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## **Ananda extends JV with Japan's Mitsui Group**

BUILDING on their joint success two years ago, Ananda Development and Japan-based Mitsui Fudosan are extending their partnership with five condominium projects in Bangkok worth Bt19 billion.

Their joint venture has already developed four projects with 4,100 units worth Bt26 billion since it started up in 2013.

The five condo projects with 4,200 units will be launched this year and early next year close to mass transit stations. The Chidlom-Phetchaburi project is valued at Bt3 billion, Silom at Bt5.8 billion, Bang Na at Bt4.8 billion, Bang Sue at Bt2.4 billion and Tha Pra at Bt3 billion.

Akihiko Funaoka, executive managing officer of Mitsui Fudosan, told a joint press conference yesterday that his company saw potential in the condo market here. It is following a development path like in Japan.

"Thailand, especially Bangkok, is one of the most attractive markets in this region for investment because of plans to invest in mass transit extensions, which is very important in generating demand for housing around new stations," he said.

Chanond Ruangkritya, president and chief executive officer of Ananda Development, said the new projects will reinforce Ananda's status as the No 1 seller of condos in Thailand and the leader in Bangkok mass transit living, and Mitsui's status as a major developer in Southeast Asia.

The new projects are a direct result of the success of the projects launched by the partnership with Mitsui Fudosan Residential under the name of Ananda MF Asia.

The latest projects bring the total under the JV to nine, worth Bt45 billion.

The JV will be held 51 per cent by Ananda and 49 per cent by Mitsui. Ananda will be primarily responsible for managing all projects. Expense and investment decisions will be made via the board of the JV.

The partners were studying more business opportunities, including in serviced apartments, offices and retail outlets.

Mitsui Fudosan is a company with an immense reputation built over 340 years through its financial strength, product development, innovative design, construction technologies, high quality and customer service.

These are all strengths Ananda is delighted to be able to bring to customers of condos in Bangkok.

The partnership has continued to deepen beyond financial and knowledge sharing. Technology transfers from Mitsui to Ananda began last year with training by Mitsui Fudosan staff in the proprietary project and construction management techniques that enabled Mitsui to achieve such high levels of quality and customer satisfaction in Japan.

"We also plan to open up the opportunity to invest in Bangkok

mass transit condominiums to Japanese both in Japan and in Thailand, who will be able to invest with confidence, recognising Mitsui Fudosan as a partner in the projects," he said.

Funaoka said Tokyo's mass transit history can be a model for the likely development of Bangkok, in particular the complex interplay between price and location in different areas of the city and distances from mass transit stations.

"We hope this history and experience will help our future projects in Bangkok with Ananda," he said.

The partnership is also one of the key platforms for the expansion of Mitsui Group to this region.

The cooperation of these two companies will expand knowledge, construction technologies, advanced materials and technology of space development for the benefit of future development projects.

For the next three years, Mitsui plans to expand further abroad, with Bt155 billion budgeted for international investment, including in Thailand, Singapore, Jakarta and Kuala Lumpur.

Chanond said that despite the economic doldrums, condos near mass transit stations are still in high demand. Both volumes and prices are still on the rise.

In the first four months of this year, Ananda's unit sales exceeded the target by 300 per cent or almost Bt10 billion from last year.

Funaoka said he did not see any bubbles in real estate because consumers still have purchasing power, however, he is closely monitoring the situation.

