

NEWSLETTER FROM
TICON GROUP

FORWARD

APRIL-JUNE 2014 | ISSUE 2

**TPARK Warehouse
Quality**

Why is
**The Center of
Transportation and
Logistics Operators**
Necessary?

TICON Staff
Plant
**Artificial Reefs
to Restore
Under-water Nature**

From
Property Fund
to **REIT**

**Let's Take a Trip
to E-sarn!**



TICON

Introduces a New Project in

Kabinburi Industrial Zone



Mr. Virapan Pulges
Managing Director
TICON Industrial Connection Public
Company Limited

Message from the Managing Director

Hello all readers. As you are well aware, political events in 2Q 2014 have impacted Thailand's economic growth as most investment projects carried out during the previous cabinet were halted. However, there's always a silver lining. Subsequent to the coup d'état, various matters have returned to their normal speed. Thailand's economy is among key focuses of the National Council for Peace and Order (NCPO). Recently, the NCPO has appointed the new Board of Investments (BOI), which is anticipated to give the green light to several pending investment projects.

Under the said circumstance, TICON would like to reassure our customers and investors that our business will continue to stride forward albeit any impact from possibly delayed foreign investments. It is my firm belief that our business remains robust; and there are various customers expressing interest to rent our factories and warehouses. Although some companies may opt for the wait-and-see policy, we are now witnessing the highest number of customers' projects at our warehouses in many years. The demand for warehouses continues its healthy momentum, especially for TPARK Bangplee and TPARK Wangnoi 2 projects, the two highest demand area by many of our large customers.

TICON Group is confident that after the situation returns to normal, Thailand will once again enjoy the sound growth due to the unwavering confidence of foreign investors in the country's potential. Thailand has effective infrastructure, prime geographical location, and skilled labors, all of which are ready to pick up its pace once the economy returns to normal condition. By then, I believe that investments in Thailand will steadily move forward.

ISSUE 2
APRIL-JUNE 2014

CONTENTS

3 BRIGHTEN THE FUTURE

TICON Staff Plant Artificial Reefs to Restore Under-water Nature

4 FACTORY SPOTLIGHT

TICON Introduces a New Project in Kabinburi Industrial Zone

6 WAREHOUSE SPOTLIGHT

TPARK Warehouse Quality

8 JAPAN CORNER

Let's Take a Trip to E-sarn!

10 INVESTOR'S FOCUS

From Property Fund to REIT

11 NEW TENANTS

12 PROPERTY HIGHLIGHT

13 EVENTS NEWS

14 COFFEE TIME WITH GURUS

Why is the Center of Transportation and Logistics Operators necessary?

15 TAKE A BREAK

Ton Nam Restaurant

FORWARD

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TICON Plant Artificial Reefs to Restore Under-water Nature

GREETINGS TO OUR READERS! IN THIS ISSUE, WE SHARE WITH YOU AN INTRIGUING CSR PROJECT ORGANIZED BY TICON GROUP CALLED “PLANTING ARTIFICIAL REEFS TO RESTORE SEA WATER NATURE PROJECT”.



This project is a solid accomplishment based on an idea from TICON executives and staff to contribute towards environmental conservation, especially in the coral reefs which are in critical condition caused by the impact of natural disaster and human destruction. Therefore, a group of TICON volunteers organized a coral reef building activity to restore the balance of nature under the sea at Had Sor beach in Amphoe Sattahip, Chonburi province.

Mr. Apinut Makloy, Information and Technology Manager, and one of the project founders, describes coral reefs as essential elements of marine ecology, since they are the natural habitat of various types of marine life. One way to restore coral reefs is to build new ones to

provide a habitat for sea animals. TICON people are well aware of the importance of life under the water.

The project is honored as **Mr. Virapan Pulges**, Managing Director of TICON Industrial Connection PLC., joins the activity. “It’s undeniable that a vast part of our natural resources have been exploited. As such, we need to raise awareness in people, to help them realize how important it is for us to conserve the environment. We need to use less and destroy less, and not make drastic changes to nature, and we need to start such changes among ourselves. Therefore, we have invited TICON and TPARK staff to participate in this environmental conservation project to build awareness and



(from left) **Mr. Patan Somburanasin**
Managing Director, TPARK **Mr. Virapan Pulges**
Managing Director, TICON

more understanding about marine life, which has been harmed at an alarming rate by changes in nature and through human destruction. Ignoring this fact could cost us a severe loss of balance in the coastal environment. Building coral reefs contributes to the preservation and conservation of coastal coral reefs, which provide habitat and nutritional sources for marine life and maintain an abundance of marine ecology. TICON pledges our continuous support for these CSR activities because we recognize that it’s the duty of all sectors in society to take care of the environment and to restore the balance of nature for future generations”

