

SIAM FUTURE PLANS IKEA OUTLET

Following up on B10bn mall in Bang Na-Trat, developer seeks site for Swedish furniture chain. **B10**

RETAIL PROPERTY

SF seeks site for Ikea complex

UMESH PANDEY

A month after announcing a 10-billion-baht megamall project in the Bang Na-Trat area, Siam Future Development Plc is already seeking a site for another major mall, which will feature the Swedish furniture retailer Ikea as its key anchor.

"We definitely are now looking for the second site although it is may be a few years away," chairman Oranop Jantaraprapa said at the extraordinary shareholders' meeting to approve a capital increase and bond issue to finance the first development.

Shareholders with slightly more than 88% of the company's shares approved a rights issue of more than 513 million shares, at 1.20 baht each, as well as the planned issue of up to 2.26 billion baht in bonds with a 10-year maturity.

Siam Future is in no rush to build the

second mall but sees the response to the planned 290-rai Bang Na-Trat project as evidence of continuing demand for such malls in Thailand, he said.

The Swedish furniture chain has said it wants to build at least two more malls in Thailand over the next 10 years, each at a cost of about 4 billion baht.

"Ikea has said that it may look at the second mall in five years but I think it may be earlier than that," he said.

Nearly 70% of the Bang Na-Trat mall's 200,000 square metres of retail space is on the verge of being booked by big retailers such as hypermarkets and DIY stores, said Mr Oranop.

Siam Future is currently leasing about 240,000 sq m of retail space across its other properties.

"We expect our revenue to rise by at least 80% once the project is operational," said CEO Nopporn Witoonchart.

Siam Future's revenue last year was 1.7 billion baht.

"We have held talks with two department stores," said the CEO. "We have a letter of intent from a hypermarket and a DIY store."

Big C Supercenter Plc and The Home Product Center Plc are both interesting in becoming tenants, he said.

Siam Future will continue to develop its own smaller concept stores, such as J-Avenue, around Bangkok. It plans to open two stores this year on Kaset Navamin and on Rama III Road, he said.

The company is also in talks with landlords about developing other complexes, including one near the new BTS line in Thon Buri.

SF shares closed yesterday on the Stock Exchange of Thailand at 3.20 baht, up six satang, in trade worth 937,000 baht.