

Property Perfect makes first foreign stake in Japan

Property Perfect is investing Bt874 million in a resort in Hokkaido, Japan, in the first overseas investment in the company's 27-year history.

Flooded with cash and facing strong competition at home, a number of Thai property developers are expanding overseas, including the country's largest player, Land & Houses, which is seeking investment opportunities in the United States. Pruksa Real Estate has made its presence felt in Maldives and India while Sansiri ventures into Britain. Also expanding overseas is tycoon Charoen Sirivadhanabhakdi's TCC Land.

Property Perfect's board of directors has approved a rather complicated investment process, according to a statement to the Stock Exchange of Thailand yesterday.

First, through wholly owned subsidiary Property Perfect International, Property Perfect will invest Bt41.69 million for a 69.01-per-cent stake in Share Group. Then, Share Group will take over 100 per cent of Kabushiki Kaisha Kiroro Association Co, the operator of Kiroro Resort, from Mitsui Fudosan Resort Co.

Under the deal, Share Group will spend another Bt64.80 million to acquire claims on Mitsui Fudosan's Bt526.74-million loan to Kabushiki Kaisha Kiroro Association Co.

After the transactions, Share Group will be both major shareholder and major creditor of Kabushiki Kaisha Kiroro Association.

It will then buy Kiroro Resort from Mitsui Fudosan at the cost of Bt770 million: Bt490 million for the 292 rai (46.7 hectares) of land and two properties with 422 rooms as well as a ski-accessories service, and Bt280 million for transfer asset tax.

Property Perfect chief executive officer Chainid Ngowsirimanee said in the statement that the company would finance the deal with cash flow.

Earlier, Chainid told The Nation that the company aimed to expand investment overseas, with focus in Asia. Property Perfect International was established in Singapore on August 14 to support this policy. — **SOMLUCK SRIMALEE, THE NATION**