



**Net investment income for 1Q16 closed to 1Q15.** CPNRF reported net investment income Baht 688.9 million, 0.1%yoy lower from Baht 689.5 million in 1Q15, resulting mainly from the major renovation project of Central Plaza Pinklao phrase 1, approximately 85% of the total area of the ground-4<sup>th</sup> floor was completed and reopened all floors on 4 December 2015, therefore rental and service income was gradually rising driven by higher occupancy rate. However, the phrase 2 renovation, 15% of the total area of 1<sup>st</sup>-4<sup>th</sup> floor, has started since January, and are now 90% completion. It should become fully operational again by June 2016.

**Total income decreased by 1.8%yoy.** Total income for 1Q16 was Baht 855.0 million, down from Baht 870.4 million in 1Q15. Also, total expense was recorded at Baht 166.1 million, decreased by 8.2%yoy driven by property management fee.

**Distribution per unit from 1Q16 performance declined 8.0%yoy.** CPNRF announced 1Q16 distribution of Baht 616.8 million or 0.2788 Baht per unit, equivalent to annualized distribution yield of 6.0%, at the price of Baht 19.00 per unit as at 31 March 2016.

**SHARE INFO: As of 13 May 2016**

Unit Price (Bt)	19.50
Shares Outstanding (mln)	2,212.5
Market Capital (Bt mln)	43,143.3
NAV (Bt mln) <sup>/1</sup>	29,517.6
NAV per Unit (Bt) <sup>/1</sup>	13.3414
Premium/ (Discount) <sup>/1</sup>	46.2%

Note:  
<sup>/1</sup> NAV as of 31 March 2016

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**Customer Relations – Fund Manager**

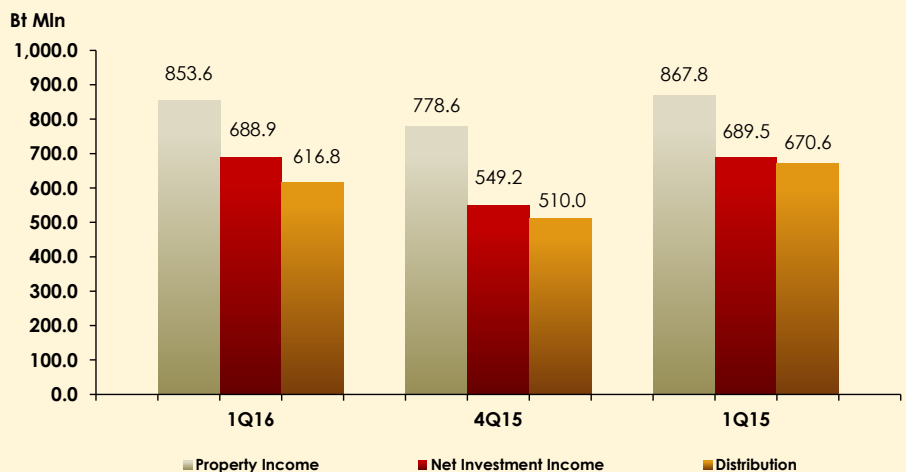
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Source: CPNRF. Based on annual financial statements and audit reports of Certified Public Accountant for 4Q15, and interim financial statements and review report of Certified Public Accountant for 1Q15 and 1Q16

## MANAGEMENT DISCUSSION AND ANALYSIS

### Statement of Income

*1Q16 total income was Baht 855 million, decreased from Baht 870.4 million or 1.8% from 1Q15.*

#### Total Income

CPNRF reported total income for 1Q16 of Baht 855.0 million, a decrease of 1.8%yoy from Baht 870.4 million in 1Q15. This was attributable to a decrease of Baht 16.9 million or 2.0%yoy in rental and service income. The main contributing factor was the occupancy rate of CentralPlaza Pinklao was 74.9% at the end of March 2016 after the major renovation project phrase 1 was finished in December 2015 and shops gradually opened. Additionally, the renovation phrase 2 started on 15 January 2016, and now are 90% completion, which should become fully operational again by June 2016.

In comparison to 4Q15, total income increased by 9.6%qoq from higher occupancy rate at CentralPlaza Pinklao to 74.9% in 1Q16 from 66.9% in 4Q15 after gradually delivered renovated area to tenants since October 2015.

#### Total Expense

*Total expense in 1Q16 decreased by 8.2%yoy to Baht 166.1 million, mainly from property management fee.*

Total expense for 1Q16 was Baht 166.1 million, a decrease of Baht 14.8 million or 8.2%yoy. This resulted mainly from Baht 17.9 million or 15.9%yoy decrease of property management fee driven by commissions from renewals and new leases, and management fee and expenses related to rental and service income.

