



THE SET Newsletter

TAPAC, GFM, BLISS, TNX, PTL, and UTP List on the Bourse in December 2004



In December 2004, The Stock Exchange of Thailand (SET) and the Market for Alternative Investment (mai) welcomed another six new listings: **Tapaco Pcl. (TAPAC)**, **Goldfine Manufacturers (GFM)**, **Bliss-Tel Pcl. (BLISS)**, **Thainox Stainless Pcl. (TNX)**, **Polyplex (Thailand) Pcl. (PTL)**, and **United Paper Pcl. (UTP)**.

The fundraising fest started when TAPAC and GFM listed on the mai on Dec. 2nd and 7th respectively. The following week, four companies with strong fundamentals decided to enter into the Thai capital market by listing their securities on the SET: on Dec. 13th, BLISS became the newest member of the Technology Industry Group. Then on the next day, TNX listed in the Building and Furnishing Materials Group with paid-up capital of THB 8 bln. (approx. USD 204 mln.). PTL and UTP joined the stock market on the 15th and the 16th of the month, entering the Industrial Group. These six newcomers brought the total number of listed firms on the SET to 439 and the mai to 24. The year 2004 was a special one for the Bourse. Altogether, 36 firms listed on the SET and 14 listed on the mai, representing an 11% increase in the number of products now offered on the Thai capital market.

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Tapaco Pcl. (TAPAC) is a producer, assembler and distributor of plastic engineering parts. These are used in facsimile machines, printers, and auto audio products, accounting for 58%, 24%, and 17% of the total sales, respectively. TAPAC manufactures and supplies for both domestic and overseas markets, which respectively account for 44% and 56% of the company's total current sales.

To cope with the increasing demand for plastic parts, TAPAC recently increased its production capacity to approximately 800 tons per year. Hence, the management expects that they will not have to invest in expanding their production capacity in the near future.

Mr. Taiji Ninomiya, Chairman of TAPAC, disclosed that one of the company's major strengths is its high quality products and services as well as its effective management system. *"TAPAC has continued to enhance the quality of its products and services to meet its customers' diversified requirements. It consistently develops its products to serve multi-functional purposes to gain customer loyalty. The company's customers and business alliances are assured of its high efficiency, as TAPAC has earned ISO 9001:2000 and ISO 14001 Certificates, certified by Japan Quality Assurance (JQA),"* he said.

A strategic network helps strengthen TAPAC's foothold in the business arena

TAPAC holds a 94.80% stake in Tapaco Mold Co., Ltd., which produces injection molds for manufacturing plastic parts. This makes TAPAC a one-stop shop to better serve customer needs.

In addition, the company is also supported by Partner Industries Co., Ltd. (or "PNI", its major shareholder) in product design, production and market development. For this support, TAPAC has paid PNI for five years from August 2003.

To avoid competing against each other, PNI and TAPAC operate in different market segments. PNI offers its products

Tapaco Pcl. (TAPAC)



Mr. Taiji Ninomiya
Chairman of TAPAC

Consolidated financial summary (in THB mln.)

	2003	9M/2004
Total revenues	243.50	256.66
- Sales from plastic part products and services (from the operation of TAPAC)	239.67	240.98
- Sales from injection mold making (from the operation of TAPM)	3.66	14.10
Net profits	22.11	17.99

and services to Japanese customers, while TAPAC serves Thailand and other countries, excluding Japan.

TAPAC is receiving the Board of Investment's privileges for seven years. Its tax exemptions for its old factory will expire in 2007, while those of its new plant will expire in 2011.

TAPAC raises funds through the Thai capital market

TAPAC listed its 18.40 mln. shares on the Market for Alternative Investment (mai). Its holdings were comprised of 14.40 mln. existing shares and 4 mln. shares in capital increase, each with a par value of THB 5.00. The company has a total of THB 92 mln. (approx. USD 2 mln.) in paid-up capital. TAPAC sold 4.50 mln. shares (including the 0.50 mln. shares of Japan Asia Investment Co., Ltd.) to the public at THB 12.50 each, on November 24-25, 2004, which commenced trading on December 2, 2004, using **"TAPAC"** as their trading symbol. Kim Eng Securities (Thailand) Pcl. acted as its financial advisor.

