



Annual Report 2010  
(Translation)

CPN Retail Growth Leasehold Property Fund  
From January 1, 2010 To December 31, 2010

CONTENT

Message from the Asset Management Company	2
Report on the market condition of shopping malls and office buildings in 2009	4
Categorized assets/ properties invested or acquired by the Fund	10
Details of properties invested by the Fund	13
Information regarding the Fund's loan as of 31 December 2010	14
Information regarding the disposal and transfer of property from 1 January 2010 to 31 December 2010	14
Expenses paid to the Asset Management Company	14
Expenses collected from the unitholders	15
Report on connected transactions	16
Report on Soft commission	16
Property Management's name and address	16
Mutual Fund Supervisor Opinion	17
Auditor report of Certified Public Accountant	19

## Message from the Asset Management Company

April 8, 2011

To all unitholders,

SCB Asset Management Co Ltd (“SCBAM”) would like to submit the 2010 annual report (from January 1, 2010 to December 31, 2010) of the CPN Retail Growth Fund (the “Fund”) to you.

### Overview of Thailand’s Economy in 2010

The Thai economy recovered from the previous year with a growth rate of 7.8 per cent per annum thanks largely to exports of goods and services which rose 28.5 per cent per annum in tandem with a recovery of our trading partners especially those in Asia and the newly-emerging economies. The private sector’s consumption continued to expand healthily despite an effect from a local political situation and major floods with a recorded growth of 5.9 per cent thanks to higher employment rates, farmers’ rising incomes as well as stronger consumer’s confidence after the end of the political upheaval. At the other front, the private investment recorded a high 17.6-per cent growth rate per annum to accommodate rising demands locally and abroad. In addition, the number of foreign tourists rose 13.2 per cent from the year before after the economic recovery of countries in East Asia, Asean and South Asia whose residents chose Thailand as their vacation destination. These factors contributed to the strong growth of the Thai economy in 2010.

As for the domestic stability, Thailand saw its inflation rate rise to 3.3 per cent due to a pressure of the world’s oil price which tended to rise following the recovery of the world’s economy as well as higher farm goods after the world saw its weather patterns becoming more volatile. At the same time, the basic inflation rate was up to 0.9 per cent.

Yet, despite the local political unrest which affected the Thai economy in general, eroded tourists’ confidence and slowed down consumers’ spending, the retail business continued to expand strongly the previous year.

Most were due to retailers' quick adjustment to the situation with sales promotion campaigns to re-start consumer's spending. In addition, a quick restoration of retail space damaged during the political conflict, allocation of new storefronts for small businesses as well as collaboration with the public sector to seduce tourists to return to Thailand did help the retail industry's recovery. As for the office space rental business during the first three quarters of 2010, no new office supply was introduced in the Bangkok metropolitan area, which means the supply of office space remained stable. And if all negative factors that Thailand confronted during the past five to six year whether it was an external factors such as the world's economic recession or a domestic factor such as the political unrest are taken into consideration, one could say that an occupancy rate of the office space market in Bangkok remained stable as seen from the overall occupancy rate in the third quarter of 2010, which remained as high as 88 per cent on average. This was mainly because very little new office space had been introduced to the market so far. Simultaneously, an average rent of most office space in Bangkok remained unchanged during the past six years despite the fact that there was hardly any increase of new office space and that the occupancy rate remained stable.

Meanwhile, the fund's net asset value (NAV) as of December 31, 2010 totaled Baht 16,808.59 million or an equivalence to an NAV of Baht 10.2721 per unit. During the previous year starting from January 1 to December 31, 2010, the fund earned a total revenue of Baht 2,279.06 million while spending a total of Baht 531.43 million as its expenditures. This was translated into the fund's operation profit of Baht 1,747.63 million. It paid Baht 0.991 per unit as dividend for its 2010 operation.

Finally, SCBAM would like to express our appreciation to all unitholders for your trust and confidence as reflected in your investment with the CPN Retail Growth Leasehold Property Fund.

SCB Asset Management Co Ltd

## Report on the market condition of shopping malls and office buildings in 2010

### Competition of Retail & Wholesale Business in 2010

Despite problems posed by political conflicts that affected the overall economy as well as by a decline in tourists' confidence and consumers' demand, the retail industry still enjoyed significant growth during the year. This was because most entrepreneurs promptly adjusted themselves to the situation by holding sales promotions to stimulate constant repurchases, renovating damaged stores, providing new retail space to ease the shops and small entrepreneurs, and working with the public sector in staging activities to attract tourists to return to Thailand.

The retail industry in Thailand falls into three major categories (shopping centers and department stores, community malls and lifestyle malls, and hypermarkets), each with different business operation and target groups.

#### 1. Shopping Centers and Department Stores

This group focuses on modernizing shopping centers and creating an ambience that helped shoppers feel close to nature. It also imports international fashion boutiques and increases the ratio of restaurants to serve the changing needs of customers by focusing on varieties, such as chain restaurants, Japanese food and dessert restaurants, and fusion restaurants. Shopping centers also put a stress on providing integrated services that answer every customer's demand, such as increasing pre-school schools to enhance children's development, tutorial schools for teenagers, and all-in-one beauty parlors.

As for its marketing activities, this group emphasizes joint sales promotions with department stores and retail tenants within the shopping centers, namely annual grand sales and sales promotion campaigns for each product category, including cosmetics, electrical appliances, women's apparel, and sports equipment. Entrepreneurs are more cautious about spending by focusing on efficiency, effectiveness, and endorsement from business alliances to make sales promotion campaigns more interesting and attraction. In addition to sales promotion campaigns, the entrepreneurs emphasize innovative events for a modern image, hosted in parallel with annual events that make a name for the shopping complexes.

Department stores focus on adding unique products of several categories, such as cosmetics, women's and men's apparel, as well as women's shoes and leather goods, in parallel with improved product display to better grab attention. To look more attractive, the venue was decorated in the style of a 'shop in

shop'. Furthermore, sales promotion campaigns have been continually launched, using member databases and joint promotion with credit cards. Supermarkets focus on increasing imported products, take-home food, and frozen food to suit smaller modern families that prefer buying "food to go". Supermarkets also organize sales promotional activities during festive events, such as the Chinese New Year, or events circulating from branch to branch, such as international food festivals.

## **2. Community Malls and Lifestyle Malls**

This retail group, both urban and suburban projects, has been on the expansion, focusing on supermarkets, food outlets, schools, beauty parlors, banks, and specialty shops to suit target customers' everyday life. Malls are developed as "open air" space to create a different ambience from large shopping complexes and focus on unique restaurants not available in large shopping centers.

Due to size limitation, the variety of shops is limited. On the contrary, large shopping centers constantly adapt themselves by bringing in restaurants from community malls and lifestyle malls as well as creating a more natural ambience. This puts pressure on entrepreneurs in this group to adapt themselves to maintain their uniqueness.

