



**Net investment income for 2Q15 decreased by 9.5%yoy.** CPNRF reported net investment income Baht 616.2 million, resulting mainly from lower rental and service income due to temporarily low occupancy rate of CentralPlaza Pinklao related to the major renovation project starting from April 2015

**Total income decreased by 7.6%yoy.** Total income for 2Q15 was recorded at Baht 767.5 million, down from Baht 830.7 million in 2Q14. Meanwhile, total expense was recorded at Baht 151.2 million, an increase of 1.0%yoy driven by an increase of interest expense and other management fees and expenses.

**Distribution per unit from CPNRF 2Q15 performance was 0.2500 Baht per unit,** equivalent to annualized distribution yield of 6.0%. CPNRF announced 2Q15 distribution of Baht 553.1 million from financial results 1 January – 30 June 2015. The dividend will be paid on 21 August 2015.

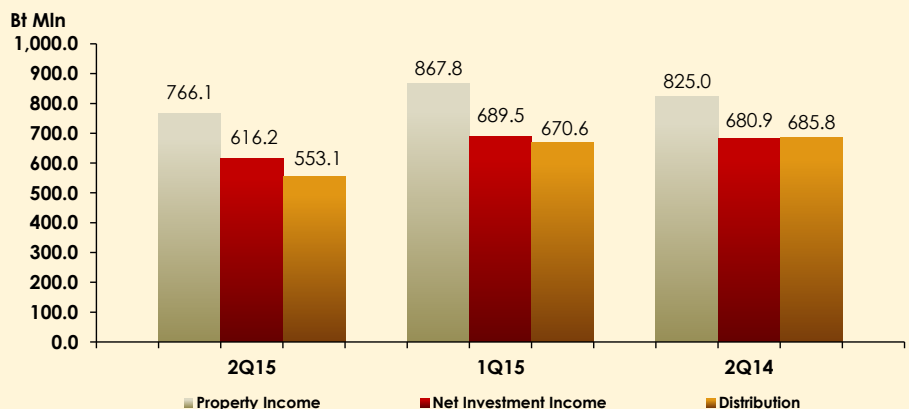
### SHARE INFO: As of 13 August 2015

Unit Price (Bt)	16.70
Shares Outstanding (mln)	2,212.5
Market Capital (Bt mln)	36,948.4
NAV (Bt mln) <sup>/1</sup>	28,677.4
NAV per Unit (Bt) <sup>/1</sup>	12.9616
Premium/ (Discount) <sup>/1</sup>	28.84%

Note:  
<sup>/1</sup> NAV as of 31 March 2015

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Source: CPNRF. Based on annual financial statements and audit reports of Certified Public Accountant for 2Q15 and 1Q15 and financial statements and review report of Certified Public Accountant for 2Q14

## MANAGEMENT DISCUSSION AND ANALYSIS

### Statement of Income

*2Q15 total income was Baht 767.5 million, decrease from Baht 830.7 million or 7.6% from 2Q14.*

#### Total Income

CPNRF reported total income for 2Q15 of Baht 767.5 million, a decrease of Baht 63.2 million or 7.6% from Baht 830.7 million in 2Q14. This was attributable to decrease of Baht 57.2 million or 7.2%yoy in rental and service income couple with a drop of Baht 4.3 million or 76.3% of interest income. The main contributing factor was the major renovation project of CentralPlaza Pinklao starting from G floor up to 4<sup>th</sup> floor since the end of 1Q15. Overall progress as of 30 June 2015 was approximately 43% according to plan. The area will be delivered to the tenants for fit-out process, starting from October 2015.

In comparison to 1Q15, total income slightly declined by 11.8%qoq from rental and service income and other income. This is mainly due to a decrease of occupancy rate to 90.7% from 93.3%, resulting from the renovation plan of CentralPlaza Pinklao project.

#### Total Expense

*Total expense in 2Q15 increased 1.0%yoy to Baht 151.2 million, mainly from an increase in other management fee and expenses and interest expenses*

Total expense for 2Q15 was Baht 151.2 million, an increase of Baht 1.5 million or 1.0% from 2Q14. This resulted mainly from an increase of Baht 3.5 million or 23.9%yoy in interest expenses. Meanwhile, other expenses decreased i.e. leasing commissions from renewals and new leases, other management fee and expenses related to rental and service income, declining due mainly to temporarily low occupancy rate at CentralPlaza Pinklao, and lower cost of rental and service linked with a decrease in insurance premium.

Comparing to 1Q15, total expense decreased by 16.4%qoq, which was attributable mainly to selling and administrative expenses declined following a decrease of advertising expenses. Property management fee decreased by 7.0%qoq due to lower leasing commissions from renewals and new leases.

