

Top developers eye overseas markets

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THE NATION

LEADING PROPERTY firms have continued expanding their investment overseas in a move to balance their portfolio.

Land & Houses Plc is planning to purchase a residential building in the United States worth US\$100 million this year, after seeing a high potential of a good returns on investment, the firm's managing director Adisorn Thananun-Narapool said.

He added that the company was successful in generating high income when it sold one of its apartment buildings in the US for \$18 million after purchasing it for \$12 million in 2012.

"We expect more than 20 per cent return on our investment overseas compared to domestic ventures," he said.

Sansiri Plc also invests Bt500 million in last year to bought office in London, United

Kingdom after it earned high returns from a venture in London five years ago.

Pruksa Real Estate Plc, meanwhile, has continued maintaining its investments in India after achieving success in a residential development in the year 2013.

"We are negotiating the purchase of land in Bangalore to develop residential projects this year," the company's president and chief executive officer Thongma Vilitpongoun said.

He added that though the company was interested in expanding overseas, it still needs time to study the option because the risk in terms of legalities and consumer behaviour was different.

Pruksa had to suspend its project in Vietnam after facing problems in the purchase of land.

Meanwhile, Supalai, TCC Land Co, CP Land and Singha Estate have also been investing outside Thailand in the residential, hospitality

and office segments. For instance, Singha Estate has taken over a hotel in Britain in a deal worth Bt2.25 billion.

Investment overseas is not confined to real-estate firms, as construction and industrial-estate companies are also entering foreign markets, especially in Asean countries. Italian-Thai Development and Ch Karnchang were the first two construction firms to enter Asean nations.

ITD has been building infrastructure in Myanmar and Laos, while Ch Karnchang is working on a hydropower-dam in Laos and is eyeing business in Myanmar.

"Demand for infrastructure construction in neighbouring countries will grow strongly when the Asean Economic Community becomes fully effective," chairman of Ch Karnchang's executive board Plew Trivisvave said. "This presents a perfect business opportunity for Thai construction firms to expand in Asean."