

Session I: CPN Presentation 4Q06 and FY2006
Subject : Analyst Briefing 4Q06 and FY2006
Venue : The Stock Exchange of Thailand
Date: March 13th, 2007
Speaker : Mr Naris Cheyklin (SEVP & CFO of CPN)

A warm welcome to all analysts, investors and fund managers,

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First, I wish to begin with CPN and an overview of the retail business. In the year 2006 we experienced many negative events that had an effect on the company's revenue, which you can see from the slides that caused only a 1-2% growth in retail sales, as compared to a 7-9% growth in the year 2005, which is a rather dramatic slide in sales due to the negative events of the past year.

At this time the Ministry of Commerce is about to pass a retail law that I believe will have a large effect on the retail industry. I believe that the government is currently dealing with this issue, and the law will soon be passed, but first needs to be discussed. We certainly will raise our concerns to the government that if the law becomes too broad it will have an adverse effect on the growth of companies in this business, as some plans for expansion for certain businesses will have to be curbed. We are fortunate that we have already announced and received permission for four (4) of our new projects, but after that I am not sure what effects the new law will have; we are currently waiting to see so we can further evaluate the situation.

If there is stability in the political situation, the price of oil, government expenses, private and public investment, the new Constitution, and a possible election in 2007, and if everything goes smoothly we believe that there will be a positive change in total sales for the retail industry in the second half of 2007, which we believe will increase in comparison to 2006.

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Supply in the retail market increased 156,000 square meters, or 3.6%, over the first 9 months of 2006, which increase came from malls and retail space within offices, especially in the CBD area. The vacancy rate increased from 5.4% in the 2nd quarter of 2006 to 5.8% in the 3rd quarter of 2006 as the CentralWorld shopping center opened, and shops are currently in the process of completing fitting-out. In the 2nd half of 2007, there will be a small new shopping mall named Crystal, near the Ekkamai-Raminthra expressway. It is now being built, but the development schedule is not clear and I'm not sure if they will open according to schedule. Over the past year rental rates have remained stable and there should not be any major increase or decrease in rates over the short run. In some locations, however, it may not be possible to increase rates due to an over-supply in those areas, especially the CBD area.

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There has been an increase in office building space due mainly to the opening of three new buildings in the CBD, which are "Q-House Lumpini", "Column Tower", and "Exchange Tower", and another 5 buildings in the non-CBD area as shown in the slide. We should see an increase in supply and, therefore, a decrease in the average occupancy rate. The vacancy rate increased from 4.8% to 8.1% and there will be an increase of 36,000 square meters in the supply of space in the market. There will most likely be a slow down in the growth of the rental rate because of the economic situation, which should drag down confidence in office expansion and renting new office. We are lucky that our office space in Central World is almost completely rented, so we shouldn't have any problems.

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One of our accomplishments in 2006 was a 4.4% growth in total revenue. Excluding a one-time gain from the divestment of assets to the CPN Retail Growth Property Fund (“CPNRF”) in 2005, operating profit grew by 8%, and net profit by 16.6%. The effective rental rate increased by about 12%, and leasable area increased about 10% y-o-y, due mainly to the completion of CentralWorld. The additional parking structure for Central Plaza Rattanathibet has been completed and Pinklao Tower B has been successfully converted from a residential apartment to an office building.

The retail occupancy rate was 93% in the 4th quarter of 2005 and down to 92% for the 4th quarter of 2006, due to the newly opened CentralWorld, of which about 80% of the area was occupied as of last year. This pulled down the average occupancy rate of shopping center to 92%. In term of sales progress has increased to 90-91% with many more new stores currently doing fittings and decoration. The new parking area for Central Plaza Rattanathibet is complete. We almost complete the face-lift of Central Plaza Ramintra, where as new SF Cinema just had its soft launch. We are going to have famous brand stores opening, such as Fuji, as well as many leading banks that have begun to open. We are doing different kinds of work here, leasing back some of the areas from tenants and refurbish them. This should enable Central Plaza Ramintra to become a new project for sales.

