

Economy thrives amid political challenges

Although the domestic unrest in Thailand has dominated the news around the world, the country can still look forward to positive growth due to its prudent economic policies and well-supported industries.

While the capital Bangkok may have suffered from the political standoff, in other parts of the country, it is business as usual.

Thailand boasts among the world's strongest electronics, automotive, petroleum, agriculture and tourism sectors and benefits from an abundant supply of rice, sugar, rubber, tungsten and tin.

Last year, the country emerged largely unscathed from the global financial downturn and generated a gross domestic product (GDP) of \$538.6 billion thanks to its robust trade with all its Asian neighbors, including Japan, its top trading partner.

Thailand is the third-largest exporter of goods to Japan (at 10



Bank of Thailand Gov. Tarisa Watanagase

percent), after China and the U.S.

"Japan and Thailand enjoy one of the oldest relationships in Asia. We have had 123 years of good diplomatic relations and it has been 600 years since the two countries first had contact. Thailand can offer all the needs of the Japanese people: good food, qual-

ity education and state-of-the-art medical care (which even employ Japanese translators). The Thai people are very hospitable," says Japanese Ambassador Kyoji Komachi.

"Japan's new growth strategy advocates the Free Trade Area of the Asia Pacific by 2020, wherein ASEAN plays a very important role. Japan has invested so much in Thailand. And Thailand is likely to be Japan's biggest investment recipient in Asia," Komachi adds.

With more than 1,300 Japanese companies in Thailand that employ more than half a million local workers, the country possesses the right conditions for increased investment from Japan.

"There is a huge concentration of Japanese businesses here and the infrastructure is already well paved for the Japanese. There are many opportunities for Japanese businessmen in this country," the ambassador explains.



Following the political turmoil that damaged parts of Bangkok, the government has shown a strong commitment to rebuild the city and revive the tourism industry that generates millions of dollars in revenue.

Aside from tensions in the political sphere, Thailand faced other serious challenges this year,

among them the fallout from the so-called Map Ta Phut Case.

Last December, the country's

highest court suspended 65 large-scale industrial projects in the high-capacity port of Map Ta

CONTINUED ON PAGE B2

eBOX

The Bank of Thailand implements monetary policies that ensure the stability of the Thai economy and safeguard it against external shocks. Led by Tarisa Watanagase, the central bank has kept key lending rates low to encourage economic growth at a time when the economy has just started to recover from its worst recession. www.bot.or.th

The Thai-Japanese Association was formed in 1935 to promote better relations between the two nations. Currently, it has 200 members made up of local and Japanese companies and individuals. It organizes economic and social activities aimed at fostering closer friendship between the two countries. www.thai-japanasso.or.th

The Technology Promotion Association, established in 1973 by Japanese alumni and Japan-trained Thai professionals, provides various services ranging from management seminars and training to lending expertise in producing academic journals on technology and quality. www.tpa.or.th

Thai National Shippers' Council, which celebrates its 15th anniversary this year, was set up to promote the Thai shipping industry and increase the efficiency and global competitiveness of the country's ocean transportation industry. It also advises interested small- and medium-size Thai exporters on matters pertaining to shipping costs and logistics. www.tnsc.com

The Thai Bankers' Association, set up in 1958, brings together the country's top domestic banks and leads collaboration with the country's economic agencies to promote the interests of the domestic banking industry. The TBA also facilitates information exchange among member banks as a way to raise productivity and competitiveness in the sector. www.tba.or.th

A true friendship
is never forgotten.
Singha beer Thai beer

SINGHA CORPORATION Co.,Ltd.

IRPC builds hope for 'greener' Thailand

IRPC, the only fully integrated refining and petrochemical complex in Thailand, has seen many changes under the leadership of recently appointed President Dr. Pailin Chuchottaworn.

As a leading producer of petrochemicals (specifically olefins, aromatics, polymers, polyols and acetylene carbon black), IRPC's activities also include services in petroleum, infrastructure, product refining, as well as in-port and asset management.

"Our vision is to become the top-quartile integrated petrochemical complex in Asia by 2014. We have a five-year plan called Phoenix wherein we revamped our company's mission and corporate culture. Since I took over the reins in January 2009, we've changed how we do business and we started no less than 19 new initiatives," Pailin explains.

The Phoenix project is focused on investments in 19 projects that will start operations between now and 2014 and is expected to enhance the economic value of the company and further increase returns of investment.

This year, IRPC's initiatives are focused on reaching operational excellence, increasing production efficiency and energy conservation, achieving optimum returns in production and sales and increasing inventory management efficiency.

And from 2011 to 2014, the Phoenix project will involve investing in utilization and growth of existing businesses, developing deep-sea ports for commercial use, increasing operating returns for raw materials, finished goods and storage tanks and developing vacant land to achieve the highest benefit and utilization.

From 2015 onward, it will focus on

growth and expansion of investments and developing specialty-grade products for added value.

"IRPC has a lot of land. With the government's approval, we started an eco-industrial estate earlier this year and we are developing another one in Rayong. We are looking for partners with expertise to help us maximize the development of this land," Pailin says.

As one of the largest petrochemical companies in the country, IRPC was not immune to the global financial crisis last year. But it successfully surmounted the downturn by implementing a strategy that focused on customers, cash, credit, cost reduction and speed.

