

HEMARAJ

Newsletter

The World Class Developer
in Thailand



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Highlights



Hemaraj's 20th Anniversary Tale of the Phoenix

Mr. Sawasdi Horrurung, the visionary founder of Hemaraj Land And Development Plc, recounts his vision 20 years ago when he and another 2 partners, Mr. Thavorn Anankusri and Mr. Thongchai Srisomburananont founded the company that pioneers industrial land development in the Eastern Seaboard region.

"My involvement in the Eastern Seaboard Development went back a long way," so began the conversation with Mr. Sawasdi Horrurung, the visionary founder of Hemaraj Land And Development Plc., which he established in 1988 and named after the mythical bird of immortality, the Phoenix. Back in the 1980s when the then government was considering large-scale industrial development programs for the eastern part of Thailand under the 5th National Economic and Social Development Plan (1982-1986), Khun Sawasdi was convinced here was an opportunity for the private sector to play a role in shaping the future of the country.

It was clear that the Eastern Seaboard area would emerge as Thailand's industrial gateway, with the national petrochemical complex at Map Ta Phut, Rayong Province, the container port at Leam Chabang, Chonburi Province, and massive investments in power, refineries, highways, transportation, communications, human resources and supporting infrastructure.

To aid the government policy of industrializing the region, Khun Sawasdi's vision was to build a vast modern industrial complex, primarily to serve his steel conglomerate as he was considering transferring steel production from Samut Prakarn to the eastern province of Chonburi. Realizing that the operation would require huge capital investment to develop necessary infrastructure and utilities, Khun Sawasdi took a bold step and decided to build a complete state-of-the-art industrial estate with comprehensive amenities and services. Up to 5,500 rai of land in Bowin, Sriracha District was thus acquired for the development of Hemaraj Land and Development's first industrial estate project. *(continue page 3)*

Note: 1 rai = 0.4 acre

Suzuki Chooses Hemaraj for Its Eco Car Production Base



Suzuki Motor Corporation, a leading car manufacturer and Hemaraj Land And Development Plc., Thailand's leading developer of industrial estates, utilities and property signed an agreement for purchasing land of 412 rai at Hemaraj's newest industrial estate, Hemaraj Eastern Seaboard Industrial Estate (Hemaraj ESIE), or the Detroit of the East II in Rayong. The land will be used for the construction of Suzuki's Eco-car manufacturing and CKD kit assembly plant scheduled to commence operation in 2010. *(continue on page 2)*

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World Class Development by Hemaraj

- Hemaraj Chonburi Industrial Estate
- Hemaraj Eastern Industrial Estate (Map Ta Phut)
- Eastern Seaboard Industrial Estate (Rayong)
- Hemaraj Eastern Seaboard Industrial Estate
- S I L Industrial Land (Saraburi)
- Rayong Industrial Land
- The Park Chidlom, high-end residential condominium



CEO Talk

Strong growth and business expansion to continue as Hemaraj celebrates major successes on its 20th anniversary

At the publication of this current issue of Hemaraj newsletter, we are on the verge of a celebration to mark our 20th anniversary in business. During the past two decades, Hemaraj has experienced impressive rates and business expansion. Today, we are involved not only in industrial land development and management with six world-class industrial estates covering 31,000 rai of land, but also in comprehensive utilities services namely, power, treated potable water and waste water treatment. On the real estate sector, we have broadened into commercial and residential property development with SME factories for rent and sale, a luxurious residential condominium project, the Park Chidlom, and a modern office building at UM Tower.

We pride ourselves on being customer-focused and a total solution developer with strength in knowledge-based engineering. We provide superior products with high-quality infrastructure and utilities, in parallel with responsibility for the environment and the community.

2008 promises to be another prosperous year. We plan to double our 2007 capital investment this year due to increasing demand and utility investment. Thailand will see overall land sales rise by 20% to up to 6,000 rai this year thanks to promising growth prospects for the automotive industry.

The auto industry in Thailand which has been strong for a number of years enjoys extra mileages. With the relocation of the 1 ton pickup platform, the expansion of passenger cars and the Eco-car program, the industry looks set to record another year of strong performance, with domestic growth along with increased exports.

The first quarter of this year saw a major land sale contract, totalling 412 rai, in Hemaraj ESIE with Suzuki Motor Corporation for the construction of its Eco-car manufacturing base in Thailand. This latest move by the Japanese car giant reflects continuous growth of Thailand's auto industry as well as investors' confidence in the country's long-term economic fundamentals. It also reaffirms our customers' trust in Hemaraj's 'Detroit of the East' concept.

Hemaraj continues to initiate more value added services for our customers especially in the area of skill training and development for industrial workers. At the beginning of this year we launched the Dual Vocational Training and Virtual Recruitment Network programs to ensure that our customers have ready access to potential staff with the appropriate skill sets.

As we celebrate our successes during this important milestone, I would like to assure our customers of Hemaraj's continued commitment to enhancing our products and services. Also I would like to take this opportunity to thank our customers for their support and confidence in choosing to invest with us.

Mr. David Nardone
President & CEO
Hemaraj Land and Development Plc.

from The Cover

Suzuki Chooses Hemaraj for Its Eco Car Production Base

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The Board of Investment (BOI) recently approved Suzuki's plan for an investment of Baht 9.5 billion in construction of a manufacturing plant for Eco-car and CKD kit with a capacity of at least 100,000 units per year. According to Suzuki's plan the plant, to be located in the purchased land at Hemaraj ESIE, will produce fuel-efficient Eco-cars in line with the Thai government's policy and supply them not only to Thai market but also to neighboring countries.

"Suzuki selected Hemaraj Eastern Seaboard Industrial Estate for this flagship project based on Hemaraj's proven effective auto clustering concept which offers competitive supply line and logistic advantages. In addition to the top-of-the-line infrastructure and services offered by Hemaraj, the location of Hemaraj ESIE also facilitates easy access to shipping and cargo such as at Laem Chabang Deep Sea Port," said Mr. Takayuki Sugiyama, Group Leader, Asia Marketing Group II, Asia Automobile Marketing Department., Global Marketing, Suzuki Motor Corporation.

Over 120 automotive supply-line and manufacturing companies including auto-industry related services are now operating within a world-class integrated automotive cluster industrial environment in Hemaraj's industrial estates in the Eastern Seaboard - ESIE and Hemaraj ESIE dubbed the "Detroit of the East".

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Highlights

Hemaraj's 20th Anniversary Tale of the Phoenix

(continued from page 1)



Fully-integrated and professionally-managed, Hemaraj Chonburi Industrial Estate is today home to over 50 leading manufacturers of steel, electronics, auto parts and power. Over the past 20 years, 6 prime industrial estates have been developed by Hemaraj mainly in the Eastern Seaboard of Thailand, covering some 31,000 rai, with more than 372 customers and over US\$14 billion in combined customer investments.

"Our industrial estates are world-class facilities with professional and dedicated staff, excellent supporting infrastructure and comprehensive utilities services, be they clean water, waste water treatment, waste disposal landfill or power generation. We are committed to providing the best manufacturing environment so that investors who choose to invest with us can invest with confidence," said Khun Sawasdi.

With each project, Hemaraj hopes to make some contribution to the industrial strength of Thailand by facilitating foreign direct investment inflows, he added. Every location offers quality developed land, utilities, SME Factories for Rent and Sale, and infrastructure services to meet specific and diverse manufacturing requirements.



In the picture: Mr. Sawasdi and Mr. Thavorn, the pioneers in Eastern Seaboard (from right to left).

Hemaraj was recognized as the first in Thailand to spearhead the industrial clustering concept to maximize the efficiency of resources utilization. Highly successful are the two major auto clusters at Eastern Seaboard Industrial Estate (Rayong) and Hemaraj Eastern Seaboard Industrial Estate, both in Rayong Province. Dubbed the "Detroit of the East", their combined strength creates one of the most integrated automotive industrial estates in the world.

According to Khun Sawasdi, industrial clustering not only allows for efficient logistics and supply chain management but also ensures matching resources are made available for the safeguard of our environment. "Industrial land development is not a business to yield quick returns. It is a long-term commitment; the business has to be nurtured, and built in a sustainable manner to produce rewards in the long run," Khun Sawasdi added.

With that recognition, Hemaraj ensures that all its industrial estates are developed and managed with professionalism and appropriate level of supervision so that investors can invest confidently in Thailand. Moreover, it aims to achieve all relevant internationally-recognized industrial and environmental controls and standards. Yet, progress and prosperity at Hemaraj communities over the past 20 years would not be realized without the cooperation and trust of local as well multinational customers.

