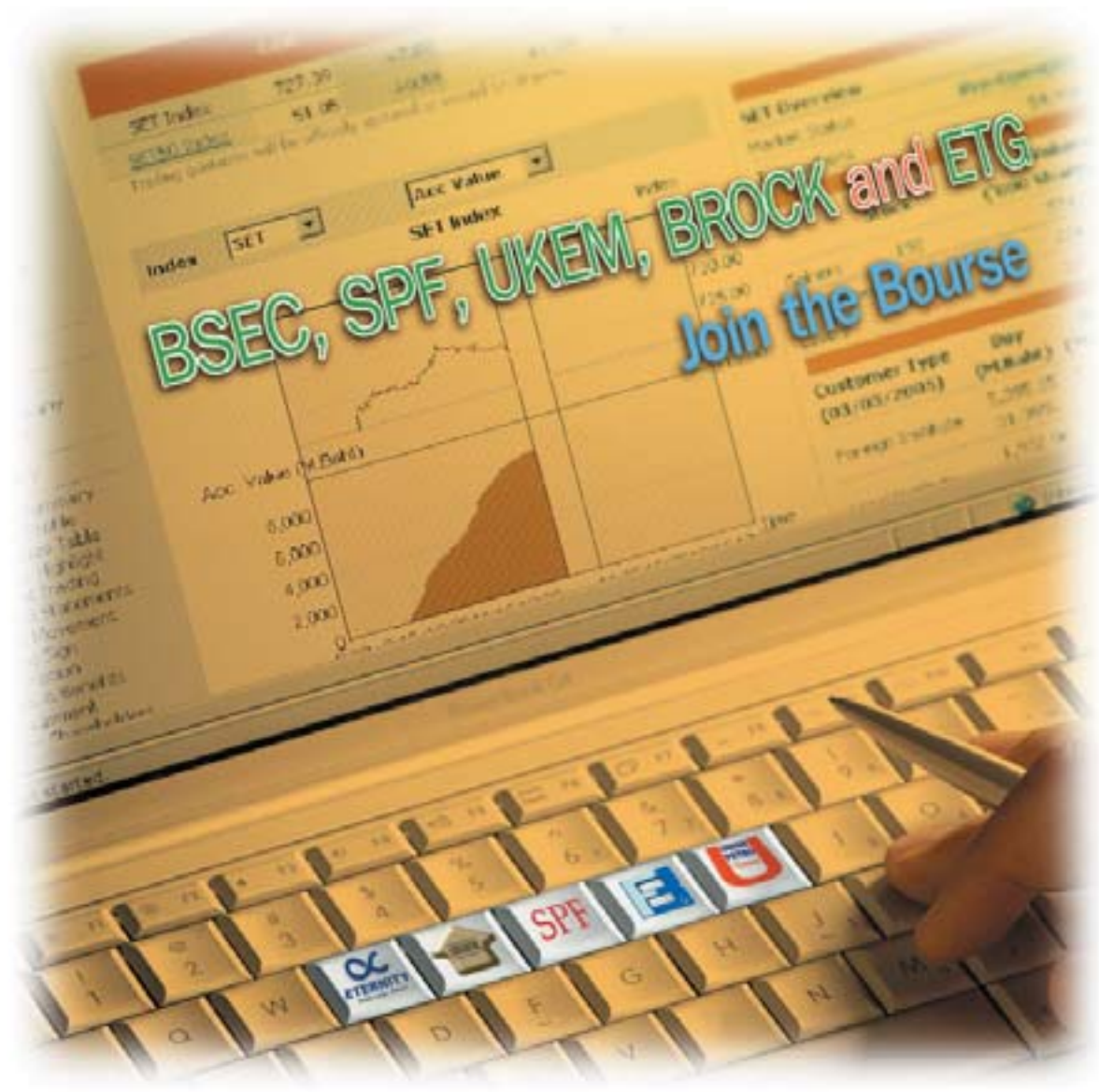




THE SET Newsletter



The Stock Exchange of Thailand (SET) and the Market for Alternative Investment (mai) welcomed five new listings this month: **BFIT Securities PCL (BSEC)**, **Samui Airport Property Fund (SPF)**, **Union Petrochemical PCL (UKEM)**, **Baan Rock Garden PCL (BROCK)**, and **Eternity Grand Logistics PCL (ETG)**.

BSEC joined SET's Financials Industry Group, Finance and Securities Sector, on November 22. Two days later, SPF, a closed-end mutual fund project of Siam City Asset Management (SCI-Asset), listed on SET in the Property Development Sector, Property & Construction Industry Group.

Three new listings on mai included UKEM, a leading importer and distributor of chemicals; BROCK, a real estate expert, and ETG, a Thai-owned logistics company. These firms listed on the sister bourse on November 27-29.

The five new listings have added to the increasing variety of the Thai bourse's investment products. Currently there are 476 SET-listed companies and 41 mai-listed firms.

Continued on page 3



Accounting for Employee Benefits¹

(Continued from the previous issue)

By Angkarat Priebjivat, Ph.D.²

Other Long-term Employee Benefits

Examples of other long-term benefits include compensated sabbatical leave, jubilee and other long-service benefits. Even though IAS 19 requires a simplified method of accounting in recognition of a liability for other long-term, service-related employee benefits, the method is similar to that of post-employment benefits. Practical issues for Thai companies in regard to post-employment benefits are the same as for other long-term employee benefits.

Long-term benefits that are not service-related, such as long-term disability benefits, are recognized only when the event that gives rise to an obligation to make payment occurs. This IAS 19 requirement is fairly straightforward for Thai companies.

Termination Benefits

Termination benefits are payable to employees when an entity terminates contract employment before the contract expiry date, or an employee accepts an offer of voluntary redundancy. IAS 19 requires recognition of a cost and a liability in the form of termination benefits, which the employer is obliged to pay immediately.

