



**CENTRAL PLAZA HOTEL plc. (CENTEL) sets new records
for both FY/2011 Revenues and Net Profit**

For Q4/11 period, CENTEL achieved total consolidated revenues of Baht 3,042.7 million (compared to Baht 2,680.4 million or a 13.5% increase compared to the same period last year), comprising of Baht 1,183.5 million for the hotels business and Baht 1,859.2 million for the food business. Although both businesses were affected to some extent during the flood situation in Q4/11 - with cancellations of reservations of guest rooms and functions as well as some closures of QSR outlets in flood affected areas especially in Bangkok locations, both groups nevertheless achieved positive performances for Q4/11 when compared to the same period last year- with increased Average Occupancy (at 64.3%) and Average Room Rates (at Baht 3,679) for the hotels business together with increased Same Stores Sales (of 10.6%) and Total Stores Sales (at 24.5%) for the food business.

Thus, for the full year (FY) 2011 period, Central Plaza Hotels plc. (CENTEL) and its Subsidiaries set new record highs for both revenues and Net Profits - achieving total consolidated revenues of Baht 11,455.2 million (an increase of Baht 2,055.3 million or a 21.9% year-on-year (YoY), comprising of Baht 4,667.9 million in hotels business revenues (increasing 19.9%YoY) and Baht 6,495.3 in the food business (increasing 23.7%YoY) together with Baht 292.0 million in other revenues; consolidated EBITDA of Baht 2,349.1 million (an increased of Baht 681.6 million or 40.9% YoY); and FY/11 Net Profit of Baht 550.4 million (an increase of Baht 606.2 million or 1,086.4%YoY).

This was the result of significant growth in total hotels business revenues together with increased overall Average Occupancy (AOC) and Average Room Rates(ARR), due to many existing hotels business returning to normal operations after the return of political stability in Bangkok coupled with the completion of many existing properties as well as increasing contributions from its new properties, ie: the Centara Grand Beach Resort, Phuket (opened in February 2011) and the ever popular Centara Grand Mirage Beach Resort, Pattaya (opened in 2009). While, the food business also continued to achieve significant total YoY revenues increase (by Baht 1,246.0 million or 23.7%), primarily due ongoing expansion in both QSR brand concepts and outlets (increasing by 91, including the new Ootoya brand outlets) from the end of 2010.

Overview of the Full Year 2011 Profit & Loss for CENTEL.

CENTEL Consolidated Profit & Loss Summary	FY/2011 (2554)		FY/2010 (2553)		Change YoY (Increase + / Decreaseลดลง -)		
	(Baht - Million)	Baht	%	Baht	%	Baht	%
Revenues - Hotels Business	4,667.9	40.7%		3,891.6	41.4%	+776.3	+19.9%
Revenues - Food Business	6,495.3	56.6%		5,249.3	55.8%	+1,246.0	+23.7%
Other income	310.7	2.7%		259.0	2.8%	+51.7	+20.0%
Total Revenues	11,473.9	100.0%		9,399.9	100.0%	+2,074.0	+22.1%
EBITDA	2,235.7	19.5%		1,667.5	17.7%	+568.2	+34.1%
NET PROFIT/LOSS)	550.4	4.8%		(55.8)	(0.6%)	+606.2	+1,086.4%
Note: Gross Profit	6,039.2	54.1%		5,006.3	54.8%	+1,032.9	+20.6%

Source : CENTEL FY/11 Financial Statements

OVERVIEW : BUSINESS ENVIRONMENT

For most of 2011, both the relatively more stable local political situation and sustained positive economic environment from the last part of 2010 (ie, increased consumer confidence and exports demand growth averaging 18 - 20%YoY) contributed to the continuing positive economic and business environments as well as the dynamic growth of the tourism sector. This enabled Thailand's GDP to maintain its growth for the initial 3 Quarters of 2011 – with YoY growth of 3.8%, 2.7% and 3.2% respectively. However, in Quarter 4, the most extensive floods Thailand has experienced for more than 50 years devastated many Central Region provinces as well as much of outer Bangkok areas, causing widespread damage to agricultural land, urban communities and business facilities located in the various industrial estates situated in Ayutthaya and Pathum Thani provinces. This resulted in a significant contraction (of over 9.0% YoY) for the Thai economy in Q4/11 and a marginal FY/2011 GDP growth of only 0.1% compared to the previous year's 7.8%YoY growth – whereby key exports of automotive and electronics components were the most affected, resulting in overall FY/11 exports growing by 12-13% YoY.

