

27th February 2012

Re Invitation to Attend Annual General Meeting of Shareholders of 2012

To Shareholders of L.P.N. Development Public Company Limited

- Encl.
1. Copy of Minutes of Annual General Meeting of Shareholders of 2011 on 31st March 2011.
  2. Annual Report of 2011 and Financial Statements Comprising Statement Showing Financial Position, Profit-Loss Statement, Statement of Changes in Shareholders' Equity, and Statement of Cash Flow As At 31<sup>st</sup> December 2011.
  3. Histories of Directors Retiring from Office by Rotation and Nominated to Resume Office.
  4. Details of Remuneration and Annual Gratuities of Board of Directors and Committees.
  5. Details of Capital Increase Ordinary Shares Offering to Directors and Staff of Company and/or Subsidiary Companies under ESOP.
  6. Articles of Association of Company Specifically Related to Shareholders Meeting.
  7. Documents and Evidences Required for Attending Shareholders Meeting, Procedures Regarding Appointment of Proxy
  8. Proxy Authorization to Participate in 2012 Annual General Shareholders' Meeting
  9. Details of Independent Directors Nominated by Company to Shareholders for Appointment of Proxy.
  10. Schedule of Visit to Company's Projects.
  11. Reply Form to Visit Company's Projects.
  12. Letter of Appointment of Proxy, Form B., for General Person.
  13. Letter of Appointment of Proxy, Form C., for Shareholders Who are Foreign Investors and Appointment of Custodian in Thailand.
  14. Map Showing Venue of Shareholders Meeting.

Whereas the Board of Directors of L.P.N. Development Public Company Limited (hereinafter called "Company") resolved that there be called the Annual General Meeting of Shareholders of 2012 on 29 th March 2012 at 9.30 hours at the Meeting Room on 11<sup>th</sup> Floor, No. 1168/7, Lumpini Tower, Rama IV Road, Thoong Mahamek Sub-District, Sathorn District, Bangkok Metropolis 10120, to consider various businesses according to the agendas and the opinions of the Board of Directors as follows:

**Agenda 1. Adoption of Minutes of Annual General Shareholders Meeting of 2011 Held on 31st March 2011**

Background The Company had prepared the Minutes of Annual General Meeting of Shareholders of 2011 held on 31st March 2011, and readily sent it to the Stocks Exchange of Thailand within 14 days, and to the Ministry of Commerce within the timeframe prescribed by law, and had already published it on the Company's web site ([www.lpn.co.th](http://www.lpn.co.th)), as per the details appearing in the Copy of Minutes of Meeting in the Enclosure of Item 1.

Opinions of Board of Directors It is deemed suitable to propose the Minutes of Annual General Meeting of Shareholders of 2011 which was held on 31st March 2011 for adoption by the Shareholders Meeting, as the Board of Directors is of an opinion that it had been correctly recorded.

**Agenda 2. Acknowledgement of Report of Board of Directors for Results of Operations in 2011**

Background The Company has concluded the results of operations as well as significant changes occurred in 2011 as shown in the Annual Report of 2011, as per the details appearing in the Enclosure of Item 2.

Opinions of Board of Directors It is deemed suitable to propose the Annual Report of 2011 which concludes the results of operations of the Company and significant changes occurred in 2011 for acknowledgment by the shareholders.

**Agenda 3. To Consider Approving Financial Statements of 2011, Comprising Statement Showing Financial Position, Profit and Loss Statement, Statement of Changes in Shareholders' Equity, and Statement of Cash Flow As At 31<sup>st</sup> December 2011.**

Background This is in line with the Public Limited Company Act B.E. 2535 (1992) which provides that a public limited company must prepare balance sheet and profit and loss statement as at the end of the accounting period of such company. In this respect, the balance sheet, the profit and loss statement, the statement showing changes in shareholders' equity, and the statement of cash flow for the year ending on 31<sup>st</sup> December 2011 of the Company had been audited and certified by the auditor of the Office of DIA International Auditing and approved by the Audit Committee that they were correct, complete, and were in line with the generally recognized accounting standards, and that there had been disclosed adequate information as shown in the "Financial Statements" of the Annual Report of 2011, as per the details appearing in the Enclosure of Item 2, the significant points of which can be summarized as follows:

Description	Financial Statements of Specific Businesses	Combined Financial Statements
● Total assets (million Baht)	9,364.25	9,593.07
● Total liabilities (million Baht)	2,351.20	2,464.54
● Total incomes (million Baht)	12,171.21	12,371.63
● Net profits (million Baht)	1,834.45	1,917.26
● Profit per share (Baht/share)	1.24	1.30

Opinions of Board of Directors It is deemed suitable to propose to the Shareholders Meeting to consider approving the financial statements of 2011 which comprises balance sheet, profit and loss statement, statement showing changes in shareholders' equity, and statement of cash flow, as at 31<sup>st</sup> December 2011, which had been duly audited and signed for certification by the auditor and which had also been approved by the Audit Committee and the Board of Directors.