For employee benefits that are payable regardless of the reason for the employee's departure (e.g., termination indemnities or gratuities), payment is obligatory, but the time of payment may be flexible. These benefits are post-employment benefits rather than termination benefits; thus, an entity should account for them as such.

Under the Thai Labor Law Act (1998), subject to vetting or minimum service requirements, an employee is entitled to receive severance pay, which varies according

to the length of service. Most Thai companies do not treat severance pay as a post-employment benefit. They recognize liability for severance pay only when there was a formal expectation that an employment contract would finish at its normal expiry date. Such treatment does not conform with the requirements of IAS 19.

Initiatives towards Convergence with IAS 19

Given the above discussion, Thai Accounting Standard Setting Committee (TASSC) recommends the following initiatives to bring Thai Accounting Standard (TAS) in line with IFRS:

- Provide education and training programs on actuarial valuation concepts and accounting requirements for each type of employee benefit. These programs are not to be limited to accounting professionals but also include financial statements users and regulators.
- As the standard is complex and implementation is costly, only public companies should be required to apply it.
- Listed companies with relevant data needed for actuarial valuations are encouraged to comply fully with IAS 19. A transition period should be given to listed companies which have not yet assembled the relevant information.
- To lower the cost of actuarial services at the beginning of enforcing the standard, TASSC, with the cooperation of the Ministry of Commerce's Insurance Department, is formulating a simplified actuarial valuation model. Hopefully, the number of Thailand's actuarial professionals will increase and be available to help implement the standard.
- For listed companies with small defined benefit plans, actuarial assumptions based on the employer's own history

1 This article is based on a presentation at "The International Seminar on Accounting, IFRS Implementation: Experience from Around the World", May 31 2006, Jakarta, Indonesia, at 2006 IASB-Regional Standard-Setters Meeting.

2 Associate professor of School of Business Administration, National Institute of Development Administration (NIDA). Opinions expressed herein are the sole responsibility of the author, and may not represent those of other bodies.

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(e.g., turnover rate, proportion of employees that reach decrement or retirement age) may fluctuate, distorting liability estimates at particular periods. Industry norms or pooled data may provide more reliable benchmarks.

Share-based Payments to Employees


An “equity-settled, share-based payment to employee” transaction is a form of equity compensation benefit, and IFRS 2: Share-based Payment covers such payments to employees and other parties. Equity-settled grants to employees are measured based on the fair value of the instruments (e.g., options) at the grant date.

During the past few years, more large Thai listed companies have established employee stock option plan schemes (ESOP). Currently, as there is no TAS requirement, only a Guideline on ESOP (2002) is available, based on the Equity Compensation Benefits section of a previous version of IAS 19 (1998). This Guideline does not account for recognition and measurement of ESOP, only recommending disclosure. The general practice is to record compensation benefit expenses and an increase in equity at par value for the shares issued at no cost to employees. If the company receives payment from employees (e.g., options), it records an increase in equity at par value and compensation benefits expenses equal to the net par value of cash received. If payment from employees exceeds par value, the additional amount in cash value is recorded.

TASSC is formulating a new TAS which complies with IFRS 2. Conceptually, there should be no accounting problem but fair value measurement is still an issue. In the absence of market value, which model should be used? Are the model’s assumptions valid? Is the entity’s measured fair value reliable?

Like the accounting standard for employee benefits, this standard would apply to public companies only. TASSC will seek guidance on implementing fair value measurement from IASB, but for the present, we have to leave those implementation issues to entities, their financial advisors, auditors and regulators.

Conclusion

Issuing TAS on employee benefits and share-based payments that comply with IFRS is still a TASSC goal. It may take considerable time and effort but we are confident of success in this matter. 

Bibliography

IAS 19: Employee Benefits
IFRS 2: Share-based Payments

Should you have any question or suggestion, please contact mediaandpublicationsdept@set.or.th

Samui Airport Property Fund (SPF)

From page 1

SPF is a mutual fund project of Siam City Asset Management (SCI-Asset) and is listed on The Stock Exchange of Thailand (SET) in the Property Development Sector, Property & Construction Industry Group. With SPF as its trading symbol, the company shares commenced trading on November 24.



The fund has THB 9.5 billion (approx. USD 260 million) in registered capital, composed of 950 million investment units with a par value of THB 10.00 each.

SPF is a closed-end fund involved in specific property investments. Its initial venture is the long-term leasehold rights of Samui Airport, including the land, runway, parking apron and construction on the leased property currently being used for Samui Airport. SPF’s policy is to pay dividends to unit-holders four times a year. When it has an annual net profit, the company shall pay dividends to unit-holders at not less than 90% of net profit.

Specifically, the fund has an interest in the Samui Airport agreements, including subleasing the leased assets for three years (with an option to renew for a further nine


three-year terms) and contracting for the utilities system service agreement, which has a 30-year term.

SPF invested in capital leasehold and registered with the Department of Land on November 24. SCI-Asset and Bangkok Airways have agreed that SCI-Asset will record its leases within seven days of registering with the Securities and Exchange Commission (SEC) and SET. The fund was approved by SEC on November 22.

In the future, SPF will concentrate on investment by way of acceptance of transfer of ownership and/or leasehold right in immovable properties. It intends to primarily concentrate on investing in or owning existing airports (if permitted by law) and other properties associated with the airports that Bangkok Airways owns.

“The advantages of investing in a property fund over direct property investment is that investors have more liquidity and spend less on fees and taxes when selling the units,” said Mr. Voranon Asavakittimetin, Property Fund Manager, Siam City Asset Management.