"In today's high-tech world, speed is very important. IRPC continues to be a forerunner in technology. Our clients were able to trade over \$6 million via

CONTINUED ON PAGE B2



IRPC President Dr. Pailin Chuchottaworn

'As a petrochemical company, IRPC remains focused on its green initiatives and environmental responsibility... Our company was able to reduce our carbon emissions by 400,000 tons last year.'

Daikin enjoys 20 years of success in Thailand

Established in 1990 as a production facility for room air conditioners and later expanding to package air conditioners, Daikin Industries Thailand (DIT) has become one of the leading air conditioning manufacturers in the country over the last two decades by providing products that meet the various needs of its clients.

"DIT has an extensive and diverse range of products developed with our customers' needs in mind. Daikin's technology can be found in a wide range of environments, from stores and offices to homes and hotels," says President Satoru Kadoya.

"We have just manufactured our 10 millionth unit (both indoor and outdoor units) here in Thailand," adds Kadoya.

Having reached those major milestones, DIT looks to the future with a new set of objectives, which include greener

CONTINUED ON PAGE B2

Kulthorn Kirby stays ahead of the competition

Encouraged by a government program in 1977 to lessen dependence on imported goods and develop a wide range of homegrown industries, Thai businessman Sumeth Simakulthorn formed partnerships with Australia's James N. Kirby and other appliance manufacturers three years later that consequently made his company a leading producer of compressors.

Since then, Kulthorn Kirby's founder and chairman has formed other joint ventures that have brought world-class technology to the country and made Thailand among the largest manufacturers of compressors.

Among its partnerships is with Tecumseh, a leading U.S. manufacturer of hermetic compressors for refrigeration and air conditioning products.

Its other joint ventures include Thai Compressor Manufacturing or THACOM (with Mitsubishi Heavy Industries of Japan), which produces rotary compressors under license from Mitsubishi Heavy



Kulthorn Kirby Founder and Chairman Sumeth Simakulthorn

Industries, and Kulthorn Premier (with Premier Group), which produces reciprocating compressors under license from Sanyo of Japan

CONTINUED ON PAGE B2

www.irpc.co.th

We strongly believe that although our petrochemical and petroleum products* are employed in the creation of many great inventions, this would all be meaningless if they are not aimed to serve humans creatively and cannot fulfill their obligation to the environment and society.

(* Petrochemical products include toxic-free plastic resins, fire-retardant plastic resins, recyclable plastic resins, biodegradable plastic resins, etc. Petroleum products include renewable energy and TDAE, a composition for rubber tires that does not produce dust particles when worn, which can lead to lung cancer, etc.)

**Because lives are implicated,
Our obligation to them is our No.1 priority.**

IRPC
IRPC PUBLIC COMPANY LIMITED

555/2 Energy Complex, Building B, 6th Floor, Vibhavadi Rangsit Road, Chatuchak, Bangkok 10900 THAILAND TEL : 66(0)2649-7000 66(0)2649-7777 FAX : 66(0)2649-7001

Betagro exports a taste of Thailand to Japanese market

With its fertile land, warm tropical climate, abundant labor and central location, Thailand has sometimes been dubbed “the kitchen of Asia.”

The country has long capitalized on these advantages to help build a multibillion dollar agricultural and food industry that has remained largely unaffected by the recent global recession.

“Thailand has long been a major supplier of many agricultural and food products, such as rice, sugar, pork and poultry, to name but a few,” says Vanus Taepaisitphongse, CEO of local agricultural and food giant Betagro.

This year, the Betagro Group allotted millions of dollars to strengthen its distribution channels across the country and secure production volume. Currently, Betagro exports to Japan frozen, cooked products made from premium poultry and pork.

Each of Betagro’s product categories and specifications are reviewed by Japanese partners to meet with consumer demand in Japan and comply with the country’s food safety rules and regulations.

Although its state-of-the-art facilities have passed the standards laid down by Japan’s Ministry of Agriculture, Forestry and Fisheries, Betagro nevertheless established its own in-house quality management system – Betagro Quality Management (BQM) – to ensure quality and food safety standards are maintained at all times.

Also, Betagro has been singled out for being the first food company in Thailand to implement an electronic tracing system for all its products.

A family-owned business that began in 1967, Betagro has never put top priority on becoming the largest player in the industry, instead choosing to focus on its business relationships.

“Integrity and fairness for each and every stakeholder — namely shareholders, suppliers, customers, employees and the public at large — has always been, and always will be, the very foundation of our business and practices,” says Vanus.

Ten years ago, Betagro established a foundation to support the education of students in remote areas across the nation, and more recently, the firm launched a community development pilot project in an area adjacent to its main production base in Lop Buri Province.

Working in cooperation with the Population Development Association, a renowned nongovernmental organization in Thailand, the pilot project aims to develop the management capabilities of farmers of core agricultural products so they can achieve sustainable and improved incomes.

“Betagro Group has always been proud and deeply honored to be business partners with various prominent Japanese firms, and we would like to express our heartfelt gratitude to all of them for their valuable contributions and sincerity,” says Vanus.

“Since partnership has been one of the key factors in Betagro’s success, our strategy is to search for trusted companions to mutually undertake and expand businesses together, not only in Japan but across Asia, especially in ASEAN countries,” he adds. ♦

www.betagro.com



Betagro Group CEO Vanus Taepaisitphongse



Betagro Group boasts state-of-the-art, world-class facilities.

