



**Net investment income for 1Q17 increased 5.4% yoy.** Net investment income was Baht 725.8 million, increased from Baht 688.9 million. This was mainly from 95.7% occupancy rate of CentralPlaza Pinklao since the end of 2016 after the completion of renovation in May 2016. Consequently, rental and service income increased by 5.1%, despite certain areas of CentralPlaza Rama2 and CentralPlaza Chiangmai Airport were under renovation.

**Total income increased by 5.5%yoy.** In 1Q17, total income was Baht 902.3 million, increased from Baht 855.0 million in 1Q16. Also, total expense was Baht 176.5 million, increased by 6.3%yoy, driven by 10.6% increase of property management fee responding to rental and service income, and 22.6% increase of selling and administrative income from advertising expenses.

**Distribution per unit from 1Q17 performance increased 5.1%yoy.** CPNRF announced 1Q17 distribution of Baht 648.3 million or 0.2930 Baht per unit, equivalent to annualized distribution yield of 6.2%, at the price of Baht 19.10 per unit as at 31 March 2017.

**SHARE INFO: As of 12 May 2017**

|                                   |          |
|-----------------------------------|----------|
| Unit Price (Bt)                   | 17.40    |
| Shares Outstanding (mln)          | 2,212.5  |
| Market Capital (Bt mln)           | 38,497.1 |
| NAV (Bt mln) <sup>/1</sup>        | 29,521.3 |
| NAV per Unit (Bt) <sup>/1</sup>   | 13.3431  |
| Premium/ (Discount) <sup>/1</sup> | 30.4%    |

Note:  
<sup>/1</sup> NAV as of 31 March 2017

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Request for additional information should be directed to:  
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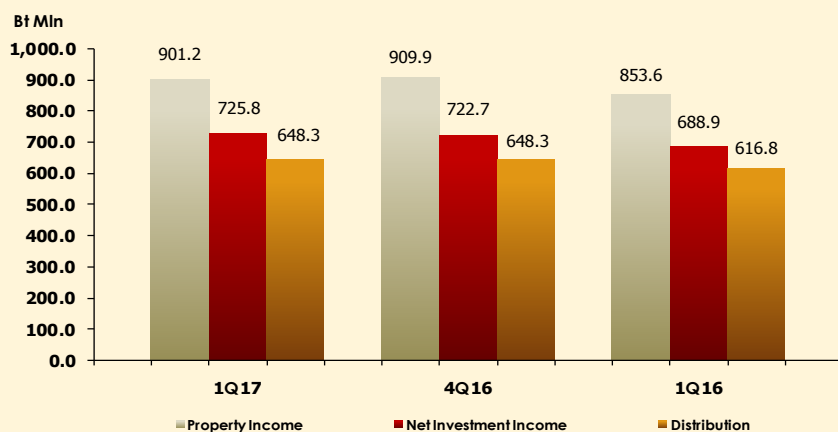
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Source: CPNRF. Based on (reviewed/audited) financial statements and reports of Certified Public Accountant for each quarter

## MANAGEMENT DISCUSSION AND ANALYSIS

### Statement of Income

*1Q17 total income was Baht 902.3 million, increased from Baht 855.0 million or 5.5%yoy.*

#### Total Income

CPNRF reported total income for 1Q17 of Baht 902.3 million, increased by 5.5%yoy from Baht 855.0 mn in 1Q16. This was attributable to an increase of 5.6% in rental and service income to Baht 901.2 million, mainly from CentralPlaza Pinklao - after completion of renovation in May 2016. Meanwhile, CentralPlaza Rama 2 and CentralPlaza Chiangmai Airport have been under renovation for certain areas, therefore CPNRF's occupancy rate in March 2017 was at 88.9%

The renovation project of CentralPlaza Rama 2 is approximately 25% of shopping complex, divided into 2 phase; phase 1 (an area of approximately 47% of the renovated project) is to prepare and apportion areas to accommodate retail tenants in the future, for approximately 6 months ended June 2017, and phase 2 (53% of the renovated area) is to improve common areas and facilities within and surrounding shopping center approximately 5 months from March to August 2017.