"We owe it to our customers who understand and appreciate our principles. It's a tremendous honour and privilege to serve them. They have entrusted us with their brand values and tangible assets. On behalf of Hemaraj's board of directors, I'd like to say a big 'thank you'. Similar to the

Phoenix, our namesake, Hemaraj has the staying power, determination and dedication. We will never let down our investment partners and friends," Khun Sawasdi emphasized.

Ms. Monta Pranootnorapal, Governor of the Industrial Estate Authority of Thailand (I-E-A-T), Pays Tribute to Hemaraj's Commitment and Contribution.

"Working with Hemaraj Land And Development Plc. represents one of the most enduring and fruitful cooperation. The company is a pioneer in the industrial property business which not only requires intensive capital investment to develop top-rated infrastructure and utilities services, but also a brave and clear vision as well as long-term commitment to the national industrial development."

From the early age of Eastern Seaboard, Hemaraj and I-E-A-T have been working closely together to provide efficient production bases for industrial investors.



We supported each other: Hemaraj by investing and providing useful comments and I-E-A-T by providing tax and non-tax incentive for their customers, adjusting our processes enhancing speed and creating new sections, one of which is One-stop Services Center to accommodate investors' requirements.

"I'd like to think that we have achieved so much because of our close collaboration over the years; we are the reason behind each other's success. Such is the nature of our valued partnership."

"We recognize that Hemaraj is an industrial developer with superior strategy. The 'Detroit of the East' concept is a grand development vision with the aim to create a modern industrial city and reinforce the country's strength. ESIE, dubbed 'Detroit of the East', is a pilot project that is regarded as the national highlight. Mention 'Detroit of the East' and immediately everyone thinks of Hemaraj."

"Hemaraj has been a key driver for change. It has played a key role in Thailand's economic security and well-being, especially in terms of improving livelihood of people, enhancing education and employment opportunities for local communities as well as promoting new technologies and innovation."

"As governor of the I-E-A-T, I'd like to invite businesses up and down the country to consider moving their factories into proper industrial estates as a way of maintaining environmental balance and social integrity. And Hemaraj is one of the brands we do not hesitate to recommend to any business operators."

Hemaraj Launches Skill Training Initiative with Vocational Education Commission and Department of Skill Development

Leading industrial estate developer Hemaraj Land And Development Plc., announced the signing of a memorandum of understanding (MOU) with the Vocational Education Commission and the Department of Skill Development to set up a Skill Training and Development Center. The facility will be located in Hemaraj's Eastern Seaboard Industrial Estate (Rayong), one of the most integrated automotive industrial clusters in the world.



The establishment of the skill training and development center is part of Hemaraj's efforts to support the country's strategic industrial development by boosting skills and knowledge of those already in employment and those about to enter the manufacturing sector. One of the center's objectives is to ensure that the workforce has the skills to match the needs of the industry. This will facilitate future investment growth both locally and from overseas.

"Skilled labor force is a crucial factor in attracting foreign investment. Our workers have to possess the qualifications that industries require, thus skill training and development have to completely match those requirements," said Hemaraj's Chairman Mr. Sawasdi Horrungruang.

Hemaraj had conducted a survey to find out the needs of its customers in Eastern Seaboard, which is the hub for automotive sector – the country's important strategic industry. With the full support from the Vocational Education Commission and the Department of Skill Development, the Skill Training and Development Center will be opened in June 2008. During the initial stage, the workshop will be housed in ESIE Plaza 1 Building within the sprawling Eastern Seaboard Industrial Estate (Rayong).

It is plausible to establish a skill training center within an industrial estate for a number of reasons. Firstly, by bringing in trainers, it is not only convenient, but also saves time and expenses for a large number of course attendees. Secondly, the close proximity of the training center to the manufacturing base will provide a seamless linkage between educational authorities and potential employers in the private sector. It is likely to lead to closer cooperation, frequent exchanges

and increased flexibility in terms of curriculum design and course content. Training and skill development will be more effective and responsive to the real needs and will help take away burdens from individual employers to provide extensive training for new recruits. In addition, those with only a vocational diploma will be encouraged to seek employment immediately after graduation because they have an opportunity now to further their studies without having to give up work since the "school" will be close to their workplace. On the whole, this will effectively enlarge the labor pool. It's a win-win situation because these young people will also gain financial independence and be able to support their families while pursuing a higher degree.

Courses on offer will be divided into those that require lectures and those that are more hands-on. Lectures for subjects like logistics, design and general introduction classes will be held in Hemaraj's own training center and can start immediately. Practical work courses will commence in July when the construction of a new workshop is completed. Courses in basic technical skills, welding, metal work techniques, PLC, service and maintenance as well as custom-made courses for each factory will be on offer.

In a bid to promote excellence in vocational skills through collaborative work with the private sector, the Vocational Education Commission and the Department of Skill Development have been instrumental in this project, and their work has complemented each other. While the Vocational Education Commission focuses on vocational training in degree-conferring institutes, the Department of Skill Development is tasked with skill development of the labor force.



Mr. Veerasak Wongsombut, Secretary-General of the Vocational Education Commission said, “Our office is responsible for certifying the qualifications of two groups of people, namely, factory workers with basic formal education and vocational students in the school system. For the first group, years of experience may count toward academic credits. If they take a few extra courses and sit for a qualification exam, they will gain a vocational diploma or a higher vocational diploma. On the other hand, some vocational students may opt to spend more time on apprenticeships than attending lectures. In such cases, they may choose to take classes on academic subjects at a joint skill development center such as this one. They will then be qualified to pursue a higher vocational degree if they wish.”



Mr. Somkiat Chayasriwong, Director-General of the Department of Skill Development, expressed confidence that the joint Skill Training and Development center will boost key competencies of workers in the automotive industry. “I am extremely pleased with our cooperation. The Department of Skill Development, the Vocational Education Commission and Hemaraj will work together to ensure that this skill training center is a success. With the support of Hemaraj,

the center is centrally and conveniently located in Eastern Seaboard. It will develop workers with high standards to meet the requirements of locally-based industries. The Department of Skill Development is responsible for developing courses for both newcomers and those already in employment, identifying training needs and course design, and supervising the national skill standard certification program.

Referring to today’s signing of the MOU as “an excellent start”, Mr. Sawasdi of Hemaraj Land and Development said the cooperation between the three agencies could not have been accomplished without a shared vision, a common goal, and a firm commitment to work for the progress of the nation.

“I would like to express my appreciation to the Department of Skill Development and the Vocational Education Commission for being extremely open to comments and suggestions from the private sector. Our achievement today is the result of a long collaborative process. I truly believe that the skill training center will stand out as a fine example of what we can achieve when the public and the private sector work together,” Mr. Sawasdi concluded.

In the picture: Mr. Veerasak Wongsombat (3rd from left), Secretary-General of the Office of Vocational Education Commission, Ministry of Education, Mr. Sawasdi Horrungruang (4th from left), Chairman of the Board, Hemaraj Land And Development Plc., and Mr. Somkiat Chayasriwong (Center), Director-General of the Department of Skill Development posted for picture after signing the memorandum of understanding.

Hemaraj Partners With VEC to Offer Dual Vocational Training

Hemaraj Land And Development Plc. and the Vocational Education Commission (VEC) have jointly launched Dual Vocational Training (DVT) in a bid to develop and nurture skilled workers for businesses in Hemaraj’s industrial estates.

Mr. David Nardone, Hemaraj’s President & CEO, said the scheme is a crucial step in the company’s attempt to bridge the gap in the existing labor market for skilled workers and to provide many enterprises in its industrial estates with future qualified staff. Companies in all sectors are invited to become training partners by sponsoring apprenticeships, he added.



“The private sector in DVT is an equal partner; its active participation is essential to the success of the scheme since in-company training is as important as college teaching. After all it is the companies that recruit trainees,” he said.

Companies wishing to join the scheme have to enter into an agreement with participating colleges and sign a memorandum of understanding.

According to Mr. Nardone, DVT combines part-time college coursework with practical training on the job. Participating companies agree to provide technical college students with comprehensive training on the job for a period either from May to September or from October to March. Colleges, which offer DVT courses, will then award practical work experience in the form of credit(s) toward a certificate or diploma degree.

Alternatively, companies wishing to give their staff an opportunity to upgrade while keeping them in the organization may do so. For mature students, years of actual experience in the workplace will be counted toward an academic program. They will be taught vocational subjects as the theoretical background to the occupational field in which they already have expertise.

“In contrast to the school-based system, DVT is flexible and responsive. It is driven by demand. Companies know what basic qualifications their staff should have and they will undertake DVT to produce staff with the right skills in the numbers they need,” Mr. Nardone said.

Rayong Technical College (Technic Rayong), which is part of the DVT scheme, has agreed to provide general information about the curriculum, admission requirements, course duration and fees to Hemaraj, which will liaise with interested companies in the industrial estates.