TAPAC plans to use the proceeds from its capital increase to repay debts for building a new factory and purchasing machinery.

TAPAC's major shareholders after the IPO are a group of Japanese investors and the executives and employees of the PNI Group, who respectively hold 34.32% and 23.81% of the company's paid-up capital. As for TAPAC's dividend payment policy, it will pay out 40% of its net profits after taxes and legal reserves. ✍️

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Editorial Advisor >> Burin Kantabutra
Editor-In-Chief >> Phanit Kirdchockchai **Editor >>** Ratana Chuansnit
Language Editors >> Christopher Allen and Patrick Luchak, Ph. D.
Text >> Nareerat Santhayati, Panitee Chatpolarak **Design >>** Voravit Chincharoenkij
Publications & Media Department, The Stock Exchange of Thailand

Goldfine Manufacturers Pcl. (GFM) manufactures and exports jewelry products—rings, pendants, earrings, bracelets, necklaces, and brooches. Its main destinations are Europe and North America, accounting for approximately 67% and 30%, respectively, of the company's total sales.

GFM offers wholesalers a large variety of its unique jewelry designs as well as manufactures to its customers' own specifications.

GFM's strength lies in its product quality and unique product designs

GFM places a great deal of importance on its product quality. Numerous rigorous production controls and quality inspections are applied to every production stage from receipt of raw materials to product delivery. The company also stresses product R&D, and it continues to improve its product designs and production processes by implementing new technology, e.g., numerous computer graphics programs and a rapid prototyping system.

"With an experienced design team, GFM has a collection of over 5,000 designs for customers to choose from and each year new collections are constantly developed to meet the latest fashion trends. Having over 15 years of experience and a strong sense of product improvement, GFM has now become one of the leading jewelry exporters, with export sales of over THB 800 mln. (approx. USD 20 mln.) in 2003. The combined effect is customer satisfaction of product quality and design range," said **Mr. Anchatach Taechamatavorn**, Chairman of GFM.

GFM's financial highlights (in THB mln.)

	2003	9M/2004
Total revenues	819.28	664.47
Net profits	99.70	77.91

Increased production capacity is expected to drive GFM's growth in 2005

Since its factory is located in Export Zone 3 of the Lat Krabang Industrial Estate, GFM receives privileges on import and export taxes as well as any value-added taxes levied on it.

Mr. Anchatach also unveiled the company's plan to increase its production capacity. He said: *"Currently,*

Goldfine Manufacturers Pcl. (GFM)



goldfine

Mr. Anchatach Taechamatavorn

Chairman of GFM

our factory is running at its maximum production capacity of approximately 1,000,000 pieces per year. However, we still cannot effectively cope with our customers' huge orders. Consequently, GFM plans to spend approximately THB 40 mln. out of the total raised funds for its production capacity. A new factory, located in the same compound, will start manufacturing by Q1/2005 increasing overall production capacity by 20%. This is also expected to boost the company's total sales growth by 20% in 2005."

Determined to become the jewelry industry leader, GFM listed on the Market for Alternative Investment (mai) on December 7, 2004. The company had THB 150 mln. (approx. USD 4 mln.) in paid-up capital. Its holdings were comprised of 120 mln. existing shares and 30 mln. shares in capital increase, each with a par value of THB 1.00. GFM sold the capital increase portion (20% of its capital base after capital increase) to the public at THB 6.20 per share, on November 25-26, 2004. The securities commenced trading, using **"GFM"** as their trading symbol. Syrus Securities Pcl. acted as its financial advisor.

The fundraising proceeds will be used to increase its production capacity, expand its market base and repay its short-term debts. Remaining funds will be used for its working capital.