Comparing to 4Q15, total expense decreased by 28.1%qoq, which was attributable mainly to all expenses. In 4Q15, once the renovation phrase 1 of CentralPlaza Pinklao was completed and gradually launching since October 2015, so commissions from new and renewals leases was higher compared to 1Q15. Moreover, the marketing and promotion expenses in 4Q15 was higher than that in 1Q16 due to festive season and marketing campaign at the year end.

### Net Investment Income and Distribution

*A distribution from 1Q16 operation period was Baht 0.2788 per unit.*

Net investment income for 1Q16 totaled Baht 688.9 million, closed to Baht 689.5 million in 1Q15. The Fund announced the distribution for 1Q16 performance of Baht 0.2788 per unit, equivalent to annualized yield of 6.0% of Baht 19.00 per unit as at 31 March 2016. The XD Date was on 3 May 2016, followed by the book closing date on 10 May 2016, and distribution payment will be made on 24 May 2016.

Comparing to 4Q15, net investment income increased by 25.4%qoq. This is attributable to lower property expenses resulting from lower leasing commission and marketing and promotion expense for marketing events during the year end. Meanwhile, total income increased by 9.6%qoq.

### Profitability

*Net property income margin increased by 1.5%yoy, and net investment income margin rose by 1.3%yoy.*

Net property income margin for 1Q16 increased by 1.5%yoy to 83.9%. Net investment income margin also increased by 1.3%yoy to 80.7%, resulting from 10.3%yoy drop of property expenses, more than a drop of property income.

In comparison to 4Q15, both net property income margin and net investment income margin increased by 9.8%yoy and 10.2%yoy respectively, resulting from the increase in property income of 9.6%qoq after the completion of the renovation of CentralPlaza Pinklao phrase 1, coupled with the decrease of property expense of 32.0%qoq.

### Statement of Financial Position Movement

*NAV increased to Baht 13.3414 per unit. Borrowing stood at Baht 1,927.2 million.*

As of 31 March 2016, CPNRF reported total investment in properties of Baht 32,391.8 million. Net Asset Value ("NAV") was recorded at Baht 29,517.6 million or Baht 13.3414 per unit, a rise from Baht 13.2169 at the end of 2015. Total borrowings amount was Baht 1,927.2 million, reduced from Baht 1,936.4 million.

CPNRF has the net increase in net assets from operations of Baht 785.4 million, increased by 51.9%yoy. It was a result of a decrease in net unrealized gain from investment.

## FINANCIAL SUMMARY

## Income Statement

Unit: Baht Million	1Q16	4Q15	Change QoQ	1Q15	Change YoY
<i>Property income</i>	853.6	778.6	9.6%	867.8	(1.6%)
Rental and service income	828.1	754.8	9.7%	845.0	(2.0%)
Other income	25.5	23.8	7.1%	22.8	12.0%
Interest income	1.4	1.5	(8.9%)	2.6	(45.8%)
<b>Total income</b>	<b>855.0</b>	<b>780.2</b>	<b>9.6%</b>	<b>870.4</b>	<b>(1.8%)</b>
<i>Property expenses</i>	137.2	201.7	(32.0%)	152.9	(10.3%)
Cost of rental and service	28.1	39.5	(28.9%)	27.4	2.6%
Selling and administrative expenses	14.6	18.3	(20.2%)	13.1	11.1%
Property management fee	94.5	144.0	(34.4%)	112.3	(15.9%)
Other expenses	0.0	0.0	331.4%	0.0	0.0%
Interest expense	18.2	18.5	(1.5%)	17.9	1.5%
Other management fees and expenses	10.8	10.8	(0.2%)	10.1	261.1%
<b>Total expense</b>	<b>166.1</b>	<b>231.0</b>	<b>(28.1%)</b>	<b>180.9</b>	<b>(8.2%)</b>
<b>Net investment income</b>	<b>688.9</b>	<b>549.2</b>	<b>25.4%</b>	<b>689.5</b>	<b>(0.1%)</b>
Net realised gain (loss) from changes in investment value	(3.5)	(0.4)	779.5%	(0.2)	1414.2%
Net unrealised gain (loss) from changes in investment value	100.0	178.8	(44.1%)	944.4	(89.4%)
<b>Net increase in net assets from operations</b>	<b>785.4</b>	<b>727.6</b>	<b>7.9%</b>	<b>1,633.6</b>	<b>(51.9%)</b>
<b>Income available for distribution</b>	<b>688.9</b>	<b>549.2</b>	<b>25.4%</b>	<b>689.5</b>	<b>(0.1%)</b>
<b>Distribution</b>	<b>616.8</b>	<b>510.0</b>	<b>21.0%</b>	<b>670.6</b>	<b>(8.0%)</b>
<b>Distribution per unit (in Baht)</b>	<b>0.2788</b>	<b>0.2305</b>	<b>21.0%</b>	<b>0.3031</b>	<b>(8.0%)</b>
Net property income margin	83.9%	74.1%	9.8%	82.4%	1.5%
Net investment income margin	80.7%	70.5%	10.2%	79.5%	1.3%

Source: CPNRF. Based on annual financial statements and audit reports of Certified Public Accountant for 4Q15, and the interim financial statements and reviewed audit reports of 1Q16, and 1Q15.

