NEWS FROM TICON LOGISTICS PARK CO., LTD.

OCTOBER-DECEMBER 2013



Right Warehouses... Winning Locations



Warehouses ... Wanting

155UE

www.ticon.co.th





NITTSU SHOJI (THAILAND) CO., LTD. page 3

STRINGENCY ON SMOKERS IN THAILAND page 6 DIRECTION OF SOUTHERN REGION DEVELOPMENT page 8

Message from the General Manager



Mr. Patan Somburanasin General Manager TICON Logistics Park Co., Ltd.

After TPARK's expansion into Khon Kaen province, we continue to seek more prime locations to accommodate economic growth in the major cities in other regions of Thailand. TPARK recognizes the potential of the Southern region due to its rising consumption and economic expansion. As such, we have acquired some land in Surat Thani province, the transport hub of the upper Southern region.

TPARK's Surat Thani Project is ideal as a logistics and distribution center for the South. This project is located on Highway 41, near Surat Thani International Airport and Amphoe Mueang. In addition, it is in the middle of routes between major tourist destinations such as Koh Samui, Phuket, and Phangnga. Moreover, the area is the connecting point to Nakhon Si Thammarat province and Hat Yai in Songkhla province. In the foreseeable future, TPARK plans to expand to the Northern region as well.

TPARK has seen continual growth in 2013 as a result of great feedback from our tenants throughout the year. With your trust in us, we commit to drive mutual growth for our own and our customers' businesses.

TPARK is proud to be a part of your success. We would like to convey our best wishes to you all for the coming New Year. We wish that the year 2014 will be a time of success for your career, business, and family. We look forward to your warm support and encouragement throughout next year.

Happy New Year.

for the

CONTENTS

3 SPECIAL COLUMN NITTSU SHOJI (THAILAND) CO., LTD. 4 COVER STORY **TPARK Launches a New Project** in Surat Thani Province 6 JAPAN CORNER Stringency on Smokers in Thailand 8 DO YOU KNOW? **Direction of Southern Region Development** 9 EVENTS NEWS Mitsubishi Motors (Thailand) Setups its Largest Export Hub in Asia at TPARK Sriracha TPARK Buys 180 rai in Bangkok Free Trade Zone Project TPARK'S NEW TENANTS 9 **10 AVAILABLE BUILDINGS** 11 TAKE A BREAK Café of Joy



TPARK NEWSLETTER

Consultants: Mr. Patan Somburanasin, Mr. Tan Jitapuntkul Executive Editor (English): Ms. Hataikan Duttadintorn, Mr. Ruairidh Watters Executive Editor (Japanese): Mr. Takashi Fuse Executive Editor / Art & Design Director: Ms. Hataikan Duttadintorn Editorial Staff: Mr. Thanatdech Sirivoranan

Published on Behalf of: TICON LOGISTICS PARK CO., LTD. 175 Sathorn City Tower, 13th Floor, Suite 1308, South Sathorn Road, Sathorn, Bangkok 10120 Thailand Tel: +66 (0) 2679 6565 Fax: +66 (0) 2679 6569 Email: logistics@ticon.co.th www.ticon.co.th Follow us on Twitter@TPARK_Live



NITTSU SHOJI (THAILAND) CO., LTD.

"Logistics begins with our packing service"

NITTSU SHOJI (THAILAND) CO., LTD. designs and produces effective packages for export goods. The company's high standard packaging system is noted for its suitability and durability, meeting the diverse requirements of different products. Also provided is a complete import and export service that ensures that the goods reach their destinations on time.





