



INVESTMENT SERVICES CENTER
THE BOARD OF INVESTMENT
MINISTRY OF INDUSTRY

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PRESS RELEASE

NO. 44/ 2010 (O. 22)

March 18, 2010

BOI shows confidence in six-month investment prospect *Foreign investors plan Bt170-billion investment*

Thailand Board of Investment reports positive investment signs as 223 companies, especially in the electronics and agricultural industries, are hiring new jobs to cope with increasing orders, while 116 companies from electrical appliance, electronics, chemicals, paper, plastic, service and public utility sectors eye for investment expansion worth Bt177.92 billion in total.

BOI conducted the survey on employment, production and distribution of BOI-promoted large companies twice a year. This year, the first survey was conducted in January and 412 companies responded to the questionnaires. The respondents are companies with more than Bt500 million investment value.

BOI secretary general Dr. Atchaka Sibunruang said that according to the survey, 233 companies, 54 per cent of the total respondents, said that they plan to hire more people over the next six months. Most of these respondents are in the automotive and electronics industries.

Regarding investment expansion, 116 companies confirmed plans to invest more this year, and the value of expansion is Bt177.9 billion. Most of the Bt200 million – 500 million investment projects are mainly in the automotive and parts, electronics and electrical appliance industries, while most large-scale projects with more than Bt1billion investment value are in chemicals, paper, plastic and services sectors.

Total production capacity in 2010 is expected to increase from 58 per cent in 2009 to 68 per cent this year. The production capacity increase is seen across industries due to rising orders. Total export value from companies with BOI promotional incentives this year is expected to grow by 10 per cent or Bt2.7 trillion. It is expected that exports of electronics and electrical appliances as well as agricultural products will constantly grow while domestic sales of all industries are likely to expand by five per cent or Bt3.2 trillion.

In the first two months of this year, total investment promotion applications are worth around Bt78.8 billion, a reduction of 25 per cent against the same period last year. The key reason is that two mega natural-gas power plant projects worth Bt81 billion applied for BOI promotional privileges in January 2008.

The total number of applications increases by 60 per cent, from 125 projects to 200 projects during the past two months. This will create 29,647 new jobs for locals. Most of the applications are in the service and public utility sector with Bt49.4 billion investment value, followed by the agricultural sector with total investment of Bt9.9 billion, and metal, machinery, and transport equipment sector with Bt7.3 billion investment value.

Statistics on foreign direct investment in the past two months showed that Japan remains the largest investor both in terms of number of projects and investment value. There are 43 Japanese investment projects, representing 52 per cent of the total foreign investment. The total value of Japanese investment projects is Bt12.6 billion, almost double value in the same period last year. Most of the investment projects are in the hard disk drive parts and auto parts production. The second largest investor is China with total investment value of Bt6.2 billion, accounting for 10 per cent of the total foreign investment. Major Chinese investment projects are in electricity generation from natural gas.