Mr. Patan Somburanasin, Managing Director of TICON Logistics Park Co., Ltd. (TPARK) adds “We see Chonburi province as one of our hometowns, as we have developed several projects in the province. Therefore, it is important that we look after the environment of our home. Sor beach once had a variety of abundant coral reefs, which were listed among the most beautiful reefs in Thailand. However, over 90% of the coral reefs have been destroyed by natural disaster, such as storms and sea waves, as well as by human encroachment. For these reasons, we selected Had Sor beach as our destination for 90 TICON volunteers to engage in our coral reef building activity. Also, our volunteers cleaned up the beach by getting rid of litter. Then, we enjoyed some beach sport activities, which were fun and at the same time helped strengthen the bonds and unity among TICON staff.” ■



TICON

Introduces a New Project in

Kabinburi

Industrial Zone

TICON CONTINUES TO STRIDE FORWARD IN LINE WITH ITS LAND PURCHASE STRATEGY FOR DEVELOPMENT OF HIGH QUALITY READY-BUILT FACTORIES TO ACCOMMODATE INVESTMENT IN THE INDUSTRIAL SECTOR. IN THIS ISSUE, IT IS OUR PLEASURE TO INTRODUCE A RECENTLY LAUNCHED PROJECT IN THE KABINBURI INDUSTRIAL ZONE.

Highlight

The **Kabinburi Industrial Zone** is located in Amphoe Kabinburi, Prachin Buri province. It is located amongst key industrial zones of Thailand, and offers a prime location as it connects to vital destinations such as Bangkok, Suvarnabhumi Airport, Laemchabang Port, and various industrial estates. With its strategic and flood-free location, the Kabinburi Industrial Zone is highly suitable for automobile and electronics manufacturers.

Currently, TICON owns a total of 166-rai area in the Kabinburi Industrial Zone, which will offer a total of 130,000 sq m space for rent upon full development.





Project Details

Size: 166 rai

Total factory space: 130,000 sq m

Factory size range: 1,750 - 2,800 sq m

Project entrance:

From Bangkok to Nakhon Ratchasima:
Take Highway 304 from Kabinburi junction. The project is 12 KM. from the junction - on the right.



Distance of TICON Kabinburi Industrial Zone project in kilometers

Locations	Distance (km)
Bangkok	165
Laemchabang Port	170
Suvarnabhumi Airport	125
Map Ta Phut Deep Seaport	230
Khlongluang Transportation Station	169
Don Muang Airport	173
Outer Ring Road	158
Bangpa-in Industrial Estate	176
Hi-tech Industrial Estate	178
Navanakorn Industrial Promotion Zone	167

TPARK Warehouse Quality



Mr. Peerapat Srisukont,
Head of Project Development
TICON Group

TWO OR THREE DECADES AGO, “WAREHOUSES” OR STORAGE SPACES WERE AVAILABLE ANYWHERE AND MOST OF THEM LOOKED MUCH THE SAME—A SINGLE ENTRANCE WAREHOUSE WITH THICK WALLS AROUND THE BUILDING TO PREVENT THEFT. SUCH A STRUCTURE HARDLY ALLOWED VENTILATION. THE BUILDING’S FLOOR WAS USUALLY FLAT AND WITHOUT ANY FACILITY FOR LOGISTICS ACTIVITIES OR EVEN FIRE EXTINGUISHERS. MOREOVER, MOST WAREHOUSES WERE LOCATED WITHIN THE COMMUNITY, WHICH CAUSED TRAFFIC ISSUES.

It’s a whole different picture nowadays as warehouse activities have been developed into a value-added process. Warehouses have been transformed and become a venue equipped with facilities tailor-made to suit various business types along with advanced material-handling equipment. Such revolution changed the face of warehousing and led the industry towards the modern concept of “quality warehouse”, with modern equipment and facilities for the business operators that

have made the old-fashioned warehouse obsolete.

In this issue, the Forward team takes readers deep into TPARK — developer of the first Logistics Park in Thailand and the leading provider of high-quality Ready-Built warehouses. We are honored to meet one of the key people behind the success of various projects who will share his intriguing stories with us - **Mr. Peerapat Srisukont**, Head of

Project Development at TICON Group. We learn that he is scheduled to perform quality assurance tasks at the TPARK Bangplee 1 site. We ask his permission to follow him so as to get a closer look at the project and discover some interesting details.

As The Key Man Overseeing Project Development At TICON Group, Could You

“Warehouses are installed with additional facilities for the customers’ operations. However, they do have one thing in common - quality construction - as we ensure the use of quality materials and construction techniques for both building types.”