Economy thrives amid political challenges

CONTINUED FROM PAGE B1

Phut due to their failure to complete environmental and health impact assessments before being permitted to operate. Among the biggest hit were homegrown giants PTT and Siam Cement, which own dozens of projects worth hundreds of millions of dollars in the region.

“Map Ta Phut is a pollution problem here that the country needs to address. Japan is happy to help in any way we can. Although Map Ta Phut is an issue, this shouldn’t prevent us from future collaborations. The political problem is a source of concern, but I believe Thailand is very capable of handling this issue,” Komachi says.

Meanwhile, the Thai economy has experienced growth, particularly in Japanese investment-heavy industries such as automotive and electronics.

Electronics manufacturers such as Nikon and Toshiba have maintained their production facilities in the country.

Referred to by some as the “Detroit of the East,” Thailand hosts several Japanese car manufacturers such as Mitsubishi and Toyota, which have their main production bases just outside Bangkok and in the eastern seaboard of Rayong.

Thailand continues to be a favorite tourist destination with the most popular destinations being Bangkok, Phuket, Koh Samui and Chang Mai.

And a growing number of tourists, particularly the Japanese, come to the country to avail of its world-class medical care from Thai hospitals.

“The Thai economy recovered much quicker than the world anticipated. With the diffusion of political turmoil, we can expect more robust economic growth in Thailand than we did the previous year. There are many new frontiers and horizons opening up for Thai-Japanese relations because Thailand is leveling up to a



Japanese Ambassador Kyoji Komachi

higher growth of development each day,” says Komachi.

For Bank of Thailand Gov. Tarisa Watana-gase, Thailand and other Asian economies have become more important to the growth of the world economy, especially in the aftermath of the 2008 global economic downturn.

“In 2008, Asia’s share of global trade was 14 percent, which is considerably high. A close production network in Asia has resulted in technology transfer and investment as well as in greater intraregional trade, which accounts for 40 percent of our total trade. Thailand has benefited from this trend. ASEAN is going to be closely integrated by 2015 so the Chiang Mai Initiative needs to be strengthened and fostered,” she says.

“The downturn in the Thai economy bot-

tomed out in the first quarter of 2009 and recovery has been quite solid in 2010. Consumption and investments have increased. In January, we saw a 30 percent growth in exports and 33 percent in imports. Capacity utilization and consumer confidence was high. Leading indicators are pointing toward more investments in the future,” she adds.

Looking to the future, the central bank governor is confident that the country will post healthy growth figures due to a range of monetary and fiscal measures.

“We cut interest rates by 250 basis points. It went down to 1.25 percent, one of the lowest in the region. In terms of fiscal policy, we introduced two stimulus packages. The first was mostly short-term measures to boost consumption, which worked quite well. The second package is now being implemented. This spans three years and focuses on long-term infrastructure investment, which should help increase productivity and the potential output of the economy,” Tarisa explains.

Thailand continues to provide attractive investment opportunities in both the traditional fields and new areas, especially among the Japanese.

“Nanotechnology, solar energy and pharmaceuticals are areas that Thailand and Japan can improve on. Both countries can also find ways to collaborate and care for their aging populations since more than 20 percent of both countries will be over 60 years old during the next few years,” says Thai Foreign Minister Kasit Piromya.

“We want Japanese businesses to continue investments here in Thailand. Japan will remain a pillar of Thai socioeconomic development. We are very good partners and allies. We have commonalities in terms of the outlook and behavior. We can continue to do many great things together,” Kasit adds. ♦

‘The Thai economy recovered much quicker than the world anticipated. With the diffusion of political turmoil, we can expect more robust economic growth in Thailand than we did the previous year. There are many new frontiers and horizons opening up for Thai-Japanese relations because (it) is leveling up to a higher growth of development each day.’

Traveling across the Land of Smiles

Thailand has been widely known for the warmth and hospitality of its people and beautiful natural scenery that make it one the world’s most popular tourist destinations.

Tourists from around the globe travel to the country year-round as it offers varied holiday options, whether one seeks exotic urban life, a leisurely weekend on the beach or a peaceful retreat in the mountains.

“Thailand has everything: beaches, jungles, countryside, temples, shopping and food. They are all provided by the wonderful, gracious Thai people at great value,” says Peter Henley, CEO of Thailand-based Amari Hotels.

Many travelers start their holidays in the capital Bangkok, which is determined to restore the city’s attraction following the recent political troubles.

Bangkok’s central location in the region and developed infra-

structure have made it a gateway for trade to neighboring Laos and Cambodia.

“Thai imports and exports are growing due to its central geographical location in the Indochina region,” points out Takao Furukawa, president of Mitsui O.S.K. Lines in Thailand.

“Thailand has all the capabilities to expand because of its good infrastructure and cost-efficiency,” Furukawa adds.

For die-hard shoppers, Bangkok boasts top-notch shopping centers, such as Siam Paragon and Emporium Mall, as well as the sprawling bargain center MBK.

For the more adventurous, there are the floating markets and the Chatuchak Weekend Market.

The Bangkok lifestyle offers a laid-back vibe both day and night. The relaxed atmosphere makes it a safe place for foreigners, whether they want to sample a soothing Thai-style massage, play a round



Wat Arun in the Thai capital Bangkok

of golf or watch an exciting match of Muay Thai kickboxing.