Agenda 4. To Consider Approving Allocation of Profits and Payment of Dividends

Background The Company has a policy of paying dividends at the rate of not less than 50 percent of the net profits for the combined financial statements. After the Board of Directors having resolved that annual payment of dividends be made, it must be proposed to the Shareholders Meeting for approval, except it be an interim dividend payment, which the Board of directors is empowered to approve said payment of dividends and report such to the Shareholders Meeting at the next Shareholders Meeting. This is in line with the Public Limited Company Act B.E. 2535 (1992) and the Articles of Association of the Company, Clause 28. Based on the results of operations and the general financial position of the Company in 2011, the Company had net profits after deduction of income tax at Baht 1,917,262,695.84 (Baht one thousand nine hundred seventeen million two hundred sixty two thousand six hundred ninety five and eighty four Satangs only). Therefore, the Company is considering making payment of dividends from the results of operations of 2011, i.e., from 1<sup>st</sup> January 2011 until 31<sup>st</sup> December 2011, at the rate of Baht 0.65 (sixty five Satangs) per share, or computed at the ratio of 50 percent of the net profit, making the total amount of Baht 959,204,199.20 (Baht nine hundred fifty nine million two hundred four thousand one hundred ninety nine and twenty Satangs only), the details of which are as follows:

- 1) The Company had made interim dividend payment for the results of operations of the 6-month period at the end of the 2nd quarter at the rate of Baht 0.21 (twenty one Satangs) per share for the ordinary shares of the Company totalling 1,475,698,768 shares, making the total of Baht 309,896,741.28 (Baht three hundred nine million eight hundred ninety six thousand seven hundred forty one and twenty eight Satangs only), which was paid on 30th August 2011.
  
- 2) As such, there remains the last lot of dividends to be paid to the shareholders entitled to receiving annual dividends of 2011 as per the list of names on the record date (RD) at the rate of Baht 0.44 (forty four Satangs) per share, for the ordinary shares totalling 1,475,698,768 shares, making the total amount of Baht 649,307,457.92 (Baht six hundred forty nine million three hundred seven thousand four hundred fifty seven and ninety two Satangs only), whereby ordinary person shareholders may request for the refund of tax credit thereof, i.e., at the rate of Baht 0.44 (forty four Satangs) per share as paid from the net profit subjected to tax payment at 30 percent. Hence, the dividends credit equals to the dividends multiplied by three-sevenths.

In this respect, the Company publishes the list of names of shareholders who are entitled to attend the Shareholders Meeting and who are also entitled to receive payment of dividends on 5th March 2012, and collects the list of said names under Section 225 of the Securities and Exchange Act by closing the registration book on 6th March 2012.

The payment of said dividends is scheduled to be made on 11th April 2012, whereby the data for comparison of rate of payment of dividends in the past years are as follows:

Details of Dividend Payment	Combined Financial Statements	Company's Financial Statements	
	2011	2010	2009
1. Net profit (million Baht)	1,917.26	1,637.30	1,391.07
2. Number of shares issued and paid up (million shares)	1,475.70	1,475.70	1,475.70
3. Rate of dividend per share (Baht: Share)	0.65	0.56	0.50
3.1 Interim dividend (Baht: Share)	0.21	0.18	0.16
3.2 Additional dividend (Baht: Share)	0.44	0.38	0.34

- Note:** 1. In 2009 and 2010, the Company had the policy on payment of dividends at rate not lower than 50 percent of the net profit specifically for financial statements of the Company.
2. In 2011, the Meeting of Board of Directors No. 6/2554 of 15th December 2011 had passed a resolution that the policy on payment of dividends from " The Company has the policy on payment of dividends at rate not lower than 50 percent of the net profits specifically for the financial statements of the Company." to "The Company has the policy on payment of dividends at rate not lower than 50 percent of the net profits specifically for the combined financial statements.", with effective date from the financial statements of 2011 onwards.