## **3. Hypermarkets**

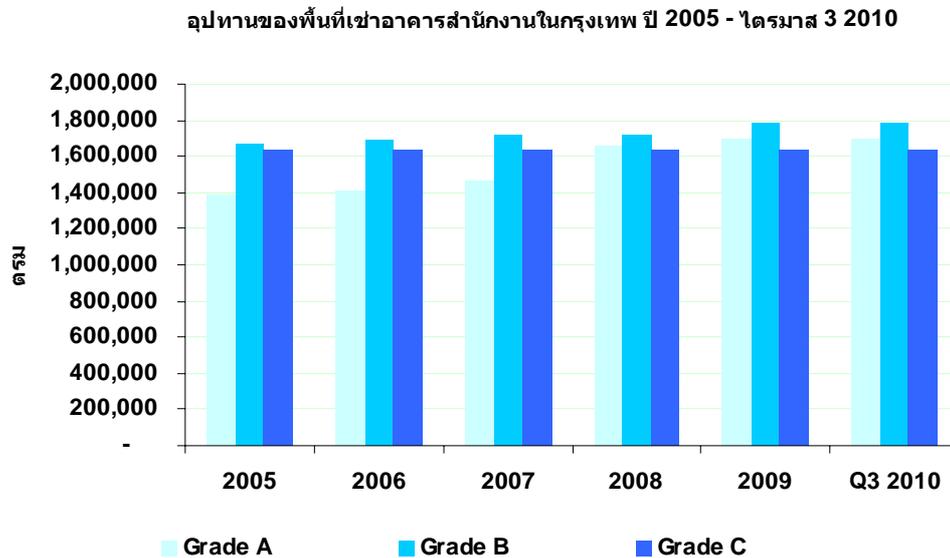
Lately, entrepreneurs in this group have adjusted their pattern or model by reducing their sizes. The milestone in 2010 was the acquisition of Carrefour Thailand by Big C, which has left only two key players in the market: Tesco Lotus and Big C. Overall, this group still focuses on price, sale promotional activities, and loyalty programs. A milestone movement was project development that combines hypermarkets with shopping centers by increasing retail space, food outlets, satellite banks, and services. Such a project is normally situated away from large shopping centers because the latter offer more comprehensive products and better answer the needs of target customers.

In 2010, entrepreneurs in three categories continued to expand their investment in developing new projects and renovating existing ones. They also provided a greater variety of shops to attract consumers and boost the spending sentiment. Furthermore, branches were expanded to cover all areas, especially in suburban and provincial ones, and reach broader target groups.

Source : Central Pattana Public Company Limited

Demands and supplies of office buildings in Bangkok (all grades)

Figure 1: Supply of office buildings in Bangkok (all grades) (Q3 of 2010)



Axis X: Supply of office buildings in Bangkok (all grades) (Q3 of 2010)

Axis Y: Sq. m

Source: Research Department, Knight Frank (Thailand) Co Ltd

Most office building space found in Bangkok belonged to Grade-B office buildings, which accounted for 35 per cent of all office space available for rent. This was followed by Grade-A office building space, where approximately 1,682,442 square meters or 33 per cent of all space was available. Grade C building space accounted for the least, totaling 1,615,818 square meters.

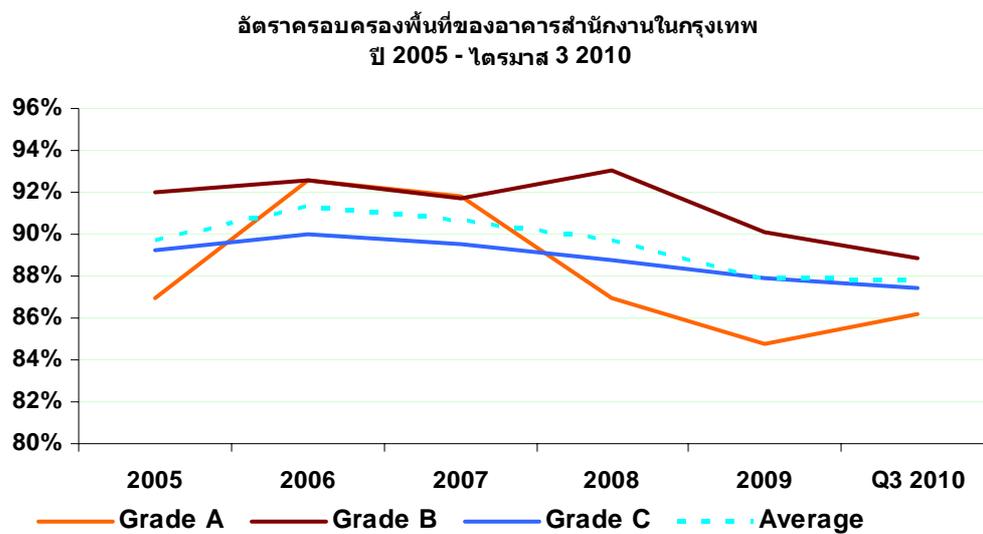
During the first three quarters of 2010, no new supply of office building was found in Bangkok. This means the market supply of office building space remained stable. New supply was minimal compared to space currently available for rent. Approximately 100,000 square meters of new office building space was introduced into the market in 2009.

#### Future office supply

Projects	Grade	Location	Leasable area( Sqm)	Opening year
Sathorn Square	A	Sathorn Road	72,000	2011
Park Venture	A	Pleonchit-wireless Road	27,000	2012
Total			99,000	

The survey showed that only two projects are about to be built and therefore offer new office building space in the near future. Both projects will lease Grade-A office space in the central business district of Bangkok. The two combined will offer approximately 99,000 square meters. They are Sathorn Square Building where a total of 72,000 square meters will be available for rent in 2011; and the Park Venture which will rent its 27,000 square meters of office space in 2012. The survey however found no new project in other areas. As a result, an introduction of new office space for rent in the next two years is considered very low compared to the office building space currently available. If the economy strongly recovers with a lot of business expansions and with more stability in the local political scene, the currently available office space may not be enough to satisfy rising demands in the future.

Figure 2: Demands (occupancy rate) of office building space in Bangkok (all grades) (Q3 of 2010)