Thailand is especially famous

for its cuisine, with the most popular meals consisting of pad Thai, curries, mango with sticky rice, accompanied by ice-cold local Singha beer.

While most tourists head to backpacker haven Khao San Road and to Chinatown to sample budget-friendly meals and street food, the city also features several restaurants for a more upscale and comfortable dining experience.

The most acclaimed restaurants in Bangkok include The Blue Elephant for authentic Thai cuisine as well as Le Normandie at the Mandarin Oriental Hotel and D’Sens in the Dusit Thani Hotel.

For photographers, amateur and professional, the city is not short of breathtaking sights to capture.

A day in Bangkok should include a boat ride down the Chao Phraya River, a tour of the royal grounds at the Grand Palace, a visit to the giant reclining Buddha in Wat Pho and a stop at the majestic temple of Wat Arun.

For millions of tourists, the main reason to visit Thailand is for the famous white sand beaches and pristine blue-green waters in the resort islands of Phuket, Krabi and Koh Samui.

Arguably the most famous of these beaches must be Maya Bay

on the island of Koh Phi Phi, which was the inspiration of the cult novel *The Beach*.

Aside from sunbathing and lounging on the beach, many tourists go to the islands for water sports, such as diving, kayaking and snorkeling.

For partygoers, the monthly full moon parties on Koh Phangan have proven a strong lure.

Centara Hotels and Resorts, Amari Hotels and the Mandarin Oriental are among the most popular hotel chains in the country because of their reputation for luxurious amenities and reasonable rates.

With its cooler weather, breathtaking mountain landscapes and vast green fields, the province of Chang Mai in northern Thailand provides a refreshing respite from the bustling city and busy beaches.

Closer to Bangkok lies the ancient ruins of Ayutthaya, the ancient capital of Thailand until an invading army plundered the city in 1767.

“Thailand is an exciting country. If you write ‘Thailand’ in Japanese, it translates as ‘Land of 10,000 nations.’ There is unlimited possibility,” says Yasuo Ashizawa, president of Toshiba Semiconductors in Thailand. ♦

Daikin enjoys 20 years of success in Thailand

CONTINUED FROM PAGE B1

air conditioning units.

DIT also has been developing machines using alternative refrigerants that do not harm the ozone layer, as well as recycling and reusing all waste materials generated in the factory in line with the company’s zero emissions policy.

Aside from environmental awareness, DIT also aims to become a valuable corporate citizen.

“We want to provide a level of quality that will satisfy all of our customers. At the same time, we want our factory to also be considered a good neighbor by the people in Thailand.”

With its strong position in the ASEAN and Australian markets, the Japan-based company has focused on consolidating its position in other nearby markets.

“ASEAN and Australia are very important markets, but India is also very important as our market.

We intend to expand there, too,” he says.

“As a company, we here at DIT have achieved 20 years of experience and knowhow, enough for its foundation to have been set. Now,

Daikin Industries Ltd. (DIL), the parent company of DIT, is ready to take the lead for DIL to become the No. 1 air conditioning manufacturer in the world,” he says. ♦

www.daikinthai.com



Daikin Industries Thailand's headquarters in Chonburi

IRPC builds hope for ‘greener’ Thailand

CONTINUED FROM PAGE B1

the iPhone. Everything is computerized and we work with banks so we are fully integrated electronically. We’re one of the first in Thailand to implement this system,” Pailin boasts.

“As a petrochemical company, IRPC remains focused on its green initiatives and environmental responsibility. We were only 30 km away from the recent Map Ta Phut crisis area but I want to stress that IRPC did not contribute to that area in any way. We want to make it clear that our company was not involved in the Map Ta Phut incident and we were not part of that problem,” stresses Pailin.

“We launched many new products this year and we’re very excited about a specific one called Green ABS. This styrenic material is a replacement for natural rubber and IRPC believes this to be the future. Additionally, our company was able to reduce our carbon emissions by 400,000 tons last year,” he adds.

“We want our friends in Japan to know that we recognize the problems here in Thailand and we’re doing



IRPC has led a mangrove reforestation near its estate.

the best we can to address them. Through the efforts and initiatives of IRPC, we will be building a greener Thailand,” he says. ♦

www.irpc.co.th

Kulthorn Kirby stays ahead of the competition

CONTINUED FROM PAGE B1

pan.

Kulthorn Kirby’s alliances and its focus on quality strengthen its reputation and attract an impressive roster of clients that include Japanese giants Mitsubishi, Sanyo, Toshiba and Fujitsu General.

“Although production capacity was at 430,000 units, the company started producing only less than 200,000 per year. Today, Thailand is one of the most important manufacturing bases that exports air conditioning and refrigeration products and components worldwide. Also, Kulthorn Kirby pro-

duces several million compressor units per year, helping Thailand become one of the largest compressor producers all over the world,” stresses Sumeth.

Staying on top of global trends, the Thai air conditioning industry is working on adapting energy-saving technology through the use of environmentally friendly refrigerants.

To spur this effort, the government has imposed an excise tax exemption on household air conditioners that generate less than 72,000 Btu per hour. The measure

is aimed at attracting additional investment and making the industry more competitive globally.

While Kulthorn Kirby welcomes other international partnerships and plans to expand to new markets such as Russia, Central Europe and the Middle East, Sumeth remains grateful to his Japanese partners and looks forward to closer collaboration.