“The most important part of a high quality warehouse is the floor, which comprises 3 key elements — Stability, Durability, and Workability.”

Please Elaborate on The Difference Between The Development of Ready-Built Factories and Logistics Park Projects Offering High Quality, Ready-Built Warehouses?

“Let me start with the difference in respect of building. Factory buildings and warehouses for lease are completely different, as the activities inside the buildings are not the same. As such, warehouses are installed with additional facilities for the customers’ operations. However, they do have one thing in common - quality construction - as we ensure the use of quality materials and construction techniques for both building types.”

After talking and walking for a while, we arrive at the front of a warehouse. Khun Peerapat invites us to retreat from the hot, sunny weather. As soon as we step inside, we are surprised as the atmosphere inside the warehouse is considerably cooler than the outside temperature, and the ventilation is impressive. Khun Peerapat explains, “We emphasize the ventilation inside our warehouses to ensure that warehouse staff are comfortable working in here all day. Louvers are installed in the walls around the warehouse to allow the cooler air to flow inside the building. As these louvers are installed at a person’s normal

height, the hotter air inside is lifted up by the cooler air flow and pushed out through the Jack Roof, which is designed to assist ventilation. In addition, the Insulation Sheets are installed apart from the Metal Sheets to generate an air gap. These are the designs that keep the inside of TPARK warehouses cooler than the outside.”

What are The Key Features of TPARK’s High-Quality Warehouses?

“TPARK warehouses are built to answer the different demands of logistics operators. A TPARK warehouse consists of a 10-12 meter clear height, and a column span of 18-30 meters, both of which are designed to facilitate optimal space utilization for our clients. The most important part of a high quality warehouse is the floor, which comprises 3 key elements — Stability, Durability, and Workability. On stability, our warehouse floor is designed to ensure stability as it endures the weight of the entire operation. For durability, the floor is durable for any friction during the forklift operations. TPARK opts for top quality Industrial Concrete in our flooring for its pressure absorbent characteristic, and applies the Burnished Floor technique, which further enhances durability. To ensure the workability, Laser Screeder equipment is utilized during the flooring of TPARK’s warehouses to provide a

top-quality, flat and level floor. International standard FF (Floor Flatness) and FL (Floor Levelness) are also applied to our construction.”

Khun Peerapat adds “In addition, a good warehouse offers sufficient Docks and Dock Levellers for logistics activities. TPARK warehouses are equipped with at least one dock and dock leveller per 1000 square meters, along with the 10-meter outer canopy for protection against the sun and rain. To facilitate fast and effective logistics and distribution activities, TPARK designed a docking space that accommodates up to a 30-meter turning radius for trailers and a parking space to prevent any traffic jams in the area. ”

Is There Any Other Safety Equipment?

“TPARK allocates an area in the warehouse for forklift battery charging, while another area is dedicated for office space and toilets for the staff. Furthermore, in compliance with the law, a fire prevention system is installed inside the building, along with the fire exits, for maximum safety. TPARK warehouses are energy-saving as sky lights are installed in the roof for clients to benefit from the daylight, and there is the installation of T5 bulbs inside the building, which are cost-saving for our clients” ■



Mr. Takashi Fuse
Advisor
TICON Logistics Park Co., Ltd.

SKIMMING THROUGH THE TRAVEL ADS IN NEWSPAPERS AND MAGAZINES ISSUED IN JAPAN, MOST TRAVEL PACKAGES BY MOST TRAVEL AGENCIES LOOK THE SAME—A JAMMED –PACKED ITINERARY AT CHEAP PRICE. MOST TRIPS IN THAILAND OFFER SIMILAR TOURIST DESTINATIONS LIKE TEMPLES AND THE ROYAL PALACE OR NEARBY DESTINATIONS LIKE AYUDHAYA AND PATTAYA. MOST TRIPS TAKE TOURISTS TO THE SAME PLACES NAMELY, DINING AT SOMBOON OR COCA RESTAURANTS, HAVING A MASSAGE AT ARIMA ONSEN, SHOPPING FOR SOUVENIRS AT JIM THOMPSON. FOR UPCOUNTRY TRIPS, IT’S ALWAYS CHIANG MAI, CHING RAI, PHUKET, AND SAMUI.

Let's Take a Trip To **E-SARN!**

rounds of golf play as Thailand's weather is golfing-friendly. Golfers can enjoy rounds of golf in t-shirt and shorts, with a personal caddy providing attentive service. These luxuries are not affordable in Japan any more.



