



Net investment income increased by 36.3% YoY. CPNRF reported net investment income for 3Q14 at Baht 727.1 million, an increase of 36.3% from the same quarter of last year, resulting mainly from the additional investment in CentralPlaza Chiangmai Airport.

Total income increased by 31.9% YoY. Total income for 3Q14 was recorded at Baht 884.4 million, representing an increase of 31.9% from Baht 670.7 million in 3Q13. Meanwhile, total expense for 3Q14 was recorded at Baht 157.3 million, an increase of 14.8% from the same quarter of last year.

Distribution per unit increased by 2.0% YoY. CPNRF announced 3Q14 distribution of Baht 714.6 million or Baht 0.3230 per unit, representing an annualized yield of approximately 7.8% at the price of Baht 16.40 per unit as at 13 November 2014.

SHARE INFO: As of 13 Nov 2014

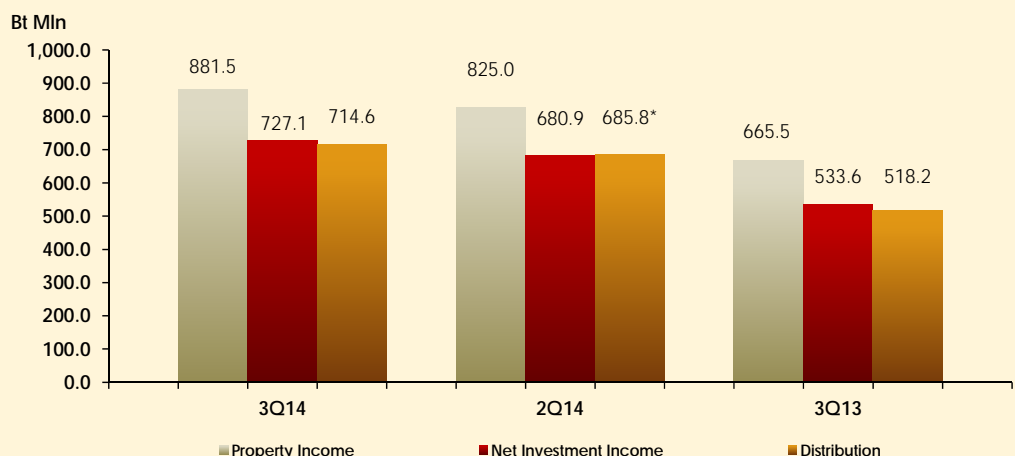
Unit Price (Bt)	16.40
Shares Outstanding (mln)	2,212.5
Market Capital (Bt mln)	36,284.6
NAV (Bt mln) ^{/1}	27,730.6
NAV per Unit (Bt) ^{/1}	12.5337
Premium/ (Discount) ^{/1}	30.85%

Note:
^{/1} NAV as of 30 September 2014

CONTENTS

MD&A	2
Financial Summary	5
Operations Summary	6
Fund Information	7

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CPNRF Investor Relations
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Source: CPNRF. Based on interim financial statements and review reports of Certified Public Accountant for 3Q14 and 2Q14 and annual financial statements and audit report of Certified Public Accountant for 3Q13

Note: *Baht 0.05 per unit for the operation period of 1 April – 15 April and Baht 0.2730 per unit for the operation period of 16 April - 30 June 2014.

MANAGEMENT DISCUSSION AND ANALYSIS

Statement of Income

Total Income

3Q14 total income of Baht 884.4 million, an increase of Baht 213.7 million or 31.9% from 3Q13.

CPNRF reported total income for 3Q14 of Baht 884.4 million, an increase of Baht 213.7 million or 31.9% from the same quarter of 2013. This was mainly due to the additional investment in CentralPlaza Chiangmai Airport along with the increase in rental rates from the existing properties. Rental and service income increased by Baht 215.4 million or 33.7%. In addition, other income for this quarter increased by Baht 0.7 million or 2.5%. Meanwhile, interest income decreased by 2.3 million or 44.2% due to the use of fund for investments in CentralPlaza Chiangmai Airport.