“We would like to continue working with them and hope they continue to contribute more to the local society,” he says. ♦

www.kulthorn.com



Maya Bay on world-famous Koh Phi Phi

Thailand

Mektec finds the perfect partner

In its 15th year in the country, Mektec Manufacturing Corp. Thailand Ltd. (MMCT) has a lot to celebrate.

Despite the recent global recession, MMCT has experienced unhampered growth in its business and became the best-performing subsidiary of parent company Nippon Mektron, Ltd., a leading manufacturer of flexible printed circuits boards (FPC) in the world.

"MMCT was able to prepare for the global financial crisis because we recognized the signs in 2007 when oil prices first started to rise. We started reducing costs very early and that helped us ride out the worst of it," recalls Managing Director Sathid Jitjongruck, who believes that the joint venture succeeded also because Thais and Japanese complement each other.

"Both nationalities are very kind and polite. We trust each other and that's very important for our business. And we didn't have to lay off anyone in the company because at MMCT we treat our employees like they are family," boasts Sathid.

Nippon Mektron Senior Operating Officer Masaaki Ishikawa

agrees.

"Japan treats Thailand like its baby brother. We have similar cultures and customs. Both countries look out for each other," Ishikawa says.

"Thailand develops products that are up to par with Japan's high quality standards and that's helped us enter new markets. It has been a very good investment for us," he adds.

Having obtained a 47 percent market share in hard disk drives and 50 percent in automobile sensors worldwide, MMCT and its affiliated companies forecast 10 percent growth in its business this year.

The ultra-thin construction, precision and flexibility of FPC have made it a vital component in a growing number of applications in the products of several valuable customers.

Aside from digital still and video cameras, FPC are also found in mobile phones.

For MMCT, the investment does not stop at the factory as the company also provides scholarships for engineering students at Chulalongkorn University and



Mektec Manufacturing Corp. Thailand Managing Director Sathid Jitjongruck (left) with Nippon Mektron Senior Operating Officer Masaaki Ishikawa

sponsors up to 20 foundations.

"MMCT is very thankful to its partners for the trust and opportunity to service them. We believe in investing in long-term partnerships with our valuable customers," Sathid says.

"Our partnerships will carry

on because we understand each other and help each other during both good times and tough times. We want to work with our valuable customers for the success and prosperity of both parties," he adds. ♦

www.mektec.co.th

Aisin AI looks toward new horizons

Eight years since starting operations in Thailand, Japan-based Aisin AI has become a leading producer of manual transmissions for pickup trucks in the country, thanks to a partnership with the world's largest automaker, Toyota, and Mitsubishi.

Aisin AI set up its first overseas manufacturing site in Thailand in 2002 and the new investment location has worked well for the parent company.

The parent company's first overseas manufacturing operation, Aisin AI Thailand is the main producer of the five-speed manual transmission system in Toyota's compact pickup truck Hi-Lux Vigo and Mitsubishi's Triton, which remain very popular models in the Thai market.

"The Hi-Lux is recognized for its stylish design, good value for money and, of course, its high-quality transmission system," says President Hiroyuki Okada, who drives a Hi-Lux Vigo himself at times.

"Since I took over operations at the end of 2007, there have been

ups and downs due to the global economic crisis. Last year was a difficult year for everyone, especially the automotive industry. Car sales were down. However, we expect a 50 percent increase in revenue this year. With our new factory just outside Bangkok, we will be able to increase production and ramp up sales to recover from 2009," says Okada.

Also, new partnerships, such as one with agricultural machinery giant Kubota, helped Aisin AI Thailand recover from the financial crisis as it started producing transmission parts for Kubota tractors earlier last year.

"We're looking at an exciting road ahead. Toyota has decided to localize the Hi-Lux Vigo from Japan to Thailand and Aisin AI has been awarded the job. We are launching the new transfer units for Toyota next year," Okada says.

Meanwhile, Aisin AI is looking for opportunities and partnerships to make manual transmissions for the eco-car, which Okada believes to be the future of automobiles.

"Aisin AI is looking forward to



Aisin AI Thailand President Hiroyuki Okada

expanding our customer base. We produce very specialized, high-quality parts that make the most sense for long-term partnerships with other businesses. Many of our customers have told us that we produce the best manual transmissions available," Okada says.

"Three years ago, when I took

over Aisin AI in Thailand, we aimed to be No. 1 in ASEAN. I believe we are already very close to achieving that target. So, we are aiming for the next step: We will be No. 1 in the world. I have no doubt we will be No. 1 in the world. That is my wish," he adds. ♦

www.aisin-ai.co.jp

'Aisin AI is looking forward to expanding our customer base. Many of our customers have told us that we produce the best manual transmissions available.'

Producing more changes for the better

CONTINUED FROM PAGE B4

companies and exports 60 percent of its output to Europe, the U.S., and neighboring ASEAN countries.

META, the second-largest auto parts producer of the Mitsubishi Electric Group, has enjoyed robust business because of its close partnerships with Mitsubishi Motors Thailand, Auto Alliance Thailand (a joint venture of Ford and Mazda), Honda, Nissan and Isuzu.

"META's sales increased in September 2009 because of incentives in Europe, the U.S. and Japan to buy new cars and replace their parts. The economic crisis produced a very bad start for 2009 but we ended the year very well. Entering the global crisis, our customers were cutting costs but there was an increase in orders toward the end of it. Additionally, the launch of our new car audio products also helped us recover in 2010," says President Mitsuru Koiwa.