I wonder how come no travel agencies offer travel packages to other destinations like the **Northeastern region (E-Sarn)**. Popular tourist destinations would surely be enjoyable for foreign tourists visiting Thailand for the first time, but the question is – would they come back again? In my opinion, I think that it is probably difficult as these places may not be attractive enough for them to come back one more time.

Based on the records of the Tourism Authority of Thailand (TAT), over 1 million Japanese tourists visit Thailand each year. Definitely, they would enjoy famous tourist destinations in Bangkok, but the question is would they re-visit Thailand and go back to the same places they went last time? This, of course, excludes golfer/ tourists who love to come to Thailand for

Japan Thailand Business Forum

Japan Thailand Business Forum (JTBF) was established in Japan by a group of Japanese expatriates formerly working in Thailand. It was formed in 2002 and most members held executive positions of Japanese companies in Thailand. JTBF was founded to organize activities to promote and strengthen relationships between Thailand and Japan. I am also a JTBF member. Each year, JTBF sends a mission to Thailand and holds a project called “*Mini Tour*” in collaboration with TAT. The aim of the tour is to give the trip participants a delightful experience of new tourist destinations of Thailand and spread the word of mouth about it. These destinations are not offered by regular travel agencies. I was



among the participants of such trips, which took me to E-sarn provinces i.e. *Nakon Panom* and *Mookdaharn* provinces in 2012 and the Elephant Festival in *Surin* province in 2013. The impression of these tours in the E-Sarn region is available on the JTBF homepage if you are interested.

Boosting Thailand's Tourism

One thing I noticed from my trip to the E-Sarn region is that there are a number of western tourists, but hardly any Japanese tourists in spite of the fact that there are large numbers of Japanese visiting to, working and residing in Thailand. In Japan, we have the “*Yokoso Japan*” campaign by the Japanese government to welcome foreigners to Japan while the Thai government promotes the “*Amazing Thailand*” campaign to promote the Thai tourism industry.

However, I have a feeling that the campaign is not necessarily successful enough for Japanese tourists to have them visit different regions of Thailand although tourism is among the key industries of Thailand. JTBF and TAT

both encourage travel agencies to offer travel packages in different regions, but they seem to stick with the same-old policies, which focus on tourist destinations in Bangkok. If such strategy continues, the tourism industry may slow down as tourists do not have new and noteworthy destinations that would motivate them to re-visit Thailand, let alone other discouraging factors like the infrastructure, accommodation, training to ensure tour guides' capability. I firmly believe that Thailand would attract more first-time and re-visiting tourists if TAT, related public agencies and provincial governments jointly promote the charming tourist destinations of other regions in Thailand in countries around the world, including Japan. More tourists in these fresh destinations mean improved economy for those regions.

E-Sarn Trip Experience

In the past, E-Sarn region was associated with poverty. There were no tourist attractions and no sound infrastructure. Things are much different nowadays. I was still impressed with the experience of having a chilled beer in cozy and breezy

ambience on the Mekhong River bank. We had a less spicy but very tasteful E-Sarn food at a great price (around 300 baht per person). I had a conversation with E-sarn people sitting at the next table with assistance of the guide as we ate in an open-air restaurant. I also visited Ubon Ratchathani about 10 years ago with my wife by using sleeper from Bangkok and enjoyed beautiful scenery of the Phra Vihear ruins and the Lent Season Candle Making Festival.

The top three foreign tourists visiting Thailand were Chinese, Malaysian and Japanese. Recent records show, however, that Russians took over the No. 3 position from Japan. Among reasons of the decreasing Japanese tourists was the warning of the Ministry of Foreign Affairs of Japan about the political unrests. However, another undeniable reason is the lack of effective PR by relevant agencies.

“If TAT, related public agencies and provincial governments jointly promote the charming tourist destinations of other regions in Thailand in countries around the world, including Japan. More tourists in these fresh destinations mean improved economy for those regions.”

For readers who enjoy golf and karaoke, I know they are pleasurable. But, please let me recommend those staying in Thailand to take a 2-3 day trip to E-Sarn region. You may ask any travel agency to arrange for the trip and more importantly, ask for a capable tour guide. An ideal tour guide is not the one with only great language skill, but also with profound knowledge about different places in the region. It would not be an overstatement to say that a memorable trip can happen when we are accompanied by a skillful tour guide. ■

From Property Fund to REIT



Mr. Virapan Pulges

Managing Director
TICON Industrial Connection Public Company Limited

I HAVE FIRST TO DISCLAIM THAT I AM NOT AN **EXPERT IN PROPERTY FUNDS OR REAL ESTATE INVESTMENT TRUSTS ("REIT")**. HOWEVER, I HAVE BEEN INVOLVED WITH THE DEVELOPMENT OF PROPERTY FUNDS FROM THE SPONSOR'S POINT OF VIEW FROM THE VERY BEGINNING, 2005, UNTIL THIS YEAR, WHICH WILL BE THE YEAR THAT MANY REITS WILL BE SET UP IN THAILAND FOR THE FIRST TIME, 10 YEARS AFTER THE CREATION OF PROPERTY FUNDS.

