnings	7,727,273	8,720,562	10,089,338	14,539,840	14,406,674
Issued and Paid-up Share Capital	2,178,816	2,178,816	2,178,816	2,178,816	2,178,816
Total Number of Shares ('000 Shares)	2,178,816	2,178,816	2,178,816	2,178,816	2,178,816

CONSOLIDATED FINANCIAL RATIOS

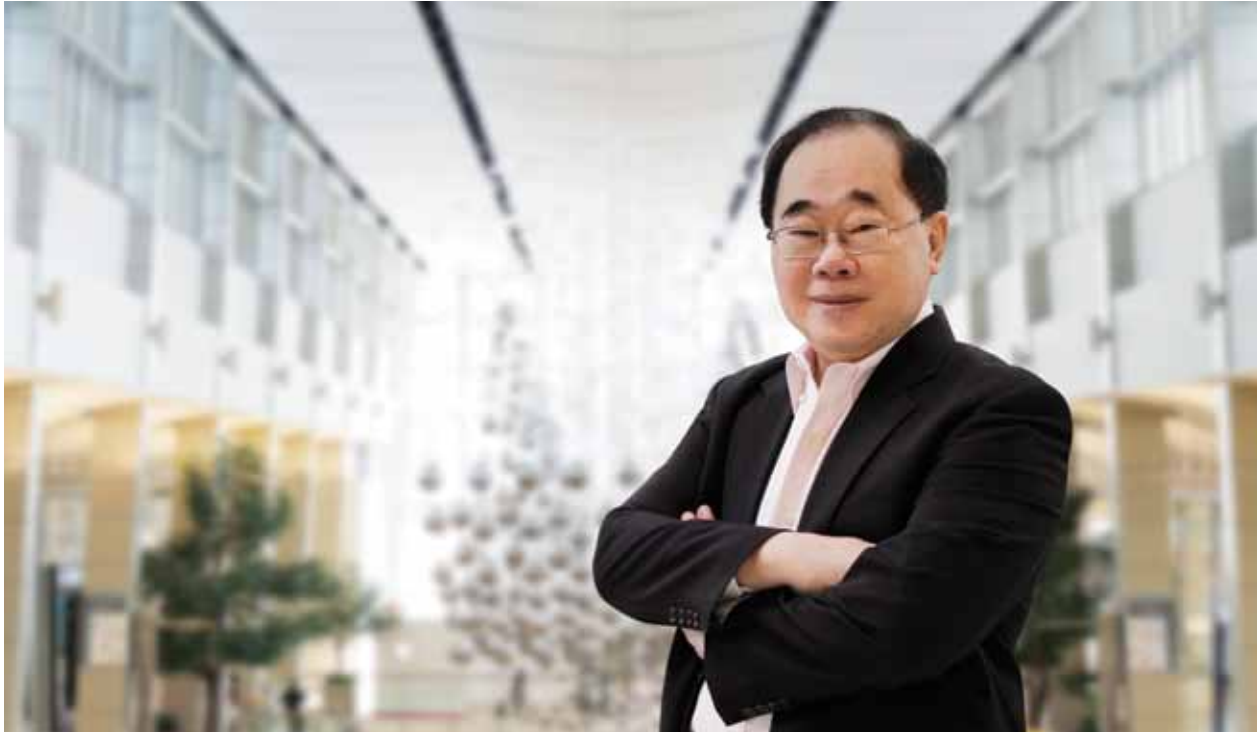
Net Interest-Bearing Debt to Equity ³ (time)	0.59	0.59	0.84	0.74	0.92
Gross Profit Margin ² (%)	48.12	46.00	47.26	43.03	39.22
Net Profit Margin ² (%)	21.72	18.02	22.02	18.74	13.08
Return on Assets (%)	4.98	4.99	5.40	10.46	2.16
Return on Equity ⁴ (%)	14.50	14.24	15.89	29.85	6.08
Earnings per Share ⁵ (Baht)	0.77	0.82	1.00	2.27	0.52
Adjusted Earnings per Share ^{2, 5} (Baht)	0.77	0.72	0.99	1.05	0.71
Book Value per Share (Baht)	5.52	5.98	6.65	8.57	8.51
Dividend per Share (pay in the following year) (Baht)	0.31	0.33	0.33	0.58	0.25

³ Net interest-bearing debt excludes loans from related parties.

⁴ Return on equity excludes minority interest in subsidiaries.

⁵ Basic earnings per share only attributable to ordinary shareholders.

MESSAGE FROM THE BOARD OF DIRECTORS



To the Shareholders:

The year 2010 was the first year in which I had the honor of assuming the post of Chairman of Central Pattana Plc. It was also one of the most challenging times for me and all the Board of Directors.

CENTRALWORLD

Although the global economy has recovered and shown a promising trend, the crisis derived from the domestic political conflict wielded a direct impact on the consumers' spending confidence and a drastic impact on CPN's businesses.

Due to the political protests around the Ratchaprasong intersection during the first half of 2010, CentralWorld was closed in April for the safety of shops and customers. It was continuously closed until September for renovation and repair suffered from the damage caused by fire after the protests ended in May.

The Board of Directors convened a special session on the following day to acknowledge the reports of the situations and the damage done, and to provide operational guidelines to alleviate negative impacts on the Company and all stakeholders. Measures to assist shops were immediately put into force, including the temporary extension of the planned closure of CentralPlaza Ladprao for renovation to maintain the Company's liquidity and to allow some shops in CentralWorld to release their products during CentralWorld's closure.

Due to the fires, some parts of the buildings and some assets of CentralWorld were destroyed. However, we managed to keep

essential parts of the buildings and essential building systems. There was also no death among our employees. As for the asset damages and the losses of income during the renovation closure, the executives believed that all were covered by our insurance and full compensation could be made. At present, however, the executives, the insurance company and the relevant independent experts are negotiating the compensation, but no agreement has been reached yet.

During the closure of CentralWorld for renovation, CPN cleaned, purged contaminants, and repaired the buildings and the building systems, as well as improving the landscape around the shopping complex. CentralWorld was officially re-opened in September with a more modern, exotic image and interior decoration structure. Most of the popular shops returned, added by new shops with leading brands. Therefore, the shopping complex was complete and able to better respond to customers' needs. Incidentally, Zen Department Store, CPN's long-term tenant, sustained more damage than other areas. At present, it is under construction and expected to be re-opened in the third quarter of 2011.

Despite the unexpected events affecting consumers' confidence, CPN was still confident in the country's potential and was committed to creating sustainable growth in the future by constantly formulating plans for new projects. The new ones that were publicly announced were CentralPlaza Chiangrai, CentralPlaza Phitsanulok, CentralPlaza Rama IX, CentralPlaza Surathani, and CentralFestival Chiangmai. Moreover, CPN continued to implement its plan to expand overseas. However, to enter new markets, CPN is exercising extraordinary

CPN is committed to business operation with ethics and good governance for the maximum sustainable benefit of all stakeholders. The Company is also committed to developing its potential to fulfill the vision of “the most admired retail developer in the region”.

prudence in investment considerations. Therefore, we may need more time to implement the plan.

Looking back over the past year, all the events that we experienced were lessons to test our management ability and financial strength. They also made us aware of the areas that needed to be fast developed and improved. With the Company's policy to constantly develop the domestic retail business and its goal to operate the retail business at the regional level, the organization's strength and sustainability could not be ignored. The year 2011 will be the first in which CPN adopts complete organizational transformation, which will focus on the development of management systems, improvement of work processes, as well as human resource development so that CPN may become a high-performance organization, with a solid work business foundation, ready to compete at the regional level.

“CORPORATE SOCIAL RESPONSIBILITY” AS ONE OF CPN'S BUSINESS PRINCIPLES

During the past year, CPN set up a committee on sustainable development to concretely oversee the policy and action plans for society, the community, and the environment. Its focus was on energy conservation, environmental protection of the surrounding areas and communities, and promotion of local culture. It also supported education and youth development through activities under the “CPN Young Thai Intellectual Cultivation” project. Moreover, it raised employees' awareness of the importance of repaying the community and society through the participation of activities under the “CPN

Volunteers” project. At present, 800 employees with volunteering spirit have participated in the project.

FINANCIAL PERFORMANCE IN 2010

For the year, CPN reported its FY2010 consolidated net profit of 1,130.5 MB, a 77.2% y-o-y drop from last year. Total revenues declined by 25.8% y-o-y to 11,646.8 MB. The changes in the CPN's performance were primarily due to losses from a write-off (non-cash) of CentralWorld's damaged assets from the fire incidents in 2010, in addition to a one-time gain associated with the financial lease of partial assets of CentralPlaza Pinklao project to CPN Retail Growth Leasehold Property Fund (“CPNRF”) in 2009. These are considered as non-recurring items. Excluding the above-mentioned losses and gains, and other extraordinary items of this year and the previous year, however, CPN and its subsidiaries would have registered a 32.1% y-o-y drop in net profit, while total revenues would have declined by 3.1% y-o-y, primarily due to the closure of CentralWorld and the transferred performance of partial assets of CentralPlaza Pinklao Project to CPNRF since November 2009 due to the financial lease of the properties to CPNRF.

In view of the Company's performance and overall financial situation for 2010, coupled with its business expansion and investment plans, the Board of Directors agreed to propose to the Annual General Shareholders' Meeting, to be held on April 29, 2011, for the approval of a dividend of 0.25 baht per share, based on 48% of the net profit under the consolidated financial statements.

SUCCESS THROUGH THE SUPPORT OF CENTRAL GROUP

The success of CPN for the past 30 years was partly due to the fact that CPN was one of the business lines under Central Group, the retail business leader for over 60 years. The Central Group encompasses various businesses ranging from department stores, hotels, restaurants to the retail business, all of which are anchor and retail tenants within CPN's shopping complexes. It can be said that the alliance businesses within Central Group support CPN in increasing its rental rate and bolstering confidence among other prospects to become new tenants. These guarantee the success of CPN's projects and, therefore, yield high profits to CPN's shareholders from such mutual relationship. The fact that CPN and Central Group are two connected business allies creates synergy that benefits CPN. The Board of Directors ensures transparency in connected transactions to prevent conflicts of interest and provide the shareholders with confidence in these transactions. The Board does so by setting a clear policy of connected transactions. Prices and conditions are considered under normal business practices. The Audit Committee gives priority and seriously reviews the appropriateness of CPN's connected transaction policy. Before conducting any significant connected transaction, the management presents a detailed report to the Audit Committee for consideration and comments every time. Finally, information is duly disclosed in compliance with the regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand.

I would like to take this opportunity to thank all the supporters who drive CPN through obstacles to go further with confidence, as well as all employees who fully dedicated themselves to their work, together with their families for their understanding and encouragement of their loved ones who had to work in risk-prone areas. Lastly, I would like to thank the shareholders, the tenants, the business allies, the financial institutions, the public and private sectors, the mass media, and CPN's customers for their trust in and support of CPN's operation all along. The Board of Directors ensures you that CPN is committed to business operation with ethics and good governance for the maximum sustainable benefit of all stakeholders. The Company is also committed to developing its potential to fulfill the vision of "the most admired retail developer in the region".

March 1, 2011



Mr. Suthichai Chirathivat
Chairman



Mr. Kobchai Chirathivat
President & CEO

REPORT OF THE AUDIT COMMITTEE

To the Shareholders:

Consisting of three qualified independent directors, the Audit Committee is chaired by Mr. Paitoon Taveebhol, who is knowledgeable and experienced in the review of financial statements, with Mr. Chackchai Panichapat and Mrs. Sunandha Tulayadhan as members. The Board, at its January 21, 2011, meeting also appointed Mr. Karun Kittisataporn, an independent director, as a fourth member of the Committee.

The Committee held 11 meetings during the year with perfect attendance each time. At some meetings, it consulted the President & CEO, the management, the external auditor, the internal auditor, and non-executive directors as seen necessary and provided candid views and recommendations. The Committee reported its performance to the Board of Directors on six occasions, with the following summary of performance and views:

ACCURACY, COMPLETENESS, AND RELIABILITY OF FINANCIAL STATEMENTS

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

ADEQUACY OF INTERNAL CONTROL SYSTEM, INTERNAL AUDIT, RISK MANAGEMENT, AND GOOD CORPORATE GOVERNANCE

Reviewed were the audit reports of Internal Audit and of the

external auditor concerning assessment of the internal control system, risk management, and good corporate governance, as well as the improvement of executives' performance as recommended in such reports, while internal processes of whistleblower system and complaint handling were also considered. It is the Committee's view that CPN's internal control system is adequate and appropriate.

Also reviewed were the annual risk-based audit plan and performance, together with the assessment of Internal Audit's performance. The Committee regularly consulted Internal Audit executives in the absence of the management. In addition, it reviewed the Internal Audit charter for more complete coverage and timeliness, effective from January 24, 2011. The Committee considers CPN's internal controls independent and appropriate.

COMPLIANCE WITH SECURITIES AND EXCHANGE COMMISSION (SEC) LAWS, THE STOCK EXCHANGE OF THAILAND'S (SET'S) REQUIREMENTS, AND APPLICABLE LAWS

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

TRANSACTIONS WITH POTENTIAL CONFLICTS OF INTEREST

Since CPN has numerous subsidiaries, associated companies, and related companies, the Committee considers it crucial to pay attention to transactions with potential conflicts of interest and has involved the external auditor in the review of connected transactions or those with potential conflicts of interest to ensure

conformance to the applicable law and SET's regulations. The Committee considers these related transactions part of the normal course of business with regular commercial conditions, sensible and fair conditions, and in the best interests of CPN.

SUITABILITY, CONSIDERATION, SELECTION, AND ENDORSEMENT OF THE EXTERNAL AUDITOR

The Committee held a meeting with the external auditor in the absence of the management to seek its views about its work and coordination with relevant members of the management and to assess its performance of 2010, the fifth year under this external audit firm. It is the Committee's view the external auditor commanded due independence and showed satisfactory performance.

As for the selection and endorsement of the external auditor for 2011, the Committee and the management considered a report on the comparison of conditions, scopes, and fees from four candidates and agreed to nominate KPMG Phoomchai Audit Limited as CPN's external auditor for 2011 with the same fee as that of last year (Baht 1,510,000).

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

Self-assessment performance outcomes were reviewed by the Committee as a result of collective assessment for 2010, undertaken on January 18, 2011, of its composition, training and resources, meetings, activities, and relations with the head of Internal Audit, the external auditor, and the management. It is the overall view of the Committee that it had performed its duties adequately and completely.

OTHER ITEMS OF INTEREST TO SHAREHOLDERS AND INVESTORS AT LARGE UNDER THE BOARD-ASSIGNED SCOPE OF DUTIES AND RESPONSIBILITIES

The Committee has reviewed and revised its charter to make it more comprehensive and suitable; a revised charter was enforced from August 11, 2010, onward.

The Committee also held a meeting with non-executive directors to seek their views on key issues concerning the development of good corporate governance practices, corporate strategic risk management, connected transactions or transactions with potential conflicts of interest, and actions in the wake of the fire incident at CentralWorld. Out of this consultation arose clear conclusions about the actions to be taken, which were brought up to the Board for its consideration.



Mr. Paitoon Taveebhol

Chairman of the Audit Committee

February 28, 2011

REPORT OF THE NOMINATION AND REMUNERATION COMMITTEE

In 2010, the Nomination and Remuneration Committee performed its duties under its charter. Two meetings were held with the following summary:

1. Recruited suitable candidates for tabling to the Board and the shareholders' meetings for their consideration and nomination as replacements for retiring directors in 2010, and met with approval from the shareholders.
2. Nominated Mr. Suthichai Chirathivat to replace Mr. Vanchai Chirathivat, who resigned from the chairmanship, and met with approval from the Board.
3. Considered the 2010 compensation for the Board and the sub-committees, comprising the Audit Committee, the Nomination and Remuneration Committee, and the Risk Management Committee, and then submitted them to the Board and the shareholders' meetings for consideration and approval, taking into account their responsibilities and performances compared with industry peers and met with approval from the shareholders.
4. Deliberated and provided opinions on the Company's human capital policy and organizational development, including appropriate development direction and evaluation, in support of business expansion.
5. Considered succession plans for senior executives.
6. Set performance goals and evaluated the President & CEO's performance.

The Nomination and Remuneration Committee did its utmost to independently complete its duties and responsibilities, and provided honest opinions for the maximum benefit of the Company and the shareholders, and adequate and appropriate benefit for other stakeholders. The Nomination and Remuneration Committee reported its performances and findings to the Board for acknowledgment after each meeting.



Mr. Chackchai Panichapat

Chairman of the Nomination and
Remuneration Committee

March 1, 2011

REPORT OF THE RISK MANAGEMENT COMMITTEE

Recognizing the criticality of risk management, the Board of Directors stresses risk management development under good corporate governance, as well as systematic and efficient risk control under prevailing circumstances, the constant business expansion, and the country's uncertain economic situations caused by internal and external factors with impacts on the Company's operation. Therefore, the Risk Management Committee focuses on the risks to the Company's strategies and business plans. Notable risk management performances of 2010 were as follows:

1. Comprehensively covered the four major risk management aspects namely:
 - 1.1 Strategic risks: The Committee ensured that strategic implementation was uniform with the mission and business plans, and ensured that the formulation of strategies and objectives were in line with the risks acceptable by the Company.
 - 1.2 Operation risks: The Committee ensured the comprehensive stages of operation, covering processes, investment, information technology, operating personnel, as well as safety risks to lives and the Company's assets.
 - 1.3 Compliance risks: The Committee ensured strict compliance with internal and external rules, in addition to applicable laws.
 - 1.4 Financial risks: The Committee focused on organizational management under a prudent financial policy and the given budget to provide suitable returns and ensure that risk management and internal controls were efficient for acceptable risks under dynamic circumstances.

2. Ensured systematic and regular monitoring of all units' risk management practices, including constant operation updates to ensure conformity to the formulated plans and to prevent losses through reports of relevant departments.
3. Promoted and developed risk management among executives, especially at the director level of every department, to review their understanding of risk management and raise awareness of its importance.

Risk management reporting came under a defined process in a comprehensive, timely, and proper manner. The Committee's performance updates were provided to the Audit Committee after its four meetings, and twice to the Board.

In 2010, the Risk Management Committee ensured that the Company's risk management was adequate and proper for acceptable risks, with continual implementation of risk management. It also supported the risk management culture, as well as providing candid opinions to all units for the maximum benefit of the Company and the shareholders, and other stakeholders as seen appropriate.



Mr. Naris Cheykin

Chairman of the Risk Management Committee

March 1, 2011

REPORT OF THE CORPORATE GOVERNANCE COMMITTEE

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 corporate governance and social responsibility among the management and all staff efficiently and effectively.

In 2010, the essences of the duties performed for 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 campaigns for the six 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.
 - Arranged for staff orientation to understand and acknowledge the principles of corporate governance, as well as CPN's code of conduct and core values.

- 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 ADMIRE Newsletter, the Company's bi-monthly in-house magazine, to foster understanding among staff of the desired work behavior and compliance with corporate governance principles.
- Offered staff an opportunity to participate in expressing their opinions or raising complaints through 'idea-Box' located at each branch or via P.O.Box 99, Patunam, Bangkok 10409.
- Provided channels of communication for all stakeholders who have doubts or witness any suspicious act of violation of law, regulation, or business ethics. They can file complaints to the Audit Committee via email: whistleblower@cpn.co.th, enclosed letter, or phone number +66 (0) 2 667 5555 ext 1200.
- Set up a CPN volunteer group and invited staff participation in social responsibility activities.
- Set up "CSR Day" activities, in co-operation with Thaipat Institute, to introduce and educate CPN's staff to CSR on an entry level, such as what CSR is, how can they

participate in CSR activities within their organization under a topic of “CSR is fun and can be easily achieved everyday”.

3. Formulated a CSR (corporate social responsibility) policy and encouraged activities that are relevant to the company's CSR plan. Those activities included energy conservation, which targets to reduce energy's consumption no less than 5% y-o-y, and “Energy Day” activity, widened the opportunities for staff, tenants, shoppers and those who are interested in taking part in energy conservation activities and community services.
4. Implemented Employee Opinion Survey (EOS) for further development and promotion of corporate governance.
5. Regularly reported on good corporate governance to the Audit Committee and the Board.

The Corporate Governance Committee did its best in performing its duties with steady determination to develop the Company's 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 and support continued and sustainable growth.

Because of the Company's dedication to and appreciation of the value of corporate governance, together with full support and cooperation from the directors, management and staff,

for the 2nd year in a row, CPN got the “Excellent” rating score from the evaluation of listed companies 2010 by Thai Institute of Directors Association (IOD).



Mr. Naris Cheyklin

Chairman of Corporate Governance Committee

March 1, 2011

BOARD OF DIRECTORS AND MANAGEMENT TEAM





04



05



09



10



14



15



19



20

01 / Mr. Vanchai Chirathivat

02 / Mr. Suthichai Chirathivat

03 / Mr. Paitoon Taveebhol

04 / Mr. Chackchai Panichapat

05 / Mrs. Sunandha Tulayadhan

06 / Mr. Karun Kittisataporn

07 / Mr. Kanchit Bunajinda

08 / Mr. Sithikiati Chirathivat

09 / Mr. Suthichart Chirathivat

10 / Mr. Sudhisak Chirathivat

11 / Mr. Sudhitham Chirathivat

12 / Mr. Kobchai Chirathivat

13 / Mr. Prin Chirathivat

14 / Mr. Sudthidej Chirathivat

15 / Mr. Naris Cheykin

16 / Mr. Suthipak Chirathivat

17 / Mr. Terachart Numanit

18 / Ph.D. Nattakit Tangpoonsinthana

19 / Ms. Wallaya Chirathivat

20 / Mrs. Narttaya Chirathivat



The awards of great pride in 2010 are just one stride for us. We are convinced that the application of shopping complex innovations to our development and management in parallel with consistently sound organizational management will lead CPN on a path to sustainable growth and regional leadership in retail property development and management.

AWARDS OF GREAT PRIDE IN 2010

01

CPN was rated “Excellent Corporate Governance”

02

2010 Best-of-the-Best Award was presented to CentralWorld.

03

Super Brands Award 2010 was presented to CentralWorld.

04

BK Readers’ Choice Award was presented to CentralWorld as Thailand’s most popular shopping complex.

05

Thailand Quality Class (TQC) was conferred on CentralPlaza Chiangmai Airport.

06

Thailand Energy Award 2010 was presented to CentralPlaza Chaengwattana and CentralPlaza Rama II.

The awards granted to CPN in 2010 proved that our leadership in retail property development and management is well recognized by leading local and international institutes. Thanks to constant improvement, CPN has moved forward from receiving regional awards for the best shopping complexes to global ones for such excellence. In parallel, CPN still maintains the management standard as evident in the Super Brand Award and Thailand’s Most Popular Shopping Complex Award, awarded to CPN for several years in a row. This year, it is a privilege for CPN to be the first retail property developer and management that has earned the Thailand Quality Class (TQC) Award, which is a national award with an international judging standard. In addition to developing and managing shopping complexes into a lifestyle center with a unique shopping experience, we aware of social and environmental responsibility by advocating energy-efficient and environmental conservation designs and implementation within shopping complexes and the Thailand Energy Award confirmed the national recognition of our dedication. Furthermore, our commitment to good corporate governance as well as accurate, complete, and transparent disclosure helped CPN earn an “Excellent Corporate Governance” score for two consecutive years.

The awards of great pride in 2010 are just one stride for us. We are convinced that the application of shopping complex innovations to our development and management in parallel with consistently sound organizational management will lead CPN on a path to sustainable growth and regional leadership in retail property development and management.

GOOD CORPORATE GOVERNANCE

CPN was rated “Excellent Corporate Governance”

out of 480 listed companies for two consecutive years by the National Corporate Governance Institute in conjunction with Thai Institute of Directors (IOD), Stock Exchange of Thailand (SET), and Securities and Exchange Commission (SEC), which supervises and develops Thai listed companies. Based on the 132 criteria of the Organization for Economic Cooperation and Development (OECD) and SET, the assessment focused on the treatment of shareholders, equality, disclosure and transparency, roles of stakeholders, and responsibilities of the Board—the principles CPN holds dear to its heart and consistently conforms to.

DEVELOPMENT AND MANAGEMENT OF SHOPPING COMPLEXES

2010 Best-of-the-Best Award was presented to CentralWorld

by the International Council of Shopping Center (ICSC). This award honors successful and globally accepted retail developers and management in development and design. It was a proud step forward by CPN to be the only chosen one among hundreds of contestants around the world in a heated competition to receive this award. It is a sign of success and continuous development since 2009, when CentralWorld won the regional 2009 ICSC Asia Shopping Centre Awards – Gold Award for Development and Design Excellence. In 2010, CPN brought CentralWorld before the eyes of the world on behalf

of the Thai retail business as a whole, which is considered a major achievement of CPN and the country’s retail property industry.

Super Brands Award 2010 was presented to CentralWorld

by Super Brand Council, a global organization granting awards to companies with the strongest brands in 2010. This award was conferred on CPN for two consecutive years in competition with 6,000 other brands nationwide. The criteria included the quality, credibility, and outstanding competency. CPN was globally recognized for its retail property development and management of modern and integrated shopping complex that won the hearts of Thai people all over the country.

BK Readers’ Choice Award was presented to CentralWorld as Thailand’s most popular shopping complex.

It was voted by readers of BK Magazine, a free publication distributed in Bangkok. With its grandeur, stylish design, ready access, and a complete range of products, CentralWorld best serves the needs of urban people with various lifestyles.

Thailand Quality Class (TQC) was conferred on CentralPlaza Chiangmai Airport.

It is Asia's first shopping complex that has earned this privilege since the National Productivity Institute under the Ministry of Industry witnessed CPN's excellent organizational management in every aspect, such as leadership, strategic planning in response to the Company's growth and risk prevention, and knowledge analysis and management. Furthermore, effective personnel and work processes play a crucial part in the organization's overall performance. In addition, CPN takes corporate governance as well as social and environmental responsibility into account. CentralPlaza Chiangmai Airport has therefore applied innovation to its management processes to deliver novel shopping experience and provide products and services that best serve customers' lifestyles. At the same time, the shopping complex perfectly combines uniqueness and culture with modernity.

ENERGY AND ENVIRONMENTAL CONSERVATION

Thailand Energy Award 2010 was presented to CentralPlaza Chaengwattana and CentralPlaza Rama II

by the Ministry of Energy. CentralPlaza Rama II won the Best Energy Efficiency Award under the category of designated buildings and CentralPlaza Chaengwattana earned the Best Innovation for Energy Efficiency Award under the category of new buildings. Both shopping complexes use significant energy-efficient measures, starting from building designs and surroundings that facilitate energy conservation, material

selections, such as glass, roof, and paints that save energy otherwise required for air conditioning, to lighting systems that use both natural light and light bulbs that generate similar light. Additional technologies were also applied to other systems, namely intelligent elevator systems that can save more than 10% of energy as opposed to ordinary elevator systems. CPN has included energy and environmental conservation to the Company's agenda and various systems were brought in to accommodate planning and to track the data on energy consumption. Plans are also formulated to maintain and control the functions of major equipment. Furthermore, committee members were assigned to ensure that the implementation proceeded as planned and energy and environmental conservation was continuously developed.

2010 YEAR IN BRIEF

January

01

- CentralWorld won the BK Readers' Choice Award as voted by readers of BK Magazine, a free English-language publication distributed in Bangkok, as Thailand's most popular shopping complex.

April

04

- CentralWorld was closed due to the extended rally at Ratchaprasong Intersection, where the shopping complex is located.
- CPN held the annual general shareholders' meeting number 1/2010 covering two major agenda items: 1) approval of its financial statements ending on December 31, 2009, and 2) approval of dividend payments for its performance in 2009.



May

05

- CentralWorld won 2010 Best-of-the Best-Award from the International Council of Shopping Centers (ICSC). This award honored successful and globally accepted retail developers and operators in development and design.
- Fire incidents at CentralWorld damaged the assets and caused the shopping complex to be closed for renovations.
- CPN paid a dividend per share of Baht 0.58 based on its performance in 2009.



June

06

- CPN's 10 out of 15 shopping centers were upgraded their efficient management standards from ISO 9001:2000 to ISO 9001:2008. Two new shopping complexes, namely Central Plaza Chaengwattana and CentralFestival Pattaya Beach, were also certified. That means a total of 12 CPN's shopping complexes have been certified by ISO 9001:2008. The newly-opened shopping centers will also submit their applications for ISO 9001:2008 certification.
- CPN issued three-year unsecured debentures of 500 million baht to institutional investors, through private placement allotment which was well received.



August

08 /

- CentralWorld received the Super Brands Award 2010 for two consecutive years from the Super Brands Council, a global organization that grants awards to companies with the strongest brands in 2010. The award criteria included quality, credibility, and outstanding competency. CPN was recognized for its modern and integrated shopping complexes, which won the hearts of people all over the country.

- CPN has maintained its credit rating at A+ by TRIS Co., Ltd., reflecting the Company's strength, credibility, and growth.

- CentralPlaza Chaengwattana won the Best Innovation for Energy Efficiency Award for New Buildings from Thailand Energy Awards 2010 as presented by the Ministry of Energy because it was designed for energy and environmental conservation.

- CentralPlaza Rama 2 won the Best Energy Efficiency Award for Control Buildings from Thailand Energy Awards 2010 as presented by the Ministry of Energy because it implemented energy-efficient measures as a key operational policy.



September

09 /

- Beacon, Central Court, Dazzle, Eden, and Forum zones in CentralWorld were reopened. A wide variety of shops provide outstanding ambience and are ready to serve customers' needs while also delivering an enjoyable and ultimately satisfying shopping experience.



November

11 /

- CPN was commended for its “Excellent Corporate Governance” in 2009 by a National Corporate Governance panel that supervised and developed Thai listed companies. The assessment focused on the treatment of shareholders, equality, and transparency.
- The Hilton Pattaya Hotel was opened on Central Pattaya Beach, a very popular tourist destination. The hotel comprises over 300 five-star guest rooms, each of which has a personal balcony with a 180-degree panoramic view of Pattaya Beach. It also provides large banquet rooms and seminar rooms with full amenities. This 34-story hotel is situated on top of CentralFestival Pattaya Beach, Southeast Asia’s largest natural beachfront shopping complex.



December

12 /

- The re-opened retail space in the Atrium of CentralWorld, previously damaged by the fire incidents, was warmly received by shoppers. The shopping complex not only offers a wide and complete product range and services, but also serves as a venue for major activities, such as Christmas celebrations, decoration of the largest Christmas tree in Southeast Asia, and the Bangkok Countdown in the arena in front of CentralWorld.
- CentralPlaza Chiangmai Airport achieved the Thailand Quality Class (TQC) Award. It was Asia’s first shopping complex that had earned this privilege from the National Productivity Institute under the Ministry of Industry as a result of CPN’s excellent organizational management of all business aspects.
- CPN issued five-year unsecured debentures of 500 million baht to institutional investors, through private placement allotment which was well received.
- CPN signed a four-year loan contract with Krung Thai Bank Plc. and TMB Bank Plc. for 1,500 million baht each.



BUSINESS OVERVIEW IN 2010

ECONOMIC OVERVIEW IN 2010

The Thai economy in 2010 recovered from the previous year with a growth rate of 7.8%. The main driving force was derived from goods and service exports that grew by 28.5% in line with the economic revival of partner countries, especially Asian and newly emerging countries. Consumption in the private sector continuously expanded with a 5.9% growth rate despite the political unrest and floods in many regions. This was because of the higher employment rate as well as the rise in farmers' income and consumers' confidence after the political incident was resolved. The investment in the private sector also rose by 17.6% from last year in response to the expanding future domestic and overseas demand. Furthermore, the number of foreign tourists increased by 13.2% from last year thanks to the improved economy of the countries that prefer Thailand as their tourist destination, namely the Middle East, ASEAN, and South Asia. These factors played a crucial role in the economic growth of Thailand in 2010.

As for domestic stability, the headline inflation rate rose by 3.3% due to the pressure from the global oil price that tended to rise with the recovering global economy and higher agricultural product prices caused by climate change while the core inflation rate increased to 0.9%.

COMPETITION OF RETAIL & WHOLESALE BUSINESS IN 2010

Despite problems posed by political conflicts that affected the overall economy as well as by a decline in tourists' confidence

and consumers' demand, the retail industry still enjoyed significant growth during the year. This was because most entrepreneurs promptly adjusted themselves to the situation by holding sales promotions to stimulate constant repurchases, renovating damaged stores, providing new retail space to ease the shops and small entrepreneurs, and working with the public sector in staging activities to attract tourists to return to Thailand.

The retail industry in Thailand falls into three major categories (shopping centers and department stores, community malls and lifestyle malls, and hypermarkets), each with different business operation and target groups.

1. Shopping Centers and Department Stores

This group focuses on modernizing shopping centers and creating an ambience that helped shoppers feel close to nature. It also imports international fashion boutiques and increases the ratio of restaurants to serve the changing needs of customers by focusing on varieties, such as chain restaurants, Japanese food and dessert restaurants, and fusion restaurants. Shopping centers also put a stress on providing integrated services that answer every customer's demand, such as increasing pre-school schools to enhance children's development, tutorial schools for teenagers, and all-in-one beauty parlors.

As for its marketing activities, this group emphasizes joint sales promotions with department stores and retail tenants within the shopping centers, namely annual grand sales and sales promotion campaigns for each product category, including

cosmetics, electrical appliances, women's apparel, and sports equipment. Entrepreneurs are more cautious about spending by focusing on efficiency, effectiveness, and endorsement from business alliances to make sales promotion campaigns more interesting and attraction. In addition to sales promotion campaigns, the entrepreneurs emphasize innovative events for a modern image, hosted in parallel with annual events that make a name for the shopping complexes.

Department stores focus on adding unique products of several categories, such as cosmetics, women's and men's apparel, as well as women's shoes and leather goods, in parallel with improved product display to better grab attention. To look more attractive, the venue was decorated in the style of a 'shop in shop'. Furthermore, sales promotion campaigns have been continually launched, using member databases and joint promotion with credit cards. Supermarkets focus on increasing imported products, take-home food, and frozen food to suit smaller modern families that prefer buying "food to go". Supermarkets also organize sales promotional activities during festive events, such as the Chinese New Year, or events circulating from branch to branch, such as international food festivals.

2. Community Malls and Lifestyle Malls

This retail group, both urban and suburban projects, has been on the expansion, focusing on supermarkets, food outlets, schools, beauty parlors, banks, and specialty shops to suit target customers' everyday life. Malls are developed as "open air" space to create a different ambience from large shopping

complexes and focus on unique restaurants not available in large shopping centers.

Due to size limitation, the variety of shops is limited. On the contrary, large shopping centers constantly adapt themselves by bringing in restaurants from community malls and lifestyle malls as well as creating a more natural ambience. This puts pressure on entrepreneurs in this group to adapt themselves to maintain their uniqueness.

3. Hypermarkets

Lately, entrepreneurs in this group have adjusted their pattern or model by reducing their sizes. The milestone in 2010 was the acquisition of Carrefour Thailand by Big C, which has left only two key players in the market: Tesco Lotus and Big C. Overall, this group still focuses on price, sale promotional activities, and loyalty programs. A milestone movement was project development that combines hypermarkets with shopping centers by increasing retail space, food outlets, satellite banks, and services. Such a project is normally situated away from large shopping centers because the latter offer more comprehensive products and better answer the needs of target customers.

In 2010, entrepreneurs in three categories continued to expand their investment in developing new projects and renovating existing ones. They also provided a greater variety of shops to attract consumers and boost the spending sentiment. Furthermore, branches were expanded to cover all areas, especially in suburban and provincial ones, and reach broader target groups.

FINANCIAL PERFORMANCE REVIEW

OVERALL PERFORMANCE

During 1H10, retail market had been affected by political instabilities, resulting in lower consumer spending and depressed tourism. The political demonstrations ended in 2Q10 with fire incidents at CentralWorld. Despite this challenging year, most of CPN's properties performed reasonably well in light of eased political tensions and improved consumer confidence in 2H10. New developments remained intact with three new projects due to open in 2011.

CPN reported its FY2010 consolidated total revenues of 11,646.8 MB, declined by 25.8% y-o-y while net profit dropped by 77.2% y-o-y to 1,130.5 MB. The changes in the CPN's performance when comparing this year performance to that of last year were primarily due to the following distinct sources:

- An absence of revenue from CentralWorld Shopping Center during most of the 2Q10 and 3Q10, due to the closure of the property. (See the "CentralWorld " section)
- A 1.5-month rent-free at The Offices at CentralWorld accounted in 2Q10 and 3Q10 performance, respectively, due to difficulty of access during political gatherings at nearby area.
- A transfer of partial assets of CentralPlaza Pinklao and the two offices at CentralPlaza Pinklao Project to CPN Retail Growth Leasehold Property Fund ("CPNRF") since November 2009 due to the financial lease of the properties to CPNRF.

The first distinction had the most adverse attribution to the FY2010 performance as the property was the largest revenue contributor while parts of its operating costs and expenses were fixed.

In addition, FY2009 and FY2010 financial results incorporated the following non-recurring items:

For FY2009:

- A gain of 66.0 MB from an acquisition of additional investment units in Thai Business Fund 4, a subsidiary.
- A gain of 3,206.9 MB from the financial lease of assets of CentralPlaza Pinklao to CPNRF.
- A one-time income of 659.0 MB from termination of Thai Business Fund 2, a subsidiary. (See notes to the financial statements for the year ended December 31, 2009 No.23)
- A 100-MB sponsorship expense for a development of a public park next to CentralWorld.

For FY2010:

- A reversal of provision for doubtful account of 162.7 MB, incorporated in other income, and its associated interest charge of 177.3 MB, accounted under investment income. (See notes to the financial statements for the year ended December 31, 2010 No.4)
- A compensation of 96.4 MB from the government for the closure of CentralWorld during political gatherings at nearby area.
- A write-off (non-cash) of CentralWorld assets of totaling 804.4 MB. (Noted that a 775-MB write-off was accounted under Losses from write-off of assets and the remaining was incorporated in Administrative expenses.)

Without the non-recurring items, FY2010 consolidated total revenues and net profit would have dropped 3.1% y-o-y and 32.1% y-o-y, respectively, primarily due to the closure of

CentralWorld and the transfer of partial assets of CentralPlaza Pinklao and the two offices at CentralPlaza Pinklao Project to CPNRF.

CPN's Board of Directors has proposed Baht 0.25 per share (544.7 MB) dividend to be paid for the FY2010 performance, pending for approval at the shareholders' meeting on April 29, 2011. The dividend payment represents a 48% dividend payout ratio of the FY2010 net profit.

CENTRALWORLD

During the 2Q10, there was a political demonstration nearby CentralWorld Project. The demonstration ended with fire incidents at CentralWorld Shopping Complex on May 19, 2010, causing damages to most of Zen Department Store, a long-term lessee, and parts of CentralWorld Shopping Complex. As a result of the political demonstration and the fire incidents, the complex closed for most of the 2Q10 and 3Q10. Consequently, CPN charged no rent to tenants during the periods of closure. With the absence of revenues from CentralWorld, CPN incurred parts of operating costs and expenses related to this property and accounted them in the company's 2Q10 and 3Q10 financial statements.

CentralWorld Project is protected by Industrial All Risk, Business Interruption, and Terrorism insurance policies. The management has already filed claims with insurers and believes that the property damages are fully covered by the said insurance policies while the lost revenues after the fire incidents until the operation resumes as normal is expected to be compensated in full under terms and conditions of the business interruption.

As at December 31, 2010, the management, the insurers, and relevant independent experts are negotiating claim compensations. The outcome of such negotiation cannot yet be determined and CPN has not yet recorded any expected claim compensation in its FY2010 earnings.

Renovation and reconstruction works at the complex have proactively begun and made an impressive progress. Isetan Department Store, a long-term lessee and was unharmed by the fire, was back in business in June 2010. In September 2010, an approximately 80% of retail area – “Beacon”, “Center Court”, “Dazzle”, “Eden”, and “Forum” Zones – resumed operations, followed by “Atrium” Zone – approximately 10% of retail area – in December 2010. As for the Zen Department Store, its reconstruction work is due to complete in 3Q11.

In FY2010, CPN recorded a non-cash impairment of damaged properties at aggregate net book values of 775.0 MB. (Please refer to notes to the financial statements for the year ended December 31, 2010, No.32). In addition, aggregate net book values of 29.4 MB of CentralWorld's assets – which were redecorated or replaced – were written-off and incorporated in FY2010 consolidated administrative expenses.

OPERATIONAL PERFORMANCE SUMMARY

As at December 31, 2010, CPN managed 15 shopping centers (9 projects in Bangkok and 6 projects in provinces), 6 office towers (totaling 62 units), 2 residential properties, and 2 hotels (totaling 557 guest rooms). These include the properties which have been transferred to CPNRF, of which CPN acts as the property manager.