Head Office

Nittsu Shoji (Thailand) Co.,Ltd. 103 Moo 1, Hi-Tech Industrial Estate, Asia Road KM. 60-61, T.Ban Lane, A.Bang Pa-In, Ayutthaya 13160 Thailand Tel. +66 (0) 3535 0977 Fax. +66 (0) 3535 0979



Wang Noi Branch Office

Nitsu Shoji (Thailand) Co.,Ltd. TPARK Wangnoi 1 W3/1 Paholyothin Road KM. 55.5, 141/4 Moo. 4, T.Payom, A.Wangnoi, Ayuthaya 13170 Thailand Tel. +66 (0) 3579 9755-6 Fax. +66 (0) 3579 9757



Pinthong 2 Branch Office

Nittsu Shoji (Thailand) Co.,Ltd. 235 Nongkoh-Laem Chabang Road, Moo 6, T.Bueng, A.Sriracha Chonburi 20230 Thailand Tel. +66 (0) 3834 7008 Fax. +66 (0) 3829 6178



331 Branch Office

Nittsu Shoji (Thailand) Co.,Ltd. TPARK Eastern Seaboard 2(A) 60/14-15 Moo.8, T.Bowin A.Sriracha Chonburi 20230 Thailand Tel. +66 (0) 3811 0206-7 Fax. +66 (0) 3811 0208



Laem Chabang Branch Office Nittsu Shoji (Thailand) Co.,Ltd. Laem Chabang Industrial Estate, EPZ-1, 217 Moo.3, T.Thoung-Sukha, A.Sriracha, Chonburi 20230 Thailand Tel. +66 (0) 3834 7008 Fax. +66 (0) 3829 6178



Eastern Seaboard Branch Office Nittsu Shoji (Thailand) Co.,Ltd. TPARK Eastern Seaboard 1 (A) 141/17 Moo.7, T.Bowin, A.Sriracha, Chonburi 20230 Thailand Tel. +66 (0) 3365 8086 Fax. +66 (0) 3365 8087

Mass Product Packing

In knockdown packing, when all of the major components are shipped from Thailand for final assembly overseas, the key is how to pack compactly and economically.

General Packing

Our planning for packing plants, construction materials for overseas projects, and machinery exports is based on how each item will be used at destination. That information guides us in packing them in the optimal units to reduce physical distribution costs. Packing of equipment and machinery: plants, precision machines, die assemblies, etc.

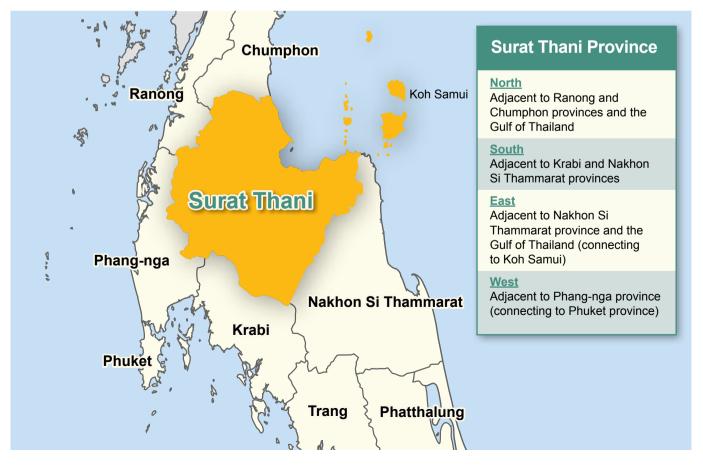


www.nittsushoji.co.th

Everywhere we need, there are TPARK. That is the reason why NITTSU SHOJI (THAILAND) CO.,LTD. chooses TPARK.

TPARK Launches a New Project in Surat Thani Province

SURAT THANI PROVINCE, FREQUENTLY REFERRED TO AS **"SURAT**", IS A PROVINCE IN THE SOUTHERN REGION OF THAILAND. THE ECONOMY IS FLOURISHING DUE TO A RAPID INCREASE IN POPULATION IN RECENT YEARS, RESULTING IN A SHARP RISE IN DEMAND FOR CONSUMER GOODS IN THE PROVINCE. IN ADDITION, SURAT THANI SITS IN THE CENTRE OF THE SOUTHERN PROVINCES, WHICH MAKES IT IDEAL FOR LOGISTICS AND THE DISTRIBUTION OF GOODS TO CONNECTING PROVINCES AND THROUGHOUT THE REGION. SEVERAL CONSUMER PRODUCT COMPANIES AND RETAILERS HAVE EXPRESSED THEIR INTEREST IN INVESTING IN THIS PROVINCE. THE INDUSTRIAL SECTOR IS ALSO EXPANDING, PARTICULARLY THE RUBBER, WOOD PROCESSING, AND FROZEN FOOD INDUSTRIES.