As part of capital market development as an alternative investment for bank depositors, the Securities Exchange of Thailand ("SEC") was looking for ways to promote REITs in Thailand through tax incentives. However, at that time (early 2000) there was still no trust law in Thailand. Hence the SEC decided to use the existing regulations on mutual funds to mimic a REIT and created the Property Fund for Public Offering ("PFPO") whereby there are many tax incentives for different types of investor: 10% withholding tax on the dividend for retail investors (vs. 15% withholding tax on interest), 0% for foreign investors and publicly listed companies, 50% corporate income tax on dividend for non-listed corporate investors. The PFPO in itself was exempted from corporate income tax, value added tax ("VAT") and special business tax ("SBT") for property transfer.

TICON was among the first sponsors who saw the opportunity to use the PFPO as an alternative source of funding to quickly grow the company, supporting the growth of its customers. The first **TICON Property Fund ("TFUND")**, a factory fund, was IPO-ed in 2005 at a size of 1.75 billion Baht. It was not easy to raise capital back then when none of the investors really understood what a property

fund was. Unlike the REIT in other countries, debt leverage was not allowed in the PFPO, which made it impossible to enhance the yield for investors or to acquire any other non-sponsor assets. TICON had to give a yield of approximately 8.5% to the investors on the freehold properties in order to entice them to invest in the fund at that time, while a 10-year government bond yield was around 4.5%. After a few dividend payouts, TFUND unit holders began to realize how good the return was on their investment and more investors began to be more attracted to invest in PFPOs. Since then, TICON has raised money every year through PFPOs. In 2009, despite the global financial crisis, TICON created **TPARK Logistic Property Fund ("TLOGIS")** as a warehouse freehold property fund, which was well received by the investors.

As time has gone by, it has become easier to raise capital through property funds as investors understand that property funds such as TFUND and TLOGIS have quite diversified risks in terms of the number of tenants, geographical area, industries and nationality of tenants. During the past 10 years, there have been many unfortunate events both in Thailand and globally such as the closure of

Suvarnabhumi airport (2008), the Global Financial Crisis (2009), the Red-shirt protest (2010), major flooding (2011) and the current political stalemate (2013-2014), yet both TFUND and TLOGIS still pay approximately 6-7% of their Net Asset Value ("NAV"). The Listed Property Fund sector has grown from a few billion Baht in 2005 to approximately 245 billion Baht today.

In 2013, the SEC issued new REIT legislation in order to change from PFPO to proper REIT as in other countries. The REIT will have more advantages than the Property Fund in terms of higher leverage and investment outside Thailand (a Property Fund can only invest in Thai Properties). A REIT is allowed to leverage up to 35% of its Net Asset Value ("NAV") without credit rating, and up to 60% with credit rating. However, a REIT comes with full loaded tax including VAT, SBT and dividend tax (10% for individual and foreign investors, 20% for Thai institutional investors). The SEC will not allow PFPOs to increase capital from 2014 onwards. All with good intention, but the SEC came to realize that many other Thai laws do not recognize the REIT, which is not a legal entity. For example, the Land Department didn't know how to register a REIT as the owner of a title deed. The

Revenue Department didn't know how to issue a VAT ID number to a REIT. Similar problems occurred with the Industrial Authority of Thailand ("IEAT"), and the Electricity, Water and Telephone Authorities.

For TICON, if it were our choice, we probably would not want to convert from PFPO to REIT because the benefit of leverage does not compensate for the loss of yield on the tax. However, because of our partnership commitment to grow along with our customers, we either have to raise funds through a REIT or by increasing our capital. TICON was one of the first sponsors to start a REIT in 2013, but ran into many problems as mentioned earlier. We ended up creating another, leasehold, PFPO, **TGROWTH** at 5.5 billion Baht in size, with all intention to convert it to REIT when possible.

This year TICON originally planned to convert TGROWTH into a REIT and raise more capital by injecting more assets into the REIT. However, we all know that the first step is normally the most difficult, and we still found many problems with tax issues in PFPO conversion to REIT. The costs of conversion, transfer fee and SBT are quite high. PFPO unit holders are also subject to capital gains taxes (at their own tax brackets), and the law is not so clear on how to withhold the tax either. We will most likely end up setting up a new REIT and wait for the SEC to work with the Ministry of Finance, in particular the Revenue Department and Fiscal Policy Department, to give more incentives to merge PFPO into REIT in the future. A Larger REIT will certainly be a positive development for the REIT industry because it means higher liquidity for investors, and higher acquisition power.