The renovation project of CentralPlaza Chiangmai Airport is approximately 10% of shopping complex to rotate shops zoning, prepare area for new anchor tenant, to decorate leasable area, to improve common area, as well as to improve façade. The renovation plan divided into phase 1 (an area approximately 13% of the renovated project) for 1 month since September 2016, and phase 2 (87% of the renovated project), and phase 3 improve and strengthen the structure of the building for approximately 6 months starting from November 2016 – April 2017.

#### Total Expense

*Total expense increased by 6.3%yoy to Baht 176.5 million, mainly from property management fee.*

Total expense for 1Q17 was Baht 176.5 million, increased by 6.3%yoy. This resulted mainly from property expenses i.e. selling and administrative expenses increased by 22.6%yoy, mainly from advertising expenses, and property management fee was Baht 104.5 million, increased by 10.6%yoy driven by higher rental and service income and leasing commission. Meanwhile, cost of rental and service was Baht 25.8 million, decreased by 8.1%yoy, following lower occupancy rate.

### Net Investment Income and Distribution

*A distribution from 1Q17 operation period was Baht 0.2930 per unit.*

Net investment income for 1Q17 totaled Baht 725.8 million, increased by 5.4%yoy. The Fund announced the distribution for 1Q17 performance of Baht 725.8 million, increased by 5.4%yoy, which was Baht 0.2930 per unit. This was equivalent to 6.2% annualized yield at the price of Baht 19.10 per unit as at 31 March 2017. The XD Date was on 12 May 2017, followed by the book closing date on 17 May 2017, and distribution payment was 30 May 2017.

### Profitability

*1Q17, Net property income margin and net investment income margin were 83.6% and 80.5%, respectively.*

Net property income margin for 1Q17 was 83.6%, decreased by 0.4%yoy. Net investment income margin was 80.5%, decreased by 0.2%yoy. These were resulting from an increase of property expense was higher than that of property income.

### Statement of Financial Position Movement

*NAV decreased to Baht 13.3431 per unit. Borrowing stood at Baht 1,852.9 million.*

As of 31 March 2017, total investment in properties was Baht 31,820.0 million, declined from Baht 32,309 million. Net Asset Value ("NAV") was recorded at Baht 29,521.3 million or Baht 13.3431 per unit, a drop from Baht 13.5561 per unit at the end of 2016. Total borrowings amount was Baht 1,852.9 million, decrease from Baht 1,874.6 million at the end of 2016.

