

# KCE aims to boost Japan sales

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Set-listed KCE Electronics, a custom printed circuit board manufacturer, may pursue more sales in Japan to lessen the impact of the European debt crisis, says director Panja Senadisai.

Europe currently accounts for 60% of KCE's sales.

Second-quarter sales should outstrip the 1.86 billion baht achieved in the first quarter due to increased orders over the past two months, said Mr Panja, who is optimistic about the recovery in the automotive market.

"We have had continued orders from the auto-parts sector which has made a significant recovery," he said. "This year we have received orders from two new large Japanese customers in the electrical goods sector."

The company opened a new pro-

duction plant under the KCE International (KCEI) brand at the start of the year. Since March it has been producing about 37,160 square metres of PCB a month, more than 90% of total capacity, compared with 25% in January, said Mr Panja.

The company has no plans to further increase production capacity at present as KCEI can fulfil all orders for the year. But plans for additional capacity might be reconsidered at the year-end.

"This year we expect total sales to reach US\$240 million, which would be a 20-25% increase from last year's \$187 million. We have seen a continuous increase in orders up until the third quarter, especially from automotives which contribute more than 50% of our revenue," said Mr Panja.

The company — which says it is a top-three producer of electronic auto parts for airbags and anti-lock braking

systems — also produces PCB products used in a wide variety of applications including automotive, industrial, computer and telecom systems.

Jitra Amornthum, executive vice-president for research at Finansia Syrus Securities, said KCE's profit this year should increase by between 200% and 255% from 172 million baht last year. Second-quarter profit should be better than in the first, when it suffered from a shortage of raw materials, she said.

While KCE's European sales account for 60% of its turnover, the company should not see any significant problems from the Eurozone debt crisis as most of its customers are large auto companies, she said. KCE also has a large number of orders up until mid-year.

KCE shares closed on Friday on the SET at 7.30 baht, up five satang, in trade worth 57.19 million baht.