As proven in many other developed countries, the REIT helps to lessen the boom-and-bust volatility of the real estate cycles. When properly designed and incentivized, a REIT is certainly good for investors as an alternative investment, for the developers to grow with less leverage and for the growth of the economy as it enables the developers to attract more direct investments into the country. ■



Tiger Kawashima (Thailand) Co., Ltd.

A Japanese-based company, **Tiger Kawashima (Thailand) Co., Ltd.** is an agricultural machine manufacturer, providing farm machinery and equipment. Tiger Kawashima leased a TICON factory with an area of 1,950 sq m inside Pinthong Industrial Estate in order to operate manufacturing process for serving agricultural market.



Central FamilyMart Co., Ltd.

Central FamilyMart Co., Ltd. operates "FamilyMart" convenience store with more than 2,000 branches under the name of "FamilyMart". As the company serves the business expansion, Central FamilyMart has recently leased TPARK warehouses with an area of 5,860 sq m at TPARK Sriracha to increase their logistics efficiency.



Nittsu Shoji (Thailand) Co., Ltd.

Nittsu Shoji (Thailand) Co., Ltd. is the leading trading company of Nippon Express Group. Nittsu Shoji provides the package service which is durable and suitable to diverse products and supports the export of major manufacturers of automobiles, equipment and machinery and plants as logistics service provider. Recently, Nittsu Shoji leased an additional space of TPARK warehouse inside TPARK Wangnoi 1 with an area of 2,450 sq m to serve business expansion. Currently, Nittsu Shoji has leased with total area of 12,350 sq m inside TPARK Wangnoi 1 and Eastern Seaboard area.



Profreight International Co., Ltd.

Profreight International Co., Ltd., a subsidiary of Profreight Group, is the privately owned Thai company that provide transport & logistics services to Thai international markets, since 1988. Profreight International's service range covers all scope of domestic, regional, and international transport, through all kinds of transport and cargo sizes. Recently, Profreight International leased TPARK warehouse with an area of 2,450 sq m inside TPARK Phan Thong 1 in order to serve logistics operation to their customers.



Trancy Logistics (Thailand) Co., Ltd.

Trancy Logistics (Thailand) Co., Ltd. is a Japanese logistics service provider, offering sea freight, air freight, customs brokerage and supply chain management and logistics. Recently, Trancy Logistics leased additional TPARK warehouse with an area of 2,862.5 sq m in TPARK Eastern Seaboard 2 (A) in order to provide services to their customers. Currently, Trancy Logistics has total area of rental warehouse spaces of 5,462.5 sq m in Eastern Seaboard area.

Dear readers, Property Highlight is back to introduce another interesting project by TICON Group.



Let's have a look at the Ready-Built factory by TICON in [the Kabinburi Industrial Zone](#). Located in this strategic location, the project offers good road connections to Bangkok, Nakhon Ratchasima, and other major industrial estates where the facilities of a large number of automobile and electronics manufacturers are located. If you are interested in a high-quality, Ready-Built factory in a strategic location, please contact us for more details and to make an appointment to visit the site.

[Available Buildings](#)

Location: Kabinburi Industrial Zone

General Zone

Factory sizes: 1,750 - 2,800 sq m.

Floor Load: 3 Tons / sq m.

Clear Height: 7 meters

For more information or a site visit, please call:



Tel: +66 (0) 2679 6569
Email: marketing@ticon.co.th
or info@ticon.co.th (Japanese)



Check
Available Buildings
here!

Next, we take you to check out some high-quality Ready-Built warehouses for those looking for a location in the Eastern region. We introduce [TPARK Eastern Seaboard 1 \(B\)](#). The project is located in a strategic location near various chief industrial estates such as Eastern Seaboard Industrial Estate, Amata City Industrial Estate, and Hemaraj Chonburi Industrial Estate. Warehouses in this project offer space of 2,000 – 4,000 sq m., which will suit logistics operators and automobile manufacturers in the Eastern Region.

[Available Buildings](#)

Location: Highway No. 331, Eastern Seaboard Industrial Estate

General Zone

Factory sizes: 2,016 - 4,050 sq m.

Floor Load: 3 Tons / sq m.

Clear Height: 10 meters



For more information or a site visit, please call:



Tel: +66 (0) 86342 9669
Email: logistics@ticon.co.th



Check
Available Buildings
here!