## Statement of Financial Position

Unit: Baht Million	1Q15	2Q15	3Q15	4Q15	1Q16
<i>Investment at fair value</i>	31,253.3	31,502.3	31,951.0	32,175.5	32,391.8
Central Rama II	6,530.0	6,532.0	6,541.0	6,571.0	6,591.0
Central Rama III	8,117.0	8,216.0	8,475.0	8,568.0	8,798.0
Central Pinklao	5,507.0	5,439.0	5,254.0	5,359.0	5,520.0
Chiangmai Airport	10,746.0	10,856.0	11,166.0	11,292.0	11,005.0
<i>Total investment in properties</i>	<i>30,900.0</i>	<i>31,043.0</i>	<i>31,436.0</i>	<i>31,790.0</i>	<i>31,914.0</i>
Investment in securities	353.3	459.3	515.0	385.5	477.8
Cash on hand and at banks	413.1	235.7	197.7	431.2	526.6
Other assets	235.0	199.9	149.0	177.2	170.3
<b>Total assets</b>	<b>31,901.4</b>	<b>31,938.0</b>	<b>32,297.7</b>	<b>32,783.9</b>	<b>33,088.7</b>
Deposits received from customers	992.5	974.6	969.5	1,033.6	1,089.4
Borrowing	1,955.0	1,955.0	1,945.7	1,936.4	1,927.2
Other liabilities	338.2	331.0	371.0	571.7	554.5
<b>Total liabilities</b>	<b>3,285.6</b>	<b>3,260.5</b>	<b>3,286.3</b>	<b>3,541.7</b>	<b>3,571.0</b>
<b>Net Asset</b>	<b>28,615.8</b>	<b>28,677.4</b>	<b>29,011.4</b>	<b>29,242.2</b>	<b>29,517.6</b>
Capital received from unitholders	24,406.2	24,406.2	24,406.2	24,406.2	24,406.2
Retained earnings	4,209.6	4,271.2	4,605.1	4,836.0	5,111.4
<b>NAV per unit (in Baht)</b>	<b>12.9338</b>	<b>12.9617</b>	<b>13.1126</b>	<b>13.2169</b>	<b>13.3414</b>

Source: CPNRF. Based on interim financial statements and review reports of Certified Public Accountant for 1Q15, 2Q15, 3Q15, and 1Q16 and annual financial statements and audit reports of Certified Public Accountant for 4Q15.

## OPERATIONS SUMMARY

### I. Leasable Area and Occupancy

	Area (sqm)		Occupancy Rate <sup>/1</sup>				
	Gross Area	Leasable	31 Mar 15	30 Jun 15	30 Sep 15	31 Dec 15	31 Mar 16
Rama II	251,182	88,068	95.6%	96.0%	96.4%	96.3%	86.9%
Rama III	169,740	37,346	90.8%	90.7%	89.3%	92.4%	91.2%
Pinklao (Plaza)	135,018	27,807	76.5%	50.2%	41.4%	66.9%	74.9%
Chiangmai Airport	78,849	37,484	97.5%	96.7%	96.7%	96.7%	96.7%
Pinklao Tower A & B	50,653	33,760	97.0%	97.5%	96.7%	96.8%	96.8%
<b>CPNRF Portfolio</b>	<b>685,442</b>	<b>224,465</b>	<b>93.4%</b>	<b>90.9%</b>	<b>89.8%</b>	<b>92.1%</b>	<b>89.3%</b>

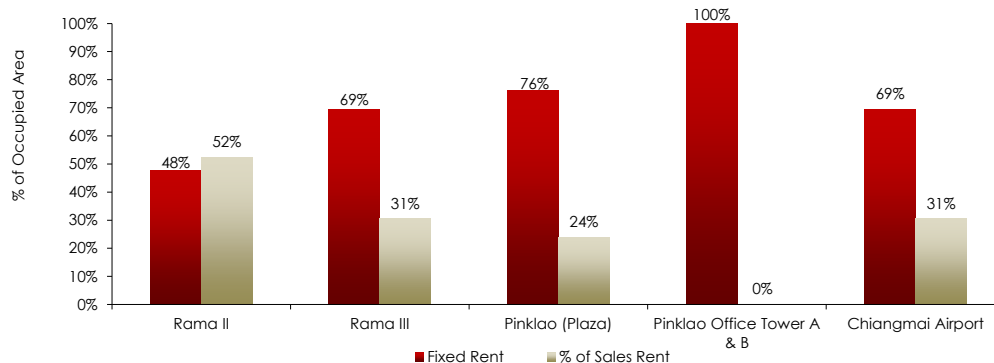
Note: /1 Anchor and shop tenants only  
Source: CPN

