

THAILAND OF INVESTMENT

Where success stories begin

Fashion Industry

Leather, Gems & Jewelry, Textiles & Garments



Designing the Future



THAILAND BOARD OF INVESTMENT
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Fashion Industry

SE Asia's Fashion Center

- ❑ **Gem & Jewelry Capital of Southeast Asia**
 - ✓ Renowned expertise in diamond cutting
- ❑ **Industry Ministry support of young designer development program**
- ❑ **Many renowned - branded garments, produced in Thailand for USA & EU Markets**
 - ✓ Brunet, Triumph, Victoria Secret, Saint Michael, Marks & Spencer

Bangkok Fashion Week

- ❑ **Fashion Week 2006 featured Thai and international models wearing clothes by 30 Thai designers**
- ❑ **Local jewelry and clothing design emphasized**
- ❑ **Bangkok International Fashion, Leather Fairs**



Bangkok – Asia's New Gem and Jewelry Center

□ Gem and Jewelry Institute of Thailand Test Laboratory – Accredited by the World Jewelry Confederation

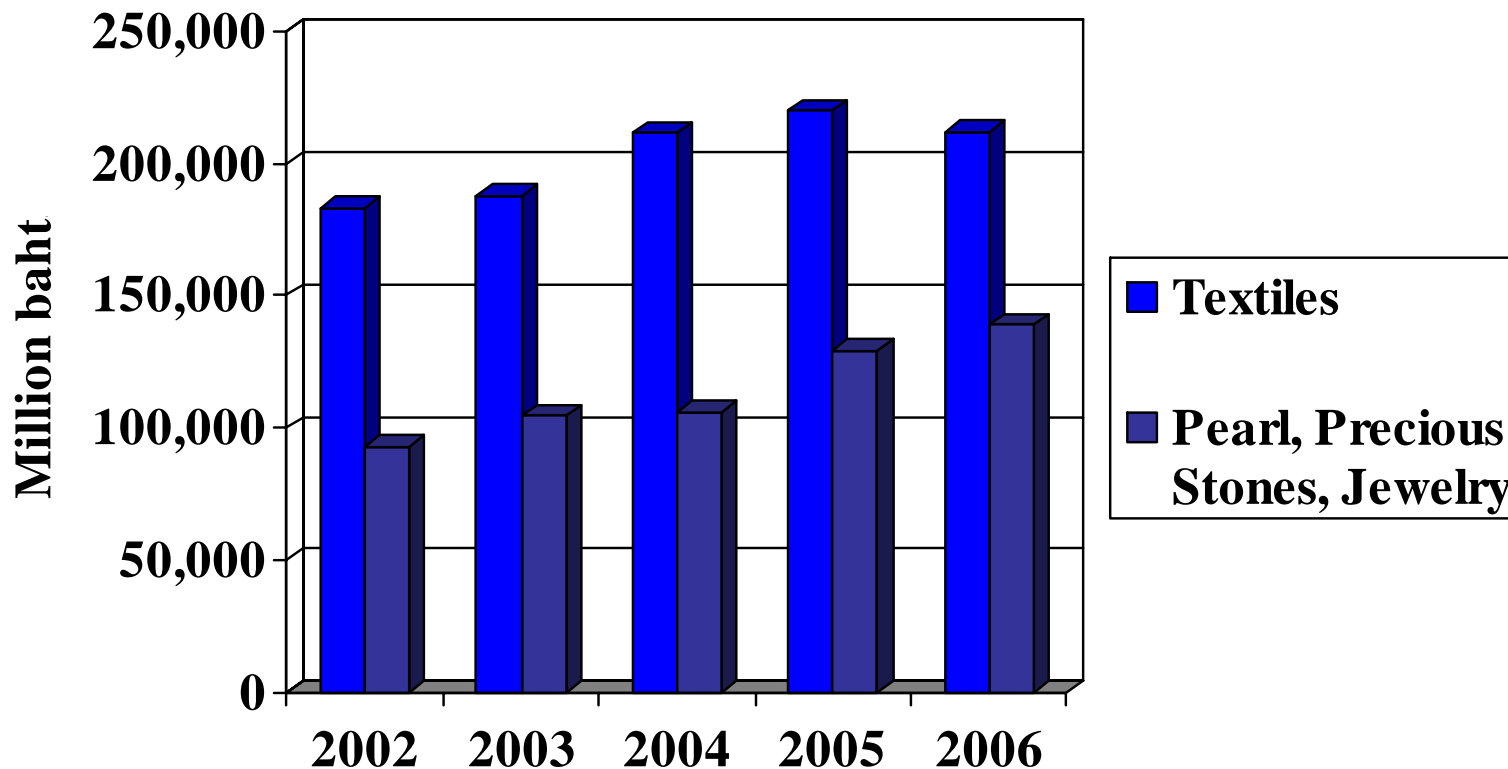
- ✓ Certified written grade reports for sapphires, rubies, and diamonds
- ✓ Determination of geographical origins for sapphires, rubies, emeralds
- ✓ Gem and Jewelry Training Center - Courses in Diamond Grading, Gem and Jewelry Business, and an FGA-Gemmologist Diploma Program

