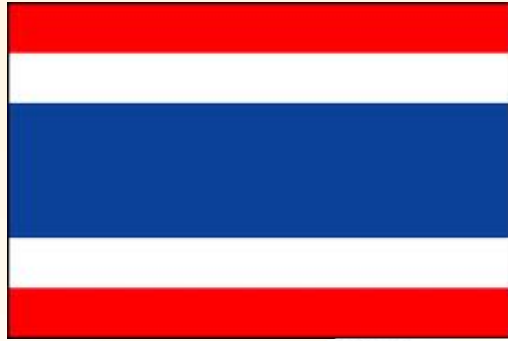


THAILAND : TOWARD LIFE SCIENCE INNOVATION

**AJARIN PATTANAPANCHAI
SENIOR EXECUTIVE INVESTMENT ADVISOR
LIFE SCIENCE INNOVATION CONFERENCE
CHIANG MAI, THAILAND
27 JUNE 2012**

LONG FRIENDSHIP THAILAND AND US RELATIONS



SAMPLE OF U.S. INVESTOR



GE
Energy



Kraft Foods



THAILAND is the world's

- 19th largest manufacturer
- 33rd largest exporter
- 35th largest economy

And the 2nd largest economy in
ASEAN

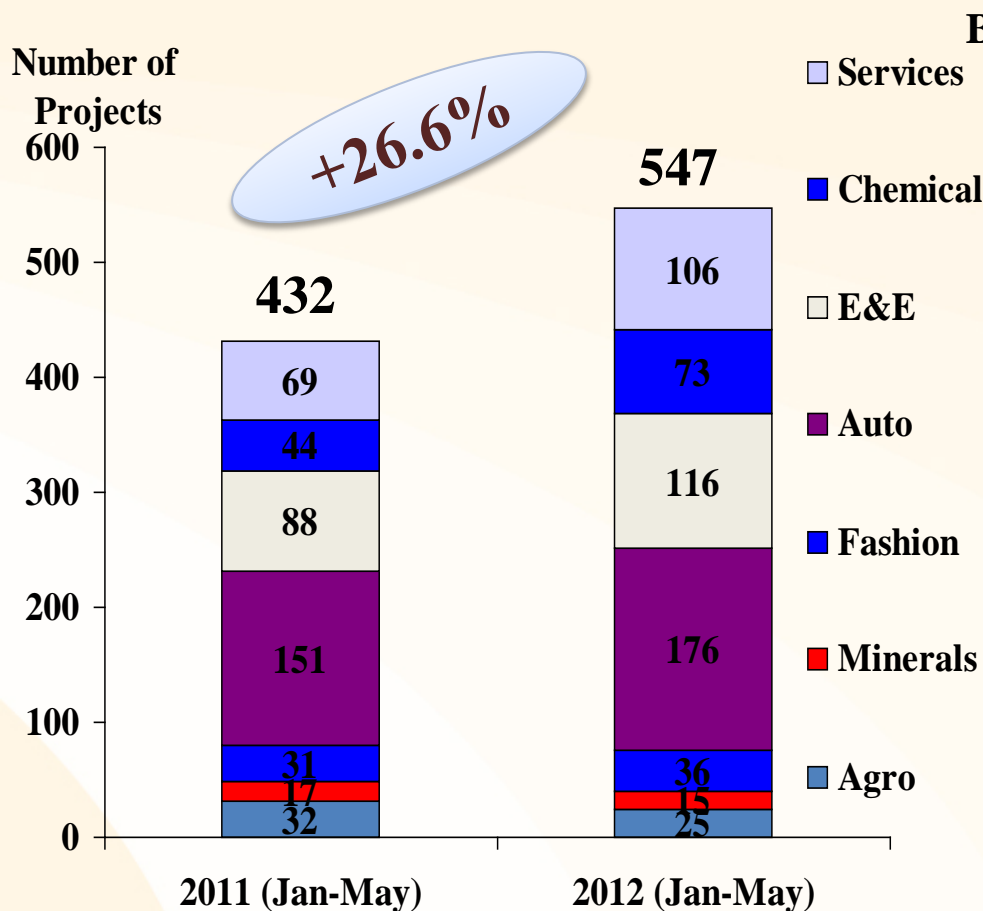


ECONOMIC PROJECTION YEAR 2012

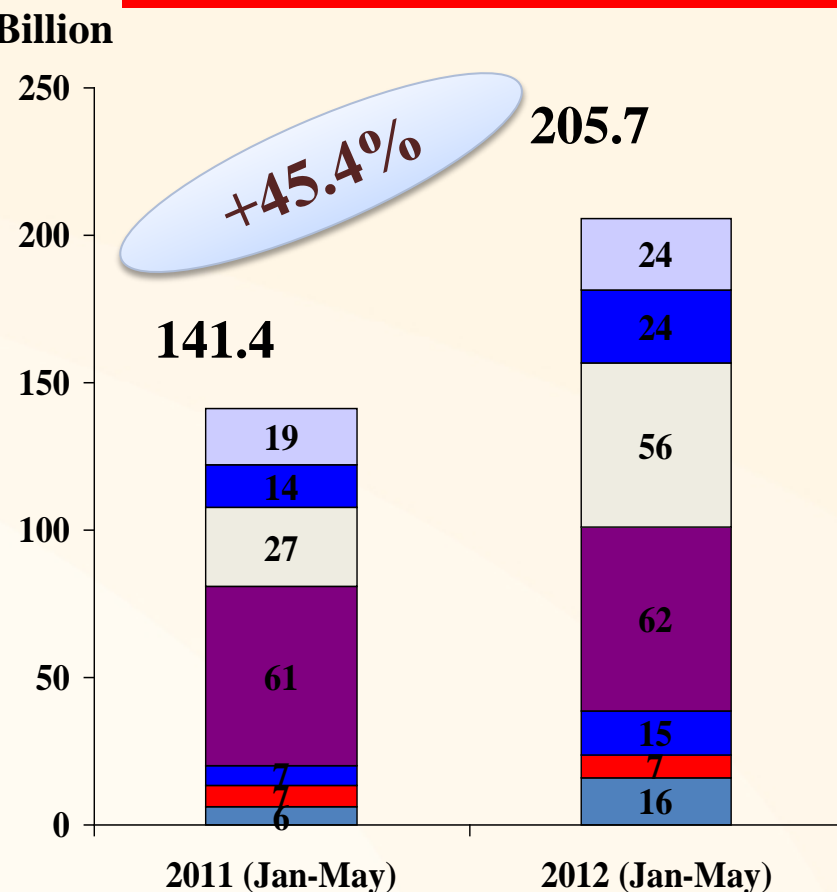
(% YoY)	2010	2011	2012	
			Q1	Projection
GDP (at 1988 price)	7.8	0.1	0.3	5.5-6.5
Export of goods (US\$)	28.4	16.4	-4.0	15.1
Volume	17.7	10.2	-5.0	11.8
Import of goods (US\$)	37.0	24.7	9.6	22.3
Volume	26.8	13.3	3.5	16.5
Current Account to GDP(%)	4.1	3.4	0.6	0.7
Inflation	3.3	3.8	3.4	3.5-4.0
Unemployment rate	1.0	0.7	0.7	0.7

Comparison of Net Foreign Applications for Investment Jan-May 2011 vs Jan-May 2012

Number of Projects



Amount Invested



THAILAND'S PREPARATION TOWARD AEC 2015



Strategic Agenda: New Economic Area (2)



Trilateral Exchange in Traffic Right between Thailand – Laos PDR – China and 4th Mekong River Crossover Bridge



Border Economy Development



Deep Sea Port and Dawei Industrial Estate Development



- Thai – Laos – China High-speed Train
- Train connecting sub-region Singapore - Kunming



Hat Yai – Sadao Motorway

Your partner for sustainable investment

Think Asia, Invest Thailand

GEARED FOR THE FUTURE



WHY THAILAND

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THAILAND BOARD OF INVESTMENT