Principal unit holders of SPF (as of November 22, 2006) are Bangkok Airways Co., Ltd. and Ayudhya Allianz C.P., who hold 33% and 6.27% respectively.

For more information on Samui Airport Property Fund, please visit Siam City Asset Management website at www.sci-asset.com and SET’s website at www.set.or.th 

B FIT Securities PCL's securities listed on The Stock Exchange of Thailand (SET) in the Financials Industry Group, Finance and Securities Sector, commencing on November 22, and using "BSEC" as their symbol.

A securities brokerage house for retail investors

Currently, BSEC operates three core businesses:

- 1) Securities brokerage, as a SET member;
- 2) Underwriting for equity and debt securities; and
- 3) Securities registrar for bonds, debentures, preferred shares, and bills of exchange.

BSEC had a 3.55% of the total market share (as of June 30, 2006). Nearly all of the company's clients are retail investors.

"BSEC is targeting at least 4% of the total market share in 2007. The company's investment banking services will help attract more investors to achieve such growth," said Mr. Suwit Ratanayanon, Chief Executive Officer of BSEC.

BSEC joined the Thai bourse

BSEC has THB 800 million (approx. USD 21.89 million) in paid-up capital, each share having a par value of THB 1.00. This



is made up of an existing 400 million shares and 199.995 million shares from the conversion of convertible debentures. A further 40 million capital increase shares

have been allotted to shareholders of Bangkok First Investment and Trust PCL during November 1 - 7, and another 160.005 million capital increase shares allotted to the general public during November 8 - 10. Both portions of capital increase shares were sold at THB 4.20 per share. Siam City Security Co., Ltd. acted as BSEC's financial advisor.

The company raised about THB 840 million (approx. USD 22.99 million). The funds will be used for branch expansion, working capital and IT system development in anticipation of future competition.

"At present BSEC offers its securities services through its headquarters in Bangkok and three branches, in Songkla, Nakhon Srithammarat and Bangkok. The firm plans to open

BFIT Securities PCL (BSEC)



Mr. Suwit Ratanayanon
Chief Executive Officer

three branches in Bangkok, Chiang Mai and Nakhon Ratchasima. This is part of the company's strategic plan to penetrate new investor bases in the north and northeast. The branch expansion will require around THB 30 million.

"In addition, BSEC is building a computer back-up site which will be completed by this year's end. The equipment and other related costs will require approximately THB 20 million," he noted.

BSEC's financial summary (in THB million)

	2005	9M/2006
Total revenue	657.30	559.62
Net profits	222.28	186.08

"The stock market received negative impact from local political unrest during the past nine months. Therefore, the market sentiment is not as bullish as expected. Overall stock prices have consistently fallen. This directly affected all brokerage firms, including BSEC. However, after the new government had taken charge, investors regained confidence. I believe that the market turnover will increase next year," he added.

After the IPO, the principal shareholders in BSEC are Bangkok First Trust Investment PCL and a group of four shareholders from the debenture conversion, who hold 50% and 25% of the company's paid-up capital, respectively.

Its dividend payment policy is to pay out no less than 50% of its net profits after corporate taxes and reserves.

For more information on BFIT Securities PCL, please visit its corporate website at www.bfitsec.net, SET's website at www.set.or.th, or SETTRADE.Com's website at www.settrade.com.

Retail investors to use automated payment system

Individual investors will be required to conduct purchase/sale clearing through the banks' automated transfer system (ATS) from April 1, 2007. This was brought into effect by The Stock Exchange of Thailand (SET)'s Board of Governors, amending the rule concerning securities trading in cash. The change should help investors clear their sale/purchase of securities more conveniently, reduce possible default risk and prepare the market for T+2 clearing and settlement in the future.

Since November 1, 2005, SET member companies have been required to have new individual clients settle through ATS.

The amendment does not apply to institutions or juristic persons, SET Executive Vice President Mr. Suthichai Chitvanich (acting as SET Board Secretary) stated.

"Using ATS, individual investors can settle their transactions more conveniently, as they do not need to be involved with cheque payments or cashing-in. They can receive profits from sales and pay for purchases through bank accounts with no service charges," Mr. Suthichai added.

Market for Alternative Investment (mai) recently accepted a new listing, Union Petrochemical PCL (UKEM), Thailand's leading importer and distributor of chemicals. The company's securities, with a market capitalization of THB 415.80 million (approx. USD 11.38 million), commenced trading on November 27.

UKEM has THB 165 million (approx. USD 4.52 million) in paid-up capital, each share having a par value of THB 1.00. This is comprised of an existing 131 million shares and 34 million capital increase shares. At its IPO during November 13 – 15, UKEM sold its shares at THB 2.52 per share.

UKEM stands at the forefront of Thai chemical industry

The company imports and distributes commodity solvents, which are a by-product of the crude oil refining process. Solvents are used as primary ingredients for paints in construction, automobiles, and packaging as well as industrial paint products.

Mr. Perajed Suwannapasri, Deputy Managing Director noted, "Since our inception in 1981, we have been well-



known for our quality products and services. UKEM won the trust and confidence of Thai MC Co., Ltd., a subsidiary of Mitsubishi Corporation of

Japan. Consequently, we have been a major solvents distributor for the Thai MC for over 25 years.

"Moreover, UKEM has also been appointed Thailand's 'branded distributor' by ExxonMobil Chemical (Thailand) Ltd., ExxonMobil is the world's leading producer of oil and chemical products," he said.

UKEM and subsidiaries join forces to achieve high growth

UKEM holds a 99.99% stake in its two subsidiaries;

- * *Lion Asia (Thailand) Co., Ltd.*, an importer and distributor of environment-friendly solvents; and
- * *Union Intraco Co., Ltd.*, an importer, exporter and distributor of specialty chemicals.