For 2012, overall GDP growth is expected to be 4.5 – 6.0%, with most of Q1/12 being a period for post-flood economic and business rehabilitation, with the bulk of projected growth coming towards the last half of 2012. However, considerable efforts to re-stimulate key export sectors, many SME businesses and the overall economy – through proactive local as well as foreign investments inducements and local consumer confidence rebuilding - by the Government sector are needed to realise this targeted GDP growth. Further, apart from further possible local political turmoil, the fragile US and Japanese economic recovery, the cooling China and India economies, and the continuing economic crisis in the EU may also dampen overall exports demands from Thailand as well as pose potential risks to the sustained positive growth in international tourist arrivals.

- **THE TOURISM & TRAVEL INDUSTRY :** This industry maintained its dynamic YoY growth for much of the year , despite a slight decline for the last few months of the year due to the extensive flooding, with a total FT/11 19.1 million international arrivals (a 20% YoY growth compared to 15.9 million in 2010); whereby the YoY growth for Q1 –

Q4/11 were : 15%, 50%, 26% and minus 3.9% respectively. The Asian and Russia source markets continue to increase and dominate the industry.

Meanwhile, local tourism business declined slightly due to the flooding – with many locations flooded and inaccessible as well as local consumers have other economic priorities in rehabilitating their homes and/or businesses.

For 2012, the Tourism Authority of Thailand (TAT) is targeting to achieve total international arrivals of up to 21 million (or a 10 -12% YoY increase) – with the source markets mix still being more inclined towards the Asian countries (ASEAN, India, and China) as well as Russia. The previous core source markets of the US, Japan, Australia and the EU still continue to grow but at a lower rate than before – due to economic conditions in these countries.

The TAT is also setting a goal of achieving a total of 30 million international arrivals and a corresponding growth in local tourism business - both of which will achieve total tourism related revenues of Baht 2.2 trillion for Thailand (or double of the current revenues) by 2015, which is significantly ambitious given the increased competition from other key Asia/ASEAN destinations (ie: Vietnam, Malaysia, Singapore, Indonesia and the Philippines, India and China). To achieve these targets, the TAT is planning new and proactive segmentation-oriented marketing campaigns to sell Thailand as well as joint promotions and incentives for the tourism and travel related businesses. Further actions to create new attractions as well as refresh existing destinations are also being planned.

- **HOTELS BUSINESS SECTOR** The overall hotels business remain very, very competitive – particularly in Bangkok, Samui, Pattaya and Phuket, where there is or will be a glut in hotel rooms supply; thus, in the short term, achievement of viable average room rates are being affected - especially for the small/medium sized properties. At the same time, more international as well as new and existing local hotel operators chains continue to enter the Thai market or expand their network of properties, in order to offer a wide variety of destinations and price points to all tourism market segments – with a particular focus on the smaller sized budget or boutique properties in line with the changing tourists source markets mix and resultant demand. For FY/11, the industry's average occupancy (AOC) was 57.5% (vs 50.1% in 2010); average room rate (ARR) was Baht 1,849 (the same as 2010), and RevPAR was Baht 1,064 (a 15% increase YoY).

Meanwhile, the major Thai owned hotel chains (ie: MINT, CENTEL, DUSIT, and AMARI) are expanding their marketing footprint to key overseas tourist destinations - such as China, Vietnam, Maldives and Sri Lanka), in order to capture the growth of international tourism business in these markets and to extend their business potential.

