



INVESTMENT SERVICES CENTER
THE BOARD OF INVESTMENT
MINISTRY OF INDUSTRY

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**BOI RECEIVES NEARLY BT200BN INVESTMENT IN 1ST HALF
INVESTMENT GROWS IN ALL SECTORS**

Another Bt90billion in the pipeline

The Board of Investment of Thailand (BOI) reported solid investment value growth in the first half of 2010 with Bt192.40 billion total investment value and 46.3 per cent growth in the number of investment projects, while investors from Japan, Spain, Singapore and China have expressed interest in making additional investment in the country. The momentum of foreign investment growth also continues in the second half of this year, with Bt90 billion in investment value in the pipeline.

According to Dr. Atchaka Sibunruang, Secretary General of the Board of Investment, a total of 632 projects applied for investment incentives from BOI, up 46.3 per cent from the same period last year, when 432 projects applied for incentives. Total investment value for the first half of this year is Bt192.40 billion, 7.4 per cent higher than for the first half of 2009, when total investment application value was Bt179.00 billion. This solid growth reflected strong foreign investor confidence in Thailand's long-term potential as an attractive investment destination.

"During the first six months of this year, the average number of projects that applied for investment incentives was 105, 72 more than the average number for the same period last year. This is clear evidence that the political unrests from March to May did not have significant impact on investment decisions," said Dr. Sibunruang.

Overall, the number of investment applications increased across all activities. The service and public utilities sector has been the most attractive one, with a total investment value of Bt85.1 billion. Some of the major projects include power plants fuelled by natural gas, biomass, wind and solar energy.

The second most attractive sector is mining, ceramics and basic metals, which is receiving investment value six times higher than during the same period last year. Investment was boosted by a major hot rolled steel project worth over Bt22 billion. The third most attractive industry is the metals, machinery and transport equipment industry, with a total of more than Bt23.20 billion in investment value, representing an 85 per cent increase over the same period last year. The major share of the investment in the industry comes from 20 projects in the automotive parts and tire production.

The next largest investment recipient is the agriculture and agro-industries, with Bt22.80 billion total investment, a 55 per cent growth year-on-year. Major investment projects are in the vegetable oil, animal feed and crops drying businesses.

Chemicals, paper and plastic, electronics and electrical appliances, and light industries have also enjoyed investment expansion, with total new investment values of Bt16.60 billion, Bt13.70 billion and Bt4.70 billion respectively.

“With proactive investment road shows and close follow up on potential investors, there are many existing investors who have planned to make additional investment in Thailand and also some new investors who expressed interest in applying for the BOI incentives in the second half of this year. The expected investment value of these projects is Bt90 billion,” said Dr. Sibunruang.

During the same period, 375 foreign direct investment (FDI) project applications were received, with a total investment value of Bt98.332 billion, representing a 96 per cent increase over the same period last year, when the total was Bt49.98 billion. The significant growth in FDI is a result of global economic recovery and continued confidence in Thailand among foreign investors.

Japan remains the largest foreign investor with 150 projects worth Bt38.638 billion in total value, almost doubling the total investment value in the same period last year. Large Japanese investment applications submitted in the first half of this year are in hard disk drive production and auto parts manufacture. The second largest foreign investor is Spain with Bt22.00 billion total value, followed by Singapore with Bt8.299 billion and China Bt6.98 billion.