As for Central Plaza at Rama 2 and Rama 3, we have executed according to plan. At Central Plaza Rama 2, we constructed new retail space for a fitness center. As for Central Plaza Rama 3 we relocated the escalators and the food court, and have subsequently turned that area into a “Power Buy” Center, which is to be the new anchor and an extension of the Central Department Store. These are some of the initiatives that we have finished already.

For Central Plaza Chaengwattana and Central Festival Pattaya, our two new projects, we completed the piling work already. Chaengwattana now has a contractor in place and the positive news is that the current price of construction is lower than we originally budgeted for. This is good news that comes with the bad news of slowdown economy. I believe that the market is turning in the favor of developers. As you can see from the chart in the upper-right, market share for our company is at about 28% and we are still the leader of the industry. As for value created for our stockholders, we can see that the market capitalization of our company has increased from 17 billion in 2004 to 49 billion in 2006, an increase of nearly 3 times.

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In order to support the company’s growth, CPN has focused its efforts in the area of developing our personnel and our organization, which we consider to be our companies’ main asset or human capital. In 2006 we undertook *Strategic Manpower Planning*, which is important in our opinion. The directors required us to prepare a specific plan for our personnel to support business expansion in the next 3-5 years, which has already been prepared and presented for the directors to review. We have set-up a *Strategic Planning and Business Policy Office*, or strategic planning sections, that oversee corporate planning and the direction of the company. We have also continued work in Balanced Score Card, Job Description and Corporate Governance.

Business Process Improvement (BPI) has enabled us to compete both domestically and abroad. We completed , for the first time, a complete manual for shopping center general manager and “Service Excellence” program under the “Admired Quality Awards (AQA)”. We have continued extensive work on human capital. The compensation packages have also been improved to an appropriate level commensurate with other leading companies. For the past 2-3 years we have lost a few valued staff to competitors. As our

business has continuously expanded, we will make sure that we are not losing any key employees. The important part of our human capital management has been undertaken already and should increase people cost. However we had done ratio analysis and it showed that this would not significantly hurt the bottom line and we will be able to maintain EBITDA growth for at least another 3-4 years. In 2007, we are planning to implement Economic Value Added through hiring a consultant. Total Quality Management (TQM) and Total Quality Award (TQA) programs will be kicked off this Thursday. The management team will meet and discuss how to enhance our efficiency and compete in the market with international players. We will continue extensive works in BPI and human resource management as part of the focus on Career Path and Succession Planning in 2007.

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In the area of operations, for all of our 10 malls, we have total leasable area of 680,000 square meters with over 2,800 tenants. Our occupancy rate was 92% in 2006, down from 93% in 2005. Compared to 3rd quarter of 2006, occupancy rate grew from 84% to 92% because CentralWorld had shops opening on a continuous basis. By the end of the 1st quarter of 2007, this number should likely improve to around 93% as new shops have begun opening. Jim Thompson just opened its really beautiful store, as well as Lacoste flagship store, which are two examples.

For you who haven't been to CentralWorld yet, please visit and take a look to the things that we have done there. You might not see that many people, but we are positive that with quality products it will begin to attract more people, however it will take some time, which is the norm of shopping center business. We also experienced this with Central Plaza Rama 2 and Central Plaza Chiangmai. As for Central Plaza Rama 2, at the beginning when people were not yet familiar with the new mall and so they tend to continue going to more familiar places. We are certain that the quality of products that we offer will encourage customers to come to our mall.

The 3rd quarter of this year will begin with what is to be the biggest hotel convention center in the region. The convention center is scheduled to open in June or July of this year with the hotel anticipating sometime next year. We are confident that the convention center once it opens will encourage more traffic. We will also continue to add supplemental structures to the center to make it more accessible. Construction is nearly complete and we will continue to add value and services.