### II. Renewals and New Leases

	From 1 January to 31 March 2016 <sup>/1</sup>		
	Renewals and New Leases		
	No. of Leases	Area (sqm)	% of Total <sup>/2</sup>
Rama II	55	2,257	2.6%
Rama III	5	891	2.4%
Pinklao (Plaza)	-	-	-
Chiangmai Airport	27	1,892	5.0%
Pinklao Tower A & B	13	3,855	11.4%
<b>CPNRF Portfolio</b>	<b>100</b>	<b>8,895</b>	<b>4.0%</b>

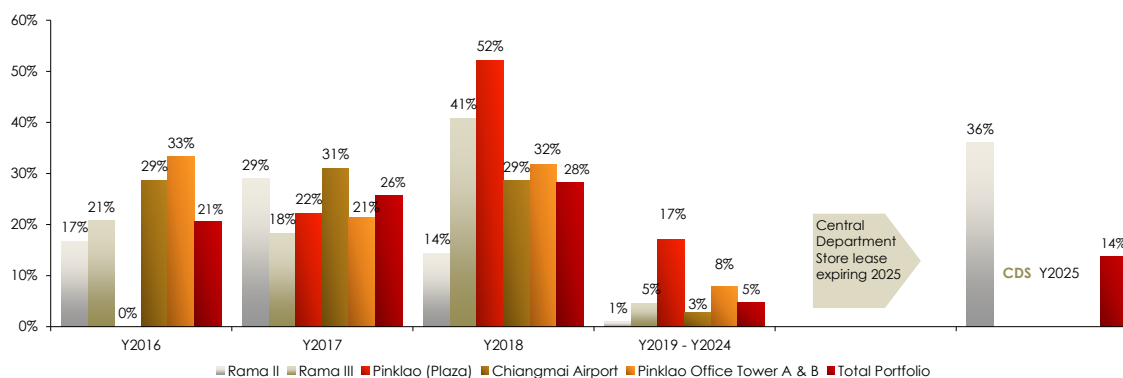
Note: /1 Exclude rental agreements < 1 year  
/2 Percentage of leasable area as at 31 March 2016  
/3 Exclude rental agreements with revenue sharing clause  
Source: CPN

### III. Rental Structure



Source: CPN

### IV. Lease Expiry Profile



Note:  
1. Percentage of total occupied area as at 31 March 2016  
2. Exclude rental agreements < 1 year

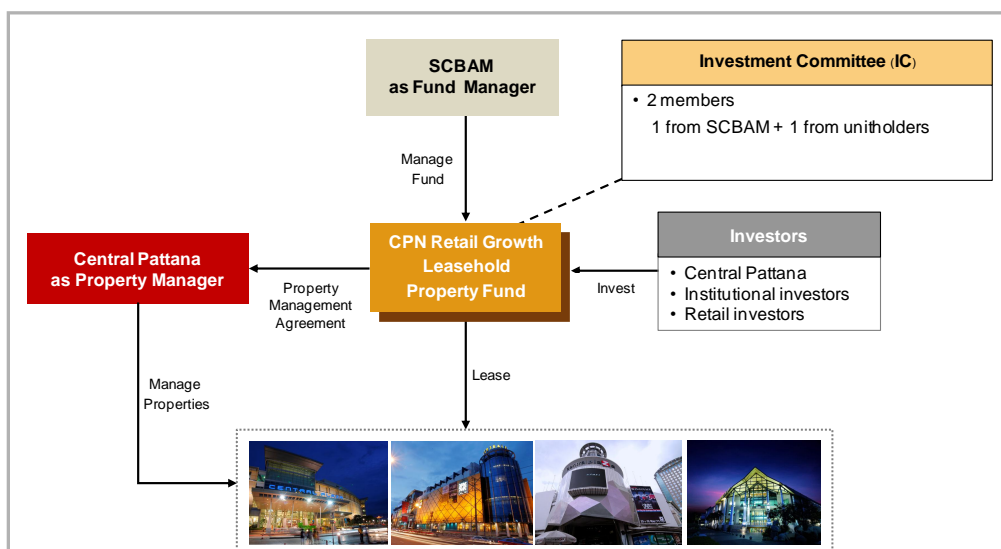
Source: CPN

**ABOUT CPNRF**

**I. Fund Information**

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

**II. Fund Structure**



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