For more details, please contact Ms. Fasai Finch at 02 719 9555 or Fasaif@hemaraj.com

Virtual Recruitment Network, a New Channel for Recruitment Solution



An effective and time-saving recruitment solution, the Virtual Recruitment Network promises to make corporate selection and placement processes convenient and hassle-free. Initiated by Hemaraj Land And Development Plc. in cooperation with Rayong Technical College and Rayong Skill Development Center, the new recruitment service will help companies in Hemaraj's industrial estates access the best and the brightest college graduates who are about to graduate in Por Vor Chor (Vocational Certificate) and Pro Vor Sor (Technical Diploma).

According to Mr. David Nardone, President & CEO of Hemaraj Land And Development Plc., the Virtual Recruitment Network (VRN) was born out of the realization that many companies are faced with the double challenges of recruiting young qualified workers and preparing them for specific jobs.

"The partnership between Hemaraj and the two vocational training agencies will ensure that the right candidates are selected and that they have the necessary skills to match corporate requirements," he said.

The recruitment process has been streamlined to ensure fast and effective results.

This is how the VRN works:

Interested companies are requested to submit an application form to Hemaraj, specifying the number of candidates required, their respective qualifications and the proposed remuneration package.

Hemaraj will communicate the information to Rayong Technical College before a search for suitable candidates is underway. Within an agreed time-frame, the college will submit a list of candidates with the right qualifications to the companies.

The companies will then process the candidates' application forms, conduct the interviews and run appropriate skill tests as normal.

A final decision as whether to hire the candidates rests with the companies.

In case additional training is required, Hemaraj is prepared to work with skill training and development agencies such as the Rayong Skill Development Center to provide an orientation program for new recruits. This program is aimed at getting candidates ready for the real workplace. The cost of training is modest, mainly to cover the operation.

At this stage, the VRN scheme is targeting graduates from vocational or technical colleges in the eastern provinces of Rayong, Chonburi, Chantaburi and Trat. The recruitment network will be broadened to cover students from other parts of Thailand, especially the Northeast, in the near future.

For more details, please contact Ms. Fesai Finch at 02 719 9555 or Fasaif@hemaraj.com

UM Tower by Hemaraj

Ideal Office Building on Ramkhamhaeng Road

With proven track records and years of experience in property development and management, Hemaraj Land And Development Plc. has unveiled the latest addition to the company's property business line. UM Tower is a high-rise office building in the great location of eastern gateway to Bangkok.



The 30-floor office tower occupies more than 57,000 square metres and enjoys a 75% occupancy rate. Rental space is available from 165-1,000 square meters.

Conveniently located on Ramkhamhaeng Road adjacent to a designated stop of the upcoming Airport Link, UM Tower is in close proximity to all the capital's transport networks. With an easy access to the Srirat-Chalongrat Expressways, the Bangkok-Chonburi Motorway, and a major bus stop, travelling to and from UM Tower is very convenient. In 2009 when the direct Bangkok-Airport rail link is opened for service, corporate tenants will enjoy fast transport to the city center and Suvarnabhumi Airport evenmore.

For rental inquiries, please contact 02 719 9555 or e-mail info@um-tower.com

Government Update

Thailand Industrial Gateway, the Online Information Portal

The Ministry of Industry (MOI) has recently launched a new official website, "Thailand Industrial Gateway" (available at www.industry.go.th) to provide information about the government's industrial policies and the work of some 20 agencies under the MOI. These include the Board of Investment, the Industrial Estate Authority of Thailand and the Thailand Automotive Institute. Currently, the website is available in Thai only, but preparation is underway to have it translated into foreign languages. The online database is designed especially to meet the needs of the three key target groups namely SMEs, academics and the general public. MOI's policy, recent announcements, relevant legislation, training programs and latest news can be found on the website. Services such as e-Licensing, e-Industrial Community, e-Directory, e-Investment, e-Pollution Control, e-Standard and e-Library are also available online. To register, simply log on to www.industry.go.th. For more information, contact the Ministry of Industry on 02 202 3000 or e-mail pr@industry.go.th.

BOI Encourages Industrialists to Seek ISO14000 Certification for Environmental Conservation

Thailand's Board of Investment has rolled out a new condition for promotion, effective from 1 October 2007, requiring that investment projects valued over THB 10 million (exclusive of land cost and working capital) achieve registration for ISO 9000, or ISO 14000 or other approved comparable international standards.

The promoted projects, which are currently subject to seek ISO 9000 quality registration or other comparable international standards within 2 years, may alternatively propose to attain ISO 14000 certification under the new condition.

The measure is intended to encourage firms to pay more attention to their environmental impact and issues. Formerly, investment projects valued over THB 10 million were required to achieve an ISO 9000 certificate or other approved international standard within 2 years after commencing operations. Failure to achieve a certificate may lead to the removal of corporate income tax privileges for one year.

ISO 14000 is an environmental management system that has established working guidelines and controls for firms to deal with their environmental impact. It also entails audit procedures to ensure compliance with related laws and regulations. The existence of these standards allows firms to minimize costs on fuel and waste management and strengthens the firm's competitiveness.

ISO 14000 registration is expected to become a necessity for firms wanting to do business in the global market place. This is due to the increasing number of worldwide trade restriction measures known as NTBs (non tariff barriers), such as the hygienic and environmental standards implemented in the European Union. Other similar trade restriction measures under FTAs and the WTO can also be anticipated.

At present 7,177 firms throughout the country are ISO 9000 quality certified and 1,412 are ISO 14000 certified.

Customer Showcase



Saint-Gobain Sekurit (Thailand) World-Class Maker of Auto Glass Enjoys a Smooth Ride in ESIE

Saint-Gobain Sekurit (Thailand) Co., Ltd. is one of the world's leading automotive glass systems suppliers. Founded in 1997, the joint venture is part of worldwide efforts by French automotive glass-making and construction conglomerate Saint-Gobain to expand its production base and marketing reach in the Asia-Pacific region. The state-of-the-art auto glass manufacturing plant at the Eastern Seaboard Industrial Estate (ESIE) in Rayong Province is the company's first in Asia.

The plant produces a wide range of highly specialized products such as laminated glass for windshields, tempered glass for side and rear windows, module glass for pre-assembly window encapsulation, and other value-added products.

Up to 60 per cent of its output is bound for exports to Japan, Australia, Europe and Southeast Asian countries, namely Malaysia, Indonesia and the Philippines. The remaining 40 per cent is supplied to the local car industry.

According to Mr. Francis Cholley, Managing Director of Saint-Gobain Sekurit (Thailand), the demand for auto glass components in Thailand is strong, and is growing fast. "Thailand is a high-potential market which has outperformed its neighbours such as Malaysia and Indonesia in recent years. Thailand's competitiveness lies not only

in the strength of the car and car-part manufacturing sector but also in a skilled workforce and excellent infrastructure," he said.

The decision to locate its first Asian auto glass plant in ESIE was an easy one to make, Mr. Cholley said, given that most of Saint-Gobain's customers had already set up bases there. Apart from the well-developed infrastructure and excellent customer care at the site, Mr. Cholley said Hemaraj's location also facilitated easy access to the nearby Laem Chabang Deep Sea Port and to Bangkok. In Mr. Cholley's own words, "Hemaraj always offers great services and quality infrastructure." A host of tax privileges under the Board of Investment which are available to companies in the industrial estate offered an added incentive, he stated.

Currently, Saint-Gobain holds 30 per cent of the Thai market for auto glass products. Worldwide, it has a 25 per cent share. As a leader in the industry, the company is committed to product development and innovation in terms of both design and functionality to deliver the cutting-edge technologies that customers want. Saint-Gobain Sekurit caters to all automotive industry segments, from luxury passenger cars to commercial vehicles. The company's mission is based on three guiding principles: quality, cost and service.

Nevertheless, its involvement in Thailand is not without difficulties. Back in 1995-96, Saint-Gobain was asked by a major Japanese car maker to provide technical assistance to one of its local glass suppliers with a proposal to forge a joint venture deal with the firm at a later stage. The deal never eventuated because the Thai company withdrew from the proposal. An alternative arrangement was concluded, giving birth to Saint-Gobain Sekurit (Thailand). The fledgling company has since gone from strength to strength.

Today, Saint-Gobain Sekurit's operations in Thailand represent a major plank of the group's investment in the region. The company plans to increase the export of high-tech auto glass products from Thailand to Indonesia to better serve the needs of Japanese automakers that are expanding production there. In Thailand, Saint-Gobain has significant stakes in a range of companies. Apart from auto glass, it is also involved in the production of gypsum and abrasives. Globally, the French conglomerate operates three categories of business, namely, the historic business such as glass, containers and gypsum; high-performance materials such as ceramics, plastics, abrasives, reinforcement and composite materials; and the distribution of building materials.