By the end of 2007, CentralWorld should be at 95% occupancy and foot traffic should improve.

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As for offices and residential, There is 145,000 square meters of office space with an average occupancy rate of 89%, which is an improvement when compared to 83% last year. The increase was due to higher take-up rate at The Offices at CentralWorld. Certain projects have seen a decrease, such as Pinklao Tower A, but should increase again in the future, while Tower B had its take-up rate increased from 52% to 60%. Office at Bangna also had a slight decrease in the fourth quarter. Residential is not significant to the performance of the company. The residential at Bangna is not for rent, but for sales. We just rent them out temporary, mostly to foreigners, and we currently don't have many units left.

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In Ratanathibet, we have invested 652 million baht in parking and the parking project is complete, as you can see in the picture on the right. Originally we had planned on doing a small project at Rattathibet, but it continued to expand until it ended up larger than we had originally anticipated. It is roughly the same size as

Central Ladphrao and only slightly smaller than Central Plaza at Rama 3. I believe this will be an important center for us in the future, as the first future skytrain line will be there.

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For those of you who live on Ramindra Road, you will notice that we are almost finished with our renovation of central there and you are welcome to visit it if you would like.

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For the year 2006, average rent grew to 1,164 and the average for the 4th quarter of 2006 was 1,214, after taking into account the discount given at CentralWorld. The other day there was an article in the Thai Rath newspaper stating that we dropped the rents at CentralWorld for 50% to about 217 Baht per squaremeter per day. The said rent is extremely high and far beyond reality. So the article was incorrect. A discount is being given in certain locations, but only runs between 30%-50%, and this type of discount is to be expected. When we first open a new area we normally offer a discount of about 20% for a certain amount of time. For CentralWorld we have to give an additional discount of 10-30% because it hasn't completed yet in every section; unlike the situation we had with Central Plaza Rama 2. When Central Plaza Rama 2 was first opened it was fully completed and so there was a steady flow of traffic. CentralWorld is an exceptional case. There were closed areas due to construction and areas where there should originally be a through-way, but because of the construction people couldn't get through. Zone A, in front of Zen, is an example of the case, for which 50% discount were temporarily offered. This fact has also been included as part of our projection. We expect that once renovations are completed, we should be able to charge regular rents. The current discount we are offering has an expiration period of 3 months, after which time we expected to raise the rent by the end of this year because it is highly likely that traffic will improve. However, the stores shouldn't mind a higher rent in that instance because they will be able to sell more.

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At Central Ladphrao and Central Plaza at Pinklao traffic has decreased slightly for two reasons: In Pinklao cannibalization has occurred due to the fact that customers who are located in the area between Central Plaza Rama 2 and Central Plaza Pinklao will chose to visit either of them. Some shoppers will choose to go to Central Plaza Rama 2 which is simply easily traffic flow on Rama 2 Road, while Pinklao experiences frequent traffic jams. However, some royalty shoppers like to go to Pinklao because it is has become a landmark and there is a wide array of stores. Stores worth paying attention to are Central Plaza Bangna and Central Plaza Rama 2. Central Plaza Rama 2 grew by 24%, a considerable high growth rate. Furthermore, Central Plaza Rattathibet grew by 50%. I would like to explain that each area follows a similar growth pattern. Upon completion of construction or renovation, the first 2-3 years usually experience a relatively low growth rate. This is due to the fact that at the beginning, people aren't familiar with the area yet and therefore don't dare go; but as they become more familiar with the Center and also stores begin to fill as we like to call the "Ultimate Retail Shopping Experience," and we believe that people will eventually chose Central Plaza Centers.

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At Central World, the zones that we have already mentioned are Zones B and C. Zone B is the old Zone with renovation and be opened since August 18, 2006 and sales progress is currently at about 94%. As for zones D, E, and F, we have sold 94%. Therefore, total net leaseable areas of 145,794 square meters were sold of 95% with an occupancy rate of 88% with another 7% currently being renovated. Phase 2 consists of zone A and Zen, comprises of 40,000 Square Meters, which was scheduled to be opened last at the end of December 2006. We have currently opened 86% of the phase 2 area and 54% of that area is occupied.