As at December 31, 2010, occupancy rate for CPN's retail properties averaged 94%, slightly down from 96% of last year, mainly from CentralWorld. Occupancy rate of CentralWorld – which was closed during most of 2Q10 and 3Q10 – stood at 62% after re-opening in September 2010 and bounced to 86% in December 2010 following the re-opening of “Atrium” Zone. Occupancy rate of this property is expected to reach above 90% after Zen Department Store resumes operation.

Rental increases were achieved at almost all of properties, though at low pace. The drawback of political unrests was limited to the newly opened malls of which effective rents slightly declined. Excluding CentralWorld and the five new projects, other projects achieved an average 1.8% y-o-y growth in effective rent.

Despite the postponement of renovation plan at CentralPlaza Lardprao Shopping Complex, enhancement project of its office tower was pushed forward, starting in 2Q10 and completed in 4Q10. This resulted in a decline in its occupancy rate from 96% in December 31, 2009 to 16% at the end of this year.

FINANCIAL PERFORMANCE

Total Revenues

Revenues from Rent and Services

For FY2010, consolidated revenues from rent and services declined by 3.5% y-o-y to 9,822.4 MB, due to the closure of CentralWorld and the transferred performance of CentralPlaza Pinklao Project to CPNRF. For comparative purpose, excluding performance of CentralWorld and CentralPlaza Pinklao Project in FY2010 and FY2009, FY2010 revenues from rent and services would have grown 14.6% y-o-y, mainly from new projects.

Food and Beverage Sales

For in-mall food center business, FY2010 food and beverage sales registered 550.0 MB, down 14.0% y-o-y, mainly attributed to increasing numbers of mid-end restaurants and food parlors and more food festival events in the shopping centers

Revenues from Hotel Operations

Hotel operations are considered as CPN's non-core businesses. For FY2010, the revenues registered 157.5 MB, representing a growth of 35.3% y-o-y from a full year contribution of Centara Udonthani Hotel & Convention Center (acquired in April 2009) in addition to revenues from the newly opened Hilton Pattaya Hotel (opened in December 2010).

Total Costs

Costs of Rent and Services

For FY2010, costs of rental and service increased by 4.3% y-o-y to 6,383.6 MB. For comparative purpose, excluding such costs of CentralWorld and CentralPlaza Pinklao Project in FY2010 and FY2009, costs of rental and service of CPN's other properties surged by 10.0% y-o-y, primarily from new projects.

Costs of Food and Beverage

Costs of food and beverage in FY2010 declined 11.7% y-o-y to 470.4 MB due to the drop in food and beverage sales previously mentioned.

Costs of Hotel Operations

For FY2010, costs of hotel business showed an increase of 46.7% y-o-y, reflecting a first full year of operation of Centara Udonthani Hotel & Convention Center and the opening of Hilton Pattaya Hotel in December 2010.

Total Operating and Administration Expenses

Total operating and administration expenses constituted expenses on personnel, marketing and promotion costs, office supplies, professional fees, depreciation and amortization of office equipments, and impairment of assets.

For FY2010, consolidated operating and administration expenses amounted to 2,869.7 MB, increased by 38.4% y-o-y. For comparative purpose, excluding the non-recurring items previously mentioned and such expenses of CentralPlaza Pinklao and CentralWorld, FY2010 operating and administration expenses would have grown by 6.2% y-o-y, primarily due to increased number of employees to support business expansion.

Net Profit

In FY2010, CPN reported a consolidated net profit of 1,130.5 MB, representing a drop of 77.2% y-o-y. Excluding non-recurring items in FY2010 and FY2009, FY2010 net profit would have declined 32.1% y-o-y, mainly due to the closure of CentralWorld and the transferred performance of CentralPlaza Pinklao Project to CPNRF.

CAPITAL STRUCTURE

Total CAPEX for FY2010 amounted to 7,720 MB, comprising 1,500-MB renovation work of CentralWorld, 1,500-MB asset enhancement projects, and 4,720-MB development of new projects.

During FY2010, CPN raised new debts of totaling 5,700.0 MB, mainly comprising 4,600-MB long-term loans and 1,100-MB short-term borrowings. As at the end of FY2010, interest-bearing debts comprised of 61% fixed and 39% floating interest rate with a weighted average interest rate of 4.4% per

annum. In a rising interest rate environment, CPN has a policy to increase a portion of fixed interest rate.

Although the company has invested a large capital expenditure, financial position remained solid. As at the end of FY2010, net interest-bearing debt to equity ratio stood at 0.9 times, lower than the company's policy of one time. As a result of the closure of CentralWorld, CPN postponed the enhancement project of CentralPlaza Lardprao to February 2011. Nonetheless, other development plans remained intact, funding through operating cash flow, cash proceeds from property lease to CPNRF, and long-term borrowings

CPN TODAY

15

premium shopping centers in Thailand

CPN has continually grown and enthroned as the leader in retail property market by having the largest and most modern shopping complexes in Thailand.

Nowadays, CPN develops and manages 15 shopping complexes, five office projects, two hotels, and two residential buildings. The newly opened project in 2010 was Hilton Pattaya Hotel located on top of CentralFestival Pattaya Beach on Central Pattaya Beach - a popular destination among local and foreign tourists. The project has supported growth of the city.

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



9

shopping centers in Bangkok Metropolitan Area
and its vicinities



6

shopping centers in prime provincial areas



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

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

- Bangkok
Retail GFA: 78,700 sq.m.
Office GFA: 17,719 sq.m.
Parking space: 3,000 vehicles

02 centralplaza RAMINDRA

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.

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

03 centralplaza PINKLAO

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

- Bangkok
Retail GFA: 104,500 sq.m.
Office GFA: 33,760 sq.m.
Parking space: 3,700 vehicles

04 CENTRAL CENTER PATTAYA

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.

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

05 centralplaza a CHIANGMAI AIRPORT

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

- Chiangmai
 - Retail GFA: 107,000 sq.m.
 - Convention Center: 2,800 sq.m.
 - Parking space: 1,500 vehicles

06 centralplaza a RATCHADA-RAMA III

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.

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

07 centralplaza a BANGNA

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

- Bangkok
 - Retail GFA: 113,000 sq.m.
 - Office GFA: 10,000 sq.m.
 - Resident: 12 units
 - Parking space: 4,600 vehicles

08 centralplaza a RAMA II

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

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

09 centralw^orld

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

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

10 centralplaza RATTANATHIBET

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

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

11 centralplaza CHAENGWATTANA

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

- Nonthaburi
Retail GFA: 160,000 sq.m.
Office GFA: 19,700 sq.m.
Parking space: 3,200 vehicles

12 centralfestival PATTAYA BEACH

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

- Chonburi
Retail GFA: 240,000 sq.m.
Hotel: 300 rooms
Parking space: 2,000 vehicles

13 centralplaza UDONTHANI

Located en route to Indochina is the lifestyle complex of the upper Northeast that finds popularity with Thais and those from neighboring countries alike. The shopping complex consists of Robinson Department Store, Tops Supermarket, movie theaters, bowling alleys, and over 400 retail shops. Fulfilling the project's scope is Centara Udonthani Hotel with 255 rooms and sizeable multipurpose conference rooms.

- Udonthani
Retail GFA: 85,000 sq.m.
Hotel: 255 rooms
Parking space: 2,000 vehicles

14 centralplaza CHONBURI

The largest and most complete lifestyle shopping complex in Chonburi province, marked by a unique architectural design to enable shoppers to feel the sunlight permeating through the clear glass façade. Inside one finds Robinson Department Store, Carrefour, Tops Market, B2S, PowerBuy, SuperSports, Office Depot, SF Cinemas City, the first modern karaoke in the city, and over 250 varieties of retail shops, fashion boutiques, food and beverage, and entertainment zone.

- Chonburi
Retail GFA: 100,000 sq.m.
Parking space: 1,500 vehicles

15 centralplaza KHONKAEN

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

- Khonkaen
Retail GFA: 186,000 sq.m.
Convention Center: 4,800 sq.m.
Parking space: 2,100 vehicles

OPERATIONAL PERFORMANCE OF ASSETS UNDER CPN'S MANAGEMENT



01

02

Retail Properties

CentralPlaza
Lardprao

CentralPlaza
Ramindra

Year of Operation	December 1982	November 1993
Development	Greenfield	Greenfield
Land Ownership	Leasehold end of 2028	Leasehold end of 2023
Investment Cost of Total Project ² (MB)	2,757	590
Leaseable Area (Sq.m)	55,583	17,160
Occupancy Rate (%)	97%	100%
No. of Tenants (shops)	339	78
Top Five Anchor Tenants ³	SFX Cinema	SFC Cinema, PowerBuy, SuperSports

Remarks:

- For CentralPlaza Pinklao, 42% of asset was subleased to CPNRF since November 2009 to December 2024.
For CentralPlaza Ratchada-Rama III, 81% of asset was leased to CPNRF since August 2005 to August 2035.
For CentralPlaza Rama II, 96% of asset was subleased to CPNRF since August 2005 to August 2025.
Operational performance of CentralPlaza Pinklao, Ratchada-Rama III, and Rama II includes those of assets transferred to CPNRF and CPN acts as the property manager.
- Excludes annual lease payment, as at the end of 2010.
- Anchor are tenants who occupy over 1,000 sq.m. of leaseable area.

Data as of 31 December 2010

03

CentralPlaza
Pinklao¹

March 1995

Greenfield

Leasehold end of 2024

1,101

60,562

98%

255

EGV Cinema,
SB Furniture, B2S

04

Central Center
Pattaya

July 1995

Greenfield

Leasehold end of 2015

354

15,226

97%

132

SFC Cinema,
SuperSports

05

CentralPlaza
Chiangmai Airport

March 1996

Acquisition

Freehold

2,993

75,968

100%

533

Robinson
Department Store,
Tops Market,
Major Cineplex,
Califonia Wow, IT City

06

CentralPlaza
Ratchada-Rama III¹

October 1997

Greenfield

Freehold

1,128

58,359

97%

292

Major Cineplex &
Bowling, Fitness First,
IT City

07

CentralPlaza
Bangna

December 2001

Acquisition

Freehold

3,923

55,738

99%

299

Major Cineplex &
Bowling, Toy R'Us,
IT City

08

09

10

11

Retail Properties

CentralPlaza
Rama II ¹

CentralWorld

CentralPlaza
Rattanaibet

CentralPlaza
Chaengwattana

Year of Operation	December 2002	December 2002	December 2003	November 2008
Development	Greenfield	Acquisition	Acquisition	Greenfield
Land Ownership	Leasehold end of 2025	Leasehold end of 2032	Freehold	Freehold
Investment Cost of Total Project as end of 2010 ²	1,002	15,838	2,134	5,050
Leaseable Area (Sq.m)	99,537	187,046	77,008	65,478
Occupancy Rate (%)	99%	86%	99%	96%
No. of Tenants (shops)	343	479	216	393
Top Five Anchor Tenants ³	Central Department Store, HomeWorks, Major Cineplex & Bowling, Tops Super, Office Depot	Isetan Department Store, Zen Department Store, SF World Cinema, Central Food Hall, Center Point	Robinson Department Store, HomeWorks, SFC Cinema, Index Living Mall, Tops Market	SFX Cinema, Fitness First

Remarks:

- For CentralPlaza Pinklao, 42% of asset was subleased to CPNRF since November 2009 to December 2024.
For CentralPlaza Ratchada-Rama III, 81% of asset was leased to CPNRF since August 2005 to August 2035.
For CentralPlaza Rama II, 96% of asset was subleased to CPNRF since August 2005 to August 2025.
Operational performance of CentralPlaza Pinklao, Ratchada-Rama III, and Rama II includes those of assets transferred to CPNRF and CPN acts as the property manager.
- Excludes annual lease payment, as at the end of 2010.
- Anchor are tenants who occupy over 1,000 sq.m. of leaseable area.

12

CentralFestival
Pattaya Beach

January 2009

Greenfield

Freehold

5,903

57,993

95%

309

SFX Cinema &
Strike Bowl, Toy R'Us

13

CentralPlaza
Udonthani

April 2009

Acquisition

Freehold

2,236

49,344

98%

189

Robinson
Department Store,
Major Cineplex &
Bowling, Sport World

14

CentralPlaza
Chonburi

May 2009

Greenfield

Freehold

2,689

39,762

95%

286

SFC Cinema,
Tops Market, PowerBuy,
Fitness First, SuperSports

15

CentralPlaza
Khonkaen

December 2009

Greenfield

Freehold

3,909

49,848

87%

347

SFC Cinema & Strike Bowl,
Tops Market, PowerBuy



01

02

Office Properties

Lardprao Office ¹

Pinklao Tower A Office ²

Year of Operation	December 1982	March 1995
Development	Greenfield	Greenfield
Land Ownership	Leasehold end of 2028	Leasehold end of 2024
Leaseable Area (Sq.m)	17,719	22,426
Occupancy Rate (%)	N/A	96%
No. of Tenants (units)	N/A	53
Major Business Type of Tenant	Tutorial, Language, and Computer School, Clinic, Health Care & Beauty Parlor, General Office Administration	Tutorial, Language, and Computer School, Government Agency, General Office Administration

Remarks:

- 1 Lardprao Office has undergone a complete renovation.
- 2 Pinklao Tower A and Tower B were subleased to CPNRF since November 2009 until December 2024.

03

Bangna Office

04

The Offices at
CentralWorld

05

Pinklao Tower B
Office²

06

Chaengwattana Office

December 2001	November 2004	March 2006	March 2009
Acquisition	Acquisition	Greenfield	Greenfield
Freehold	Leasehold end of 2032	Leasehold end of 2024	Freehold
10,007	82,796	11,335	19,708
99%	93%	100%	56%
30	97	49	32
Tutorial, Language, and Computer School, Clinic, Health Care & Beauty Parlor, General Office Administration	Multinational Corporation, Bank & Financial Institution, Law & Business Consultant, Communication & Services	Tutorial, Language, and Computer School, Clinic, Health Care & Beauty Parlor, General Office Administration	Tutorial, Language, and Computer School, Clinic, Health Care & Beauty Parlor, Communication & Services, General Office Administration

01

Hotel Properties

Centara Udonthani ¹

Year of Operation	April 2009	November 2010
No. of Guest Rooms	255	302
Occupancy Rate (%)	63%	40%

02

Hilton Pattaya ²

Remark:

- 1 CPN is the project owner and Central Plaza Hotel Plc is the hotel manager.
- 2 CPN is the project owner and Hilton Hotel Corporation is the hotel manager.

01

Residential Properties

Langsuan Colonade

Year of Operation	December 1998	December 2001
Leaseable Area (Sq.m)	4,466	1,907
Occupancy Rate (%)	72%	55%

02

Central City Residential ¹

Remark:

- 1 CPN owns partial of the building (Strata title).

FUTURE PROJECTS



CENTRALPLAZA CHIANGRAI

Location : On Phaholyothin Road, Rop Wiang Sub-District, Muang District, Chiang Rai Province (Northern Thailand)

Size : Approximately 52-rai plot of land (CPN has the land ownership) with a total project area of 62,000 sq.m, of which 46,600 sq.m belongs to CPN. The project consists of Robinson Department Store and anchor tenants, including Tops Market, Power Buy, B2S, and SuperSports. There are also five cinemas, over 280 retail shops, including boutique and fashion stores, banks, service centers, restaurants and cafés, as well as a parking lot which can accommodate more than 1,000 vehicles.

Potential : This project is located in a high-potential area in terms of growing population and purchasing power in Chiangrai province and its vicinity. In addition, this location is considered a growing trading and tourism zone as a result of the government's policy to promote the North as a major economic region called the Economical Rectangle amongst four countries namely People's Republic of China, Lao People's Democratic Republic, The Union of Myanmar and Thailand. In addition, Chiangrai was also promoted as a trading gateway to countries along the upper Mekhong River,

Progress : Under construction, progressing as planned and budgeted.

Opening schedule : The project is expected to be inaugurated at the end of March 2011.

Investment : Approximately 1,500 MB (excluding investment in Robinson Department Store, which is under the responsibility of Robinson Department Store Plc)



CENTRALPLAZA PHITSANULOK

Location : On Singwat (Highway 12), Plai Chumpol Sub-District, Muang District, Phitsanulok Province (Northern Thailand)

Size : Approximately 105-rai plot of land (CPN has the land ownership) with a total project area of 63,000 sq.m, of which 40,200 sq.m belongs to CPN. The project consists of Robinson Department Store and anchor tenants, including Tops Market, Power Buy, B2S, and SuperSports. There are also five cinemas, over 230 retail shops, including boutique and fashion stores, banks, service centers, restaurants and cafés, as well as a parking lot which can accommodate more than 1,000 vehicles.

Potential : The project is located in Phitsanulok Province, the center of business in the lower North. It links Northern regions with Central region and Indochinese countries, namely People's Republic of China, Lao People's Democratic Republic, Socialist Republic of Vietnam, and The Union of Myanmar, in compliance with the government's policy of East – West Economic Corridor. With an easy access to public utility, as well as growing population and purchasing power in Phitsanulok and its six surrounding provinces, CentralPlaza Phitsanulok is ready to grow with the sustainable economy of the region.

Progress : Under construction, progressing as planned and budgeted.

Opening schedule : The project is expected to be inaugurated in October 2011.

Investment : Approximately 1,300 MB (excluding investment in Robinson Department Store, which is under the responsibility of Robinson Department Store Plc)



CENTRALPLAZA RAMA IX

Location : At the intersection of Ratchadaphisek Road and Rama IX Road, next to the Rama IX MRTA (subway) station, Bangkok Metropolis

Size : Approximately 15-rai plot of land (the lease right ends in 2040) and a total project area of 220,000 sq.m. The project consists of Robinson Department Store, which is a flagship store, and anchor tenants, including Tops Supermarket, Power Buy, B2S, SuperSports, and Office Depot. There are also over 330 retail shops, including boutique and fashion stores, banks, service centers, restaurants and cafés, entertainment complex with 10 cinemas, a 3,000-sq.m. Ice-Rink, and 16,400-sq.m. office spaces, As well as a parking lot which can accommodate more than 2,500 vehicles.

Potential : The project is situated in a business and an entertainment zone conveniently accessed by mass transit systems, including BTS and MRTA (the first private project authorized to link a tunnel with MRTA station), an Airport Link station and the second-stage expressway. Moreover, it is surrounded by residences, hotels, offices, embassies, the Export Promotion Center, exhibition and convention centers, government agencies, and educational institutions. Therefore this project will become a new meeting point for customers with high purchasing power.

Progress : Central Pattana Nine Square Co., Ltd., a subsidiary with 95% of CPN's stake, has signed a long-term lease agreement with the landlord of CentralPlaza Rama IX Project for 30 years, ending June 30, 2040, with the rights to renew the land lease agreement for another 10 years. Currently, Central Plaza Rama IX Project is under construction, progressing as planned and budgeted.

Opening schedule : The project is expected to be inaugurated in December 2011

Investment : Approximately 5,100 MB



CENTRALPLAZA SURATTHANI

Location : On the airport highway merging with Highway 417, Wat Pradu Sub-District, Muang District, Surat Thani Province (Southern Thailand)

Size : Approximately 62-rai plot of land (CPN has the land ownership) and a total project area of 73,500 sq.m., of which 52,200 sq.m belongs to CPN. The project consists of Department Store and anchor tenants, including Tops Market, Power Buy, B2S, and SuperSports. There are over 250 retail shops, including boutique and fashion stores, banks, service centers, restaurants and cafés, cinemas, a multipurpose convention center, as well as a parking lot which can accommodate more than 1,400 vehicles.

Potential : The project is located in Suratthani Province, the trade center of the upper South. With a location on a new economic road that links the city with the airport, the project can well respond to the expanding city and reach the target group of local and foreign tourists, whose number is steadily increasing. Furthermore, the project is surrounded by major attractions, educational institutions, and government agencies. The province is also a major trade and tourism spot of the southern region thanks to its border connected with five provinces.

Progress : Under construction, progressing as planned and budgeted.

Opening schedule : The project is expected to be inaugurated in June 2012.

Investment : Approximately 2,200 MB (excluding investment in Department Store, Which is under the responsibility of the Department Store)



CENTRALFESTIVAL CHIANGMAI

Location : At the intersection of the superhighway and Chiangmai-Doi Saket Road, Fa Ham Sub-district, Muang District, Chiang Mai Province (Northern Thailand)

Size : Approximately 70-rai plot of land in total (CPN has the land ownership) with a total project area of 250,000 sq.m. The project consists of Central Department Store and over 250 retail shops as well as parking lot for over 2,000 vehicles.

Potential : This project is located in a high-potential area surrounded by groups of commercial business operators and investors along the superhighway, which easily leads to several other northern provinces. Furthermore, Chiangmai and its vicinity are popular tourist destinations among local and foreign tourists, which will enhance their remarkable growth in purchasing power.

Progress : A detailed feasibility study is ongoing.

Opening schedule : The project is expected to be inaugurated in 2013.

Investment : Approximately 5,000 million baht (excluding investment in Central Department Store, Which is under the responsibility of Central Department Store)

FORMER PRE-CADET SCHOOL PROJECT

Location : At the intersection of Rama IV Road and Wireless Road, next to the Rama IV MRTA station (subway), in Bangkok's Central Business District (CBD)

Size : Approximately 40-rai plot of land in total

Potential : This project is located in Bangkok's CBD and surrounded by office buildings, exhibition and convention centers, and hotels, with easy access from every route. In addition, in front of this project is the Rama IV MRTA station.

Progress : The Crown Property Bureau, the landlord, has agreed to award CPN as a property developer for 30 years. Currently, CPN is waiting to sign a long-term land lease agreement and to grant the right of the land from the Crown Property Bureau. This process is expected to be completed in 2011.

OVERSEAS PROJECTS

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

VISION & MISSION

VISION

To be the Most Admired and Dynamic Regional Retail Property Developer with World-Class Rewarding Experience

MISSION

To achieve our vision, CPN is implementing four missions.

1. Most admired retail developer of all stakeholders

“To be the most admired retail property developer of everyone, offering outstanding value that exceeds all expectations.”

- Be the shopping complex of choice for investors by offering high and sustainable returns to shareholders, investors, and alliances.
- Be the shopping complex of choice for customers by creating pleasurable shopping experience.
- Be the shopping complex of choice for tenants and business partners by achieving commercial success while fostering long-term relationship.
- Be the shopping complex of choice for employees by offering a promising future and caring work environment.
- Be the shopping complex of choice for society at large by developing each outstanding shopping complex as the community's pride and implementing CSR projects to best serve public demand.

2. Dynamic retail developer

“To be a dynamic retail developer in creating unique shopping complexes with a wide selection of modern retail shops to serve target customers' dynamic lifestyles.”

CPN is well aware that the dynamism of customers poses a grave challenge to the Company due to their higher and more complex expectations and easier access to information. Therefore, our own dynamism will drive us to be the most advanced retail property developer in response to our customers' fast-changing way of life. We will develop one-of-a-kind shopping complexes and consistently fill retail space with new and modern outlets that meet their needs. CPN also applies the latest technology to ease its work and conserve energy and environment, initiates unique activities to create new experience for shoppers and joins forces with subsidiaries to serve customers' needs and make the deepest impression on customers' mind.



3. Regional retail developer

"To be the region's high-potential leader in retail property development and attract everyone's attention as a key player in the market."

With continuous and sustainable growth in mind, CPN's next ambition is to be a regional company. We are determined to become a well-known and successful regional retail property developer. Following in-depth market studies, regional strategies are formulated alongside prudent business plans. Meanwhile, the organization and team make constant progress in development to be capable and ready to seamlessly run overseas businesses.

4. World-Class Rewarding Experience

"To be the shopping complex of choice for customers, offering superior shopping experience to any other competitor in every market"

CPN is well aware that we are not only a retail property developer, but also one that brings blissful experience to shoppers. Our care for customers is reflected in every element of our shopping complexes, such as a variety and novelty of retail shops, attractive activities, and full range of facilities. These will be combined with the world-class standard CPN firmly stands for. We are therefore confident that creating happiness at the global level will lead us to be number one in customers' mind and become a regional leader in the future.

STRATEGIES

Based on its vision and four challenging missions, CPN management has formulated the following corporate strategies:

MALL DEVELOPMENT STRATEGY

CPN focuses on developing shopping complexes with great potential that can serve customers' needs while achieving success in a short period of time. The Company emphasizes the study of markets and customers' demand to lay out the pattern of each shopping complex and merchandise mix that can meet customers' expectations while staying competitive in parallel with the process improvement of efficient shopping complex development, including studying and applying the latest construction technology to save time and cost.

MALL MANAGEMENT STRATEGY

CPN focuses on managing shopping complexes for competitive capability and response to customers' dynamic needs through:

1. Retail shops: CPN constantly adjusts tenant mix and finds new local and international retailers to modernize shopping complexes and address customers' demand based on the information obtained from market study and research, together with that obtained from subsidiaries and trade alliances.
2. Marketing activities: CPN focuses on joint sales promotion conducted with department stores, Central Group businesses, and allied retail shops to create superior value. As for events, the emphasis is on outstanding and novel events that create memorable experiences for shoppers. All will be efficiently communicated via different channels.
3. Service and facility management: CPN focuses on personnel, quality of service, facilities on a par with international

standards, and application of advanced technology to maximize customers' satisfaction.

REGIONAL STRATEGY

This covers in-depth market studies of customer behavior, competitors, limitations, regulations, market selection, and prioritization of potential markets in parallel with networking with international alliances and partners, as well as laying out patterns of shopping complexes and management.

SUSTAINABILITY STRATEGY

CPN focuses on energy and environmental conservation, community and social development, and cultivation of the awareness of repaying society and communities to help society and community stand on their feet in a sustainable way.

ORGANIZATIONAL STRATEGY

This covers key functions like human resources, which emphasize personnel development so that they can be ready, consistently work toward the goal, and support business expansion. The development process starts from selecting and recruiting qualified applicants to be CPN's employees, developing their capability and leadership skills, as well as nurturing their social responsibility, good corporate governance, and employee engagement.

Organizational development focuses on improvement of the organization in compliance with the Thailand Quality Award criteria, development of efficient work processes, and preparation for effective IT systems to accommodate the future growth of the organization.

NATURE OF BUSINESS

Established on June 17, 1980, to develop and manage 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 provision of retail space for rent and services. At present, CPN manages 15 shopping complexes, owning 12 projects, with three leased out to CPN Retail Growth Leasehold Property Fund (CPNRF). CPN also runs office, residential, and hotel buildings as its supporting business to optimize the use of land, diversify income sources, and draw in more customers to shopping complexes. CPN operates related businesses, such as water and recreational parks, and food centers in some shopping complexes to facilitate shoppers. Services and facilities provided at each complex mainly depend on locations and the needs of target customers.

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

SHOPPING COMPLEXES

CPN's main source of income, the shopping complex business generates over 80% of the total revenue. Income includes rental of retail spaces, utility, and security services, apart from cleaning services at 12 properties. Another source of income in this category is the management fee at three property projects under CPNRF and a share of profits from investment in CPNRF.

According to its estimated data, CPN earned a 22% market share of the retail property market in Bangkok (as of December

31, 2010), based on the retail-space size of its shopping complexes.

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

OFFICE BUILDINGS

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

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

At present, CPN runs five office building projects at CentralPlaza Lardprao, CentralPlaza Pinklao, CentralPlaza Bangna, CentralWorld (The Offices at CentralWorld), and CentralPlaza Chaengwattana. For office buildings, CPN owns four projects and manages one under CPNRF: Pinklao Tower

A and B Office buildings. Tenants of office buildings in CentralPlaza Lardprao, CentralPlaza Pinklao, CentralPlaza Bangna, and CentralPlaza Chaengwattana projects are mostly operators of businesses benefiting from shopping complexes, such as tutorial schools, language and music schools, beauty parlors, and securities brokerage firms. The Offices at CentralWorld is different because it is a grade A office building located in the heart of the central business district, so most tenants are leading businesses, both Thai and foreign, and multinational companies looking to base their headquarters there.

HOTELS

CPN's hotels and shopping centers are located in the same areas since there is a natural demand that supports the retail business. This practice adds value to each project by making the most use of properties for the maximum return on investment. Key principles for consideration of hotel investment include project location, demand, supply, surrounding areas, and the project's growth potential. The hotel business comprises guest rooms, seminar rooms, and convention centers to serve the growth of the MICE (Meeting Incentive Convention and Exhibition) industry. Currently, CPN owns two hotels. One is the 255-room Centara Udonthani Hotel (formerly known as Charoensri Grand Royal Hotel, a part of Charoensri Complex, acquired by CPN in April 2009) and the other is Hilton Pattaya Hotel with 300 rooms (situated on top of CentralFestival Pattaya Beach and open on November 2010). CPN has employed expert hotel management companies, namely Central Plaza Hotel Plc and Hilton Hotel Corporation, to manage Centara Udonthani Hotel and Hilton Pattaya Hotel, respectively for the maximum benefit.

RESIDENTIAL BUILDINGS

At present, CPN manages two residential building projects. One is Lang Suan Colonade, a 50-unit serviced apartment, and the other is Central City Residence Condominium, a 12-unit condominium on the premises of CentralPlaza Bangna.

WATER PARKS AND RECREATIONAL PARKS

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

FOOD CENTERS

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

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

	Operated since	Shopping Complexes	Office Buildings	Hotel	Residential Buildings	Food Centers
Projects Owned by CPN						
CentralPlaza Lardprao	December 1982	o	o			o
CentralPlaza Ramindra	November 1993	o				
Central Center Pattaya	July 1995	o				
CentralPlaza Chiangmai Airport	March 1996*	o				o
Lang Suan Colonade	December 1998				o	
CentralPlaza Bangna	December 2001*	o	o		o	o
CentralWorld	December 2002*	o	o			
CentralPlaza Rattanaibet	December 2003*	o				o
CentralPlaza Chaengwattana	November 2008	o	o			o
CentralFestival Pattaya Beach	January 2009	o		o		o
CentralPlaza Udonthani	April 2009*	o		o		o
CentralPlaza Chonburi	May 2009	o				o
CentralPlaza Khonkaen	December 2009	o				o
Projects Managed by CPN						
CentralPlaza Pinklao **	March 1995	o	o			o
CentralPlaza Ratchada-Rama 3 ***	October 1997	o				o
CentralPlaza Rama 2 ****	December 2002	o				o

Remarks:

* Year when CPN acquired the asset

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

*** 81% of CPN's asset was leased to CPNRF from August 2005 to August 2035

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

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.

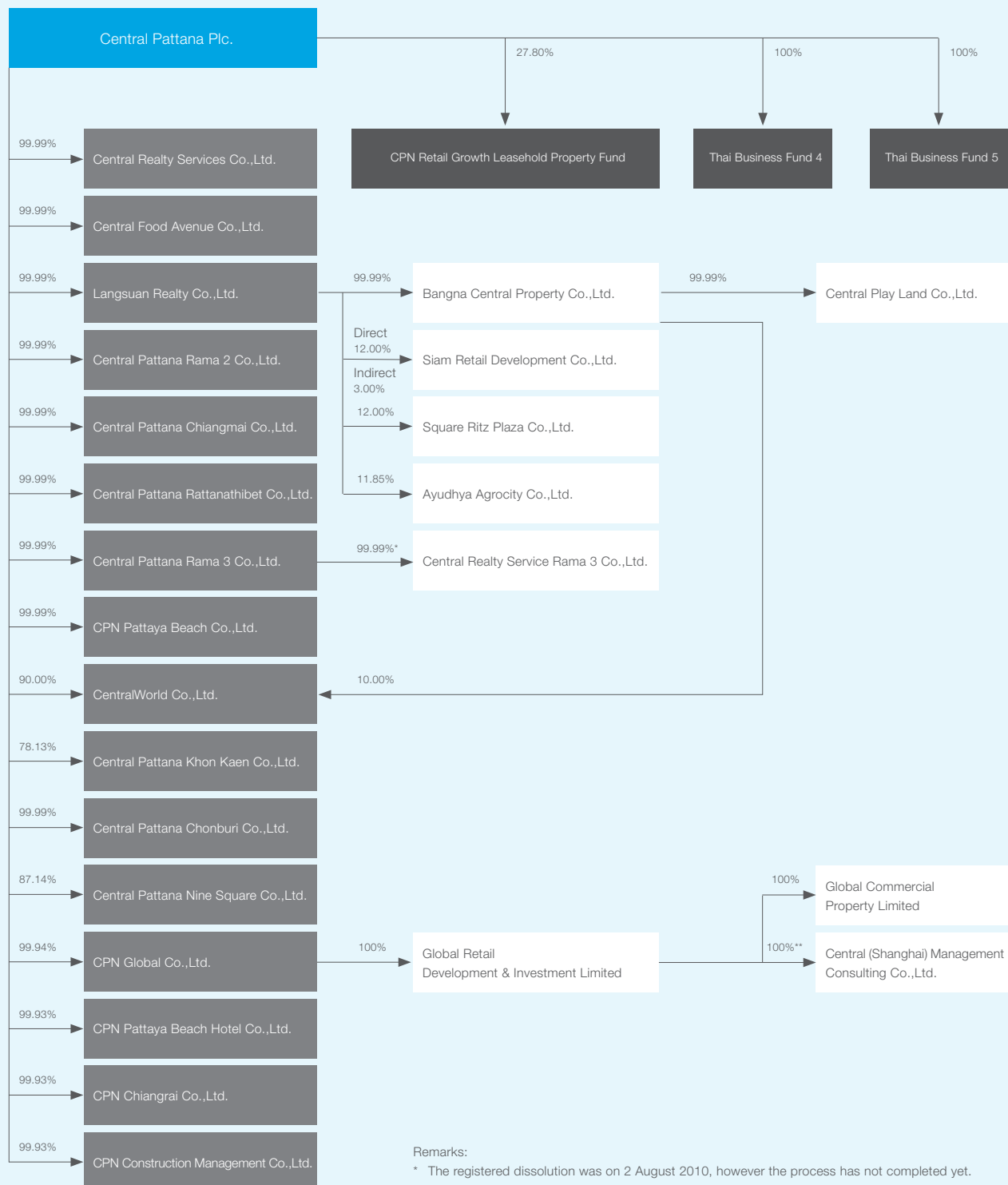
REVENUE STRUCTURE OF THE COMPANY AND ITS SUBSIDIARIES

Type of Business / Operated By	% of Shareholding	Year 2010		Year 2009		Year 2008		Year 2007		Year 2006	
		Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Shopping Centers		9,142	80.3%	9,254	78.7%	7,244	73.6%	6,680	74.9%	5,545	71.6%
• Central Pattana PLC.											
• Central Pattana Chiangmai Co.,Ltd.	99.99%										
• Bangna Central Property Co.,Ltd.	99.99%										
• Central Play Land Co.,Ltd.	99.99%										
• Central Pattana Rama 3 Co.,Ltd.	99.99%										
• Central Pattana Rama 2 Co.,Ltd.	99.99%										
• Central Pattana Rattanathibet Co.,Ltd.	99.99%										
• CPN Pattaya Beach Co.,Ltd.	99.99%										
• Central World Co.,Ltd.	100.00%										
• Central Pattana Khon Kaen Co.,Ltd.	78.13%										
• Central Pattana Chonburi Co.,Ltd.	99.99%										
Office Buildings		655	5.8%	898	7.6%	868	8.8%	809	9.1%	733	9.5%
• Central Pattana PLC.											
• Bangna Central Property Co.,Ltd.	99.99%										
• Central World Co.,Ltd.	100.00%										
Hotel		158	1.4%	116	1.0%	-	-	-	-	-	-
• Central World Co.,Ltd.	100.00%										
• CPN Pattaya Beach Hotel Co.,Ltd.	99.99%										
Residences		20	0.2%	21	0.2%	24	0.2%	19	0.3%	22	0.3%
• Langsuan Realty Co.,Ltd.	99.99%										
• Bangna Central Property Co.,Ltd.	99.99%										
Water and Recreation Park		6	0.05%	5	0.04%	7	0.1%	9	0.1%	10	0.1%
• Central Pattana Rama 2 Co.,Ltd.	99.99%										
• Bangna Central Property Co.,Ltd.	99.99%										
Food Centers		550	4.8%	639	5.4%	456	4.6%	378	4.2%	397	5.1%
• Central Food Avenue Co.,Ltd.	99.99%										
• Central Pattana Chiangmai Co.,Ltd.	99.99%										
• Bangna Central Property Co.,Ltd.	99.99%										
• Central Pattana Rama 2 Co.,Ltd.	99.99%										
• Central Pattana Rattanathibet Co.,Ltd.	99.99%										
• Central World Co.,Ltd.	100.00%										
Interest Income		226	2.0%	27	0.2%	167	1.7%	110	1.2%	159	2.0%
Share of Profit of Associate		475	4.2%	451	3.8%	362	3.7%	317	3.5%	299	3.9%
Other Income		156	1.4%	343	2.9%	712	7.2%	601	6.7%	586	7.6%
Total Revenues		11,388	100%	11,754	100%	9,840	100%	8,923	100%	7,749	100%

Remark:

Excludes non-recurring incomes

GROUP STRUCTURE OF THE COMPANY AND ITS SUBSIDIARIES



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 proper practices across the organization to support CPN's competitive potential in both short and long terms. In addition, good corporate governance 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. Since 2004, to ensure CPN's business conformance to good corporate governance practices under its policy, the Board has annually formed guidelines under the policy, which every director, executive and each employee must acknowledge, master and strictly comply. It is also a critical responsibility for all executives to help their staff understand, master and comply with the policy. The Company's latest update of its policy was completed on February 20, 2009, following SET's 2006 and OECD's (The Organisation for Economic Co-Operation and Development) good corporate governance principles, thereby raising CPN's corporate governance level to international standards.

CPN distributes the policy via the Company's website (www.cpn.co.th) and continually communicates good practices, which conform to its corporate governance policy, through various internal media, including the email, computer desktop wallpaper, intranet system, announcement boards, bi-monthly ADMIRE Newsletter and salary pay-slip attachment. Detailed information about the Company's business ethics and corporate governance policy appear in the orientation of all new employees. Furthermore, CPN conducts annual assessments of the implementation of its corporate governance and incorporates the assessed results for further improvement of its operation.

The Company's sections of corporate governance are:

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

The following includes implementation details under CPN's corporate governance policy:

RIGHTS OF SHAREHOLDERS

CPN values shareholders' rights and conform to laws, regulations, and ethical guidelines as follows:

- A mechanism is in place to ensure shareholders receive full returns on their investments. The structure of alliance among CPN, its affiliates, and joint ventures is straightforward, without joint shareholding or cross-shareholding. CPN has no pyramid shareholding structure within the Group.
- CPN equitably provides shareholders with basic rights and fair treatment in protecting their rights to hold shares, including the right to purchase, sell, and transfer shares; the right to receive clear and accurate information; the right to attend shareholders' meetings and vote on significant transactions; the right to elect directors to manage CPN; the right to set the compensation for the Board of Directors; the right to appoint external auditors and set their fees; the right to receive part of CPN's profit in the form of dividends; and the right to participate in and to be sufficiently informed on decisions concerning CPN fundamental changes. Details about the exercise of these rights are distributed via SET's information technology system, with due respect to the equitable and convenient access to information, as well as the right-exercising period.

- CPN, in the shareholders' meeting notice, provides shareholders with essential and adequate information for casting their votes on each item of the meeting agenda. The Annual General Shareholders' Meeting (AGM) agenda comprises:

1) Nomination of Directors: CPN provides basic information on candidates, including name, age, type of directorship, education, director training courses attended, experience, holding positions in other businesses, number of years in each position, and participation in committees' meetings as member of such committees during the previous year, share holding in other companies and any conflict of interest incurred in the previous year. This information is screened by the Nomination and Remuneration Committee along with adequate and clear remarks by the Board.

2) Remuneration: CPN provides information on the policy, amount, and form of compensation according to each director's position and responsibility, criteria and the procedures for determining compensation. Such information is screened by the Nomination and Remuneration Committee together with adequate and clear remarks by the Board.

3) Appointment of External Auditors: CPN provides information on the names of auditors and their affiliation, auditors' independence, the number of service years with the audit company for consideration of the suitability of the auditors' fee. Such information is screened by the Audit Committee together with adequate and clear remarks by the Board.

4) Dividend Payment: CPN provides information on the dividend policy and dividend amount subjected to approval, in comparison with the amount paid in the previous year. Such information accompanies adequate and clear remarks by the Board.

- At the 2010 AGM held on April 28, 2010, CPN provided minor shareholders with the right to propose in advance

additional meeting agenda items and nominated directors from September 29, 2009, to January 15, 2010. This included shareholders' rights to query the meeting agenda before the meeting date by submitting their queries to the Company Secretary. Criteria for such consideration, which were agreed upon by the Board, can be viewed at the corporate website, www.cpn.co.th. The Company Secretary's contact information is as follows:

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

For the 2010 AGM, there were no additional agenda items or nominations from any shareholder.