Saint-Gobain Sekurit takes the environmental care to heart. The company has enforced strict environmental codes of practice, and intends to put in place systems and processes that ensure higher standards than the national environmental requirements. "We have worked closely with Hemaraj's environmental team to maintain our environmental friendliness," Mr. Cholley said. International automotive companies have today given environmental concern their highest priority. "As an auto glass supplier, we must be the best partner for car makers in order to reach the common environmental goal," he stressed.

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Tanaka Ai Industries (Thailand) New Factory in ESIE to Open in July; Construction of Another Unit likely next year

Tanaka Ai Industries (Thailand) Co., Ltd., a local subsidiary of Japan's Tanaka Ai, which specializes in the processing and recycling of spun-bonded non-woven fabric and store management, opened officially a new production line on 1st July 2007. The new facility, located in Hemaraj's Eastern Seaboard Industrial Estate (Rayong) or ESIE, has recycling capacity of 2,000 tones a year. Construction had completed in May 2007. This is the third stage in the company's business expansion plan.

Mr. Keiji Kobahashi, Managing Director of Tanaka Ai Industries (Thailand) Co., Ltd., said that the new facility brought the company's total investment to date to Baht 390 million. The plant is the same size as the previous two units, having a total floor area of 7,800 square meters. It is running at full capacity now.

"The third factory has already been in full-scale operation at this moment," he said.

Construction of a fourth unit is already in the pipeline. At the beginning of 2006, the company bought an additional 52,800 square meters of land in ESIE with the view to grow and develop its business further.

"It is not known exactly when, but some time this year we're planning to start work on another new factory on the newly-purchased land. We aim for more business expansion," Mr. Kobahashi said.

Tanaka Ai Industries (Thailand) was established on January 28th, 2004 by Tanaka Ai, a specialized trading house (with headquarters in Kurume City, Fukuoka, Japan). It has a registered capital of Baht 25 million. The company manufactures re-slitted spun-bonded non-woven fabric and supplies it under consignment contract to Mitsui Hygiene Materials (Thailand) Co., Ltd., a major non-woven fabric producer, which maintains its head office in Eastern Seaboard Industrial Estate (Rayong).

Since Mitsui Hygiene Materials already had a production base here, it was natural for Tanaka Ai Industries to follow suit. ESIE has become home to both companies. Over the years, the decision has proved to be the perfect one.

According to Mr. Kobahashi, ESIE is a good location for factories that need to install because the ground is solid. Also the water is of good quality. All factories operate in a smoke-free environment. Moreover, many of Hemaraj's staff members are fluent in Japanese which makes it easier to communicate.

The company started processing spun-bonded non-woven fabric and running a store management business in November 2004, following the completion of its first factory in October of that year. The facility sits on a spacious 35,200 square meters compound.

The production process at Tanaka Ai Industries involves the "slitting" and "rewinding" of non-woven fabric. Its first

factory currently operates at full capacity, producing 250 tones of slit and 30 tones of rewound materials, respectively, per month.

The second factory was built and completed in June 2005. Meanwhile, the store management business has also expanded rapidly since July 2005. Now three years later, the third manufacturing unit is set to be officially opened in July 2007.

According to Mr. Keiji Kobahashi, Tanaka Ai Industries (Thailand) is determined to continue developing its business in Thailand. "Our expansion will not stop with the completion of the third factory. We are already looking forward to more exciting opportunities for expansion in the near future," he said with a smile.

Off Road Accessories 4WD Accessories Manufacturer from Australia Predicts Robust Growth

Off Road Accessories Ltd., part of the ARB Group of companies, which is Australia's largest manufacturer and distributor of accessories for four-wheel drive vehicles, has expressed confidence about its plan to increase output and diversify product line at its factory in Eastern Seaboard Industrial Estate (ESIE). Buoyed by strong global demand for vehicle protection equipment, recovery equipment and roof racks, Off Road is set to expand its sales and distribution internationally.

The company's first production base in Asia, located in ESIE, is now in full operation, according to Mr. John Van Den Eynden, Managing Director of Off Road Accessories Ltd. The company signed a contract to purchase land from Hemaraj Land And Development Plc. for the establishment of its new facility in October 2006. At present, products made locally, namely protection equipment and roof racks, are exported to a diverse global customer base.

The comparative cost advantage of manufacturing in Thailand was an important factor in Off Road's decision to set up production here. "Thailand was chosen to be our first production base in Asia because of its relatively low cost of investment. Land prices, building costs and electricity charges may be on par with those in Australia but, importantly, labour costs for "highly-skilled staff" are more reasonable.

ESIE, with its convenient location, world-class facilities and customer-oriented services, was a preferred investment choice, he added. Dubbed “Detroit of the East”, ESIE boasts over 200 automotive supply-line companies, making it Thailand’s hub for car and car part manufacturing. “We are impressed with Hemaraj’s quick and good services as well as its sound advice. The staff are service-minded, and the infrastructure excellent. ESIE is where leading automotive producers set up their business,” Off Road’s Managing Director said.

Looking ahead, Mr. Van Den Eynden predicted that economic outlooks in Thailand would remain strong, especially with the elected government’s favourable policy toward foreign investors. Mr. Lachlan McCann, Off Road Assistant General Manager agreed, saying that more emphasis should now be put on skill training and development. Moreover, he said the government might want to consider additional tax privileges to attract direct capital investment from overseas.

For Off Road, the company’s confidence in the Thai economy is best illustrated in its plans to introduce a more diverse manufacturing product range to boost capacity at the existing plant.

As the ARB Group continues to expand its operations internationally, both executives agreed that it is important to contribute to the communities in which the Group operates. Last year, Off Road joined hand with the Australian-Thai Chamber of Commerce (AustCham) in providing financial support to Kanchanaburi School for Deaf and Autistic Children’s Bakery Project. A small bakery was built to aid the teaching of vocational skills, and also to produce another important revenue stream to support the school’s work for the benefit of deaf and autistic children.

The company also takes its environmental commitment seriously. Mr. Van Den Eynden added that Off Road is a foremost leader when it comes to “green” processes in the workplace. The company ensures that chemicals used in production do not harm the environment. Regular checks at its factory have been carried out by government inspectors, he said.

According to Mr. McCann, being in ESIE has an added advantage. With its comprehensive policy on environmental protection and efficient process management, companies are operating to the highest environmental standards.



Both executives said they are happy with local staff and keen to learn Thai. “Local staff are friendly and dedicated to their work. We’d love to be able to talk to them and to understand Thai culture better. We want to really be a part of this happy and welcoming community”.

Contact Information

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Mr. Lanchlan McCann
Assistant Managing Director
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Hemaraj News

Hemaraj's President & CEO Joins Panel Discussion at "Thailand Investment Year 2008-2009"

Mr. David Nardone, President & CEO of Hemaraj Land And Development Plc, participated in a panel discussion on the topic "Foreign investors' confidence" representing the Joint Foreign Chambers of Commerce in Thailand at a seminar entitled "Thailand Investment Year 2008-2009". The seminar was organized by the Ministry of Industry and the Board of Investment of Thailand (BOI) at Centara Grand & Bangkok Convention Center, Central World.



Hemaraj Presents Armored Trucks to the Royal Thai Army



Hemaraj Land And Development Plc., Thailand's leading developer of industrial estates and residential properties, led by Mr. Sawasdi Horrurunguang, Chairman of the Board and the executives of Hemaraj Land And Development Plc, recently presented 18 armored 1-ton pickups (Ford Ranger) to the

Royal Thai Army for the operation in the three southernmost provinces of Thailand. The presentation was presided over by Army Commander General Anupong Phaochinda.

Hemaraj Organizes Environmental Field Trip for Students from Rayong

Hemaraj Land And Development Plc. recently arranged environmental field trip for teachers and students from Wat Map Chalood and Ban Nong Fab schools, Rayong province to visit Siam Ocean World and participate in a presentation entitled "Global Warming" organized by Coral and Coastal Conservation Foundation at Krungsri Imax Theatre, Siam Paragon. Aimed at raising the public awareness on the critical issue, the session features a lecture on global warming by Dr Thorn Thamrongnawasawadi followed by a documentary film "THE APLS"

In the picture (Below): Ms. Chantana Hinkaew (3rd from left, front row), Director-Corporate Marketing of Hemaraj Land And Development Plc. posted for picture with teachers and students from Wat Map Chalood and Ban Nong Fab school, Rayong province at Siam Ocean World, Siam Paragon.



