

Realty giants predict strong finish to year

BANKING ON GOVT INFRASTRUCTURE INVESTMENTS

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THE NATION

MAJOR developer Pruksa Real Estate is confident the property sector will grow by up to 8 per cent this year despite a 4.5-per-cent decline in sales in Bangkok and its surrounds in the first six months compared with a year earlier.

Pruksa's confidence stems from its belief that the government's infrastructure investments will begin to yield fruit in the latter half of the year.

Chief executive officer Thongma Vijiitpongpun delivered the upbeat verdict at press conference yesterday on the business outlook.

Pruksa forecast that the property market in Bangkok and its surrounds would achieve sales of Bt383.18 billion this year compared with Bt354.79 billion last year.

In the first half, the market posted sales of Bt171.22 billion compared with sales of Bt179.34 billion in the same period last year.

Pruksa attributed that to property firms delaying the launch of residential projects in the first six months, with most of them offering special promotions to offload inventories to customers who got tax incentives from the government's stimulus measures.

Those measures resulted in the cutting of transfer and mortgage fees, and expired at the end of April.

In line with its rosy outlook, Pruksa plans to launch up to 38 residential projects worth Bt34.4 billion in the current second half, after launching 27 projects worth

Bt19.64 billion in the first half of the year.

It aims to achieve Bt51 billion in presales this year after recording Bt21.63 billion in presales in the first six months.

The company forecasts revenue of Bt53 billion after booking Bt23.97 billion in the first half of the year, up 9.7 per cent year on year. It posted a half-yearly net profit of Bt3.11 billion, up 2.6 per cent year on year.

Another leading developer, Sansiri, announced sales of Bt15.92 billion and net profit of Bt1.17 billion for the first half, down by 7.06 and 18.75 per cent respectively from the same period last year.

But the company is confident its revenue will achieve the target of Bt36 billion this year after the launch of 13 residential projects worth Bt37.45 billion.

It expects this will boost its presales to Bt42 billion in 2016 after it recorded Bt14.5 billion in presales in the first six months, the company's president Srettha Thavisin said in a press release yesterday.

In a bid to achieve Sansiri's revenue and presale targets this year, Srettha said the company planned to increase its foreign buyers by staging roadshows in Singapore, Japan and Hong Kong in the last five months of the year.

Meanwhile, Land & Houses reported to the Stock Exchange of Thailand revenue of Bt17.05 billion and net profit of Bt5.11 billion in the first half of the year, up 41.49 and 64.83 per cent respectively on the same period last year.