

(Unofficial Translation)

**Board of Investment Announcement
No. 3/2549**

**Additional Rights and Privileges for Investment on Developing
Skill, Technology & Innovation – STI**

To encourage the industrial sector to invest in the development of Skill, Technology & Innovation – STI, by virtue of Section 16 and Paragraph 2 of Section 31 of the Investment Promotion Act B.E. 2520, as amended by the Investment Promotion Act No. 3 B.E. 2544, the Board of Investment hereby declares the following:

1. The activities in the attachment of the Board of Investment Announcement No. 2/2543; dated August 1, 2000, shall be classified as Activities with Special Importance and Benefit to the Kingdom if there are investments or expenses on developing Skill, Technology & Innovation, as prescribed in 1.1.1 – 1.1.3 by the Office of the Board of Investment. All activities shall be entitled to the following Rights and Privileges:
 - 1.1 Corporate Income Tax exemption in addition to those received on the basis of the Board of Investment Announcement No. 1/2543 and 2/2543; however, the total duration of Corporate Income Tax exemption shall not exceed 8 years, as follows:
 - 1.1.1 One additional year of corporate income tax exemption will be granted if there are investments or expenditures in research and development or design, in advance technology training, or supporting an educational or research institution, on the condition that such investments or expenditures are not less than 1% of the revenue from the investment project in the first 3 years, or not less than 150 million Baht, whichever is less
 - 1.1.2 Two additional years of corporate income tax exemption will be granted if there are investments or expenditures in research and development or design, in advance technology training, or supporting an educational or research institution, on the condition that such investments or expenditures are not less than 2% of the revenue from the investment project in the first 3 years, or not less than 300 million Baht, whichever is less
 - 1.1.3 Three additional years of corporate income tax exemption will be granted if there are investments or expenditures in research and development or design, in advance technology training, or supporting an educational or research institution, on the condition that such investments or expenditures are not less than 3% of the revenue from the investment project in the first 3 years, or not less than 450 million Baht, whichever is less
 - 1.2 Exemption of Import Duty on machinery for all zones
2. Investments or expenditures by the promoted person to develop Skill, Technology & Innovation can be made throughout the duration of corporate income tax exemption
3. The promoted person shall apply for the aforementioned rights and privileges according to the criteria prescribed by the Office of the Board of Investment

4. This Announcement is effective for all applications for Investment Promotion submitted from December 8, 2005 thereafter
5. A promoted investment project that has not yet generated revenue may apply for the aforementioned rights and privileges

Effective December 8, 2005
Announced March 20, 2006

(Somkid Jatusripitak)
Acting Chairman of the Board