

August 13, 2015.

The President & Director,
THE STOCK EXCHANGE OF THAILAND (SET)
Rajada-Pisek Road, Klong Toey. Bangkok.

Dear Sirs;

Subject: Clarification regarding CENTEL' s
Q2/2015 Operating Performance Results

In compliance with the Stock Exchange of Thailand' s (SET) regulations, dated November 19, BE. 2536, as well as the associated requirements for the preparation and reporting of financial statements, financial status and the operating performance results of listed companies together with the required clarifications for any Year-on-Year (YoY) variances relating to a listed company' s performance results for any comparable financial periods of that exceed 20%, the CENTRAL PLAZA HOTEL plc. (CENTEL) wishes to inform the SET as stated below.

For the 3 months Q2/2015 financial period ending as at June 30, 2015, the Company and its Subsidiary Companies (CENTEL) achieved a 492.1%YoY increase in total consolidated Net Profit compared to the same period last year. A summary and detailed analysis of the **Consolidated Financial Statements for Q2/2015** are shown below.

(in Baht - Million)	Q2/2015		Q2/2014		Changes YoY (+ increased / - decreased)	
	Baht	%	Baht	%	Baht	%
Revenues – Hotels Business	1,861.2	41.0%	1,653.9	38.1%	+207.4	+12.5%
Revenues – Food Business	2,619.8	57.8%	2,584.3	59.6%	+35.5	+1.4%
Other income	55.2	1.2%	98.6	2.3%	-43.4	-44.0%
TOTAL REVENUES	4,536.2	100.0%	4,336.8	100.0%	+199.4	+4.6%
Cost of Sales – Hotels Business	(777.0)	(17.1%)	(709.9)	(16.4%)	+67.1	+9.5%
Cost of Sales – Food Business ⁽¹⁾	(1,218.2)	(26.9%)	(1,283.2)	(29.6%)	-65.0	-5.1%
TOTAL COST OF SALES ⁽¹⁾	(1,995.2)	(44.0%)	(1,993.1)	(46.0%)	+2.1	+0.1%
Less: Selling & General Admin Expenses	(1,709.1)	(37.7%)	(1,706.8)	(39.4%)	+2.3	+0.1%
Add: Share of Profit/(Loss) from Investments (based on the equity method)	8.4	0.2%	0.6	0.1%	+7.8	+1,198.9%
EBITDA	840.3	18.5%	637.5	14.7%	+202.8	+31.8%
Less: Depreciation & Amortization	(391.8)	(8.6%)	(387.9)	(8.9%)	+3.9	+1.0%
EBIT	448.5	9.9%	249.6	5.8%	+198.9	+79.7%
Less: Interest Expenses	(110.4)	(2.4%)	(124.2)	(2.9%)	-13.8	-11.1%
Less: Corporate Income Tax	(129.4)	(2.9%)	(104.6)	(2.4%)	+24.8	+23.7%
Less Net Profit/(Loss) from Non-controlling Interests	12.4	0.3%	(4.3)	(0.1%)	-16.7	-384.8%
Add: Revenues from Amortization of Deferred Rental Income (CGBS)	25.1	0.6%	25.1	0.6%	-	-
NET PROFIT	246.2	5.4%	41.6	1.0%	+204.7	+492.1%
Note: Gross Profit & Gross Margin %	2,485.8	55.5%	2,245.1	53.0%	+240.7	+10.7%

(1) Cost of Sales EXCLUDING depreciation & amortization that are allocated as cost of sales

1. TOTAL REVENUES

For Q2/2015, the Company and its Subsidiary Companies achieved total consolidated revenues of Baht 4,563.2 million (compared to Baht 4,336.8 million in Q2/2014), an increase of Baht 199.4 million, or 4.6%, YoY with the following details.