Axis X: Demands of office building space in Bangkok, 2005-Q3 of 2010

Axis Y: %

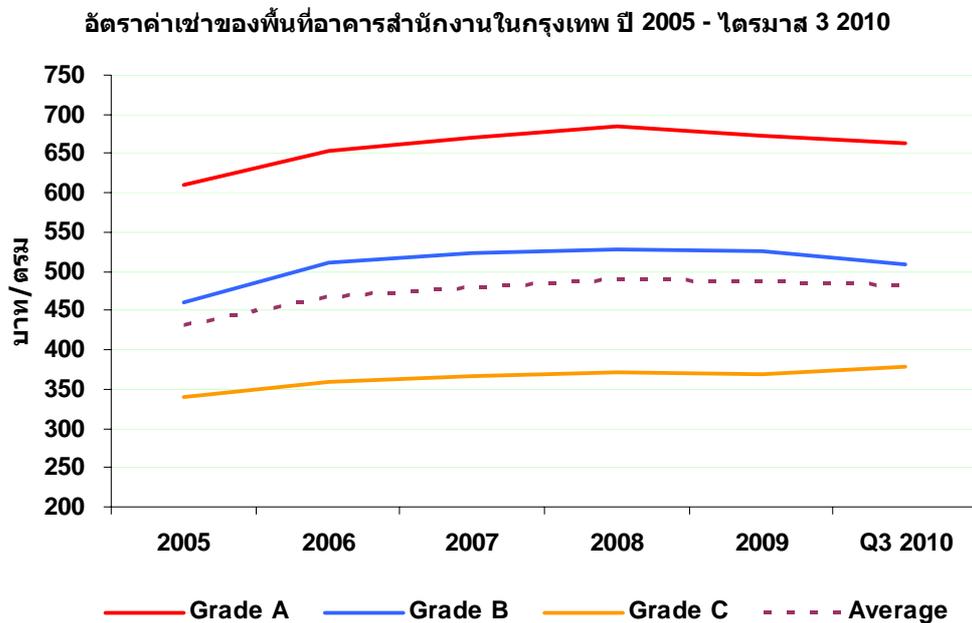
Source: Research Department, Knight Frank (Thailand) Co Ltd

If all negative factors that Thailand confronted with during the past five to six year whether it was an external factors such as the world's economic slowdown or a domestic factor such as the political unrest are taken into consideration, one could say that an occupancy rate of the office space market in Bangkok remained unchanged as seen from the overall occupancy rate in the third quarter of 2010, which remained as high as 88 per cent on average. This was mainly because very little new office space was introduced to the market in the past.

Further analysis of each group of office building shows that there is not much difference among their occupancy rates. While an occupancy rates of Grade B and Grade C buildings were on average 89-93 per cent, Grade A building space saw its occupancy rate fluctuate between 85-92 per cent.

Rental rate (Baht/sq. m) in Bangkok area

Figure 3: Rental rate of office building space (all grades) in Q3, 2010 (Baht/sq. m)



Axis X: Rental rate of office building space 2005-Q3, 2010

Axis Y: Baht/sq. m

Source: Research Department, Knight Frank (Thailand) Co Ltd

Due to both external and internal factors, an average rent of office building space in Thailand has not changed much during the past six years although not much new office space was introduced into the market during the period and although the occupancy rate remained stable. In Q3 of 2010, an average rent of Bangkok's office space was Baht 483 per square meter per month, or a 14-per cent increase from Baht 427 in 2005, which was closed to an average rent in 2009 of Baht 488 per square meter per month. Based on the foregoing figure, it's evident that there was not much difference for the directions of average rent of Grade A, B and C office building space during the past six years. In other words, the rent hardly rose from that in 2005 and it remained stable during the past two years.

As for an average rent of office space, it constantly fell due to an economic impact, an appreciation of Thai Baht which slowed down domestic investments as well as local political instability which eroded foreign investors' confidence in Thailand. Yet, with a potential economic recovery here and abroad and hopefully with more stability in the local political scene, it is anticipated that limited office space available now and in the future may lead to a shortage of space for rent in the future and this will have a positive effect to both an occupancy rate and an average rent of office space.

#### Categorized assets/ properties invested or acquired by the Fund

##### CPN Retail Growth Leasehold Property Fund

##### Details of Investments

As at 31 December 2010

Type of investments	Areas leased by the Fund	Cost	Fair value	% of Net Asset Value
<i>Investments in leasehold properties (Notes 5 and 11)</i>				
Leasehold and subleasehold right on land, buildings and utility systems under 3 projects				
1 CentralPlaza Rama II				
<u>Location</u>	128 Moo 6, Rama II Road, Samaedam (Bangbon), Bangkhuntien, Bangkok			
Subleasehold right on land	53 rai	605,000,000		
Leasehold right on building including parking and utility systems	251,183 sq.m.	5,411,415,607		
Related acquisition costs		77,421,082		
Leasehold improvements		9,822,727		
		<hr/>		
		6,103,659,416	5,981,000,000	35.58%
		<hr/>		

Type of investments	Areas leased by the Fund	Cost (in Baht)	Fair value (in Baht)	% of Net Asset Value
2 CentralPlaza Ratchada - Rama III				
<u>Location</u> 79 Ratchadapisek Road, Chongnonsi, Yannawa, Bangkok				
Leasehold right on land	12 rai	831,000,000		
Leasehold right on building and parking	170,169 sq.m	3,274,857,199		
Owned utility systems		498,138,897		
Related acquisition costs		55,385,824		
Leasehold improvements		108,732,944		
		<b>4,768,114,864</b>	<b>5,290,000,000</b>	<b>31.47%</b>
3 CentralPlaza Pinklao				
<u>Location</u> 7 Boromratchachonnanee Road, Arun Amarin, Bangkok noi, Bangkok				
Subleasehold right on land	24 rai	195,000,000		
Leasehold right on building including parking and utility systems	57,719 sq.m.	5,485,910,000		
Related acquisition costs		152,547,333		
Furniture, fixtures and equipment		7,490,000		
Leasehold improvements		49,666,986		
		<b>5,890,614,319</b>	<b>5,937,600,000</b>	<b>35.32%</b>
<b>Total investments in leasehold properties</b>		<b>16,762,388,599</b>	<b>17,208,600,000</b>	

Investments in securities	Maturity	Face value	Fair value*	% of Net Asset Value
Bills of exchange				
		<i>(in Baht)</i>		
Krung Thai Bank Public Company Limited	January 2011	200,000,000	200,000,000	
Krung Thai Bank Public Company Limited	February 2011	100,000,000	100,000,000	
Thanachart Bank Public Company Limited	March 2011	245,000,000	245,000,000	
<b>Total investments in securities</b>		<b>545,000,000</b>	<b>545,000,000</b>	<b>3.24%</b>
<b>Total investments</b>		<b>17,307,388,599</b>	<b>17,753,600,000</b>	<b>1.06%</b>

\* Excluding accrued interest income

#### Summary of Assets , Net Asset Value and Net Asset Value per unit of CPN Retail Growth Leasehold

##### Property Fund as at 31 December 2010

Total Asset	18,290,333,374	baht
Net Asset Value	16,808,586,370	baht
Total units	1,636,326,700	units
Net Asset Value/ unit	10.2721	baht

