

Headline	Sansiri earmarks 2016 investment budget of Bt 9 bn, plans debenture
Media Title	The Nation
Date	25 มกราคม 2559

## Sansiri earmarks 2016 investment budget of Bt9 bn, plans debenture

**SOMLUCK SRIMALEE**  
THE NATION

**PROPERTY FIRM** Sansiri has set aside an investment budget of Bt9 billion to buy undeveloped land while planning to issue a debenture worth at least Bt2 billion this year, company president Srettha Thavisin said.

The debenture will replace an existing one that will expire this year and offer interest rates between 3.5 and 4.5 per cent depending on the debenture period of three or five years, chief operating officer Wanchak Buranasiri added.

After issuing the debenture, the company will reduce its average interest cost from 5 per cent now to 4 per cent. This will be better for its financial results this year, he said.

The rest of the investment budget will come from the company's internal cash flow, Wanchak said.

He said Sansiri had continued to invest overseas, spending Bt500 million to buy an office property in London last month, which it plans to convert into a residential property for sale in three years.

Meanwhile, Srettha told a news conference yesterday on the company's 2016 business plan that it expected to launch 21 new residential projects worth Bt50.5 billion, comprising 11 condominiums, seven detached-housing projects, and three town-house developments.

Six of the 11 new condominium

projects, worth Bt23 billion, will be developed by its joint venture with BTS Group Holdings, and Sansiri will develop the other five itself.

The company expects total presales this year of Bt42 billion, up 47 per cent from last year's Bt28.5 billion, with total revenue of Bt36 billion for 2016.

It targets up to Bt5 billion of its presales this year from foreigners buying homes in Thailand, mostly from Asia, such as Singapore, Japan, mainland China, Malaysia, Hong Kong and Taiwan.

However, it also hopes for buyers from Europe and the United States.

Last year, the company recorded Bt3.5 billion in presales from for-



**SRETTHA**

eign customers, Srettha said.

"Our total revenue this year will be lower than last year, which may be Bt38 billion, though we are waiting for the final audit. Last year the company received special income from the sale of its land to a joint venture with BTS Group Holdings. This generated income of about Bt800 million," he said.

Sansiri targets strong growth in presales this year as it sees demand continuing to grow, especially in the premium market. As a result, the company has opened for presales its ready-to-stay luxury condominium 98 Wireless, worth Bt8 billion. It has already sold 20 of its 77 units.

The project's highest price is Bt630,000 per square metre for the penthouse unit. The average price is Bt550,000 per square metre,

expensive for Bangkok's central business districts at this time.

The project's interior is by US designer Ralph Lauren. The next luxury condominium project Sansiri will launch this year will feature interiors by French designer Philippe Starck, Srettha said.

Most people in the premium residential market pay cash, so the company has a low mortgage-rejection rate compared with the overall market. Sansiri's rejection rate was only 7 per cent last year, he said.

At present, 46 per cent of its total sales are from the premium market with prices over Bt10 million per unit. The medium price range between Bt5 million and Bt10 million per unit accounts for about 41 per cent, with the remaining 13 per cent from the "affordable" market.