Union Petrochemical PCL (UKEM)



Mr. Perajed Suwannapasri
Deputy Managing Director

UKEM and its subsidiaries co-produce specialty chemicals for customers with special requirements and is continually targeting new markets.

"UKEM and its subsidiaries plan to introduce tailor-made chemicals for printing ink. The companies will commence commercial production of the new products by January 2007. This is expected to help UKEM achieve a 20% targeted y-o-y sales growth in 2007," Mr. Perajed added.

Consolidated financial summary (in THB million)

	2005	9M/2006
Sales revenue	1,489.05	1,396.08
- paint industry	46.59%	44.68%
- chemical manufacturing industry	12.58%	11.67%
- packaging industry	6.97%	4.79%
- leather, printing ink, chemical, agricultural and paper industries	16.26%	25.88%
- others	17.60%	12.98%
Net profits	6.67	30.54

Listing on mai enables the firm to repay debts and maintain sufficient working capital for business expansion. UKEM's dividend payment policy is to pay out no less than 40% of its net profits.

After the IPO, the company's principal shareholders are the Suwannapasri Group and Mr. Utai Lim, who hold 57% and 7.27%, respectively, of the company's paid-up capital.

For more information on Union Petrochemical PCL, please visit its corporate website at www.unionpetrochemical.com, mai's website at www.mai.or.th, or SETTRADE.Com's website at www.settrade.com.

Thai Depository introduces 'next-day buy-in, same-day settlement' rule

To improve risk management and lessen the possibility of damage to investors, Thailand Securities Depository Co., Ltd. (TSD) now requires a forced-buy in of securities settlements in default. The new arrangement was introduced via the 'next-day buy-in, same-day settlement' rule on December 4, as a lead-up to the 'same-day buy-in, same-day settlement' procedure to be implemented in late 2007. Member companies involved must pledge collateral before buying-in commences, and such purchases are to be made in units of board lots.

"The new requirement strengthens the Thai market's reliability and meets international standards as contained in the Group of Thirty (G-30)'s recommendation, and the World Federation of Exchanges' pronouncements. Increasing the competitiveness of the Thai market prepares us for the International Organization of Securities Commissions (IOSCO)'s Financial Sector Assessment Program," said TSD President Ms. Sopawadee Lertmanaschai.

Thai bourse co-hosts international workshop on investor education

The Stock Exchange of Thailand (SET), in conjunction with World Federation of Exchanges (WFE) and International Forum for Investor Education (IFIE), co-hosted the “Investor Education Workshop” for WFE members from U.S.A., Europe, and Asia. Held on December 6–8, the international forum brought together top executives from 26 exchanges and delegates from other relevant capital market organizations. Together they pooled their experience and insights, exploring current trends in, and challenges of, investor education.



“Why invest in investor education?”

NASD Investor Education Foundation Vice President



John M. Gannon delivered the keynote speech, “Why invest in investor education?” He noted there are three strong rationales underpinning a stock exchange or securities regulator putting resources into investor education:

“1. Investor education means understanding our key customer — the investor, which in turn allows us to improve measures that protect them. This results in better regulation, making for more efficient and just markets.

“2. We are in a unique position to educate investors, because we have market expertise and understanding of ethical investor behavior. Importantly, we have an impartial relationship with the investor, as we are not trying to sell them a product or service.

“3. We have a social obligation. Our contribution can benefit individuals and society. We are talking about quantifiable dividends — real financial rewards to investors, which translate into greater financial stability for families, communities and nations.”

Mr. Gannon noted that even though securities firms have the expertise and money to provide education, their investment information usually comes with a sales pitch. This deficit provides an investor education opportunity for stock exchanges and securities regulators.

“We have a niche and a mandate to develop tools and resources that the industry either cannot, or will not, develop,” he added.

Investor education—a high priority global issue

Interest in investor education has been growing internationally in response to factors such as global market

developments, on-going pension reforms requiring consumers to fund a greater portion of their retirement incomes, and a recognition that, to invest wisely, individuals need to be better informed about investment products.



“The increasing proportion of retail investors active internationally is illustrated by the US experience, where households accounted for nearly 57% of total equities investors in 2005 —

four times the number recorded in 1983. Retail investors held 88% of mutual funds in the U.S.A. Similar growth is reflected in the U.K. and Australia. Thus, we have a demand for investor education and protection, covering both risk and return. As financial products become more sophisticated, investors need to understand what they’re investing in and how to make informed financial decisions. Adequate knowledge and information can protect them from unwise risk exposure,” IFIE Chairman Nick Bannister stated.

TSI continues to promote investor education in Thailand

“Given the high priority of education with SET, workshop participants were keen to study materials from the Thailand Securities Institute (TSI) and Money Channel,” SET’s Capital Market Education Chairman Mr. Punsak Vejanurug said.

TSI elaborated the full range of its investor education activities, particularly those directed at youth, school, university and vocational students, and the general public. These programs’ curriculum design includes train-the-trainer, teacher development and activity-based education. Program resources cover student and teacher manuals, various books, e-learning, games, and media. Thailand’s first 24-hour TV channel focusing on finance and investment — Money Channel — which is run by SET’s subsidiary, Family Know-How Co., Ltd., provides outreach to the general public.

“TSI will reach about six million people this year, or 9.2% of the Thai population. The project is going well,

considering that it is only six years old. Its strategy of collaboration with other organizations, e.g. Ministry of Education, and securities and investment management firms, drew considerable interest from other exchanges, who are considering adapting TSI materials to their home countries," Mr. Punsak said.

SET is committed to developing financial literacy to benefit the economy overall. Similarly, to boost economic and institutional stability, Johannesburg Stock Exchange (JSE) is successfully working with the South African government to implement financial literacy as part of its national development agenda.