Hemaraj & Samitivej Sriracha Hospital Jointly Provide Mobile Medical Service to Communities in Rayong



Hemaraj Land And Development Plc. in cooperation with Samitivej Sriracha Hospital, recently organized a free-of-charge mobile medical unit for local communities surrounding Hemaraj's Eastern Seaboard Industrial Estate (Rayong). The medical services include blood sugar and fat levels checking, general health check-ups and consultation from medical experts. The activity is organized annually as part of Hemaraj's continuous Corporate Social Responsibility program.

What's New with Our Customers

From Detroit of the US to Hemaraj's Detroit of the East



American Axle & Manufacturing Holdings, Inc., (AAM) top US maker of highly engineered driveline products, and Hemaraj Land And Development Plc., Thailand's leading developer of industrial estates, utilities and property, announced the signing of a contract for the purchase of 51 rai at Hemaraj's latest industrial estate, Hemaraj Eastern Seaboard Industrial Estate (Hemaraj ESIE) in Rayong. AAM will use the land to establish its state-of-the-art manufacturing plant in Southeast Asia, scheduled to become operational in 2009.

Headquartered in Detroit, Michigan, and traded on the New York Stock Exchange as AXL, AAM is a world leader in the manufacture, design and validation of driveline and chassis systems and related components for trucks, sport utility vehicles and passenger cars. Its decision to set up a production base in Thailand not only represents the company's significant expansion of its manufacturing footprint in one of Asia's important economies, but also underlines the confidence it has in Thailand and the excellent infrastructure and services Hemaraj ESIE has to offer.

Hemaraj ESIE is the second auto cluster under Hemaraj's successful "Detroit of the East" concept. Known as Detroit of the East II, Hemaraj ESIE is located right next to the Eastern Seaboard Industrial Estate (ESIE) where over 120 world-class automotive part manufacturers are operational. Currently the 2 industrial estates are connected with a high quality internal road ensuring the uninterrupted supply line between them.

"Our new facility in Thailand will be strategically located in close proximity to key seaports and will enjoy excellent geographical access to several world leaders in vehicle manufacturing, many of whom have already chosen to establish their production facilities in Hemaraj ESIE. We are essentially continuing to extend our manufacturing capacity and capability throughout Asia," said AAM Co-Founder, Chairman & CEO, Richard E. Dauch.

According to Mr. David Nardone, President & CEO of Hemaraj Land And Development Plc., "The move clearly reflects foreign investors' confidence in Thailand's strong economic fundamentals and reaffirms Hemaraj's status as one of the most strategically important drivers in the development of the local automotive industry."

He adds that apart from the firm commitment to build and operate high quality infrastructure for customers. Hemaraj has recently launched a major initiative in partnership with the Ministries of Labour and Education to set up a comprehensive skill training and development centre for workers in the automotive industry in Hemaraj's Eastern Seaboard Industrial Estate (Rayong). The facility aims to boost skills and knowledge of those already in employment and those about to enter the car manufacturing sector to ensure that their qualifications match the requirements of the industry.

"We are looking forward to working closely with ESIE's skill training and development centre in the near future," says Dauch. "As a respectable corporate citizen worldwide, we are committed to making positive contribution to Thailand's industrial development and the Thai government's policy of creating employment opportunities for people in local communities."

AAM's current Asia operations include a manufacturing facility in Changshu, China along with business and engineering offices in Tokyo, Japan; Shanghai, China; Pune, India; and Seoul, South Korea.

Aquafil Brahma Spirit House Ceremony at Eastern Seaboard Industrial Estate (Rayong)

Aquafil, an Italian industrial group and European leader in the production of synthetic fibers for floor coverings and clothing industry and for the engineering plastics with manufacturing facilities in Europe and the USA., recently held a Brahma spirit house ceremony for its first plant in Asia – Aquafil Asia Pacific Co., Ltd - at Eastern Seaboard Industrial Estate (Rayong). The plant will manufacture bulked continuous filament (BCF) nylon yarn for both domestic and international (Asia Pacific) markets.

In the picture (Below): Mr. Sunthorn Kongsunthornkitkul (3rd from right), Vice President of Hemaraj congratulates Mr. Fabrizio Calenti (center), General Manager of Aquafil S.p.A., Ltd., while Ms. Maria Teresa Tomaselli (3rd from left), Operation Manager of Aquafil Asia Pacific Co., Ltd. and Mr. Apisak Kamwan (2nd from right), Hemaraj's Senior Customer Development Manager, look on.





เรียนเทียบโอนประสบการณ์เพื่อวุฒิ ปวส. หรือเพิ่มทักษะฝีมือสำหรับช่างเทคนิคผู้จบ ม.3 ม.6 ใกล้ที่ทำงาน ใช้เวลาเพียง 1 ปี ที่อัสสัมชัญ (ระยะของ)

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1. หลักสูตรเรียนเทียบโอนประสบการณ์

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ดูแลหลักสูตรโดยคณาจารย์จากเทคนิคระยะของ มหาวิทยาลัยเทคโนโลยีพระจอมเกล้าพระนครเหนือ และเทคโนโลยีพระจอมเกล้าลาดกระบัง มีให้เลือกเรียนทั้งในเวลากลางหรือหลังเลิกงานและเสาร์อาทิตย์ หน่วยงาน
300 บาท เรียนทุกวันอาทิตย์

สาขาที่เปิดสอน: ไฟฟ้ากำลัง, เทคโนโลยีการผลิต, ไลอัสติกส์ (Electricity, Production Technology and Logistics.)

2. หลักสูตรพัฒนาระดับฝีมือแรงงาน (Skill Development Courses)

เพื่อพัฒนาระดับฝีมือช่าง สามารถนำไปเทียบโอนในหลักสูตรเทียบโอนประสบการณ์ได้

สาขาที่เปิดสอน:

ชื่อหลักสูตร / Courses	จำนวนชั่วโมง / Hour	กำหนดการฝึก / Date	ค่าใช้จ่าย / Baht*
1. การซ่อมบำรุงเครื่องจักรในงานอุตสาหกรรม (Machine Maintenance)	18	2-4 ก.ค. 51	1,500 บาท/ท่าน
2. ระบบนิวแมติกส์พื้นฐาน (Introduction to Pneumatics)	18	14-16 ก.ค. 51	1,500 บาท/ท่าน
3. การควบคุมระบบเมคาทรอนิกส์พื้นฐานอุตสาหกรรม (Introduction for Mecha-tronics Control)	30	7-11 ก.ค. 51	2,500 บาท/ท่าน

4. เครื่องมือวัดทางช่างกลเบื้องต้น (Introduction to Technical Measurement)	18	29-31 ก.ค. 51	1,500 บาท/ท่าน
5. การเขียนแบบด้วยโปรแกรม Auto CAD 2D	30	21-25 ก.ค. 51	2,500 บาท/ท่าน
6. การเขียนแบบด้วยโปรแกรม Auto CAD 3D	30	25-29 ส.ค. 51	2,500 บาท/ท่าน
7. การดำเนินกิจกรรม 5 เพื่อการเพิ่มผลผลิต (5 S for Productivity)	12	5-6 ส.ค. 51	1,000 บาท/ท่าน
8. ปฐมนิเทศนิสัยอุตสาหกรรมในการทำงาน (Industrial Behavior Orientation for New Workers)	12	7-8 ส.ค. 51	1,000 บาท/ท่าน
9. ความปลอดภัยในการทำงาน (Work Safety)	12	19-20 ส.ค. 51	1,000 บาท/ท่าน
10. การควบคุมคุณภาพในงานอุตสาหกรรม (Quality Control for Industrial Work)	18	13-15 ส.ค. 51	1,500 บาท/ท่าน
11. เทคนิคการลดต้นทุนการผลิต (Cost Reduction Technique)	12	21-22 ส.ค. 51	1,000 บาท/ท่าน
12. การบริหารคุณภาพและการเพิ่มผลผลิต (Quality Management and Production)	12	2-3 ก.ย. 51	1,000 บาท/ท่าน

3. การจัดรายวิชาพิเศษเพิ่มเติมตามคำขอของโรงงาน (Training on Demand)

เริ่มเปิดเรียนวันที่ 1 กรกฎาคม 2551

สนใจข้อมูลเพิ่มเติมโปรดติดต่อ คุณณัฐกาญจน์ 038 955 282-3

For more information, please call Khun Natthakarn 038 955 282-3

* รวมค่าเอกสาร อาหารว่าง และอาหารกลางวัน (Included handout, coffee break and lunch)

What's New with Our Customers

Nippon Paint Grand Opening at Hemaraj's Industrial Estate



Nippon Paint (Thailand) Co., Ltd., recently held a grand opening ceremony for its new factory at Eastern Seaboard Industrial Estate (Rayong) to serve the increasing demand of automotive paints supplied to major Automotive OEM.