In comparison to the previous quarter, total income for this quarter increased by Baht 53.7 million or 6.5% from 2Q14, which resulted mainly from an increase of Baht 55.5 million or 6.9% in rental and service income and an increase of Baht 1.2 million or 4.6% in other income. The main contributing factor in the overall increase in total income was the injection of parts of CentralPlaza Chiangmai Airport into the fund in April 2014. Meanwhile, interest income dropped by Baht 2.8 million or 49.4% due to the use of cash by the fund which reduced the total invested cash amount. The occupancy rate of CPNRF portfolio was at 96.3% while the average rental growth rate for new/renewed leases that occurred since the beginning of 2014 is 6.0% p.a..

Total Expense

3Q14 total expense of Baht 157.3 million, an increase of Baht 20.3 million or 14.8% from 3Q13.

Total expense for 3Q14 was Baht 157.3 million, an increase of Baht 20.3 million or 14.8% from the same quarter of last year. The injection of parts of CentralPlaza Chiangmai Airport into the property fund did not incur a significant increase in expenses because CPN has supported a portion of its operating expense while temporarily lowering the property management fee in accordance with the agreements between CPNRF and CPN. The growth of interest expense by 13.0 million or 237.6%, was a result of changes in loan structure, while the property expense increased by 3.5 million or 2.9%, mainly resulted from the increase in property management fee by Baht 9.3 million or 11.0%. Meanwhile, selling and administrative expenses decreased by Baht 2.9 million or 29.8% and a drop of Baht 2.9 million or 9.5% in cost of rental and service, mainly due to the decrease in insurance premium.

Compared to the previous quarter, total expense for 3Q14 increased by Baht 7.5 million or 5.0%. Major contributor was a growth in interest expense of Baht 3.7 million or 24.7% and property expenses increased by 2.9 million or 2.3%, as a result of Baht 7.7 million or 8.9% increase in property management fee, while selling and administrative expenses dropped by Baht 4.1 million or 37.7%, mainly resulted from the decrease in advertising expenses. In addition, cost of rental and service decreased by Baht 0.7 million or 2.3% due to the decrease in insurance premium.

Net Investment Income and Distribution

Distribution per unit of Baht 0.3230 for 3Q14 grew by 2.0% from the same quarter of previous year

Net investment income for 3Q14 totaled up to Baht 727.1 million, representing a growth of Baht 193.5 million or 36.3% from Baht 533.6 million in 3Q13. The Fund announced the distribution Baht 0.3230 per unit. The XD Date was 7 November 2014, followed by Book Closure Date on 12 November 2014 and distribution payment will be made on 26 November 2014.

Compared to the previous quarter, net investment income increased by Baht 46.2 million or 6.8%, mainly resulted from the increase of total income of Baht 53.7 million or 6.5% which was higher of Baht 7.5 million or 5.0% higher than the increase in total expense.

Profitability

Net property income margin improved by 4.2% from 3Q13, along with 2.3% increase in net investment income margin

Net property income margin for 3Q14 increased by 4.2% from the same quarter of last year and stood at 85.4%. This was due to an improvement of property income by Baht 216.0 million or 32.5%, while property expenses increased by Baht 3.5 million or 2.9%. Net investment income margin increased by 2.3% to a margin of 82.5%, also mainly resulting from the higher increase in property income compared to the increase in property expense.

Compared to the previous quarter, net property income margin increased from 84.8% in 2Q14 to 85.4%, while net investment income margin of 82.5%, an equal to amount 2Q14. The increase in property income mainly resulted in a higher profit margin in 3Q14 compared to 2Q14.

Statement of Financial Position Movement

NAV increased to Baht 12.5337 per unit. Borrowing stood at Baht 1,955.0 million

As of 30 September 2014, CPNRF reported total investment in properties of Baht 29,916.9 million. Net Asset Value ("NAV") was recorded at Baht 27,730.6 million or Baht 12.5337 per unit as at 30 September 2014, a rise from Baht 12.4293 at the end of the previous quarter. Total borrowings amount stood at Baht 1,955.0 million due to additional borrowing and refinancing of loans for the investment of CentralPlaza Chiangmai Airport Project.