In more developed economies with high internet penetration, such as U.S.A., Australia, Japan and Singapore, the focus is on educating savers and new investors about financial instruments and associated risks. These programs tend to feature e-learning, investment simulations and competitions.

Internet: perfect for investor education programs

Internet simulation has become a popular tool in investor education programs. Access to internet trading over the last decade has greatly increased the number of retail investors.



Mr. Andrew Liew from Singapore Exchange Limited (SGX) discussed the popular online trading challenge, "StockWhiz". Its launch in August 2006 significantly increased market turnover in both volume and value.

"Online virtual trading will develop the next generation of retail derivatives traders. Virtual trade allows new traders to make normal mistakes without risking real capital. Consequently, new traders are more sophisticated when making the move to trading real money," Chicago Board Options Exchange delegate Ms. Cynthia Elsener added.

Other issues covered at the workshop included financial literacy, investor education for youth and adults, planning for retirement, information technology and ESG (environmental, social, and governance) education. ✍️

Thai bourse approves brokerage fee amendments

The Stock Exchange of Thailand (SET)'s Board of Governors recently changed brokerage or agent's fees and marketing officers' remuneration. The board amended SET's *Rules and Procedures for a) Charging Brokerage or Agent's Fees for the Buying or Selling of Listed Securities and b) Members' Good Corporate Governance*.

The changes will be introduced in three phases:

- **1st phase** (January 1, 2007 – December 31, 2009): normal trading will incur a minimum fee of 0.25% of trading turnover and internet trading fees will be 60% of the normal rate. Clients trading via the internet must do so only through their 'cash balance' or 'credit balance' accounts.
- **2nd phase** (January 1, 2010 – December 31, 2011): brokerage fees will be calculated on a sliding scale (see the table below). Internet trading rate will be 60% of the sliding scale.
- **3rd phase** (January 1, 2012): brokerage fees will become fully negotiable.

Brokerage Fees Scale

Daily trading turnover (X) (THB)	Brokerage fee (%)	Fees for each sale (THB)	Maximum accumulated fees for each sale (THB)
$X \leq 1$ million	≥ 0.25	2,500	2,500
$1 \text{ million} < X \leq 10$ million	≥ 0.22	19,800	22,300
$10 \text{ million} < X \leq 20$ million	≥ 0.18	18,000	40,300
$X > 20$ million	Negotiable		

Marketing officers' remuneration under the current incentive scheme is paid monthly, based on turnover. In the future, 25% of the incentive will be based on qualitative factors, such as investor base expansion, value added to clients' accounts, compliance with Securities Exchange Commission (SEC) and SET rules, and cooperation with internal and external surveillance. Member companies may elect to pay incentives on a six-monthly basis.

Salary-based remuneration to marketing officers, marketing chiefs and branch managers is unchanged. However qualitative factors, as above, should be considered in deciding bonuses.

Fees have been unchanged at a minimum rate of 0.25% for normal trade and 0.20% for internet trade for three years since January 14, 2002, then extended for another two years until January 13, 2007. SET discussed the amendments with its members and will now seek SEC approval for them. ✍️



Baan Rock Garden PCL deals in the real estate business of townhouses, single detached or semi-detached houses, and home offices. It emphasizes projects in Bangkok and other major economic growth areas, e.g., Meng-Jai and Bypass Road, Phuket.

The Company's projects include:

- 1. Baan Rock Garden Projects-Bangkok** – Rock Garden Home I and II are designed for a family earning around THB 150,000–250,000 per year. Prices range between THB 0.75–2.90 million per unit.
- 2. Baan Rock Garden-Meng Jai** The project includes 63 units of three-storey home offices, which the company designs for management-level employees, businessmen and business owners whose annual income ranges between THB 600,000–800,000 per year. Prices for these units are between THB 4.90–6.00 million.
- 3. Baan Rock Garden Project-Bypass Road, Phuket** – Baan Rock Garden- Bypass Phase 1 to 4 in this project are



currently on the Phuket market. The first two phases have a total selling price of THB 181.78 million, and are on Bypass Road. The first two phases include a total of 175 units

of 1-storey townhouses, with unit prices ranging between THB 0.84–1.20 million.

Baan Rock Garden Bypass 3 has 90 units of semi-detached houses, two-storey detached houses townhouses, and home offices. The total sales value of this project is approximately at THB 181.37 million. Units in this project cost between 1.49–3.27 million.

Phase 4 contains 52 semi-detached house, six detached houses, nine units of two-storey detached houses, and 15 units of 2.5-storey home offices. The total project sales value is at THB 167.15 million and the selling price starts at THB 1.49 to 3.20 million per unit. The company has another two phases planned for this project.

Consolidated financial summary (in THB million)

	9M/2006	9M/2005
Sales revenue	127.56	212.09
Net profits	24.08	39.68

Baan Rock Garden PCL (BROCK)



Mr. Virat Chinprapinorn
Chairman

“Sales revenues for the first nine months this year has dropped immensely compared to the same period last year due to heavy rains in Phuket, resulting in the delayed construction of Baan Rock Garden 3. Therefore, we were late in transferring the property rights to customers and realized the revenue gain in Q4, not Q3 as previously expected,” said Mr. Virat Chinprapinorn, Chairman, Baan Rock Garden PCL.

Raising funds on the mai to expand its business horizon

BROCK has THB 1 billion in paid-up capital, each share having a par value of THB 5.00. This is made up of an existing 160 million shares and 40 million capital increase shares. At its IPO on November 17, 20, and 21, the company sold its capital increase shares at THB 6 per share. Twenty million shares were allocated to retail and institutional investors, 18 million to the company's and subsidiaries' investors, and a further two million to the group's employees.

After the IPO, the principal shareholder of BROCK is the Silaparat family, who holds 75% of the company's paid-up capital. Other significant shareholders retain 19% collectively.