- CPN transparently conducted the AGM by following the respective agenda items as stated in the meeting notice, in strict conformance to the laws and the Company's regulations. Representatives from KPMG Phoomchai Audit Ltd. were invited to observe the meeting.
- CPN provided at least a two-hour registration period before each meeting. A computerized barcode system eased registration and vote counting to speed up the process and ensure information accuracy.
- Before the shareholders' meeting, the Company Secretary must inform shareholders of the vote-tallying procedures, as stated in the voting guidelines already distributed to all registered shareholders. Participants were informed of the voting result for each agenda item and presented with the voting scores. For the 2010 AGM, 525 shareholders and proxies attended the meeting, accounting for 83.63% of the total shares.

- Shareholders were allowed to attend a meeting in progress and to vote on remaining items of the agenda.
- The Company allowed shareholders to fully express their views and to raise their questions at the meeting, with the directors' attendance of 92%. The Chairman of the Board, the Chairman of the Audit Committee, the Chairman of the Nomination and Remuneration Committee, the President and CEO, the executive management, and external auditor attended the meeting to clearly answer all aspects of shareholders' questions.
- In 2010, CPN received an assessment score of 100 on the organizing quality of its shareholders' meeting, under the AGM quality assessment project, jointly conducted by the Thai Investors Association, the Securities and Exchange Commission (SEC), and the Thai Listed Companies Association. The assessment criteria included steps undertaken before each shareholders' meeting and activities on the meeting date and afterward.
- Shareholders' opinions on the organizing of shareholders' meeting were obtained through the satisfaction questionnaires. The information acquired was then applied in improving the efficiency of shareholders' meetings to benefit the Company and shareholders.

EQUITABLE TREATMENT OF SHAREHOLDERS

CPN values the equality of all shareholders, whether major or minor shareholders, institutional or foreign investors. Practical guidelines to promote genuine equality include the following:

- CPN provides shareholders with voting rights equivalent to the number of shares held. One share yields one vote.
- CPN prepares the meeting notice in both Thai and English. For the 2010 AGM, the meeting notice was posted on CPN's website on March 25, 2010, 30 days ahead of the meeting date, and was distributed to shareholders 21 days ahead of the meeting date. This provided shareholders with enough time to examine the information. In the notice, CPN enclosed facts and rationales, as well as directors' comments for all items on the agenda. There was no significant, extraordinary document distributed at the meeting, no addition items added to the meeting agenda, and no amendments made to significant information without informing the shareholders in advance.
- Even though the 2010 AGM meeting location was changed due to the political unrest near the location indicated in the meeting notice, CPN promptly informed shareholders of the change through SET's and the Company's website, and coordinated with Thailand Securities Depository Co., Ltd., in sending registered letters to inform the shareholders.
- CPN introduced the use of ballots for casting votes. The ballots were prepared separately for each agenda item for shareholders to use as seen appropriate.
- CPN facilitates shareholders who cannot attend the meeting themselves by enclosing in the meeting notice Proxy Form B, on which shareholders can state their voting preference, together with details about how to appoint a

proxy to shareholders' meetings. Shareholders can download Proxy Forms A, B, and C from www.cpn.co.th. In addition, the names and profiles of the four independent directors are provided for shareholders' voting by proxy. At the 2010 AGM, 95 shareholders appointed independent directors as their proxies. Details are as follows:

AGM No. 1/2010

- 94 shareholders appointed Mr. Paitoon Taveebhol, Chairman of the Audit Committee.
 - One shareholder appointed Mr. Chackchai Panichapat, member of the Audit Committee.
- CPN submits the resolutions of every shareholders' meeting through SET's ELCID system on the same day, so that non-attending shareholders are immediately informed. Shareholders can also request a video recording of each meeting from the Company Secretary.
 - Minutes of each shareholders' meeting are disseminated through the CPN website within 14 days after the meeting date, with a copy sent to SET within the stipulated period.
 - CPN has put in place internal regulations to prevent the abuse of inside information and conflicts of interest. Relevant details appear under "Management of Inside Information" on page 79.
 - In making connected transactions, the approval procedure is managed to ensure the best interests of CPN. Transactions with possible conflicts of interest must be submitted to the Audit Committee for their review and comments before submission to the Board and shareholders' meetings for approval, if applicable. CPN discloses complete and important information under the stipulated regulation.

- In 2010, the Board approved a connected transaction concerning a service agreement with Central Department Store Co., Ltd. Based on the transaction type and size, although the Board is authorized to approve the transaction without requiring comments from a financial adviser, CPN hired Kim Eng Securities Plc as a financial adviser to comment on the justification of the transaction, thereby ensuring transparency in the approval.

ROLES OF STAKEHOLDERS

CPN values all stakeholders and observes the sustainability of common benefits, as detailed below:

Staff : CPN focuses on cultivating a pleasant culture and work ambience, creating a safe work environment for people and assets, conducting regular safety reviews in the workplace, providing safety gear for staff and ensuring that they can properly use it, conforming to labor laws, treating staff equally and fairly, encouraging teamwork, supporting constant staff training, organizing activities to build a cordial relationship between executives and staff, openly encouraging staff to make comments, suggestions, and complaints transparently, and providing appropriate wages and welfare in line with performance and economic circumstances on employment. Details appear under "Human Capital" on page 84. Furthermore, CPN provides its employees and wage earners with the right of protection in case of whistle-blowing or complaint-filing against violation of or non-compliance with laws, rules, regulations, or business ethics as stated under CPN's corporate governance policy.

Creditors : CPN repays principles plus interest to all creditors at the agreed time and amount, and follows all loan agreements and other related agreements. Throughout its long business history, CPN has never misused any loan.

Business Partners : CPN has transparent and straightforward procedures for bidding, pricing negotiating, and selecting contractors/suppliers/service providers, as well as entering contracts concerning employment, sale or purchase of goods/ services. It treats all business partners equally and fairly under CPN's rules on procurement and hiring.

Tenants and Customers : CPN has constantly proposed novel activities and services to enhance positive customer relationships and satisfaction while also providing them with novel and impressive experiences. This demonstrates CPN's strong commitment to sharing with customers and jointly promoting business development with them for sustainable growth. These activities are described below:

1. Operating the World-Class Service Project, designed to build a cordial relationship with tenants, development and upgrading of management, and providing world-class services to tenants under the supervision of the Standard Promotion and Control Unit (SCU). The activities run by SCU included the standardization of policies, work processes and document forms related to tenants at all branches, and public information of the services provided by CPN.
2. Developing of service staff and evaluation of their services, including tenant relations staffs' daily visits to each store to serve tenants and listen to their problems and complaints. Customer service staff are also assigned to walk around shopping areas inside every center to handle shoppers' questions or promptly provide recommendations, thereby saving them a trip to the PR counter.
3. Jointly developing plans with tenants. The Sales Promotion Department and Tenant Relations Department have extended assistance to tenants in organizing activities on assorted

occasions, including shop openings, new product launches, business partnerships, and joint sales promotions between retail shops and the shopping complex to enhance shop-owners' preparedness in running their businesses.

4. Conducting Service Satisfaction Surveys every year to learn about the real needs of retail shops and customers. The findings are applied in fulfilling CPN's ambition to provide service excellence.
5. Providing more communication channels for customers to receive business information and to voice complaints, including direct contact with tenant service officers at each branch, I - Box, Company website and CPN Call Center at +66(0) 2635-1111, etc.
6. Providing information on shopping centers' facilities and new services. Obtaining basic information on constant service quality improvement by listening to tenants' comments and needs at quarterly tenants' meetings. Also, conducting focus groups to learn the specific needs of each tenant group and assessing the outcomes for service improvement.

Competitors : CPN treats competitors fairly without improperly accessing their confidential business information. The Company does not abuse the intellectual property of others or its competitors, and observes fair competition conditions; nor does it slander competitors. CPN and industry peers have established the Thai Shopping Center Association to collaborate in creatively conducting business and exchanging helpful knowledge and experience. In 2010, joint activities included:

1. Consultation to acknowledge and prepare for the upcoming Draft Retail and Wholesale Business Act.
2. Joint planning of social activities under the Thai Shopping Center Association.

3. Exchanging information about the management of shopping centers, including the inspection of shopping center buildings, insurance and measures for solving the problem of teenagers quarrelling in shopping centers.

Social, Community and the Environment : Recognizing the importance of operating its business with responsibility to social, community and environment for sustained growth and acceptance from all relevant parties, CPN has continually implemented tangible activities. Details of its social, community and environmental activities appear on page 89.

In case any stakeholders suspect or witness any act in violation of laws, regulations, rules, or business ethics, they can file a complaint together with details or proof to the Audit Committee for further investigation. The Committee's contact information is:

The Audit Committee
Central Pattana Public Company Limited
30th Floor, The Offices at CentralWorld
999/9 Rama I Road, Patumwan
Bangkok 10330, Thailand
Tel: +66(0) 2667 5555 ext. 1200
E-mail: whistleblower@cpn.co.th

For employees, clients or hired individuals who file complaints, their legitimate rights will be protected. Further details are stated in the Company's corporate governance policy.

DISCLOSURE AND TRANSPARENCY

CPN highly values the accuracy and adequacy of information as well as transparent and fair disclosure of information to the public, the principle to which the Company consistently adheres. CPN believes this is the key factor for obtaining trust

from shareholders, investors and other relevant parties, including SET, SEC and Credit Rating Companies which in the long term will add value to the Company.

Investor Relations Division

CPN established an Investor Relations Division in 2006 to take charge of communication and manage relations with investors, analysts, shareholders, the general public and other relevant parties. Meetings are regularly held between the division and CPN's senior executives to jointly formulate operational guidelines which conform to the Company's policies and vision. In ensuring the efficiency and continual development of information disclosure, the division also presents performance results and comments from shareholders, analysts and investors to the Board twice a year for their acknowledgment and suggestions.

Information Disclosure

CPN discloses complete and adequate corporate and financial information through three main channels:

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

- Website www.cpn.co.th – CPN arranges an alternative channel for investors and interested persons to access the Company's information through www.cpn.co.th, under "Investor Relations", which discloses assorted significant information, including financial information, MD&A, shareholding structure, corporate governance, company information submitted to SET through its ELCID system, Annual Report, Form 56-1, notices to shareholders' meetings, minutes of shareholders' meetings, investor relations newsletter, press releases and photo releases, investor relations calendar (IR Event and Calendar), factsheets for existing and new projects, and presentations used during both domestic and international roadshows by senior executives, which are available in both Thai and English and are regularly updated. The website has received a positive response from shareholders and investors, with continual increase of statistics of over 6,000 website visitors a month, over 200,000 viewings of the webpage information a month and over 3,000 investors who have subscribed to the Investor Relations Division's electronic newsletters.

Quarterly Meetings with Shareholders and Investors

CPN has joined SET in organizing the quarterly "Opportunity Day" activities to meet retail investors and any interested parties and presenting the Company's quarterly report on performance results. In each quarter of the previous year, 80-100 investors participated. SET also provides a live webcast via SET's website, with a quarterly average of 80 persons following the activity via this channel. Computer monitors are set up in front of CPN executives so that the viewers can post their questions and get real-time responses from the management during Q&A sessions. Furthermore,

visual and audio recordings of executives' presentations are provided through the webcast system and posted on the CPN website after the meeting in Thai and English as Microsoft Word documents, thereby ensuring that the Company's quarterly performance is comprehensively disseminated to both Thai and foreign investors.

Meeting Investors

In 2010, the Investor Relations Division, in cooperation with CPN's senior executives, organized 247 investor-related activities participated in by 485 analysts, investors and interested parties, a big jump from 2009. These activities include:

- Senior executives and investor relations specialists regularly conducting road shows to explain and answer questions concerning CPN's performance results, growth strategy and significant happenings during the year. In 2010, there were 11 roadshows, including five domestic and six overseas roadshows in Hong Kong, Singapore and the UK, totaling 156 meetings.
- Hosting 85 company visits to allow Thai and foreign institutional investors and analysts to meet CPN's senior executives and investor relations specialists to acquire Company information via prior appointments.
- Hosting one company visit for 30 minor investors to meet executives and investor relations specialists to ask about Company information.
- Holding five conference calls with investors.
- Communicating information via email and telephone 3-5 times per day.

Site Visits

CPN regularly cooperates with security companies in bringing foreign and Thai investors to visit the Company's shopping centers and understand CPN's business operation through presentations of key information. In 2010, CPN organized site visits to five shopping centers in Bangkok and other provinces.

CPN hopes that the Investor Relations Division will be the center for disseminating information, answering any enquiries, and regularly receiving and exchanging shareholders' or investors' opinions. Shareholders, investors, and interested

parties may contact the Company for additional information by contacting:

Ms. Choenporn Subhadhira
Investor Relations Division
Central Pattana Public Company Limited
31st Floor, The Offices at CentralWorld
999/9 Rama I Road, Patumwan
Bangkok 10330, Thailand
Tel: +66(0) 2667 5555 ext. 1614 or 1669
Fax: +66(0) 2264 5593
E-mail: ir@cpn.co.th

Contact Channels

Recognizing the significance of good corporate governance, CPN has arranged the following contacts for shareholders, investors and stakeholders:

Contacts	Duties and responsibilities	Email address	Telephone no.
Audit Committee	Supervise and monitor the operation to ensure conformance to all rules, regulations and good corporate governance policy.	whistleblower@cpn.co.th	+66 (0) 2667 5555 ext. 1200
Company Secretary	Supervise and give suggestions on the operation of the Company and the Board to ensure conformance to rules, regulations and related laws, and communicate information between the Board, executives and shareholders.	co.secretary@cpn.co.th	+66 (0) 2667 5555 ext. 1665 or 1678
Investor Relations Division	Communicate information, including responses to the opinions of shareholders and investors.	ir@cpn.co.th	+66(0) 2667 5555 ext. 1614 or 1669

The Company's contact address is: Central Pattana Public Company Limited 30th – 33rd Floor, The Offices at CentralWorld 999/9 Rama I Road, Patumwan, Bangkok 10330, Thailand

BOARD RESPONSIBILITIES

Recognizing its responsibility for the Company and its shareholders, CPN's Board of Directors values its duties in directing the Company's operation, as well as monitoring and supervising the following management activities:

- The Board has instituted the principles of corporate governance in business operations and a code of conduct for the Board, executives and staff since 2001, with the latest revision in 2007. It also formulated an effective corporate governance policy in 2004, updated in February 2009 to be in line with its latest guidelines on good corporate governance. The mentioned policy was distributed via CPN's corporate website (www.cpn.co.th) for each employee to acknowledge and strictly comply to produce concrete results.
- The Board of Directors consists of four independent directors out of a total of 12, accounting for one-third of the total. Being fully qualified under the Company's standard, the independent directors can effectively and efficiently perform their duties for the full benefit of the Company.
- The Chairman, who is not an independent director, is a representative of the shareholders. Based on the deliberation of the Nomination and Remuneration Committee, and with the approval of the Board, the current structure is appropriate for CPN's business and is a forte supporting CPN's constant success and business growth, as the Chairman is knowledgeable, experienced, and skillful in the retail and property development industries.
- The Board requires that a director must not serve on more than five listed companies on the SET, without exception. Currently, this requirement is the case.
- The Board demands that the President must not serve on more than five listed companies on the SET, excluding the Company's subsidiary or joint investment companies. The current CPN President does not serve as the director on any SET-listed company, except for CPN.
- The Board has ruled that each independent director cannot hold more than two consecutive terms of directorship, with one term extendable if seen appropriate. The Board considers such a flexible policy appropriate due to the time-consuming process in nominating a qualified independent director.
- The Board jointly plans meeting dates for the entire year in advance, with at least six meetings a year. The Board considers the numbers of meeting favorable for the directors' effective performance, consistent with the Company's management structure and business operation. In 2010, there were seven Board meetings, consisting of six regular meetings and one extraordinary meeting.
- The Chairman, the President and the Company Secretary jointly set a clear agenda before each Board meeting. All directors can freely propose their agenda items for consideration by the Chairman before inclusion in a meeting.
- For meeting documents that can be revealed in written form without affecting CPN's business operations, the Company Secretary must submit them to the directors at least seven days in advance for consideration, together with invitation letters specifying the meeting date, time, place and agenda. In emergencies, to protect the Company's rights or interests, appointments for such meetings can be made through other methods at shorter notice.

- During each meeting, the Chairman allocates enough time for discussion of each significant issue and encourages all directors to creatively and freely express ideas with due discretion, with the Company Secretary and legal department in attendance to take notes.
- Minutes of Board meetings, all relevant information and documents are safely stored in the form of electronic files and the original documents.
- Since the Board does not meet every month, the Company Secretary must submit monthly reports, comparing achievements against the Board-approved targets, for the directors' acknowledgment.
- In 2010, the Board acknowledged the development of political unrest and its impacts on the management of several CPN's shopping centers, both in Bangkok Metropolis and in other provinces. Using its best efforts, the Board provided suggestions on preventive measures and risk management to deal with the situation. However, the fire incident at CentralWorld Shopping Center on May 19, 2010, which damaged was beyond its control. Moreover, the Board's full dedication to performing its duties during the crisis was demonstrated at the extraordinary meeting, held on the first day after the situation calmed down, with all directors attending except those who were abroad. The meeting considered the situation at the CentralWorld Shopping Center, and included positive discussions, suggestions and comments on the following issues:
 - Summary of the events, impacts, and monetary and non-monetary damage.
 - Inspection of building structures before entry.
 - Security and protective measures of the Company's

shopping centers and assets in Bangkok Metropolis and other provinces.

- Provision of fair, systematic, and prompt relief assistance for affected employees, customers and people in all sectors.
- In renovating the CentralWorld Shopping Center, the top priority is the safety of lives and assets of employees, customers, business partners, and nearby communities.
- Insurance dealings.
- Complete, correct and prompt communication with all concerned parties.

In addition, the Board has closely monitored the progress of related issues and provided suggestions.

- Non-executive directors are required to hold at least one exclusive meeting a year. In 2010, the meeting was held in June. A summary of issues and recommendations from the meeting was acknowledged by the Board of Directors and the management for further improvement of the Company.
- The Board's performance is evaluated at every Board meeting to promote constant improvement of directors' performance. The Board also conducts self-evaluation annually. The combined outcomes of these evaluations for 2010 scored an average of 95.50%. A listing of evaluation outcomes in descending order is as follows: 1) Board structure and directors' qualifications; 2) Board meetings; 3) Directors' performance; 4) Relationship with the management; 5) Self-improvement of the Board and capability building for executives; 6) Duties and responsibilities of the Board. In addition, the Board set its own operational guidelines by assessing the Company's business situation to identify issues that need focus in the following year. The guidelines are then presented to all

directors for acknowledgment, thereby ensuring their efficient, effective and prompt response to any business risk and potential problems.

- The Nomination and Remuneration Committee formulates the President's evaluation measures, including assessing and examining his compensation. Central Group's Executive Committee tables the auxiliary information the Committee's consideration. The President takes part in setting his own operating goals and acknowledges the approved goals each year.
- The Board ensures strict conformance to laws, rules, and regulations. Legislative amendments are considered at Board meetings to ensure the directors' earnest acknowledgment of their roles, duties and responsibilities under new legislation and full undertaking of required actions.
- In addition, the Company Secretary assists in informing the directors constantly about training courses and seminars held by IOD (Thai Institute of Directors) and other agencies, including other important information useful to their duty execution.
- In 2010 the directors attended the following training and seminars to enhance their knowledge in performing their duties:

Name / Position	Name of Institute / Training Course	
1. Mr. Paitoon Taveebhol Independent Director	IOD	- Monitoring the Internal Audit Function (MIA)
		- Monitoring the System of Internal Control and Risk Management (MIR)
		- Monitoring the Quality of Financial Reporting (MFR)
		- Role of the Compensation Committee (RCC)
	TMA	- TMA Top Talk "Thailand in CG Watch 2010"
2. Mrs. Sunandha Tulayadhan Independent Director	TMA	- TMA Top Talk "Thailand in CG Watch 2010"
3. Mr. Kanchit Bunajinda Director	TMA	- TMA Top Talk "Thailand in CG Watch 2010"
4. Mr. Prin Chirathivat Director	IOD	- Advanced Audit Committee Program

Note:

IOD - Thai Institute of Directors

TMA - Thailand Management Association

- The Board lays down measures to disclose information on the involvement of directors, executives, and related parties. The first report must be submitted within 30 days of their first service date with the Company, and the information must be reported on the December 31st of every year. For the sake of transparent transaction, if directors, executives, and related parties must directly or indirectly conduct any transactions with the Company or its subsidiaries during the year, such directors or executives must notify the Company at once by identifying facts about the nature of each contract, names of counterparties, and their involvement in the contract.
- The Company Secretary collects the aforementioned information and sends copies of directors' and executives' involvement report to the Chairman and the Chairman of Audit Committee for acknowledgment within seven working days of the first date when the Company received the report. It is also the duty of the Company Secretary to keep such reports at CPN's office.
- Directors and executives must fill out a form of connected transactions in each fiscal year ended December 31 to express transparency, thoroughness and discretion in deliberating connected transactions during the year.
- 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.

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 purchase, 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 shareholding 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 2010, it has not any complaint about dishonesty of directors and executives about the misuse of inside information.

ORGANIZATION DEVELOPMENT

Under the vision “To be the most admired and dynamic regional retail property developer with world-class rewarding experience”, CPN is committed to developing the Company into a high-performance organization to ensure the preparedness of work procedures and personnel for regional competition.

TO PROMOTE VALUE, CULTURE, AND CORPORATE GOVERNANCE, INCLUDING STAFF’S VOLUNTEER SPIRIT FOR THE COMMUNITY AND SOCIETY

Under CPN’s policy to conduct business with morals and ethics, CPN encourages all management and employees to perform their duties under six corporate governance principles, namely **“Integrity, Transparency, Treating People with Equality, Fairness to All, Keeping Promises and Confidentiality, and Caring for People and Society”**, in parallel with CPN’s core value of **“Innovation, Experience, Trustworthiness, Excellence, Success of Partners”**. These translate into operational guidelines and activities, such as the organization of an orientation on corporate governance for new employees, inclusion of corporate governance principles on the agenda for monthly meetings, staging of a contest on the core value, organizing “CPN Volunteer” projects for staff to perform voluntary work for the community and society (please see details under “Development for Sustainability”), an employee opinion survey (EOS), voicing of their opinions via P.O. Box 99 and idea-BOX, Voice of Internal Customer (VoIC), and the “Khon Dee, Khon CPN” Award project for employee role models. Firmly committed to corporate governance principles from executive to operational levels, CPN was recognized for its Excellent Corporate Governance (five stars) by Thai Institute of Directors (IOD).

TO BE A LEARNING AND INNOVATIVE ORGANIZATION

“CPN Share More, Learn More”

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

“Idea Sparking”

“Idea Sparking” project is based on the belief that the foundation of the organization’s innovation lies in the creativity of its personnel. CPN offers an opportunity for all employees to present their creativity through the “Idea Sparking” project. The ideas are gathered, considered, and studied to further improve work and create new services to better serve customers’ needs.

“Dream Team” Project

Besides individual creativity, CPN promotes teamwork under the framework of PDCA (Plan-Do-Check-Action), a tool that trains staff to systematically analyze and solve problems. The “Dream Team” Project, initiated in 2009, has been piloted at CentralWorld, CentralPlaza Bangna, and CentralPlaza Chiangmai Airport. This project is a remarkable success, proved by continuous work improvement. As of 2010, CPN had more than 69 Dream Teams to improve the efficiency of internal functions.

“CPN Quality Award” Project

One of the organization's innovations is driven via the “CPN Quality Award” Project, established to encourage the management level of each department and each branch to team up and find the direction and processes that would enable their departments or branches to achieve CPN's goals and missions. In 2010, the goal of the project is to enhance the efficiency of each department at Head Office and respond to the branches' vision so as to upgrade the work at the management level into a strategic focus and analyze problems through fact-based management. Creative projects that generate innovations will be shown and shared at the CPN Productivity Contest, first organized in 2011, so that CPN people can choose the best things and adapt them for their functions.

TO DEVELOP EFFICIENT WORK PROCESSES AND SYSTEMS

Thailand Quality Award Organizational Development Project

Since 2009, CPN has applied Thailand Quality Award approach as a framework for developing its retail management systems. In 2010, two pilot shopping centers, namely CentralPlaza Bangna and CentralPlaza Chiangmai Airport, have been developing the internal management systems after receiving feedback report from their TQA assessors. Thanks to the commitment, dedication and shared knowledge between the teams of these pilot projects, CentralPlaza Chiangmai Airport received the prestigious Thailand Quality Class (TQC) 2010 award as a proof of the international standard of CPN's retail management systems. The knowledge, experience, and work procedures obtained from these pilot shopping complexes will

help develop every shopping complex under CPN's management to develop a globally accepted standard of retail management.

Business Process Improvement Project

CPN values the review of business processes to prepare itself for the strategy of domestic and international business expansion. During 2010, CPN collaborated with a business consultant in reviewing the strategies and assessing the readiness of assorted systems and personnel for potential change. This information will be applied to the plan of work process and system development, especially Enterprise Resource Planning (ERP), a project of information system development at the corporate level, to modernize CPN's systems, accommodate rapid business expansion, ease users' work, and enhance the efficiency of different units.

International Standard Management

CPN has adopted International Standard Management Systems ISO 9001:2008 and ISO 14001:2004 for corporate management as seen below:

- **Retail Property Management under ISO 9001:2008**

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

In 2010, CPN applied for upgrading of the standard of 10 projects to ISO 9001:2008, namely CentralPlaza Lardprao, CentralPlaza Pinklao, CentralPlaza Rama II, CentralPlaza Bangna, CentralPlaza Rachada-Rama III, CentralPlaza Ramindra, CentralPlaza Chiangmai Airport, CentralPlaza Rattana Thibet, Central Center Pattaya, and CentralWorld.

Furthermore, two new shopping complexes, CentralPlaza Chaengwattana and CentralFestival Pattaya Beach, were certified. That means 12 shopping complexes of CPN are now certified by ISO 9001:2008.

For 2011, CPN will prepare three new shopping centers, namely CentralPlaza Chonburi, CentralPlaza Udonthani, and CentralPlaza Khonkaen, for ISO 9001:2008.

- **Environmental Management under ISO 14001:2004**

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

In 2010, CPN expanded its environmental management system in conformance to the standard of ISO 14001:2004 from two certified projects, CentralPlaza Pinklao and CentralPlaza Bangna, to CentralPlaza Chiangmai Airport and Central Center Pattaya. Therefore, four projects have now achieved certification.

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



HUMAN CAPITAL MANAGEMENT

CPN is well aware that the Company is a fraction of a large society. Yet, when the personnel of this small society feel happy and have self-esteem, these people are ready to create

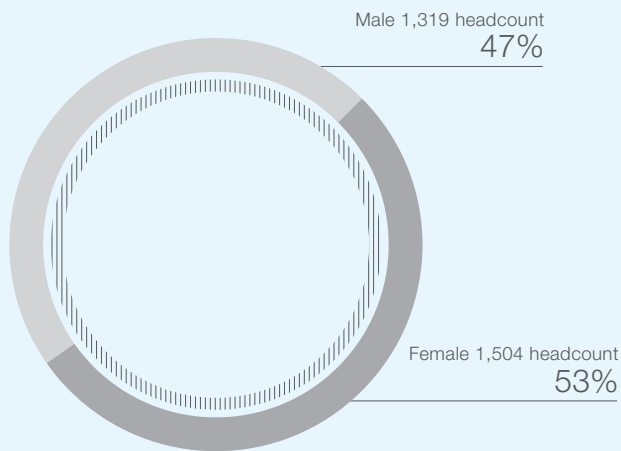
good things for customers, partners, and organization as well as taking part in developing economy and society to ensure sustainable growth.

PERSONNEL DATA

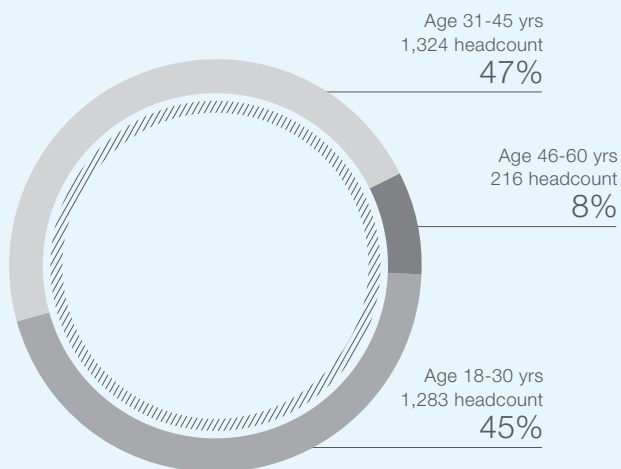
Branch / Year	2005	2006	2007	2008	2009	2010
Head Office ¹	292	353	421	588	635	655
Ladprao	192	191	193	183	178	187
Ramindra	51	51	54	50	53	51
Pinklao	159	181	180	146	141	138
Pattaya Center	54	72	88	96	89	91
Rama III	126	105	106	107	106	103
Chiangmai	142	144	143	143	142	142
Bangna	191	187	205	183	179	179
Rama II	150	155	159	142	141	142
CentralWorld	222	302	405	387	396	375
Rattanaibet	71	85	99	96	96	99
Chaengwattana	-	-	-	-	127	129
Pattaya Beach	-	-	-	-	149	155
Udonthani	-	-	-	-	121	124
Chonburi	-	-	-	-	100	99
Khonkaen	-	-	-	-	110	111
Chiangrai	-	-	-	-	-	43
Total	1,650	1,826	2,053	2,121	2,763	2,823

Remark:

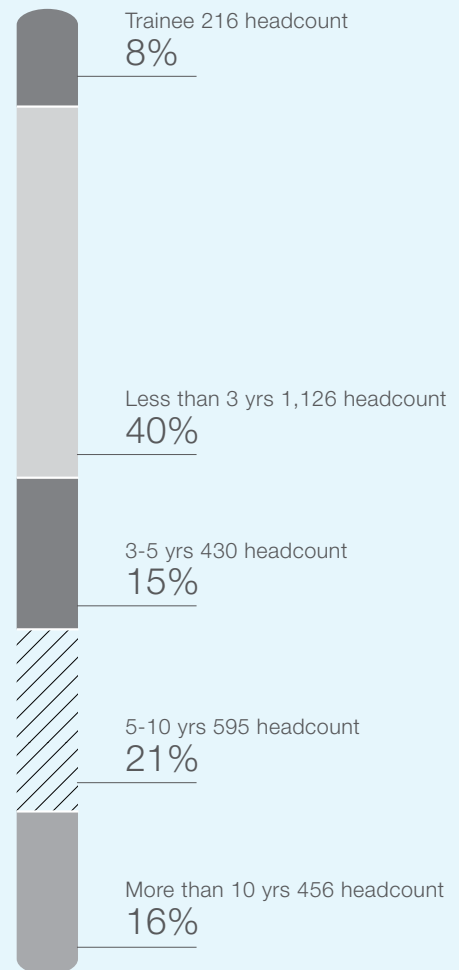
¹ Staff of Langsuan Colonade are included.



EMPLOYEES BY GENDER



EMPLOYEES BY AGE



EMPLOYEES BY YEARS OF SERVICE

PERSONNEL SELECTION AND RECRUITMENT

Valuing the process of personnel selection and recruitment, CPN has a policy to select and recruit from within the organization first to ensure that they receive equal and fair opportunities for their career growth.

In selecting and recruiting its personnel, CPN focuses on staff's knowledge and ability in parallel with their virtues. In other words, the selected ones must be properly qualified for the position with a positive attitude consistent with the corporate value of "creating with confidence to jointly achieve excellence" for **"Khon Dee Khon CPN"**

CPN's personnel selection and recruitment are jointly considered between the original affiliation and Human Resources Management to ensure a transparent process based on good corporate governance and appropriate qualifications for the position.

Furthermore, CPN focuses on employing local labor, including endorsement of staff relocation to their hometowns to diversify revenue to local communities. CPN strongly believes that these staff members, as a smaller part of a large society, will develop their own communities into a stronger society that grows together with CPN.

MANAGEMENT OF REMUNERATION AND BENEFITS

CPN formulates its remuneration system by comparing the position, responsibilities, and competency to the remuneration and benefits offered by peer organizations in the same or similar business.

Staff remuneration is based on the performance under an evaluation system with individual performance indicators, consisting of corporate key performance indicators (KPIs) division/department KPIs, operation KPIs, and evaluation of potential. Both the supervisor and the subordinate must agree on the outcome. Furthermore, the supervisor must explain the subordinate's performance to his or her supervisor so that they can acknowledge the evaluation principle, which is fair for all staff.

Furthermore, CPN has established welfare committees at Head Office and every branch, which acquire members from applications and selection from each department. Each committee, with a two-year term, holds quarterly meetings. They act as a staff spokesperson by communicating with the management team about staff's proper welfare, including guidelines and patterns of activities to foster cordial relations within and among branches. After each meeting, the committee delivers the topic(s) of improvement or development to the representatives for further implementation. If the topic causes a major corporate development, the welfare committee proposes it to the Executive Board at a specified time.

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

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

STAFF RELATIONS MANAGEMENT

CPN is well aware that staff's happiness and cordial relations directly affect work efficiency and effectiveness. Therefore, it has organized projects to enhance their happiness and make them feel proud to be a part of CPN by focusing on a balance between social and recreational activities. In 2010, CPN organized following activities:

Family Day is when staff and their families can get together so that executives, staff, and families can have friendly dialogues and the families can have a better understanding of CPN's business.

Sports Day encourages staff to engage themselves in physical exercises and learn about sportsmanship and forgiveness, which result in sound physical and mental health.

CPN Volunteer offers staff an opportunity to repay society and community and to create and develop livable and happy communities, especially ones in the vicinity of CPN's shopping complexes, such as repairing toilets at temples, activities on National Children's Day for communities, and construction of public libraries.

In addition to the activities that foster cordial relationship among staff, CPN believes that "caring for one another", such as listening to one another and listening to staff's complaints,

is another way to create staff's happiness and engagement. Each staff member can file a complaint via assorted channels when facing difficulties at work or in everyday life:

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

HUMAN CAPITAL DEVELOPMENT

Convinced that human capital development is a sustainable competitive advantage in the long run, CPN supports and sets its goal to continuously develop its personnel in a tangible way to ensure that the competency of staff will be enhanced to suit their current positions and responsibilities, which must be consistent with their career path planning.

CPN's human capital development combines cooperation among Human Resources, original affiliation, and staff. In formulating individual development plans, the process starts by setting competency levels by position, making an assessment between the supervisor and staff, and developing individual development plans with advice from Human Resources. This plan varies with each staff member. Development includes formal training, seminars, short courses, studies at a higher level, as well as informal methods, such as coaching, book recommendations, and job shadowing. In order to ensure that every CPN staff member understands the Company's business and possess knowledge, skills, and attitude in line with the corporate goal, CPN has formulated a training roadmap, which varies with positions.

Furthermore, CPN organizes other competency development projects for different staff and professionals, namely Executive Coaching Project for senior executives, Leadership Development Program to prepare middle management for a higher level, Intensive Coaching for middle management, and Supervisory Skill Development Project for first-line managers (junior executives). For staff who require technical skills, CPN organizes additional technical training programs as seen appropriate, such as service standards, intensive firefighting program for firemen, and accounting standards. There are

both in-house training and external training, both domestic and overseas.

SUCCESSION PLANNING

CPN undertakes succession plans for executives and key positions in the shopping complexes to maintain the trust of partners, shareholders, and staff in a given executive's promotion, transfer, or resignation, and to be prepared for the development of executives in response to the Company's expansion.

CPN has formed a committee to implement succession plans, starting from nominating successor candidates, selecting successors, making potential assessments, and summarizing outcomes. The process is carried out with transparency and fairness for all staff.

SUSTAINABILITY MANAGEMENT

CPN has conducted its business operations with the mission of becoming a business admired by the community and society. One of the Company's most valued goals is **"Care for the Society, Care for Each Other"**. This goal comes from the company's core values to provide **"Innovation, Experience, Trustworthiness, Excellence, Success of Partners"** and the company's Corporate Governance policy, which emphasizes **"Honesty, Truthfulness, Openness, Transparency, Equality, Justice, Accountability and Caring for society"**.

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

This year, CPN restructured its sustainability management by appointing a Sustainability Management Committee, headed by the President & CEO, with other CPN executives as members. This committee replaced the Environmental Conservation and Safety Committee to ensure that the policy and action plans are adequately comprehensive and align with the development approach to sustainability, and that they are effectively implemented.

CPN's current Sustainability Management policy is divided into the following two aspects:

- Management of Energy, Environment and Occupational Health
- Management of policy and projects for a sustainable society and community.

This policy has been communicated to all employees to create a shared recognition that showing responsibility toward society, the community and the environment is something that is fun and can be easily achieved every day.

CONSERVING ENERGY AND CARING FOR THE ENVIRONMENT

Conserving Energy

CPN values maximizing the use of energy and using it conscientiously. Operating a shopping mall consumes the same amount of energy as a small factory; therefore, CPN has developed a three-dimensional policy regarding conserving energy, including:

1. Technical: Using up-to-date and environmentally friendly technology and applying it to CPN's projects.
2. Organizational structure and policy: Issuing policies and assigning a clearly designated committee to work on saving energy on the executive, managerial and operational levels. This includes the Audit Committee, consisting of representatives from various levels of the organization, including project management, business development, asset management and the marketing department. This group jointly oversees the company's energy policy.
3. Behavioral or Personnel: Communicating and raising awareness so that staff, tenants, customers and the local community around the malls play an active role and are aware of conserving energy.

Innovations in Conserving Energy

CPN has fully implemented its knowledge and experience regarding conserving energy since 2005, starting with development of the Specific Energy Consumption (SEC) Index, that is, the energy consumption per usable area. This allows CPN to manage the consumption of energy per month more efficiently and effectively. The data are analyzed and referred to when planning the energy management policy each year and allows CPN to propose and implement a sustainable energy management policy.

CPN also uses modern and environmentally friendly technology and applies it to the business model. This includes using innovations from the Leadership in Energy & Environmental Design (LEED), which focuses on a building design that makes use of natural light to save energy, uses more environmentally friendly materials, and increases green space in the building. A High Efficiency Chiller was also brought in to replace the original air-conditioning system, making it more energy-efficient by using a more environmentally friendly cooling agent. This was done in conjunction with installing a Variable Speed Drive (VSD) to pump cold water for the cooling tower in the air-conditioning system, thereby reducing energy consumption.

To show its commitment to conserving energy on a macro level, CPN has regularly participated in projects which support the conservation of energy, for example:

- Becoming one of the most energy-efficient buildings under the Department of Alternative Energy Development and Efficiency, Ministry of Energy, to raise awareness of conserving energy and protecting the environment for society. CPN's malls that had won the Energy Conservation Awards in 2009 were CentralPlaza Chaengwattana and CentralFestival Pattaya Beach.
- Participating in the Thailand Energy Awards, hosted by the Department of Alternative Energy Development and Efficiency, Ministry of Energy. The objective was to praise and

thank entrepreneurs who excelled in energy conservation and developing alternative energy, as well as raising awareness of those involved to develop and implement ways to achieve a lasting result. In 2010, CentralPlaza Rama 2 won the award for Best Energy Conservation in the Control Building category and CentralPlaza Chaengwattana won the award for Best Innovation for Energy Conservation in the New Building category.

- Competing in the Building Energy Award (BEAT) 2010, a project initiated by the Energy Policy and Planning Office (EPPO), Ministry of Energy. The aim was to help citizens become aware of energy conservation by learning from real examples from well-known buildings and to build a workforce knowledgeable in energy conservation for the long term at the national level. The results will be announced in August 2011.

The Environment

CPN realizes the value of our limited natural resources and cares for the livelihood of the stakeholders, the community, and the environment around the shopping complex. Therefore, it has a clear policy regarding environmental conservation, starting with the design, building, and management of the shopping malls carried out through its key business practices, for example:

- Issuing a clear policy on safety for construction sites which covers safety standards, ways to control and monitor environmental impacts, a manual on quality control, and a handbook of practices for CPN contractors to ensure that construction proceeds according to CPN's safety standards.
- Installing a wastewater treatment facility that complies with legal standards and using biological methods in such treatment. The waste water is measured, recorded and reported before being released into public water sources.
- Installing a CO Detector to indicate the level of carbon monoxide gas in the parking building to make sure it is not inferior to legal standards.

CPN is the first retail property developer to use the ISO 14001:2004 standard to manage its shopping complexes to reduce negative environmental impacts. By the end of 2010, four projects under the management of CPN had been certified ISO 14001:2004, including CentralPlaza Pinklao, CentralPlaza Bangna, CentralPlaza Chiangmai Airport and Central Center Pattaya. The aim is to have all of CPN's shopping complexes ISO 14001:2004 certified by 2012.

SAFETY

One of CPN's sustainability management policies is to monitor the environment in and around each shopping complex, office building, and residential project under CPN's management to ensure they are safe to protect the health and assets of CPN's tenants and customers.

To ensure the safety of assets and persons:

- CCTVs were installed in the car park and in the shopping complex, and were regularly maintained.
- A maintenance schedule is provided for equipment such as lifts, escalators, gas burners, and cooking appliances.
- An emergency response action and emergency control plan was developed in compliance with ISO 9001:2008.