FINANCIAL SUMMARY

Income Statement

Unit: Baht Million	3Q14	2Q14	Change QoQ	3Q13	Change YoY
<i>Property income</i>	881.5	825.0	6.9%	665.5	32.5%
Rental and service income	855.1	799.6	6.9%	639.7	33.7%
Other income	26.5	25.3	4.6%	25.8	2.5%
Interest income	2.9	5.7	(49.4%)	5.2	(44.2%)
Total income	884.4	830.7	6.5%	670.7	31.9%
<i>Property expenses</i>	128.5	125.6	2.3%	125.0	2.9%
Cost of rental and service	27.6	28.3	(2.3%)	30.5	(9.5%)
Selling and administrative expenses	6.8	10.9	(37.7%)	9.7	(29.8%)
Property management fee	94.1	86.4	8.9%	84.8	11.0%
Other expenses	0.0	0.0	(55.2%)	0.0	8.3%
Interest expense	18.5	14.8	24.7%	5.5	237.6%
Other management fees and expenses	10.3	9.4	10.0%	6.6	56.2%
Amortisation of deferred expenses	0.0	0.0	n.a.	0.0	n.a.
Total expense	157.3	149.8	5.0%	137.0	14.8%
Net investment income	727.1	680.9	6.8%	533.6	36.3%
Net realised gain (loss) from changes in investment value	0.0	0.4	n.a.	0.0	n.a.
Net unrealised gain (loss) from changes in investment value	107.8	169.3	n.a.	210.0	n.a.
Net increase in net assets from operations	834.9	850.6	(1.8%)	743.6	12.3%
Income available for distribution	727.1	680.9	6.8%	533.6	36.3%
Distribution	714.6	685.8*	4.2%	518.2	37.9%
Distribution per unit (in Baht)	0.3230	0.3230	0.0%	0.3167	2.0%
Net property income margin	85.4%	84.8%	0.6%	81.2%	4.2%
Net investment income margin	82.5%	82.5%	0.0%	80.2%	2.3%

Source: CPNRF. Based on interim financial statements and review reports of Certified Public Accountant for 3Q13, 2Q14 and 3Q14

Note: *Distribution per unit of Baht 0.05 per unit for the operation period of 1 April - 15 April and Baht 0.2730 per unit for the operation period of 16 April - 30 June 2014.

Statement of Financial Position

Unit: Baht Million	3Q13	4Q13	1Q14	2Q14	3Q14
<i>Investment at fair value</i>	18,374.6	19,178.7	19,622.3	30,265.8	30,486.9
CentralPlaza Rama II	6,155.0	6,457.0	6,474.0	6,553.0	6,588.0
CentralPlaza Rama III	6,241.0	6,412.0	6,629.0	6,729.0	6,899.0
CentralPlaza Pinklao	5,647.0	5,666.0	5,727.0	5,724.0	5,639.0
CentralPlaza Chiangmai Airport	-	-	-	10,790.9	10,790.9
Total investment in properties	18,043.0	18,535.0	18,830.0	29,796.9	29,916.9
Investment in securities	331.6	643.7	792.3	468.9	569.9
Cash on hand and at banks	654.1	351.3	203.5	226.7	207.4
Other assets	285.6	249.7	257.7	266.9	294.0
Total assets	19,314.2	19,779.7	20,083.5	30,759.5	30,988.3
Deposits received from customers	796.2	801.9	799.6	1,010.7	1,003.5
Borrowing	375.0	340.0	305.0	1,955.0	1,955.0
Other liabilities	330.8	811.2	301.1	294.1	299.1
Total liabilities	1,501.9	1,953.1	1,405.7	3,259.7	3,257.6
Net Asset	17,812.3	17,826.6	18,677.8	27,499.7	27,730.6
Capital received from unitholders	15,764.0	15,764.0	15,764.0	24,406.2	24,406.2
Retained earnings	2,048.3	2,062.6	2,913.8	3,093.5	3,324.4
NAV per unit (in Baht)	10.8854	10.8942	11.4144	12.4293	12.5337