Details of properties invested by the Fund as at 31 December 2010

Project	Central Plaza Rama 2	Central Plaza Ratchada-Rama 3	Central Plaza Pinklao
<b>Characteristic</b>	Invest in subleasehold right on the land where Central Plaza Rama 2 is located and the leasehold right in parts of Central Plaza Rama 2 as well as the car park building, utilities system, a wastewater treatment system and the facilities of Central Plaza Rama 2	Invest in leasehold right in the land and the Central Plaza Ratchada-Rama 3 shopping complex as well as parking space within building	Invest in subleasehold land on which Central Plaza Pinklao is located and the leasehold right in parts of Central Plaza Pinklao as well as the relevant parking space(in proportion to the utilization area) and leasehold right in 2 office buildings called Central Pinklao Tower A and Tower B
<b>Location</b>	No. 128, Moo 6, Rama 2 Road, Samaedam, Bangkhuntien, Bangkok.	No.79, 79/1 to79/2, 79/4 to 79/333 Sathupradit Road, Chong Nonsri, Yannawa, Bangkok	No. 7/3 to 7/128, 7/129 to 7/221, 7/222 to 7/552, 7/553 Borommaratchachonnani Road, Arunamarin, Bangkok Noi, Bangkok
<b>Appraiser</b>	Thai Property Appraisal Lynn Phillips Co.,Ltd.		
<b>Appraisal Value</b>	5,981,000,000 baht	5,290,000,000 baht	5,937,600,000 baht
<b>Valuation Date</b>	December 28, 2010	December 28, 2010	December 28, 2010
<b>Calculation Period</b>	14 years 7.5 months	84 years 2.5 months (including right to renew Lease Contract 2 times, 30 years per time)	Approximately 14 years

The Fund's borrowing information as of December 31, 2010

Period of borrowing	November 4, 2009 to December 31, 2021
Amount of loan as of the signing date (Baht)	1,000,000,000
Outstanding loan as of December 31, 2010 (Baht)	490,000,000*
% of loans as of December 31, 2010	2.92 per cent of the NAV
Collateral	None

\*The fund repaid Baht 510 million loan on January 8, 2010, resulting in an outstanding of Baht 490 million.

Information regarding the disposal and transfer of property from 1 January 2010 to 31 December 2010

No disposal and transfer of property was transacted during the past accounting year.

Table of all expenses the asset management company charged from the CPN Retail Growth Leasehold

Property Fund for the accounting year from January 1, 2010 to December 31, 2010

Fund's direct expenses*	Amount (thousand Baht)	% per annum of the NAV
Management fee	19,827	0.11
Trustee fee	2,704	0.02
Registrar fee	1,806	0.01
Property management fee	306,637	1.82
Financial advisory fee	30	0.00
Underwriting fee	ไม่มี	ไม่มี
Meeting allowances for the Board of Directors	15,570	0.09

Fund's direct expenses*	Amount (thousand Baht)	% per annum of the NAV
Advertising, PR and sales promotional expenses	ไม่มี	ไม่มี
-during the IPO	ไม่มี	ไม่มี
-after the IPO	ไม่มี	ไม่มี
Cost of rental and services	100,133	0.60
Servicing and administration expenses	60,784	0.36
Professional fees	749	0.00
Interest expenses	20,861	0.12
Other expenses**	2,329	0.01
Total expenses	531,430	3.16

\*VAT included

\*\*other expenses less or equivalent to 0.01 per cent of the NAV

Note: An average NAV on a monthly basis was computed from January 1 to December 31, 2010 equivalent to Baht 16,808,586,000.

Table of all expenses the asset management company charges from unitholders

None

Report of connected transactions from January 1, 2010 to December 31, 2010

No.	Names of persons connecting to the fund
1.	Unitholders holding more than 10 per cent of all unit trusts sold of the fund
2.	Other funds operated by the asset management company
3.	Property manager
4.	Juristic person (s) in which property manager holds shares or is a partner for more than 10 per cent of all shares sold or of the number of partnership
5.	Trustee

Investors may check connected transactions with persons relating to the Fund with the Asset Management Company directly.

**Report on Soft commission**

None

**Property Management's name and address**

Property Manager of CentralPlaza Rama II, CentralPlaza Ratchada - Rama III, CentralPlaza Pinklao and its office buildings is

**Central Pattana Public Company Limited**

31<sup>st</sup> Fl., The Office at CentralWorld

999/9 Rama 1 Rd., Patumwan, Bangkok 10330 (Thailand)

Tel : +66(0) 2667-5555

Fax : +66(0) 264-5593



ธนาคารกสิกรไทย  
KASIKORNBANK 聚华农银行



Dear The Unitholders of the CPN Retail Growth Leasehold Property Fund

### Mutual Fund Supervisor Opinion

We, The Kasikornbank Public Company Limited, as the Mutual Fund Supervisor of the CPN Retail Growth Leasehold Property Fund by the SCB Asset Management Company Limited from January 1, 2010 until December 31, 2010 would like to inform you that the SCB Asset Management Company Limited has well performed and fully completed its duties pursuant to its project and Securities and Exchange Act B.E. 2535.

.....  
Mutual Fund Supervisor

January 28, 2011

ทะเบียนเลขที่ 0107536000315  
www.kasikornbankgroup.com

# **CPN Retail Growth Leasehold Property Fund**

Annual financial statements  
and  
Audit report of Certified Public Accountant

For the years ended  
31 December 2010 and 2009

## **Audit report of Certified Public Accountant**

### **To the Unitholders of CPN Retail Growth Leasehold Property Fund**

I have audited the accompanying balance sheets and details of investments as at 31 December 2010 and 2009, the statements of income, changes in net assets, cash flows and significant financial information for the years then ended of CPN Retail Growth Leasehold Property Fund. The Fund's management is responsible for the correctness and completeness of information presented in these financial statements. My responsibility is to express an opinion on these financial statements based on my audits. The significant financial information for the years ended 31 December 2008, 2007, 2006 and for the period 11 August 2005 (registered date) through 31 December 2005 of CPN Retail Growth Leasehold Property Fund, which have been presented herein for comparative purposes, were audited by another auditor whose report dated 17 February 2009 expressed an unqualified opinion on those statements.

I conducted my audits in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audits provide a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of CPN Retail Growth Leasehold Property Fund as at 31 December 2010 and 2009, and the result of its operations, changes in net assets, cash flows and significant financial information for the years then ended in accordance with generally accepted accounting principles.

(Vichien Thamtrakul)  
Certified Public Accountant  
Registration No. 3183

KPMG Phoomchai Audit Ltd.  
Bangkok  
14 February 2011

## CPN Retail Growth Leasehold Property Fund

### Significant financial information

For the years ended 31 December 2010, 2009, 2008, 2007, 2006 and for the period 11 August 2005 (registered date) through 31 December 2005

	2010	2009	2008	2007	2006	For the period 11 August 2005 through 31 December 2005
	<i>(in Baht)</i>					
<b>Information on operating results (per unit)</b>						
Net assets value at the beginning of year/period	10.1262	10.3821	10.2494	10.1763	10.2310	-
Add (decrease) increase in capital received from unitholders	-	(0.3663)	-	-	-	10.0000
<b>Income from investing activities</b>						
Net investment income	1.0680	0.8594	0.8902	0.8219	0.7789	0.2733
Net unrealised gains (losses) from changes in investment value	(0.0236)	0.2248	0.1046	0.0558	0.0504	(0.0423)
Less distribution to unitholders	(0.8985)	(0.9738)	(0.8621)	(0.8046)	(0.8840)	-
<b>Net asset value at the end of year/period</b>	<b>10.2721</b>	<b>10.1262</b>	<b>10.3821</b>	<b>10.2494</b>	<b>10.1763</b>	<b>10.2310</b>
<b>Ratio of net profit to average net assets during the year/period (%)</b>	<b>10.21%</b>	<b>11.88%</b>	<b>9.62%</b>	<b>8.57%</b>	<b>8.16%</b>	<b>2.27%</b>
<b>Significant financial ratios and additional significant information</b>						
Net assets at the end of year/period	16,808,586,370	16,569,860,784	11,332,142,598	11,187,294,925	11,107,473,459	11,167,204,424
Ratios of total expenses to average net assets during the year/period (%)	3.17%	2.84%	3.20%	3.34%	3.16%	1.24%
Ratios of investment income to average net assets during the year/period (%)	13.61%	12.26%	11.81%	11.37%	10.83%	3.94%
Ratios of weighted average investment purchases and sales during the year/period to average net assets during the year/period (%) <sup>§</sup>	0.62%	48.06%	0.15%	0.07%	0.09%	100.58%
Average net asset value during the year/period	16,745,563,261	12,216,079,994	11,287,436,477	11,180,844,874	11,092,652,398	11,088,379,676