The firm plans to use the funds raised for land development and working capital. Its dividend policy is to pay out no more than 70% of its net profit after corporate taxes.

For more information on BROCK, please visit its corporate website at www.rockgarden.co.th, mai's website at www.mai.or.th, or SETTRADE.Com's website at www.settrade.com

Change in Name of Brokerage Firm

Date	Brokerage No.	Before Changing	Symbol	After Changing	Symbol
19/12/2006	18	TSEC Securities Limited	TSEC	KTBS Securities Company Limited	KTBS

With over 30 years' experience in integrated logistics and customs brokerage services, Eternity Grand Logistics PCL (ETG) is now one of few Thai-owned international-standard logistics companies in Thailand. Currently ETG handles nationwide distribution of goods, and its customs clearance services cover a full range of imports and exports.

Presently ETG has four subsidiaries—Eternity Transport Co., Ltd., Eternity Logistics Co., Ltd., Eternity Consulting & Services Co., Ltd., and EM Transport Co., Ltd.

Services being operated by the firm's subsidiaries include inland transportation and warehouse management, encompassing collection, storage, packing, dispatching and delivery of merchandise, together with logistics advice and transportation.

ETG becomes the first listed logistics company in Thailand

ETG was founded by the Thiapairat family with an initial investment of THB 5 million. ETG has become a listed company on Thailand's Market for Alternative Investment (mai), with THB 115 million (approx. USD 3.15 million) in paid-up capital. The company is the first comprehensive Thai logistics firm to list. The company's securities commenced trading on November 29, using "ETG" as their trading symbol.



ETG has THB 115 million in paid-up capital, each share having a par value of THB 1.00. This is comprised of an existing 90 million shares and 25 million capital increase shares. At its initial public offering (IPO) during November 20 - 21, ETG sold 23 million shares to the public at THB 3.40 per share, and another two million shares to the group's directors at THB 3.06 per share. Advisory Plus Co., Ltd. acted as ETG's financial advisor, and Bualuang Securities as its lead underwriter.

ETG has THB 115 million in paid-up capital, each share having a par value of THB 1.00. This is comprised of an existing 90 million shares and 25 million capital increase shares. At its initial public offering (IPO) during November 20 - 21, ETG sold 23 million shares to the public at THB 3.40 per share, and another two million shares to the group's directors at THB 3.06 per share. Advisory Plus Co., Ltd. acted as ETG's financial advisor, and Bualuang Securities as its lead underwriter.

Consolidated financial highlights (in THB million)

	2005	9M/2006
Total sales	735.46	801.68
Net profits	43.51	23.31

Eternity Grand Logistics PCL (ETG)



Mr. Poonsak Thiapairat
Managing Director

'ETERNITY's philosophy is ...

Excited about what we do and enhance our

Team spirit with everybody's

Extra effort. Be forever

Responsible, and remember

Never neglect our customers.

International standards are our aim, with

Total performance evaluations that show we

Yield the highest returns for all

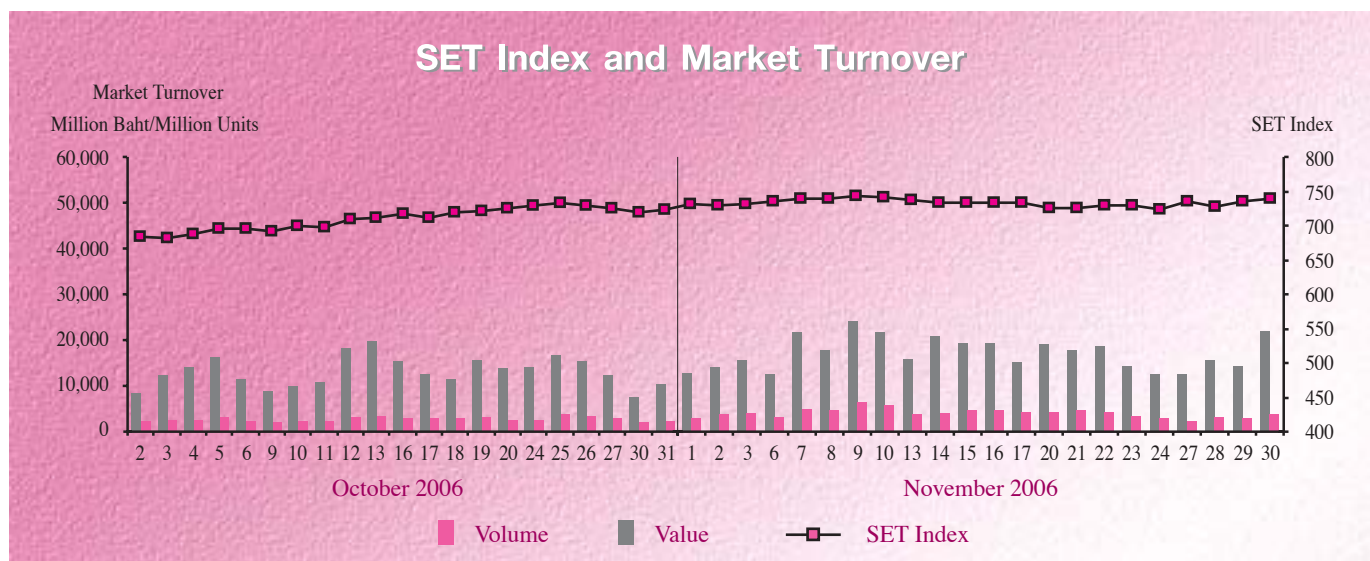
"Adhering to the company's philosophy, all ETG staff and management have proven their commitment to the company over the past decade," said Mr. Poonsak Thiapairat, ETG's Managing Director.