*A distribution from the operation period of 1 April – 30 June 2015 was Baht 0.2500 per unit.*

### Net Investment Income and Distribution

Net investment income for 2Q15 totaled Baht 616.2 million, representing a drop of Baht 64.7 million or 9.5%yoy from Baht 680.9 million. This translates into income available for distribution of Baht 553.1 million or 19.3%yoy.

The Fund announced the distribution for 2Q15 performance of Baht 0.2500 per unit, equivalent to annualized yield of 6.0%. The XD Date was on 4 August 2015, followed by the booking closing date on 7 August 2015 and distribution payment will be made on 21 August 2015.

Comparing to the previous quarter, net investment income decreased by Baht 73.3 million or 10.6%qoq, mainly resulted from a reduction of rental and service income of 11.8%qoq due to less occupancy rate at CentralPlaza Pinklao project due to the renovation. Meanwhile, total expenses slightly declined by 16.4%qoq.

### Profitability

*Net property income margin declined by 0.8% yoy, and 2.1%yoy lower net investment income margin.*

Net property income margin for 2Q15 decreased by 0.8%yoy and stood at 84.0%. Net investment income margin slightly decreased by 2.1%yoy to 80.4%, resulting from 1.0%yoy increase of property expense coupled with 7.6%yoy drop of property income.

In comparison to 1Q15, both net property income margin and net investment income margin increased by 1.6%yoy resulting from a reduction of property expenses was more than that of property income.

### Statement of Financial Position Movement

*NAV increased to Baht 12.9616 per unit. Borrowing stood at Baht 1,955.0 million.*

As of 30 June 2015, CPNRF reported total investment in properties of Baht 31,043.0 million. Net Asset Value ("NAV") was recorded at Baht 31,938.0 million or Baht 12.9616 per unit as at 30 June 2015, a rise from Baht 12.5145 at the end of 2014. Total borrowings amount remained at Baht 1,955.0 million due to additional borrowing and refinancing of loans for the investment of CentralPlaza Chiangmai Airport Project since April 2014.

## FINANCIAL SUMMARY

## Income Statement

Unit: Baht Million	2Q15	1Q15	Change QoQ	2Q14	Change YoY
<i>Property income</i>	766.1	867.8	(11.7%)	825.0	(7.1%)
Rental and service income	742.4	845.0	(12.1%)	799.6	(7.2%)
Other income	23.7	22.8	4.1%	25.3	(6.4%)
Interest income	1.4	2.6	(47.8%)	5.7	(76.3%)
<b>Total income</b>	<b>767.5</b>	<b>870.4</b>	<b>(11.8%)</b>	<b>830.7</b>	<b>(7.6%)</b>
<i>Property expenses</i>	122.4	152.9	(19.9%)	125.6	(2.6%)
Cost of rental and service	27.9	27.4	1.8%	28.3	(1.4%)
Selling and administrative expenses	9.6	13.1	(26.9%)	10.9	(11.7%)
Property management fee	84.9	112.3	(24.4%)	86.4	(1.8%)
Other expenses	0.0	0.0	(73.3%)	0.0	(86.2%)
Interest expense	18.4	17.9	2.7%	14.8	23.9%
Other management fees and expenses	10.5	10.1	3.6%	9.4	12.3%
Amortisation of deferred expenses	0.0	0.0	n.a.	0.0	n.a.
<b>Total expense</b>	<b>151.2</b>	<b>180.9</b>	<b>(16.4%)</b>	<b>149.8</b>	<b>1.0%</b>
<b>Net investment income</b>	<b>616.2</b>	<b>689.5</b>	<b>(10.6%)</b>	<b>680.9</b>	<b>(9.5%)</b>
Net realised gain (loss) from changes in investment value	2.2	(0.2)	(1036.2%)	0.4	510.1%
Net unrealised gain (loss) from changes in investment value	113.8	944.4	(87.9%)	169.3	(32.8%)
<b>Net increase in net assets from operations</b>	<b>732.2</b>	<b>1,633.6</b>	<b>(55.2%)</b>	<b>850.6</b>	<b>(13.9%)</b>
<b>Income available for distribution</b>	<b>616.2</b>	<b>689.5</b>	<b>(10.6%)</b>	<b>680.9</b>	<b>(9.5%)</b>
<b>Distribution</b>	<b>553.1</b>	<b>670.6</b>	<b>(17.5%)</b>	<b>685.8</b>	<b>(19.3%)</b>
<b>Distribution per unit (in Baht)</b>	<b>0.2500</b>	<b>0.3031</b>	<b>(17.5%)</b>	<b>0.3230</b>	<b>(22.6%)</b>
Net property income margin	84.0%	82.4%	1.6%	84.8%	(0.8%)
Net investment income margin	80.4%	79.5%	0.9%	82.5%	(2.1%)