### Information

\* The value of investment purchases and sales during the year/period does not include cash at bank, promissory note and investments bought/sold under a resale/repurchase agreement, and is calculated by a weighted average basis.

**CPN Retail Growth Leasehold Property Fund**  
**Notes to the financial statements**  
**For the years ended 31 December 2010 and 2009**

<b>Note</b>	<b>Contents</b>
1	General information
2	Basis of preparation of the financial statements
3	Significant accounting policies
4	Related party transactions and balances
5	Investments in leasehold properties
6	Cash on hand and at banks
7	Deferred expenses
8	Interest-bearing liability
9	Unitholders' equity
10	Distribution to unitholders
11	Increase in capital units and additional investments in leasehold properties
12	Financial instruments
13	Thai Financial Reporting Standards (TFRS) not yet adopted
14	Reclassification of accounts

**CPN Retail Growth Leasehold Property Fund**  
**Notes to the financial statements**  
**For the years ended 31 December 2010 and 2009**

These notes form an integral part of the financial statements.

The financial statements were authorised for issued by the Fund's management on 14 February 2011.

**1 General information**

The CPN Retail Growth Leasehold Property Fund ("the Fund") was registered on 11 August 2005 with indefinite expiration date. The purpose of the Fund is to raise funds from Unitholders to invest in properties and equipment and leasehold rights with immovable properties as collaterals. As at 31 December 2010, the Fund has invested in 3 specific projects, CentralPlaza Rama II, CentralPlaza Ratchada - Rama III and CentralPlaza Pinklao.

As at 31 December 2010, the major unitholder has been Central Pattana Public Company Limited holding 27.80% (2009: 27.80%) of total outstanding units.

SCB Asset Management Company Limited acted as the Management Company and KASIKORN-BANK Public Company Limited acts as the Trustee. Central Pattana Public Company Limited (CPN) acts as the Property Manager.

The Extraordinary Meeting of Unitholders No. 1/2009 held on 17 August 2009 passed a resolution to change the Management Company from "TMB Asset Management Company Limited" to "SCB Asset Management Company Limited," effective from 18 August 2009.

The Investment Committee Meeting No. 1/2009 held on 11 June 2009 passed a resolution to change the Fund's scheme following the resolution passed by the Unitholders on 19 August 2008. The Fund's name was changed from "CPN Retail Growth Property Fund" to "CPN Retail Growth Leasehold Property Fund" to comply with the announcement of the Securities and Exchange Commission and the Stock Exchange of Thailand.

**2 Basis of preparation of the financial statements**

The financial statements issued for Thai reporting purposes are prepared in the Thai language. This English translation of the financial statements has been prepared for the convenience of readers.

The financial statements are prepared and presented in Thai Baht. All financial information presented in Thai Baht has been rounded in the notes to the financial statements to the nearest thousand Baht unless otherwise stated. They are prepared on the historical cost basis except as stated in the accounting policies.

The financial statements are prepared in accordance with Thai Financial Reporting Standards ("TFRS"); guidelines promulgated by the Federation of Accounting Professions ("FAP"); applicable rules and regulations of the Thai Securities and Exchange Commission; and with generally accepted accounting principles in Thailand. In addition, the financial statements have been prepared in accordance with TAS No. 106 "Accounting for Investment Companies".

**CPN Retail Growth Leasehold Property Fund**  
**Notes to the financial statements**  
**For the years ended 31 December 2010 and 2009**

During 2010, the FAP announced the re-numbering of the following TFRS.

Former no.	Revised no.	Topic
TAS 11	TAS 101	Doubtful Account and Bad Debts
TAS 26	TAS 102	Income Recognition for Real Estate Business
TAS 27	TAS 103	Disclosures in the Financial Statements of Banks and Similar Financial Institutions
TAS 34	TAS 104	Accounting for Troubled Debt Restructuring
TAS 40	TAS 105	Accounting for Investment in Debt and Equity Securities
TAS 42	TAS 106	Accounting for Investment Companies
TAS 48	TAS 107	Financial Instruments Disclosure and Presentation

The fund has adopted the revised Framework for the Preparation and Presentation of Financial Statements (revised 2009), which was issued by the FAP during 2010 and effective on 26 May 2010. The adoption of the revised framework does not have any material impact on the Fund's financial statements.

The FAP has issued during 2010 a number of new and revised TFRS which are not currently effective and have not been adopted in the preparation of these financial statements. These new and revised standards and interpretations are disclosed in Note 13.

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which estimates are revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in note 5 Investments in leasehold properties.

**CPN Retail Growth Leasehold Property Fund**  
**Notes to the financial statements**  
**For the years ended 31 December 2010 and 2009**

**3 Significant accounting policies**

**(a) Investments**

*Investments in properties*

Leasehold properties and assets purchased and/or invested by the Fund include land, buildings and furniture, fixtures and equipment relating to the operations are recorded in investments in properties.

Investments in properties are stated at fair value with no depreciation charge. The fair value is based on appraisal value by independent valuers approved by the Securities and Exchange Commission. The Fund will conduct appraisal of properties every two years from the date of the appraisal for purchase or lease of the properties and will conduct a review of appraisal every year after the date of the latest appraisal. The Management Company will not appoint any Appraiser to appraise the property or leased property for more than 2 consecutive times.

*Investments in securities*

Investments are recognised as assets at cost of investments at the date on which the Fund has rights on investments. The cost of investments comprises the purchase prices and direct expenses that the Fund pays to get such investments.

Investments in debt securities are presented at fair value based on the prices or yield rates announced by The Thai Bond Market Association as of the date on which the investment is valued. The values of investments which cannot be freely traded on an open market is stated at fair value by considering the principles and methods determining by the Association of Investment Management Companies and the stipulations, principles and methods for determining fair value of investments in debt instruments which cannot be freely traded on an open market of the Office of the Securities and Exchange Commission.

Gains or losses from investment valuation are presented as net unrealised gains or losses in the statements of income.

The cost of investments sold is determined by using the weighted average basis.

**(b) Cash and cash equivalents**

Cash and cash equivalents in the statements of cash flows comprise cash balances and call deposits.

