

GFPT officially launched its joint venture chicken processing factory in Cholburi

GFPT Public Company Limited (GFPT), one of the leading fully integrated chicken production for export in Thailand, together with Nichirei Foods Inc. (NFI), a market leader of manufacturer and distributor of frozen food in Japan, set up GFPT Nichirei (Thailand) Company Limited (GFN) with objective to build a slaughter house (capacity: 82,000 MT per year) and a further processing plant (capacity: 18,000 MT per year) in Cholburi province.



On December 19, 2010, GFPT Nichirei (Thailand) Company Limited (GFN) held an official opening ceremony today of its chicken processing plant in response to rising worldwide demand for fully cooked chicken product. The factory will produce chicken meat and cooked chicken products for export to Japan and other international market. The production capacity is 100,000 bird per day for the slaughter house and 1,500 MT per month for further processing plant which are estimated to achieve 100% production utilization by the end of year 2011.

Dr. Anan Sirimongkolkasem, the Chairman of Executive Committee of GFPT PCL said that “GFN’s factory is emphasized on modern technology and green production and environment friendly. As consumer increase to aware



more about food safety issue, GFN implements information technology in its production process in order to ensure the reliability and timely of its traceability system. GFN also highly concern about the welfare of its employee so the management decided to build 9 large residential buildings within the factory area to increase the work/life quality of its employee.”



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“We decided to build GFN’s factory here in Chonburi province to gain benefit from its location nearby the GFPT’s broiler farm operation and Laem Chabang seaport to reduce in the transportation cost of GFN. Apart from major advantages from synergy between GFPT and NFI i.e. cost reduction and market advantage, GFN also gains other potential benefits include resources sharing such as knowledge and know-how on product innovation, quality system, and management expertise. Since the processed chicken food has become very popular and the export demand is increasing over year by year, GFN take a leap growth to tap in this opportunity to serve the customer demand from Japan and other countries worldwide.” Dr. Anan said.





Dr. Anan also mentioned that “Under the JV agreement, GFPT is an exclusive supplier of live chicken of GFN, GFPT needs to expand more than 100 chicken house of its existing broiler farm facility in order to accommodate GFN’s demand. Thus, GFPT have additional investment of 1.5 billion baht beside the investment in GFN. As GFN is a major expansion of GFPT from the last 10 years, GFPT’s management is confident that GFN will boost GFPT’s revenue about 1.5 billion baht or equivalent to 12-15% over this year. Once GFN can run at full capacity, GFPT will gain about 3 billion baht from live-chicken sales to GFN.”



Outline of the GFPT Nichirei (Thailand) Company Limited (GFN)

- ☞ Company Name: GFPT Nichirei (Thailand) Company Limited
- ☞ Abbreviation: GFN
- ☞ Location: 77 Moo 4, Tumbol Hang Sung, Ampur Nongyai, Chonburi, Thailand
- ☞ Type of Business: Chicken Slaughter House and Further Processing Plant
- ☞ Objective: To product and distribute cooked chicken products to Japan and international markets
- ☞ Established: 26 November 2008
- ☞ Project Investment: 2,250 million Baht
- ☞ Registered Capital: 1,170 million Baht
- ☞ Capital Structure: GFPT 49% and Nichirei Foods 51%
- ☞ BOI Privileges: Corporate tax exempt for 8 years
- ☞ Products: Fresh Chicken Meat and Cooked Chicken product such as Chicken Burger
- ☞ Start of production: November 2010
- ☞ Capacity: Slaughter House 100,000 birds per day or 82,000 MT per year
Further Processing Plant 1,500 MT per month or 18,000 MT per year
- ☞ No. of Employees: Target to employ 2,900 persons (approx. 1,300 people as of Nov 10)
- ☞ Site area: 150 rai of land
 - Slaughter house area: 17,600 m2
 - Further Plant area: 23,000 m2

About GFPT Public Company Limited

GFPT (SET: GFPT), founded in 1981 with headquarter in Bangkok, is one of the largest integrated chicken processors in Thailand. With Baht 1,253 million paid-up capital and Baht 11,507 million revenue in 2009, GFPT is the parent company of the group which operates an integrated poultry business, including feed mill, grandparent stock farm, parent stock farm, hatchery farm, broiler raising farm, slaughtering house, and further processing plant and has approximately 4,500 employees in 2010.

GFPT produces and sells a broad range of chicken products, including “as fresh” and fully cooked chicken products under the customer’s and its owned brand name to retail and foodservice providers in both domestic and international markets, including Japan, Singapore, Hong Kong, United Kingdom and countries in EU. Through its core values, GFPT strives to provide food safety products and traceability and is committed to operate its business with environmental friendliness and social responsibility.

About Nichirei Foods Inc.

NFI, a subsidiary of Nichirei Corporation (“**NC**”), mainly operates the processed food in Japan. Its products include frozen foods, an industry Nichirei leads in Japan, acerola-based beverages, retort-pouch foods, canned foods and health foods. NC has established a comprehensive quality-assurance system that covers everything from product development and raw materials procurement to production and sales.

NC is a holding company that determines strategy for the entire Nichirei Group, one of Japan's leading corporate groups involved in food-related businesses. The Nichirei Group consists of NC, 71 consolidated subsidiaries, and 15 affiliates. Its principal businesses are processed foods, marine products, meat and poultry products, low-temperature logistics, and real estate.

The Nichirei Group’s network is unique in the domestic food industry. It covers every step from procurement of raw materials to processing and distribution, and serves as the base from which we aim to maximize shareholders value through sustainable group growth and expanded profits, by continually creating new customers value with uncompromising insistence on good taste and freshness.

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This press release is also available at www.gfpt.co.th.

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