Source: CPNRF. Based on annual financial statements and audit reports of Certified Public Accountant for 1Q15 and 1Q14 and financial statements and review report of Certified Public Accountant for 4Q14

## Statement of Financial Position

Unit: Baht Million	2Q14	3Q14	4Q14	1Q15	2Q15
<i>Investment at fair value</i>	30,265.8	30,486.9	30,447.7	31,253.3	31,502.3
Central Rama II	6,553.0	6,588.0	6,463.0	6,530.0	6,532.0
Central Rama III	6,729.0	6,899.0	7,164.0	8,117.0	8,216.0
Central Pinklao	5,724.0	5,639.0	5,502.0	5,507.0	5,439.0
Chiangmai Airport	10,790.9	10,790.9	10,790.9	10,746.0	10,856.0
<i>Total investment in properties</i>	<i>29,796.9</i>	<i>29,916.9</i>	<i>29,919.9</i>	<i>30,900.0</i>	<i>31,043.0</i>
Investment in securities	468.9	569.9	527.7	353.3	459.3
Cash on hand and at banks	226.7	207.4	303.5	413.1	235.7
Other assets	266.9	294.0	240.1	235.0	199.9
<b>Total assets</b>	<b>30,759.5</b>	<b>30,988.3</b>	<b>30,991.3</b>	<b>31,901.4</b>	<b>31,938.0</b>
Deposits received from customers	1,010.7	1,003.5	994.4	992.5	974.6
Borrowing	1,955.0	1,955.0	1,955.0	1,955.0	1,955.0
Other liabilities	294.1	299.1	351.8	338.2	331.0
<b>Total liabilities</b>	<b>3,259.7</b>	<b>3,257.6</b>	<b>3,301.1</b>	<b>3,285.6</b>	<b>3,260.5</b>
<b>Net Asset</b>	<b>27,499.7</b>	<b>27,730.6</b>	<b>27,690.2</b>	<b>28,615.8</b>	<b>28,677.4</b>
Capital received from unitholders	24,406.2	24,406.2	24,406.2	24,406.2	24,406.2
Retained earnings	3,093.5	3,324.4	3,324.4	4,209.6	4,271.2
<b>NAV per unit (in Baht)</b>	<b>12.4294</b>	<b>12.5338</b>	<b>12.5155</b>	<b>12.9338</b>	<b>12.9616</b>

Source: CPNRF. Based on interim financial statements and review reports of Certified Public Accountant for 2Q14, 3Q14, 1Q15 and 2Q15 and annual financial statements and audit reports of Certified Public Accountant for 4Q14

## OPERATIONS SUMMARY

### I. Leasable Area and Occupancy

	Area (sqm)		Occupancy Rate <sup>/1</sup>				
	Gross Area	Leasable	30 Jun 14	30 Sep 14	31 Dec 14	31 Mar 15	30 Jun 15
Rama II	251,182	88,038	95.8%	96.1%	96.5%	95.6%	96.0%
Rama III	169,740	37,324	94.5%	93.8%	93.8%	90.8%	90.7%
Pinklao (Plaza)	135,018	21,829	100.0%	97.5%	98.3%	76.5%	50.2%
Pinklao Tower A & B	50,653	33,760	98.3%	96.9%	96.2%	97.0%	97.5%
Chiangmai Airport	78,849	37,307	98.0%	97.9%	98.9%	97.5%	96.7%
<b>CPNRF Portfolio</b>	<b>685,442</b>	<b>218,258</b>	<b>96.7%</b>	<b>96.3%</b>	<b>96.6%</b>	<b>93.4%</b>	<b>90.9%</b>

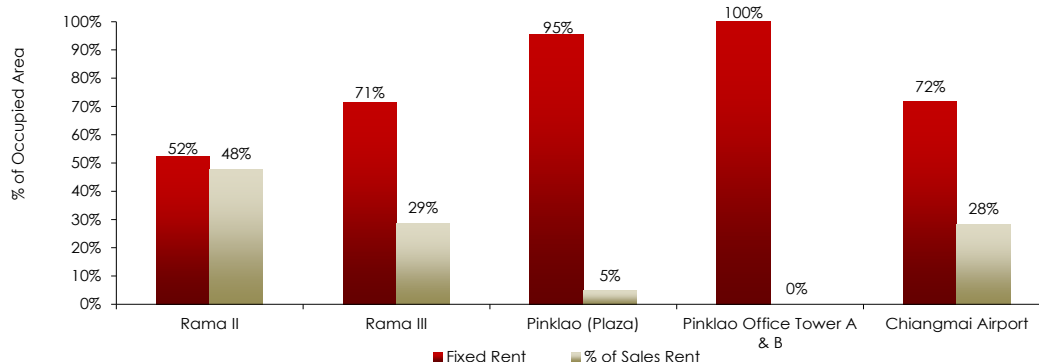
Note: /1 Anchor and shop tenants only  
Source: CPN