To ensure the protection of people's health:

- A policy for managing and controlling the air inside the building was proposed, which complies with the law and ISO 14001:2004 standards on environmental management. This meets the international standard which CPN uses as a guideline for managing its shopping complexes.
- An automatic ventilation system was installed to bring in fresh air from outside the building and release it inside. A CO-detection system was installed in the parking lot to measure and monitor carbon monoxide gas and prevent it from exceeding given standards.

- Regular assessments of restaurant operations in the shopping complex are conducted, and a Clean Kitchen project has been carried out to encourage restaurant operators in the shopping complex to be mindful of good hygiene in all restaurants.
- A sanitation system was in place, which provides an effective and hygienic system for storing and removing waste.
- Sanitation Gel points were installed at the entrances and exits of the shopping malls.
- When there was an outbreak of respiratory diseases, the shopping complexes were cleaned more regularly. CPN also installed a disinfecting system commonly used in hospitals to clean the shopping complex area and set up information boards on how to prevent respiratory diseases.

SUSTAINABLE COMMUNITY AND SOCIETY DEVELOPMENT

The CPN Young Thai Intellectual Cultivation Program

CPN strongly believes that young people are a critical foundation for society. Educating and instilling good morals and ethical conduct for youths will enable the community and society to become sustainable and self-sufficient. Supporting the education of the Thai youths, especially less-privileged ones, is one of the primary policies and strategies for CPN's sustainability management and was the main inspiration behind the CPN Young Thai Intellectual Cultivation Program.

Through this project, CPN has cooperated with government agencies, our partners, and other companies under the Central Group to provide support for education for less-privileged communities and youths by building a learning center for the community and building libraries for poor schools. CPN has also donated a significant amount of teaching and learning equipment for such youths. In 2010, the CPN Young Thai Intellectual Cultivation Program carried out the following activities:

CPN is the first retail property developer to use the ISO 14001:2004 standard to manage its shopping complexes to reduce negative environmental impacts. By the end of 2010, four projects under the management of CPN had been certified ISO 14001:2004, including CentralPlaza Pinklao, CentralPlaza Bangna, CentralPlaza Chiangmai Airport and Central Center Pattaya. The aim is to have all of CPN's shopping complexes ISO 14001:2004 certified by 2012.

Development of Community Learning Centers

CPN and the Institute for the Promotion of Teaching Science and Technology, with the support of our business partners, customers, and companies under the Central Group, has developed community learning centers to provide more opportunities for self-learning through the provision of various media, including videos, DVDs, computers, Internet, book corners, and scientific experiments. To date, CPN has developed nine community learning centers in the schools listed below:

- Ban Khlong Muang School, Amphoe Muang, Krabi
- Bamrung Islam School, Amphoe Muang, Pattani
- Nakhon Khon Kaen, Amphoe Muang, Khon Kaen
- Tasdikiya School, Amphoe Jana, Songkhla
- Prapassorn Wittaya School, Amphoe Muang, Chon Buri
- Ban Pong Malaengwan (Chirathiwat Upatham) School, Amphoe Muang, Nakhon Ratchasima
- Alawiyah Wittaya School, Amphoe Bannang Satar, Yala
- Ruam Sun Wat Huay Kaeo School, Amphoe Mae On, Chiang Mai
- Mae Pa Wittayakom School, Amphoe Mae Sot, Tak

School Building Improvements for Ban Non Chaisi Nong Khaen School, Roi Et

The CentralPlaza Khonkaen shopping complex and the Revenue Department of Roi Et province worked together to improve the school building, library and playground for the school, located in Amphoe Phanom Phrai of Roi Et province.

The "CPN Volunteers" Program

CPN has always encouraged employees to give back to society and the community. The "CPN Volunteers" program started from a small group of CPN employees who truly reflected the Company's wishes to see staff participate in activities which benefit society. In 2008, the "CPN Volunteers" group

was established with 250 members, a number which has been increasing steadily. Currently there are 800 members who have joined the group to show their volunteer spirit.

The CPN Volunteers group regularly conducts activities on a rotation basis for the communities near shopping complexes under CPN's management, as well as for the volunteers' home communities which they propose to the CPN Volunteers Group Committee. These activities revolve around the idea of social responsibility and sustainable community development. In the past year, the group's activities are summarized below:

"Share and Care for Less Privileged Youths" Project

On January 23, CPN Volunteers from the CentralPlaza Bangna shopping complex hosted a lunch for the students from Wat Bot Woradit, Amphoe Pa Mok, Ang Thong province. The volunteers presented the school with learning materials and sports equipment to help children with academics and physical health.

"Doing Good for the Public" Project at Soonthon Pradit Temple

On February 11, CPN Volunteers from the CentralPlaza Udonthani shopping complex got together to enhance the public good by cleaning the temple grounds and cleaning the air-conditioning units in the temple.

“Cleaner Water for Khlong Bang Krasaw” Project

On March 5, CPN Volunteers from the CentralPlaza Rattanathibet joined forces with the Nonthaburi municipality and the Lak Thong community to dredge and clean the canal behind CentralPlaza Rattanathibet.

“Care for the Ocean” Project

On April 3, CPN Volunteers from the CentralFestival Pattaya Beach and Central Center Pattaya Department Stores held the “Care for the Ocean” event. Activities included providing knowledge about conserving the natural marine environment and how to promote reefs, releasing clownfish into the ocean, and picking up rubbish on the beachfront of Kham Island in Chonburi province.

Love Earth, Care for the Planet “Restoring Beauty to Bangkok” Activity

Over 150 CPN Volunteers, with the cooperation of companies under the Central Group and the Bangkok Metropolitan Authority, planted 250,000 trees on the sidewalk and traffic islands around Ratchaprasong intersection, Henri Dunant Road and Ratchadamri Road as part of the “Restoring Beauty to Bangkok” Project.

Love Earth, Care for the Planet “Pha Pa for Light” Activity

On August 6, CPN Volunteers from CentralPlaza Lardprao, CentralPlaza Rattanathibet, and CentralPlaza Chaengwattana shopping complexes jointly held the CPN Volunteers “Pha Pa

for Light” by offering energy-saving light bulbs to Wat Noi Nok Temple, Nonthaburi province. The CPN volunteers changed and repaired worn-out lamps, maintained the public toilets in the temple, and donated learning materials to build a library for Thammasirisuksa School, Nonthaburi province.

“Care for Flood Victims” Project

CPN Volunteers traveled by boat to bring survival kits to flood-ravaged communities in Amphoe Bang Sai in Ayutthaya province. In Bangkok the volunteers took survival kits to Santi Songkroh and Dusitaram communities in Bangkok Noi district.

“Help Flood Victims Together” Project

On November 9, CPN Volunteers from CentralPlaza Udonthani held the “Help Flood Victims Together” project by holding a donation drive for survival kits from local people in Udonthani and giving them to the flood-stricken communities of Ban Kong and Ban Phue, Amphoe Nong Ruea, Khonkaen province.

“Following in His Majesty’s Footsteps by Reforesting Mangroves” Project

On November 28, CPN Volunteers from Central Center Pattaya and the Na Klua Conservation Group carried out the “Following in His Majesty’s Footsteps by Reforesting Mangroves” Project. Together the volunteers planted 1,000 saplings to restore life to the ecosystem around the mangrove area behind Chong Lom Temple, Na Klua district, Amphoe Bang Lamung, Chonburi province. There was an exhibition to provide knowledge about the marine ecosystem to students, passers-by, and others who attended the event.

“Clean Toilets for Temples” Project

CPN Volunteers from CentralFestival Pattaya Beach helped the Pattaya municipality authority to carry out the “Clean Toilets for Temples” project. This is a corporate social responsibility for the environment and local communities to improve the public toilets in temples around Pattaya and keep them in good, hygienic conditions, as well as providing more green

space on the temple grounds. By the end of 2010, CPN Volunteers had carried out this project in Wat Pothisamphan, Wat Thammasamakhi, Wat Sao Thong Thong, and Wat Kao Pho Thong temples. In 2011 the volunteers will develop better toilets in all places of worship, regardless of the religion practiced, until all 24 places of worship have been completed.

CSR “Return to Hometown” Project

CentralPlaza Chiangmai Airport department store and CPN Volunteers organized the “Return to Hometown to Ban Hua Fai School (Si Kham Branch)” and helped change the environment inside and outside the classroom by painting cartoon motifs for nursery and kindergarten classrooms. The volunteers also hosted a lunch and presented clothes and learning equipment collected from the charitable donations of the stores and customers of CentralPlaza Chiangmai Airport department store to the students and the local community.

“Care for Green Community” Project

CentralPlaza Udonthani department store worked together with CPN Volunteers to carry out the “Care for Green Community” to create more green space and improve the public facilities in the communities around CentralPlaza Udonthani shopping complex, with a focus on temples and schools. CPN Volunteers presented the Ban Nong Baw School in Amphoe Phen, Udon Thani province, with young saplings and also carried out maintenance of the public facilities in the school on December 23.

“CPN Christmas Cards” Project

CentralPlaza Chiangmai Airport and CentralPlaza Chiangrai shopping complexes and over 60 CPN Volunteers conducted the “CPN Christmas Cards” project to spread joy during the holiday period to children and to encourage them to participate in activities that will enhance their knowledge and experience. CPN Volunteers gave out prizes, teaching/learning materials, sports equipment, and winter clothes to school children at Huai San Yao Withaya School, Amphoe Mae Lao, Chiang Rai province, the fourth consecutive year for this activity.

OTHER PROJECTS FOR THE PUBLIC GOOD

In addition to improving the local community, society, and the environment through the previously mentioned projects, CPN has joined forces in 2010 with business partners, companies under the Central Group management, and CPN employees in carrying out other activities to repay society. These activities included donating drinking water to Bang Khen police officers, and supporting the production of traffic signs around the BTS line extension construction site on Rattana Thibet Road, Nonthaburi province, to reduce accidents and traffic congestion. CPN also sponsored 50 children from Ban Nok Khamin Foundation for a day’s excursion to the snow dome and provided ice-cream at the “Ice Cream Festival @ Central Plaza Ramindra”. CPN donated dolls from “Doll Mania 2010 @ CentralPlaza Ratchada-Rama III” to the Phyathai Children’s Foundation and donated 1,000 blankets in the “Keep Warm with Love” project in conjunction with Thai TV Channel 3. CPN also donated explosive devices recovery robots and cell-phone signal transmission blockers to the Khon Kaen police station.

In 2010, CPN also supported government and private organizations by providing 310,000 square meters of space inside and outside the shopping complexes under CPN’s management for activities and projects which support education, religion, culture, art and charitable giving.

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

Kobchai Chirathivat

President

Central Pattana Public Company Limited



RISK FACTORS

Risk Type	Risk Management
<p>STRATEGIC RISKS</p> <p>Risk from overseas investment</p> <p>Failed overseas investment could affect the Company's return on investment.</p>	<p>Focus on implementing strategies in conformance to CPN's mission and business plan to ensure that strategies and objectives are compatible with acceptable risks</p> <ul style="list-style-type: none"> • Undertake a thorough study on the operation of business in each country before deciding to invest • Continuously monitor economic, social, and related business situations to ensure appropriate responses • Jointly invest with high-potential business allies • Undertake organizational and personnel preparation to ensure readiness for overseas investment • Enhance differentiation and competitiveness through continuous development of shopping centers, standard of services, and management • Acquire funding sources to ensure capital adequacy and maintain appropriate net interest-bearing debt to equity ratio
<p>OPERATION RISKS</p> <p>Risks from organizational competency</p> <p>Failure to ensure organizational and personnel readiness for business expansion may cause the Company to lose business expansion opportunity and hinder its profitability.</p>	<p>Focus on every step of operating processes from investment, IT, to personnel, including safety risks, which could harm lives and cause damage to CPN properties</p> <ul style="list-style-type: none"> • Improve efficiency of all work processes to support the Company's growth • Develop key personnel's capability for promotion under the Succession Plan and Individual Development Plan (IDP) • Develop training roadmaps in line with employees' competency profile • Develop change management processes and communicate them throughout the company to ensure readiness for organizational changes
<p>Risks from construction work</p> <p>Failure to manage planned construction time and cost may hurt the Company's cash flow and profitability.</p>	<ul style="list-style-type: none"> • CPN's application of Value Engineering Technique and systematic supervision process ensures the successful completion of construction projects without reducing the projects' quality or credibility • Construction contractors are selected through a transparent and efficient process

Risk Type	Risk Management
<p>Risks from sabotage, accidents, and natural disasters</p> <p>Damage caused by these calamities may halt the Company's business, hurt its cash flow and hinder profitability.</p>	<ul style="list-style-type: none"> • Take out comprehensive insurance policies for all projects under CPN's management to prevent financial losses from damage caused by natural disasters, accidents, and sabotage • Formulate Emergency (Crisis) Management Plans and Business Continuity Plan (BCP) to minimize impacts caused by emergencies or crises
<p>COMPLIANCE RISKS</p> <p>Risks from legal provisions and government policies</p> <p>Failure to thoroughly examine related laws, including possible changes in regulations and government policies before deciding on investment may lower the Company's return on investment and profit growth.</p>	<p>Focus on strict conformance to internal and external regulations, including related laws</p> <ul style="list-style-type: none"> • Rank project locations and land sizes, as well as conducting detailed studies of legal limitations before deciding to invest • Closely monitor changes in all applicable aspects, including city planning, expropriation areas, development of mass transit systems, and environmental conservation laws to ensure appropriate property development planning
<p>FINANCIAL RISKS</p> <p>Interest rate risks</p> <p>Rising interest trends may increase the Company's costs and reduce profits/returns as well as affecting future business expansion.</p>	<p>Focus on managing the Company under prudent monetary policy by controlling expenses under the approved budget, thus ensuring appropriate returns, as well as the public's confidence in the Company's acceptable, efficient risk management and internal controls under the fast-changing business environment</p> <ul style="list-style-type: none"> • Increase the ratio of fixed interest rate loans • Use alternative financial instruments, including interest rate swaps, to increase the ratio of fixed interest rate loan • Use other fund mobilization alternatives aside from loans, including mobilization through property funds and identifying joint investors for new projects

CAPITAL STRUCTURE

CPN's capital structure, as at December 31, 2010, 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	26.75	Baht

Unsecured and unsubordinated debentures

Debenture	Credit rating	Amount (MB)	Issuance Date	Life (year)	Interest Payment Cycle	Repayment of Principle	Maturity Date	Balance as at Dec 31, 2010
CPN126A	A+	3,000	14/06/2007	5	Every 6 months	Upon maturity	14/06/2012	3,000
CPN119A	A+	1,500	25/09/2008	3	Every 6 months	Upon maturity	25/09/2011	1,500
CPN135A	A+	2,000	21/05/2009	4	Every 6 months	Upon maturity	21/05/2013	2,000
CPN145A	A+	1,000	21/05/2009	5	Every 6 months	Upon maturity	21/05/2014	1,000
CPN136A	A+	1,200	26/06/2009	4	Every 6 months	Upon maturity	26/06/2013	1,200
CPN127A	N/A	1,000	24/07/2009	3	Every 6 months	Upon maturity	24/07/2012	1,000
CPN126B	N/A	500	09/06/2010	2	Every 3 months	Upon maturity	11/06/2012	500
CPN15DA	N/A	500	28/12/2010	5	Every 6 months	Upon maturity	28/12/2015	500

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

Company Financial Ratios following the Debenture's Rights and Conditions	Covenant Ratios	As at Dec 31, 2010
1. Total Debt to Total Shareholders' Equity	Not over 2.5 times	1.84 times
2. Total Interest Bearing Debt to Total Shareholders' Equity	Not over 1.75 times	1.01 times
3. Total Assets (excluding Secured Debt) to Unsecured Debt	Not less than 1.5 times	3.43 times

SHAREHOLDERS

CPN's shareholding distributions as at December 31, 2010 are:

Shareholders	Shares	Shareholding (%)
Registered Capital	2,178,816,000	100.00%
Local Shareholders		
- Juristic persons	905,431,526	41.56%
- Persons	783,133,098	35.94%
Total	1,688,564,624	77.50%
Foreign Shareholders		
- Juristic persons	445,628,066	20.45%
- Persons	44,623,310	2.05%
Total	490,251,376	22.50%

Top ten major shareholders as at December 31, 2010 are:

Shareholders	Shares	Shareholding (%)
1. Central Holding Co., Ltd.	588,171,980	27.00%
2. HSBC (Singapore) Nominees Pte Ltd	159,969,458	7.34%
3. Thailand Equity Fund	106,670,600	4.90%
4. Thai NVDR Co., Ltd.	92,039,467	4.22%
5. The Bank of New York (Nominees) Limited	70,538,885	3.24%
6. Mrs. Arunee Chan	44,794,960	2.06%
7. BNP Paribas Securities Services Luxembourg	42,600,000	1.96%
8. Mr. Suthichai Chirathivat	41,794,000	1.92%
9. Mr. Suthikiati Chirathivat	41,730,200	1.92%
10. Mrs. Suchittra Mongkolkiti	33,652,400	1.54%

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

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

Foreign Limit in Shareholding

CPN has set a foreign limit of 30% of the paid-up capital. As at December 31, 2010, foreign investors altogether held 22.50% of CPN's total paid-up capital.

CPN Names of directors and executives holding CPN shares

Directors and executives holding CPN shares as at December 31, 2010, are as follows:

Name	Position	Shares	Shareholding (%)
1. Mr. Suthichai Chirathivat	Chairman	41,994,000	1.93%
2. Mr. Suthikiati Chirathivat	Director	41,730,200	1.92%
3. Mr. Prin Chirathivat	Director	30,150,550	1.38%
4. Mr. Kobchai Chirathivat	Director	26,493,500	1.22%
5. Mr. Suthichart Chirathivat	Director	23,295,400	1.07%
6. Mr. Sudthidej Chirathivat	Senior Executive Vice President	16,295,700	0.75%
7. Mr. Sudhisak Chirathivat	Director	14,173,200	0.65%
8. Mr. Sudhitham Chirathivat	Director	14,082,300	0.65%
9. Mr. Suthipak Chirathivat	Executive Vice President	12,794,800	0.59%
10. Ms. Wallaya Chirathivat	Executive Vice President	8,664,300	0.40%
11. Mrs. Narttaya Chirathivat	Executive Vice President	8,619,600	0.40%

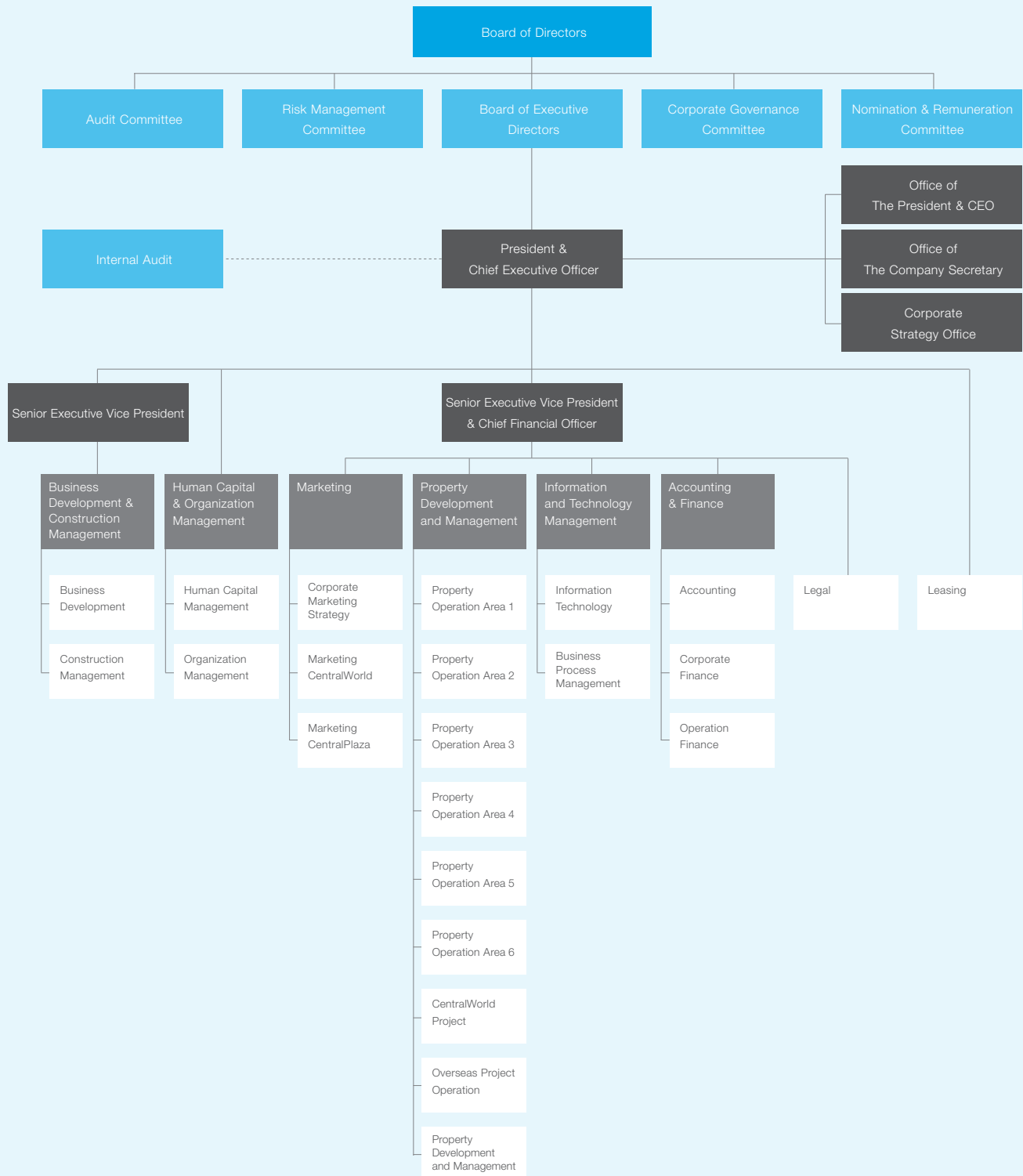
Remarks : The amount of shares as shown are included the shares holding by spouse and minor child of directors and executives.

DIVIDEND POLICY

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

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

ORGANIZATION CHART



MANAGEMENT STRUCTURE

CPN's Management Structure comprises the Board of Directors, the Executive Committee, the Management Committee, and four Sub-committees: the Audit Committee, the Nomination and Remuneration Committee, the Risk Management Committee, and the Corporate Governance Committee, described as follows.

BOARD OF DIRECTORS

The Board of Directors comprises 12 members with the Chairman as a representative of the shareholders. The Chairman is not the same person as the President & CEO. The Board consists of 11 non-executive directors and one executive director as follows:

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

Note:

1. Representatives of the shareholders
2. An Executive Director

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

Duties and responsibilities of the Board

1. Perform all duties in compliance with the law, Company objectives and articles of association, and shareholders' meeting resolutions with duty of loyalty and duty of care, with accountability and ethics, keeping in mind the equitable interests of the shareholders.
2. Define CPN's vision, strategies, plans, and its annual budget and continuously monitor its performance to ensure that the goals are achieved and potential difficulties are promptly dealt with.
3. Approve significant transactions under its authority required by law and the articles of association, and approve capital expenditure budget exceeding 200 MB.
4. Appoint sub-committees to support the operation under its responsibility as seen appropriate and necessary, and regularly monitor their performance.
5. Independent directors should exercise independent discretion in the formulation of strategies, management of work and resources, appointment of directors, and determination of business standards. They should also be prepared to disagree with the management and other directors on matters that may affect the equality of shareholders.
6. Arrange for correct, complete, transparent, reliable, and timely information disclosure to all shareholders and stakeholders
7. Institute an efficient and effective internal control system and internal audit.
8. Institute an efficient and appropriate risk management process that can be evaluated, monitored, and managed for key risks.

9. Appoint a company secretary to oversee various Company activities and assist the Board and the Company in conforming to the law and applicable regulations.
10. Institute a CPN code of conduct and ensure that the directors, executives, and all employees follow this code.
11. Institute good corporate governance practices and ensure effective communication with all employees for acknowledgment and strict compliance.
12. Institute a transparent and clear process for connected transactions.
13. Institute clear processes for the Audit Committee's report to the board. In case of doubtful transactions or activities that could significantly affect the Company's financial status or performance, the Board must resolve the issue within the time limit seen fit by the Audit Committee.
14. Formulate succession plans for top executives.
15. Regularly review and update key policies and plans as seen suitable for the business environment.
16. Seek professional business guidance by hiring outside advisers with CPN's budget.
17. Perform other shareholder-assigned duties.
2. Over the past two years, has not held a director position, regular employee, staff member or consultant on the payroll of the Company, its parent company, subsidiary or affiliated company, a same-level subsidiary, or juristic entity that may constitute a conflict of interest.
3. Is not be related by blood or by legal registration as parents, spouse, sibling, children or spouses of children of the executive, major shareholder, controller, or person nominated as an executive or controller of the Company or subsidiary companies.
4. Over the past two years, has had no direct or indirect business relation with the Company, its parent company, subsidiary or affiliated company, or juristic entity that may cause conflict with independent decisions. Over the past two years, he/she must also never have been a major shareholder, non-independent director or executive of those who with business connections with its parent company, subsidiary or affiliated company, or juristic entity that may cause a conflict of interest.

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

Qualifications of independent directors

1. Does not hold more than 0.5% of the total outstanding voting shares of the Company, its parent company, subsidiary or affiliated company, or juristic entity that may constitute a conflict of interest. This is inclusive of the shares held by his/her related persons.

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

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

After the appointment, an independent director may be assigned by the Board to make a collective decision on the operation of the Company, its parent company, subsidiary or associated company, or juristic entity with potential conflicts.

COMPANY SECRETARY

CPN has established an Office of the Company Secretary to perform all secretariat work with efficiency, and the Board of Directors is responsible for appointing a qualified person as Company Secretary, who is at present Ms. Naparat Sriwanvit.

Duties and Responsibilities of the Company Secretary

1. Prepare and maintain the following documents:
 - 1.1 Company's statutory register of directors
 - 1.2 Annual reports
 - 1.3 Notices and minutes of the meetings of the Board of Directors
 - 1.4 Notices and minutes of the shareholders' meetings
2. Maintain and keep a record of vested interests as reported by directors and executives.
3. Send copies reporting vested interests of directors and executives or related persons to the Chairman of Audit Committee within seven days of the receipt of each report.
4. Organize Board and shareholders' meetings according to rules and applicable laws.
5. Supervise, inspect, and provide advice to CPN and the Board of Directors in conformance to CPN's memorandum of association, articles of association, Securities and Exchange Act, Public Company Limited Act, and applicable laws.
6. Act as the clearing house between the Board of Directors, executives, and the shareholders.
7. Coordinate and follow up the Board's and shareholders' resolutions.
8. Ensure that appropriate information disclosure and information reports are submitted to the regulators as required.
9. Perform other duties as required by the regulations of the Capital Market Supervisory Board or as assigned by the Board of Directors.

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

EXECUTIVE COMMITTEE

Appointed by the Board of Directors, the Executive Committee consists of six members:

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

Duties and Responsibilities of the Executive Committee

- Screen the following for the Board of Directors for approval:
 - CPN strategic plans
 - Annual budget estimates, based on CPN's strategic plans
 - Capital expenditure budget exceeding 200 MB
 - Activities and operations concerning mergers and acquisitions
 - Appointment of the President & CEO
- Monitor CPN's performance under the budget and goals.
- Approve transactions with banks and financial institutions that constitute normal CPN's business.
- Approve transactions with subsidiary companies and investment in securities as assigned by the Board of Directors.

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

MANAGEMENT COMMITTEE

The Management Committee consists of eight members:

-
- Mr. Kobchai Chirathivat
President & CEO
 - Mr. Sudthidej Chirathivat
Senior Executive Vice President,
Business Development & Construction Management
 - Mr. Naris Cheykin
Senior Executive Vice President, Finance,
Accounting and Property Management

4. Mr. Suthipak Chirathivat
Executive Vice President, Office of the President
5. Ms. Wallaya Chirathivat
Executive Vice President,
Business Development & Construction Management
6. Mrs. Narttaya Chirathivat
Executive Vice President, Leasing
7. Mr. Terachart Numanit
Executive Vice President, Construction Management
8. Mr. Nattakit Tangpoonsinthana
Executive Vice President, Marketing

Duties and Responsibilities of the Management Committee

1. Prepare and propose strategic business plans.
2. Prepare and propose annual budget estimates.
3. Present operating expenditure over 50 MB.
4. Nominate the President & CEO's direct reports.
5. Consider the approval of various operations for the Board of Directors and the Executive Committee as assigned
 - 5.1 Bank and financial transactions that constitute normal business
 - 5.2 Transactions with subsidiary companies and investment in securities as assigned by the Board of Directors and the Executive Committee
 - 5.3 Action on notaries rights and legal transactions concerning all CPN shopping centers and subsidiaries that constitute or support normal business
 - 5.4 Approve capital expenditure of up to 50 MB.
 - 5.5 Perform other transactions as may be assigned by the Board of Directors or the Executive Committee.

SUB-COMMITTEES

Audit Committee

The Audit Committee, appointed by the Board of Directors, consists of independent directors. The first and the fourth members below have adequate knowledge and experience in reviewing the reliability of financial statements, namely:

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

Note: * Appointed on January 21, 2011

Duties and Responsibilities of the Audit Committee

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

6. Review and ensure that Internal Audit is independent and has an efficient internal audit process.
7. Review the activities and structure of Internal Audit and approve its charter.
8. Provide suggestions to the appointment, removal, transfer, commendation or discharge, as well as compensation of the head of Internal Audit.
9. Review the internal audit plan with the head of Internal Audit, especially about the internal control system and financial management process.
10. Provide suggestions and remarks about the budget and manpower of Internal Audit for the management's approval.
11. Review audit plans and coordinate the scope of audit of Internal Audit and the external auditor to be mutually supportive and eliminate redundancy.
12. Select, nominate, and propose fees for the external auditor for approval so as to obtain an independent auditor, taking into account the reliability, adequacy of resources, audit volume, the experience of the personnel assigned to audit the Company as well as past work. Also, consider the removal of the external auditor.
13. Review the scope and method of auditing proposed by the external auditor as well as reasons for changing the auditing method (if any)
14. Provide suggestions to the external auditor to review certain transactions that may be necessary or important during the auditing process of CPN and subsidiary companies.
15. Review the report of the external auditor and submit to the management for adjustments in practices, as well as following up on such suggestions.
16. Consider the adequacy and efficiency of coordination between the external auditor and Internal Audit
17. Act on received information from the external auditor as soon as possible regarding suspicious activities of directors, managers or persons responsible for operating CPN that may constitute a breach of the second paragraph of Section 281/2, Section 305, Section 306, Section 308, Section 309, Section 310, Section 311, Section 312 or Section 313 of the Securities and Exchange Act. Promptly check the information received and report preliminary findings in the first instance to SEC and the external auditor within 30 days from the date when a given breach was reported.
18. Review conformance by the Company to Securities and Exchange laws, SET requirements, or CPN business-related laws.
19. Report its performance to the Board for consideration at least once every quarter.
20. Prepare a report of the Committee in the format required by SET, to be signed by its Chairman and included in the annual report.
21. Immediately report to the Board suspicious transactions that may constitute a conflict of interest, fraud, or breach of Securities and Exchange laws, SET requirements, or CPN business-related laws and may seriously affect CPN's financial status and performance. If the Board or the management do not correct the problem within a reasonable time limit, the Committee may report it to SEC or SET.
22. Review CPN's continual process of good corporate governance as well as providing approaches and advice for development.

23. Emphasize and promote good corporate governance as a regular agenda for Board meetings and AGMs.
24. Ensure that the Chairman of the Committee receives a copy of the report of the directors' vested interests from the Company Secretary under Article 89/14 of the Securities and Exchange Act within seven days of the date when CPN receives the report.
25. Review CPN's risk management process to ensure standardization, effectiveness, and efficiency.
26. Work with the Risk Management Committee, the Risk Management task force, and the management in considering, making recommendations on, and updating reports on CPN's risk management.
27. Conduct other Board-assigned duties with the concurrence of the Audit Committee. The Committee is liable to the Board for its Board-assigned duties and responsibilities, whereas the responsibility for all CPN activities to others is still that of the Board.
28. Revise and update the Audit Committee Charter annually to ensure its timeliness and suitability.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee, appointed by the Board, comprises three independent directors out of four members, with the Chairman being also an independent director.

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

Three advisors to the Committee are appointed as follows:

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

Duties and Responsibilities of the Nomination Committee

1. Consider the appropriate structure, size, and composition of the Board to suit the organization and changing environment.
2. Consider the criteria for selecting directors, President & CEO, as well as recruiting qualified candidates and submitting their names to the shareholders or the Board for further consideration on a case-by-case basis.
3. Formulate succession plans for the President & CEO and senior executives with regular reviews.
4. Ensure that the policy, plans, and strategies for human resources align with CPN's business.

Duties and responsibilities of the Remuneration Committee

1. Ensure a clear, fair, and reasonable compensation method and standard for directors and the President & CEO.
2. Consider the compensation for directors and propose it to the Board for endorsement and, in turn, tabling it for the approval of shareholders' meetings.
3. Define goals and evaluate the performance of the President & CEO to set reasonable compensation.
4. Ensure that the Board, the sub-committees, and the President & CEO receive due compensation given their duties, responsibilities, performance, and relevant risks. The compensation is compatible with those of industry peers in order to persuade, retain, and motivate prospective

personnel. The added value they bring to the shareholders in the long term are also taken into consideration.

Risk Management Committee

The Risk Management Committee, appointed by the Board, comprises five directors. Four of them represent the Board:

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

Duties and Responsibilities of the Risk Management Committee

1. Consider the policies, strategies, structures, and organization framework of a corporate risk management system.
2. Provide support to senior executives by defining the structure of corporate risk management; evaluate all dimensions of risk factors that may affect CPN's business.
3. Review risks, and follow up and evaluate the adequacy, efficiency, and effectiveness of overall risk management.
4. Master the risks that may severely affect the organization and ensure proper management measures taken.
5. Provide advice and endorsement of corporate risk management.

The management has also established a risk management task force (committee) at the operating level, comprising executives from various related areas, with the manager of each shopping center as the risk manager. The secretary to

the Risk Management Committee must coordinate the communication of key risks to the risk management task force so that they can apply comprehensive risk management strategies to their regular work.

Corporate Governance Committee

The Corporate Governance Committee comprises six directors, all of whom come from various parts of the Company:

1. Mr. Naris Cheyklin	Chairman
2. Mr. Nattakit Tangpoonsinthana	Member
3. Ms. Naparat Sriwanvit	Member
4. Mrs. Suwadee Singngam	Member
5. Mr. Uthai Kongkittiwong	Member
6. Mr. Sathit Wikhantanakul	Member

Duties and Responsibilities of the Corporate Governance Committee

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

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

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

Summary of the appointment of directors on sub-committees

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

Note:

C – Chairman, VC - Vice Chairman

M – Member, A - Advisory

(1) Resigned as Chairman on April 28, 2010

(2) Appointed as Chairman on May 11, 2010

(3) Appointed to the Nomination and Remuneration Committee on September 20, 2010, and appointed to the Audit Committee on January 21, 2011

(4) Resigned from the Advisor to the Nomination and Remuneration Committee on November 12, 2010

NOMINATION OF 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 (AGM). If the total number is not a multiple of three, the number closest to one-third must be used with the exit of directors who have stayed the longest with the Board, who may be re-elected to the Board.

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

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

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

Shareholders have been allowed to take part in the early proposal of candidates for selection. The selection method and process are posted on the corporate website, www.cpn.co.th, and investors are informed of the information through Electronic Company Information Disclosure (ELCID) of SET. However, in 2010, no shareholder has proposed any name for consideration.

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

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

In addition, the Company Secretary provided the following documents to the new directors:

- Director's manual, consisting of CPN's vision, mission, and values; corporate governance policy; code of conduct for directors, executives, and employees; CPN's articles of association; charters of the Board of Directors and sub-committees; manual of listed companies' directors; suggestions for disclosure of information; and applicable laws

- Company profile
- Regulations on the CPN's internal information control
- Regulations on the CPN's securities portfolio
- Policy on reporting of directors' and executives' vested interests and relevant forms for report preparation
- The latest annual report
- Board meeting minutes dating back one year
- Performance reports of the Audit Committee dating back one year.

CPN encourages its directors to attend director training programs to better understand their roles while enhancing their knowledge for more efficient management. CPN is responsible for all training expenses, and the Company Secretariat will inform all directors of the training news and schedules for their consideration, including courses offered by SET, SEC, and IOD (Thai Institute of Directors), among others. In case of significant upcoming changes, expert lecturers or consultants may be invited to deliver talks to ensure the effectiveness and efficiency of the directors' performance. Additional information on the directors' training appears under "Management Biography" on page 204.

NOMINATION OF MANAGEMENT

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

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

Human Capital Management's implementation of succession plans includes:

- Executive Coaching Program for senior management
- Leadership Development Program for middle management to groom them for higher levels
- Intensive Coaching Program for middle management
- Supervisory Skill Development Program for junior executives.

The above-mentioned succession plan can ensure an efficient nomination process. Additional details appear under Human Capital Development on page 88.

REMUNERATION OF THE DIRECTORS AND MANAGEMENT

REMUNERATION OF DIRECTORS

CPN prescribes policy for fair and reasonable remuneration of directors, which has been determined by The Nomination and Remuneration Committee. It takes into account the roles and responsibilities of each director 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 2010 was not exceeding 10 MB of which payment structure, approved by the resolution at the Annual General Meeting of Shareholders' on April 28, 2010, was as follows:

Type of Remuneration	Amount (Baht)
1. Quarterly Retainer (Baht/Quarter)	
- Chairman	120,000
- Independent Director (Chairman of Audit Committee)	110,000
- Independent Director (Audit Committee Member)	85,000
- Independent Director and Director	70,000
2. Meeting Fee for Board of Directors (Baht/Meeting)	
- Chairman	50,000
- Independent Director	35,000
- Director	25,000
3. Meeting Fee for Audit Committee (Baht/Meeting)	
- Chairman of Audit Committee	60,000
- Audit Committee Member	45,000
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

Remuneration of directors in form of director fees and meeting fees paid by CPN to the Board of Directors in their capacity as Directors of Audit Committee members, of Nomination and Remuneration Committee members, and of Advisory of Risk

Management Committee members was totaled of 8.15 MB. The details of the meeting attendance and remuneration in 2010 were as follows;

Meeting Attendance and Remuneration of the Directors in 2010

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

Remarks:

- 1 Resigned from Chairman of the Board of Directors on April 28, 2010 3 Appointed as a member of the Nomination and Remuneration Committee on September 20, 2010
2 Appointed as Chairman of the Board of Directors on May 11, 2010 4 Resigned from an advisory of the Nomination and Remuneration Committee on November 12, 2010

Director Remuneration (Baht)					
Quarterly Remuneration	Meeting Allowances for Board of Directors	Meeting Allowances for Audit Committee	Meeting Allowances for Nomination and Remuneration Committee	Meeting Allowances for Risk Management Committee Advisory	Total (Baht)
100,000	80,000	-	-	-	180,000
420,000	290,000	-	-	-	710,000
430,000	245,000	660,000	-	80,000	1,415,000
335,000	245,000	495,000	40,000	-	1,115,000
335,000	210,000	495,000	40,000	-	1,080,000
270,000	245,000	-	20,000	-	535,000
270,000	140,000	-	40,000	-	450,000
270,000	120,000	-	-	-	390,000
270,000	140,000	-	20,000	-	430,000
270,000	165,000	-	40,000	-	475,000
270,000	115,000	-	40,000	-	425,000
270,000	165,000	-	-	-	435,000
270,000	140,000	-	20,000	80,000	510,000
3,780,000	2,300,000	1,650,000	260,000	160,000	8,150,000

REMUNERATION OF MANAGEMENT

CPN prescribes policy for fair and reasonable remuneration of executive management, which is 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 2010 amounted to Baht 68,760,605

• Provident Fund

CPN contributed the Provident Fund paid to seven executive managements in 2010 amounted to Baht 3,059,226

CONNECTED TRANSACTIONS

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

CPN and its subsidiaries conducted transactions with connected parties with potential conflicts of interest, as disclosed financial statements of 2010. Most of the connected transactions were engaged with Central Holding Co., Ltd., and the Chirathivat Group as described below:

CONNECTED TRANSACTIONS WITH RELATED PARTIES

1. Revenue from connected parties

comprises revenue from space rental and utility service fee in

shopping complexes, revenue from land rental, and management fees, as well as revenue from other sources, including insurance premiums, property taxes, sales promotion expenses, warrant fees, commissions, and other fees for various services collected from connected parties. Total amount of revenue from connected parties in 2010 was 1,885 MB.