"Striving to become a leading logistics company in Southeast Asia by 2010, ETG plans to develop strategic partnerships with international counterparts to seek more opportunities in the international business arena," he added.

To prepare for business expansion, ETG and its subsidiaries plan to double the size of their warehouses. Construction work is expected to begin by 2007. The group will also enhance the efficiency of their integrated logistics computer software system to better serve customers. The system will be completed by Q2 of 2007.

ETG's dividend payment policy is to pay no less than 30% of its net profit as dividends. After the IPO, the principal shareholder in the company is the Thiapairat family, which holds 71.61% of the company's paid-up capital.

For more information on Eternity Grand Logistics PCL, please visit its corporate website at www.eternity.co.th, mai's website at www.mai.or.th, or SETTRADE.Com's website at www.settrade.com.



The Stock Price Indices in November 2006

Index	High (Date)	Low (Date)	Close	
			November 2006	Compared with October 2006 (%)
SET	743.85 (9)	723.87 (24)	739.06	↑ 2.30%
SET50	521.32 (9)	503.06 (24)	515.93	↑ 2.26%
SET100*	1,137.93 (9)	1,100.13 (24)	1,127.38	↑ 2.49%
mai	195.46 (30)	177.80 (1)	195.46	↑ 10.74%

* The SET100 Index was launched on May 3, 2005.

Stock Market Turnover in November 2006

	Volume (Million Shares)				Value (Million Baht)				
	November 2006		Compared with October 2006 (%)		November 2006		Compared with October 2006 (%)		
	SET	mai	SET	mai	SET	mai	SET	mai	
Total	84,182.07	2,181.05	↑ 59.46%	↑ 82.28%	Total	373,004.82	6,202.91	↑ 37.63%	↑ 111.53%
Daily Average	3,826.46	99.14	↑ 52.21%	↑ 73.99%	Daily Average	16,954.76	281.95	↑ 31.37%	↑ 101.91%

Statistics of Listed Debentures in November 2006

Issues	Total Outstanding Value (Million Baht)	Total Turnover	
		Volume (Units)	Value (Million Baht)
581	3,110,655.99	42,870	30.28

Transactions by Type of Investors*

Unit : Million Baht

Type of Investors	October 2006				November 2006			
	Buy	%	Sell	%	Buy	%	Sell	%
Foreigners (corporate & individual)	101,683.13	37.12	83,442.23	30.46	127,800.88	33.70	125,223.28	33.02
Local Institutions**	33,028.44	12.05	39,254.39	14.33	43,044.42	11.35	37,650.92	9.93
Local Investors	139,243.47	50.83	151,258.43	55.21	208,362.43	54.95	216,333.53	57.05
Total	273,955.05	100.00	273,955.05	100.00	379,207.73	100.00	379,207.73	100.00

* Including securities companies, mutual funds, banks, finance firms, insurance companies, juridical entities and provident funds

** Including transactions of mai

Top Ten Securities with Highest Market Value in November 2006

Rank	Securities		Market Value	
			Million Baht	% of Total
1	PTT	PTT	645,058	12.20
2	PTT Exploration and Production	PTTEP	361,460	6.83
3	The Siam Cement	SCC	297,600	5.63
4	Advanced Info Service	ADVANC	243,639	4.61
5	Bangkok Bank	BBL	234,787	4.44
6	Kasikornbank	KBANK	167,941	3.18
7	Krung Thai Bank	KTB	154,280	2.92
8	IRPC	IRPC	142,350	2.69
9	The Siam Commercial Bank	SCB	132,551	2.51
10	Thai Oil	TOP	125,461	2.37
Total			2,505,127	47.38

Top Ten Most Actively Traded Securities (Main Board) in November 2006

Rank	Securities		Number of Securities	Turnover Value	
				Million Baht	% of Total
1	PTT	PTT	63,306,226	14,279.04	4.10
2	Bangkok Bank	BBL	104,108,456	12,747.58	3.66
3	TPI Polene	TPIPL	870,892,585	11,877.70	3.41
4	Kasikornbank	KBANK	168,008,449	11,846.01	3.40
5	PTT Exploration and Production	PTTEP	103,994,505	11,145.40	3.20
6	Krung Thai Bank	KTB	771,481,112	10,277.63	2.95
7	The Siam Commercial Bank	SCB	134,804,539	9,104.70	2.61
8	Advanced Info Service	ADVANC	101,823,133	8,656.38	2.49
9	The Siam Cement	SCC	34,299,223	8,575.01	2.46
10	Navanakorn	NNCL-W 1	4,440,012,800	8,183.63	2.35
Total			6,792,731,028	106,693.08	30.63

* Excluding transactions on Foreign Board and mai

Top Ten Most Actively Traded Securities (Foreign Board) in November 2006

Rank	Securities		Number of Securities	Turnover Value	
				Million Baht	% of Total
1	Bangkok Bank	BBL-F	55,877,581	7,245.02	29.27
2	Kasikornbank	KBANK-F	100,568,105	7,229.43	29.21
3	Advanced Info Service	ADVANC-F	37,175,340	3,204.96	12.95
4	The Siam Cement	SCC-F	10,934,654	2,915.48	11.78
5	Land and Houses	LH-F	173,027,240	1,488.59	6.01
6	Krung Thai Bank	KTBF-F	70,198,500	961.61	3.88
7	Bank of Ayudhya	BAY-F	21,506,000	444.86	1.80
8	Banpu	BANPU-F	2,177,656	360.81	1.46
9	Thai Union Frozen Products	TUF-F	6,886,100	173.62	0.70
10	Kiatnakin Bank	KK-F	4,701,300	146.79	0.59
Total			478,351,176	24,024.38	97.05