TPARK sees a rising demand for warehouse space and recognises the potential of Surat Thani province as the perfect logistics hub for the region. For this reason, TPARK has acquired a suitable location to develop a Logistics Park with Ready-Built warehouses in response to customer demand. The first phase will be developed on 70 rai of land and it will offer a total area of around 56,000 sq m of high quality, ready-to-use warehouses.

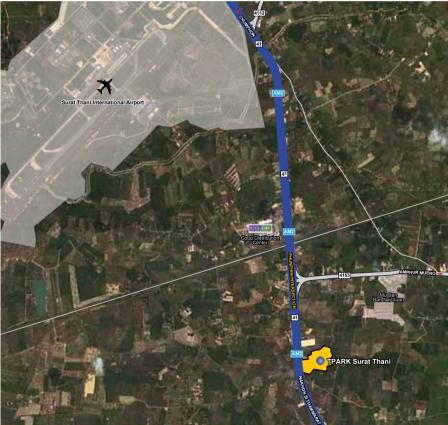
<u>Strengths of</u> <u>TPARK Surat Thani</u>

Situated as a centre for logistics and product distribution throughout the other provinces in the region.



Offers strategic location for warehousing and distribution within Surat Thani province in response to rising demand from consumers.

Located on the major routes between tourist destinations in the Southern region i.e. Koh Samui, Krabi, Phuket and Phang-nga provinces.



TPARK Surat Thani

TPARK Surat Thani is located on Highway 41, around 18 kilometers from Amphoe Mueang, Surat Thani province.

Project details

Project size: 70 rai Total warehouse space: 56,000 sq m. Site access: From Surat Thani International Airport, drive south on Highway 41. The project is 1 kilometer beyond Punphin T-junction, Amphoe Punphin, on the left.



Mr. Takashi Fuse Advisor TICON Logistics Park Co., Ltd.

STRINGENCY ON SMOKERS IN THAILAND

A SURVEY BY JAPAN'S MINISTRY OF HEALTH, LABOUR, AND WELFARE INDICATED THAT THE PERCENTAGE OF MALE SMOKERS OF 20 YEARS OF AGE AND HIGHER CONTINUED TO DECREASE FROM THE PEAK OF 83.7% IN 1966 TO 32.7% IN 2012, (WHILE THAT OF FEMALE SMOKERS WAS 10.4%). SO, WHAT ABOUT TRENDS IN OTHER COUNTRIES? ALTHOUGH THE DATA IS A BIT OLD, OECD HEALTH DATA OF 2010 SHOWED THAT, AMONG 34 OF ITS MEMBER COUNTRIES, KOREA HAD THE HIGHEST PERCENTAGE WITH OVER 40.8% OF MALE SMOKERS, FOLLOWED BY TURKEY AT 39.0%, ESTONIA AT 36.8%, AND CHILE AT 30.0%. THE OECD MEMBER COUNTRY THAT HAD THE LOWEST PERCENTAGE OF MALE SMOKERS IS SWEDEN AT 12.8%, FOLLOWED BY ICELAND AT 14.5%, AUSTRALIA AT 16.4%, THE USA AT 16.7% AND CANADA AT 19.0%. CHINA'S PERCENTAGE IS LIKELY TO HAVE BEEN HIGHER, BUT THE DATA IS NOT AVAILABLE SINCE THAT COUNTRY IS NOT A MEMBER OF OECD.