Opinions of Board of Directors It is deemed suitable to propose to the Shareholders Meeting for acknowledgement of the interim dividend payment and for approval of the payment of interim dividend of 2011 at the rate of Baht 0.65 (sixty five Satangs) per share of the ordinary shares of 1,475,698,768 shares. The Company has paid interim dividends for the 6-month period of results of operations at the end of the 2<sup>nd</sup> quarter at the rate of Baht 0.21 (twenty one Satangs) per share.

Therefore, there remains dividends to be paid to the shareholders at the rate of Baht 0.44 (forty four Satangs) per share for the ordinary shares of 1,475,698,768 shares, which will be paid to the shareholders who are entitled to receiving dividends according to the list of names as at the record date (RD), whereby the Company will publish the names of shareholders who have the right to attend the Shareholders Meeting and who are entitled to receiving dividends on 5th March 2012, and will collect the list of such names under Section 225 of the Securities and Exchange Act by closing the registration book on 6th March 2012, and will make payment of dividends on 11th April 2012.

However, the granting of such rights of the Company is not yet definite, because an approval by the Annual General Meeting of Shareholders is still required.

Agenda 5. To Consider Election of Directors Replacing Those Retiring by Rotation

Background: Under the Public Limited Company Act and Clause 11 of the Articles of Association of the Company, one-third of the total number of directors must retire from office by rotation at the Annual General Meeting of Shareholders. At the Annual General Meeting of Shareholders of 2012, the following 5 directors must retire from office by rotation:

1. Mr. Tawechai Chitasaranachai Deputy Chairman of Board of Directors,  
Nomination and Remuneration Committee  
Member, and Independent Director.

2. Mr. Weerasak Wahawisal                      Audit Committee Member, Nomination and Remuneration Committee Member, and Independent Director.
  
3. Mr. Tirachai Panchasarp                      Director
  
4. Mr. Tikhamporn Plengsrisk                      Director, Chairman of Executive Director, Chief Executive Officer, and Nomination and Remuneration Committee Member.
  
5. Mr. Opas Sripayak                              Director, Executive Director, and Managing Director.

The Nomination and Remuneration Committee has considered the suitability that would yield utmost benefits to the operations of the Company, taking into account qualifications, experiences, expertises. In this respect, the Nomination and Remuneration Committee, excluding directors who have vested interests and therefore did not cast the votes, has proposed that all 4 directors who have completed their office term and must retire by rotation be reappointed for another term. The details of histories and experiences of the said 4 directors appear in the Enclosure of Item 3.

As for Mr. Tirachai Panchasarp who no longer wishes to retain the directorship of the Company, the Nomination and Remuneration Committee is of an opinion that it is not necessary for the Company to appoint a director to succeed him at this time.

Opinions of Board of Directors: The Nomination and Remuneration Committee, excluding those with vested interests, has nominated 4 persons for consideration according to the nomination process. Therefore, the Board of Directors wishes to nominate the following persons:

1. Mr. Tawechai Chitasaranachai                      Deputy Chairman of Board of Directors, Nomination and Remuneration Committee Member, and Independent Director.

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|----|---------------------------|--|
| 2. | Mr. Weerasak Wahawisal    | Audit Committee Member, Nomination and Remuneration Committee Member, and Independent Director.                      |
| 3. | Mr. Tikhamporn Plengsrisk | Director, Chairman of Executive Director, Chief Executive Officer, and Nomination and Remuneration Committee Member. |
| 4. | Mr. Opas Sripayak         | Director, Executive Director and Managing Director.  |

as directors for another term, whereby two of whom, namely Mr. Tawechai Chitasaranachai and Mr. Weerasak Wahawisal, are Independent Directors.

**Agenda 6. To Consider Fixing Remuneration of Board of Directors and Committees.**

Background: The Nomination and Remuneration Committee has considered the remuneration for directors and committees, taking into account the suitability as well as the results of operations of the Company, which is in line with the general situation of the market and of the same industry, the expansion of business and the growth of the Company, including the suitability in relation to the duties and the responsibilities of the Board of Directors and the Committees. As such, the Nomination and Remuneration Committee has decided that the gratuities for the directors for the results of operations in 2011 be granted in the amount of Baht 7,379,000 (Baht seven million three hundred and seventy nine thousand only), whereby this amount will be allocated by the Board of Directors itself.