Source: CPNRF. Based on interim financial statements and review reports of Certified Public Accountant for 3Q13, 1Q14, 2Q14, 3Q14 and annual financial statements and audit report of Certified Public Accountant for 4Q13

OPERATIONS SUMMARY

I. Leasable Area and Occupancy

	Area (sqm)		Occupancy Rate ^{/1}			
	Gross Area	Leasable Area	31 Dec 13	31 Mar 14	30 Jun 14	30 Sep 14
Rama II	251,182	87,781	95.9%	96.1%	95.8%	96.1%
Rama III	169,740	37,299	97.7%	96.7%	94.5%	93.8%
Pinklao (Plaza)	135,018	21,730	100.0%	99.0%	100.0%	97.5%
Pinklao Tower A & B	50,653	33,760	98.1%	97.5%	98.3%	96.9%
Chiangmai Airport	78,849	37,039	n.a.	n.a.	98.0%	97.9%
CPNRF Portfolio	685,442	217,609	97.2%	96.8%	96.7%	96.3%

Note: /1 Anchor and shop tenants only

Source: CPN

II. Renewals and New Leases

	From 1 January to 30 September 2014 ^{/1}			
	Renewals and New Leases			Increase / (Decrease) in Rental Rates (p.a.) ^{/3}
	No. of Leases	Area (sqm)	% of Total ^{/2}	
Rama II	32	4,671	5.3%	7.0%
Rama III	36	4,755	12.7%	4.9%
Pinklao (Plaza)	8	760	3.5%	4.6%
Pinklao Tower A & B	19	3,975	11.8%	6.0%
Chiangmai Airport	33	1,835	5.0%	6.7%
CPNRF Portfolio	128	15,995	7.4%	6.0%

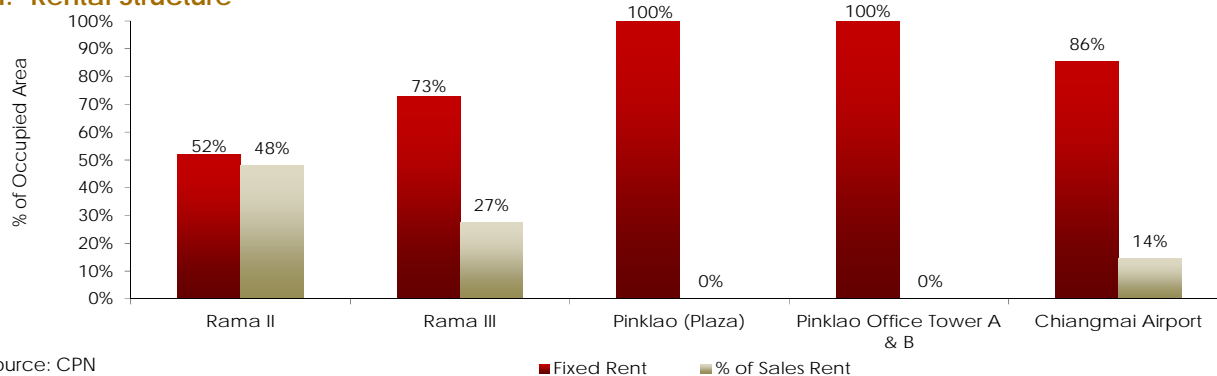
Note: /1 Exclude rental agreements < 1 year