In the picture: Mr. Vivat Jiratikamsakul (3rd from right), Executive Vice President of Hemaraj congratulates Mr. Suebphongse Poonsatha (3rd from left), President of Nippon Paint (Thailand) Co., Ltd. during the ceremony, as Mr. Shoji Oda (2nd from right), Director & General Manager of Nippon Paint (Thailand) Co., Ltd. and Ms. Suda Yantapanit (2nd from left), Executive Vice President of Nippon Paint (Thailand) Co., Ltd. look on.

NT Seimitsu's Expansion at Eastern Seaboard Industrial Estate (Rayong)



NT Seimitsu (Thailand) Co., Ltd., a leading manufacturer of automotive components in Toyota Tsusho Techno-Park group, recently held a religious ceremony of its second factory in Eastern Seaboard Industrial Estate (Rayong).

The factory will manufacture high precision of fuel injection pump part with a capacity of 540,000 pieces per year to be mainly supplied to Siam Denso Manufacturing Co., Ltd.

In the picture: Mr. Hidetoshi Yasuno (right) President of NT Seimitsu (Thailand) Co., Ltd. is congratulated by Mr. Vivat Jiratikamsakul (2nd from left), Executive Vice President of Hemaraj.

Ground Breaking for New Maxxis' Plant at Eastern Seaboard Industrial Estate (Rayong)



Maxxis International (Thailand) Co., Ltd., recently held the ground-breaking ceremony for its B Plant located on 120 rai of land at the Eastern Seaboard Industrial Estate (Rayong) developed by Hemaraj Land And Development Plc.

The Maxxis B Plant is an extension of its operation dated 2004 in the Eastern Seaboard Industrial Estate (Rayong). The latest facility at completion will produce 26,000 units of passenger car tires per day for domestic as well as international markets.

Group photo shows participants in the ground-breaking ceremony led by Mr. Jye Luo (5th from left), President of Cheng Shin Rubber IND, Co., Ltd., Mr. Robert Lo (4th from left), President of Cheng Shin-Toyo Tire & Rubber (China) Co., Ltd., Mr. Wally Y.H. Chen (3rd from right), General Manager, Cheng Shin Rubber IND, Co., Ltd. and Mr. David Nardone (2nd from right), President & CEO of Hemaraj Land And Development Plc.

Parker Hannifin Breaks Ground at Eastern Seaboard Industrial Estate (Rayong)



Parker Hannifin (Thailand) Co., Ltd., an affiliate of Parker Hannifin Corporation, the world's leading manufacturer of motion control components and systems, recently held a ground breaking ceremony for its new factory at Eastern Seaboard Industrial Estate (Rayong). The new factory will produce filtration, which is used in automotive, air conditioning, oil & gas, light and heavy industries.

Pictured at the ground breaking are Mr. Sunthorn Kongsunthornkitkul (far left) Vice President of Hemaraj Land And Development Plc., Mr. John K. Oelslager (2nd from right), President of Filtration Group and Mr. Craig Bowersox (2nd from left), Regional General Manager of Parker Hannifin (Thailand) Co., Ltd.

Nippon Steel Bar Grand Opening at Eastern Seaboard Industrial Estate (Rayong)

Nippon Steel Bar & CH Wire (Thailand) Co., Ltd. recently held the Grand Opening of its factory in Eastern Seaboard Industrial Estate (Rayong).

What's New with Our Customers



A joint venture among Nippon Steel Corporation, Matsubishi Metal Industry Co., Ltd., Miyazaki Seiko Co., Ltd., Sanyu Co., Ltd., Suzutoyo Seiko Co., Ltd. and Toyota Tsusho Corporation and Metal One Corporation, the Thai-based factory manufactures and sells CHQ steel wire with approximate capacity of 40,000 ton per year.

In the picture: Mr. Vivat Jiratikarnsakul, (2nd from left) Executive Vice President of Hemaraj Land And Development Plc. congratulates Mr. Katsunori Nagase (2nd from right) Director of Nippon Steel Bar & CH Wire (Thailand) Co., Ltd. at the Grand Opening.

Kansai Resin (Thailand) Celebrates 10th Anniversary at ESIE



Kansai Resin (Thailand) Co., Ltd. recently celebrates the 10th Anniversary of its plant in Eastern Seaboard Industrial Estate (Rayong). The plant has been manufacturing synthetic resin varnish for paints mainly used in automobile industry. 3,000 tons of the production is supplied to domestic market per year while 7,000 tons is for exports.

Posting for picture with the company's executives and staff is Mr. Tetsuo Ezawa (5th from left, second row), Managing Director of Kansai Resin (Thailand) Co., Ltd.

MHM Opens New Plant at Eastern Seaboard Industrial Estate (Rayong)



Mitsui Hygiene Materials (Thailand) Co., Ltd (MHM), a wholly-owned subsidiary of Mitsui Chemical Inc, celebrated the grand opening of its No.7 spunbond plant in the Eastern Seaboard Industrial Estate (Rayong).

The MHM's new 7SB plant, which was fully operational in the 4th quarter last year, manufactures a wide range of polypropylene spunbond or non-woven fabrics, which are core materials for producing baby and adult diapers and sanitary napkins as well as hygiene absorbent sheets. The new facility has a production capacity of 16,000 metric ton per year. Most of the company's products are exported to Southeast Asia, Japan and the United States.

In the picture: Mr. Shunyo Uesugi (right), President of Mitsui Hygiene Materials (Thailand) Co., Ltd. together with Mr. Gant Subpinyo (left), Executive Vice President of Mitsui Hygiene Materials (Thailand) Co., Ltd. are seen congratulated by Mr. David Nardone (centre), President & CEO of Hemaraj Land And Development Plc.

Muangmaichromium Purchases Land at Eastern Seaboard Industrial Estate (Rayong)

Mungmaichromium Co., Ltd., one of the leading providers of plating services for metal corrosion prevention, recently signed a contract with Hemaraj Land And Development Plc. to purchase land for a factory at the Eastern Seaboard Industrial Estate (Rayong). The factory



will provide Electro Zinc plating and Electro Zinc Tin Plating services with a capacity of Line Rack Auto 300,000 pieces per day, Line Barrel Auto 30 ton per day and Electro Deposition Painting (EDP) 100,000 pieces per day. With an aim to support the auto industry in Thailand, which is one of the world's key auto manufacturing bases, the plant will have an investment of 250 million baht and will start operation in 2009.

In the picture: Mr. David Nardone (left), President & CEO of Hemaraj Land And Development Plc. is seen exchanging the contract with Mr. Preecha Boonweing (right), President of Mungmaichromium Co., Ltd. while Mr. Vivat Jiratikarnsakul (2nd left), Hemaraj's Executive Vice President and Ms. Orathai Boonweing (2nd right), Vice President of Mungmaichromium Co., Ltd. look on.

Katoen Natie Grand Opening at Eastern Seaboard Industrial Estate (Rayong)

Katoen Natie (Thailand) Ltd., a leader in warehouse based and value added logistics services, recently organized the Grand Opening of its plant expansion phase 4 at Eastern Seaboard Industrial Estate (Rayong). Located on a total of 36-rai of land, the new plant of 8,000 sq.m. will bring the total facility up to 27,000 sq.m. Katoen Natie provides various logistics services including warehousing, inventory management through Professional Warehouse Management System, packaging and labeling, pre and sub-assembly, Supply in Line Sequence (SILS) logistics, Supply Chain Management and On-site logistics.

What's New with Our Customers



In the picture: Mr. David Nardone (4th from right), President & CEO of Hemaraj Land And Development Plc. congratulates Mr. Alain Deurwaerder (3rd from left), Managing Director of Katoen Natie (Thailand) Ltd. at the grand opening ceremony.

Golcha's Stone Laying Ceremony at Hemaraj Eastern Seaboard Industrial Estate



M/S Golcha-Chemintac Co., Ltd. Thailand, recently organized a stone-laying ceremony for its plant at Hemaraj Eastern Seaboard Industrial Estate. The plant will produce 36,000 metric tons of Talc and other minerals per year. Around 60% of the products will be supplied to leading talcum powder brands in Thailand and the rest to plastic compounding industries in the Asia Pacific region.

In the picture: Ms. Suvanee Suwanajitr, (2nd from right) Customer Development Manager of Hemaraj Land And Development Plc. congratulates Mr. Surendra Golcha (2nd from left), Chairman of Golcha Group during the ceremony, as Ms. Vandana Ahuja (left), Chief Executive Officer of M/S Golcha-Chemintac Co., Ltd. Thailand, looks on.