Zone A, located in front of Zen, has been currently being renovated as well. Shops recently be opened are namely LaCoste, Bread Talk, Starbucks, and Adidas.

Zone A is where the leading brand names in fashion will be located and we should see their stores begin to open in the 3rd or 4th quarter with most brands waiting for their appropriate season before their opening. For the already opened in 6 zones, sales progress in all zones is about 93%, but occupancy is still hovering at only about 81% which was a figure since the end of 2006, yet we continue to have tenants coming in.

CentralWorld is also a central location for banking businesses, having nearly every bank in Thailand located there. If there is any type of banking transaction of customer needs to be done, such as transfer money, deposits, withdraws, etc., To illustrate, going to Central World is highly convenient because the customers can proceed their transaction among banks without having to carry cash between the buildings. This brings a superb convenience to customer. For instance, Krungthai Bank is about to open, along with a lot of the larger and smaller banks of Thailand, including new banks. CentralWorld will be most likely have more ATM's then anywhere else in Thailand, with a total of approximately 42 machines.

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We believe that consumers will populate CentralWorld because CentralWorld could serve consumers' preference and needs. It is necessary to talk extensively about CentralWorld because there has been news and speculation that the performance of CentralWorld will hurt the company and it is important to reiterate that that isn't the case. On the other hand, CentralWorld is currently adding to the company's profit even we have given the rent discount. For the CentralWorld project update, Zone A, Zen, and SF Cinema are all be opened. SF Cinema is now the largest theater in the country with a total of 20 screens available at CentralWorld, 16 of which that are opened, which can serve customers' need to their preference time. SF Cinema has become a popular for companies such as PTT, KBank, SCB Bank etc, to be part of the company's investor relation program by treating them to a movie. One thing we talked about with SF Cinema is that we would like them to host movie premier openings at CentralWorld. For instance, famous Thai movies named The Bodyguard and King Naresuan were arranged premier opening at CentralWorld.

For the upcoming events, many other sections of CentralWorld are about to open as well. The Jewelry Zone on the first floor is going to be opened in the 3rd quarter of this year and there are many fabulous restaurants that will be opened from now to April. As I understand, the occupancy will reach at 90% in April 2007. A big event is scheduled to take place as well; the Grand Opening or we should call "An Anniversary". We haven't concluded in details on campaign yet, but we do know that it will be huge. The Convention Center will be opened by the 3rd quarter of this year and we expect that the convention center will become a renowned one like at Central Plaza Ladphrao, which becomes an overflow center when the Bangkok Convention Center isn't able to host all traffic due to its lack of size and blocked traffic movement. While CentralWorld is highly convenient because of its surplus parking space and its close proximity to the BTS. Moreover, many international fashion brands that haven't been in Thailand before are scheduled to make an appearance at CentralWorld as well, as I have already explained. There are certain problems with CentralWorld, however. For example, having a large mall in the CBD makes it as a prime target for instances bomb scares, but odds are people all over the world are most likely familiar with CentralWorld now because it was widely publicized on global channels like CNN and BBC. I would like to re-iterate the fact that shopping in CentralWorld is safe. Security measures have been taken and are sufficient to make sure that customers are not in any danger while they enjoy their stay there. Just recently I went to have meal at CentralWorld, both local and foreign customers looked happy and willing to have their bags checks. There are also rigid checks of the parking entrance. Those tightened security measures help them feel safe.

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An average traffic in December 2006 was around 70,000 visitors and on the 31st of December 2006 it peaked at 100,000 visitors, which is the number that we planned and is faster growth than even Central Plaza Rama 2. To achieve 100,000 visitors per day in such a short period of time is extremely fast growth. Unfortunately the traffic volume had subsequently stalled because of the bombing blast in Bangkok occurred on the New Year's Eve. Consequently, on January 1, 2007, traffic was only 30,000 visitors, but has since increased to 50,000 visitors and, most recently, roughly boost to 60,000 visitors per day.