In Thailand, META has secured a market share of 30 percent for alternators, 20 percent for starter motors and 45 percent for EGR (exhaust gas recirculation) valves for diesel automobiles.

"These three products (alternator, starter and EGR valve) are key components of an automobile. Therefore, I believe our company is very important to the present Thai industry. We can contribute to the development of the future," he says.

"META has five competitive advantages: good service, high quality, competitive price, prompt delivery and environmentally friendly technology. We will keep and promote our good relations with our customers and we look forward to their production strategies," he adds.

Since taking over the helm just a year ago, the company chief has enjoyed doing business in the country.

"Thailand is very open to the Japanese, so it's been an easy transition for me to move here from Japan. At Mitsubishi Electric, we are always trying to better the relationship between Japan and the local market. We send our Thai employees to Japan to get trained," he says.

"I hope that our customers around the world decide to make Thailand their production hub, increasing our business as well," he adds. ♦

www.meta.co.th

'Thailand is very open to the Japanese, so it's been an easy transition for me to move here from Japan. At Mitsubishi Electric, we are always trying to better the relationship between Japan and the local market.'

Mitsubishi breezes through Asia

CONTINUED FROM PAGE B4

exports its products to 84 countries, with demand increasing fastest in Vietnam, Australia and the Middle East.

MCP recently launched its inverter-type air conditioner, a highly energy-efficient unit that comes with a computerized remote control and a high-tech sensor that automatically adjusts room temperature to a preset comfort level.

"I'm proud that we have been able to utilize our resources efficiently since I took over the Thailand office last year. We're very excited about our two new models coming out in Thailand this summer: the ceiling-suspended model and the variable floor model. We think it will be very popular for commercial businesses," says Ito.

"We've seen huge success in Vietnam, but we also recognize the strong potential for growth in the Thai market. Only 20 percent of the country utilizes air conditioning, so there's a huge market for MCP to grow in the coming years," he adds.

Aiming to become the third-largest air conditioner manufacturer in the world after Carrier and Daikin, MCP has invested a lot in product development and quality control.

"Mitsubishi is known for our high-quality products. We invest a lot in R&D and each product's materials. Our machines are slightly more expensive, but they are all made with the highest standards in mind. When a customer buys a Mitsubishi product, they are certain to notice the good quality that they are paying for," explains Ito.

Aside from contributing to better Thai-Japanese relations, MCP's activities in Thailand have improved the technological knowhow in the country as Mitsubishi sends Thai engineers for training in Japan. ♦

www.mitsubishi-mcp.co.th



Amata Nakorn Industrial Estate
700/487 Moo 2, Tumbol Bankao Amphur Phanthong,
Chonburi 20160 THAILAND
Tel.: +66 (38) 454-053 +66 (38) 717-175

www.worldeyereports.com

Ricoh does it right

An IT industry veteran, Ricoh Thailand President Julian Fryett has run the company's automation business in the country over the last 12 years and presided over its eventual growth as the Japanese giant's second-largest sales company in the Asia-Pacific region.

"In 2009, when all the other companies were struggling, Ricoh continued to soar. We have a very large customer base comprising 35,000 companies. Our business model has been a very successful one. We go direct to the customers," stresses Fryett, who has been with Ricoh for 25 years.

By building document management systems infrastructure tailored to the specific needs of an individual company and creating seamless work environments, Ricoh achieved success in a fast-changing field of office automation and further consolidated its reputation as an industry pioneer.

"I spent my first three years on the field in Thailand. I've been in front of my customers. I listen to what they want and do it right to satisfy them," Fryett says.

"Our engineers are available 24/7 for premium customers. We created a graveyard shift so that we can cater to our customers any time, any day. Some of our main clients are in the hotel business.

They enjoy this relationship because they have guests flying in from all over the world who want to use their business centers at odd hours. If there is ever a problem, our service engineers are on hand," he explains.

Ricoh also offers a remote diagnostic system called @Remote – an intelligent management system that provides device management solutions for automating service call procedures. This powerful tool gives details and accurate information, such as toner supply levels, thus ensuring that all devices are always up and running.

"We minimize the disruption time of clients and we provide seamless, personalized service and solutions for them. Our engineers create a training program for the clients to make it as easy for them as possible," Fryett says.

"In Ricoh (Thailand), we have one simple rule: keep the customers happy. Ricoh is one of the top global 100 most sustainable companies and we make our workplace a great place to be. Happy people are productive people. Ricoh creates an atmosphere that is fun for its workers and in turn we see very positive results," he says.

The Ricoh (Thailand) chief also predicts robust growth and increased profits for 2010. ♦

www.ricoh.co.th



Ricoh Thailand President Julian Fryett

'We minimize the disruption time of clients and we provide seamless, personalized service and solutions for them. Our engineers create a training program for the clients to make it as easy for them as possible.'

IHI achieves turbo-charged success

After eight years of operations in Thailand, Japanese-owned IHI Turbo Thailand has become the first company in the country to produce turbochargers, which are used mainly for the diesel engines of pickup trucks.

The parent company seized the opportunity to invest in Thailand, Southeast Asia's largest vehicle producer and one of the world's largest pickup truck markets, to be closer to its major Japanese customers and benefit from the huge presence of Japanese companies.