DaikyoNishikawa Holds Foundation Stone Laying Ceremony at Hemaraj ESIE



DaikyoNishikawa (Thailand) Co., Ltd. recently held a foundation stone laying ceremony of its plant on a 25 rai of land in Hemaraj Eastern Seaboard Industrial Estate (Hemaraj ESIE), or the Detroit of the East II. The plant will manufacture automotive plastic parts with a capacity of 70,000 sets per year.

In the picture: Mr. David Nardone, President & CEO of Hemaraj Land And Development Plc., congratulates Mr. Shigeharu Shinoda, President of DaikyoNishikawa (Thailand) Co., Ltd. at the ceremony.

Bitumen Rents SME Factory in Hemaraj Chonburi Industrial Estate



Bitumen Bales (Laem Chabang) Co., Ltd., recently signed a contract with Hemaraj Land And Development Plc to rent an SME factory at Hemaraj Chonburi Industrial Estate. The factory will package bitumen in polymer film with a production capacity of 600-1,000 metric ton per day for 100% export to Vietnam, Laos, Myanmar, Cambodia and Southern China.

In the picture: Mr. David Nardone (3rd from left), President & CEO, Hemaraj Land And

Development Plc. is seen exchanging the contract with Mr. Gordon Thomas (3rd from right), Managing Director of Bitumen Bales (Laem Chabang) while Mr. Vivat Jiratikarnsakul (2nd left), Hemaraj's Executive Vice President, and Mr. Trevor Day (2nd from right), Operations Director of Bitumen Bales (Laem Chabang) look on.

Thai Rayon Purchases Land at S I L Industrial Land (Saraburi)



Thai Rayon Public Company Limited, the pioneer manufacturer of Viscose Rayon Staple Fibre in Thailand and one of the largest exporter in the world, recently signed a contract with Hemaraj Land And Development Plc. to purchase 20 rai of land for its CS2 factory expansion at S I L Industrial Land (Saraburi). At present, Thai Rayon produces viscose fibres for textile and non-woven industry at a capacity of 110,000 MT per annum for domestic consumption and export to China, Pakistan, South Korea, Turkey, Brazil, Canada, Malaysia, Philippines, U.S.A. and European countries. A substantial quantity of Sodium Sulphate is also being produced as a co-product with a capacity 82,500 MT per annum mainly for domestic consumption.

In the picture: Mr. David Nardone (3rd from left), President & CEO, Hemaraj Land And Development Plc., presents the land purchase contract to Mr. P.M. Bajaj (3rd from right), Group Executive President, Thai Rayon Public Company Limited while Mr. Vivat Jiratikarnsakul (2nd left), Hemaraj's Executive Vice President, Ms. Mayuree Na Rangsilpa (2nd from right), Deputy General Manager, Thai Rayon Public Company Limited look on.

From the Clubs

Hemaraj Holds Investors Club Meeting



Hemaraj Land And Development Plc. held "Hemaraj Investors Club Meeting" to update its customers with interesting information such as infrastructure, industrial estate update, Value-Added Services, human resources project, website update and social contribution. The meeting was followed by a friendly game of golf at Pattana Sports Club. Apart from Hemaraj's customers, representatives from the Board of Investment, Industrial Estate Authority of Thailand, Provincial Electricity Authority of Thailand and Hemaraj's alliances also participated in the event.

ESIE Japanese Club 120th Meeting

ESIE Japanese Club recently held its 120th meeting at Eastern Seaboard Industrial Estate office. The meeting was aimed to share information of the operations as well as Thailand's economic and political situations among Japanese executives in the Eastern Seaboard Industrial Estate (Rayong). In its latest meeting, participants were updated on the progress of Japanese school at Sriracha District, Chonburi province, which is scheduled to operate in 2009.



Blood Donation at Hemaraj's Industrial Estate



ESIE HR Club in association with Industrial Estate Authority of Thailand, Pluak Daeng District and the Rayong Red Cross, organized a blood donation activity at Eastern Seaboard Industrial Estate (Rayong). A lot of people working in the industrial estate turned up the campsite to render their kind support as usual.

New ESIE HR Club Committee



ESIE HR Club (The Eastern Seaboard Industrial Estate Human Resources Club) has elected Mr. Somjate Phirommark (first left, back row) as President of the Club. He will work together with 17 committee members to organize activities to encourage the exchange of HR information, supplement knowledge of HR best practice and enhance relationship and cooperation among HR managers in Eastern Seaboard.

ESIE HR Club Donates Baht 463,724 to Wat Phra Baht Nam Phu



ESIE HR Club and a group of representatives from 60 companies in Eastern Seaboard Industrial Estate (Rayong) donated Baht 463,724 to Wat Phra Baht Nam Phu in Lopburi Province. Run by the venerable Chao Khun Phra Udom Prachatorn, the temple has been caring for full-blown AIDS patients since 1992. The Thammarak Niwet Housing Project I & II are set up specifically to give free shelter, food and treatment to HIV-positive children and children orphaned by AIDS. During the trip, members were led on a study tour around the temple.

Special Article from Hemaraj Investor Club Seminar: Every Disaster Takes Us By Surprise

By Peter Walker, Partner, Grant Thornton

At a recent risk management seminar I asked the audience to indicate if their organization had implemented a formal risk management approach. Of the few participants who raised their hand, most were employees of large multinational companies. Almost none were from Thai organizations. And these seminar participants were people who, by their very attendance, are interested in risk management. Obviously risk management capabilities are a serious shortcoming in the Thai business environment.

To quote the late underwater explorer, Jacques Yves Cousteau, "Given mankind's troubled history, it is astonishing that every disaster seems to take us by surprise". In other words, we ought to be able to use our intelligence and organizational skills to learn from the past and to learn from the mistakes of others.

And yet, so many companies and organizations seem to be prepared to stumble along day-to-day, hoping that nothing will go wrong or, if it does, they will be able to figure out a fast solution before things get too bad. But life is not like that!

A few years ago, a road worker in Sydney, Australia accidentally cut through a whole bunch of communications lines. A nearby bank lost access to the Swift network for its international transaction settlements. No contingency plan existed. Taking 3 days to get the connection operational, it cost the bank millions in interest rate losses. No one in the bank's management team had identified the huge risk associated with the loss of Swift access. As a result of the ensuing post-mortem, the bank implemented a comprehensive risk management strategy and is now considered to be a leader in proactively managing its risks, with contingency plans in place for hundreds of potentially high-impact risks. When a recent case of staff fraud was identified in one of its subsidiaries, the bank had a comprehensive risk plan ready to be quickly executed; reducing the fall-out from what could have been a much worse incident.

As globalization, liberalization and competitive pressures push Thai organizations onto the world stage, significant improvements will be required in the area of risk management. Investors and partners will want to see clear evidence that business risks are being proactively managed before they open their cheque books. Even organizations whose aspirations are only domestic will want to ensure that one of the myriad of complex risks does not catch them unawares.

What does it take to have a risk management approach in place? Given what is at stake, not much. Typically, a risk management approach will include a small organization unit of people, some senior executive attention, a risk management methodology, some training and a risk management computer application to help record and track the potential risks. Usually, you will start by asking yourself some strategic risk-related questions:

- What are the risks of our organization's activities?
- Is the risk profile of our activities consistent with our objectives?
- How is risk management linked to investment decisions?
- Which are the high probability / high impact risks?
- How much capital do we need to support these risks?
- What risk-based returns do we expect?
- What can we do to mitigate the risk or reduce its impact?

To determine what are the risks that face the organization, a proven approach is to understand the categories of risk and then for each category, develop a profile of the individual risks within that category. Typical risk categories include: operational, financial (credit, interest rate, currency rate, etc), political, market, people, technology and event-based risks. Within these categories there are numerous ways to populate the risk database with the individual risk elements. Lists of risk elements are available from standards organizations such as the Bank of International Settlements (BIS), security risk model from the International Standards Organization (ISO 17799), the COSO model from Committee of Sponsoring Organizations of the Treadway Commission and the Cobit model for IT risk management. Risk management workshops held across the organization will help flush out specific risks. Monitoring other organizations and learning from their problems, will also help define potential risks. Consultants experienced in risk identification can also be useful.

Given that a comprehensive set of all the risk elements that face an organization can be unwieldy, prioritizing them is essential to prevent the risk management team from being swamped (a risk in itself). A good prioritization approach is to consider the probability of each risk, the impact if the risk occurs and our ability to mitigate against each risk. This will give you a group of "low hanging fruit" to tackle in the first wave of risk management implementation.