/2 Percentage of leasable area as at 30 September 2014

/3 Exclude rental agreements with revenue sharing clause

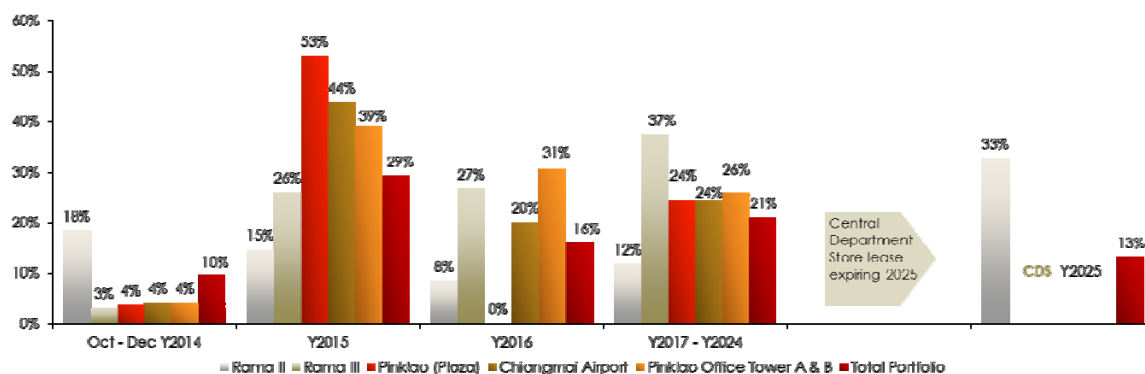
Source: CPN

III. Rental Structure



Source: CPN

IV. Lease Expiry Profile



Note:

1. Percentage of total occupied area as at 30 September 2014

2. Exclude rental agreements < 1 year

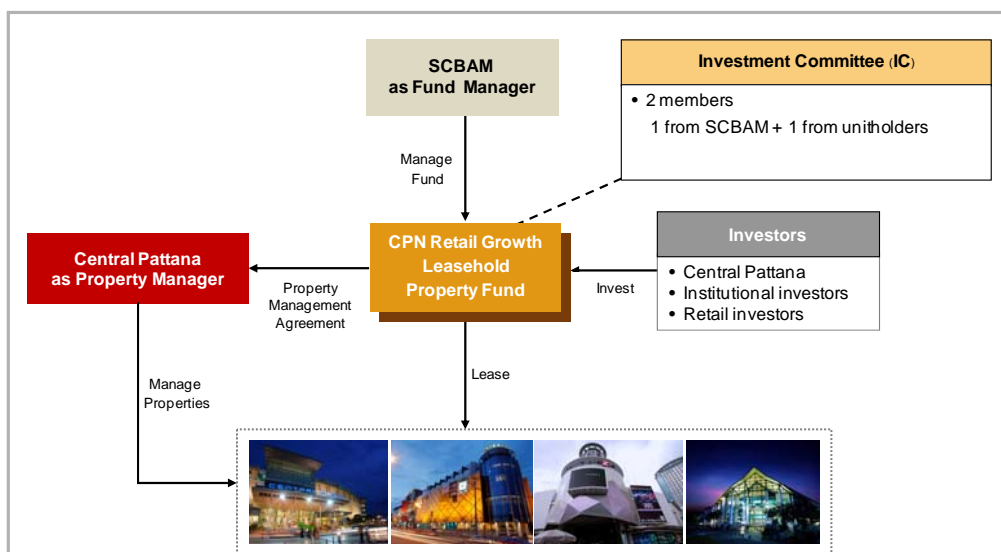
Source: CPN

ABOUT CPNRF

I. Fund Information

Name	CPN Retail Growth Leasehold Property Fund ("CPNRF")
Property Manager	Central Pattana Public Company Limited ("CPN")
Fund Manager	SCB Asset Management Company Limited
Trustee	Kasikorn Bank Public Company Limited
Registrar	Siam Commercial Bank Public Company Limited
Assets	CentralPlaza Rama II, CentralPlaza Ratchada-Rama III, CentralPlaza Pinklao, CentralPlaza Chiangmai Airport
Type	Property Fund Type I (Indefinite Life)
Total Fund Size	Baht 24,406.2 million
Fund Registered Date	11 August 2005
Fund Investing Date	15 August 2005 for CentralPlaza Rama II 16 August 2005 for CentralPlaza Ratchada-Rama III 4 November 2009 for CentralPlaza Pinklao 23 April 2014 for CentralPlaza Chiangmai Airport
Fund Listed Date	23 August 2005
Secondary Market	The Stock Exchange of Thailand ("SET")

II. Fund Structure



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