- **FOOD SERVICES/QSR BUSINESS SECTOR** Due to the changing lifestyle of many Thais living and working in Bangkok and other major upcountry urban communities as well as a growing middle class, for the past 5 years the Food Service industry has enjoyed sustained positive average annual growth of approximately 12 - 15% a year. Current total food service/ASR market estimated to be Baht 70,000 million. Further, a significant growth has been seen in the Japanese food, (sahimi, suki, shabu shabu) QSR concepts together with the coffee and bakery goods segment. CENTEL and other major QSR or casual dining food services operators have also continued to expand their business in accordance with such market development and growth trends.

CENTEL's HOTELS BUSINESS

Currently, CENTEL has a total of 31 hotel properties in operation, categorised in 4 groups, namely:

- Centara Grand – a 5-star premium property,
- Centara - a 4-star property ,
- Centra - 3-star property and a 'value' brand,
- The Boutique Collection : this last category includes small but very HIP hotels emphasising design together with the Residences & Suites property which is similar to a serviced apartment.

Through the above-mentioned well-defined market segmentation and coverage strategy, CENTEL has continued to effectively sustain its average year-on-year (YoY) growth of 14-15% during the past 5 years. For FY/2011, despite the impact to this business from the extensive flood situation during Q4/11, total hotels business revenues still increased by almost 20% compare to 2010, totaling Baht 4,667.9 million (an increase of Baht 776.3 million or 19.9%YoY), primarily resulting from :

- 1) **New hotels** : The Centara Grand Beach Resort, Phuket (a 5 star, 262 room resort that was officially opened in February 2011) achieved total FY/11 revenues of Baht 528.6 million for its first full year of operations.
- 2) **Existing hotels** : Other existing properties achieved overall Baht 299.9 million increase in revenues (or 7.8% YoY) due to the continuing stable political situation and various proactive tourism promotion campaigns undertaken by both Government and private sectors resulting in significant increases in sustained international tourist arrivals to Thailand. These existing hotels also achieved overall Average Occupancy (AOC) of 63.8% (an increase of 6 percentage points YoY), while the corresponding Average Room Rates (ARR) also increased by 2.0% YoY; with these specific properties achieving increased total revenues for 2011 :
 - Centara Grand and Bangkok Convention Centre at Central World achieved increased revenues of Baht 237.1 million (or 30.4%) YoY, as it has now returned to normal level of operations with resultant increases in both guest bookings and usage of various services as well as increased meetings, banqueting events and functions – despite being affected by the flood situation towards the end of the year that caused a decline in revenues for the months of October through to December.
 - Centara Grand Mirage Beach Resort, Pattaya continued to be very popular, achieving increased revenues of Baht 142.6 million (or 18.6%) YoY, and
 - Centara Grand Beach Resort & Villas, Hua Hin achieved increased revenues of Baht 13.8 million (or 2.7%) YoY.

Therefore, for FY/2011, with a total of 3,358 rooms, all the KPIs for the hotel business (ie: AOC, ARR, and Rev PAR) group showed solid positive YOY increases as shown in the chart below :

Hotels Business : KPIs	FY/2011 (2554)	FY/2010 (2553)	Increase (Decrease)	% Change YoY
AOC %*	63.9%	58.1%	+5.8%	+10.0%
ARR – Baht *	3,663	3,409	+254	+7.5%
Rev Par –Baht *	2,341	1,981	+360	+18.2%

CENTEL also achieved ongoing business growth for its hotels management services activities, with total FY/11 revenues of Baht 133 million (a 22%YoY increase over Baht 108 million in 2010); while the total number of rooms under the hotel management services agreements has also increased by 10%YoY. Additionally, there are already another 20 – 25 properties in the pipeline due to be launched over the next 3 years.

Presently, CENTEL has a total of 31 hotel properties in its portfolio : 11 (including 1 hotel belonging to a Property Fund), are owned by CENTEL, 3 are joint venture properties, and 17 properties are under the hotels management services agreements. Of this total, 27 are located in 12 provinces throughout Thailand, while the remaining 4 are located overseas and are all managed properties – with 1 in the Maldives (in which CENTEL has a 25% equity and which has been operating for over 3 years) and the other 3 in Vietnam, Bali Indonesia and the Philippines respectively.