FamilyMart Launches New Distribution Center at TPARK Sriracha to Serve Product Distribution to 300 Branches in Eastern Region



Central FamilyMart Co., Ltd. launches new Distribution Center in the Eastern Region to support its sales target of 17,000 Million Baht in 2014 and facilitate its business expansion plan to increase FamilyMart stores to 3,000 branches by 2017.

Central FamilyMart has rented warehouse with a total space of 5,850 sq m. at TPARK Sriracha to serve as its new Distribution Center for the Eastern Region. The Center will be responsible for distribution of retail and consumer products to over 300 FamilyMart stores in Eastern region covering Chonburi, Pattaya, Rayong, etc. ■



TICON AGM 2014 Approves Dividend of 1 Baht per Share

TICON Industrial Connection Plc., the leading developer of factories and warehouses for lease in Thailand, holds 2014 Annual Ordinary General Meeting of Shareholders. The meeting approves dividend payment of 1 Baht per share totaling 914 million Baht which will be made on May 16, 2014. The meeting also approves a capital increase of approximately 2.7 billion Baht through an issuance of Transferable Subscription Rights (TSRs) of up to 183,262,047 units for the Company's business expansion. ■

DSV Air & Sea Ltd. Officially Launches New Distribution Center at TPARK Bangplee 1



DSV Air & Sea Ltd., a global supplier of transport and logistics solutions from Denmark, recently held the official opening ceremony for its new Distribution Center at TPARK Bangplee 1. Developed by TPARK - TICON Logistics Park Co., Ltd., TPARK Bangplee 1 is fully provided with infrastructure, utilities and facilities. The Distribution Center covers a total space of 10,280 sq m.

and will enable DSV to effectively provide total logistics solutions covering transportation, storage and information systems by utilizing their distribution network which spans over 70 countries worldwide. The warehouse will effectively support the company's commitment to its customers to deliver high quality services and improved operational efficiency, and hence reduced supply-chain costs. TPARK Bangplee 1's strategic location is close to Bangkok, Suvarnabhumi Airport and the Industrial Ring Road with access to major roads connecting all regions of Thailand. The site is also surrounded by a number of major industrial estates which have high potential for expansion in various industrial sectors, especially retail and consumer products, which will also facilitate DSV's future expansion in Thailand. ■

TICON Group Plants Artificial Reefs to Restore Under-water Nature



TICON Group led by Mr. Virapan Pulges, Managing Director of TICON Industrial Connection Plc. and Mr. Patan Somburanasin, Managing Director of TICON Logistics Park Co., Ltd. (TPARK) together with a group of volunteer staff jointly planted artificial reefs at Sor Beach, Sattahip, Chonburi Province under "Planting the Artificial Reefs to Restore Seawater Nature Project". The CSR Project aims to create social conscience for conserving and restoring seawater ecosystem presently affected by global warming and human actions. The CSR activities ended with garbage collection and sports competition on the beach to enhance participation and solidarity of TICON Group's employees. ■



TICON Group Announces 2013 Net Profit of 1,414 Million Baht

TICON Group led by Mr. Virapan Pulges (center), Managing Director of TICON Industrial Connection Public Company Limited, together with Mr. Patan Somburanasin (right), Managing Director of TPARK or TICON Logistics Park Co., Ltd. and Mr. Peerapat Srisukont (left), Head of Project Development of TICON jointly announced a record year for 2013 Overall Business Performance at a recent press conference. TICON Group reported a net profit of 1,414 Million Baht for 2013 while new leased factory and warehouse space totaled 352,268 sq. m. The group has set the 2014 target to increase factory and warehouse space by 350,000 sq. m. with a budget of 8 Billion Baht for further land purchase in strategic locations and for project construction to effectively serve the AEC in 2015. ■

Why is the Center of Transportation and Logistics Operators Necessary?



Mr. Worawit Chareonwattanapant

President of Thai Transportation and Logistics Association (TTLA)



The question in the heading maybe a little out of date for Thailand as the center of Transportation and Logistics Operators came into picture in 1936 when both domestic and international trade began to flourish in Thailand. Back then, the center was at 22 Karakadakhom Circle, which

had gradually expanded to accommodate the growing trade communities, including Vorachak, Bobae, and Sampeng, all of which remain robust today. The existence of a transportation and logistics center, in contrast to the long-standing trade communities, stayed hidden most of the time. The reason behind the hidden operation is that the public sector passed a law enforcing a 113 square kilometer zone where entrance was not allowed for trucks. The saying "Transport is indispensable where there are trading activities" is undeniable. The transport in these trading communities switched to smaller vehicles while the larger fleet operators scattered to different places. Eventually, they gathered in Phutthamonthon area, creating a new transport center. However, the center was operated without systematic management.