IHI Turbo Thailand's key cli-

ents include Toyota, Isuzu, Mitsubishi, Nissan, and AutoAlliance (Thailand) – a joint venture between Mazda and Ford.

It also recently added a new program for other non-Japanese car manufacturers and is seeking to build relationships with them.

"We've expanded over the years to continuously meet the demands of our clients for turbochargers in Thailand. Now, our next agenda is to expand further and become the parts supplier to our other factories all over the world," says IHI Turbo Thailand President Kazuhiro Onitsuka.



IHI Turbo Thailand President Kazuhiro Onitsuka

Only a few years ago, IHI Turbo Thailand bought parts from its parent company in Japan. Today, the company manufactures those parts locally as it capitalizes on cost-effective production of quality components and builds relationships with other IHI subsidiaries around the world.

Yearly production capacity has since tripled from just 400,000 units to 1.2 million units.

"We have been manufacturing a huge volume of components for

over the past seven years and the level of quality of our products has been satisfying our customers. I would like for our customers to continue to be pleased to work with us, but I would also really like for our employees to be proud to be working for IHI," says Onitsuka.

Looking to the future, IHI Turbo Thailand hopes to be supplying some of the key components for smaller-size gasoline engines. ♦

www.ihl.co.jp

Mektec

Hard Disk Drive Consumer & Communication Automotive

Today, our technology is not only aimed at perfecting Hard Disk Drive technology. We also focus on Automotive and Consumer & Communication applications. They are also important keys that push us beyond our current technology and lead us to invent new technology in order to achieve world-class manufacturing status.

Mektec Manufacturing Corporation (Thailand) Ltd.
560 Moo 2 Bangpa-In Industrial Estate, Udumsoyayuth Road, Tambol Klong-Jik, Amphur Bangpa-In, Ayutthaya 13160, Thailand
Tel : +66 35 258888 Fax : +66 35 258270-1
www.mektec.co.th

For those who want to grab the power, we draw up the plans.

At AISIN AI, we engineer your pleasure.

AISIN AI (THAILAND) CO., LTD.

Boonrawd masters the beer and beverage business

As one of the oldest alcoholic beverages in the world, beer possesses a very rich history, particularly in Western Europe, where German monasteries were brewing and selling beer as far back as the seventh century.

It was that illustrious tradition that prompted Thai-born Boonrawd Sreshthaputra to learn the art of beer in Germany and Denmark in the late 1920s and fulfill a dream of founding his own brewery back home.

In 1933, Boonrawd Brewery rolled out the country's first local brew – Singha beer. Among beer lovers and aficionados, the brand has become synonymous with top-quality Thai beer and even the country itself.

Over the past 75 years, Boonrawd Brewery has grown into a diversified beverage conglomerate that has captured numerous awards from some of the world's most distinguished beer capitals, including Brussels and Osaka.

"We have quite a strong hold locally in Thailand. Yet, we are still able to manage some growth in the country considering our market share is over 60 percent, which is almost the maximum a company can reach in our industry," says Santi Bhirom Bhakdi, president and third-generation descendant of Boonrawd's founder.

Apart from Singha beer's market leader-

ship, Boonrawd Brewery also produces other beer brands such as Leo and Thai Beer, as well as Singha soda water, Singha drinking water and B-Ing energy drinks.

"We continue to look for opportunities to grow in our non-alcoholic beverage business, but we are also keen on seeking joint ventures with companies from Japan in other areas outside the beverage and consumer products businesses," says Santi.

In the past several years, Boonrawd has worked with Japanese companies in various fields. Having 17 complementary companies and seven factories, the company is able to operate efficiently and form new partnerships.

"We've enjoyed working with the Japanese and cooperating with them. There has always been a sense of trust between us," says Santi.

"As we aspire to diversify further, we are hoping to learn more from them and solve problems together. There are a lot of opportunities for us to work together," he continues.

Backed by its respected reputation, Boonrawd continues to rewrite its history as it embarks on further diversification and consolidates its market leadership and relations with partners in Asia. ♦

www.boonrawd.co.th



Boonrawd President Santi Bhirom Bhakdi and (below) the company's new greenfield flagship brewery, located about 60 km northwest of Bangkok with an initial production capacity of 280 million liters per year.



Producing more changes for the better

Based in Rayong Province, Mitsubishi Electric Thai Auto-Parts (META) has had an exciting year following the recent launch of the eco-car project in Thailand, whose instant popularity boosted the demand for Mitsubishi-made alternators that are found in the country's first-ever "green" car.

Producing car alternators, starter motors and car audio equipment in the country since 1997, META boasts 10 partnerships with Thai car

CONTINUED ON PAGE B3



Mitsubishi Electric Thai Auto-Parts President Mitsuru Koiwa

Mitsubishi breezes through Asia

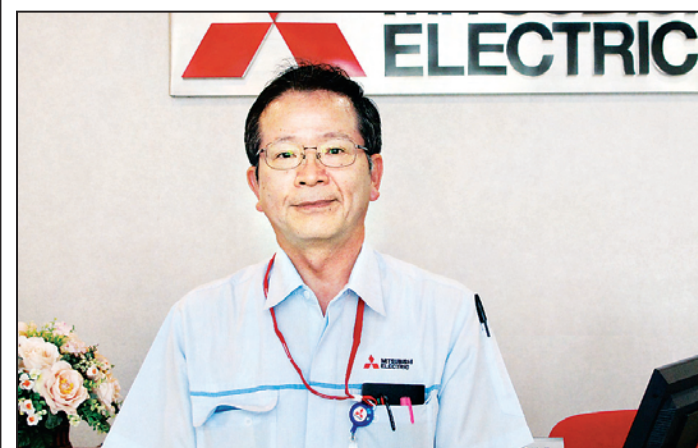
Mitsubishi Electric Consumer Products Thailand (MCP) has seen demand for its air-conditioning products grow so fast locally and internationally that the company's factories have been running day and night.