Further, during 2011, CENTEL's hotels business successful has been acknowledged by many leading hotels or travel business related organisations and associations, in being recognised as the

- Best Chain Hotel Award - from the Asia Hotel Forum and the International Hotel Investment Forum
- Asia's leading Meeting & Conference Hotel - from World Travel
- Best Meetings & Convention Hotel from TTG
- Best in the Travel Poll 2011 – Top 25 Spa and Hotel Resort

These awards serve as a great encouragement for CENTEL, and points to the success of the Centara brand in the various aspects of hotels operations and management; whereby the recognition received from these leading hotels business related organisations also indicates the fact that a leading Thai-owned hotel chain is able to be create the degree confidence and perception on the part of travelers and hotel guests as having excellent standards of service.

For 2012, CENTEL is confident that its hotels business will continue to grow, whereby the total hotels business revenues is expected to reach approximately Baht 5,500 million (or a YoY increase of 20% from Baht 4,700 million in 2011), driven primarily by the existing properties in Bangkok, Pattaya, and Phuket. While total revenues from those hotels under the management services agreements will increase by 35%YoY (from Baht 133 million in 2011) to reach approximately Baht 180 million, with a total of 11 new properties to be added to the management services portfolio during the year.

Major hotels business activities and investments by CENTEL for the first part of 2012 included the following :

- Purchase of additional equity in the Centara Karon Resort (located on Karon beach in Phuket and has 335 rooms, with approximate annual revenues of Baht 320 – 340 million) in February 2012, bringing CENTEL's total ownership in this CKR property to 84.5%.
- Grand (re)opening of the Centara Grand at Central Ladprao after the completion (at the end of last year) of major refurbishments and renovations that started since 2009 - with this property being re-branded and re-launched on February 8, 2012.
- Recently CENTEL changed the name of this managed property located in Rayong to be CENTARA SAPPAYA DESIGN RESORT, RAYONG, using the Centara brand name that is recognised by travelers as a leading hotel brand with excellent standards of service.

For the full year period, a total of 11 properties (with 1,759 rooms) will be launched by Centara during 2012 , with 6 being located in Thailand (Bangkok, Pattaya, Koh Chang, and Khon Kaen), and the remaining 5 located in key overseas destinations (Maldives, Bali Indonesia, Mauritius, and Sri Lanka).

Meanwhile, due to CENTEL's recent emphasis on an 'asset light' strategy in its hotels business that focuses on hotels management services, between 2012 -14 there will be another 12 managed property launched in key tourist destinations of Thailand and 13 overseas (in Indonesia, India, Mauritius, Maldives, Sri Lanka, Vietnam). Included in the overseas properties is the Centara Ras Fushi Resort & Spa, Maldives that is a joint venture project with CENTEL having a 50% equity.

Therefore by 2014, there would be a total of 56 properties in CENTEL's hotels business portfolio – with 15 being owned and operated by CENTEL and the remaining 41 operating under the hotels management services agreements. Of this total number of hotel properties 17 (or 30%) will be located in key overseas tourist destinations.

CENTELs' FOOD BUSINESS

The Food Business group consist of sales of food and beverages under the various QSR brands –namely: KFC, Mister Donut, Auntie Anne's, Pepper Lunch, Beard Papa, Chabuton Ramen, Coldstone Creamery, Ryu Shabu Shabu, Oootya, Yoshinoya, and The Terrace; with total FY/2011 revenues and YoY.