## FINANCIAL SUMMARY

## Income Statement

| Unit: Baht Million  | 1Q17          | 4Q16          | Change<br>QoQ  | 1Q16          | Change<br>YoY  |
|---|---------------|---------------|----------------|---------------|----------------|
| <i>Property income</i>                                      | 901.2         | 909.9         | (1.0%)         | 853.6         | 5.6%           |
| Rental and service income                                   | 870.4         | 887.5         | (1.9%)         | 828.1         | 5.1%           |
| Other income  | 30.8          | 22.4          | 37.1%          | 25.5          | 20.6%          |
| Interest income   | 1.1           | 1.5           | (25.5%)        | 1.4           | (23.1%)        |
| <b>Total income</b>   | <b>902.3</b>  | <b>911.4</b>  | <b>(1.0%)</b>  | <b>855.0</b>  | <b>5.5%</b>    |
| <i>Property expenses</i>                                    | 148.2         | 159.6         | (7.1%)         | 137.2         | 8.1%           |
| Cost of rental and service                                  | 25.8          | 32.0          | (19.3%)        | 28.1          | (8.1%)         |
| Selling and administrative expenses                         | 17.9          | 22.2          | (19.4%)        | 14.6          | 22.6%          |
| Property management fee                                     | 104.5         | 105.4         | (0.8%)         | 94.5          | 10.6%          |
| Other expenses  | 0.0           | 0.0           | 84.8%          | 0.0           | 6.7%           |
| Interest expense  | 17.4          | 18.0          | (3.3%)         | 18.2          | (4.0%)         |
| Other management fees and expenses                          | 10.8          | 11.1          | (2.7%)         | 10.8          | 0.3%           |
| <b>Total expense</b>  | <b>176.5</b>  | <b>188.7</b>  | <b>(6.5%)</b>  | <b>166.1</b>  | <b>6.3%</b>    |
| <b>Net investment income</b>                                | <b>725.8</b>  | <b>722.7</b>  | <b>0.4%</b>    | <b>688.9</b>  | <b>5.4%</b>    |
| Net realised gain (loss) from changes in investment value   | 0.1           | (0.6)         | (114.7%)       | (3.5)         | (102.5%)       |
| Net unrealised gain (loss) from changes in investment value | (548.9)       | (32.8)        | 1575.9%        | 100.0         | (648.9%)       |
| <b>Net increase in net assets from operations</b>           | <b>176.9</b>  | <b>689.3</b>  | <b>(74.3%)</b> | <b>785.4</b>  | <b>(77.5%)</b> |
| <b>Income available for distribution</b>                    | <b>725.8</b>  | <b>722.7</b>  | <b>0.4%</b>    | <b>688.9</b>  | <b>5.4%</b>    |
| <b>Distribution</b>   | <b>648.3</b>  | <b>648.3</b>  | <b>0.0%</b>    | <b>616.8</b>  | <b>5.1%</b>    |
| <b>Distribution per unit (in Baht)</b>                      | <b>0.2930</b> | <b>0.2930</b> | <b>0.0%</b>    | <b>0.2788</b> | <b>5.1%</b>    |
| Net property income margin                                  | 83.6%         | 82.5%         | 1.1%           | 83.9%         | (0.4%)         |
| Net investment income margin                                | 80.5%         | 79.4%         | 1.1%           | 80.7%         | (0.2%)         |

Source: CPNRF. Based on (reviewed/audited) financial statements and reports of Certified Public Accountant for each quarter and year.

## Statement of Financial Position

| Unit: Baht Million                    | 1Q16            | 2Q16            | 3Q16            | 4Q16            | 1Q17            |
|---------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| <i>Investment at fair value</i>       | 32,391.8        | 32,799.8        | 33,053.0        | 32,971.9        | 32,616.8        |
| Central Rama II                       | 6,591.0         | 6,622.0         | 6,711.0         | 6,705.0         | 6,520.0         |
| Central Rama III                      | 8,798.0         | 8,835.0         | 8,917.0         | 9,156.0         | 9,540.0         |
| Central Pinklao                       | 5,520.0         | 5,546.0         | 5,593.0         | 5,495.0         | 5,180.0         |
| Chiangmai Airport                     | 11,005.0        | 11,075.0        | 10,992.0        | 10,953.0        | 10,580.0        |
| <i>Total investment in properties</i> | <i>31,914.0</i> | <i>32,078.0</i> | <i>32,213.0</i> | <i>32,309.0</i> | <i>31,820.0</i> |
| Investment in securities              | 477.8           | 721.8           | 840.0           | 662.9           | 796.8           |
| Cash on hand and at banks             | 526.6           | 259.2           | 287.6           | 464.6           | 339.7           |
| Other assets                          | 170.3           | 198.2           | 156.2           | 167.3           | 153.8           |
| <b>Total assets</b>                   | <b>33,088.7</b> | <b>33,257.1</b> | <b>33,496.8</b> | <b>33,603.8</b> | <b>33,110.2</b> |
| Deposits received from customers      | 1,089.4         | 1,100.6         | 1,114.8         | 1,138.0         | 1,130.9         |
| Borrowing                             | 1,927.2         | 1,917.9         | 1,896.2         | 1,874.6         | 1,852.9         |
| Other liabilities                     | 554.5           | 496.9           | 496.6           | 598.6           | 605.1           |
| <b>Total liabilities</b>              | <b>3,571.0</b>  | <b>3,515.4</b>  | <b>3,507.6</b>  | <b>3,611.2</b>  | <b>3,588.9</b>  |
| <b>Net Asset</b>                      | <b>29,517.6</b> | <b>29,741.7</b> | <b>29,989.2</b> | <b>29,992.6</b> | <b>29,521.3</b> |
| Capital received from unitholders     | 24,406.2        | 24,406.2        | 24,406.2        | 24,406.2        | 24,406.2        |
| Retained earnings                     | 5,111.4         | 5,335.5         | 5,583.0         | 5,586.4         | 5,115.1         |
| <b>NAV per unit (in Baht)</b>         | <b>13.3414</b>  | <b>13.4427</b>  | <b>13.5545</b>  | <b>13.5561</b>  | <b>13.3431</b>  |