The percentage of 32.7% of Japanese male smokers means that one out of three Japanese males is a smoker which can be considered high among developed countries. Although smoking is prohibited in many buildings and places in Japan, there remain many outdoor smoking areas. In addition, restaurants would be concerned about a reduction in diners if smoking were to be prohibited, and therefore some of them have set up a separate zone for smoking diners. As such, it's no surprise to see Japanese people smoking wherever they can. When I joined one of the major Japanese trading firms in 1964, people were allowed to smoke freely inside the office, which is different from nowadays where there are serious anti-smoking campaigns and many doctors voicing concerns about health-related dangers from smoking.

I was a smoker for over 50 years. I smoked [Peace] brand

only which contains 10 times more tar and nicotine than other brands. But, one day two years ago, my doctor warned me that I would have serious health problems if I continued to smoke and I immediately quit smoking that day. There are many people who decide to quit smoking, try but fail and return to smoking again (I used to be one of them). This is because the cigarette is one of the most powerful addictive substances and it seems virtually impossible to gradually decrease the number of cigarettes day by day and ultimately make it zero. If you decide to quit smoking, you should do it immediately and completely.

The decreasing smoking population should surely impact cigarette production. Japan Tobacco (JT) is the sole producer of cigarettes and other tobacco products In Japan. It is curious, however, that there is no data about the concrete decline of cigarette production. Even its annual report does not show this

JAPAN CORNER 日本コーナー

kind of statistic. The company may not want to disclose such information to the public. However, the company's collapsing performance has been clearly indicated as they have announced they will close four of their ten factories by the end of the fiscal year 2015 and that they will decrease the number of employees by 1,600 through voluntary early retirement.

As you all may be well aware, Thailand is very strict on smoking and it is prohibited in public spaces or restaurants, where there are gatherings of people. In addition, disgusting pictures of lung cancer and other sicknesses from smoking are shown on cigarette packets. There are no cigarette vending machines and cigarettes are hidden from public view in all stores. One can only buy cigarettes by asking the cashier for the brand they want. There is a fine of 2,000 Baht for smoking in prohibited areas and for cigarette littering on the footpath. An acquaintance of mine (not me, of course) was caught by the police and was fined 2,000 Baht for dropping a cigarette butt on a pavement in the Sukhumvit area. Although never having actually seen it myself, I have heard that cigarettes or smoking scenes in movies and soap operas are blurred or mosaic-ed out on Thai TV.

Strict compliance with smoking regulations is applied even to foreign tourists as one can carry only one carton of cigarettes into Thailand. People may think that two or more cartons of cigarettes can be brought into Thailand if they pay the tax, but the issue does not lie in tax paying. Bringing two or more cartons



"Thailand is very strict on smoking and it is prohibited in public spaces or restaurants, where there are gatherings of people. In addition, disgusting pictures of lung cancer and other sicknesses from smoking are shown on cigarette packets. There are no cigarette vending machines and cigarettes are hidden from public view in all stores." of cigarettes into Thailand is regarded as unlawful. I have heard that bins are available before customs in the arrivals area of the airport for dumping excessive cartons if you have imported more than one, but I have not witnessed any such bins.

If memory serves me right, the Minister of Public Health and Social Welfare in the cabinet of Mr. Chuan Leekpai (Khun Ying Sudarat) determined a stringent smoking policy for Thailand, with the aim of reducing health-related risks from smoking. The policy has been carried out strictly for 20 years.

What then is the percentage of Thai smokers? I have tried to find information from various sources, but was unable to find enough reliable information. The number made available by the Ministry of Public Health and Social Welfare was between 15% and 20%, so I feel the percentage is around 17%-18%, which is as low as that of the USA and Canada. Obviously, it is much lower than Japan. It is certain that female smokers are rare in Thailand and male smokers are a lot fewer compared to Japan.

I asked my Thai colleagues why the percentage of Thai smokers is so low and they gave me different opinions. Judging from what I heard from them, the reasons can be summarized into the following three points. First, smoking and drinking alcohol are not regarded as good behavior, and shunned as others have less respect for smokers and drinkers. This idea may come from Buddhism. Second, cigarettes are expensive for low income earners and buying a packet of cigarettes is a heavy burden for them. Therefore, they buy only a few loose cigarettes for their daily ration. Third, those who are surveyed about smoking might lie in their survey and tend to answer "no" to the question as smoking and drinking are disapproved of.