### II. Renewals and New Leases

	From 1 January to 30 June 2015 <sup>/1</sup>		
	Renewals and New Leases		
	No. of Leases	Area (sqm)	% of Total <sup>/2</sup>
Rama II	30	3,418	3.9%
Rama III	14	2,365	6.3%
Pinklao (Plaza)	-	-	-
Pinklao Tower A & B	4	1,296	3.8%
Chiangmai Airport	33	3,189	8.5%
<b>CPNRF Portfolio</b>	<b>81</b>	<b>10,268</b>	<b>4.7%</b>

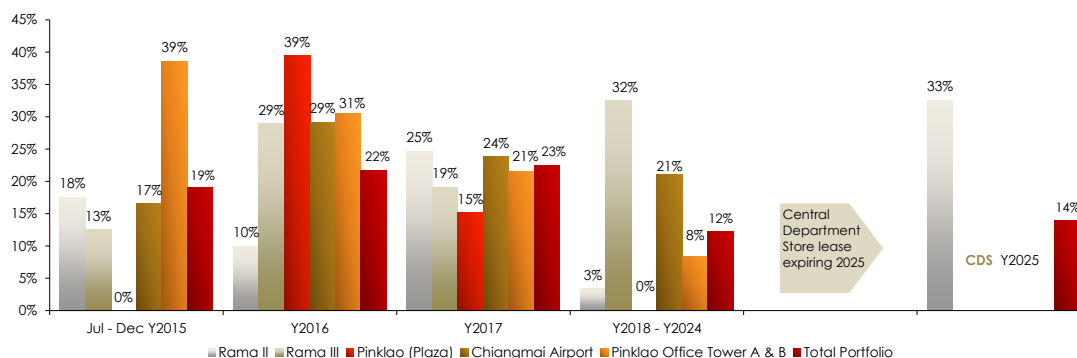
Note: /1 Exclude rental agreements < 1 year  
/2 Percentage of leasable area as at 30 June 2015  
/3 Exclude rental agreements with revenue sharing clause  
Source: CPN

### III. Rental Structure



Source: CPN

### IV. Lease Expiry Profile



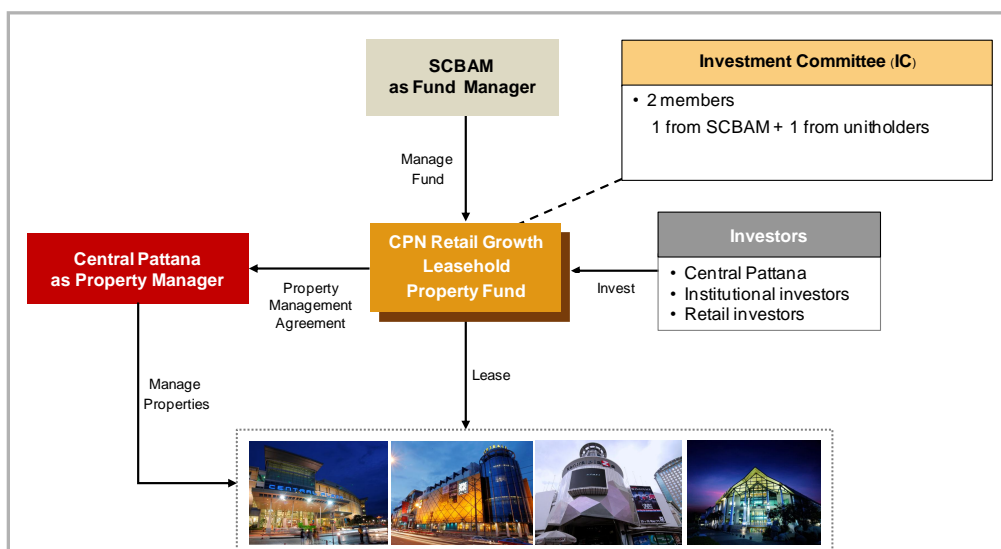
Note:  
1. Percentage of total occupied area as at 30 June 2015  
2. Exclude rental agreements < 1 year  
Source: CPN

**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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