

(Unofficial Translation)

**Board of Investment Announcement
No. 7 /2549
Investment Promotion Policy for Wafer Fabrication**

To encourage investment in wafer fabrication in Thailand, and by virtue of Section 16, and Section 31 paragraph 2 of the Investment Promotion Act B.E. 2520, as amended by Investment Promotion Act (No. 3) B.E. 2545, the Board of Investment hereby classifies wafer fabrication, which is activity no. 5.6.1 of the attachment to Board of Investment Announcement No. 2/2543, dated August 1, 2543, as an activity which has special importance and benefits to the country. Investment in wafer fabrication shall receive the following incentives:

1. Exemption of import duty on machinery in all zones throughout the period of the promoted status, including the cases where the machinery is used for the improvement and/or replacement of the existing machinery, or for increasing the production capacity of the existing project whether it has reached its full operation or not
2. Exemption of corporate income tax for a period of 8 years without being subject to the corporate income tax exemption cap specified in Section 31, Paragraph 2 of the Investment Promotion Act
3. Investment for the purpose of improving the existing machinery will be regarded as part of the promoted project

Effective December 8, 2005
Announced on March 20, 2006

(Somkid Jatusripitak)
Deputy Prime Minister
Acting Chairman of the Board