Justification and Rationale for Connected Transactions

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

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

- **Other types of revenue** come from the collection of insurance premiums, property taxes, sales promotion expenses, warrant fees, and other service fees from tenants in shopping complexes. CPN's policy is to standardize revenue collection from both connected parties and general customers, based on the actual cost, space rental category, and the usual business practice following the condition of general trading.
- **Revenue from land lease** occurs at some properties where CPN and other companies in the Central Group have a project on the same piece of land, taking into account the marketing advantage and the size of the project. In this case, one of the companies in the Group will act as the buyer or tenant of the whole piece of land from the landlord and will divide the land into various sizes as needed by other

companies, and have those companies lease or sub-lease. The rental is the cost plus actual interests or market price which evaluated by the independent appraiser. Furthermore, the Company's assets were evaluated under SEC, SET and other related regulations and transactions concerning revenue from land leases are verified by the auditor.

- **Revenue from large space rental in shopping complexes** is agreed at the stage of project design. Rental is derived from the costs of land and construction plus actual interests as well as operating expenses. Most transactions in this category were conducted before the listing of the Company on SET. The Company's assets were evaluated under SET regulations and transactions concerning income from large space rental are verified by the auditor.

Details of Revenue Derived from Connected Parties

Connected Party	Transaction value (MB)	Detail
1.1 Central Retail Corporation Co., Ltd. ("CRC") (Majority share held by the Chirathivat Group)	1,143	<ul style="list-style-type: none"> • CPN earns revenue from rental, service fees, utility fees, and other revenue from leasing retail areas in shopping complexes to various retail businesses under the CRC Group. The transactions in this category occur in the course of normal business following the condition of general trading.
1.2 Central Marketing Group Co., Ltd. ("CMG") (Majority share held by the Chirathivat Group)	18	<ul style="list-style-type: none"> • CPN earns revenue from rental, service fees, utility fees, and other revenues from leasing sales areas in shopping complexes to various retail businesses under the CMG Group. The transactions in this category occur in the course of normal business following the condition of general trading.

Connected Party	Transaction value (MB)	Detail
1.3 The Central Plaza Hotel Plc Group of Companies ("CHR") (Majority share held by the Chirathivat Group)	86	<ul style="list-style-type: none"> • CPN earns revenue from rental, service fees, utility fees, and other revenues from leasing sales areas in shopping complexes and office building to laundry businesses under the CHR Group included the revenue rental area of Bangkok Convention Center which located in the CentralPlaza Lardprao. The transactions in this category occur in the course of normal business following the condition of general trading. • The Thai Business Fund 4 has made a sub-lease contract with Central World Hotel Co., Ltd. for land and part of the building in the premises of Central World Project with land area 2.53 rai. Under the contract, which is valid for 29 years until 2032, CHR agreed to use the mentioned land and building for the development of a hotel, a parking lot, and a convention hall. The rental is calculated by the cost plus actual interests and paid to CPN into two parts, one of which is the rental that was paid in the year when the agreement was signed and the other is the annual rental.
1.4 Central Restaurant Group Co., Ltd., ("CRG") (Majority share held by the Chirathivat Group)	116	<ul style="list-style-type: none"> • CPN earns revenue from rental, service fees, utility fees, and other revenues from the lease of space in shopping complexes to businesses in CRG. The transactions in this category occur in the course of normal business following the condition of general trading.

Connected Party	Transaction value (MB)	Detail
1.5 Other businesses which related parties of CPN are serve as major shareholders, directors, management or controlling persons	522	<ul style="list-style-type: none"> • CPN earns revenue from rental, service fees, utility fees, and other revenue from the lease of space in shopping complexes to other companies in which CPN directors share or hold a director position, such as Fuji Japanese Restaurant, Zen Japanese Restaurant, AKA, Bar-B-Q Plaza, Body Shop, Thai Privilege Health Care Spa, Sakura Restaurant, Lee Coopers, Ragazze, etc. The transactions in this category occur in the course of normal business practice following the condition of general trading. • Central Pattana Khonkaen Co., Ltd. has made a sub-lease contract with Big C Fairy Co., Ltd., with land area of 21-0-33 rai. Under the contract, which is valid for 30 years ended on 16 June 2026, the lessee developed the mentioned land to parking lot. The rental is calculated by the cost plus actual interests which paid to CPN every year.

Remarks:

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

2. Expenses paid to connected parties

comprise expenses for space rental in shopping complexes, land rental, and management fees. In 2010, CPN paid altogether 512 MB to connected parties.

Justification and Rationale for Connected Transactions

- **Rental of land from connected businesses** occurs in

projects where CPN and other companies in the Central Group have a joint development plan on the same piece of land, taking into account the marketing advantage and the suitable size of the project. In this case, one company will act as the buyer or tenant of the land from the landlord and will divide the land into different sizes as required for leasing or sub-leasing. The rental will be the cost plus actual interests

or market price which evaluated by the independent appraiser. The Company's assets were evaluated under SEC, SET and other related regulations. In addition, the transaction concerning rental payments are verified by auditor.

- **Large space rental in shopping complexes** occurs in projects where CPN has a joint investment with a department store in the Central Group. The building will be divided into two parts, the shopping complex and the department store. In some cases, CPN will rent large space in a department store and develop it into a sales area, considering mainly the revenue from rental and service fees compared with the cost of space rental that CPN has to repay the department store. An agreement on the cost of large space rental is reached at the stage of project design under the same criteria as those used for large space rental to connected businesses. Most such transactions occurred before the listing of the Company on SET. The Company's assets were evaluated under SEC, SET and other related regulations. In addition, the transaction concerning rental payments of large space rental are verified by auditor.
- **Hiring a connected business as management consultant** CPN's consideration to hire a management consultant is mainly based on its experience in the retail business and the understanding of the nature and strategies of the business. The management fees paid to management consultant, who is also the Company's connected business, are the actual expenses the service provider incurs in its services.
- **The application for insurance with a connected business** is considered the market price and conditions or the best coverage offered from insurance agents by compare the price in the past 2 years. In case of only one insurance agent make a quotation, the Company shall consider by compare

the price in the past year, it depend on the conditions and insurance market situation.

Expenses paid to connected parties

- 2.1 CPN rents land from Central Department Store Co., Ltd., the company in CRC which Chirathivat Group is major shareholder, to launch shopping complexes in CentralPlaza Ramindra and CentralPlaza Pinklao projects.
- 2.2 CPN sub-rents land from Central Pattaya Co., Ltd., the subsidiary of Big C Super Center Plc. which Chirathivat Group is major shareholder, to launch a shopping complex in Central Center Pattaya Project (ownership of the land is held by an individual).
- 2.3 CPN rents parts of the buildings belonging to Central Department Store Co., Ltd., which Chirathivat Group is major shareholder, in CentralPlaza Lardprao, CentralPlaza Pinklao, and CentralPlaza Ratchada-Rama III projects for development into retail areas in addition to the parts where CPN holds land ownership or land rental rights.
- 2.4 CPN sub-rents some part of land and building in Central Plaza Lardprao from Central International Development Co., Ltd. ("CID"), which Chirathivat Group is major shareholder (ownership of the land is held by the State Railway of Thailand. Under the sub-lease contract which is valid for 20 years ended on 18 December 2028. Total sub-lease payment that CPN will pay to CID according to the contract is 16,178.32 MB. This transaction was approved by the shareholders with no conflict of interest in the EGM No.1/2009 on 25 March 25, 2009.
- 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. The directors with no conflict of interests and the Audit Committee have agreed that the service provided by HCDS is beneficial to CPN's business operation due to HCDS's experience, knowledge and understanding in retail business. In addition, the offered terms and conditions of the agreement from HCDS are reasonable. The transaction details were disclosed to the Stock Exchange of Thailand on February 25, 2010.

2.6 Centara Udonthani Hotel (formerly named "Charoensri Grand Hotel") which CPN acquired accompany with the CentralPlaza Udonthani Project (formerly named "Charoensri Plaza") since 2009, hired Central Plaza Hotel Plc. the subsidiary of CHR, which Chirathivat Group is major shareholder, to manage the hotel. The management fee is according to the market price and comparable to the transaction with the other persons.

2.7 CPN purchased some merchandises and services from the businesses in Central Group; CRC such as purchasing office supplies, CHR such as rental room and service in the hotel included food and beverage, CRG such as purchasing food and beverage, and other businesses which related parties of CPN are serve as major shareholders, directors, management or controlling persons. The transactions in this category occur according to support normal business and following the condition of general trading that comparable to the transaction with the other persons.

2.8 CPN took out insurance for shopping complexes and office buildings against any accidents, disasters, and other detrimental incidents with CG Broker Co., Ltd., which Chirathivat Group is major shareholder.

3. Loans between CPN and connected parties

Policies on loans between CPN and connected parties

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

- **CPN and subsidiaries**

(those with 99.99% shares held by CPN)

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

- **CPN and joint-venture partners**

(those with 50 to 99.99% shares held by CPN)

CPN allows joint-venture partners to secure their own sources of fund. In urgent cases, however, they may borrow from shareholders in proportion to their shareholding in CPN. Approval is needed from the Senior Executive Vice President for Finance & Accounting, the President & CEO, and the Board of Directors, respectively. In this case, promissory notes are prepared as evidence. As regards interest rates, the applying rates are based on commercial banks' 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 happened. According to CPN's regulations, if a loan is extended to an associated company, approval is needed from the Board of Directors with promissory notes as evidence and with commercial banks' MLR applied.

Loans between CPN and connected parties

Description as of December 31, 2010	Amount (MB)	Financial Statements of
3.1 Loans ¹		
1) Loans obtained from subsidiaries	3,539	CPN
2) Loans obtained from related parties	4	Consolidated
3.2 Loans ²		
1) Loans granted to subsidiaries	12,559	CPN
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 the Company.

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

4. Guarantees for loans for connected parties

assets for such loan guarantees. However, CPN does provide guarantees as its parent company, and collects commissions from subsidiaries for such guarantees.

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

CPN had three categories of guarantee obligations to connected parties:

Description as of December 31, 2010	Amount (MB)
4.1 Guarantees for subsidiaries' outstanding loans	
- Thai Business Fund 5	710
- CPN Pattaya Beach Co., Ltd.	1,000
- Central Pattana Khoankan Co., Ltd.	1,250
- Central Pattana Chonburi Co., Ltd.	500
Total	3,460
4.2 Guarantees for bank overdraft for subsidiaries	24 ¹
4.3 Loan ceiling guarantees for subsidiaries' public utilities guarantees given to Thai commercial banks	167

Remark:

1 As at year-end 2010, it was no bank overdraft outstanding.

APPROVAL PROCEDURE OF CONNECTED TRANSACTIONS

All transactions with connected businesses or individuals must go through an approval process, as stipulated by the Company's regulations, in the same way as normal transactions. Approvals are given by authorized persons in each duty and responsibility. Each person in charge of and involved in the transaction would have to make reasonable judgment under the normal business practice, taking into account the best interests of the Company and shareholders, like engaging in transactions with outsiders. All transactions with connected parties must also be lawfully conducted to ensure transparency and compliance with the relevant laws, rules, and regulations. The Company has instituted that normal business practice and supporting normal business practice with operation under the condition of general trading set by the Committee are under the jurisdiction of the operational task forces to deliberate the transaction in accordance with the Company's approval procedure. Other transactions are deliberated by its category and size, with the Office of Company Secretary taking charge of compliance with SET regulations as well as occasionally collecting and summarizing connected transactions for the Audit Committee's acknowledgment. CPN has announced its "Connected Transaction Policy" and communicated to all relevant parties for compliance. The Committee and the management must sign their names at year's end to ensure that no transactions with conflicts of interest occurred in the past year. If there was any, it was done in compliance with SET regulations. Transactions between connected parties and the Company is scrutinized by the Office of Internal Audit and External Audit to ensure the Company's compliance with laws and related regulations.

POLICY OR TREND FOR FUTURE CONNECTED TRANSACTIONS

Since transactions with connected parties represent those conducted in the course of normal business practice, it is expected that connected transactions will continue to take place in future. Especially for the one related to joint development of shopping complexes with other companies in the Central Group, it is the strong point that helps promote CPN's successful operation and contributed to its market leadership from past to present. The policy or trend for future connected transactions remains committed to the same principle as the previous year, namely following the condition of general trading and taking into account the benefit of the Company and shareholders. CPN's Board has clearly approved the condition of normal trading in the Company's and its subsidiaries' transaction with connected parties for transparent business operation and the operational guidance for related parties as follows:

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

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

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

1.1 Land Purchase/Sale or Leasing/ For Rent

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

Price and condition setting: Cost plus cost of fund

1.2 Construction of Shopping Complexes and Department Stores or BUs

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

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

1.3 Construction of common areas, comprising car parks and landscape

Principles:

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

2) Common areas: In proportion to the gross area

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

1.4 Large Space Rental or Space for Rent in Shopping Complexes

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

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

2. Space rental, service fee and utility fee

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

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

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

The Central Group conducts connected businesses with various companies and with potential connected transactions.

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

3. Fee for Operating Expenses

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

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

Price and condition setting: Actual cost

4. Insurance/Group Health Insurance

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

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

5. Procurement - Employment

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

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

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

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

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

RESPONSIBILITY OF THE BOARD OF DIRECTORS TO FINANCIAL STATEMENTS

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

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

The Board of Directors has appointed the audit committee which comprises independent directors, to control quality of financial report and internal control system. The opinion of the audit committee on this matter has already been presented in

the audit committee report. The Board of Directors is of an opinion that internal control systems of the Company are in the satisfactory and sufficient level to reasonably build the confidence in the reliability of the consolidated financial statement of the Company and its subsidiaries as at December 31, 2010.



Mr. Suthichai Chirathivat
Chairman



Mr. Kobchai Chirathivat
President & CEO

AUDIT REPORT OF CERTIFIED PUBLIC ACCOUNTANT

To the Shareholders of Central Pattana Public Company Limited

I have audited the accompanying consolidated and separate balance sheets as at 31 December 2010 and 2009, and the related statements of income, changes in equity and cash flows for the years then ended of Central Pattana Public Company Limited and its subsidiaries, and of Central Pattana Public Company Limited, respectively. The Company's management is responsible for the correctness and completeness of the information presented in these financial statements. My responsibility is to express an opinion on these financial statements based on my audits.

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

In my opinion, the consolidated and separate financial statements referred to above present fairly, in all material respects, the financial positions as at 31 December 2010 and 2009 and the results of operations and cash flows for the years then ended of Central Pattana Public Company Limited and its subsidiaries, and of Central Pattana Public Company Limited, respectively, in accordance with generally accepted accounting principles.

KPMG Phoomchai Audit Ltd.
Bangkok
February 28, 2011



Vichien Thamtrakul
Certified Public Accountant
Registration No. 3183

CENTRAL PATTANA PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES

Annual Financial Statements and
Notes to Financial Statements

/

For the years ended 31 December 2010 and 2009

BALANCE SHEETS

Central Pattana Public Company Limited and its Subsidiaries

As at 31 December 2010 and 2009

(in Baht)

		Consolidated financial statements		Separate financial statements	
ASSETS	Note	2010	2009	2010	2009
Current assets					
Cash and cash equivalents	5	771,564,294	1,734,554,683	245,877,888	887,550,699
Current investments	6	860,706,639	806,457,963	753,182,692	601,270,587
Trade accounts receivable	4, 7	653,490,441	480,934,773	214,101,036	193,328,495
Short-term loans to related parties	4	-	-	1,696,518,717	1,950,359,547
Other current assets	4, 8	1,479,162,764	915,225,909	1,295,895,798	1,490,582,024
Total current assets		3,764,924,138	3,937,173,328	4,205,576,131	5,123,091,352
Non-current assets					
Investments in subsidiaries and funds	9	-	-	19,676,870,795	17,681,189,418
Investment in associate	10	2,684,149,680	2,617,779,664	4,446,170,726	4,446,170,726
Long-term investments - related parties	11	-	-	-	-
Other long-term investments	6	1,000,000	1,895,194	1,000,000	1,000,000
Long-term loans to related parties	4	-	-	10,862,619,172	9,936,342,482
Property and equipment	12	42,167,411,741	38,433,524,610	6,893,684,774	6,491,918,760
Leasehold rights	13	3,690,594,634	4,443,006,018	1,685,804,210	2,053,975,562
Intangible assets	14	165,572,096	174,905,750	-	-
Deferred tax assets	15	1,064,144,483	931,661,030	-	-
Other non-current assets	16	294,766,235	355,504,326	163,970,629	202,580,520
Total non-current assets		50,067,638,869	46,958,276,592	43,730,120,306	40,813,177,468
Total assets		53,832,563,007	50,895,449,920	47,935,696,437	45,936,268,820

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 2010 and 2009

(in Baht)

		Consolidated financial statements		Separate financial statements	
LIABILITIES AND EQUITY	Note	2010	2009	2010	2009
Current liabilities					
Trade accounts payable - related parties	4	5,988,668	6,936,380	32,179,130	10,376,643
Short-term loans from related parties	4, 17	3,686,885	3,557,977	129,326,162	528,554,400
Current portion of long-term loans	17	2,989,927,200	1,809,847,200	2,050,050,000	1,625,010,000
Current portion of accounts payable					
for leasehold right	4	413,758,958	390,338,640	413,758,958	390,338,640
Other short-term loans payable	17	1,100,000,000	-	1,100,000,000	-
Current portion of unearned rental					
and service income		311,656,114	306,534,138	120,268,750	112,173,146
Provision for guarantee payment	4, 18, 33	-	30,965,000	-	30,965,000
Income tax payable		352,419,087	188,499,951	130,030,769	-
Contractor payables		2,319,078,941	1,483,141,249	59,191,269	124,045,014
Other current liabilities	19	2,656,778,353	2,669,526,501	946,321,717	975,888,006
Total current liabilities		10,153,294,206	6,889,347,036	4,981,126,755	3,797,350,849
Non-current liabilities					
Long-term loans from related parties	4, 17	-	18,429,307	3,409,457,729	3,264,011,195
Other long-term loans payable	17	14,994,681,400	14,859,598,600	11,749,950,000	12,074,990,000
Accounts payable for leasehold right	4	438,584,496	852,343,454	438,584,496	852,343,454
Deferred tax liabilities	15	1,677,091,157	1,812,014,337	569,967,908	701,341,005
Unearned rental and service income		4,235,482,126	4,437,825,194	864,581,903	915,236,549
Deposits received from customers		3,340,313,554	2,994,670,366	1,169,881,011	1,067,672,477
Guarantees for leasehold rights		8,156,688	23,119,446	-	-
Total non-current liabilities		24,694,309,421	24,998,000,704	18,202,423,047	18,875,594,680
Total liabilities		34,847,603,627	31,887,347,740	23,183,549,802	22,672,945,529

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 2010 and 2009

(in Baht)

		Consolidated financial statements		Separate financial statements	
LIABILITIES AND EQUITY	Note	2010	2009	2010	2009
Equity					
Share capital					
Authorised share capital	20	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
Additional paid-in capital Premium					
on ordinary shares	21	2,007,565,850	2,007,565,850	2,007,565,850	2,007,565,850
Reserve on business combination involving entities under common control	9, 21	(54,371,775)	(54,371,775)	-	-
Unrealised surpluses					
Fair value changes on investments	21	3,250,858	1,547,246	1,914,644	1,294,644
Currency translation differences	21	1,636	-	-	-
Retained earnings					
Appropriated for legal reserve	21	217,881,600	217,881,600	217,881,600	217,881,600
Unappropriated		14,188,792,782	14,321,958,195	20,345,968,541	18,857,765,197
Total equity attributable to equity holders of the Company					
		18,541,936,951	18,673,397,116	24,752,146,635	23,263,323,291
Minority interests		443,022,429	334,705,064	-	-
Total equity		18,984,959,380	19,008,102,180	24,752,146,635	23,263,323,291
Total liabilities and equity		53,832,563,007	50,895,449,920	47,935,696,437	45,936,268,820

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 2010 and 2009

(in Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2010	2009	2010	2009
Income					
Revenue from rent and services	4	9,822,418,845	10,178,472,953	4,008,073,875	3,935,056,502
Revenue from food and beverage	4	550,031,151	639,429,377	-	-
Revenue from hotel operation		157,451,438	116,354,234	-	-
Investment income	4, 23	225,813,760	27,397,490	2,581,550,950	2,881,824,034
Gain on lease under finance lease	4, 33	-	3,206,941,795	-	3,851,257,109
Other income	4, 24	1,116,863,333	1,545,333,116	822,498,312	699,043,812
Total income		11,872,578,527	15,713,928,965	7,412,123,137	11,367,181,457
Expenses					
Cost of rent and services	4	6,383,594,764	6,118,078,147	2,214,932,675	2,188,903,347
Cost of food and beverage	4	470,371,098	532,865,367	-	-
Cost of hotel operation		67,079,971	45,734,339	-	-
Administrative expenses	4, 26	2,010,587,752	1,993,570,372	1,245,728,358	1,261,595,079
Management benefit expenses	4	84,109,643	80,058,062	84,109,643	80,058,062
Losses from write-off of assets	32	775,000,003	-	-	-
Total expenses		9,790,743,231	8,770,306,287	3,544,770,676	3,530,556,488
Share of profit of associate	10	475,122,927	450,541,657	-	-
Profit before finance costs and income tax expense		2,556,958,223	7,394,164,335	3,867,352,461	7,836,624,969
Finance costs	4, 28	(688,289,917)	(745,180,448)	(786,904,766)	(806,904,034)
Profit before tax expenses		1,868,668,306	6,648,983,887	3,080,447,695	7,029,720,935
Income tax expense	29	(724,967,788)	(1,699,258,405)	(328,593,015)	(1,396,974,040)
Profit for the year		1,143,700,518	4,949,725,482	2,751,854,680	5,632,746,895
Profit (loss) attributable to:					
Equity holders of the Company		1,130,499,365	4,951,623,415	2,751,854,680	5,632,746,895
Minority interest		13,201,153	(1,897,933)	-	-
Profit for the year		1,143,700,518	4,949,725,482	2,751,854,680	5,632,746,895
Basic earnings per share	30	0.52	2.27	1.26	2.59

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 2010 and 2009

(in Baht)

Consolidated financial statements									
	Additional paid-in capital				Unrealised surpluses (deficits)		Retained earnings		
	Reserve on business combination involving entities under common control				Fair value changes	Currency translation differences	Legal reserve	Unappropriated Company	Total equity attributable to equity holders of the Company
	Issued and paid-up share capital	Share premium							Minority interest
Note									Total equity
Balance at 1 January 2009	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
Reserve on business combination involving entities under common control	-	-	(54,371,775)	-	-	-	-	(54,371,775)	-
Unrealised losses									
Available for sale investments									
Net change in fair value									
recognised in equity	-	-	-	(3,771,948)	-	-	-	(3,771,948)	-
Acquisition of investments from minority interest	-	-	-	-	-	-	-	-	(608,648,181)
Net expense recognised									
directly in equity	-	-	(54,371,775)	(3,771,948)	-	-	-	(58,143,723)	(608,648,181)
Profit (loss) for the year	-	-	-	-	-	-	4,951,623,415	4,951,623,415	(1,897,933)
Total recognised income and expense	-	-	(54,371,775)	(3,771,948)	-	-	4,951,623,415	4,893,479,692	(610,546,114)
Dividends	31	-	-	-	-	-	(719,003,519)	(719,003,519)	(14,498,383)
Issuance of ordinary shares	-	-	-	-	-	-	-	-	285,348,187

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 2010 and 2009

(in Baht)

Consolidated financial statements										
	Unrealised surpluses									
	Additional paid-in capital			Unrealised surpluses (deficits)		Retained earnings			Total equity attributable to equity holders of the Company	
	Issued and paid-up share capital	Share premium	Reserve on business combination involving entities under common control	Fair value changes	Currency translation differences	Legal reserve	Unappropriated			
Note									Minority interest	Total equity
Balance at 31 December 2009	2,178,816,000	2,007,565,850	(54,371,775)	1,547,246	-	217,881,600	14,321,958,195	18,673,397,116	334,705,064	19,008,102,180
Unrealised gains										
Available for sale investments										
Net change in fair value										
recognised in equity	-	-	-	1,703,612	-	-	-	1,703,612	-	1,703,612
Translation of financial statement differences	-	-	-	-	1,636	-	-	1,636	-	1,636
Net income recognised directly in equity	-	-	-	1,703,612	1,636	-	-	1,705,248	-	1,705,248
Profit for the year	-	-	-	-	-	-	1,130,499,365	1,130,499,365	13,201,153	1,143,700,518
Total recognised income	-	-	-	1,703,612	1,636	-	1,130,499,365	1,132,204,613	13,201,153	1,145,405,766
Dividends	31	-	-	-	-	-	(1,263,664,778)	(1,263,664,778)	-	(1,263,664,778)
Issuance of ordinary shares	9	-	-	-	-	-	-	-	95,116,212	95,116,212
Balance at 31 December 2010	2,178,816,000	2,007,565,850	(54,371,775)	3,250,858	1,636	217,881,600	14,188,792,782	18,541,936,951	443,022,429	18,984,959,380

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 2010 and 2009

	Separate financial statements					(in Baht)
	Additional paid-in capital		Unrealised surpluses	Retained earnings		
	Issued and paid-up share capital	Share premium	Fair value changes	Legal reserve	Unappropriated of the Company	
Note						Total equity attributable to equity holders of the Company
Balance at 1 January 2009	2,178,816,000	2,007,565,850	387,921	217,881,600	13,944,021,201	18,348,672,572
Unrealised gains						
Available for sale investments						
Net change in fair value recognised in equity	-	-	906,723	-	-	906,723
Net income recognised directly in equity	-	-	906,723	-	-	906,723
Profit for the year	-	-	-	-	5,632,746,895	5,632,746,895
Total recognised income	-	-	906,723	-	5,632,746,895	5,633,653,618
Dividends	-	-	-	-	(719,002,899)	(719,002,899)
31						

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 2010 and 2009

	Separate financial statements					(in Baht)
	Issued and paid-up share capital		Additional paid-in capital		Unrealised surpluses	
	Note	Share premium	Fair value changes	Legal reserve	Unappropriated	Total equity attributable to equity holders of the Company
Balance at 31 December 2009		2,178,816,000	2,007,565,850	1,294,644	217,881,600	18,857,765,197
Unrealised gains						23,263,323,291
Available for sale investments						
Net change in fair value recognised in equity		-	-	620,000	-	-
Net income recognised directly in equity		-	-	620,000	-	-
Profit for the year		-	-	-	-	2,751,854,680
Total recognised income		-	-	620,000	-	2,752,474,680
Dividends	31	-	-	-	-	(1,263,651,336)
Balance at 31 December 2010		2,178,816,000	2,007,565,850	1,914,644	217,881,600	20,345,968,541
						24,752,146,635

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 2010 and 2009

(in Baht)

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
Cash flows from operating activities				
Profit for the year	1,143,700,518	4,949,725,482	2,751,854,680	5,632,746,895
Adjustments for				
Depreciation	2,019,660,139	1,757,854,771	384,143,760	402,548,060
Amortisation of leasehold rights	336,578,890	352,334,611	126,918,982	134,127,885
Losses from write-off of assets	775,000,003	-	-	-
Excess of the acquirer's interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over cost	-	(66,072,149)	-	-
Dividend income	(90,000)	(60,000)	(1,816,330,446)	(2,433,823,536)
Interest income	(225,723,760)	(27,337,490)	(765,220,504)	(448,000,498)
Finance costs	688,289,917	745,180,448	786,904,766	806,904,034
Bad and doubtful debts (reversal)	56,337	1,114,242	(1,251,966)	1,359,736
Reversal of allowance for doubtful account	(162,739,322)	-	(162,739,322)	-
Reversal of provision for guarantee payment	(16,227,793)	-	(16,227,793)	-
Gain on disposal of assets	(1,213,944)	(14,436,500)	5,733,415	(6,170,972)
Gain on lease under finance lease	-	(3,206,941,795)	-	(3,851,257,109)
Recognition of unearned rental and service income	(328,662,622)	(405,113,000)	(123,860,101)	(133,220,903)
Share of profits of associate	(475,122,927)	(450,541,657)	-	-
Guarantee for leasehold rights	-	(10,013,552)	-	-
Translation differences	1,636	-	-	-
Income tax expense	724,967,788	1,699,258,405	328,593,015	1,396,974,040
	4,478,474,860	5,324,951,816	1,498,518,486	1,502,187,632

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 2010 and 2009

(in Baht)

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
Changes in operating assets and liabilities				
Trade accounts receivable	(172,612,005)	54,546,021	(19,520,574)	9,431,124
Other current assets	(572,621,458)	301,305,926	209,801,403	128,731,960
Other non-current assets	173,006,102	(203,267,921)	141,544,248	(141,002,534)
Trade accounts payable	(947,712)	(46,388,893)	21,802,487	4,375,365
Payment from provision for guarantee payment	(14,737,207)	-	(14,737,207)	-
Other current liabilities	406,227,022	604,522,995	236,018,861	349,468,307
Unearned rental and service income	131,441,529	332,280,705	81,301,059	148,222,326
Deposits from customers received	842,480,424	853,958,014	279,003,360	260,854,984
Repayment of deposits received from customers	(496,837,236)	(716,995,859)	(176,794,826)	(368,807,915)
Guarantee for leasehold rights	(14,962,759)	-	-	-
Income tax paid	(828,455,284)	(927,876,608)	(329,935,344)	(479,319,723)
Net cash provided by operating activities	3,930,456,276	5,577,036,196	1,927,001,953	1,414,141,526
Cash flows from investing activities				
Interest received	131,474,006	19,700,235	812,383,091	375,451,465
Dividends received	408,842,911	354,325,421	1,792,914,421	1,767,593,435
(Increase) decrease in current investments	(51,649,871)	459,125,623	(151,292,106)	100,837,999
Purchase of equity securities and investment units	-	(811,066,986)	(2,023,665,378)	(3,286,459,699)
Reserve on business combination involving entities under common control	-	(54,371,775)	-	-
Issuance of ordinary shares	12,391,778	285,348,188	-	-
Proceeds from redemption of investment units in funds	-	-	27,984,000	176,221,407
Loans to related parties	-	-	(6,604,360,711)	(9,045,787,306)
Loans repaid by related parties	162,739,322	-	5,952,868,079	5,438,414,932
Purchase of property and equipment	(4,908,541,818)	(7,553,840,633)	(760,453,220)	(502,938,567)
Leasehold rights	(775,590)	(1,043,952,784)	(26,254,070)	(1,028,652,784)
Sales of equipment	102,082,316	707,482,805	4,953,344	173,557,354
Decrease in contractor payables	(879,389,074)	(851,814,659)	(95,450,003)	(432,394,404)
Payment for leasehold rights	(390,338,640)	-	(390,338,640)	-
Net cash used in investing activities	(5,413,164,660)	(8,489,064,565)	(1,460,711,193)	(6,264,156,168)

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 2010 and 2009

(in Baht)

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
Cash flows from financing activities				
Interest paid	(690,847,876)	(790,424,173)	(814,362,817)	(777,667,973)
Proceeds from loans from related parties	63,762,896	95,000,000	2,873,620,080	1,344,500,000
Proceeds from borrowings	5,700,000,000	9,570,000,000	3,300,000,000	7,420,000,000
Repayment of loans from related parties	(191,800)	(235,730,360)	(3,102,495,453)	(1,538,112,822)
Repayments of borrowings	(3,284,837,200)	(9,345,659,940)	(2,100,000,000)	(6,170,000,000)
Payment for liability under financial lease	(1,179,641)	(544,930)	(1,179,641)	(544,930)
Dividends paid	(1,266,988,384)	(733,471,807)	(1,263,545,740)	(718,972,803)
Proceed from lease under finance lease	-	4,252,318,363	-	4,896,633,677
Acquisition of investment from minority interest	-	(572,250,000)	-	-
Net cash provided by (used in) financing activities	519,717,995	2,239,237,153	(1,107,963,571)	4,455,835,149
Net decrease in cash and cash equivalents	(962,990,389)	(672,791,216)	(641,672,811)	(394,179,493)
Cash and cash equivalents at beginning of year	1,734,554,683	2,407,345,899	887,550,699	1,281,730,192
Cash and cash equivalents at end of year	771,564,294	1,734,554,683	245,877,888	887,550,699

Non-cash transactions

The Company has unpaid liabilities for construction of property under development as at 31 December 2010 amounting to approximately Baht 59.2 million (2009: Baht 124.0 million).

The Group has unpaid liabilities for construction of property under development as at 31 December 2010 amounting to approximately Baht 2,319.1 million (2009: Baht 1,483.1 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 2010 and 2009

Note	Contents	Note	Contents
1	General information	21	Additional paid-in capital and reserves
2	Basis of preparation of the financial statements	22	Segment information
3	Significant accounting policies	23	Investment income
4	Related party transactions and balances	24	Other income
5	Cash and cash equivalents	25	Expenses by nature
6	Other investments	26	Administrative expenses
7	Trade accounts receivable	27	Employee benefit expenses
8	Other current assets	28	Finance costs
9	Investments in subsidiaries and funds	29	Income tax expense
10	Investment in associate	30	Basic earnings per share
11	Long-term investments - related parties	31	Dividends
12	Property and equipment	32	Impact from fire incidence as a result of political demonstration
13	Leasehold rights	33	Leasing or sub-leasing properties
14	Intangible assets	34	Financial instruments
15	Deferred tax	35	Commitments with non-related parties
16	Other non-current assets	36	Contingent liabilities
17	Interest-bearing liabilities	37	Events after the reporting period
18	Provision for guarantee payment	38	Thai Financial Reporting Standards (TFRS) not yet adopted
19	Other current liabilities		
20	Share capital		

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors on 28 February 2011.

1 General information

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

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

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

The principal businesses of the Company are to invest in developing new projects, manage projects and earn income from property management. Details of the Company's subsidiaries and funds as at 31 December 2010 and 2009 were as follows:

Name of entity	Type of business	Country of incorporation	Ownership interest	
			2010	2009
(%)				
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), (2) and (4)	Thailand	100.0	100.0
Central Realty Service Co., Ltd.	(2)	Thailand	100.0	100.0
Central Food Avenue Co., Ltd.	(4)	Thailand	100.0	100.0
Central World Co., Ltd.	(1), (2), (4) and (7)	Thailand	100.0	100.0
Central Pattana Rama 3 Co., Ltd.	(1)	Thailand	100.0	100.0
CPN Pattaya Beach Co., Ltd.	(1), (2) and (4)	Thailand	100.0	100.0
Central Pattana Chonburi Co., Ltd.	(1), (2) and (4)	Thailand	100.0	100.0
CPN Pattaya Beach Hotel Co., Ltd.	(7)	Thailand	100.0	100.0
CPN Construction Management Co.,Ltd.	(1)	Thailand	100.0	100.0
CPN Chiangrai Co.,Ltd.				
(formerly Thaipat Property Co.,Ltd.)	(1)	Thailand	100.0	100.0
CPN Global Company Limited	(6)	Thailand	100.0	-
Central Realty Service Rama 3 Co., Ltd.				
(undergoing liquidation process)	(2)	Thailand	100.0	-
Central Pattana Nine Square Co., Ltd.	(1)	Thailand	87.1	87.1
Central Pattana Khon Kaen Co., Ltd.	(1), (2) and (4)	Thailand	78.1	78.1

Name of entity	Type of business	Country of incorporation	Ownership interest	
			2010	2009
(%)				
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
Global Retail Development & Investment Limited	(6)	Hong Kong	100.0	-
Global Commercial Property Limited	(6)	Hong Kong	100.0	-
Funds				
The Thai Business Fund 4	(6)	Thailand	100.0	100.0
The Thai Business Fund 5	(6)	Thailand	100.0	100.0

Type of business

- (1) Construction of office buildings and shopping centers for rent
- (2) Provision of utilities in shopping centers
- (3) Construction of condominiums and shop houses for rent
- (4) Sales of food and beverage
- (5) Operator of play land and water theme park on shopping centers
- (6) Investment in real estates
- (7) Hotel business

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 and presented in Thai Baht. All financial information presented in Thai Baht has been rounded in the notes to the financial statements to the nearest thousand unless otherwise stated. These financial statements are prepared on the historical cost basis except as stated in the accounting policies.

The financial statements are prepared in accordance with Thai Financial Reporting Standards ("TFRS"); guidelines promulgated by the Federation of Accounting Professions ("FAP"); applicable rules and regulations of the Thai Securities and Exchange Commission; and with generally accepted accounting principles in Thailand.

During 2010, the FAP announced the re-numbering of the following TFRS:

Former no.	Revised no.	Topic
TAS 11	TAS 101	Doubtful Account and Bad Debts
TAS 26	TAS 102	Income Recognition for Real Estate Business
TAS 27	TAS 103	Disclosures in the Financial Statements of Banks and Similar Financial Institutions
TAS 34	TAS 104	Accounting for Troubled Debt Restructuring
TAS 40	TAS 105	Accounting for Investment in Debt and Equity Securities
TAS 42	TAS 106	Accounting for Investment Companies
TAS 48	TAS 107	Financial Instruments Disclosure and Presentation

The Group has adopted the revised Framework for the Preparation and Presentation of Financial Statements (revised 2009), which was issued by the FAP during 2010 and effective on 26 May 2010. The adoption of the revised framework does not have any material impact on the consolidated or separate financial statements.

The FAP has issued during 2010 a number of new and revised TFRS which are not currently effective and have not been adopted in the preparation of these financial statements. These new and revised standards and interpretations are disclosed in note 38.

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which estimates are revised and in any future periods affected.

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

Note 12	Property and equipment (estimated useful lives of assets)
Note 13	Leasehold rights
Note 14	Intangible assets
Note 15	Deferred tax
Note 18	Provision for guarantee payment
Note 35	Commitments with non-related parties
Note 36	Contingent liabilities

3 Significant accounting policies

(a) Basis of consolidation

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

Business combinations

Business combinations are accounted for under the purchase method. The cost of an acquisition is measured at the fair value of asset given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

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

Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Group.

Associates

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Significant influence is presumed to exist when the Group holds between 20% and 50% of the voting power of another entity. The consolidated financial statements include the Group's share of the income, expenses and equity movements of associates, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases. When the Group's share of losses exceeds its interest in an associate, the Group's carrying amount is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

Transactions eliminated on consolidation

Intra-group balances and transaction, and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with associates are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) Foreign currencies

Foreign currency transactions

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

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

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

Foreign entities

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

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

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

Foreign exchange differences arising on translation are recognised as a separate component of equity until disposal of the investments.

Where monetary items, in substance, form part of the Group's net investment in a foreign entity, foreign exchange differences arising on such monetary items and related hedges are recognised directly in a separate component of equity until disposal of the investment.

(c) Hedging

Hedge of interest rates

The Company has entered into an interest rate swap contract to protect risks 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 comprise cash balances, call deposits and highly liquid short-term investments. Bank overdrafts that are repayable on demand are a component of financing activities for the purpose of the statement of cash flows.

(e) Trade and other accounts receivable

Trade and other accounts receivable (including balances with related parties) are stated at their invoice value less allowance for doubtful accounts.

The allowance for doubtful accounts is assessed primarily on analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

(f) Investments

Investments in subsidiaries and associate

Investments in subsidiaries and associate in the separate financial statements of the Company are accounted for using the cost method. Investment in associate in the consolidated financial statements is accounted for using the equity method.

Investments in other debt and equity securities

Debt securities and marketable equity securities held for trading are classified as current assets and are stated at fair value, with any resultant gain or loss recognised in the statement of income.

Debt securities that the Group has positive intent and ability to hold to maturity are classified as held-to-maturity investment. Held-to-maturity investments are stated at amortised cost, less any impairment losses. The difference between the acquisition cost and redemption value of such debt securities is amortised using the effective interest rate method over the period to maturity.

Debt securities and marketable equity securities, other than those securities held for trading or intended to be held to maturity, are classified as available-for-sale investments. Available-for-sale investments are, subsequent to initial recognition, stated at fair value, and changes therein, other than impairment losses and foreign currency differences on available-for-sale monetary items, are recognised directly in equity. Impairment losses and foreign exchange differences are recognised in 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 any impairment losses.

The fair value of financial instruments classified as held-for-trading and available-for-sale are determined at the quoted bid price at the reporting date.

Disposal of investments

On disposal of an investment, the difference between net disposal proceeds and the carrying amount together with the associated cumulative gain or loss that was reported in equity is recognised in 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. Property 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	20-30 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 over land and buildings	30 years (over the period of lease)
Leasehold rights over land	25-30 years (over the period of lease)

Leasehold right under sub-lease agreement, which is an operating lease, with Central International Development Co., Ltd. is amortised on a systematic basis.

(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 capitalized 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 expires, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which the termination takes place.

Where the Group is the lessor

Assets leased out under operating leases are included in property and equipment in the 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 changed its accounting policy for negative goodwill with effect from 1 January 2008.

Acquisitions of negative goodwill prior to 1 January 2008

Negative goodwill carried in the financial statements as at 31 December 2007 was derecognised by crediting inappropriated retained earnings as at 1 January 2008.

Acquisitions of negative goodwill subsequent to 1 January 2008

Negative goodwill is recognised immediately in the statement of income.