□ First Annual GIT International Gem and Jewelry Conference December 5-9 2006

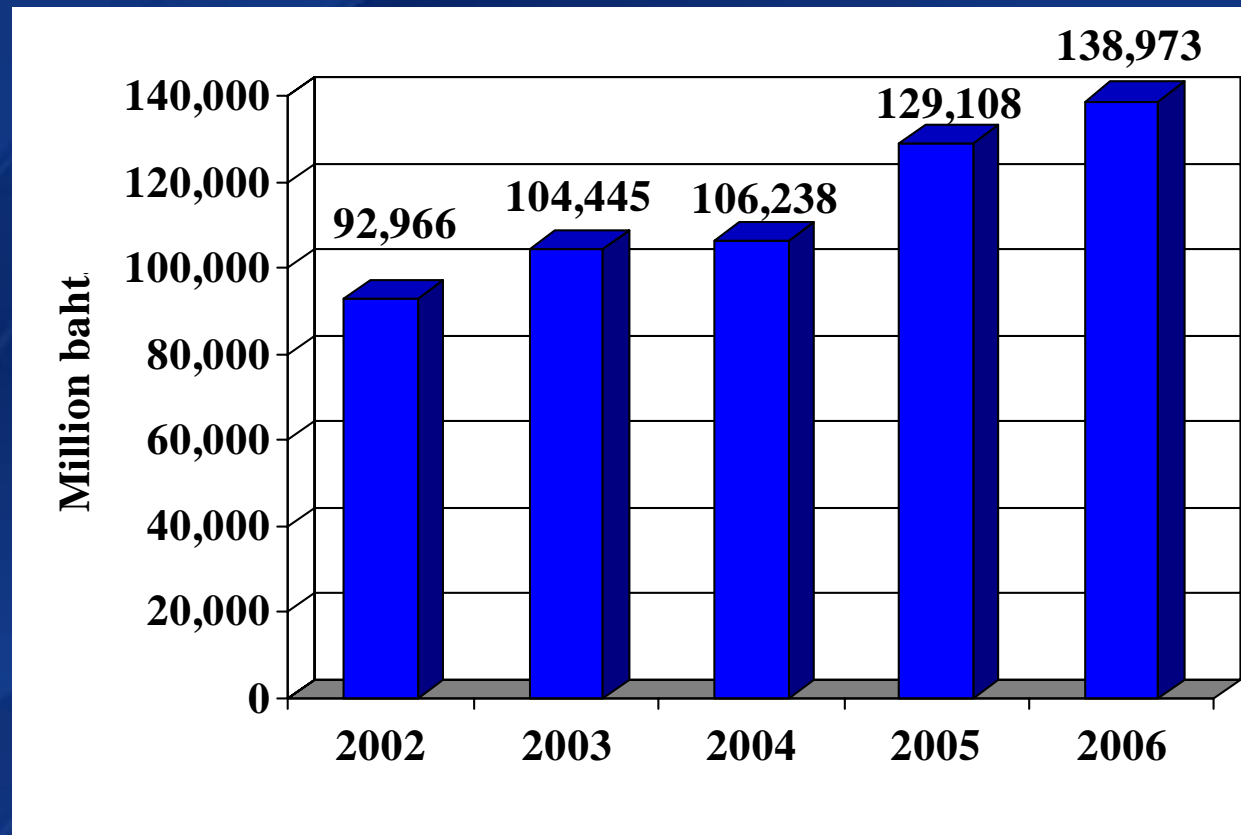
□ 39th Bangkok Gems & Jewelry Fair 2007



Exports of Textiles and Jewelry

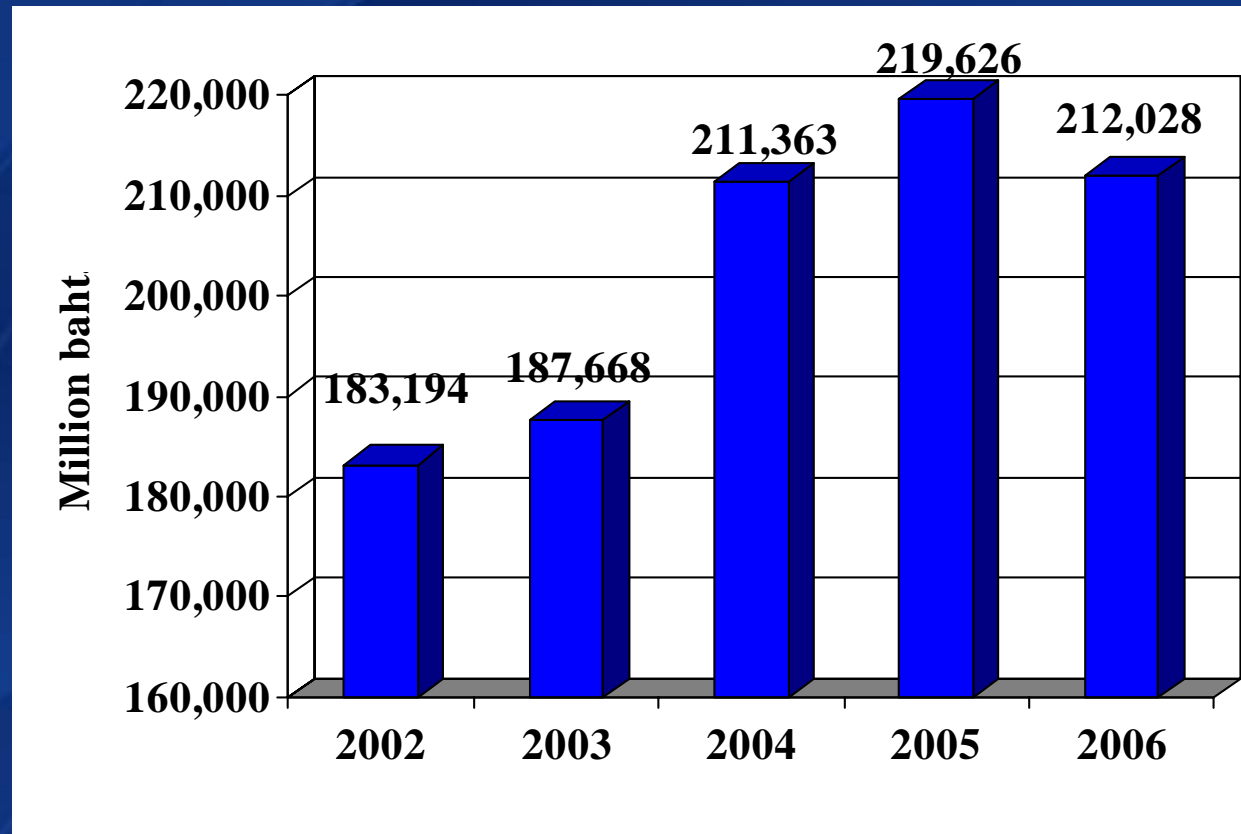


Exports of Pearls, Precious Stones, Jewelry



Source: Bank of Thailand

Exports of Textile Products



Source: Bank of Thailand

Gems and Jewelry Exports, 2005-2006

	2005	2006	% change
US	38.256	35.239	-7.89
Hong Kong	14.931	14.091	-5.62
Israel	14.240	12.742	-10.52
Australia	2.216	11.107	401.14
Belgium	10.955	10.279	-6.17
Switzerland	4.818	7.943	64.85
UK	6.304	7.929	25.77
Japan	6.635	6.244	-5.91
Germany	5.131	5.035	-1.87
Austria	2.217	3.348	50.99
Other	23.636	25.035	5.92
TOTAL	129.339	138.992	7.46

Jewelry Industry Cluster

1. Gem & Jewelry IE Developers

- 8 years corporate income tax holiday (no cap)
- Exemption of Machinery import duties

2. Manufacturers of gems & jewelry

- Within promoted gem and jewelry industrial estate:
 - ✓ Duty free machinery
 - ✓ Zone 1: 5 year tax holiday
 - ✓ Zone 2: 7 year tax holiday
 - ✓ Zone 3: 8 year tax holiday