I believe that if nothing else extraordinary occurs, we will see 100,000 visitors per day again in the 2nd quarter this year due to we are about to undergo a grand undertaking. We plan on making Central World to be "the Shopping Destination of the World. We absolutely believe that we can achieve it as we have the ability to do so. We are also supported by the integrated magnets, for instance, top-rated hotels, the largest convention center in the CBD, and nearly 100,000 square meters of office building space. There is no other place in Thailand with this type of capability. The Office building brings about 10,000 visitors per day to CentralWorld. Moreover, when the convention center opens it will be capable of holding tens of thousands of people. When you include style and decoration, I believe CentralWorld will become the next flagship store for CPN within two years, in the mean time of the expiry of Central Plaza Ladphrao with the hope of expansion. We ensure that CentralWorld will surpass and fully make substantial benefits to CPN in terms of revenues and traffic.

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The piling and foundation works to our new office tower in Chaengwattana has been laid and construction is ready to begin in the near future. 4,500-5,000 Million Baht will be invested in a 64,000 square meter shopping area (excluding a Central Department Store), and another 26,000 square meters of office space, along with 100,000 square meters of parking space. This area is set to be the location of the new city in the future, mainly due to the fact that the government is prepared to relocate 28 government agencies to this area. This should prove to be a profitable area and is scheduled to be finished near the end of 2008, most likely before November, but absolutely by December of 2008. Although the construction of Changwattana's office center will start slightly later, but it will not stay behind the schedule due to the construction is rather quick when you are out of the city.

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Of each our four new projects, Central Festival Pattaya Beach Project is the hottest. Investment in Pattaya is 3,500-4,000 Million Baht, excluding the hotel's investment cost. The total shopping area is 55,000 square meters, excluding Central Department Store. The parking is 66,000 square meters and the hotel is to be 40,000 square meters. This project is expected to be opened in the 1st quarter of 2009. If everything goes as planned, Central Festival Pattaya Beach should be finished by February 2009, with a slight chance of a 1-2 month delay, but there shouldn't be a delay as we are fully utilizing our construction capabilities. Currently, the Pattaya area is our best selling area; we have not yet to open (with opening scheduled on March 21, 2007, or in another 8 days), yet we already have people scrambling to reserve a spot and it will be opened with a lot of fanfare and advertising.

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As for other places, we have Khon Kaen, Chonburi, and Rama 9, but I won't go into detail because I've already mentioned.

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According to the numbers you see, in the year 2007 we plan on investing 7,850 Million baht, 6,230 Million Baht in 2008, 4,090 Million Baht in 2009, and 5,500 Million Baht in 2010. For the Suan Lum Night Bazaar or Pre-cadet project. The final design hasn't finished yet, but it's currently in the phases of being completed. It is going to be a large center, but we have another 5 years to continue developing it.

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As for space, we currently have an occupancy rate of 96%. We expect our leaseable area to grow 50% in the next five years (from 2007-2011). This growth includes future projects that I have earlier mentioned, however this not include the Pre-cadet project, a large project, due to we still have many years to develop it.

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For the financial performance, 2006 consolidated revenue grew by 7% yoy, EBITDA grew by 8% yoy, and adjusted net profit rose by 17% yoy, when compared to year 2005.

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4Q06 revenues grew by 16%qoq and had a year 2006 consolidated revenues growth of 7%yoy when compared to year 2005. However, the Company Only's revenues growth was recorded at 12%yoy in 2006.

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Costs have increased in tandem with revenues.

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Year 2006 personnel cost has grown by 20%yoy, in conjunction with a salary restructuring dictated by the market, in order to remain a market leader. Advertising in year 2006 was increased by 15%yoy as we prepared to open CentralWorld and we experienced the rise of depreciation expense by 3%yoy.