Your partner for sustainable investment

EXCELLENT SUPPORTING UNITS

- Thailand's Science Park (TSP) was established as a one-stop service center to assist companies engaged in scientific and technological research.
- National Science and Technology Development Agency (NSTDA)
- National Science Technology and Innovation Policy Office (STI)
- The National Center for Genetic Engineering and Biotechnology (BIOTEC)
- Food and Drug Administration (FDA)
- Ministry of Public Health (MoPH)
- Ministry of Science and Technology (MOST)
- National Innovation Agency
- Health Systems Research Institute
- Thailand Center of Excellence for Life Sciences (TCELS)

THAILAND'S BIOTECH ECONOMY

#1 exporter in the world rice market

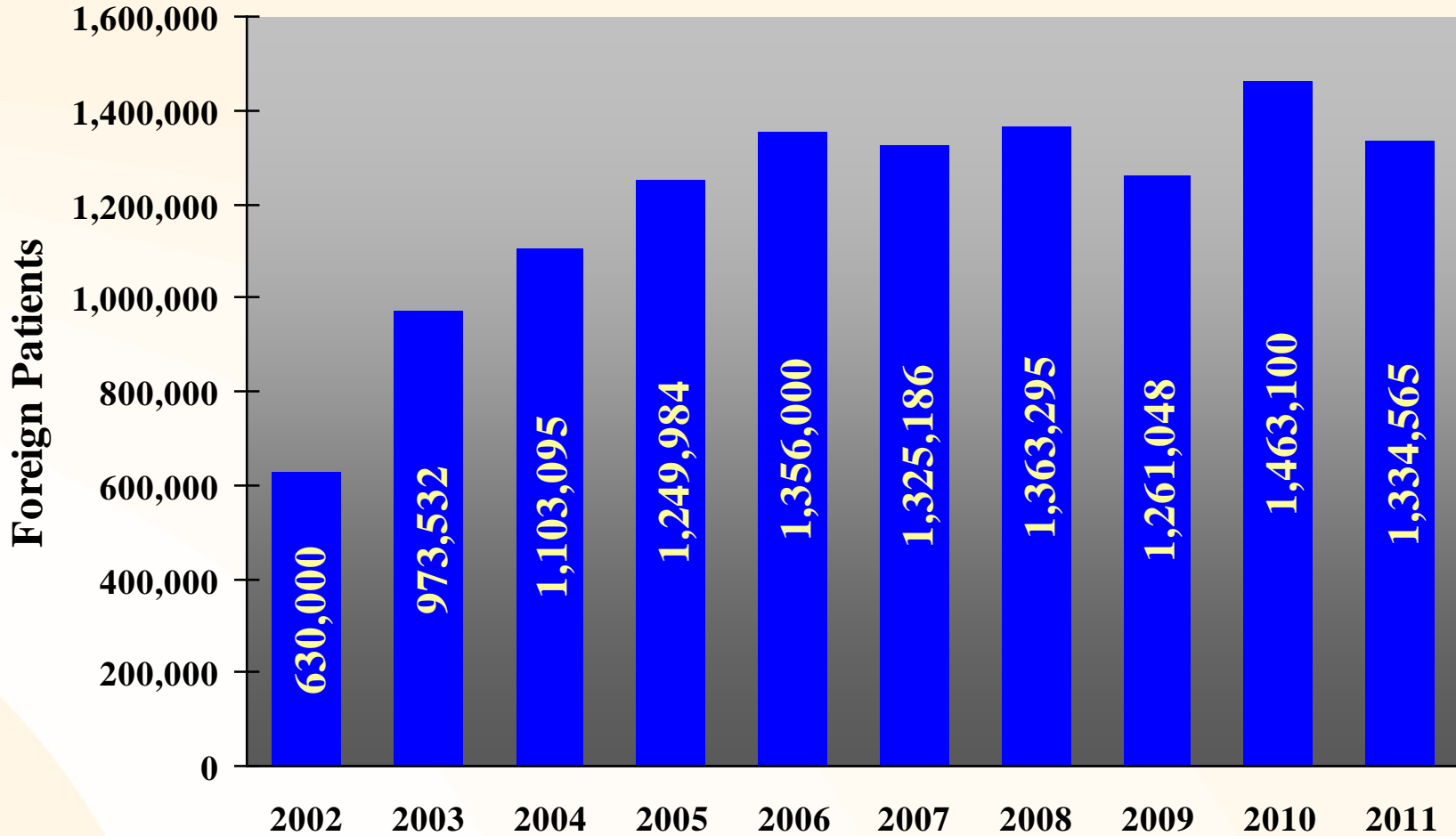
7th largest world food exporter:
US\$ 26 billion in 2010
(13% of total exports)