"With summer coming up, there has been a rise in demand for our air conditioners. Asia has seen a strong economic boost in electronics, automotive and home appliances," says MCP President Kenji Ito, who has been with Mitsubishi for 30 years.

"The beginning of 2009 was a very quiet year. We had no overtime and had low production. However, the beginning of September produced a dramatic change. The excise tax in Thailand dropped from 15 percent to zero, which was good for our business. The hot weather has also been an advantage for us with presales showing an increase in warm-weather countries such as Spain, Vietnam and India. Our factories are now in full production capacity," Ito adds.

As Mitsubishi's largest production facility for air conditioners, MCP

CONTINUED ON PAGE B3



Mitsubishi Electric Consumer Products Thailand President Kenji Ito

Hino paves the way for natural gas vehicles



Hino Motor Sales Thailand President Takeo Saito



The team of Hino Motor Sales Thailand headed by Takeo Saito (front center)

Since Hino Motors Sales Thailand introduced its natural gas vehicles to the country last April, the Toyota-affiliated company has received more orders for these environmentally friendly and cost-saving trucks being promoted by the government.

While diesel trucks still dominate in Thailand, Hino's orders for these new NGV trucks have grown by nearly 50 percent, a promising sign of their growth prospects in the ASEAN market.

"The NGV is the future. Thailand produces natural gas from the gulf of Thailand and we can easily import natural gas from our neighboring countries. Diesel and petroleum is not as easily accessible. One of the biggest advantages of the NGV trucks is

being able to save on fuel costs. Although the NGV truck is more expensive than a diesel one, the return on investment is evident in just one year," says President Takeo Saito.

"Since we introduced the NGV trucks, we've seen exciting and promising results. Hino has an 80 percent market share for the NGV trucks. There are 600,000 units in the automotive industry, of which commercial trucks make up 20,000. Hino has over a 40 percent market share for commercial trucks," Saito adds.

As always, Hino has emphasized product reliability and after-sales service.

"Hino's corporate goal is to be the most trusted and most reliable brand in Thailand. I want to maintain good relations with our

customers, provide high technology and offer very reliable service," Saito says.

"Trucks are used for every industry in the country. Trucks work every day on rough roads and in heavy weather, so it's easier for them to be damaged than passenger cars. As such, durability and after-service is very important. Hino products are of the highest quality with durable power," he continues.

Living up to its slogan "Q.D.R. (Quality, Durability and Reliability)," Hino's products in 2010 now include various safety features, such as a more advanced brake system.

While Hino Motors Sales only distributes trucks in Thailand, another subsidiary, Hino Motors Manufacturing Thailand,

has been exporting more of these products to other countries such as India.

"Thailand's central location in ASEAN makes it a desirable location to manufacture products and do business. Most Japanese companies believe Thailand is a very competitive base. Asia will no doubt take the lead in the global economy. Japan leads in environmentally friendly technology and it will keep transferring technology to Thailand," he says.

"Thailand will produce more competitive and attractive units for global exports. At Hino, we've increased the exchange of human resources between Japan and Thailand. Both countries can work together and be in a win-win relationship," he adds. ♦

www.hinothailand.com

Mitsubishi Electric Group has been growing with Thailand since 1964. Now, over 10,000 employees in Thailand are constantly working to realize a sustainable society.

As our corporate statement "Changes for the Better" implies, our ultimate aim is to improve quality of life while making positive contributions to conservation of the environment.

Mitsubishi Electric Group Companies and Foundation in Thailand

Mitsubishi Elevator Asia Co., Ltd.

Mitsubishi Electric Automation (Thailand) Co., Ltd.

Mitsubishi Electric Consumer Products (Thailand) Co., Ltd.

Mitsubishi Electric Kang Yong Watana Co., Ltd.

Mitsubishi Electric Thai Auto-Parts Co., Ltd.

Mitsubishi Elevator (Thailand) Co., Ltd.

Kang Yong Electric Public Co., Ltd.

Siam Compressor Industry Co., Ltd.

Melco Thai Capital Co., Ltd.

....

Mitsubishi Electric Thai Foundation



Please visit us for more information at <http://www.MitsubishiElectric.asia>

Mitsubishi Electric Corporation
Asia Corporate Office (Thailand)
18th Floor Q.House Sathorn, 11 South Sathorn Road
Tungmahamek, Sathorn Bangkok 10120, Thailand
Tel: +66 2 679 1885 Fax: +66 2 679 1892

HINO... Ultimate savings & value, safety standards and friendly environment

FM1JMKD-BGT, FL1JTKA-BGT, FM1JJKKA, FO1JPKA

Save Safe Clean

Hino Motors Sales (Thailand) Ltd. Tel. 0-2900-5000
Hino Motors Manufacturing (Thailand) Ltd. Tel. 0-2384-2900

Mr. SLIM

MITSUBISHI ELECTRIC
Changes for the Better