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 reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognised in 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 a non-financial asset is the greater of the assets' value in use and fair value less cost to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversals of impairment

An impairment loss in respect of a financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised. 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.

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

(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 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.

Revenue from rent and services

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

Revenue from food and beverage

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

Investment income

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

Interest income

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

Dividend income

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

Lease payments

Payments made under operating leases are recognised in the statement of income on a straight line basis over the term of the lease. Lease incentives received are recognised in the statement of income as an integral part of the total lease payments made.

Payments made under sub-lease agreement, which is an operating lease, with Central International Development Co., Ltd. is recognised in the statement of income on a systematic basis.

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 reporting date and any adjustment to tax payable in respect of previous years.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in transaction that is not a business combination and that affects neither accounting nor taxable profit; and differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or by the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

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 entity	Country of incorporation/nationality	Nature of relationships
Central Holding Co., Ltd.	Thailand	Major shareholder, some common directors
CPN Retail Growth Leasehold Property Fund	Thailand	Associate, holding 27.8%
Central Department Store Co., Ltd.	Thailand	Some common directors
Hang Central Department Store Co., Ltd.	Thailand	Some common directors
Central Trading Co., Ltd.	Thailand	Some common directors
Central Super Store Co., Ltd.	Thailand	Some common directors
Power Buy Co., Ltd.	Thailand	Some common directors
CRC Sport Co., Ltd.	Thailand	Some common directors
CRC Power Retail Co., Ltd.	Thailand	Some common directors
B2S Co., Ltd.	Thailand	Some common directors
Office Club (Thai) Co., Ltd.	Thailand	Some common directors
Earth Care Co., Ltd.	Thailand	Some common directors
CR Chiangmai (Thailand) Co., Ltd.	Thailand	Some common directors
Central Garment Factory Co., Ltd.	Thailand	Some common directors
Samsonite (Thailand) Co., Ltd.	Thailand	Some common directors
Central Plaza Hotel Public Company Limited	Thailand	Some common directors
Central World Hotel Co., Ltd.	Thailand	Some common directors
Central Restaurant Group Co., Ltd.	Thailand	Some common directors
Central Food Retail Co., Ltd.	Thailand	Some common directors
Fuji Gimmick Co., Ltd.	Thailand	Some common directors
Sakura Restaurant Co., Ltd.	Thailand	Some common directors
Food Excellent Co., Ltd.	Thailand	Some common directors
Central International Development Co., Ltd.	Thailand	Some common directors
Robinson Nakarin Co.,Ltd.	Thailand	Some common directors
Robinson Department Store Public Company Limited	Thailand	Some common directors
Central Watson Co., Ltd.	Thailand	Some common directors
F&D International Co., Ltd.	Thailand	Some common directors
Food Festival Co., Ltd.	Thailand	Some common directors
Food Millennium Co., Ltd.	Thailand	Some common directors
Central Retail Corporation Co., Ltd.	Thailand	Some common directors
Fairy Plaza Co., Ltd.	Thailand	Some common directors
Big C Fairy Co., Ltd.	Thailand	Some common directors
Siam Retail Development Co., Ltd.	Thailand	Some common directors
Ayudhaya Agrocitiy Co., Ltd.	Thailand	Some common directors
Square Ritz Plaza Co., Ltd.	Thailand	Some common directors

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

Pricing policies for particular types of transactions are explained further below:

Transactions	Pricing policies
Revenue from rent and services	Market prices which are subject to location, lease space, lease form, timing and type of lease
Revenue from food and beverage	Market prices
Management income	The rate being charged by other parties in the business
Other income	The rate being charged by other parties in the business
Interest charged to wholly owned subsidiaries	The average interest rate of debt securities issued by the Company
Interest charged to other subsidiaries and related parties	The average interest rate of debt securities issued by the Company
Cost of rent and services	Market prices
Cost of food and beverage	Market prices
Administrative expenses	At cost
Management fee	Contractually agreed prices
Provision for guarantee payment	Contractually agreed prices
Leasehold rights	Contractually agreed prices

Significant transactions for the years ended 31 December 2010 and 2009 with related parties were as follows:

(in thousand Baht)				
	Consolidated		Separate	
	financial statements		financial statements	
	2010	2009	2010	2009
Revenue				
Revenue from rent and services				
Subsidiaries	-	-	82,939	167,034
Other related parties	1,630,122	1,693,008	765,212	657,911
Total	1,630,122	1,693,008	848,151	824,945
Revenue from food and beverage				
Other related parties	1	659	-	-
Management income				
Subsidiaries and funds	-	-	48,843	117,523
Associate	289,659	202,575	289,658	202,575
Total	289,659	202,575	338,501	320,098

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
Interest income				
Subsidiaries	-	-	552,047	433,659
Other related parties	197,648	22	197,644	2
Total	197,648	22	749,691	433,661
Other income				
Subsidiaries and funds	-	-	159,494	137,829
Other related parties	56,950	76,470	19,505	20,668
Associate	-	659,000	-	-
Total	56,950	735,470	178,999	158,497
Dividend income				
Subsidiaries and funds	-	-	1,407,487	2,079,498
Associate	408,753	354,265	408,753	354,265
Total	408,753	354,265	1,816,240	2,433,763
Gain on lease under finance lease				
Associate	-	3,206,942	-	3,851,257
Expenses				
Cost of rent and services				
Subsidiaries and funds	-	-	11,080	282,276
Other related parties	396,741	376,621	392,220	371,123
Total	396,741	376,621	403,300	653,399
Cost of food and beverage				
Other related parties	32	58	-	-
Management fees				
Other related parties	100,500	105,068	93,234	98,865
Administrative expenses				
Subsidiaries and funds	-	-	29,071	29,518
Other related parties	17,608	30,644	11,802	18,814
Total	17,608	30,644	40,873	48,332
Interest expense				
Subsidiaries	-	-	173,832	163,542

Management benefits expenses

In 2010, the Company paid salaries, bonuses, meeting allowances and pensions to the directors and management members totaling Baht 84.1 million (2009: Baht 80.1 million).

Significant balances as at 31 December 2010 and 2009 with related parties were as follows:

			(in thousand Baht)	
	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
Trade accounts receivable				
Subsidiaries:				
Central World Co., Ltd.	-	-	5,067	5,944
Central Pattana Chiangmai Co., Ltd.	-	-	5,021	3,339
Bangna Central Property Co., Ltd.	-	-	4,335	3,965
Central Pattana Khon Kaen Co., Ltd.	-	-	3,982	-
CPN Pattaya Beach Hotel Co., Ltd.	-	-	3,839	1,918
Central Pattana Rattana Thibet Co., Ltd.	-	-	2,349	1,525
Central Pattana Rama 2 Co., Ltd.	-	-	2,121	-
Central Pattana Chonburi Co., Ltd.	-	-	2,009	2,763
Central Realty Service Co., Ltd.	-	-	1,055	10,352
Others	-	-	1,283	1,352
Total subsidiaries	-	-	31,061	31,158
Other related parties:				
Central Department Store's Group	83,092	48,628	27,226	14,413
Others	34,716	14,594	9,071	5,234
Total other related parties	117,808	63,222	36,297	19,647
Total	117,808	63,222	67,358	50,805

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
Accrued dividend income				
Subsidiaries:				
The Thai Business Fund 4	-	-	865,922	865,922
The Thai Business Fund 5	-	-	33,583	18,444
Total	-	-	899,505	884,366
Accrued income				
Subsidiary:				
The Thai Business Fund 4	-	-	75,232	75,232
Accrued interest income:				
Subsidiaries:				
The Thai Business Fund 4	-	-	7,828	7,439
The Thai Business Fund 5	-	-	449	494
Other related party:				
Siam Retail Development Co., Ltd.	135,456	-	135,456	-
Total	135,456	-	143,733	7,933

Loans to related parties

(in thousand Baht)

	Consolidated				Separate	
	Interest rate		financial statements		financial statements	
	2010	2009	2010	2009	2010	2009
	(% per annum)					
Short-term loans to						
Subsidiaries:						
The Thai Business Fund 4	6.50	6.50	-	-	1,088,299	1,794,406
Central Pattana Chiangmai Co., Ltd.	4.44	4.38	-	-	268,600	34,567
Langsuan Realty Co., Ltd.	4.44	-	-	-	229,806	-
The Thai Business Fund 5	6.00	6.00	-	-	105,296	121,387
Central Realty Service Rama 3 Co., Ltd.	4.44	-	-	-	4,518	-
Total short-term loans			-	-	1,696,519	1,950,360

(in thousand Baht)

	Interest rate		Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009	2010	2009
	(% per annum)					
Long-term loans to						
Subsidiaries:						
Central World Co., Ltd.	4.44	4.38	-	-	6,246,663	5,488,830
Central Pattana Nine Square Co.,Ltd.	4.44	4.38	-	-	1,233,622	517,929
CPN Chiangrai Co.,Ltd.	4.44	4.38	-	-	1,069,364	232,455
Central Pattana Chonburi Co., Ltd.	4.44	4.38	-	-	712,968	650,619
Central Pattana Rattana Thibet Co., Ltd.	4.44	4.38	-	-	635,266	548,022
Central Pattana Khon Kaen Co., Ltd.	4.44	4.38	-	-	587,338	1,383,748
CPN Pattaya Beach Hotel Co.,Ltd.	4.44	4.38	-	-	247,209	672,693
Central Food Avenue Co., Ltd.	4.44	4.38	-	-	108,909	107,398
CPN Pattaya Beach Co., Ltd.	4.44	4.38	-	-	21,280	334,648
			-	-	10,862,619	9,936,342

Other related party:

Siam Retail Development Co., Ltd.	7.00	7.00	-	162,739	-	162,739
Less allowance for doubtful accounts			-	(162,739)	-	(162,739)
Total long-term loans			-	-	10,862,619	9,936,342
Total loans to related parties, net			-	-	12,559,138	11,886,702

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
Summary of loans to related parties				
Short-term loans	-	-	1,696,519	1,950,360
Long-term loans	-	162,739	10,862,619	10,099,081
	-	162,739	12,559,138	12,049,441
Less allowance for doubtful accounts	-	(162,739)	-	(162,739)
Total loans to related parties, net	-	-	12,559,138	11,886,702

Movements during the years ended 31 December 2010 and 2009 of loans to related parties were as follows:

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
Short-term				
Subsidiaries				
At 1 January	-	-	1,950,360	136,137
Increase	-	-	1,188,274	2,438,597
Decrease	-	-	(1,442,115)	(624,374)
At 31 December	-	-	1,696,519	1,950,360
Long-term				
Subsidiaries				
At 1 January	-	-	9,936,342	8,078,815
Increase	-	-	5,876,342	7,034,656
Decrease	-	-	(4,950,065)	(5,177,129)
At 31 December	-	-	10,862,619	9,936,342
Other related party				
At 1 January	-	-	-	-
Reversal of allowance for doubtful account	162,739	-	162,739	-
Decrease	(162,739)	-	(162,739)	-
At 31 December	-	-	-	-
Total long-term loans to related parties				
At 1 January	-	-	9,936,342	8,078,815
Reversal of allowance for doubtful accounts	162,739	-	162,739	-
Increase	-	-	5,876,342	7,034,656
Decrease	(162,739)	-	(5,112,804)	(5,177,129)
At 31 December	-	-	10,862,619	9,936,342

Loans to subsidiaries and other related parties are unsecured and denominated in Thai Baht, except the loan made to Central Pattana Khon Kaen Co., Ltd., a subsidiary, that is secured by the subsidiary's land with a carrying value as at 31 December 2010 of Baht 327 million (2009:Baht 327 million). All loans are repayable on demand. Loans to subsidiaries and other related parties carry interests at the average interest rate of debt securities issued by the Company.

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
Trade accounts payable				
Subsidiaries:				
Central World Co., Ltd.	-	-	16,961	1,948
Bangna Central Property Co., Ltd.	-	-	2,887	1,423
Central Pattana Khon Kaen Co., Ltd.	-	-	2,657	-
Central Pattana Chiangmai Co., Ltd.	-	-	2,364	487
Central Pattana Rattana Thibet Co., Ltd.	-	-	2,282	731
Central Pattana Chonburi Co., Ltd.	-	-	1,689	-
CPN Pattaya Beach Co., Ltd.	-	-	1,617	64
Central Realty Service Co., Ltd.	-	-	-	737
Others	-	-	456	606
Total subsidiaries	-	-	30,913	5,996
Other related parties:				
Central Department Store's Group	4,417	5,136	1,087	3,848
Others	1,572	1,800	179	533
Total related parties	5,989	6,936	1,266	4,381
Total	5,989	6,936	32,179	10,377

Account payable for leasehold right

Other related party:

Central International Development Co., Ltd.	852,343	1,242,682	852,343	1,242,682
---	---------	-----------	---------	-----------

Loans from related parties

(in thousand Baht)

	Interest rate		Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009	2010	2009
	(% p.a.)					
Short-term loans from						
Subsidiaries:						
CPN Global Co., Ltd.	4.44	-	-	-	65,245	-
CPN Construction Management Co., Ltd.	4.44	4.38	-	-	64,081	65,726
Central Realty Service Co., Ltd.	-	4.38	-	-	-	362,360
Langsuan Realty Co., Ltd.	-	4.38	-	-	-	100,468
Other related parties:						
Others	5.50	5.50	3,687	3,558	-	-
Total short-term loans			3,687	3,558	129,326	528,554
Long-term loans from						
Subsidiaries:						
Central Pattana Rama 2 Co., Ltd.	4.44	4.38	-	-	1,854,621	1,874,761
Central Pattana Rama 3 Co., Ltd.	4.44	4.38	-	-	1,554,837	1,389,250
Other related parties:						
Others	-	5.50	-	18,429	-	-
Total long-term loans			-	18,429	3,409,458	3,264,011
Total loans from related parties			3,687	21,987	3,538,784	3,792,565

Movements during the years ended 31 December 2010 and 2009 of loans from related parties were as follows:

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
Short-term loans				
Subsidiaries				
At 1 January	-	-	528,554	159,226
Increase	-	-	1,282,350	1,256,223
Decrease	-	-	(1,681,578)	(886,895)
At 31 December	-	-	129,326	528,554
Other related parties				
At 1 January	3,558	3,429	-	-
Increase	129	129	-	-
At 31 December	3,687	3,558	-	-
Total short-term loans from related parties				
At 1 January	3,558	3,429	528,554	159,226
Increase	129	129	1,282,350	1,256,223
Decrease	-	-	(1,681,578)	(886,895)
At 31 December	3,687	3,558	129,326	528,554
Long-term				
Subsidiaries				
At 1 January	-	-	3,264,011	3,816,640
Increase	-	-	1,763,280	251,819
Decrease	-	-	(1,617,833)	(804,448)
At 31 December	-	-	3,409,458	3,264,011
Other related parties				
At 1 January	18,429	161,588	-	-
Increase	-	105,014	-	-
Decrease	(18,429)	(248,173)	-	-
At 31 December	-	18,429	-	-
Total long-term loans from related parties				
At 1 January	18,429	161,588	3,264,011	3,816,640
Increase	-	105,014	1,763,280	251,819
Decrease	(18,429)	(248,173)	(1,617,833)	(804,448)
At 31 December	-	18,429	3,409,458	3,264,011

Loans from related parties are unsecured and denominated in Thai Baht. The loans are repayable on demand. Loans from subsidiaries and related parties carry interests at the average interest rate of unsecured debt securities issued by the Company. Loans from funds carry interests at the rates ranging from 4.0 % to 7.0 % per annum.

(in thousand Baht)				
	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
Provision for guarantee payment				
Associate	-	30,965	-	30,965

Commitments with related parties

The Group has entered into service and premise lease agreements with related parties. The rental and service fees are payable as at 31 December 2010 and 2009 as follows:

(in million Baht)				
	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
Non-cancellable operating lease commitments				
Within one year	524	470	498	470
After one year but within five years	2,403	2,178	2,300	2,178
After five years	12,578	12,927	12,306	12,927
Total	15,505	15,575	15,104	15,575

In December 2010, a subsidiary entered into a land sublease agreement for a period of 28 years from 2010 to 2038 with another subsidiary by paying advance rental for the entire lease period in the amount of Baht 119 million.

The Company entered into a land lease agreement with Hang Central Department Store Co., Ltd., a related party, for a period of 30 years ended in 2024 (Note 33).

The Company entered into a land lease agreement with Hang Central Department Store Co., Ltd., a related party, for a period of 30 years ended in 2023.

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

The Thai Business Fund 2

In 2007, the Company leased Central Plaza Pinklao Shopping Complex from Thai Business Fund 2, a related party, for a period of three years ending in December 2010. According to the lease agreement, the Company is obliged to make monthly rental payment which may be subject to either upward or downward revision from January 2009 within a band of 15 percent of the average rent charged in the preceding year. The lease agreement is renewable, each time for a period of three years but aggregately not longer than 10 years. As compliance guarantee, the Company has entered into a contract transferring its leasehold right and obligations under the rental agreement of the land on which Central Plaza Pinklao is located to the fund. Additionally the Company has had Central Realty Service Co., Ltd., a subsidiary, mortgaged its utility systems as collateral.

The unitholders meeting of The Thai Business Fund 2 ("the Fund") No.2/2006, 1/2007, 2/2007 and 2/2009 passed resolutions approving (1) Central Pattana Public Company Limited ("the Company"), a consigner under the consigned building agreement, to exercise the right to early redeem the consigned building and to terminate agreements with the Fund and other parties, and (2) the termination of the Fund itself.

On 20 July 2009, the unitholders of the Fund passed a resolution approving the termination of The Thai Business Fund 2 and proceedings required for such termination. On 4 November 2009, the Fund terminated land and building sublease agreements with Central Pattana Public Company Limited, terminated the utility systems lease agreement of Central Plaza Pinklao with Central Realty Service Company Limited, and accepted the proceeds from such redemption totalling Baht 1,248.0 million. Baht 705.0 million of the total proceeds was, however, paid in advance by the Company under the repurchase agreement (31 December 2008: Baht 630 million). In addition, the Fund received payment of Baht 695.0 million from CPN Retail Growth Leasehold Property Fund ("CPNRF"), a new investor of the Fund's assets, to compensate for the redemption of the building and termination of related agreements that prohibited the Fund from further utilising the assets and allowing CPNRF to invest in such assets of Central Public Company Limited and the Group. (See note 33)

Robinson Nakarin Co., Ltd.

The Board of Directors' meeting, held on 4 November 2009, passed a resolution approving the termination of the land lease agreement with Robinson Nakarin Co., Ltd.

Central Plaza Lardprao

In 2009, the Company subleased land and shopping, office and parking buildings including their improvements, integrated components and equipment of Central Plaza Lardprao from Central International Development Company Limited for 20 years up until 18 December 2028. The Company paid advance rental in the amount of Baht 2,162 million, which is classified as leasehold rights on the balance sheet. In addition, the Company is required to pay annual rent throughout the agreement period totalling Baht 14,016 million.

Titles over the buildings, premises or properties the Company renovate, develop or erect will be transferred to The State Railway of Thailand ("the ultimate lessor") upon expiry of the agreement together with certain equipment specified in the lease agreement.

5 Cash and cash equivalents

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
Cash on hand	5,655	7,076	2,230	3,232
Call deposits	765,909	1,727,479	243,648	884,319
Total	771,564	1,734,555	245,878	887,551

Cash and cash equivalents of the Group and the Company as at 31 December 2010 and 2009 were denominated in Thai Baht.

6 Other investments

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
Current				
Short-term deposits at financial Institutions	1,238	1,723	243	14
Debt securities held-to-maturities	750,895	708,729	750,000	598,937
Equity securities available-for-sale	105,323	94,459	1,025	1,025
Add unrealised holding gain	3,251	1,547	1,915	1,295
	860,707	806,458	753,183	601,271
Non-current				
Other equity securities	1,000	1,895	1,000	1,000
Total	861,707	808,353	754,183	602,271

Other investments of the Group and the Company as at 31 December 2010 and 2009 were entirely denominated in Thai Baht.

7 Trade accounts receivable

(in thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2010	2009	2010	2009
Subsidiaries and other related parties	4	117,808	63,222	67,358	50,805
Other parties		539,165	421,139	147,685	144,717
		656,973	484,361	215,043	195,522
Less allowance for doubtful accounts		(3,483)	(3,426)	(942)	(2,194)
Net		653,490	480,935	214,101	193,328
Bad and doubtful debt expenses (reversal) for the year		32	1,277	(1,220)	1,318

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

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
Subsidiaries and other related parties				
Within credit terms	45,597	33,422	38,088	42,396
Overdue:				
Less than 3 months	20,672	16,955	14,416	5,436
3-6 months	12,891	3,297	4,308	170
6-12 months	27,884	7,433	8,454	2,187
Over 12 months	10,764	2,115	2,092	616
Total	117,808	63,222	67,358	50,805
Deposits from overdue customers	183,257	137,770	45,031	32,492
Other parties				
Within credit terms	271,845	130,249	59,677	43,223
Overdue:				
Less than 3 months	68,943	150,342	29,179	55,894
3-6 months	30,000	56,415	16,916	17,487
6-12 months	100,423	46,477	27,837	18,841
Over 12 months	67,954	37,656	14,076	9,272
	539,165	421,139	147,685	144,717
Less allowance for doubtful accounts	(3,483)	(3,426)	(942)	(2,194)
Net	535,682	417,713	146,743	142,523
Deposits from overdue customers	1,329,900	1,234,171	596,003	547,863

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

Accounts receivable of the Group and the Company as at 31 December 2010 and 2009 were denominated in Thai Baht.

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

8 Other current assets

(in thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2010	2009	2010	2009
Accrued income	4, 9	567,324	402,712	1,155,547	1,132,190
Receivables from Revenue Department		416,855	333,618	-	-
Other accounts receivable		302,275	35,111	13,123	244,208
Prepaid expenses		138,342	122,397	108,378	102,206
Others		54,367	21,388	18,848	11,978
Total		1,479,163	915,226	1,295,896	1,490,582

9 Investments in subsidiaries and funds

Movements of investments in subsidiaries and funds for the years ended 31 December 2010 and 2009 were as follows;

	Separate financial statements	
	2010	2009
At 1 January	17,681,189	15,382,018
Acquisitions of investments	1,501,334	3,773,096
Acquisition of investment units	522,332	290,030
Disposal of investments and redemption of investment units	(27,984)	(1,763,955)
At 31 December	19,676,871	17,681,189

Thai Business Fund 4 (“TBF4”)

On 8 December 2010, the Company purchased additional issues of investment units type A and C of TBF4 for 72.1 million units at Baht 3.85 per unit, totalling Baht 278 million, and 52.2 million units at Baht 10 per unit, totalling Baht 522 million, respectively. The proceeds from the recapitalisation are earmarked for renovation of the Central World Plaza Project (Project), payment of compensation or return of rental deposit to the shopping plaza’s sub-lessee/tenants who terminated their sublease agreements, distribution of financial assistance to affected retailers, and use as working capital during the Project’s renovation.

Central Pattana Rama 3 Co., Ltd. and Central Realty Service Rama 3 Co., Ltd.

On 16 June 2010, the Company purchased common shares of Central Realty Service Rama 3 Co., Ltd., an indirect subsidiary, from Central Pattana Rama 3 Co., Ltd., a direct subsidiary, at net book value of Baht 233 million. The Company paid for the cost of acquisition on 22 June and 7 July 2010 respectively. Subsequent to the purchase, Central Realty Service Rama 3 Co., Ltd. has become the Company’s direct subsidiary.

The Board of Directors' meeting on 10 August 2010 resolved to restructure the shareholdings of two subsidiaries which are 99.9 percent directly and indirectly owned by the Company by:

1. Registering the dissolution of Central Realty Service Rama 3 Co., Ltd. ("CR3"), whose major operation was to provide utilities services at Central Plaza Ratchda Rama 3 Shopping Plaza. As part of the process, total assets and liabilities of CR3 will be transferred to Central Pattana Rama 3 Co., Ltd. Currently, CR3 is undergoing the liquidation process.
2. Registering the increase in share capital of Central Pattana Rama 3 Co., Ltd. ("CP3"), whose main operation is the leasing of commercial space of Central Plaza Ratchda Rama 3, from Baht 126.7 million currently to Baht 324.7 million to support the transfer of assets and liabilities from Central Realty Service Rama 3 Co., Ltd. Additional shares issued will be offered to CP3's shareholder who holds the same shareholding percentage in Central Realty Service Rama 3 Co., Ltd.

The above restructurings have no impact on the shareholding proportions or interests of the Company and its subsidiaries as the Company effectively holds 100% ownership interests in both subsidiaries.

Central Food Avenue Co., Ltd.

At the extraordinary shareholders meeting of Central Food Avenue Co., Ltd. held on 31 May 2010, the shareholders passed a special resolution to increase the company's registered capital by Baht 4 million by issuing 0.4 million shares at Baht 10 par value. The new shares issued have been fully paid up. The subsidiary registered the increase in share capital with the Ministry of Commerce on 4 June 2010.

Central Pattana Khon Kaen Co., Ltd.

At the extraordinary shareholders meeting of Central Pattana Khon Kaen Co., Ltd. held on 25 August 2009, the shareholders passed a special resolution to increase the company's registered capital by Baht 1,740 million by issuing 174 million shares at Baht 10 par value; 75% of which, or Baht 1,305 million, was paid up. The subsidiary registered the increase in share capital with the Ministry of Commerce on 18 December 2009.

On 31 May 2010, the subsidiary called for the remaining unpaid capital of 25% of the new shares issued, or Baht 435 million. Accordingly, the subsidiary's newly issued share capital has been fully paid up.

CPN Global Company Limited

At the Company's Board of Directors' meeting held on 11 May 2010, the Board members approved the acquisition of 9,994 common shares of CPN Global Company Limited from a related party to support the Company's overseas expansion. The subsidiary registered 10,000 shares at Baht 100 par value; 25% of which, or Baht 0.3 million, have been paid up as at 31 December 2010. Subsequently after the acquisition, CPN Global Company Limited has become the subsidiary of the Company.

To support the aforementioned overseas expansion, CPN Global Ltd. incorporated two additional legal entities in Hong Kong namely Global Retail Development & Investment Ltd. and Global Commercial Property Ltd. on 16 April 2010 and 23 April 2010 respectively.

CPN Pattaya Beach Hotel Co., Ltd.

At the extraordinary shareholders meeting of CPN Pattaya Beach Hotel Co., Ltd. on 23 March 2010, the shareholders passed a special resolution to increase the company's registered capital by Baht 999 million by issuing 9.99 million shares at Baht 100 par value. 75% of the new share issues, or Baht 749.3 million, has been paid up. The subsidiary registered the increase in share capital with the Ministry of Commerce on 25 March 2010.

CPN Chiangrai Co.,Ltd. (formerly Thaipat Property Co., Ltd.)

At the extraordinary shareholders meeting of CPN Chiangrai Co.,Ltd. on 2 February 2010, the shareholders passed a special resolution to:

- change the company's name from "Thaipat Property Co., Ltd." to "CPN Chiangrai Co., Ltd." The name change was registered with the Ministry of Commerce on 15 February 2010.
- increase the company's registered capital by Baht 699 million by issuing 69.9 million shares at Baht 10 par value. 25% of the new share issues, or Baht 174.98 million, has been paid up. The subsidiary registered the increase in share capital with the Ministry of Commerce on 15 February 2010.

The Company's Board of Directors' meeting on 4 November 2009 approved the purchase of ordinary shares of Thaipat Property Co., Ltd. from CRC Power Retail Co., Ltd., a related party, for the development of a shopping mall and other types of real estate at a cost of Baht 275 million. Of the total cost incurred, Baht 45.2 million was attributable to the shares purchase while the other Baht 229.8 million was attributable to debt repayment. The Company separately recorded the difference between the cost of business combination involving entities under common control and the book value of net assets acquired of Baht 54.4 million in the equity section of the Balance Sheet under "Reserve on business combination involving entities under common control".

The Thai Business Fund 2

At the unitholders meeting of the Thai Business Fund 2, the unitholders passed a resolution to terminate the Fund on 4 November 2009 and, on 5 November 2009, the management company submitted a letter informing the Fund termination to the Securities and Exchange Commission. The Fund completed its liquidation process and registered for its termination on 29 December 2009. (See Note 4)

Central World Tower Co., Ltd.

Central World Tower Co., Ltd. registered the dissolution on 17 December 2007 and completed the liquidation process on 22 December 2009.

Central Pattana Chonburi Co., Ltd.

At the extraordinary shareholders meeting on 28 December 2009 of Central Pattana Chonburi Co., Ltd., the shareholders passed special resolutions to increase the registered capital of the Company by 5.5 million shares at Baht 100 per share, and call for the remaining unpaid capital totaling Baht 550 million. The subsidiary registered the increase in share capital with the Ministry of Commerce on 30 December 2009.

investments in subsidiaries and funds as at 31 December 2010 and 2009 and dividend income from those investments for the years then ended were as follows:

Separate financial statements												(in thousand Baht)
	Ownership interest		Paid-up capital		Cost method		Impairment		At cost - net		Dividend income	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
	(%)		(in million Baht)									
Subsidiaries												
Central Pattana Rama 2 Co., Ltd.	100.0	100.0	1,500.0	1,500.0	1,500,000	1,500,000	-	-	1,500,000	1,500,000	-	-
Central Pattana Chiangmai Co., Ltd.	100.0	100.0	1,000.0	1,000.0	1,000,000	1,000,000	-	-	1,000,000	1,000,000	499,987	-
Langsuan Realty Co., Ltd.	100.0	100.0	830.0	830.0	830,000	830,000	-	-	830,000	830,000	-	-
Central Pattana Rattana Thibet Co., Ltd.	100.0	100.0	800.0	800.0	589,998	589,998	-	-	589,998	589,998	412,999	-
Central Realty Service Co., Ltd.	100.0	100.0	1.0	1.0	1,000	1,000	-	-	1,000	1,000	157,989	184,987
Central Food Avenue Co., Ltd.	100.0	100.0	5.0	1.0	5,000	1,000	-	-	5,000	1,000	-	-
Central World Co., Ltd.	100.0	100.0	2,511.9	2,511.9	2,412,733	2,412,733	-	-	2,412,733	2,412,733	-	-
Central Pattana Rama 3 Co., Ltd.	100.0	100.0	324.7	126.7	1,985,470	1,933,776	-	-	1,985,470	1,933,776	101,460	72,200
CPN Pattaya Beach Co., Ltd.	100.0	100.0	1,500.0	1,500.0	1,499,999	1,499,999	-	-	1,499,999	1,499,999	-	-
Central Pattana Chonburi Co., Ltd.	100.0	100.0	900.0	900.0	808,984	808,984	-	-	808,984	808,984	-	-
CPN Pattaya Beach Hotel Co., Ltd.	100.0	100.0	750.3	1.0	750,311	1,061	-	-	750,311	1,061	-	-
CPN Construction Management Co.,Ltd.	100.0	100.0	1.0	1.0	999	999	-	-	999	999	-	-
CPN Chiangrai Co.,Ltd.												
(formerly Thaipat Property Co.,Ltd.)	100.0	100.0	219.4	0.1	219,360	44,385	-	-	219,360	44,385	-	-
Central Realty Service Rama 3 Co., Ltd.												
(undergoing liquidation process)	100.0	-	175.0	-	181,282	-	-	-	181,282	-	-	-
CPN Global Company Limited	100.0	-	0.3	-	250	-	-	-	250	-	-	-
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 Khon Kaen Co., Ltd.	78.1	78.1	2,000.0	1,565.0	1,562,683	1,222,800	(101,505)	(101,505)	1,461,178	1,121,295	-	-
Funds												
The Thai Business Fund 4 ^{(1) (2)}	100.0	100.0	4,600.0	4,600.0	5,338,020	4,815,688	-	-	5,338,020	4,815,688	-	691,516
Thai Business Fund 5 ⁽¹⁾	100.0	100.0	236.8	236.8	180,792	208,776	-	-	180,792	208,776	235,052	219,262
The Thai Business Fund 2												
(Liquidated on 29 December 2009)	-	-	-	-	-	-	-	-	-	-	-	911,533
Total					19,956,081	17,960,399	(279,210)	(279,210)	19,676,871	17,681,189	1,407,487	2,079,498

⁽¹⁾ Investments in The Thai Business Fund 4 and The Thai Business Fund 5 are investment units (type C) which have rights to receive dividends subordinated to the other types of unitholders (type A and B).

⁽²⁾ The Thai Business Fund 4

On 1 April 2009, the Company acquired investment units of The Thai Business Fund 4, ordinary shares of Central World Company Limited and ordinary shares and/or rights to receive cash and/or any benefits of the remaining assets after the liquidation based on the shareholding proportion of Central World Tower Company Limited from the minority interests totaling Baht 572.3 million (including accrued dividend income). The payment was made in cash amounting to Baht 327.8 million and Aval of Baht 244.5 million (Maturing on 30 December 2009). As a result, the Company recognised an excess of acquirer's interest in net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over cost in the statement of income amounting to Baht 66.0 million.

During 2009, the Company purchased 6.3% of investment units of the Thai Business Fund 4 which was held by Bangna Central Property Co., Ltd., (indirect subsidiary), at book value of Baht 335.6 million (including accrued dividend income).

In 2009, the Thai Business Fund 4 amended the dividend payment policy for investment units type C which should not be less than net cash remaining after (1) the dividend paid and payable to investment units type A and B, (2) the redemption of capital to investment units type A and B, (3) the deduction of cash reserved for other debt payments and (4) the payment for dividend payable. As at 31 December 2009, the Thai Business Fund 4 appropriated and recorded dividend payable of investment units type C totaling Baht 941.2 million including dividend payable to the Company of Baht 865.9 million (See note 4).

During 2009, the Company purchased investment units type A and B of The Thai Business Fund 4 from financial institutions totaling Baht 1,794.4 million (See note 4). Such investment unit purchase had no effect on capital and proportion of units that have rights to receive the dividends (Investment units type C).

10 Investment in associate

Movements of investment in associate for the years ended 31 December 2010 and 2009 were as follows:

	(in thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
At 1 January	2,617,780	2,354,752	4,446,171	3,635,104
Share of net profit of investment - equity method	475,123	450,542	-	-
Acquisition of investment	-	811,067	-	811,067
Dividend income	(408,753)	(354,265)	-	-
Gain on lease under finance lease, portion of the Company	-	(644,316)	-	-
At 31 December	2,684,150	2,617,780	4,446,171	4,446,171

The Company has been allocated 91,131,122 additional investment units of CPN Retail Growth Leasehold Property Fund ("CPNRF") based on its entitlement as an existing unitholder at an offering price of 8.90 Baht per unit, totaling Baht 811,066,985.8. As a result, the Company now holds a total of 454,928,022 units, and the percentage of its investment in CPNRF has changed from 33.33% to 27.80% after the capital increase.

Investment in associate as at 31 December 2010 and 2009 and dividend income from the investment for the years then ended were as follows:

(in thousand Baht)

Consolidated financial statements												
	Ownership interest		Paid-up capital		Cost method		Equity method		Market price of listed securities		Dividend income	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
(%)												
Associate												
CPN Retail Growth												
Leasehold Property Fund	27.8	27.8	15,763,958	15,763,958	4,446,171	4,446,171	2,684,150	2,617,780	5,413,643	4,208,084	408,753	354,265

(in thousand Baht)

Separate financial statements						
	Ownership interest	Paid-up capital	Cost method	Market price of listed securities	Dividend income	
	2553	2553	2553	2553	2553	2552
	2552	2552	2552	2552	2552	2552
(%)						
Associate						
CPN Retail Growth						
Leasehold Property Fund	27.8	15,763,958	4,446,171	5,413,643	408,753	354,265
	27.8	15,763,958	4,446,171	4,208,084	408,753	354,265

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

(in thousand Baht)

	Ownership	Total assets	Total liabilities	Total revenues	Net profit
	(%)				
2010					
CPN Retail Growth Leasehold					
Property Fund	27.8	18,290,333	1,481,747	2,279,056	1,708,965
Total		18,290,333	1,481,747	2,279,056	1,708,965
2009					
CPN Retail Growth Leasehold					
Property Fund	27.8	18,439,627	1,869,766	1,498,062	1,451,663
Total		18,439,627	1,869,766	1,498,062	1,451,663

11 Long-term investments - related parties

(in thousand Baht)

	Ownership interest		Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009	2010	2009
	(%)					
Siam Retail Development Co., Ltd.	15	15	66,250	66,250	-	-
Ayudhaya Agrocit 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			-	-	-	-

12 Property and equipment

(a) The Group

	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 2009	4,380,335	26,055,097	860,533	820,322	8,956,408	41,072,695
Additions	1,346,225	554,177	224,295	833,605	6,242,658	9,200,960
Transfers - net	1,976,542	9,630,957	30,647	(941,982)	(10,830,561)	(134,397)
Disposals/write-off	-	(1,666,890)	(92,269)	-	-	(1,759,159)
Transfer to leasehold rights	-	-	-	-	(138,164)	(138,164)
At 31 December 2009 and 1 January 2010	7,703,102	34,573,341	1,023,206	711,945	4,230,341	48,241,935
Additions	10,298	166,152	207,365	3,399,202	2,846,398	6,629,415
Transfers - net	-	4,342,467	36,398	(2,837,054)	(1,541,811)	-
Disposals/write-off	-	(1,386,600)	(42,172)	(8,676)	-	(1,437,448)
At 31 December 2010	7,713,400	37,695,360	1,224,797	1,265,417	5,534,928	53,433,902
Accumulated depreciation						
At 1 January 2009	-	7,989,163	563,148	-	859,462	9,411,773
Depreciation charge for the year	-	1,628,004	129,850	-	-	1,757,854
Transfers - net	-	-	-	-	(134,397)	(134,397)
Disposals/write-off	-	(734,188)	(77,776)	-	-	(811,964)
Transfer to leasehold rights	-	(411,267)	-	-	(3,589)	(414,856)
At 31 December 2009 and 1 January 2010	-	8,471,712	615,222	-	721,476	9,808,410
Depreciation charge for the year	-	1,866,439	153,221	-	-	2,019,660
Transfers - net	-	14,495	(14,495)	-	-	-
Disposals/write-off	-	(523,861)	(37,719)	-	-	(561,580)
At 31 December 2010	-	9,828,785	716,229	-	721,476	11,266,490

(in thousand Baht)

Consolidated financial statements					
	Land	Buildings and improvements	Transportation and office equipment	Construction in progress	Projects under development
					Total
Net book value					
At 1 January 2009					
Owned assets	4,380,335	18,065,934	295,520	820,322	31,659,057
Asset under financial lease	-	-	1,865	-	1,865
	4,380,335	18,065,934	297,385	820,322	31,660,922
At 31 December 2009 and 1 January 2010					
Owned assets	7,703,102	26,101,629	406,662	711,945	38,432,203
Asset under financial lease	-	-	1,322	-	1,322
	7,703,102	26,101,629	407,984	711,945	38,433,525
At 31 December 2010					
Owned assets	7,713,400	27,866,575	501,879	1,265,417	42,160,723
Asset under financial lease	-	-	6,689	-	6,689
	7,713,400	27,866,575	508,568	1,265,417	42,167,412

During 2010, the Group:

- purchased land worth Baht 449.8 million from a third party for future development of a shop building and department store; and
- purchased land worth Baht 148.8 million from a third party for future development of a shop building and department store. The payments were made in cash in the amount of Baht 100.0 million and in advance in the amount of Baht 48.8 million (maturing on 28 August 2010).

During 2009, the Group:

- purchased land from a third party for Baht 300 million for development and construction of a shop building and department store.
- acquired assets of Charoensri Complex Project from a third party comprising freehold land, shopping complex, department store and hotel for renovation and development of a new shopping complex and a hotel. The transfer of the ownership of the land and properties was registered on 7 April 2009.
- acquired land from a third party to develop a shopping complex and department store at a cost of Baht 240.9 million. The payment was made in cash for Baht 132.9 million and in advance for Baht 108 million (maturing on 10 November 2010).

Property and equipment are primarily held for operating lease.

The Group's projects under development consist of 4 shopping centre and office building development projects.

Collateral

As at 31 December 2010, long-term borrowings, as discussed in note 17, are secured by the Group's properties with book values of Baht 17,555 million (2009: Baht 10,888 million).