9th in Biofuels production
(0.3 billion liters fuel ethanol and 0.4 billion liters biodiesel)

Approximately **1.5** million patients seek medical treatment in Thailand annually



FOREIGN PATIENTS TO THAI PRIVATE HOSPITALS (2002-2011)



BOI Investment Promotion Policy

- BOI's investment promotion policy is to promote “Sustainable development” to enhance the country's competitiveness in *science and technology* and encourage the improvement of manufacturing quality as well as reduce environmental impact

**Eco-friendly
Industry**

**Renewable
energy**

**High-tech
Industry**

Target BOI Promotion in Life Science Business

- **Medical supplies or medical devices**
- **Medical food**
- **Scientific equipment**
- **Laboratories Services/Test**
- **Research and development**
- **Training Center**
- **Calibration services**
- **Biotechnology**
 - Biopharmaceutical agent
 - Diagnostic kits for health, agriculture, food
 - Bio molecule and bioactive compounds
 - Biological substances analysis or synthesis services
 - Biological substances analysis and/or synthesis services



Special Incentive for Hi-tech Business

Priority Activity Incentives

- Exemption on machinery import duties
- 8-year corporate income tax holiday
- Additional incentive if submit application by Dec 2012 or if locate in Science Park
- 50% corporate income tax reduction for another 5 years

Example of Promoted Projects (1/2)

<u>Company</u>	<u>Product/Services</u>
DELPHI HEALTH SERVICES	DNA Genotyping test
MBS ASIA	Antibody testing
• BIO-INNOVA and SYNCHRON • INTERNATIONAL BIO SERVICE	Bioequivalence
BIONET-ASIA	R&D for Vaccine
PACIFIC TIME	Microbial testing/DNA testing
PROFESSIONAL LABORATORIES MANAGEMENT	Medical laboratories
Greater Pharma Manufacturing	Vaccine and Allergy Testing Agent

Example of Promoted Projects (2/2)

<u>Company</u>	<u>Product/Services</u>
Heron Diag	Medicine, Agriculture, Food, and Environment Diagnostic Kit
I- med Laboratory	Thalassemia / Lymphocyte test kit
Health Concept International	<ul style="list-style-type: none"> •HIV serum bank and Cyclofem QC lab •HIV testing service & contract testing •Plasma sample for R&D
Cryoviva (Thailand)	Stem cell and Cell processing stage
<ul style="list-style-type: none"> • International Drug Development • Aclires Bangkok • Asia-Pacific Iatec Cro 	Clinical Trial
<ul style="list-style-type: none"> • SSUP SCIENTIFIC SERVICES • DERMSCAN ASIA 	Cosmetic testing

Example of Promoted Projects in Medical Devices

- Kendall-Gammatron (US) : IV Sets, Urine Bag
- Safeskin, Cardinal Health (US): Medical Glove
- Merton Medical (Aus.): Electrotherapy Device
- Radimedical Systems (Sweden): Blood Pressure Analyzer, Bone Biopsy System
- Benchmark Electronics (US): Glucose meter, Respirator Defibrillator, Neurodiagnostic kit
- Vascular Innovations (US): Cocoon Occluder and Delivery System
- Asahi Intech (Japan): Catheter, Guide Wire
- Nipro Corp (Japan): Needle, Infusion Set
- Kawasumi Laboratories (Japan): Blood Tubing Line, Hallow Fiber Dialyzer
- Molnlycke Health Care (Sweden): Disposal Medical Products
- Tytex Group Thailand (Denmark): Elastic Fixation

THANK YOU

THAILAND OF INVESTMENT
WHERE SUCCESS STORIES BEGIN

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