As you will quickly discover once you launch your risk management activity, your organization will have a complex array of risks impacting different parts of the organization with a range of different risk profiles. The core activities (process, financial statements, risks, control identification, mitigation strategies, testing, evaluation and reporting) generate a significant amount of data and work. Tracking assessment status, results and security of information presents additional challenges. As the risk management activities evolves, the status of each risk will change as your understanding increases and you build risk mitigation plans. Managing all this manually can be nightmare (another risk in itself). Hence the current interest in risk management software.

Today, most organizations that are serious about risk management utilize a software package to help manage and communicate their risk profile. With the current increased emphasis on good governance, implementing a risk management software package

can be one way of demonstrating that you are serious about managing your risks.

What are the features that you should look for in a risk management software package? A good system should provide both the top-level context and the detailed risk-by-risk management. A typical list of risk management processes that the software should support would include:

- Establishing the context (overall objectives, risk appetite and profile)
- Identifying the risks (isolating and coding each risk)
- Analyzing the risks (risk element profile)
- Evaluating the risks (prioritization)
- Treating the risks (mitigation plans, action plans)
- Monitoring and reviewing the risks (tracking status and updating)
- Communicating and reporting on the risks

Unless your organization is very small, you will probably need a risk management package that can support multiple users. In addition to the core risk management team, you will want to provide other people from around the organization update access to the risk profile of their activities and responsibility. The software should ensure that the necessary controls are in place to restrict update access to only the risk elements that are appropriate to their role in the organization (another risk).

Importantly, the software package should be able to grow as the organization's risk management evolves. This requires that the package be flexible, allowing new risk models and risk management approaches to be adopted as the organization learns to more-effectively manage its risks.

To give the risk management implementation a kick-start, a good risk management software package may include some of the standard risk models mentioned above. Some packages have the ability to preload a standard risk model such as the COSO model or the ISO 17799 model.

You will also need to consider how you will integrate risk management into the organization structure. Some organizational questions to consider are:

- Who is ultimately responsible for risk?
- Where will risk management reside in the organization?
- How will risk management responsibilities be devolved?
- How is the risk management process linked to planning/budgeting activities?
- How does an independent risk function link to revenue generating units?
- How does the credit risk process relate to risk management?
- How does internal audit relate to risk management?
- How does the governance role of the board of director interact with risk management?

Can I promise that, if you implement risk management, you will not be hit by surprise problems, rocked by disasters or hit bumpy patches on your organization's journey? No. What I can say with confidence is, that for all but the most outlandish problems, your organization will be better prepared and will endure better than competitors who are not so well prepared. For this reason alone, I recommend that you consider risk management as a competitive necessity and embark on the road to proactive enterprise-wide risk management.

Peter Walker is a Partner with Grant Thornton Consulting. Peter is a noted speaker on business strategy, risk management, IT management and other topical business subjects. Having lived in Thailand for the last 15 years, Peter has advised many large Thai organizations in several industry sectors on business and IT topics. He can be contacted at peter.walker@g-t-thai.com.

Bottom line, surprises that adversely affect earnings, whether from a financial or an operational loss, have a negative effect on a company's reputation and shareholder value. Organizations lacking integrated enterprise risk management capabilities will be at a competitive disadvantage compared to those that do.

Social Contribution

Hemaraj Contributes Fabulous Prize for AMCHAM Silent Auction

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Date	Topics	Speakers
20 June 2008	Lean Sigma: The Path To Business Excellence	Mr. Eng Tain Soon or Mr. Ekkapol Pankam, Pera Neville Clarke Pte Ltd.
2 July 2008	Global Warning, CDM and New Environmental Law Updates	Air Save Co., Ltd
2 July 2008	Labor Disputes: Preventive and Corrective Measures.	Mr. Supachai Manusphaibool MR&TS Co., Ltd.

Reservation is required, please visit our website (www.hemaraj.com) for more details on update agenda and reservation form. Presentation from previous seminars are also available to download on Hemaraj website. Kindly reserve your seat as soon as possible or at least 1 week prior to the seminar date. For more information, please contact Khun Fasai at e-mail fasaif@hemaraj.com or call 02 719 9555 ext 414.

Training Programs at Hemaraj Training Center, Eastern Seaboard Industrial Estate (Rayong) June 2008

No.	Course	Speakers	Date	Time	Cost/person (Baht)
1	Guideline for Self-Development (12 ประการสำหรับการพัฒนาตนเอง สู่ความเป็นเลิศ)	IQS, www.iqs-training.com	9 Jun 08	9.00-16.30	1,900
2	First Aid Course (การปฐมพยาบาลเบื้องต้น)	Samitivej/Phayathai Hospital	25 Jun 08	9.00-16.00	1,500
3	Leadership (ภาวะผู้นำ)	Faibukkol, www.faibukkol.com	27 Jun 08	9.00-16.30	1,900

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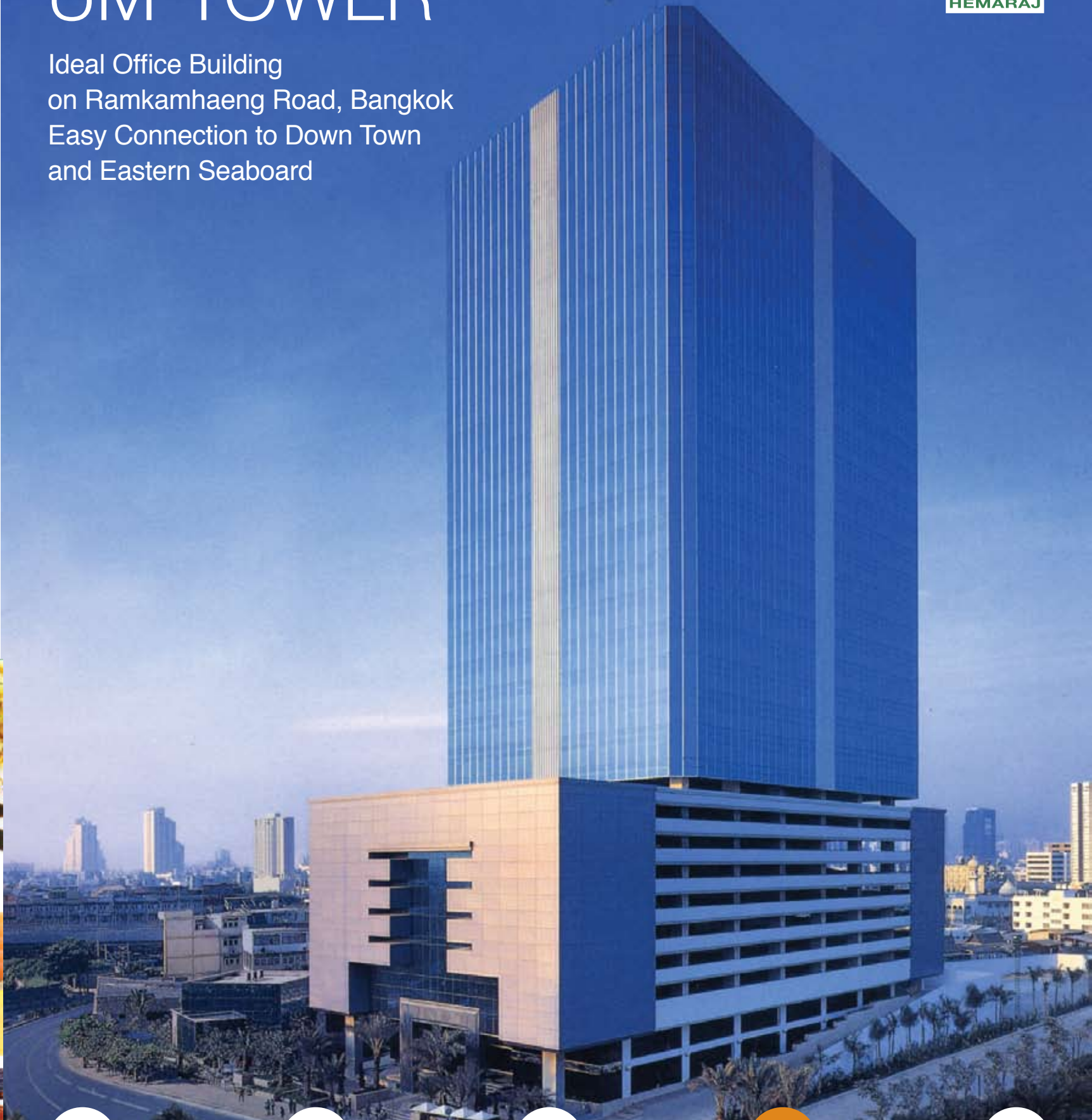
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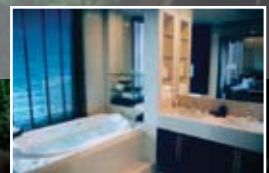
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