When we talked about this, I was asked "Why do so many Japanese people smoke?" In my opinion, the price of cigarettes in Japan is cheap when compared to Japanese people's incomes. In Thailand, a packet of cigarettes costs around 80-90 Baht. If a Thai person smokes a packet a day, it costs about 2,500 Baht a month, which would be quite a burden for low income earners. On the other hand, there are a lot of cigarette brands in Japan and a packet of cigarettes costs 440Yen (about 150 Baht) or 13,000 Yen (about 4,300 Baht) a month, which is considered inexpensive when compared to incomes. My British colleague said that a packet of cigarettes in London is priced at around 8 Pounds (about 400 Baht or 1,200 Yen). He said that although the number of smokers went down considerably after a price hike, the percentage of working-class smokers does not show such a decrease.

In Japan, the number of smokers will certainly decrease if, as seen in England, the cigarette price goes up to the level of 1,000 Yen (330 Baht). However, JT, Japan's sole cigarette producer, is under the control of the Japanese government and does not have a free hand to change the price. Though JT wants to raise the price in order to improve their financial position, the government may not easily approve it because a higher price would result in fewer smokers and consequently less tax revenue.

Direction of Southern Image: With State State

THE 11TH FIVE-YEAR PLAN FOR THE NATIONAL ECONOMIC AND SOCIAL DEVELOPMENT FOR THE SOUTHERN REGION (2012-2017) DEFINES THE FRAMEWORK AND DIRECTION OF NATIONAL DEVELOPMENT OVER A PERIOD OF 5 YEARS. IT IS RELEASED BY THE OFFICE OF THE NATIONAL ECONOMICS AND SOCIAL DEVELOPMENT BOARD.

The 11th Plan has been effective since October 2011 and the concepts of development are as follows:-

)o You Know

AT.THE

Southern Region Development Direction

- To develop a full-scale production base for rubber and palm oil. Product processing will be promoted to add value along the supply chain in order to develop the Southern Region to be a global rubber hub and one of the key palm oil production bases in the Southern border region and Southern provinces along the Gulf of Thailand.
- To develop a Processed Seafood production base through the development of a Halal food production base that is recognized by Muslim countries.
- To develop world-class beach destinations.
- To develop a trade and logistics hub connecting with neighbouring countries to the South and other areas.

Direction of Development for Provinces along the Gulf of Thailand

- To develop an agricultural product processing industry. Surat Thani province will be promoted as a full-scale palm oil industry hub whilst also promoting the fruit processing industry in Chumphon province, rubber and rubberwood processing in Surat Thani and Nakhon Si Thammarat provinces, and coconut oil processing in Chumphon and Surat Thani provinces.
- To develop rice production as a food source for the entire region. Rice farming will be promoted in the areas of Pakpanung Plain and Songkhla Lake to increase food security.
- To ensure sustainable development of tourist destinations like Koh Samui and Koh Phangan. To focus on keeping the balance between the environment and tourism development on the Gulf of Thailand by connecting it with the Andaman side. Also to preserve archeological and cultural heritage to achieve sustainable eco-tourism.





The Plan reflects the economic potential of the Southern Region, especially Surat Thani province which is the transportation hub of the upper Southern Region, and a tourism hub housing globally renowned beach destinations. Subsequent to the commencement of ASEAN, the Southern Region will quickly become a key economic base in Thailand.