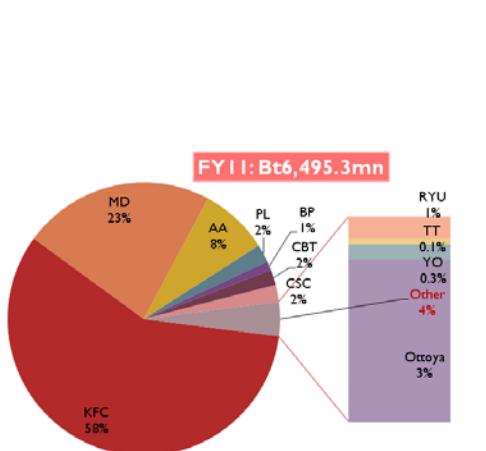
For FY/2011, total food business revenues was Baht 6,495.3 million (an increase of Baht 1,240.6 million or 23.7% YoY), mainly as a result of continued expansion of QSR outlets for the existing brands together with the addition of outlets for the newly launched QSR brands, the sustained proactive marketing and sales promotions campaigns by the group, as well as the ongoing development and launch of various new innovative and trendy menu offerings. Additionally, the Food Business group also increased its pricing to take into account the increased costs in food raw materials. Thus, "Total Systems" and "Same Systems" sales in the food business for FY/ 2011 is shown in the chart below :

Food Business -KPI Revenues Growth - % YoY	FY 2011 (2554)
Total System Sales (TSS)	+ 23.7%
Same Store Sales (SSS)	+ 14.8%

Source : CENTEL FY/11 Financial Statements

During 2011, the Food Business group expanded its business by launching and opening new outlets under new QSR brands -namely : in September, 2011 a Japanese rice with various toppings QSR under the YOSHINOYA brand, (3 outlets) as well an investment to purchase the Betagro Ootoya (Thailand) Co. Ltd, the operator of a chain of Japanese casual dining restaurants under the OOTOYA brand (35 outlets), and in October, 2011 a Thai casual dining restaurant under THE TERRACE brand (2 outlets).

Thus, for FY/2011, the Food Business group's revenues mix through its total of 603 QSR outlets – as shown in the charts below – was achieved through opening a total of 116 new food service outlets (including the 3 new QSR brands mentioned above) and closing a total of 25 QSR outlets whose leases have expired or which were unprofitable.



CENTEL CRG's revenues mix for FY/11

Total Food Business Outlets	Dec 31, 11 (2554)	Dec 31, 11 (2553)	Opened	Closed
KFC	168	160	+12	-4
Mister Donut	266	245	+29	-8
Auntie Anne's	86	83	+14	-11
Pepper Lunch	13	7	+6	0
Beard Papa	14	10	+6	2
Chabuton Ramen (launched in Mar 13, 2010)	7	2	+5	0
Coldstone Creamery (launched Mar 14, 2010)	8	4	+4	0
Ryu Shabu Shabu (launched Mar 18, 2010)	1	1	0	0
Yoshinoya (launched Sept 1, 2011)	3	-	+3	0
Ootoya (launched Sept 1, 2011)	35	-	+35	0
The Terrace (launched Oct 1, 2011)	2	-	+2	0
Total (net increase : 91)	603	512	+116	-25

Source : CENTEL FY/11 Financial Statements

For 2012, the Food Business group expects total revenues growth of more than 25%YoY (to Baht 8,220 million) together with plans to continue the ongoing expansion of its QSR network. This is accordance with its goal having a total of 1,000 QSR outlets within the next 5 years in order to strengthen and achieve competitive advantages for its food business.

An investment budget totaling Baht 1,000 million has been set for 2012 – both for ongoing renovating and refreshing existing outlets and continued expansion of its QSR outlets together with sustained proactive marketing and promotional activities.

FINANCIAL SUMMARY for FY/2011

CENTEL has managed to sustain its solid and positive performance trend throughout 2011 to date, achieving (as shown in the summary P&L below) as at end December 2011:

- Total consolidated revenues of Baht 11,455 million (an increase of Baht 2,055.3 million or 22%YoY) together with an improved balance of revenues mix (42 : 58% for its hotels and food businesses respectively); and continued good

Gross margin (54.8% of total revenues) in line with overall revenues increase, despite rising food labour and logistics costs.