- Relocating to promoted gem and jewelry industrial estate:
 - ✓ 8 years corporate income tax holiday
- Outside promoted industrial estate:
 - ✓ Standard incentives according to zone



Textile Industry Cluster

1. Integrated Textile Industrial Zones/Estate Developers:

- ❑ 8 years corporate income tax holiday
- ❑ Duty-free machinery

2. Textile Related Activities

❑ BLEACHING & DYEING & FINISHING PROJECTS

➤ Locating in Textile IE:

- ✓ 8 years corporate income tax holiday
- ✓ Duty-free machinery

➤ Locating outside Textile IE: Standard incentives according to zone

❑ OTHER TEXTILE-RELATED PROJECTS locating on Textile IE

➤ Duty-free machinery

➤ Corporate income tax exemptions:

- ✓ Zone 1: 5 years
- ✓ Zone 2: 7 years
- ✓ Zone 3: 8 years



Jewelry & Textiles

Jewelry

- ❑ **Ranked #6 among foreign exchange earnings**
- ❑ **Estimated 20% growth in 2007 to US\$4.37 billion**
- ❑ **Jewelry exports of US\$3.6 billion in 2006**

Textiles

- ❑ **World's 12th largest textile & garment exporter**
- ❑ **Export value of US\$6.8 billion in 2006**



Strategies for Textile and Garment Industry

Strengthening