**(c) Rental receivables**

Rental receivables are stated at their invoice value less allowance for doubtful accounts.

The allowance for doubtful accounts is assessed primarily on analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

**(d) Deferred expenses**

Deferred expenses comprise the capital unit issuance costs, registration fees and other related expenses as incurred. Deferred expenses are amortised as expense over a period of 3 years on a straight-line basis.

**CPN Retail Growth Leasehold Property Fund**  
**Notes to the financial statements**  
**For the years ended 31 December 2010 and 2009**

**(e) Other payables**

Other payables are stated at cost.

**(f) Revenue**

Revenue excludes value added taxes and is arrived at after deduction of trade discounts.

*Rental income*

Rental income from investment property is recognised in the statement of income on a straight-line basis over the term of the lease. Service income is recognised when services are rendered to customers. Unearned lease income is recognised in the statement of income on a straight-line basis over the term of the lease.

*Interest income*

Interest income is recognised in the statement of income as it accrues.

**(g) Expenses**

*Operating leases*

Payments made under operating leases are recognised in the statement of income on a straight-line basis over the term of the lease. Lease incentives received are recognised in the statement of income as an integral part of the total lease payments made. Contingent rentals are charged to the statement of income in the accounting period in which they are incurred.

**(h) Income taxes**

The Fund is exempted from Thailand corporate income taxes, therefore, no provision for corporate income tax has been made in the financial statements.

**(i) Distribution to unitholders**

A decrease in retained earnings is recognised at the date a cash dividend is declared. In the case where dividend is paid by a unit dividend, a decrease in retained earnings is recognised equivalent to the net asset value applied to the number of unit dividend declared at the date the dividend is declared.

**4 Related party transactions and balances**

Related parties are those parties linked to the Fund as unitholders or by common unitholders or directors. Transactions with related parties are conducted at prices based on market prices or, where no market price exists, at contractually agreed prices.

Relationships with related parties that control or jointly control of the Fund or are being controlled or jointly controlled by the Fund or have transactions with the Fund were as follows:

**CPN Retail Growth Leasehold Property Fund**  
**Notes to the financial statements**  
**For the years ended 31 December 2010 and 2009**

<b>Name of entities</b>	<b>Country of incorporation/ Nationality</b>	<b>Nature of relationship</b>
Central Pattana Public Company Limited	Thailand	- Major unitholder holding 27.80% (2009: 27.80%) of Outstanding units
SCB Asset Management Company Limited	Thailand	- Property Manager
TMB Asset Management Company Limited	Thailand	- Management Company
		- Management Company (Formerly)
		- Registrar (Formerly)
KASIKORNBANK Public Company Limited	Thailand	- Trustee
Siam Commercial Bank Public Company Limited	Thailand	- Registrar

Significant transactions for the years ended 31 December 2010 and 2009 with related parties were as follows:

	2010 (in thousand Baht)	2009
<b>Revenue</b>		
Revenue from guarantee the net property income	<b>14,737</b>	-

	2010 (in thousand Baht)	2009
<b>Expenses</b>		
Property management fee	306,637	191,214
Management fee	19,827	13,616
Trustee fee	2,704	3,499
Registrar fee	1,806	3,609
Service fee	600	-

Balances as at 31 December 2010 and 2009 with related parties were as follows:

	2010 (in thousand Baht)	2009
<b>Guarantee the net property income receivable</b>		
Central Pattana Public Company Limited	<b>8,422</b>	-

	2010 (in thousand Baht)	2009
<b>Accrued expenses</b>		
Central Pattana Public Company Limited	25,873	25,584
SCB Asset Management Company Limited	1,681	1,657
KASIKORNBANK Public Company Limited	229	226
Siam Commercial Bank Public Company Limited	153	151
<b>Total</b>	<b>27,936</b>	<b>27,618</b>

**CPN Retail Growth Leasehold Property Fund**  
**Notes to the financial statements**  
**For the years ended 31 December 2010 and 2009**

*Significant agreements with related parties*

**(a) Management fee**

The Management Company is entitled to receive a monthly management fee from the Fund at a rate not exceeding 1.00% per annum (exclusive of value added tax, specific business tax or any other similar tax) of the net asset value of the Fund as calculated by the Management Company and verified by the Trustee.

**(b) Trustee fee**

The Trustee is entitled to receive a monthly remuneration at a rate not exceeding 0.05% per annum (exclusive of value added tax, specific business tax or any other similar tax) of the net asset value of the Fund as calculated by the Management Company and verified by the Trustee. The foregoing does not include other expenses as actually incurred such as the expenses for the inspection of assets of the Fund.

**(c) Fee of the Investment Unit Registrar**

The expenses for the work of the Investment Unit Registrar shall be at a rate not exceeding 0.05% per annum (exclusive of value added tax, specific business tax or any other similar tax) of the net asset value of the Fund as calculated by the Management Company and verified by the Trustee.

**(d) Property Management fees**

Fees and expenses of the Property Manager shall be payable to the Property Manager on a monthly basis according to the property management agreement between the Fund and the Property Manager. The details are summarised as follows:

1. Fee for rental collection on behalf of the Fund at the rate not exceeding 3% of net rental and service income.
2. Leasing commission for procuring tenants and management of all tenants of the Fund upon entering into new lease agreements with new tenants or renewal of lease agreements is calculated at the rates of 0.5 - 1.5 months of the rental fees depending on the type and period (terms) of lease agreements.
3. Property Management fee is calculated at the rate not exceeding 0.30% of net assets value of the Fund calculated as at the last day of each month.
4. Incentive fee for the Property Manager is calculated at the rate not exceeding 2.35% of net property income. Net property income means net revenue from property after deducting property costs and expenses from procuring benefits from the properties.
5. The Property Manager shall receive a fee for each transaction of purchase and sale of property at the rate of 1.50% of the asset's acquisition value and 0.75% of asset's disposal value.

**CPN Retail Growth Leasehold Property Fund**  
**Notes to the financial statements**  
**For the years ended 31 December 2010 and 2009**

**Commitment with related party**

As at 31 December 2010 and 2009, the Fund has commitments for the future lease payments under an agreement for pond rental with Central Pattana Rama II, a subsidiary of Central Pattana Public Company Limited. This commitment is a part of a building lease agreement with CentralPlaza Rama II for 20 years from 15 August 2005 to 15 August 2025 as follows:

	2010	2009
	<i>(in thousand Baht)</i>	
<b><i>Non-cancellable operating lease commitments</i></b>		
Within one year	5,220	4,790
After one year but within five years	22,540	22,290
After five years	59,840	65,310
<b>Total</b>	<b><u>87,600</u></b>	<b><u>92,390</u></b>

**5 Investments in leasehold properties**

The Fund invests in leasehold properties by purchasing and/or leasing and subleasing land, buildings and utility systems of CentralPlaza Ratchada - Rama III (lease period is 30 years with option to renew for another 2 times, 30 years each), CentralPlaza Rama II (lease/sublease period is 20 years) and CentralPlaza Pinklao (lease/sublease period is 15 years) which are projects of Central Pattana Public Company Limited and its subsidiaries.

