

## 10 new Makro outlets set to open this year



Chief executive Suchada Ithijarakul says Siam Makro is aiming for 108 branches this year.

Government stimulus driving consumption.

SET-listed Siam Makro Plc, the operator of the Makro cash-and-carry chain under Charoen Pokphand Group, will allocate 6 billion baht to expand its store network this year.

Chief executive Suchada Ithijarakul said the budget will be used to open 10 new Makro branches, mostly small ones that will be located close to residential areas. Some will be in tourist destinations with a heavy concentration of restaurants.

The opening of the 10 branches this year will bring its total number of outlets to 108 nationwide.

"The government's economic stimulus measures have driven local consumption since late last year and the rising momentum will continue until the Chinese New Year," she said.

While the overall economic situation remains as sluggish as last year, its retail chain is not reeling from the negative effects because it sells staple goods, Siam Makro said.

The company has already opened two new branches in Phrae and Nakhon Ratchasima this year. More branches will be opened in Nan, Phangnga and Phuket.

Apart from new stores, the company also plans to adjust its merchandise to meet demand from hotels, restaurants and customers who use catering services.

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The company has subsequently prepared several measures to cope with the drought. Among them is a plan to increase its volume of frozen food to offset shortages in fresh seafood because of the drought.

It has also ordered more drinking water from manufacturers to prevent shortages during the hot summer period.

Siam Makro operates a range of Makro stores including Makro Classic, with 7,000 square metres of space; Makro Eco Plus, with 5,000 sq m; Makro Food Service, with 2,000 sq m; Makro Food Shop, with 1,000 sq m; and Makro Frozen Shop, with 300 sq m.

Mrs Suchada said the company will keep its focus on the domestic market for the time being, as it has no immediate plans to branch out overseas.

Siam Makro is, however, interested in expanding its retail business into three Asean countries -- Vietnam, Indonesia and Myanmar -- at some point down the road, she said.

CP Group acquired a 64% stake in the cash-and-carry chain from the Dutch trading company SHV Holdings for US\$6.6 billion in 2013.

Last year, Siam Makro posted a net profit of 5.37 billion baht on revenue of 156 billion, up from a 4.88 billion net profit on revenue of 143 billion in 2014.

MAKRO shares closed yesterday on the Stock Exchange of Thailand at 33.75 baht, unchanged, in trade worth 4.41 million baht.