> Source: www.bot.or.th/Thai/EconomicConditions/Thai/ Southern/Pages/index.aspx

MITSUBISHI MOTORS (THAILAND) SETUPS ITS LARGEST EXPORT HUB IN ASIA AT TPARK SRIRACHA



Seen posing for group picture are **Mr. Nobuyuki Murahashi** (center), President of Mitsubishi Motors (Thailand) Co.,Ltd.; **Mr. Yasunori Koyanagi** (2nd left), Corporate General Manager - Office of Global Parts & Accessories of Mitsubishi Motors (Thailand) Co.,Ltd.; **Mr. Krisada Traitum** (far left), General Manager – Office of Global Parts & Accessories of Mitsubishi Motors (Thailand) Co.,Ltd.; **Mr. Patan Somburanasin** (2nd right), General Manager of TPARK or TICON Logistics Park; and **Mr. Tan Jitapuntku** (far right), Deputy General Manager of TPARK.

MITSUBISHI MOTORS (THAILAND) CO., LTD., recently announced the rental of 25,300 sq m warehouse at TPARK Sriracha developed by TPARK or TICON Logistics Park Co., Ltd. This facility becomes the largest automotive parts and accessories warehouse in Asia for all export models manufactured by Mitsubishi

Motors (Thailand) to over 140 countries worldwide. Strategically situated close to Laemchabang Port, which is widely used for export of automotive parts and accessories, the center will help improve Mitsubishi Motors (Thailand)'s operational efficiencies and hence reduce supply-chain costs.





TPARK BUYS 180 RAI IN BANGKOK FREE TRADE ZONE PROJECT

TPARK or TICON Logistics Park Co.,Ltd. - Thailand's leading developer of logistics warehouses and facilities for lease in Thailand, recently signed a Land Purchase Agreement to buy 180 rai in Bangkok Free Trade Zone Project (BFTZ) under the management of Prospect Development Co.,Ltd. for further expansion of its new Logistics Park "TPARK Bangplee 2" and high quality Ready-Built Warehouses in Bangplee area. The project is situated in strategic Location on Bangna - Trad Km. 19 and Km. 23, Samutprakarn province and close to Industrial Ring Road with access to major roads connecting all regions of Thailand and thus will be an ideal distribution center for various industries when completed. With an investment of approximately 2 billion baht, the project will cover a total space of 150,000 square meters of warehouses for lease which will be available for rent starting from early 2014. TPARK is at present the developer of warehouses for lease with the biggest ready-for-use land bank in Bangplee area.

TPARK'S NEW TENANTS

D5V

DSV Air & Sea Ltd.

DSV Air & Sea Ltd. is a global logistics service provider from Denmark, offering ocean freight, air freight, customs brokerage and supply chain management and logistics. Recently, DSV Air & Sea leased TPARK warehouse with an area of 10,280 sq m in TPARK Bangplee 1 in order to provide their service to their customers. DSV Air & Sea will start operating in this warehouse early next year.



Great Packaging Co., Ltd.

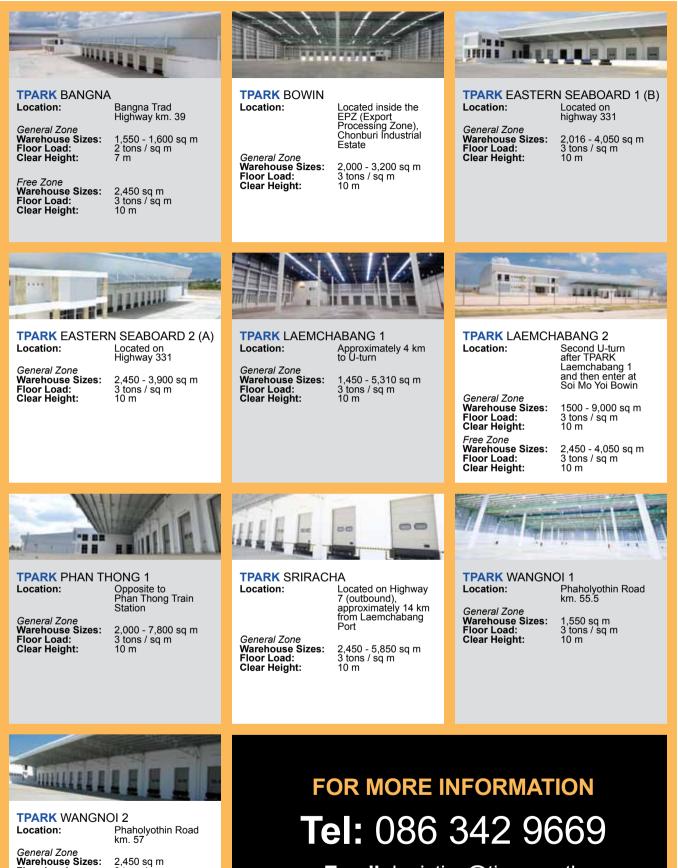
Great Packaging Co., Ltd. is a Thai manufacturer and trader of packaging. Great Packaging provides wide variety of paper container according to customers' specifications. Great Packaging recently leased TPARK warehouses with a total area of 2,450 sq m in TPARK Eastern Seaboard 1(B) and TPARK Eastern Seaboard 2(A) in order to store auto parts packaging before distributing to their customers.