- Improved General Selling & Administrative expenses as a percentage of total revenues (ie: 36.2% compared to 38.2% in 2010), due to overall increased revenues as well as continued effective costs and expenses management; together with total Amortisation & Depreciation and Finance costs that reflect the new IFRS reporting systems as well increased borrowings (for ongoing investments in new properties or renovations of existing facilities) respectively.
- Solid increase in overall EBITDA (ie: FY/11 at 20.5% of total revenues compared to 17.7% in 2010); and Total consolidated Net Profit of Baht 550.4 million (a significant increase of Baht 606.2 million or 1,085% YoY), due to increased revenues and improved operating performances in both the hotels and food businesses.
- A Debt : Equity ratio of 1.5 : 1 (compared to 1.2 :1 as at end 2010, due to increased borrowings for new projects investments. Also a Net Cash Flow from operations of Baht 2,153.5 million (an increase of 35% YoY) that help fund ongoing investment needs.

CENTEL Consolidated Profit & Loss Summary	FY/2011 (2554)		FY/2010 (2553)		Change YoY (Increase + / Decrease -)	
	(Baht - Million)	Baht	%	Baht	%	Baht
Revenues from Hotels Business	4,667.9	40.7%	3,891.6	41.4%	+776.3	+19.9%
Revenues from Food Business	6,495.3	56.6%	5,249.3	55.8%	+1,246.0	+23.7%
Other income	310.7	2.7%	259.0	2.8%	+51.7	+20.0%
Total Revenues	11,473.9	100.0%	9,399.9	100.0%	+2,074.0	+22.1%
Cost of Sales – Hotel Business	(1,961.0)	(42.0%)	(1,664.6)	(42.8%)	+296.4	+17.8%
Cost of sales - Food Business ⁽¹⁾	(3,163.0)	(48.7%)	(2,470.0)	(47.1%)	+693.0	+28.1%
Total Cost of Sales ⁽¹⁾	(5,124.0)	(44.7%)	(4,134.6)	(44.0%)	+989.4	+23.9%
Lees:Cost of Sales, Selling and Admin Expenses	(4,189.8)	(36.5%)	(3,590.0)	(38.2%)	+599.8	+16.7%
Add: Share of Net Profit/Loss) from investments (on equity basis)	75.6	0.7%	(7.8)	(0.1%)	+83.4	+1,069.2%
EBITDA	2,235.7	19.5%	1,667.5	17.7%	+568.2	+34.1%
Less : Depreciation & Amortization	(1,005.0)	(8.8%)	(1,229.3)	(13.1%)	-224.3	-18.2%
EBIT	1,230.7	10.7%	438.2	4.7%	+792.5	+180.9%
Less : Finance costs	(414.1)	(3.6%)	(307.5)	(3.3%)	+106.6	+34.7%
Income tax	(255.1)	(2.2%)	(220.2)	(2.3%)	+34.9	+15.8%
Less : Profit/(Loss) on non-controlling interests	(40.1)	(0.3%)	(41.4)	(0.4%)	-1.3	-3.1%
Add : Amortization of deferred rental income (Centara Grand, Samui)	100.3	0.9%	100.3	1.1%	-	-
Less: Loss from guarantee provisions	(73.7)	(0.6%)	(12.0)	(0.1%)	-61.7	-515.2%
NET PROFIT/LOSS)	550.4	4.8%	(55.8)	(0.6%)	+606.2	+1,086.4%
Note: Gross Profit	6,039.2	54.1%	5,006.3	54.8%	+1,032.9	+20.6%

Source : CENTEL FY/11 Financial Statements

OUTLOOK

Full Year 2012 and beyond.

For the FY/2012 period, CENTEL expects total consolidated revenues to grow by 20% YoY – to Baht 13,700 million (with a revenue mix of 40% : 60% for its hotels food businesses respectively - through continued expansion of both its core businesses as mentioned above.

However, given possible further negative global economic and local political environments as well as other uncontrollable risk factors (such as natural disasters), all of which may potentially and adversely impact the tourism and hotels industry as well as overall local consumer sentiments; CENTEL will, at the same time, continually endeavour to implement various measures to effectively manage overall costs and expenses, in order to sustain its solid performance results

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Therefore, these uncertainties and expectations that are based on the current view may vary over time; whereby they could positively or negatively impact expected future business operations, thus resulting in actual performance results that may be materially different from those expressed in this document.