**6 Cash on hand and at banks**

	2010	2009
	<i>(in thousand Baht)</i>	
Cash on hand	19	19
Cash at banks	368,838	674,527
<b>Total</b>	<b><u>368,857</u></b>	<b><u>674,546</u></b>

Cash and cash equivalents of the Fund as at 31 December 2010 and 2009 were denominated entirely in Thai Baht.

**CPN Retail Growth Leasehold Property Fund**  
**Notes to the financial statements**  
**For the years ended 31 December 2010 and 2009**

**7 Deferred expenses**

	<i>(in thousand Baht)</i>
<i>Cost</i>	
At 1 January 2009	145,835
Additions	4,617
Write-off	-
<b>At 31 December 2009 and 1 January 2010</b>	<b>150,452</b>
Additions	-
Write-off	-
<b>At 31 December 2010</b>	<b>150,452</b>
<i>Amortisation</i>	
At 1 January 2009	145,835
Amortisation charge for the year	244
<b>At 31 December 2009 and 1 January 2010</b>	<b>146,079</b>
Amortisation charge for the year	1,538
<b>At 31 December 2010</b>	<b>147,617</b>
<i>Net book value</i>	
At 1 January 2009	-
At 31 December 2009	4,373
At 31 December 2010	2,835

**8 Interest-bearing liability**

	Effective interest rate		2010	2009
	2010	2009		
	(% p.a.)		<i>(in thousand Baht)</i>	
Unsecured borrowing from financial institution	4.37	4.10	<u>490,000</u>	<u>1,000,000</u>

The periods to maturity of interest-bearing liability, as at 31 December were as follows:

	2010	2009
	<i>(in thousand Baht)</i>	
Within one year	-	5,000
After one year but within five years	-	290,000
After five years	490,000	705,000
<b>Total</b>	<b><u>490,000</u></b>	<b><u>1,000,000</u></b>

Interest-bearing liabilities of the Fund as at 31 December 2010 and 2009 were denominated entirely in Thai Baht.

# CPN Retail Growth Leasehold Property Fund

## Notes to the financial statements

For the years ended 31 December 2010 and 2009

### 9 Unitholders' equity

	<i>Par Value (in Baht)</i>	Number	2010 Amount <i>(in thousand units/in thousand Baht)</i>	2009 Number	Amount
<b>Authorised</b>					
At 1 January	10.0	1,636,327	15,763,958	1,091,500	10,915,000
Additions	8.9	-	-	544,827	4,848,958
<b>At 31 December</b>		<b><u>1,636,327</u></b>	<b><u>15,763,958</u></b>	<b><u>1,636,327</u></b>	<b><u>15,763,958</u></b>
<b>Issued and fully paid</b>					
At 1 January	10.0	1,636,327	15,763,958	1,091,500	10,915,000
Issued and paid-up	8.9	-	-	544,827	4,848,958
<b>At 31 December</b>		<b><u>1,636,327</u></b>	<b><u>15,763,958</u></b>	<b><u>1,636,327</u></b>	<b><u>15,763,958</u></b>

In October 2009, the Management Company allocated the increase in investment units of Baht 4,848.9 million, from the existing capital of Baht 10,915.0 million, to the new capital of Baht 15,763.9 million, by issuing and offering new investment units of 544.8 million units at offering for sale price of Baht 8.9 per unit. The Management Company registered such capital increase to the Securities and Exchange Commission on 3 November 2009 and the Stock Exchange of Thailand accepted such additional investment units as increased registered securities to be traded in the Stock Exchange of Thailand from 9 November 2009.

	<i>Note</i>	2010 <i>(in thousand Baht)</i>	2009
<b>Retained earnings</b>			
<b>At 1 January</b>		<b>805,903</b>	<b>417,143</b>
<i>Add</i> Net increase in net assets from operations during the year		1,708,965	1,451,663
<i>Less</i> Distribution to unitholders	10	(1,470,239)	(1,062,903)
<b>At 31 December</b>		<b><u>1,044,629</u></b>	<b><u>805,903</u></b>

### 10 Distribution to unitholders

The Management Company will consider paying dividends to unitholders not more than 4 times per year, provided that:

If the Fund has net profits in each year, the Management Company shall pay not less than 90% of the net profits of the year as dividends to unitholders. If the Fund has accumulated profits, the Management Company may pay dividends to unitholders out of the accumulated profits. Such net profits and accumulated profits shall be as actually derived and shall not include the following:

- Unrealised gains or losses from the appraisal of properties, securities and/or assets of the Fund;
- The Fund's establishment and offering expenses (if any), which is booked as deferred expenses and amortised as expenses during the period expected to be benefited from such expenses.

In considering the payment of dividends, if the value of interim dividends per unit to be paid is lower than or equal to Baht 0.10, the Management Company reserves the right not to pay dividends at that time and to bring such dividends forward for payment together with the next dividend payment.

**CPN Retail Growth Leasehold Property Fund**  
**Notes to the financial statements**  
**For the years ended 31 December 2010 and 2009**

During 2010 and 2009, the Fund approved dividend to unitholders as follows:

Under the Fund scheme, the Investment Committee retired by rotation on 27 September 2008.

- On 25 February 2009, in accordance with the Fund's prospectus, the Management Company declared dividend payment of Baht 0.2159 per unit, amounting to Baht 235.7 million, for the period from 1 October 2008 to 31 December 2008. The dividend was paid to unitholders in March 2009.
- On 14 May 2009, in accordance with the Fund's prospectus, the Management Company declared dividend payment of Baht 0.2294 per unit, amounting to Baht 250.4 million, for the period from 1 January 2009 to 31 March 2009. The dividend was paid to unitholders in June 2009.
- On 11 August 2009, in accordance with the Fund's prospectus, the Management Company declared dividend payment of Baht 0.2239 per unit, amounting to Baht 244.4 million, for the period from 1 April 2009 to 30 June 2009. The dividend was paid to unitholders in September 2009.

At the Investment Committee Meeting No.8/2009 of the Fund held on 13 October 2009, the committee approved the appropriation of dividends of Baht 0.3046 per unit, amounting to Baht 332.4 million. The dividend was paid to unitholders in November 2009.

At the Investment Committee Meeting No. 1/2010 of the Fund held on 18 February 2010, the committee approved the appropriation of dividends of Baht 0.1622 per unit, amounting to Baht 265.4 million. The dividend was paid to unitholders in March 2010.

At the Investment Committee Meeting No. 3/2010 of the Fund held on 7 May 2010, the committee approved the appropriation of dividends of Baht 0.2450 per unit, amounting to Baht 400.9 million. The dividend was paid to unitholders in June 2010.

At the Investment Committee Meeting No. 4/2010 of the Fund held on 9 August 2010, the committee approved the appropriation of dividends of Baht 0.2435 per unit, amounting to Baht 398.5 million. The dividend was paid to unitholders in September 2010.

At the Investment Committee Meeting No. 5/2010 of the Fund held on 9 November 2010, the committee approved the appropriation of dividends of Baht 0.2478 per unit, amounting to Baht 405.5 million. The dividend was paid to unitholders in December 2010.