Source: CPNRF. Based on interim financial statements and review reports of Certified Public Accountant for each quarter and year.

## OPERATIONS SUMMARY

### I. Leasable Area and Occupancy

|                        | Area (sqm)     |                | Occupancy Rate <sup>/1</sup> |              |              |              |              |
|------------------------|----------------|----------------|------------------------------|--------------|--------------|--------------|--------------|
|                        | Gross Area     | Leasable       | 31 Mar 16                    | 30 Jun 16    | 30 Sep 16    | 31 Dec 16    | 31 Mar 17    |
| Rama II                | 251,182        | 87,612         | 86.9%                        | 86.7%        | 87.2%        | 86.7%        | 84.8%        |
| Rama III               | 169,740        | 37,346         | 91.2%                        | 91.1%        | 89.9%        | 90.0%        | 86.9%        |
| Pinklao (Plaza)        | 135,018        | 27,772         | 74.9%                        | 90.0%        | 91.1%        | 95.7%        | 95.7%        |
| Chiangmai Airport      | 122,991        | 37,553         | 96.7%                        | 94.8%        | 94.0%        | 96.5%        | 94.0%        |
| Pinklao Tower A & B    | 50,653         | 33,938         | 96.8%                        | 93.3%        | 91.5%        | 90.0%        | 90.0%        |
| <b>CPNRF Portfolio</b> | <b>729,584</b> | <b>224,223</b> | <b>89.3%</b>                 | <b>90.2%</b> | <b>89.9%</b> | <b>90.5%</b> | <b>88.9%</b> |

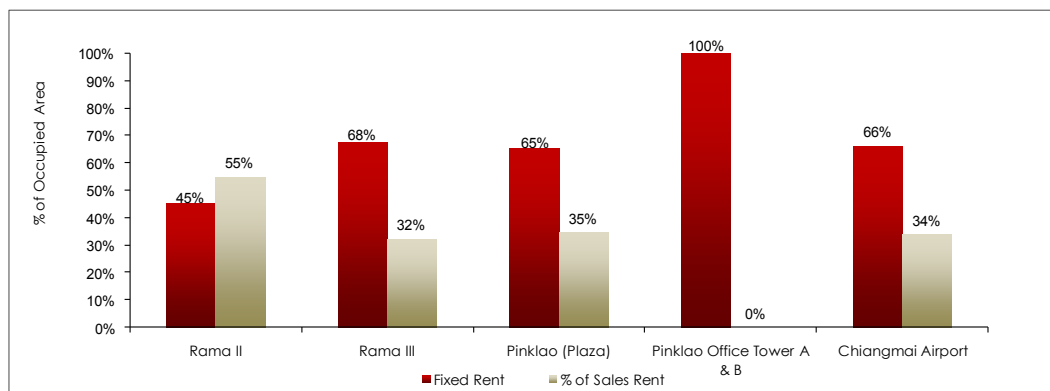
Note: /1 Anchor and shop tenants only  
Source: CPN

### II. Renewals and New Leases

|                        | From 1 January to 31 March 2017 <sup>/1</sup> |               |                          |
|------------------------|---|---------------|--------------------------|
|                        | Renewals and New Leases                       |               |                          |
|                        | No. of Leases                                 | Area (sqm)    | % of Total <sup>/2</sup> |
| Rama II                | 49  | 2,372         | 2.7%                     |
| Rama III               | 82  | 6,434         | 17.2%                    |
| Pinklao (Plaza)        | -   | -             | -                        |
| Chiangmai Airport      | 20  | 1,846         | 4.9%                     |
| Pinklao Tower A & B    | 7   | 1,676         | 4.9%                     |
| <b>CPNRF Portfolio</b> | <b>158</b>                                    | <b>12,328</b> | <b>5.5%</b>              |