* Excluding transactions of mai

Top Ten Outstanding Non-Voting Depository Receipts (NVDRs) in November 2006

Rank	Securities		Number of NVDRs	% of Paid-up Capital
1	Raimon Land	RAIMON-W	454,019,618	58.65
2	Golden Land Property Development	GOLD	213,463,072	33.88
3	Raimon Land	RAIMON	663,333,864	31.46
4	Jasmine International	JAS-W	27,107,520	30.21
5	Tisco Finance	TISCO	162,633,268	30.05
6	LPN Development	LPN	410,644,939	27.83
7	Hemaraj Land and Development	HEMRAJ-W	116,543,091	27.63
8	Pranda Jewelry	PRANDA	79,140,700	24.74
9	Land and Houses	LH	2,037,831,365	24.04
10	Bangkok Land	BLAND	3,530,325,788	22.49

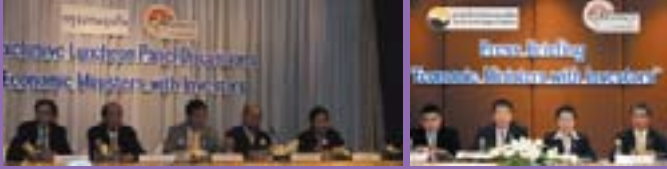
Market data of TFEX* in November 2006

Transaction Summary	Sep 2006	Oct 2006	Nov 2006	Apr - Nov 2006
Total Volume (Contracts)	35,597	28,695	34,948	153,947
Daily Average Volume (Contracts)	1,779.85	1,366.43	1,588.55	1,054.43
Total Value (Million Baht)	17,413.47	14,338.86	18,073.54	75,986.94
Daily Average Value (Million Baht)	870.67	682.80	821.52	520.46
Month-end Open Interest (Contracts)	3,708	6,196	8,122	8,122

Market Summary: SET50 Index Futures		Open	High	Low	Settle
Symbol	Contract Month				
S50Z06	Dec-06	512.50	528.20	507.40	520.80
S50H07	Mar-07	513.00	528.00	507.50	521.70
S50M07	Jun-07	516.50	526.80	508.10	522.50
S50U07	Sep-07	516.00	527.80	509.90	522.70

* TFEX started its trading on April 28, 2006.

Thai bourse hosts economic ministerial forum



On November 10, The Stock Exchange of Thailand (SET), in conjunction with Federation of Thai Capital Market Organizations and the Foreign Brokers Club of Thailand, invited over 500 foreign fund managers, economists, and analysts to 'Open house with economic ministers', bringing together the Thai finance, commerce, energy and industry ministers to discuss the country's economic policies.

The discussion underscored the strength of the nation's economic fundamentals and development. Participants also considered the role of sufficiency economy principles in achieving sustained growth. ✍

Corporate governance forum details useful guidelines for investors



SET, in collaboration with CFA Society of Thailand and Thai Investors Association, held a seminar on corporate governance (CG) on November 30 at the SET Building. The event attracted the attention of investors, securities analysts and fund managers.

SET Executive Vice President Mr. Suthichai Chitvanich delivered the keynote address. Other distinguished speakers were CFA Society of Thailand Secretary Mr. Pisit Jeungpraditphan, who spoke on "Corporate governance for listed companies — guidelines for investors", and Mr. Lee Kha Loon, Head of CFA Centre for Asia Pacific, CFA Institute, who spoke on "Financial market integrity — do ethics and corporate governance matter?" ✍



Leading analysts gather at the 2nd Analysts' Forum

On November 13, over 20 leading analysts shared insights into economic and stock market trends for 2007 at the "2nd Analysts' Forum", co-hosted by SET and Securities Analysts Association (SAA), offering participants investment planning assistance for the coming year.

The many discussions and seminars covered topics such as "The economy and the stock market after the political reshuffle", "Cyclical stocks", "Dividend stocks" and "Long-term investment".

Analysts indicated stocks to watch in the Banking, Communication, Property & Construction, and Energy Industry Groups, together with high-yield and long-term investment opportunities. As well as obtaining expert information from analysts, participants received securities research papers free-of-charge. ✍

Thai Investors' Day provides guidance for 2007



This year's final Thai Investors' Day drew over 3,000 visitors to the SET building on December 2 – 3. The event provided participants with tips and guidance for 2007 under the theme: "Investment targeting in 2007".

The well-attended seminars included: 'Picking stocks for the Year of the Pig', "Will the stock market in the Year of the Pig be 'easy peasy'?" and 'Investing the new generation way'. Experts from securities and investment management firms were available for public consultation. Additional activities that attracted considerable interest were "Smart marketing 2006 contest" and an investment game called "Investment master". ✍

Thai Futures Exchange rewards top brokers and marketers



Thailand Futures Exchange PCL (TFEX) rewarded outstanding brokers and marketers in its "Top Star Tournament" campaign.

The 'Top Star: Most Active Award' worth THB 100,000 went to KGI Securities (Thailand) PCL,

which had the highest trading turnover of SET50 Index Futures. The three 'Top Star: Futures Icon Awards' — of THB 20,000 each for marketing representatives with the largest number of client accounts — went to Mr. Sitthikorn Hussakunpiamsuk of Phillip Securities (Thailand) PCL, Ms. Woraporn Trepopsakulsin of Kim Eng Securities (Thailand) PCL, and Ms. Jackavut Amonmaneeekul of KGI Securities (Thailand) PCL.

The "Top Star Tournament" was introduced during July 17 – October 16, 2006, as an incentive to brokerage firms to increase their business, and to recognize performance excellence in trade and investor base expansion.

As part of its ongoing promotional activities, the Exchange will host 'TFEX Best Awards 2006' to recognize brokers with this year's best performance in terms of both quality and quantity. The result will be announced in February 2007. ✍