(b) The Company

(in thousand Baht)

	Separate financial statements					Total
	Land	Buildings and improvements	Transportation and office equipment	Construction in progress	Projects under development	
Cost						
At 1 January 2009	1,084,107	6,167,736	332,950	559,429	650,662	8,794,884
Additions	-	203,365	67,265	232,884	123,469	626,983
Transfers - net	-	648,889	4,022	(652,911)	-	-
Disposals / write-off	-	(1,638,964)	(41,337)	-	(128,469)	(1,808,770)
At 31 December 2009 and 1 January 2010	1,084,107	5,381,026	362,900	139,402	645,662	7,613,097
Additions	-	80,365	68,058	648,174	-	796,597
Transfers - net	-	78,935	691	(79,626)	-	-
Disposals / write-off	-	(3,913)	(3,474)	(6,216)	-	(13,603)
At 31 December 2010	1,084,107	5,536,413	428,175	701,734	645,662	8,396,091
Accumulated depreciation						
At 1 January 2009	-	1,270,759	190,790	-	-	1,461,549
Depreciation charge for the year	-	348,707	53,841	-	-	402,548
Disposals / write-off	-	(708,732)	(34,187)	-	-	(742,919)
At 31 December 2009 and 1 January 2010	-	910,734	210,444	-	-	1,121,178
Depreciation charge for the year	-	327,100	57,044	-	-	384,144
Disposals / write-off	-	(104)	(2,812)	-	-	(2,916)
At 31 December 2010	-	1,237,730	264,676	-	-	1,502,406

(in thousand Baht)

Separate financial statements

	Land	Buildings and improvements	Transportation and office equipment	Construction in progress	Projects under development	Total
Net book value						
At 1 January 2009						
Owned assets	1,084,107	4,896,977	140,295	559,429	650,662	7,331,470
Assets under financial lease	-	-	1,865	-	-	1,865
	1,084,107	4,896,977	142,160	559,429	650,662	7,333,335
At 31 December 2009 and 1 January 2010						
Owned assets	1,084,107	4,470,292	151,134	139,402	645,662	6,490,597
Assets under financial lease	-	-	1,322	-	-	1,322
	1,084,107	4,470,292	152,456	139,402	645,662	6,491,919
At 31 December 2010						
Owned assets	1,084,107	4,298,683	156,810	701,734	645,662	6,886,996
Assets under financial lease	-	-	6,689	-	-	6,689
	1,084,107	4,298,683	163,499	701,734	645,662	6,893,685

During 2009, the Company:

- purchased land from a third party at the cost of Baht 126 million for future development and construction of shopping complex and department store. As at 31 December 2009, the Company sold such land to an entity under the Group.

Collateral

As at 31 December 2010, long-term borrowings, as discussed in note 17, are secured by the Company's properties with book values of Baht 4,399 million (2009: Baht 3,264 million).

13 Leasehold rights

(in thousand Baht)

	Consolidated financial statements	Separated financial statements
Cost		
At 1 January 2009	5,361,824	566,102
Additions	2,286,635	2,271,335
Write-off	(227,606)	(227,606)
Transfer from projects under development	138,164	-
At 31 December 2009 and 1 January 2010	7,559,017	2,609,831
Additions	776	26,253
At 31 December 2010	7,559,793	2,636,084
Accumulated amortisation		
At 1 January 2009	2,049,697	268,604
Amortisation charge for the year	352,335	134,128
Write-off	(111,659)	(111,659)
Transfer from buildings and improvements	411,267	-
Transfer from projects under development	3,589	-
Obligation under long-term operating leases	410,782	264,782
At 31 December 2009 and 1 January 2010	3,116,011	555,855
Amortisation charge for the year	336,579	126,919
Obligation under long-term operating leases	416,608	267,506
At 31 December 2010	3,869,198	950,280
Net book Value		
At 1 January 2009	3,312,127	297,498
At 31 December 2009 and 1 January 2010	4,443,006	2,053,976
At 31 December 2010	3,690,595	1,685,804

The Group has obligation under long-term lease agreement amounting to Baht 1,980 million (2009: Baht 1,563 million) which resulted from the difference between the actual rent paid and systematic amortisation according to TAS 17 (revised 2009): Leases. The obligation under long-term lease agreement is presented net with the advance paid for leasehold rights over land and buildings for which the rents have been prepaid.

14 Intangible assets

(in thousand Baht)

Consolidated financial statements

	Assets usage rights
Cost	
At 1 January 2009	217,312
Additions	231
At 31 December 2009 and 1 January 2010	217,543
Disposal	(307)
At 31 December 2010	217,236

Accumulated amortisation

At 1 January 2009	33,635
Amortisation charge for the year	9,002
At 31 December 2009 and 1 January 2010	42,637
Amortisation charge for the year	9,027
At 31 December 2010	51,664

Net book value

At 1 January 2009	183,677
At 31 December 2009 and 1 January 2010	174,906
At 31 December 2010	165,572

During the year 2009, the Group secured assets usage rights for the benefit of the Group's business. The costs of securing such rights are amortised from the usage commencement dates.

15 Deferred tax

Deferred tax assets and liabilities are included in the consolidated and separate balance sheets as follows:

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
Deferred tax assets, net	1,064,144	931,661	-	-
Deferred tax liabilities, net	(1,677,091)	(1,812,014)	(569,968)	(701,341)
Net	(612,947)	(880,353)	(569,968)	(701,341)

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

(in thousand Baht)

Consolidated financial statements			
	At 1 January 2010	(charge) / credit to statement of income (note 29)	At 31 December 2010
Deferred tax assets			
Allowance for doubtful accounts	49,851	(48,806)	1,045
Allowance for impairment	207,108	(11,594)	195,514
Building under consignment sale	347,361	(22,606)	324,755
Deposits from customers	308,268	85,810	394,078
Liabilities under long-term operating leases	78,279	80,251	158,530
Other provisions	288,155	26,821	314,976
Total	1,279,022	109,876	1,388,898
Deferred tax liabilities			
Unearned revenue	(347,360)	22,606	(324,754)
Gain on lease under finance lease	(1,812,015)	134,924	(1,677,091)
Total	(2,159,375)	157,530	(2,001,845)
Net	(880,353)	267,406	(612,947)

(in thousand Baht)

Separate financial statements			
	At 1 January 2010	(charge) / credit to statement of income (note 29)	At 31 December 2010
Deferred tax assets			
Allowance for doubtful accounts	49,480	(49,198)	282
Allowance for impairment	121,376	-	121,376
Deposits from customers	155,129	23,953	179,082
Liabilities under long-term operating leases	79,434	80,251	159,685
Other provisions	34,421	(14,369)	20,052
Total	439,840	40,637	480,477
Deferred tax liability			
Gain on lease under finance lease	(1,141,181)	90,736	(1,050,445)
Total	(1,141,181)	90,736	(1,050,445)
Net	(701,341)	131,373	(569,968)

(in thousand Baht)

Consolidated financial statements

	At 1 January 2009	(charge) / credit to statement of income (note 29)	At 31 December 2009
Deferred tax assets			
Allowance for doubtful accounts	49,516	335	49,851
Allowance for impairment	206,620	488	207,108
Building under consignment sale	707,297	(359,936)	347,361
Deposits from customers	235,299	72,969	308,268
Liabilities under long-term operating leases	-	78,279	78,279
Other provisions	240,504	47,651	288,155
Total	1,439,236	(160,214)	1,279,022
Deferred tax liabilities			
Unearned revenue	(704,811)	357,451	(347,360)
Gain on lease under finance lease	(715,325)	(1,096,690)	(1,812,015)
Total	(1,420,136)	(739,239)	(2,159,375)
Net	19,100	(899,453)	(880,353)

(in thousand Baht)

Separate financial statements

	At 1 January 2009	(charge) / credit to statement of income (note 29)	At 31 December 2009
Deferred tax assets			
Allowance for doubtful accounts	49,072	408	49,480
Allowance for impairment	121,376	-	121,376
Building under consignment sale	337,384	(337,384)	-
Deposits from customers	159,866	(4,737)	155,129
Liabilities under long-term operating leases	-	79,434	79,434
Other provisions	14,429	19,992	34,421
Total	682,127	(242,287)	439,840
Deferred tax liabilities			
Unearned revenue	(334,898)	334,898	-
Gain on lease under finance lease	-	(1,141,181)	(1,141,181)
Total	(334,898)	(806,283)	(1,141,181)
Net	347,229	(1,048,570)	(701,341)

16 Other non-current assets

(in thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2010	2009	2010	2009
Accrued interest receivable	4	135,456	-	135,456	-
Withholding tax deducted		50,515	282,699	-	171,319
Deposits and other rights		95,077	56,001	15,397	15,058
Guarantees for leasehold rights		13,718	16,804	13,118	16,204
Total		294,766	355,504	163,971	202,581

17 Interest-bearing liabilities

(in thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2010	2009	2010	2009
Current					
Unsecured short-term loans from related parties	4	3,687	3,558	129,326	528,554
Unsecured short-term loans from financial institutions		1,100,000	-	1,100,000	-
Secured current portion of long-term loans from financial institutions		1,380,089	200,009	550,050	125,010
Current portion of long-term loans from institutional investors					
- secured		109,838	109,838	-	-
- unsecured		1,500,000	1,500,000	1,500,000	1,500,000
		1,609,838	1,609,838	1,500,000	1,500,000
		4,093,614	1,813,405	3,279,376	2,153,564

(in thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2010	2009	2010	2009
Non-current					
Unsecured long-term loans from related parties	4	-	18,429	3,409,458	3,264,011
Secured long-term loans from financial institutions		4,594,910	4,449,990	1,949,950	2,374,990
Long-term loans from institutional investors					
- secured		599,771	709,609	-	-
- unsecured		9,800,000	9,700,000	9,800,000	9,700,000
		10,399,771	10,409,609	9,800,000	9,700,000
		14,994,681	14,878,028	15,159,408	15,339,001
Total		19,088,295	16,691,433	18,438,784	17,492,565

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

(in thousand Baht)

		Consolidated financial statements		Separate financial statements	
		2010	2009	2010	2009
Within one year		4,093,614	1,813,405	3,279,376	2,153,564
After one year but within five years		14,710,681	14,503,198	15,159,408	14,964,171
After five years		284,000	374,830	-	374,830
Total		19,088,295	16,691,433	18,438,784	17,492,565

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

(in thousand Baht)

		Consolidated financial statements		Separate financial statements	
		2010	2009	2010	2009
Land		2,470,142	1,693,612	874,425	821,100
Leasehold rights over land		828,098	485,744	-	-
Buildings and improvements		14,256,458	8,708,854	3,524,165	2,442,856
Total		17,554,698	10,888,210	4,398,590	3,263,956

As at 31 December 2010 the Group had unutilised credit facilities totalling Baht 5,005 million (2009: Baht 6,633 million).

In December 2010, the Company issued through private placement Baht 500 million worth of Thai Baht denominated, name registered, unsubordinated and unsecured debentures without debentureholders' representative. The debentures have term to maturity of 5 years, maturing on 28 December 2015, and pay interest every six-month period at 3.95% per annum.

In December 2010, the Company entered into a Baht 1.5 billion credit facility agreement with a financial institution. Such agreement stipulates that the Company repays the principle in 30 monthly installments of Baht 50 million each on the last working day of the month, beginning in January 2012. The Company agrees to pay interest from the first drawdown date until 31 December 2011 at the market rate; and from 1 January 2012 onwards at 1M-THBFIX plus 1.05% p.a. As at 31 December 2010, the Company has already utilised Baht 500 million of the said facility.

In December 2010, the Company entered into a Baht 1.5 billion credit facility (Term Loan) agreement with a financial institution. Such agreement stipulates that the Company shall completely repay the drawn down amount, which carries interest charge at THBFIX plus 1.20% p.a., by the end of September 2014. The Company agrees to pay interest on the last working day of the month and return principle in quarterly installments of not less than Baht 125 million each, beginning in December 2011. As at 31 December 2010, the Company has already utilised Baht 700 million of the said facility.

In December 2010, the Company retired its Baht 1.5 billion unsecured and unsubordinated debenture No. 2/2547 (CPN10DA) as it came to maturity in the month.

In June 2010, the Company issued to institutional investors Baht 500 million worth of Thai Baht denominated, unsubordinated and unsecured debentures with the term to maturity of 2 years, maturing on 9 June 2012. The debentures pay interest every three-month period at a floating interest rate of 3MFDR+1.15% per annum.

During 2009, a subsidiary has a loan denominated in Thai Baht of Baht 2,000 million from a local commercial bank. The agreement is for a period of 7 years and covers a grace period of 2 years from the date that the first portion of loan is drawn down. The loan bears interest at MLR-2.00 % per annum and the first repayment due in February 2011. The loan is payable in 60 instalments. The subsidiary used its leasehold rights to land and a pledged building as collateral for the borrowing, which is also guaranteed by the Company. As at 31 December 2010, the loan facility has been completely utilised.

During 2009, a subsidiary has a loan denominated in Thai Baht of Baht 1,500 million from a local commercial bank. The agreement is for a period of 7 years and covers a grace period of 2 years from the date that the first portion of loan is drawn down. The loan bears interest at MLR-2.00% per annum and the first repayment due in October 2010. The loan is payable in 60 instalments. The subsidiary used its land and a pledged building as collateral for the borrowing. As at 31 December 2010, Baht 1,250 million has been drawn down.

During 2009, a subsidiary has a loan denominated in Thai Baht of Baht 1,000 million from a local commercial bank. The agreement is for a period of 7 years and covers a grace period of 2 years from the date that the first portion of loan is drawn down. The loan bears interest at MLR-1.75% per annum and the first repayment due in January 2011. The loan is payable in 60 instalments. The subsidiary used its leasehold right to land and a pledged land and building as collateral for the borrowing with a guarantee by the Company. As at 31 December 2010, the first portion of Baht 500 million has been drawn down.

During 2009, a subsidiary has a loan denominated in Thai Baht of Baht 1,000 million from a local commercial bank. The agreement is for a period of 7 years and covers a grace period of 2 years from the date that the first portion of loan is drawn down. The loan bears interest at MLR-2.00% per annum. The loan is payable in 60 instalments. The subsidiary used its subleased land and a pledged building as collateral for the borrowing with a guarantee by the Company. As at 31 December 2010, the subsidiary has drawn down Baht 800 million of the facility.

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

During the year 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 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 rate 4.25% per annum.

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

During 2009, the Company issued unsecured and unsubordinated debentures, denominated in Thai Baht 3,200 million, offered to institutional investors and maturing in 2013, bearing interest rate at 4.50% per annum.

During 2009, the Company issued unsecured and unsubordinated debentures, denominated in Thai Baht 1,000 million, offered to institutional investors and maturing in 2014, bearing interest rate at 4.75% per annum.

On 3 June 2009, the Board of Directors approved the registration to withdrawn a land mortgage of a subsidiary from the mortgage Bank. The withdrawal was made on 14 July 2009.

During 2009, the Company issued unsecured and unsubordinated debentures, denominated in Thai Baht 1,000 million, offered to institutional investors and maturing in 2012, bearing interest rate at 4.00% per annum.

Effective interest rates and reprising / maturing analysis

(in thousand Baht)

Consolidated financial statements						
	Effective interest rate	Floating interest rate	Fixed interest rate maturing			Total
			Within 1 year	In 1 to 5 years	After 5 years	
						Fair value
						carrying value

(%)

2010

Long-term loans from financial institutions and institutional investors	4.38	7,449,000	1,520,988	9,830,620	284,000	19,084,608	19,239,720
---	------	-----------	-----------	-----------	---------	------------	------------

2009

Long-term loans from financial institutions and institutional investors	4.67	5,312,864	1,520,988	9,835,594	-	16,669,446	16,976,030
---	------	-----------	-----------	-----------	---	------------	------------

(in thousand Baht)

	Separate financial statements					Fair value	
	Fixed interest rate maturing						Total
	Effective interest rate	Floating interest rate	Within 1 year	In 1 to 5 years	After 5 years		

(ร้อยละ)

2010

Long-term loans from financial institutions and institutional investors	4.39	4,200,000	1,500,000	9,200,000	-	14,900,000	14,998,597
---	------	-----------	-----------	-----------	---	------------	------------

2009

Long-term loans from financial institutions and institutional investors	4.47	2,500,000	1,500,000	9,700,000	-	13,700,000	13,939,752
---	------	-----------	-----------	-----------	---	------------	------------

18 Provision for guarantee payment

In 2010, the Company recorded disbursement of Baht 14.7 million out of Baht 30.97 million previously allocated in 2009 as a provision for guarantee payment, as discussed in note 33, to compensate for the shortfall of the 2010 net property income (before leasing commission) which CPN Retail Growth Leasehold Property Fund (CPNRF) earned from Central Plaza Pinklao Shopping Complex.

19 Other current liabilities

(in thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2010	2009	2010	2009
Accrued expenses		1,357,730	1,142,066	478,441	458,922
Retention payable		412,310	644,698	54,162	183,221
Other accounts payable		325,841	268,091	155,236	127,025
Aval payable	12	-	108,000	-	-
Accrued interest expense		103,245	63,153	42,530	63,153
Unearned income		59,742	128,312	60,601	19,320
Others		397,910	315,207	155,352	124,247
Total		2,656,778	2,669,527	946,322	975,888

20 Share capital

(thousand share / thousand Baht)

		2010		2009	
	Par Value	Number	Baht	Number	Baht
	(in Baht)				
Authorised					
At 1 January					
- ordinary shares	1	2,178,816	2,178,816	2,178,816	2,178,816
At 31 December					
- ordinary shares	1	2,178,816	2,178,816	2,178,816	2,178,816
Issued and paid-up					
At 1 January					
- ordinary shares	1	2,178,816	2,178,816	2,178,816	2,178,816
At 31 December					
- ordinary shares	1	2,178,816	2,178,816	2,178,816	2,178,816

21 Additional paid-in capital and reserve

Share premium

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

Reserve on business combination involving entities under common control

The reserve represents the excess of the book values of subsidiaries acquired in transactions involving common control entities over the costs of acquisitions. It is non-distributable and will be retained until the respective subsidiaries are sold or otherwise disposed of.

Fair value changes

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

Currency translation differences

The currency translation differences account within equity comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

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.

22 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
Segment 3	Hotel business

Financial information by business segments

	Segment 1		Segment 2		Segment 3		Total	
	2010	2009	2010	2009	2010	2009	2010	2009
(in thousand Baht)								
Revenues	9,822,419	10,178,473	550,031	639,429	157,451	116,354	10,529,901	10,934,256
Segment results	3,438,824	4,060,394	79,660	106,564	90,371	70,620	3,608,855	4,237,578
Interest income					225,724	27,337		
Gain on lease under finance lease					-	3,206,942		
Other income					1,116,954	1,545,393		
Share of profits from investments accounted for using the equity method					475,123	450,542		
Administrative expense					(2,010,588)	(1,993,570)		
Management benefits expenses					(84,110)	(80,058)		
Losses from write-off of assets					(775,000)	-		
Profit before finance cost and income tax expenses					2,556,958	7,394,164		
Finance cost					(688,290)	(745,181)		
Income tax					(724,968)	(1,699,258)		
Profit after tax					1,143,700	4,949,725		
Net (profit) loss of minority interest					(13,201)	1,898		
Net profit for the year					1,130,499	4,951,623		
Fixed assets by segment								
(As at 31December)	40,218,025	38,023,681	68,402	81,941	1,880,985	327,903	42,167,412	38,433,525
Total assets by segment								
(As at 31December)	51,953,664	50,446,418	80,076	100,630	1,798,823	348,402	53,832,563	50,895,450

23 Investment income

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
Dividend income	90	60	1,816,330	2,433,824
Interest income	225,724	27,337	765,221	448,000
Total	225,814	27,397	2,581,551	2,881,824

24 Other income

(in thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2010	2009	2010	2009
Expenses claimed by tenants		209,520	261,733	60,771	82,035
Management fees		354,904	288,633	338,537	400,688
Compensation from termination of fund	4	-	659,000	-	-
Others		552,439	335,967	423,190	216,321
Total		1,116,863	1,545,333	822,498	699,044

25 Expenses by nature

Expenses classified by nature were as follows:

(in thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2010	2009	2010	2009
Personal expenses	27	1,195,976	1,034,534	807,090	747,267
Depreciation / Amorisation		2,356,239	2,110,189	511,063	536,676
Finance cost	28	688,290	745,180	786,905	806,904
Utilities expenses		2,118,661	2,112,849	965,330	762,440
Rental expenses		477,779	457,498	126,476	475,698

26 Administrative expenses

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
Marketing	545,392	693,299	227,320	248,027
Personnel	860,624	744,067	650,061	600,557
Administrative	123,320	113,023	118,766	105,409
Others	481,252	443,181	249,581	307,602
Total	2,010,588	1,993,570	1,245,728	1,261,595

27 Employee benefit expenses

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
Wages and salaries	900,095	915,529	599,454	659,675
Contribution to defined contribution plans	20,122	18,310	16,924	15,488
Others	275,759	100,695	190,712	72,104
Total	1,195,976	1,034,534	807,090	747,267

The defined contribution plans comprise provident funds established by the Group for its employees. Membership to the funds is on a voluntary basis. Contributions are made monthly and separately by the employees and the Group at rates ranging from 3% to 10% of employees' basic salaries. The provident funds are registered with the Ministry of Finance as juristic entities and are managed by a licensed Fund Manager.

28 Finance costs

(in thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2010	2009	2010	2009
Interest expense:					
- subsidiaries and related parties	4	-	-	173,831	163,542
- financial institutions		676,408	709,250	607,997	615,440
Fee					
- related parties		1	126	1	126
- financial institutions		11,881	35,804	5,076	27,796
Total finance costs		688,290	745,180	786,905	806,904
Finance costs capitalised		85,797	55,979	-	-
		774,087	801,159	786,905	806,904

Finance costs for properties under development for the years 2010 and 2009 have been capitalised at rates ranging from 4%-5%, representing the weighted average interest rate of general purposes borrowings.

29 Income tax

(in thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2010	2009	2010	2009
Current tax expense					
Current year		992,374	799,805	459,966	348,404
		992,374	799,805	459,966	348,404
Deferred tax expense					
Movements in temporary differences	15	(267,406)	899,453	(131,373)	1,048,570
		(267,406)	899,453	(131,373)	1,048,570
Total		724,968	1,699,258	328,593	1,396,974

Reconciliation of effective tax rate

(in thousand Baht)

Consolidated financial statements				
		2010		2009
	Tax rate		Tax rate	
	(%)		(%)	
Profit before tax		1,868,668		6,648,984
Income tax using the Thai corporation tax rate	30	560,600	30	1,994,695
Effect of different tax rates in foreign jurisdictions		(8,814)		-
Income tax reduction		(15,000)		(15,000)
Income from Thai operations not subject to tax		(682,798)		(768,197)
Income from overseas operations not subject to tax		(10,773)		-
Expenses not deductible for tax purposes		881,753		487,760
Total	39	724,968	26	1,699,258

(in thousand Baht)

Separate financial statements				
		2010		2009
	Tax rate		Tax rate	
	(%)		(%)	
Profit before tax		3,080,448		7,029,721
Income tax using the Thai corporation tax rate	30	924,134	30	2,108,916
Income tax reduction		(15,000)		(15,000)
Income not subject to tax		(585,102)		(730,147)
Expenses not deductible for tax purposes		4,561		33,205
Total	11	328,593	20	1,396,974

Income tax reduction

Royal Decree No. 387 B.E. 2544 dated 5 September 2001 grants companies listed on the Stock Exchange of Thailand a reduction in the corporate income tax rate from 30% to 25% for taxable profit not exceeding Baht 300 million for five consecutive accounting periods beginning on or after enactment. Listed companies that received income tax reduction under this Royal Decree are also eligible to continue the period of tax reduction under Royal Decree No. 475 but not beyond the 2010 accounting period ending on or after 31 December 2010.

30 Basic earnings per share

The calculations of basic earnings per share for the years ended 31 December 2010 and 2009 were based on the profit for the years attributable to equity holders of the Company and the number of ordinary shares outstanding during the year, calculated as follows:

(in thousand Baht/thousand shares)

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
Profit attributable to equity holders of the Company (basic)	1,130,499	4,951,623	2,751,855	5,632,747
Number of ordinary shares Outstanding	2,178,816	2,178,816	2,178,816	2,178,816
Basic earnings per share (Baht)	0.52	2.27	1.26	2.59

31 Dividends

At the annual general meeting of the shareholders of the Company on 28 April 2010, the payment of dividends was approved at Baht 0.58 per share from 2009 operating results. Total dividend payout amounted to Baht 1,263.7 million, and was paid to the shareholders in May 2010.

At the annual general meeting of the shareholders of the Company held on 30 April 2009, the payment of dividends was approved at Baht 0.33 per share from 2008 operating results. Total dividend payout amounted to Baht 719.0 million, and was paid to the shareholders in May 2009.

32 Impact from fire incidence as a result of political demonstration

The Group has entered into long-term lease agreements for land and premises of the Central World Project in the name of the Thai Business Fund 4, with the Crown Property Bureau. The leased properties comprise:

- The Central World Shopping Complex
- The Offices at CentralWorld
- Zen Department Store, the Company's long-term lessee
- Isetan Department Store, the Company's long-term lessee
- Parts of land that the Company has subleased to the group of Central Plaza Hotel Plc. to construct and operate Centara Grand at CentralWorld Hotel

A fire at the Central World Project on 19 May 2010 caused damage to assets and parts of the following buildings of the Central World Project:

- Zen Department Store (parts of which are the Group's assets under long-term lease to Zen Department Store)
- Central World Shopping Complex

As at 31 December 2010, the Group has recorded losses from the write-off of damaged properties in the consolidated financial statements for the year then ended at the damaged properties' aggregate net book values of Baht 775 million.

As a result of the fire, the Group needed to close down the Central World Shopping Complex and Zen Department Store from April 2010. On 28 September 2010, the Group opened for commercial purposes parts of the Central World Shopping Complex. The remaining damaged areas, comprising ZEN Department Store and parts of the shopping complex, remain closed and are undergoing demolition and repair. Consequently, the Group has not charged rent to tenants during periods of closure.

As at 31 December 2010, the management, the insurers and relevant independent experts are negotiating claim compensations. Currently, the outcome of such negotiation cannot yet be determined.

The Group's insurance policies comprise (1) the Industrial All Risk Policy with sum insured of Baht 13,224 million (2) the Business Interruption Policy with sum insured of Baht 6,147 million and (3) the Terrorism Insurance Policy with sum insured of 3,500 million. The management has already filed claims with its insurers seeking compensations from all of the said insurance policies. The management believes that the Group will be able to claim for the total losses sustained.

33 Leasing or sub-leasing properties

The Board of Directors meeting No.3/2009 on 15 July 2009 passed a resolution approving in principle:

- (1) the investment in additional units of CPN Retail Growth Leasehold Property Fund ("the Fund") (Formerly CPN Retail Growth Property Fund),
- (2) leasing and/or subleasing of land, parts of shopping complex and two office buildings of Central Plaza Pinklao Project for approximately 15 years, the remaining period of land lease agreement entered into with Hang Central Department Store Co., Ltd. which is a related party of the Company; and
- (3) postponement of leasing and/or subleasing of properties of Central Pattana Chiangmai Co., Ltd.

Actual proceedings regarding the above transactions, nevertheless, are pending the approval of the Fund's unitholders over capital increase and other related matters, together with the result of additional investment units offering of CPN Retail Growth Leasehold Property Fund.

On 4 November 2009, The Company leased/sub-leased parts of Central Plaza Pinklao valuing at Baht 5,680 million to CPNRF (the amount is inclusive of expenses arising from additional units issuance and offering of approximately Baht 100 million which was borne by the Company). As a consequence, the Company recorded gain on lease under finance lease for the year in the amounts of Baht 3,206.9 million and Baht 3,851.3 million in the 2009 consolidated and separate statements of income, respectively. The Company and SCB Asset Management, the fund manager, have registered the property leasehold right, which represents the following assets:

- Certain part of a retail shopping complex, and two office buildings (the whole buildings), including parking buildings as allotted by the utilisable areas of the shopping complex and the office buildings invested by CPNRF.
- Ownership of utilities systems and assets that relate to Central Plaza Pinklao Project; and
- Land on which the shopping complex, office and parking buildings, surrounding streets and entrances and exits of Central Plaza Pinklao Project are located.

The Company, as the complex owner, agreed to guarantee the net property income (before leasing commission) generated from the complex in 2010 to CPNRF in the amount of Baht 629 million. The guarantee was designed to ensure stable and continuous cash flows to the fund during the year 2010 when Central Plaza Pinklao Shopping Complex is refurbished and renovated (See note 18).

34 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.

Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows because debt securities and loans interest rates are mainly fixed. The Group is primarily exposed to interest rate risk from its borrowings. The Group mitigates this risk by ensuring that the majority of its debt securities and borrowings are at fixed interest rates to manage exposure to fluctuations in interest rates on specific debt securities and borrowings.

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.

Capital management

The Board's policy is to maintain a strong capital base so as to maintain investors, creditors and market confidence and to sustain future development of the business. The Board monitors the return on capital which the Group defines as result from operating activities divided by total shareholders' equity, excluding minority interests, and also the level of dividends to ordinary shareholders.

Risk management: Main sources of capital of the Group are from equity, long-term loans and local money and capital markets through which the Group issues debentures and transfer assets to property funds. The Group abides by conservative capital structure policies which consist of maintaining net interest-bearing debt to equity ratio at approximately 1.00, procuring capital with appropriate and market-consistent cost of capital and maintaining the level of floating interest rate debts below that of the fixed interest rate to prevent interest rate fluctuation risk.

Fair values

The carrying amounts of the financial assets and financial liabilities approximate their fair values. Such assets and liabilities include cash and cash equivalents, investments, trade accounts receivables and payables, other receivables and payables, loans to subsidiaries, short-term borrowings and floating interest rate long-term borrowings. Information on the fair values of borrowings is included in Note 17.

35 Commitments with non-related parties

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
Capital commitments				
Contracted but not provided for Vehicle	5	1	5	1
Buildings and facilities systems	2,216	1,828	869	-
Total	2,221	1,829	874	1
Non-cancellable operating lease commitments				
Within one year	307	288	252	-
After one year but within five years	1,802	1,604	1,569	-
After five years	13,520	14,030	12,489	-
	15,629	15,922	14,310	-
Other commitments				
Bank guarantees	442	327	268	140

- (a) A subsidiary has signed a hotel management agreement with a third party whereby the subsidiary agrees to pay annual management fee at the rate of 2% of the hotel's operating income and additional compensation as a percentage of gross operating profit as follows:
- 7% from the first to the second year of operation
 - 7.5% from the third to the fourth year of operation
 - 8% from the fifth year of operation onwards
- (b) 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.
- (c) 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 into an agreement to cancel the lease, as a result of which the Group had to pay a compensation fee to the lessor of Baht 377 million.

On 29 June 2007, the Group entered into two land lease agreements with a local company. Under the conditions of the agreement, the Group paid advance rental, which is presented in the balance sheets as leasehold rights. One agreement charges no monthly lease fee for the period of 3 years, from 1 July 2007 to 30 June 2010. The other agreement is a land lease agreement for the period of 30 years from 1 July 2010 to 30 June 2040. Under the conditions of the latter agreement, the Group has to pay the land rental charge of Baht 700,000 per month which will be increased at the rate of 15%, every three years from 1 July 2010. This agreement can be renewed for another 10-year period (till 30 June 2050) with monthly rental charge at the same rate as at 30 June 2040 for the whole additional 10 years. The Group uses these leasehold rights as collateral for Bank aval on the promissory notes, which are also guaranteed by the Company. As at 31 December 2009, the Company has already paid the whole amount of such promissory notes.

- (d) The Group entered into three lease agreements with third parties for the construction of shop buildings for lease and shophouses. Two land lease agreements were for a period of 30 years ending in August 2025 and in June 2030, respectively. Another agreement is for a lease of shophouses for a period of 26 years ending in July 2021. Under the conditions of the agreements, the Group has to pay advanced rental and guarantee for rights, which is presented in the balance sheets as leasehold rights, and guarantee for leasehold rights. In addition, the Group has to pay a monthly rental which will be revised every five years. The Group received a refundable guarantee deposit amounting to Baht 20 million in 1997 and will receive the remaining balance of the refundable guarantee deposits amounting to Baht 298.6 million from the 21st year of the lease to the end of the 30 years lease term. The land lease agreements can be renewed for a period of not less than 15 years through a one year advance written notification before expiration in which the terms will be renegotiated upon renewal. The lessor will obtain the ownership rights of buildings and improvements thereon at the lease expiration date. Upon the expiration of the shophouse lease, the lessor will give the Group a priority in renewing the lease agreement.

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

- (e) 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.

- (f) In 2005, the Group entered into a land lease agreement with a local company for the construction of shop buildings and parking. The land lease agreement was for a period of 28 years 10 months ending in September 2034. Under the conditions of the agreement, the Group has to pay a monthly rental from September 2006. The rental will be increased every five years at the rate of 5% of the latest month rental. The lease agreements can be renewed six months in advance by written notification before expiration in which the terms will be renegotiated upon renewal.

Subsequently, in 2009, the Group entered into an MOU to amend land lease agreement under the same period and condition as it may be surrendered to the government for the mass rapid transit.

On 9 August 2007, the Group entered into a land and building lease agreement with a third party. The lease agreement was for the period of 30 years ending in 31 August 2037. Under the conditions of the agreement, the Group has to pay a yearly rental. The rental will be increased every five years at the rate of 35% of the latest month rental. The lease agreement can be renewed by notification one year in advance.

36 Contingent liabilities

Guarantee

As at 31 December 2010, the Company entered into a loan guarantee agreement for subsidiaries totalling Baht 3,651 million (2009: Baht 3,122 million).

Litigation

The significant litigation of the Company and the progress of litigation up to 31 December 2010 are as follows:

- (a) In 1996, a local company filed a case with the court against the Company for breach of rental agreement amounting to Baht 83.4 million. The Company filed a counter-claim with the court against that company for damages of Baht 2.5 million. In October 2001, the First Court gave its verdict in favour of the Company. However, in September 2004, the Appeal Court gave verdict in favour of a counter party. At present, the case is being reviewed by Supreme Court.
- (b) In 2003, an individual filed a case with the court against the Company for damages caused by the Company's construction project amounting to Baht 52.0 million. The First Court and the Appeal Court rendered its verdict in favour of the Company. At present, the case is being reviewed by the Supreme Court.
- (c) In 2003, individuals filed a case with the court against the Company for damages caused by the Company's construction project amounting to Baht 12.9 million. The First Court rendered its verdict in favour of the Company. At present, the case is being reviewed by the Appeal Court.

37 Event after the reporting period

At the Board of Directors meeting on 28 February 2011, the Board approved the distribution of dividend from 2010 operating results in the amount of Baht 0.25 per share, totalling Baht 544.7 million.

38 Thai Financial Reporting Standards (TFRS) not yet adopted

The Group has not adopted the following new and revised TFRS that have been issued as of the reporting date but are not yet effective. The new and revised TFRS are anticipated to become effective for annual financial periods beginning on or after 1 January in the year indicated in the following table.

TFRS	Topic	Year effective
TAS 1 (revised 2009)	Presentation of Financial Statements	2011
TAS 2 (revised 2009)	Inventories	2011
TAS 7 (revised 2009)	Statement of Cash Flows	2011
TAS 8 (revised 2009)	Accounting Policies, Changes in Accounting Estimates and Errors	2011
TAS 10 (revised 2009)	Events after the Reporting Period	2011
TAS 11 (revised 2009)	Construction Contracts	2011
TAS 12	Income Tax	2013
TAS 16 (revised 2009)	Property, Plant and Equipment	2011
TAS 17 (revised 2009)	Leases	2011
TAS 18 (revised 2009)	Revenue	2011
TAS 19	Employee Benefits	2011
TAS 20 (revised 2009)	Accounting for Government Grants and Disclosure of Government Assistance	2013
TAS 21 (revised 2009)	The Effects of Changes in Foreign Exchange Rates	2013
TAS 23 (revised 2009)	Borrowing Costs	
TAS 24 (revised 2009)	Related Party Disclosures	2011
TAS 26	Accounting and Reporting by Retirement Benefit Plans	2011
TAS 27 (revised 2009)	Consolidated and Separate Financial Statements	2011
TAS 28 (revised 2009)	Investments in Associates	2011
TAS 31 (revised 2009)	Interests in Joint Ventures	2011
TAS 33 (revised 2009)	Earnings per Share	2011
TAS 34 (revised 2009)	Interim Financial Reporting	2011
TAS 36 (revised 2009)	Impairment of Assets	2011
TAS 37 (revised 2009)	Provisions, Contingent Liabilities and Contingent Assets	2011
TAS 38 (revised 2009)	Intangible Assets	2011
TAS 40 (revised 2009)	Investment Property	2011
TFRS 2	Share-based Payment	2011
TFRS 3 (revised 2009)	Business Combinations	2011
TFRS 5 (revised 2009)	Non-current Assets Held for Sale and Discontinued Operations	2011
TFRIC 15	Agreements for the Construction of Real Estate	2011

Management expects to adopt and apply these new and revised TFRS in accordance with the FAP's announcement and has made a preliminary assessment of the potential initial impact on the consolidated and separate financial statements of those new and revised standards assessed to have the greatest potential impact on the financial statements in the period of initial application. These standards are as follows:

TAS 16 (revised 2009) – Property, plant and equipment

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

The revised TAS 16 permits as a transitional provision that these changes may be introduced prospectively from the year of introduction. Management intends to adopt this transitional provision and accordingly the introduction of the revised TAS 16 from 1 January 2011 has no impact on the financial statements of 2010 or prior years. Management is currently reviewing the impact on the financial statements of introducing the revised TAS 16 from 1 January 2011.

TAS 19 – Employee benefits

There is currently no Thai accounting standard covering employee benefits and the Group/Company does not presently account for the costs of post-employment benefits under defined benefit plans; other long-term employee benefits; and termination benefits until such costs are incurred. The new TAS 19 includes the requirements to recognise and account for such costs in the period in which the service is performed. The requirements are complex and require actuarial assumptions to measure the obligation and expense. Moreover, the obligations are measured on a discounted basis because they may be settled many years after the employees render the related service. The transitional provisions of TAS 19 permit the transitional liability to be recognised and accounted for in one of four different ways: (i) retrospectively; (ii) immediately in equity (retained earnings) at the transition date; (iii) immediately in profit or loss at the transition date; (iv) as an expense on a straight-line basis over up to five years from the transition date. Management has determined that the transitional liability as at 1 January 2011 for post-employment benefits is Baht 101.9 million for the Group and Baht 86.2 million for the Company. Management intends to adopt transitional provision (i) retrospectively to recognise and account for this liability.

TAS 40 (revised 2009) – Investment Property

TAS 40 (revised 2009) prescribes the accounting and disclosure requirements for investment properties. Under TAS 40 (revised 2009), an entity is required to account for the investment property separately in the statement of financial position (balance sheet). The entity may choose to measure the investment property either at cost with respective disclosure of the property's fair value in the notes to financial statements (cost model), or at fair value with changes in values recognised directly in profit or loss (fair value model). The management expects that the Group/Company will account for its investment properties using cost model from the date TAS 40 (revised 2009) becomes effective.

AUDITOR'S FEE

1. Audit fee

In 2010, Audit fee of the Company and its subsidiaries had been paid for audit firm that the auditor works for amounted to Baht 5,505,000.

2. Other service fee

-None-

MANAGEMENT BIOGRAPHY

1. MR. VANCHAI CHIRATHIVAT

Honorary Chairman

Age 83 years

Percentage of Shareholding in the Company 0%

Education

- Honorary Doctor of Philosophy, Psychological, Ramkhamhaeng University
- Honorary Doctor of Business Administration, Khon Kaen University

Other Current Positions

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

2. MR. SUTHICHAIR CHIRATHIVAT

Chairman

Age 70 years

Percentage of Shareholding in the Company 1.92%

Education

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

Experience

- Vice Chairman, Chief Financial Officer, Central Group of Companies Co.,Ltd.
- Assistant General Manager, Central Department Store Co.,Ltd.
- Manager, Central Department Store-Silom Branch
- Assistant Manager, Central Department Store-Silom Branch

Other Current Positions

- Vice Chairman, Central Plaza Hotel Plc.
- Executive Chairman, Central Group of Companies Co.,Ltd.

Completed Program from Thai Institute of Directors (IOD)

- 2006 - Director Accreditation Program (DAP)
- 2000 - Role of Chairman Program (RCP)

3. MR. PAITON TAVEEBHOL

Independent Director

Chairman of Audit Committee

Chairman of Risk Management Committee

Age 60 years

Percentage of Shareholding in the Company 0%

Education

- B.A. (Accounting), Ramkhamhaeng University
- MBA, Kasetsart University
- Certificate in Auditing, Thammasat University

Experience

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

Other Current Positions

- Independent Director, Chairman of the Nomination and Remuneration Committee, Audit and CG Committee Member, Somboon Advance Technology Plc.
- Audit, Following and Evaluation Committee, Walailak University
- Board Member, Mater Dei Institute
- President, Mater Dei Institute Parent and Teacher Association
- Vice Chairman, Mater Dei Institute Foundation

Completed Program from Thai Institute of Directors (IOD)

- 2010 - Monitoring the Internal Audit Function (MIA)
 - Monitoring the System of Internal Control and Risk Management (MIR)
 - Monitoring the Quality of Financial Reporting (MFR)
 - Role of the Compensation Committee (RCC)
- 2009 - Monitoring Fraud Risk Management (MFM)
- 2008 - Chartered Director Class (R-CDC)
- 2005 - Audit Committee Program (ACP)
 - Role of Chairman Program (RCP)
- 2003 - Director Certification Program (DCP)
 - Director Accreditation Program (DAP)

4. MR. CHACKCHAI PANICHAPAT

Independent Director

Audit Committee Member

Chairman of Nomination and Remuneration Committee

Age 72 years

Percentage of Shareholding in the Company 0%

Education

- B.E. (Electrical Engineering), Chulalongkorn University
- M.E. (Electrical Engineering), University of Texas, U.S.A.