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Gross Profit margin in 4Q 2006 was shrunk, but 4Q 2006 EBITDA Margin grew by 10% yoy when compared to 4Q 2005. If you take overview of year 2006, you will notice that EBITDA margin remains roughly at the same rate of 49% recorded in 2005. Furthermore, Net Profit Margin in 2006 grew by 1.7%yoy and I believe that Net Profit Margin will be improved in the next few years due to the opened all phrases of CentralWorld.

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For the Capital Structure, Net Gearing is 0.6 times, which might rise slightly because we are planning a bond issuance. I do believe though that we can maintain our debt-to-equity ratio below 1 times.

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The Proportion of floating interest for the year 2007 is likely to typically found at around 44% while fixed interest portion could see at 56%. We have seen interest rates begin to fall and so we don't want to fix interest too much; therefore we have let it float for the time being. Floating interest rates will most likely cause the average interest rate in 2007 to decrease to a figure below 5.5%. If the Bank of Thailand decreases interest rates by another 1-2%, you will probably see less financing cost and even better numbers from higher profit.

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The Dividend payout ratio remains at 40%. In 2005 we realized extra gain from selling Rama 2 and Rama 3 to Property Funds, in which we were able to pay a slightly higher dividend. We had dividend payout ratio of 26% derived from extra gain, while the dividend payout ratio from normal operation remained at 40%.

Session 2 : CPN Retail Growth Property Fund

4Q 2006 and Full Year 2006 Financial Results

Subject : Analyst Briefing 4Q06 and FY2006

Venue : The Stock Exchange of Thailand

Date: March 13th, 2007

Speaker : Mrs. Jotika Savanada (Fund Manager of TMB Asset Management)

Financial Highlights

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I would like to point out certain financial highlights. You can see that profit from investment totaled 203 million baht in the fourth quarter of 2006, which was less than the third quarter. This is due to seasonal effect and less traffic from various factors such as construction of flyover bridge. If you take an overview of the year 2006, you will notice that our performance was 3% yoy higher than the projection. Net investment income was 850 Million Baht in 2006, and we are able to pay dividends. Dividends for the fourth quarter amount to 0.1880 Baht per unit, compared to a year-long total of 0.7812 Baht per unit, which turns out to be 3.4% higher than originally expected. On March 9th, 2007 the dividend yield was calculated at 7.8%.

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By looking at the income statement, it is noticeable that property income was recorded at 300 million Baht in 4Q06, and when added an interest income of 9 Million Baht, therefore total income equal to 308 Million Baht. Deducting property expenses, other management fees and expenses, and amortization of deferred expenses, the net investment income amounted to 203 Million Baht in 4Q06. Property Expense in the fourth quarter increased drastically attributable to seasonal advertising expenses. Property income for the year 2006 was 1,172 Million Baht. Interest income in 2006 amounted to 29 Million Baht for a grand total income of 1,200 Million baht in 2006, which was similar to our forecast. When expenses are subtracted, net investment income in year 2006 now becomes 850 Million Baht, which is 3.7%yoy higher than the original forecast.

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We noted that the figures on Balance Sheet have changed on the yearly basis due to the appraisal values of Central Plaza Rama 2 and Rama 3. The investment in properties amounted to 10,772 Million baht as of Dec 31, 2006, an increase of 6.5 Million baht. This increase mainly came from the renovation of Central Plaza Rama 2 which created higher value on appraisal. The NAV per unit as end of 2006 was recorded at 10.17 Baht per unit, with discounted from the market price.

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If you were to compare our yield to other investment alternatives, how would it compare? CPNRF dividend yield spread to 10-year Government bond is 342 basis points and also bond yields have also decreased.