Hotels Business

Total revenues for the Hotels Business in Q2/2015 increased by Baht 207.4 million, or 12.5%, YOY compared to the same period last year - mainly due to the fact that, in 2014, hotels in Bangkok and nearby provinces (ie: Pattaya, Hua Hin) were impacted by the ongoing unsettled political situation and associated political demonstrations that adversely affected the overall tourism sector. However, in 2015 the political situation became more peaceful and stable, resulting in an increase in international tourist arrivals. Thus, the Company's Hotels Business achieved an overall Average Occupancy (OCC) of 76.6%, an increase of 7.3 percentage points compared to the same period last year; while achieved Average Room Rate (ARR) was Baht 4,213.-; whereby the major hotels that achieved increased total Q2/2015 revenues were:

- The Centara Grand and Bangkok Convention Center at Central World and the Centara Grand Central Ladprao, Bangkok – that both achieved increased total revenues of Baht 127.2 million and Baht 47.6 million respectively.
- Additionally, the Kata Phuket Hotel Co. Ltd. - in which the Company increased its investment by a further 49.0% (from the previous direct equity shareholding of 50%) in October 2014, thus resulting in a total equity shareholding of 99% and making it a fully-owned Subsidiary Company requiring its operating results to be consolidated with those of the Company - also achieved total increased revenues of Baht 17.0 million in Q2/2015.

Food Business

Total revenues for the Food Business, in Q2/2015, increased by Baht 35.5 million, or 1.4 %,YoY. This is mainly due to the increased revenues derived from the continuing expansion and addition of new outlets (totaling 7 in Q2/2015) for the respective QSR brands, the ongoing sales promotions for special ' combo set menu' offerings or the loyalty points accumulation campaign for use in redeeming various premium products at special discounted prices, as well as the sustained PR and advertising activities on TV and via various print or other media together with ongoing improvement/development of new menu offerings and also the price adjustments made for some QSR brands.

As at the end of Q2/2015, the Food Business group had a total of 774 QSR outlets and also achieved a marginal Same-Store-Sales(SSS) negative growth of -1.0%YoY together with Total-System-Sales(TSS) growth of +1.3%YoY (compared to +2.2%YoY and +8.4%YoY respectively for the same period last year).

3. SELLING AND GENERAL ADMINISTRATIVE EXPENSES

Total Selling and General Administrative expenses of the Company and its Subsidiary Companies comprises of staff salaries and benefits, hotel properties management expenses, facilities rental costs, costs for credit cards usage, QSR franchise fees and associated royalty fees. In Q2/2015 total Selling and General Administrative expenses was Baht 1,709.1 million, an increase of Baht 2.3 million, or 0.1%, YoY; which is equal to 37.7% of total Consolidated Revenues (compared to 39.4% in Q2/2014).

The YoY increase in the total Selling and General Administrative expenses is mainly due to the ongoing expansion of new QSR outlets - totaling 7 during this Q2/2015 compared to same period of the previous year; although, as a percentage of total Consolidated Revenues, total Q2/2015 Selling and General Administrative expenses is lower than that for Q2/2014 due to overall revenues increases as well as more effective costs management and control this year.

4. SHARE OF PROFIT FROM INVESTMENTS (based on the equity method)

In Q2/2015, the Company and its Subsidiary Companies recognized the share of Net Profit from investments (based on the equity method), totaling Baht 8.4 million, representing a YoY increase of Baht 7.8 million, or 1,198.9%, YoY, mainly due to increased profits from the CTARAF Property Fund relating to various CENTEL hotels and resorts.

5. CONSOLIDATED EBITDA and NET PROFIT

For Q2/2015, the Company and its Subsidiary Companies achieved total consolidated EBITDA of Baht 840.3 million, an increase of Baht 202.8 million, or 31.8%, YoY; which is equal to 18.5% of the total Consolidated Revenues and represents an YoY increase from the corresponding 14.7% achieved in Q2/2014. While total Q2/2015 Consolidated Net Profit, from normal operations, was Baht 246.2 million, which is a very significant increase of Baht 204.7 million, or 492.1%, YoY compared to the same period last year, primarily resulting from the total increased total revenues for both the Hotels Business and the Foods Business groups.

Lastly, given that the economic and political situations may have possible negative impacts on the tourism industry and the hotels business, the CENTEL Group has maintained its efforts in finding various measures to reduce overall costs and expenses - such as, negotiating with key suppliers, together with implementing energy costs savings programs together with ongoing costs management and controls procedures. Additionally, the CENTEL Group plans to continuously explore additional sources of revenues, through focusing on further expanding its hotels management services activities; as well as its current core strategies for its Food Business in adding new QSR outlets and new QSR brand concepts, together with ongoing new products/menu offerings development and sustained proactive marketing activities.

For your information accordingly.

Respectfully Yours,

A handwritten signature in blue ink, consisting of a stylized 'R' followed by a cursive flourish.

(Dr. Ronnachit Mahattanapruet)
Senior Vice President, Finance & Administration.