The major shareholder of GFM after the IPO is the Taechamatavorn group, who collectively holds a 72% stake of the company's paid-up capital. As for GFM's dividend payment policy, it will pay out no less than 40% of its net profits after taxes and legal reserves. ✍️

Listed Debentures in December 2004

Securities Name	Listing Date	Debentures Type	Maturity Date	Rating	Coupon	Coupon Rate	No. of Listed Bonds	Par Value (Baht/Unit)	Total Nominal Value
The Siam Cement Pcl. No. 2/2547 SCC08NA	02/12/2004	Unsecure	1/11/2008	A	Fixed	4.50%	10,000,000	1,000.00	10,000.00
Bank of Ayudhya Pcl. BAY13NA	20/12/2004	Subordinate/Unsecure	20/12/2013	A-	Fixed	Year 1-5: 4%, Year 6-10: 4.75%	12,000,000	1,000.00	12,000.00

Bliss-Tel Pcl. (BLISS) is one of Thailand's leading mobile phone and telecommunication equipment retailers. Since its establishment in 1989, the firm has offered numerous telecommunication devices and accessories. The company's products and services can be divided into three categories; 1) Mobile phones, as a dealer for leading brands of cellular phones, 2) SIM cards and refill cards, and 3) Mobile phone accessories. More than 80% of the company's income was derived from the sale of mobile phones in 2004.

BLISS stands in the forefront of Thailand's mobile phone industry

As a leading mobile phone retail chain store in Thailand's competitive wireless industry, BLISS prides itself on being one of the first to continually introduce quality products and provide after-sales services to its customers.

"Bliss-Tel specializes in the marketing and retailing of mobile phone products and accessories and has experienced rapid growth along the way to its goal of becoming Thailand's No.1 mobile phone distributor. The company is one of the largest authorized direct retail partners of Nokia, as well as a leading distributor of the world's other premier mobile phone manufacturers and service carriers, including Samsung, Motorola, and Sony Ericsson. For these reasons, BLISS is able to efficiently provide its customers with a wide range of quality products and services. Furthermore, the company places great importance on its after-sales services to specifically meet its customers' diversified needs. We offer product repair services at our Bliss-Tel Shops and Bliss-Tel Express outlets, as well as our retail shops nationwide. Also, customers are provided with useful information about products via the company's website (www.blisstel.com)," said **Mr. Attavit Ektanitphong**, Managing Director of BLISS.

BLISS is one of the three largest mobile phone retail chain stores in Thailand

BLISS operates a strong retailing network nationwide. BLISS can effectively provide its products and services to its customers through its 120 Bliss-Tel Shops and Bliss-Tel Express outlets located in strategic areas throughout Thailand as well as its 179 sales booths and over 200 sales dealers nationwide (as of December 31, 2004). BLISS also plans to expand its retail shops further to over 340 outlets nationwide by end-2005. This is aimed at maintaining the company's leadership position in this highly competitive business arena.

Mr. Attavit also noted: *"Customers may purchase mobile phones from Bliss-Tel and have them repaired at any of BLISS's outlets nationwide, and be assured of the same premium service standards. Since our retailing network is not franchised, BLISS can effectively supervise the quality of its services available at all of its outlets to maintain the same exacting standards."*

Bliss-Tel Pcl. (BLISS)



Mr. Attavit Ektanitphong
Managing Director of BLISS

BLISS's Financial summary (in THB mln.)

	2003	9M/2004
Total revenues	7,398.36	6,958.23
Net profits	71.57	92.88

Mr. Attavit went on to unveil the company's business goal, saying that BLISS is determined to focus on strategic and operational excellence to achieve an annual growth rate of no less than that of the mobile phone retail industry. He said: *"Despite the sluggish growth of Thailand's mobile phone industry during the past two years, BLISS had posted an impressive growth. After its listing on the SET, the company is therefore expected to grow even further with its greater financial liquidity."*

To prepare for further business expansion in the wireless communication market, Bliss-Tel decided to raise funds through the capital market. The company listed its securities in the Technology Sector, under the Communication Industry Group, on December 13, 2004, using the trading symbol **"BLISS"**. It had a paid-up registered capital of THB 230 mln. (approx. USD 6 mln.), comprised of its original 150 mln. shares plus an additional 80 mln. shares in capital increase at the par value of THB 1.00 per share. During November 29-30, 2004, BLISS raised funds by offering its 80 mln. capital-increase shares. The company offered 64 mln. shares to the public and 6 mln. shares to the Network Management Solution, at THB 6.20 per share. Another 10 mln. shares were sold to the company's executives, management team and employees at THB 4.00 per share. Finansa Securities Co. Ltd. acted as the company's financial advisor.