- National Defence College,
The Joint State-Private Sectors Course, Class 1

Experience

- Deputy Secretary General of the Board of Investment, Thailand Board of Investment

Other Current Positions

- Director, Executive Director, Amata Corporation Plc.
- Independent Director, Advisory Board Member, Saha Union Plc.
- Independent Director, Chairman of the Audit Committee, and Member of the Nomination and Remuneration Committee, City Sports and Recreation Plc.
- Independent Director, Member of the Audit Committee and Chairman of the Nomination and Remuneration Committee, Kang Yong Electric Plc.
- Chairman, Magnecomp Precision Technology Plc.
- Chairman, Precipart Co.,Ltd.
- Chairman, Amata Water Co.,Ltd.
- Chairman, Amata (Vietnam) Joint Stock Company
- Director, Amata Hong Kong Ltd.
- Director, San Miguel Beer (Thailand) Co.,Ltd.
- Director, San Miguel Marketing (Thailand) Co.,Ltd.
- Director, Thai San Miguel Liquor Co.,Ltd.

Completed Program from Thai Institute of Directors (IOD)

- 2009 - Audit Committee Program (ACP)
- 2007 - Role of the Compensation Committee (RCC)
- 2006 - Director Certification Program (DCP)
- 2005 - Finance for Non-Finance Directors (FND)
- 2003 - Director Accreditation Program (DAP)

5. MRS. SUNANDHA TULAYADHAN

Independent Director

Audit Committee Member

Nomination and Remuneration Committee Member

Age 64 years

Percentage of Shareholding in the Company 0%

Education

- B.A. (Liberal Arts), College of New Rochelle, U.S.A.

Experience

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

Other Current Positions

- Honorary Chairman, WPP Group, Thailand and Vietnam

Completed Program from Thai Institute of Directors (IOD)

- 2009 - Monitoring Fraud Risk Management (MFM)
- 2007 - Seminar "Audit Committee : Experience, Problems and Good Practices"
- 2005 - Audit Committee Program (ACP)
 - Finance for Non-Finance Directors (FND)
- 2004 - Directors Accreditation Program (DAP)
 - Seminar : Directors Forum 3/2004
 - Seminar : Directors Forum 2/2004

6. MR. KARUN KITTISATAPORN

Independent Director

Nomination and Remuneration Committee Member

Age 63 years

Percentage of Shareholding in the Company 0%

Education

- B.C.A. (Economics) Victoria University of Wellington, New Zealand
- M.A. (International Trade), Syracuse University, U.S.A.
- Diploma, GATT Commercial Policy Course, Geneva, Switzerland
- National Defence College, The Joint State-Private Sectors Course, Class 8

Experience

- 2006-2008 - Member, National legislative Assembly
- 2001-2007 - Permanent Secretary, Ministry of Commerce
- 2009-2011 - Commission Member, Securities and Exchange Commission

Other Current Positions

- Independent Director, Chairman of Nomination and Remuneration Committee, Bank of Ayudhya Plc.
- Independent Director, Audit Committee Member, Sahamit Machinery Plc.
- Independent Director, Nomination and Remuneration Committee Member, Khon Kaen Sugar Industry Plc.
- Director, Public Sector Development Commission
- Director, Insurance Commission
- Director, Council of State
- Chairman, Support Arts and Crafts International Centre of Thailand (Public Organization)

Completed Program from Thai Institute of Directors (IOD)

- 2009 - Audit Committee Program (ACP)
 - Financial Statements for Directors (FSD)
- 2008 - Role of the Compensation Committee (RCC)
- 2006 - Director Certification Program (DCP)

7. MR. KANCHIT BUNAJINDA

Director

Nomination and Remuneration Committee Member

Risk Management Committee Member

Age 43 years

Percentage of Shareholding in the Company 0%

Education

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

Experience

- Senior Vice President, Heading the Financial Institutions group and the Mergers and Acquisition practice, Merrill Lynch Phatra Co.,Ltd. (Currently- Phatra Securities Plc.)

Other Current Positions

- Director, Private Equity (Thailand) Co.,Ltd.
(An affiliate of Lombard Investment, Inc.)
- Audit Committee Member, True Visions Plc.
- Director, Prukso Real Estate Plc.
- Director, Central Plaza Hotel Plc.
- Director, Robinson Department Store Plc.
- Alternate Director, Asian Corporate Governance Association Limited, Hong Kong

Completed Program from Thai Institute of Directors (IOD)

- 2009 - Director Luncheon Briefing (DLB)
 - Monitoring of the Quality of Financial Reporting (MFR)
 - Monitoring the Internal Audit Function (MIA)

- Monitoring the System of Internal Control and Risk Management (MIR)

- 2006 - Audit Committee Program (ACP)
 - 2005 - Director Accreditation Program (DAP)
 - 2003 - Director Certification Program (DCP)
-

8. MR. SUTHIKIATI CHIRATHIVAT

Director

Age 68 years

Percentage of Shareholding in the Company 1.92%

Education

- Diploma in Mechanical Engineering,
South West Essex Technical College, U.K.
- B.A. (Political Science), Ramkhamhaeng University
- A.M. (Political Science), Ramkhamhaeng University
- Honorary Doctoral Degree of Philosophy
in Mass Communications, Ramkhamhaeng University
- National Defence College,
The Joint State-Private Sectors Course, Class 1
- National Defence College, The Modern Management,
Class 1

Experience

- Assistant Manager, Central Trading Co.,Ltd.
- Assistant General Manager,
Central Department Store Co.,Ltd
- The Founder and Head of Thai Retailers Association,
Thai Retailers Association
- Advisor to The Minister of Tourism and Sports,
Ministry of Tourism and Sports
- Director, Assumption Association

Other Current Positions

- Chairman, Central Plaza Hotel Plc.
- Director, Chairman Executive Committee,
Post Publishing Plc.

- Director, Executive Vice Chairman,
Central Group of Companies Co.,Ltd.
- Director, Thai Tourism Industry Association

Completed Program from Thai Institute of Directors (IOD)

- 2008 - Director Accreditation Program (DAP)

9. MR. SUTHICHART CHIRATHIVAT

Director

Age 65 years

Percentage of Shareholding in the Company 1.07%

Education

- B.A. (Accounting), St. Joseph's College. U.S.A.
- National Defence College,
The Joint State-Private Sectors Course, Class 11

Experience

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

Other Current Positions

- Chairman, Big C Super Center Plc.
- Director, Central Plaza Hotel Plc.
- Executive Director, Central Group of Companies Co.,Ltd.
- Director, The Vintage Club Co.,Ltd.
- Director, Tiang Chirathivat Foundation

Completed Program from Thai Institute of Directors (IOD)

- 2004 - Director Accreditation Program (DAP)
- 2003 - Finance for Non-Finance Directors (FND)
- Board and CEO Assessment
- 2000 - Role of Chairman Program (RCP)

10. MR. SUDHISAK CHIRATHIVAT

Director

Advisory of Nomination and Remuneration Committee

Age 65 years

Percentage of Shareholding in the Company 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

- Chairman, Robinson Department Store Plc.
- Director, Central Plaza Hotel Plc.
- Executive Director, Central Group of Companies Co.,Ltd.
- Director, Central Garment Factory Co.,Ltd.
- Director, Harn Chiangmai Department Store Ltd.
- Director, Central Trading Co.,Ltd.

Completed Program from Thai Institute of Directors (IOD)

- 2007 - Director Accreditation Program (DAP)
- Director Certification Program (DCP)

11. MR. SUDHITHAM CHIRATHIVAT

Director

Advisory of Nomination and Remuneration Committee

Age 63 years

Percentage of Shareholding in the Company 0.65%

Education

- B.A. (Electrical Engineering),
University of Maryland (College Park), U.S.A.
- MBA (Operations Research), Iona University, U.S.A.
- National Defence College,
The Joint State-Private Sectors Course, Class 13

Experience

- Director, The Thai Chamber of Commerce
- President, Rotary Club of Bangkok
- Chairman, Coffee Partners Co.,Ltd. (Starbucks-Thailand)
- President and Founder, Thai Shopping Center Association
- 1990-2002 - Managing Director and Chief Executive Officer,
Central Pattana Plc.
- 1990-2002 - Advisory, The Ministry of Commerce
- 1980-1992 - Executive Vice President / President -
Store Planning, Marketing, and Business Development /
Vice President - Marketing, and Merchandising,
Central Department Store Co.,Ltd.

Other Current Positions

- Vice Chairman, Robinson Department Store Plc.
- Director, Central Plaza Hotel Plc.
- Independent Director,
Jasmine International Public Company Limited
- Executive Director, Central Group of Companies Co.,Ltd.
- Director, Central Holding Co.,Ltd.
- Director, The Vintage Club Co.,Ltd.
- Member, The National Legislative Assembly Thailand

Completed Program from Thai Institute of Directors (IOD)

- 2003 - Director Certification Program (DCP)

12. MR. KOBCHAI CHIRATHIVAT

Director

President & CEO

Risk Management Committee Member

Age 55 years

Percentage of Shareholding in the Company 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.
- National Defence College,
The Joint State-Private Sectors Course, Class 21

Experience

- Chief Operating Officer and Executive Vice President,
Central Pattana Plc.
- Senior Vice President - Business Development,
Central Pattana Plc.
- Director-Property Management, Central Pattana Plc.
- Deputy Managing Director, Central Trading Co.,Ltd.
- Marketing Manager, Central Trading Co.,Ltd.
- Assistant Manager, Central Trading Co.,Ltd.

Other Current Positions

- Director, Sakura Restaurant Co.,Ltd.
- Director, Central Advance System Co.,Ltd.
- Director, Genesis Corporation Co.,Ltd.

Completed Program from Thai Institute of Directors (IOD)

- 2001 - Director Certification Program (DCP)

13. MR. PRIN CHIRATHIVAT

Director

Advisory of Nomination and Remuneration Committee

Risk Management Committee Member

Age 48 years

Percentage of Shareholding in the Company 1.38%

Education

- B.A. (Accounting) Skidmore College, U.S.A.
- MBA (Business Management), Sasin Graduate Institute of Business Administration, Chulalongkorn University
- National Defense College, The Joint State-Private Sectors Course, Class 22

Experience

- 2002-2005 - Director, Dhanamitr Factoring Plc.
- 1999-2006 - Director, Indara Insurance Plc.
- 1998-2004 - Executive Director, Interlife John Hancock Assurance Plc.
- 1995-2007 - Director, General Card Service Limited
- 1990-2002 - Executive Director, Central Department Store Co.,Ltd.
- 1988-1989 - Investment Banking, Thanachart Securities Plc.

Other Current Positions

- Chairman of Audit Committee, Bualuang Securities Plc.
- Director, Central Plaza Hotel Plc.
- Director, Robinson Department Store Plc.
- Director, Malee Sampran Plc.
- Executive Director, Central Group of Companies Co.,Ltd.
- Director, Executive Director, Central Retail Corporation Ltd.
- Advisor, Marketing For Alternative Investment (MAI)
- Steering Support Committee, Chiangrai Rajabhat University

Completed Program from Thai Institute of Directors (IOD)

- 2010 - Advanced Audit Committee Program
- 2009 - Monitoring Fraud Risk Management (MFM)
- Monitoring of the Quality of Financial Reporting (MFR)
- 2007 - Monitoring the Internal Audit Function (MIA)
- Monitoring the System of Internal Control and Risk Management (MIR)
- 2006 - Chief Financial Officer
- 2005 - Director Accreditation Program (DAP)
- Audit Committee Program (ACP)
- Role of Chairman Program (RCP)
- 2000 - Director Certification Program (DCP)

14. MR.SUDTHIDEJ CHIRATHIVAT

Senior Executive Vice President,

Business Development and Construction Management

Age 60 years

Percentage of Shareholding in the Company 0.75%

Education

- B.A. (Business Management), Prince George College, U.S.A.

Experience

- Executive Vice President - Business Development and Project Construction, Central Pattana Plc.
- Vice President - Leasing, Central Pattana Plc.
- Manager - Leasing, Bangna Central Property Co.,Ltd.
- Vice President - Leasing and Marketing, Central Trading Co.,Ltd.
- Vice President, Food Park Co.,Ltd.
- 2002-2004 - Director, Central Pattana Plc.

15. MR. NARIS CHEYKLIN

Senior Executive Vice President, Finance, Accounting and Property Management

Risk Management Committee Member

Age 49 years

Percentage of Shareholding in the Company 0%

Education

- B.A. (Accounting), Thammasat University
- M.A. (Accounting), Thammasat University

Experience

- Director, Vice President, Thai Wah Plc.
 - Group Financial Controller, Tanayong Plc.
 - Computer Audit Supervisor, SGV Na ThaLang Co.,Ltd.
 - 1996-1998 - Senior Vice President, Siam City Bank Plc.
 - 1996-1998 - Director, Executive Director, Siam City Insurance Co.,Ltd.
-

16. MR. SUTHIPAK CHIRATHIVAT

Executive Vice President, Office of the President

Age 49 years

Percentage of Shareholding in the Company 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

- Executive Vice President - Leasing, Central Pattana Plc.
 - Executive Vice President - Business Development, Central Pattana Plc.
 - Executive Vice President - Marketing, Central Pattana Plc.
 - Vice President - Business Development, Central Pattana Plc.
 - Senior Leasing and Marketing Manager, Central Pattana Plc.
 - Executive Vice President, Thai International Fast - Food Co.,Ltd.
 - Executive Vice President, Central Garment Factory Co.,Ltd.
 - Marketing Manager, Central Garment Factory Co.,Ltd.
-

17. MR. TERACHART NUMANIT

Executive Vice President, Construction Management

Age 53 years

Percentage of Shareholding in the Company 0%

Education

- BSCE, Polytechnic University, U.S.A.
- Certificate Program: Executive Financial Management Class 11, Faculty of Economics, Chulalongkorn University

Experience

- Chief Estimate, John Holland (Thailand)
- Project Manager, New York City, Transit Authority, U.S.A.
- Project Engineer, Parsons Brinckerhoff, New York City, U.S.A.
- Special Project Manager, Philip Holzman (Thailand)
- 2001-2003 - Project Director, Itochu (Thailand) Co.,Ltd.
- 1997-2001 - Special Project Director, K-Tech Construction and Engineering Co.,Ltd.

18. PH.D.NATTAKIT TANGPOONSINTHANA

Executive Vice President, Marketing

Age 46 years

Percentage of Shareholding in the Company 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

- Advisor to the Ministry of Science and Technology, The Ministry of Science and Technology
- 2004-2006 - Chief Marketing Officer - Strategic Marketing Division, Thai Samsung Electronics Co.,Ltd.

Other Current Positions

- Visiting Lecturer-Mass Communication, The Faculty of Communication Arts, Chulalongkorn University

19. MS. WALLAYA CHIRATHIVAT

Executive Vice President, Business Development and Construction Management

Age 49 years

Percentage of Shareholding in the Company 0.40%

Education

- B.A. (Business Management), University of California, Los Angeles (UCLA), U.S.A.
- MBA, University of Hartford, U.S.A.
- Advance Management Program - Executive Course, Harvard Business School, U.S.A.

Experience

- 1998-2004 - Executive Vice President, Central Retail Corporation Co.,Ltd.
- 1996-1998 - Co-Chief Executive Officer, Tops Supermarket
- 1988-1996 - Managing Director, Central Supermarket
- 1985-1988 - Vice President, Central Department Store Co.,Ltd.

20. MRS. NARTTAYA CHIRATHIVAT

Executive Vice President, Leasing

Age 47 years

Percentage of Shareholding in the Company 0.40%

Education

- B.A. (Economic), University of Hartford, U.S.A.
- MBA, University of Hartford, France

Experience

- 1995-2009 - Senior Vice President - Merchandising, Robinson Department Store Plc.
- 1992-1995 - Director - Softline Merchandising, Big C Super Center Plc.
- 1990-1992 - General Manager, Central Retail Logistic Co.,Ltd.
- 1988-1990 - Director, Central Department Store Co.,Ltd.
- 1986-1988 - Manager, J & S Import Ltd., Part.

GENERAL INFORMATION OF BUSINESS HELD BY CPN 10% UPWARD

Company	Nature of Business	Registered Capital (Baht)	Percentage of Shareholding
1 Central Realty Services Co.,Ltd. 999/9 Rama I Rd., Patumwan, BKK. 10330 Tel. +66 (0) 2667 5555	Servicing of Shopping Center Facilities	1,000,000	99.99%
2 Central Food Avenue Co.,Ltd. 1697 Phaholyothin Rd., Chatuchak, Chatuchak, BKK. 10900 Tel. +66 (0) 2793 6000	Restaurant operations and servicing of shopping complex food center	1,000,000	99.99%
3 Lang Suan Realty Co.,Ltd. 95/3 Lang suan Rd., Lumpini, Patumwan, BKK. 10330 Tel. +66 (0) 2652 2277	Residential condominium and shop space for rent	1,000,000,000	99.99%
4 Central Pattana Rama 2 Co.,Ltd. 160 Rama 2 Rd., Samaedum, Bangkhuntian, BKK. 10150 Tel. +66 (0) 2866 4300	Shopping Center: CentralPlaza Rama II	1,500,000,000	99.99%
5 Central Pattana Chiangmai Co.,Ltd. 2 Mahidol Rd. and 252-252/1 Wualai Rd., Haiya, Muang, Chiangmai 50100 Tel. +66 (0) 5399 9199	Shopping Center: CentralPlaza Chiangmai Airport	1,000,000,000	99.99%
6 Central Pattana Rattanaithibet Co.,Ltd. 68/100, 68/919 Moo 8, Rattanaithibet Rd., Bangkrasor, Muang, Nontaburi 11000 Tel. +66 (0) 2834 6000	Shopping Center: CentralPlaza Rattanaithibet	800,000,000	99.99%
7 Central Pattana Rama3 Co.,Ltd. 79 Sathupradit Rd., Chongnonsee, Yannawa, BKK. 10120 Tel. +66 (0) 2649 6000	Shopping Center: CentralPlaza Ratchda-Rama III	126,667,000	99.99%
8 Central Pattana Khon Kaen Co.,Ltd. 99, 99/1 Si Chan Road, Nai Muang, Muang, Khon Kaen 40000 Tel. +66 (0) 4300 1200	Shopping Center: CentralPlaza Khonkaen	2,000,000,000	78.13%
9 Central Pattana Chonburi Co.,Ltd. 55/88-89, 55/91 Moo 1, Samed, Muang, Chonburi 20000 Tel. +66 (0) 3764 1880 5	Shopping Center: CentralPlaza Chonburi	900,000,000	99.99%
10 Central Pattana Nine Square Co.,Ltd. 999/9 Rama I Rd., Patumwan, BKK. 10330 Tel. +66 (0) 2667 5555	Shopping Center	3,200,000,000	87.14%

Company	Nature of Business	Registered Capital (Baht)	Percentage of Shareholding
11 Central Realty Service Rama 3 Co.,Ltd. 79 Sathupradit Rd., Chongnonsee, Yannawa, BKK. 10120 Tel. +66 (0) 2649 6000	Servicing of Shopping Center Facilities	175,000,000	99.99% (Hold by Central Pattana Rama 3 Co.,Ltd.)
12 Bangna Central Property Co.,Ltd. 587, 589 Bangna-Trad Rd., Bangna, BKK. 10260 Tel. +66 (0) 2763 6000	Shopping Center/Office/Residential/Playland at CentralPlaza Bangna Project	600,000,000 (Hold by Lang Suan Realty Co.,Ltd.)	99.99%
13 CPN Pattaya Beach Co.,Ltd. 333/99 Moo 9, Nongprue, Banglamung, Chonburi 20260 Tel. +66 (0) 3300 3999	Shopping Center: CentralFestival Pattaya Beach	1,500,000,000	99.99%
14 CentralWorld Co.,Ltd. 4, 4/1-4/2, 4/4 Ratchadumri Rd., Patumwan, BKK. 10330 Tel. +66 (0) 2640 7000	Servicing of Shopping Center Facilities at CentralWorld, Shopping Center: CentralPlaza Udonthani, and renting office space at The Offices at CentralWorld	2,511,938,100	90.00% (Hold by Bangna Central Property Co.,Ltd. 10.00%)
15 Central Play Land Co.,Ltd. 591 Bangna-Trad Rd., Bangna, BKK. 10260 Tel. +66 (0) 2763 6000	Shopping Center: CentralPlaza Bangna	518,000,000	99.99% (Hold by Bangna Central Property Co.,Ltd.)
16 Siam Retail Development Co.,Ltd. 5/5-6 Moo 7, Ramindra Rd., Kannayao, BKK. 10230 Tel. +66 (0) 2947 5000	Shopping Center: Fashion Island	500,000,000 (Hold By Lang Suan Realty Co.,Ltd. 12% and Square Ritz Plaza Co.,Ltd. 3%)	15.00%
17 Square Ritz Plaza Co.,Ltd. 5/5-6 Moo 7, Ramindra Rd., Kannayao, BKK. 10230 Tel. +66 (0) 2947 5000	Real Estate Developer	125,000,000 (Hold by Lang Suan Realty Co.,Ltd.)	12.00%
18 Ayudhya Agrocit Co.,Ltd. 47 Moo 2, Bangna-Trad Rd., Bangchalong, Bangplee, Samutprakarn 10540 Tel. +66 (0) 2399 4510	Real Estate Developer	400,000,000 (Hold by Lang Suan Realty Co.,Ltd.)	11.85%
19 CPN Retail Growth Leasehold Property Fund Managed by SCB Asset Management Co.,Ltd. 119 SCB Park Plaza 3, 21 st -22 nd , Ratchadapisek Rd., Chatuchak, BKK. 10900 Tel. +66 (0) 2949 1500	Property Investment in CentraPlaza Rama II, CentralPlaza Ratchada-Rama III and CentralPlaza Pinklao	16,381,000,000	27.80%

Company	Nature of Business	Registered Capital (Baht)	Percentage of Shareholding
20 Thai Business Fund 4 Managed by Krung Thai Asset Management Pcl. 11 Q House Sathorn Building, M and G Fl., South Sathorn Rd., BKK. 10120 Tel. +66 (0) 2670 4900	Property Investment in CentralWorld	4,600,000,000	100.00%
21 Thai Business Fund 5 Managed by Krung Thai Asset Management Pcl. 11 Q House Sathorn Building, M and G Fl., South Sathorn Rd., BKK. 10120 Tel. +66 (0) 2670 4900	Property Investment in CentralPlaza Bangna	236,760,000*	100.00%
22 CPN Construction Management Co.,Ltd. 999/9 Rama I Rd., Patumwan, BKK. 10330 Tel. +66 (0) 2667 5555	Construction Management	1,000,000	99.93%
23 CPN Pattaya Beach Hotel Co.,Ltd. 333/101 Moo 9, Nongprue, Banglamung, Chonburi 20260 Tel. +66 (0) 3300 3999	Hilton Pattaya Hotel	1,000,000	99.93%
24 CPN Chiangrai Co.,Ltd. 99/9 Moo 13 , Rop Wiang, Muang, Chiang Rai 57000	Shopping Center	700,000,000	99.93%
25 CPN Global Co.,Ltd. 999/9 Rama I Rd., Patumwan, BKK. 10330 Tel. +66 (0) 2667 5555	Real Estate Developer	1,000,000	99.94%
26 Global Retail Development & Investment Limited. 1 Jardine House, 30 th Fl., Connaught Place, Central, Hong Kong	Real Estate Developer	HK\$10,000	100.00%
27 Global Commercial Property Limited. 1 Jardine House, 30 th Fl., Connaught Place, Central, Hong Kong	Real Estate Developer	HK\$10,000	100.00%
28 Central (Shanghai) Management Consulting Co.,Ltd. Room 1107, No.238 Jiangchang (No.3) Rd., Zhabei District, Shanghai, China	Real Estate Developer	RMB10,000,000	100.00%

Remark : *Only capital from owner type unitholders

LIST OF COMMITTEE IN SUBSIDIARIES

	Central Pattana Plc.	Central Realty Services Co.,Ltd.	Central Food Avenue Co.,Ltd.	Central World Co.,Ltd.	Langsuan Realty Co.,Ltd.	Central Pattana Rattana Thibet Co.,Ltd.	Bangna Central Property Co.,Ltd.	Central Play Land Co.,Ltd.	Central Pattana Rama 3 Co.,Ltd.	Central Realty Service Rama 3 Co.,Ltd.	Central Pattana Rama 2 Co.,Ltd.	Central Pattana Chiangmai Co.,Ltd.	Central Pattana Chonburi Co.,Ltd.	Central Pattana Khon Kaen Co.,Ltd.	CPN Pattaya Beach Co.,Ltd.	CPN Pattaya Beach Hotel Co.,Ltd.	Central Pattana Nine Square Co.,Ltd.	CPN Construction Management Co.,Ltd.	CPN Chiangrai Co.,Ltd.	CPN Global Co.,Ltd.	Global Retail Development & Investment Limited	Global Commercial Property Limited	Central (Shanghai) Management Consulting Co.,Ltd.
1 Mr. Vanchai Chirathivat	-	•	•	-	•	•	•	•	•	•	•	•	•	•	-	-	•	-	-	-	-	-	-
2 Mr. Anek Sithiprasasana	-	•	•	•	•	•	•	•	•	•	•	•	•	-	•	•	•	•	-	-	-	-	-
3 Mr. Suthichai Chirathivat	•	-	-	-	-	-	•	•	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4 Mr. Sudhitham Chirathivat	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
5 Mr. Suthikiati Chirathivat	•	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6 Mr. Suthichart Chirathivat	•	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7 Mr. Kobchai Chirathivat	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
8 Mr. Prin Chirathivat	•	•	•	•	•	•	•	•	•	•	•	•	-	•	•	•	•	-	•	•	-	-	-
9 Mr. Sudhisak Chirathivat	•	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10 Mr. Paitoon Taveebhol	•	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11 Mr. Chackchai Panichapat	•	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12 Mrs. Sunandha Tulayadhan	•	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13 Mr. Kanchit Bunajinda	•	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14 Mr. Karun Kittisataporn	•	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15 Mr. Sudthidej Chirathivat	-	•	•	•	-	•	•	•	•	•	•	•	•	•	•	•	-	•	•	•	-	-	-
16 Mr. Suthiphand Chirathivat	-	•	•	-	•	•	•	•	-	-	•	•	-	-	-	-	•	-	-	-	-	-	-
17 Mr. Suthipak Chirathivat	-	-	-	•	•	-	•	•	•	•	-	-	•	•	•	•	-	•	•	-	-	-	-
18 Miss Wallaya Chirathivat	-	•	•	-	-	-	-	•	•	•	-	•	•	•	•	•	•	•	•	•	-	-	-
19 Mrs. Narttaya Chirathivat	-	-	-	-	-	-	-	-	-	-	-	-	-	•	-	-	-	-	-	-	-	-	-
20 Mr. Suthilaksh Chirathivat	-	-	-	-	-	-	-	-	-	-	-	-	-	-	•	-	-	•	-	-	-	-	-
21 Mr. Vinyoo Kuvanant	-	-	-	-	-	-	-	-	-	-	-	-	-	•	-	-	-	-	-	-	-	-	-
22 Mr. Yotin Booddicharern	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	•	-	-	-	-	-	-
23 Mr. Jatesiri Booddicharern	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	•	-	-	-	-	-	-
24 Mr. Premchai Karnasuta	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	•	-	-	-	-	-	-
25 Mr. Thaveepol Kongseri	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	•	-	-	-	-	-	-
26 Mr. Jarern Jirawisan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	•	-	-	-	-	-	-
27 Mr. Peerapon Pattanapeeradej	-	-	-	-	-	-	-	-	-	-	-	-	-	•	-	-	-	-	-	-	-	-	-
28 Mr. Noppadon Pattanapeeradej	-	-	-	-	-	-	-	-	-	-	-	-	-	•	-	-	-	-	-	-	-	-	-
29 Mr. Chanavat Uahwatanasakul	-	-	-	-	-	-	-	-	-	-	-	-	•	-	-	-	-	-	•	-	-	-	-
30 Mr. Sakkanon Chirathivat	-	-	-	-	-	-	-	-	-	-	-	-	•	-	-	-	-	-	-	-	-	-	-
31 Mr. Isareit Chirathivat	-	-	-	-	-	-	-	-	-	-	-	-	•	-	-	-	-	-	-	-	-	-	-

EXISTING PROJECTS

MANAGED BY CPN

1. CENTRALPLAZA LARDPRAO

Senior Vice President Property Area 2 :

Mrs. Pattra Sapyaprapa

Shopping Center 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 4 :

Mr. Thanasombat Sanitwongse Na Ayudhaya

Acting Shopping Center General Manager :

Mrs. Songsiri Manonunti

Address : 109/10 Moo 3, Ramindra Road,

Bangkhen, Bangkok 10220

Tel : + 66 (0) 2790 3000 Fax : + 66 (0) 2552 5513

3. CENTRALPLAZA PINKLAO

Senior Vice President Property Area 1 :

Mr. Wiwat Charoensawatpong

Shopping Center General Manager :

Mr. Visit Udomkitchote

Address : 7/222 Baromrachachonnanee Road,

Arunamarin, Bangkoknoi, Bangkok 10700

Tel : + 66 (0) 2877 5000 Fax : + 66 (0) 2884 9280

4. CENTRAL CENTER PATTAYA

Acting Vice President Property Area 6 :

Mr. Sarun Tuntijumnun

Shopping Center General Manager :

Mrs. Montatip Thongklai

Address : 78/54 Moo 9, Pattaya Sai 2 Road,

Banglamung, Chonburi 20150

Tel : + 66 (0) 3300 3888 Fax : + 66 (0) 3300 3888 ext.1225-6

5. CENTRALPLAZA CHIANGMAI AIRPORT

Acting Vice President Property Area 5 :

Ms. Orachorn Chanwiwattana

Shopping Center General Manager :

Ms. Orachorn Chanwiwattana

Address : 2 Mahidol Road, 252-252/1 Waulai Road,

Haiya, Muang, Chiangmai 50100

Tel : + 66 (0) 5399 9199 Fax : + 66 (0) 5399 9122-3

6. CENTRALPLAZA RATCHADA - RAMA III

Vice President Property Area 3 :

Mr. Athivut Suwanchinda

Shopping Center General Manager :

Mr. Athivut Suwanchinda

Address : 79 Sathupradit Road, Chongnonsee,

Yannawa, Bangkok 10120

Tel : + 66 (0) 2649 6000 Fax : + 66 (0) 2673 6009

7. CENTRALPLAZA BANGNA

Vice President Property Area 4 :
Mr. Thanasombat Sanitwongse Na Ayudhaya
Shopping Center General Manager :
Mr. Thanasombat Sanitwongse Na Ayudhaya
Address : 587, 589 Bangna-Trad (KM.3) Road,
Bangna, Bangkok 10260
Tel : + 66 (0) 2763 6000 Fax : + 66 (0) 2398 8941

8. CENTRALPLAZA RAMA II

Vice President Property Area 4 :
Mr. Thanasombat Sanitwongse Na Ayudhaya
Shopping Center General Manager :
Ms. Duangsamorn Charoenbunditchai
Address : 160 Rama 2 Road, Samaedum,
Bangkhuntian, Bangkok 10150
Tel : + 66 (0) 2866 4300 Fax : + 66 (0) 2872 4560

9. CENTRALWORLD

Acting Vice President Shopping Center :
Mrs. Oranee Poolkwan
Shopping Center General Manager :
Ms. Thanthika Phiangphor
Address : 4, 4/1-4/2, 4/4 Rajdamri Road,
Patumwan, Bangkok 10330
Tel : + 66 (0) 2640 7000 Fax : + 66 (0) 2255 9767

10. CENTRALPLAZA RATTANATHIBET

Senior Vice President Property Area 2 :
Mrs. Pattra Sapyaprapa
Shopping Center General Manager :
Mr. Nantawat Naovaratpong
Address : 68/100, 68/919 Moo 8, Rattanathibet Road,
Bangkrasor, Muang, Nonthaburi 11000
Tel : + 66 (0) 2834 6000 Fax : + 66 (0) 2526 6092

11. CENTRALPLAZA CHAENGWATTANA

Senior Vice President Property Area 1 :
Mr. Wiwat Charoensawatpong
Shopping Center General Manager :
Mr. Olarn Vaiudomvut
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

Acting Vice President Property Area 6 :
Mr. Sarun Tuntijumnun
Shopping Center General Manager :
Mr. Sarun Tuntijumnun
Address : 333/99 Moo 9, Banglamung,
Chonburi 20260
Tel : +66 (0) 3300 3999 Fax : + 66 (0) 3300 3999 ext.1225-6

13. CENTRALPLAZA UDONTANI

Vice President Property Area 3 :

Mr. Athivut Suwanchinda

Shopping Center General Manager :

Mr. Tanin Pakdeepinyo

Address : 277/1-3,271/5 Prajaksillapakhom Road,

Markkeang, Muangudonthani, Udonthani 41000

Tel : + 66 (0) 4224 9192 Fax : + 66 (0) 4224 4639

14. CENTRALPLAZA CHONBURI

Acting Vice President Property Area 6 :

Mr. Sarun Tuntijumnun

Shopping Center General Manager :

Mrs. Theeraporn Chitnawa

Address : 55/88-89, 55/91 Moo 1, Sa-Med,

Muang, Chonburi 20000

Tel : + 66 (0) 3300 3333 Fax : + 66 (0) 3300 3179

15. CENTRALPLAZA KHONKAEN

Vice President Property Area 3 :

Mr. Athivut Suwanchinda

Shopping Center General Manager :

Mrs. Amornrat Bunyongsin

Address : 99,99/1 Srichan Road, Naimuang,

Muang, Khonkaen 40000

Tel : + 66 (0) 4300 1000 Fax : + 66 (0) 4300 1209

REFERENCE FIRMS

REGISTRAR OF COMMON SHARES

Thailand Securities Depository Co.,Ltd.

4th Floor, The Stock Exchange of Thailand
62 Ratchadapisek Road, Klongtoey,
Bangkok 10110, Thailand
Telephone: + 66 (0) 2229 2888
Facsimile: + 66 (0) 2654 5427

REGISTRAR OF UNSECURED DEBENTURES

Debentures CPN126A, CPN136A, and CPN15DA

CIMB Thai Bank Public Company Limited

44 Langsuan Road, Lumpini Sub-District, Pathumwan
Bangkok 10330, Thailand
Telephone: + 66 (0) 2638 8580
Facsimile: + 66 (0) 2657 3285

Debentures CPN135A and CPN145A

Kasikorn Bank Public Company Limited

1 Soi Kasikornthai, Ratburana Road,
Bangkok 10140, Thailand
Telephone: + 66 (0) 2470 1987
Facsimile: + 66 (0) 2470 1998

Debentures CPN119A, CPN127A, and CPN126B

Siam Commercial Bank Public Company Limited

9 Ratchadapisek Road, Chatuchak
Bangkok 10900, Thailand
Telephone: + 66 (0) 2256 2323-8
Facsimile: + 66 (0) 2256 2406

AUTHORIZED AUDITOR

KPMG Phoomchai Audit Ltd.

Mr. Vichien Thamtrakul,
Certified Public Account, Registration No.3183
50th-51st Floor, Empire Tower
195 South Sathon Road,
Yannawa Sub-District, Sathorn
Bangkok 10120, Thailand
Telephone: + 66 (0) 2677 2000
Facsimile: + 66 (0) 2677 2222

CREDIT RATING AND DEBENTURE RATING COMPANY

TRIS Rating Co., Ltd.

24th Floor, Silom Complex Building,
191 Silom Road, Silom Sub-District, Bangrak
Bangkok 10500, Thailand
Telephone: + 66 (0) 2231 3011
Facsimile: + 66 (0) 2231 3012

INFORMATION FOR INVESTORS

CENTRAL PATTANA PUBLIC COMPANY LIMITED

Registered Capital: Baht 2,178,816,000

Issued and Paid-up Capital: Baht 2,178,816,000

Comprising of ordinary shares of 2,178,816,000 shares

Par Value of Baht 1 per share

Securities Information

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

Shareholders’ Meeting

The Board of Directors of Central Pattana Public Company Limited agreed to hold the Annual General Meeting of Shareholders (AGM) No. 1/2011 on April 29, 2011, at 2:00 pm, Centara Grand 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 (2006-2010)

Unit: Baht/share

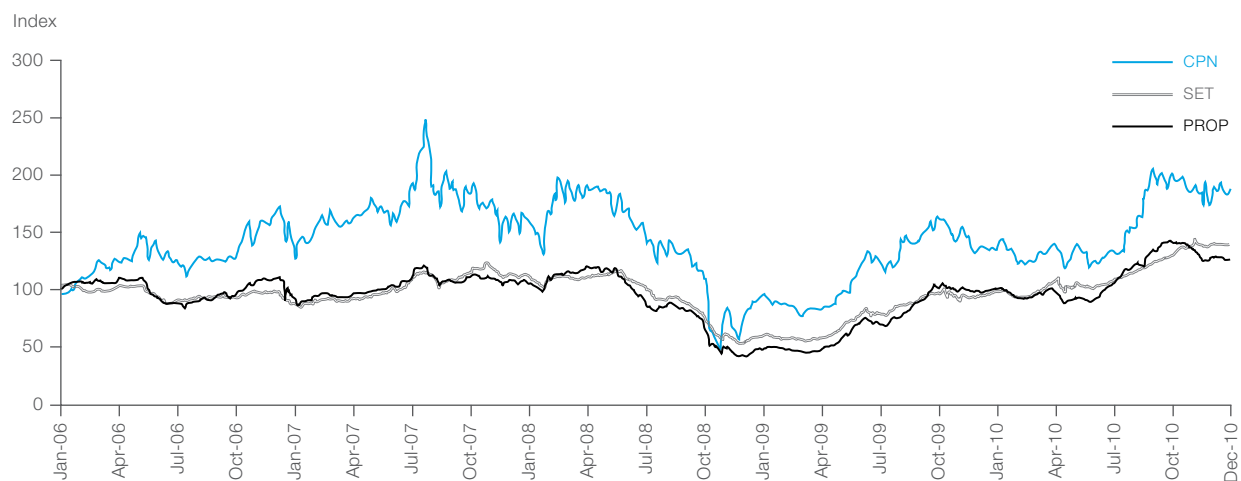
Year	Highest price*	Lowest Price*	Dividend payment*
2006	26.50	13.80	0.31
2007	37.00	18.50	0.33
2008	29.75	7.60	0.33
2009	24.80	11.60	0.58
2010	32.50	17.60	0.25

Remark: * Figures were 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%	20%	41%
Property Development Index	28%	14%	25%
CPN Index	81%	7%	32%

5 Years CPN share price compared to SET Index and Property Index (based price on year 2006)



Source: Stock Exchange of Thailand (SET)

FINANCIAL CALENDAR FOR 2010 AND TENTATIVE 2011

Financial Calendar	2010	2011 (Tentative)
Announcement of full year financial results (prior year)	February	February
Analyst Meeting for full year performance (prior year)	March	March
The closing date of the shareholders registration book for the rights to attend the AGM	April	April
The Annual General Meeting of the Shareholders	April	April
Dividend payment for the prior year performance	May	May
Announcement of first quarter financial results	May	May
Analyst Meeting for first quarter performance	May	May
Announcement of second quarter financial results	August	August
Analyst Meeting for second quarter performance	August	August
Announcement of third quarter financial results	November	November
Analyst Meeting for third quarter performance	November	November

INVESTOR RELATIONS ACTIVITIES FOR 2010

Date	Investor Relations Activities
16 March 2010	Analyst Briefing for full year 2009 performance at the Stock Exchange of Thailand
23-24 March 2010	Roadshow in Hong Kong organized by Credit Suisse Securities
28 April 2010	AGM No.1/2010 at Vibhavadee Ballroom B, 1 st Floor, Sofitel Centara Grand Bangkok Hotel
19 May 2010	Roadshow in Singapore organized by Phatra Securities and Bank of America Merrill Lynch
29 July 2010	Roadshow in Bangkok organized by TISCO Securities
24 August 2010	Analyst Briefing for second quarter 2010 performance at the Stock Exchange of Thailand
2-3 September 2010	Roadshow in Hong Kong and Singapore organized by Bualuang Securities and Morgan Stanley
4-5 October 2010	Thai Investor Forum organized by Phatra Securities and Bank of America Merrill Lynch
7-8 November 2010	Roadshow in Singapore organized by Phatra Securities and Bank of America Merrill Lynch
30 November 2010	Analyst Briefing for third quarter 2010 performance at the Stock Exchange of Thailand

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

30th - 33rd Floors, The Offices at CentralWorld,
999/9 Rama 1 Road, Patumwan, Bangkok 10330 Thailand
Phone: +66 (0) 2667 5555 Fax: +66 (0) 2264 5593

www.cpn.co.th