Nittsu Shoji (Thailand) Co., Ltd.

Nittsu Shoji (Thailand) Co., Ltd. is one of group company of Nittsu Shoji Co., Ltd.: is the core trading company of Nippon Express Group. We design and produce the packages which are durable and suitable to diverse products. We support the export of major manufacturers of automobiles, equipment and machinery and plants, etc as logistics service provider. We can select several packing materials such as wooden and steel which are suitable to needs of our customers. We set our Head office in Ayutthaya and our branches in Wangnoi, Pinthong 2. Eastern Seaboard and Laemchabang Wangnoi 1, Eastern Seaboard 1 (A) and Eastern Seaboard 2(A) are TPARK WH. We always ensure spaces and quality which are comparable our customers' request.

Available BUILDINGS



Email: logistics@ticon.co.th

www.ticon.co.th

Floor Load: Clear Height: 3 tons / sq m 10 m





Café of Joy offers food and beverages in a warm, cozy, and homey ambience with a mix of contemporary and vintage decoration. Beautiful music perfectly complements a chillaxing moment, perfect for light discussion over coffee or a relaxing hang-out with friends. Those longing for personal space can enjoy various corners with comfortable couches; or if you love the cool breeze, the restaurant can arrange outdoor tables next to a lovely pool. Free WiFi is also available.

Menus include a variety of homemade-style Thai and international cuisines. The recommended dishes are *French Fries Khai Kem* (French Fries and Salted Egg), *Pad Pak Good Moo Yang* (Fried Bracken Fern with Grilled Pork), *Lab Salmon* (Spicy Salmon Salad), *Goong Chae Nampla* (Raw Shrimp in Fish Sauce), *Yum Woonsen Talay Pak Good* (Glass Noodle Spicy Salad with Bracken Fern), *Kao Pad Gaeng Kheaw Wan* (Green Curry & Fried Rice), *Kao Pad Khee Mao Talay* (Spicy Fried Rice with Seafood), *Tom Yum Poh Taek* (Spicy Seafood Tom Yum), *Khai Foo Pu* (Fried Egg with Crab Meat), *Pad Cha Talay* (Fried Herbs and Vegetables with Seafood), and *Peek Gai Tod Gluea* (Salted Fried Chicken Wing). End the delectable meal with delicious cakes like *Chocolate Truffle Cake* and *Rainbow Cake* that go fabulously with tea and coffee.

Special Discount TPARK customers should just inform Café of Joy that you know about the restaurant from the TPARK newsletter to enjoy a 10% discount (food only)

CAFÉ OF JOY

Opening hours: Monday to Friday from 10:00 - 21:00 Saturday and Sunday from 09:00 - 21:00

Location: Near TPARK Laemchabang 2 Project Address: In front of The Boulevard Village, Sriracha, 188/294 Moo 1, Tambon Nong Kham, Amphoe Sriracha, Chonburi province 20230 Tel. 087-831-8880





<section-header>

Contact us: **Tel +66 (0) 86342 9669** Email: logistics@ticon.co.th



Right Warehouses... Winning Locations

www.ticon.co.th