## **11 Increase in capital units and additional investments in property**

On 9 July 2009 and 16 July 2009, the Investment Committee Meeting No. 2/2552 passed a resolution approving the Fund to invest in properties of the Central Plaza Pinklao Project for a period of approximately 15 years at a total price not exceeding Baht 6,495.6 million as follows;

- Leasing certain parts of a shopping complex and 2 office buildings (the whole buildings) including parking space (in proportion of the utilised area of shopping complex and office buildings in which the Fund will invest).
- Leasing and/or ownership transfer of utilities systems and other relevant assets of Central Plaza Pinklao.
- Subleasing land in which the shopping complex, office building, parking spaces, surrounding street and the entrance and exit of the project are located.

## **CPN Retail Growth Leasehold Property Fund**

### **Notes to the financial statements**

#### **For the years ended 31 December 2010 and 2009**

The price that the Fund will invest will be determined by the proceeds of the capital increase of the Fund to be reviewed from the issue and offer for sale of new investment units. The price of the new properties will not exceed 20 percent of the lowest price obtained from the appraisal report.

In addition, the Management Company has planned to increase the Fund's capital of not exceeding Baht 6,706 million, from the existing capital of Baht 10,915 million, to the new capital of not exceeding Baht 17,621 million, by issuing and offering new investment units of not exceeding 839 million units.

However, the mentioned process is subject to the result of resolution approving an increase of capital and additional investments in property passed by unitholders meeting and the offering of additional investment units.

On 17 August 2009, the Unitholders meeting No. 1/2009 passed a resolution approving such increase in capital and additional investments in property.

On 4 November 2009, the Management Company has allocated the increase in investment units of Baht 4,848.9 million, from the existing capital of Baht 10,915.0 million, to the new capital of Baht 15,763.9 million, by issuing and offering new investment units of 544.8 million units (See note 9).

At the Investment Committee Meeting No. 9/2009 held on 3 November 2009, the committee passed a resolution to be leased/subleased certain parts of assets of CentralPlaza Pinklao by Central Pattana Public Company Limited totalling Baht 5,680.0 million. On 4 November 2009, the Fund registered leasehold rights on the following assets:

- Leasing certain parts of a shopping complex and 2 office buildings (the whole buildings) including parking space (in proportion of the utilised area of shopping complex and office buildings in which the Fund shall invest).
- Leasing and/or ownership transfer of utilities systems and other relevant assets of CentralPlaza Pinklao.
- Subleasing land in which the shopping complex, office building, parking spaces, surrounding street and the entrance and exit of the project are located.

Central Pattana Public Company Limited as the owner of CentralPlaza Pinklao Shopping Complex, has agreed to guarantee the net property income (before leasing commission) generated from CentralPlaza Pinklao Shopping Complex up to a total amount of Baht 629 million for the year 2010 during which time the refurbishment and renovation of CentralPlaza Pinklao Shopping Complex will take place in order to ensure a stable and continual level of cash flows to the Fund from the lease of areas in CentralPlaza Pinklao Shopping Complex during such period.

To invest in lease/subleased assets as mentioned above; the Fund borrowed a loan of Baht 1,000 million from a local bank. The loan bears interest at MLR minus 1.75% to MLR minus 1.0%. The agreement is for a period of 12 years without any collateral. During 2010, The Fund had partial repayment amounting Baht 510 million.

**CPN Retail Growth Leasehold Property Fund**  
**Notes to the financial statements**  
**For the years ended 31 December 2010 and 2009**

**12 Financial instruments**

*Interest rate risk*

Interest rate risk is the risk that future movements in market interest rates will affect the results of the mainly fixed. The financial assets that potentially subject the Fund to the interest rate risks are borrowing, bills of exchange and promissory notes.

*Credit risk*

Credit risk is the potential financial loss resulting from the failure of a customer or counterparty to settle its financial and contractual obligations to the Fund as and when they fall due.

The Fund has no concentrations of credit risk due to the Fund has a large number of tenants in various businesses. Additionally, the Fund has a policy to collect in advance the rental deposits from customers as collateral in case of default. The Fund's management is of opinion that the Fund does not have credit risk other than that provided in the allowance for doubtful accounts as presented in the financial statements. The estimate for allowance for doubtful accounts encompasses consideration of past collection experiences, customers' deposits and other factors such as the local economic conditions.

*Fair values*

The fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. In determining the fair value of its financial assets and liabilities, the Fund takes into account its current circumstances and the costs that would be incurred to exchange or settle the underlying financial instrument. The carrying amounts of the Fund's financial assets and liabilities as at 31 December 2010 and 2009 as presented in the financial statements approximate to their fair values.

**13 Thai Financial Reporting Standards (TFRS) not yet adopted**

The Fund has not adopted the following new and revised TFRS that have been issued as of the reporting date but are not yet effective. The new and revised TFRS are anticipated to become effective for annual financial periods beginning on or after 1 January in the year indicated in the following table.

TFRS	Topic	Year effective
TAS 1 (revised 2009)	Presentation of Financial Statements	2011
TAS 7 (revised 2009)	Statement of Cash Flows	2011
TAS 8 (revised 2009)	Accounting Policies, Changes in Accounting Estimates and Errors	2011
TAS 10 (revised 2009)	Events after the Reporting Period	2011
TAS 16 (revised 2009)	Property, Plant and Equipment	2011

**CPN Retail Growth Leasehold Property Fund**  
**Notes to the financial statements**  
**For the years ended 31 December 2010 and 2009**

TFRS	Topic	Year effective
TAS 17 (revised 2009)	Leases	2011
TAS 18 (revised 2009)	Revenue	2011
TAS 21 (revised 2009)	The Effects of Changes in Foreign Exchange Rates	2013
TAS 23 (revised 2009)	Borrowing Costs	2011
TAS 24 (revised 2009)	Related Party Disclosures	2011
TAS 34 (revised 2009)	Interim Financial Reporting	2011
TAS 36 (revised 2009)	Impairment of Assets	2011
TAS 37 (revised 2009)	Provisions, Contingent Liabilities and Contingent Assets	2011
TAS 38 (revised 2009)	Intangible Assets	2011
TAS 40 (revised 2009)	Investment Property	2011
TFRS 5 (revised 2009)	Non-current Assets Held for Sale and Discontinued Operations	2011

The Fund's management is presently considering the potential impact of adopting and initial application of these new and revised TFRS on the Fund's financial statements.

**14 Reclassification of accounts**

Certain accounts in the 2009 financial statements have been reclassified to conform to the presentation in the 2010 financial statements as follows:

	Before reclassification	2009 reclassification (in thousand Baht)	After reclassification
<b><i>Statement of income</i></b>			
<b><i>for the year ended 31 Dec</i></b>			
Other expenses	666	(17)	649
Interest expense	7,765	(7,765)	-
Finance costs	-	7,782	7,782
		<u>-</u>	

The reclassifications have been made because, in the opinion of the management, the new classification is more appropriate to the Fund's business.