Prior to the enforcement of the law that impeded the transport capability, there was an idea to form an official transport center. A study was made in collaboration with JICA that led to the formation of the transport and logistics stations in Phutthamonthon, Romklao, and Klong Luang. This is the overall picture for domestic transport and logistics. An international transport and logistics center is usually formed around the gateways to trade i.e. the ports and airports. Originally, there were just Klong Toei port and Don Mueang airport; nowadays, the Laem Chabang port and Suvarnabhumi Airport are also operating. Even with these additions, all gateways start to get crowded and expansion of new gateways and renovation of the old ones are under discussion. Additional transport and logistics centers will be established as international trade has become more important in line with the growth of Thailand and the trade gateways.

As businesses relating to logistics or import-export operations recognized the area around the trade gateways, the Eastern Seaboard Industrial estate was developed and connected to the Laem Chabang port by Highway 304 to facilitate container-related activities. Furthermore,

the Eastern Seaboard project carries out activities relating to energy and its by-products. Overseas investors reap the advantages of BOI privileges and other beneficial factors by investing in industrial estates around Laem Chabang port in Chonburi. As I said before, "Transport is indispensable where there are trading activities" and this was the drive behind the development of transport and logistics centers, which are called "Logistics Parks" in the modern day.

In many countries, especially the West, logistics parks are called "freight villages" although the activities are similar. However, Thai people associate the word "freight village" with import-export activities while "Logistics Park" is associated with transport, logistics, and distribution activities. Although no official definition is made, these are the concepts Thais think about with these two expressions.

Based on the above information, now you will understand the importance of the transport and logistics centers and how disastrous it would be for manufacturers and business owners without these facilities. Let me add a little more detail about the relocation of the transport and logistics center to the Phutthamonthon area. Such relocation impacted not only the logistics operators, but also the trade communities. Later on, they were relocated to the Rama II and Thonburi areas. Moreover, the above-mentioned lack of systematic management of the Phutthamonthon center reflected the development capacity for the transport sector, which was in discord with growing domestic trade activities. For whatever reason, these operators had to invest in warehouse construction as well as develop a small transport system on their own, which was absolutely not cost-effective. However, business could not run smoothly without such a facility and the option of outsourcing the entire operation to transport operators was not cost-effective either.

Such a gap hinders fair competition, as those with deeper pockets have all the advantages. What should we do next? The Thai Transportation and Logistics Association has attempted to voice issues to governments led by both political parties without any progress. If you want to learn more about the issues we have raised with the government, please stay tuned for the next issue's column under the topic "Bangkok: Thai and AEC Hub". ■

Take a Break



the dish arrives, we are in awe at the fresh and bouncy texture of the BIG shrimp. But that's not all, as we also order *Tom Yum Poh Taek Mor Fai* (Seafood in spicy soup) loaded with crab claws, shrimp, shells, and squid, *Tod Mun Pla Grai Chin Yai* (Giant fish cake) with sweet dip, and *Pla Nuea On Rad Prik* (Fried sheatfish in sweet and sour sauce). Other recommended dishes are namely, *Chu Chee Pla Nam Ngern* (Common sheatfish in curry paste), *Pad Cha Pla Kung* (Fried redbtail catfish with herbs), and *Som Tum Kung Peek Gai Tod* (Spicy papaya salad and fried chicken wings).



'Ton Nam' Restaurant

In this issue, the Take a Break team brings our dear readers to the long-famous "**Ton Nam**" restaurant on highway 308, located near the Bangpa-In Palace and only 500 meters away from the TICON project in the Bangpa-In Industrial Estate. The restaurant is renowned for its fresh ingredients and wonderful flavours and it is decorated in the traditional Thai style, which offers a delightful chillaxing ambience. Diners can choose whether to enjoy their quality meal time on the raft tied to the river shore or on the dining boat.

The smell of freshly grilled prawns welcomes visitors as soon as they step into the restaurant. The orangey shrimp paste bubbles with the heat. The sight and the aroma make it more or less "*compulsory*" for customers to order the scrumptious dish, which is served at varying prices based on how big you want your shrimp to be! When

TASTE ★★★★★
PRICE ★★★★★
AMBIENCE ★★★★★

'TON NAM' RESTAURANT

Open daily
from 10.00 to 21.00

Location: Near TICON project in the Bangpa-In Industrial Estate
Address: 26 Moo 6, Tambon Bang Lane, Amphoe Bang Pa-In, Ayutthaya province
Tel. 035-261006



☐ Yes ☒ No

To make sure your happy dining hour starts as soon as you reach the restaurant, we recommend that a reservation is made in advance. The restaurant is open daily from 10.00 to 21.00 ■



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