In this respect, the Nomination and Remuneration Committee has decided that the remuneration of directors and the remuneration of committees for 2012 be paid in the total amount of Baht 7,290,000 (Baht seven million two hundred and ninety thousand only), as per the following details:

- Chairman of Board of Directors receives remuneration at Baht 60,000 per month.
- Deputy Chairman of Board of Directors receives remuneration at Baht 30,000 per month.
- Chairman of Audit Committee receives remuneration at Baht 45,000 per month.
- Audit Committee receives remuneration at Baht 35,000 per month.
- Director receives remuneration at Baht 25,000 per month.

- Chairman of Nomination and Remuneration Committee receives remuneration at Baht 7,500 per month.
- Nomination and remuneration Committee receives remuneration at Baht 5,000 per month.

The details appear in the Enclosure of Item No. 4.

Opinions of Board of Directors: The Nomination and Remuneration Committee has considered carefully the gratuities for the directors for the results of operations of 2011, the remuneration of directors and committees of 2012, taking into account the suitability in various aspects. Hence, the Board of Directors deems that it should be proposed to the Shareholders Meeting to approve the proposal put forward by the Nomination and Remuneration Committee.

**Agenda 7. To Consider Appointing Auditor and Fixing Auditor's Fee of 2012.**

Background The Audit Committee selects an auditor for the year 2012 according to the prescribed process and proposes its decision to the Board of Directors for consideration and forwarding same to the Shareholders Meeting to consider appointing an auditor from the Office of DIA International Auditing to be the auditor of the Company and its subsidiary companies of 2012, which comprise Lumpini Property Management Company Limited, Lumpini Project Management Service Company Limited, Porn Santi Company Limited, and Lumpini Property Service and Care Company Limited. This is because the Office of DIA International Auditing has been auditing the financial statements of the Company and its subsidiary companies continuously for many years and has always been able to provide advices which are beneficial to the Company throughout, not to mention that it has no relations and vested interests with the Company, its subsidiary companies, executives, major shareholders, or those related to the said persons whatsoever. The Office is independent in auditing and expressing its opinions on the financial statements of the Company and its subsidiary companies. As such, either one of the following auditors, namely:

1. Mrs. Wilairat Rojnakarin CPA Licence No. 3104,
2. Mrs. Pornsaran Rungcharoenkitkul CPA Licence No. 3255,

is nominated to audit and express the opinions on the financial statements of the Company.





In the case the said auditor is unable to perform her duties, it is considered that a request be made to the Office of DIA International Auditing to provide an auditor from its Office to audit the accounts and express opinions on the financial statements of the Company in lieu of the said auditor, by fixing the auditing fee for the year 2012 at Baht 1,000,000 (Baht one million only), as proposed by the Audit Committee.

**Agenda 8. Other Matters for Consideration (If Any).**

The Company has already prepared the list of shareholders per the Record Date (RD) for the rights to attend the Shareholders Meeting and to receive dividends on Friday 5th March 2012, and has duly collected the list of such names under Section 225 of the Securities and Exchange Act, whereby the registration book will be closed on 6th March 2012.

After the General Shareholders Meeting, the Company hereby invites all shareholders to pay a visit to various projects of the Company according to the schedule herewith attached. For the purpose of travelling preparations and arrangements, may shareholders who wish to pay a visit to the projects kindly fill out the details in the reply form and return it to the Company within 26th March 2012.

All shareholders are cordially invited to attend the Meeting according to the designated day, time, and place. The Company also asks the shareholders or proxies to kindly bring along the Letter of Appointment of Proxy together with documents and evidences required to be presented to the officers for registration on the Meeting Day as from 8.00 a.m. onwards.

Yours sincerely,



(Mr. Opas Sripayak)

Managing Director

By Resolution of Board of Directors

- Note: 1. If any shareholder wishes to receive the Annual Report of both Thai and English for the year 2011 Versions in CD format, kindly contact us at telephone no. 02-285-5011 Ext. 147.
2. Shareholders may see the Notice Calling Annual General Meeting of Shareholders of 2012 and supporting documents at [www.lpn.co.th](http://www.lpn.co.th).

Investor Relation Section, Directors Office Department,

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