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Dividends were paid at 0.1886 Baht per unit in 1Q 2006, 0.2508 Baht per unit in 2Q 2006, 0.1988 Baht per unit in 3Q 2006, and lastly 0.1880 Baht per unit in 4Q 2006. The fourth quarter dividend of 0.1880 Baht per

unit will be paid on March 30th, 2007. The year 2006 dividend yield is 7.81% as of March 9th, 2007. XD Date were on March 12th, 2007 and the 4Q06 dividend will be paid on March 30th, 2007.

Operations

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We have been able to keep our occupancy rate stable at Central Plaza Rama 2. There was a slight change because of renovation, but I believe that we are now backing to original level. The first and second halves of last year the occupancy rate varies slightly due to the renovation. The food court was moved and that space is currently to open a Power Buy. We will continue to make improvements towards the end of this year. The food court will be moving to the area where we previously had a Junction X and adding more spaces for locating a fitness center, next to the food court. We can serve more customers' need and should be able to get more customers to the shopping center. The renovation should be finished in either this or next quarter and customers will be able to experience our new zone.

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The rental rate improved mainly from renewal and new leases. The increase in rental rate was higher than that of IPO projection of 5% growth, but the increase in rental rates we achieved was 8.7%, which shows the need for space at Central Plaza Rama 2 and Central Plaza Rama 3. Central Plaza Rama 2 has had a rapid growth in traffic, which means the operating center has had to concentrate on taking care of customers.

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In order to alleviate risk we are try to have a well balanced lease expiry profile in order to have a stable and more secure source of income.

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For the rental structure profile, on the right hand side, you will see the fixed rental structures at a high level compared to variable rental structure, which allows us to maintain a certain level of income. At the same time, we also use consignment or percentage rent for variable rental structure, with the minimum guarantee on a specific base so that our income stream is fairly stable.

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I would also like you to notice the difference on the tenant trade mix between Central Plaza Rama 2 and Central Plaza Rama 3 due to the two stores have a slightly different customer base. Central Plaza Rama 2 is in an area where many neighborhoods have been built, as well as an area for families, stores, and entertainment tends to be geared towards the family group. While, Central Plaza Rama 3 is closely to CBD area which considered the "new" lifestyle shopping center. It is there that you will find the "new" family or the "new" generation, along with a high concentration of expatriates in that area. By looking at the portfolios of each, however, they both appear to operate fine.

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The main magnet for shopping center is anchor store. The main anchor that is clearly visible is the Central Department Store, as well as Tops Supermarkets, HomeWorks, and Fitness First. At Central Plaza Rama 3 there is a fitness center closed to the relocated food court, an Office Depot, and Index, which definitely supports everybody's lifestyle.

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In 2006, there was a construction of overpass linked to express way nearby Central Plaza Rama 3. As a result, it made an entrance to the center become harder. Currently the construction was completed and now we have to figure out how to offer an easy access to the Center, so there is still operations work that needs to be done. Therefore we should see the traffic back to the previous normal level by the end of year 2007. As for Central Plaza Rama 2, it has experienced rapid growth and the main challenge facing us is how to make it more convenient for customers to entry. As of now, we have done away with parking passes so people can enter and exit more quickly, some may concern that removal of parking passes has raised the issue of safety. However, we have hired extra security guards and installed a CCTV system to maintain safety, as well as employing both police and also soldiers at certain times. There is some inspection that takes place at peak hours, for example, police dogs are presented as well. We also have a bomb scrutinized team that we have hired for an addition. I would like to conclude that we have had a large increase in traffic at Central Plaza Rama 2.

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For Central Plaza Rama 2, we have new leaseable area and parking space to serve customers' lifestyle. For instance, Fitness First, an anchor, to be a magnet of the "new" lifestyle center. The investment for the enhancement was Baht 70 million with an approximately IRR of 15%. Leaseable area for new anchor is approximately 2,700 square meters.

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For Central Plaza Rama3, we have added leaseable area for Central Department Store expansion and new anchor stores which are Power Buy and Fitness First. We also relocated food court area. We have put investment amounted of Baht 30 million with an approximately IRR not less than 15%.