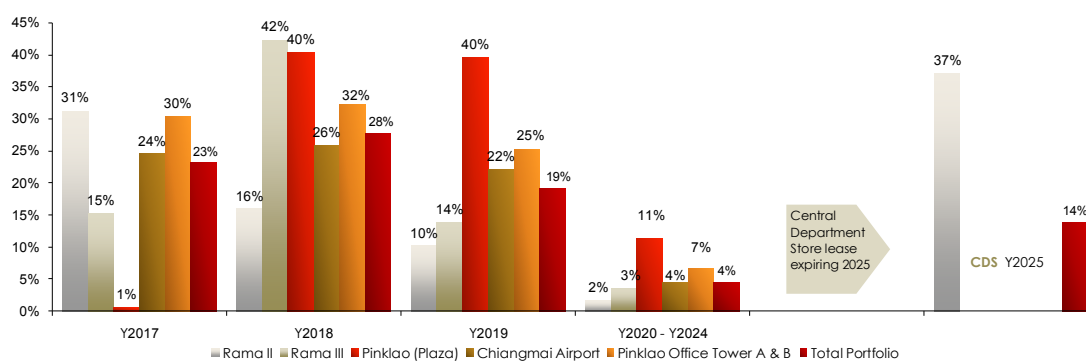
Note: /1 Exclude rental agreements < 1 year  
/2 Percentage of leasable area as at 31 March 2017  
/3 Exclude rental agreements with revenue sharing clause  
Source: CPN

### III. Rental Structure



Source: CPN

### IV. Lease Expiry Profile



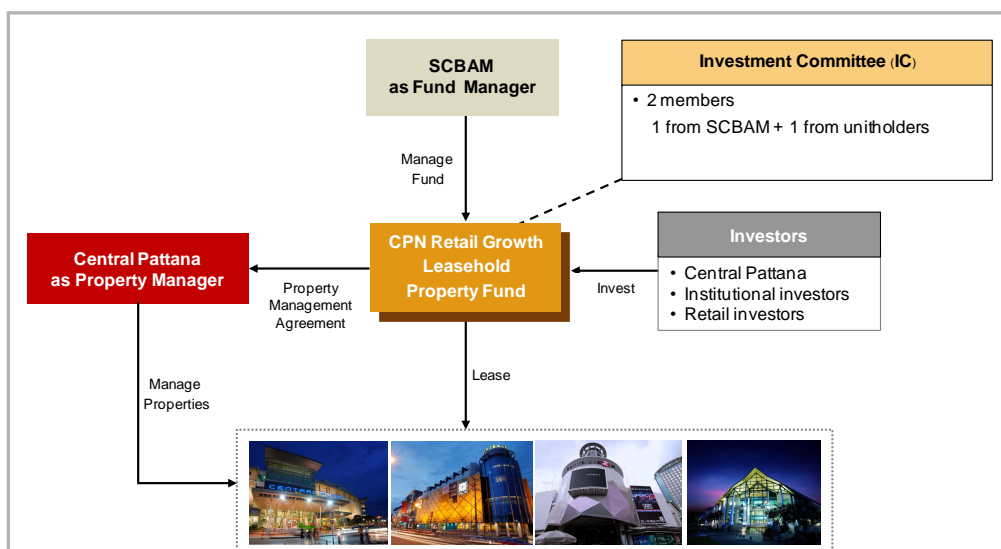
Note:  
1. Percentage of total occupied area as at 31 March 2016  
2. Exclude rental agreements < 1 year  
Source: CPN

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<br>16 August 2005 for CentralPlaza Ratchada-Rama III<br>4 November 2009 for CentralPlaza Pinklao<br>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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