The company plans to use the bulk of its newly-raised funds for repaying its debts, expanding its retail network, and as its working capital. After its initial public offering, BLISS's 3 largest shareholders are Network Management Solution, the Kemachuntree Group and the Audiovox Corporation, which hold respectively 18.26%, 14.43% and 13.04% shares of the company's paid-up capital. To comply with its dividend payout policy of not less than 40% of its net profits available after its legal debt provision requirements; BLISS paid its dividend of THB 154.87 mln. (approx. USD 4 mln.) in 2004. This was equivalent to approximately 12.80% of its total market capitalization (as of December 31, 2004).

Thainox Stainless Pcl. (TNX) is a producer and seller of cold-rolled stainless steel products, used for various industrial purposes, under the trademark "TNX". It is the sole manufacturer in Thailand and a leading producer in South East Asia.

TNX: Thailand's sole stainless steel producer and a dominant producer in the ASEAN region

With an annual production capacity of 200,000 tons, TNX supplies its products to both domestic and export markets. Its domestic market share has significantly grown, from 42% in 1997 to 61% in 2003. Furthermore, TNX exports approximately 44% of its cold-rolled stainless steel products to over 30 countries worldwide, using the extensive and strongly established network of Arcelor Stainless International (ASI), one of the world's largest steel producers and distributors. TNX's major export markets are the ASEAN countries, China, Australia, North America, and the Middle East.

Mr. Prayudh Mahagitsiri, Chairman & CEO of Thainox Stainless, disclosed the company's vision. He said: *"TNX will continue to improve its manufacturing technology to produce premium quality stainless steel so as to maintain its leadership position in the region and increase its penetration of both local and overseas markets. It will also promote greater use of stainless steel in everyday life."*

TNX's strong commitment to high quality standards is clearly proven by its attainment of several quality certifications, including:

- ISO 9002:1994, awarded by BVQI in 1999
- ISO 9001:2000, awarded by BVQI in 2003
- ISO/IEC 17025:1999, awarded by TISI in 2004

TNX has become expert in manufacturing cold rolled stainless steel with technological transfers from the Arcelor Group, which was one of TNX's major shareholders. Also, TNX has placed a strong emphasis on its own R&D activities. In 2001, the Metallurgy Department was established as an R&D center to continually improve the efficiency of the production process. Furthermore, the company founded the Thainox Research Center (TRC) in 2003. Equipped with the most advanced instruments, this internationally-recognized research center is set up to improve technical and operational excellence in stainless steel products to serve customers' diversified needs.

TNX's financial highlights (in THB mln.)

	2003	9M/2004
Total revenues	12,663.31	10,098.33
Net profits	2,679.61	1,575.13
Return on Equity	22.25%	19.64%

Thainox Stainless Pcl. (TNX)



Mr. Prayudh Mahagitsiri
Chairman & CEO of TNX

High growth potential of stainless steel industry will boost TNX's growth

Mr. Prayudh also spoke on the prospects of the stainless steel industry. He said: *"Today, TNX is a key player in the stainless steel industry in Thailand and Southeast Asia. These markets have strong growth potential. In Thailand alone, the average yearly consumption of cold-rolled stainless steel is only 2.14 kilograms per person, which is relatively low when compared with other Asian countries, such as South Korea and Taiwan, which consume over 10 kilograms per capita. Therefore, I strongly believe that there is definitely a huge opportunity to increase stainless steel consumption in the local market. Moreover, the continuous growth of ASEAN economies is also driving up the demand for high-quality stainless steel in the region. Such promising growth for the stainless steel industry should, therefore, result in favorable growth of TNX."*

To be ready for such promising growth, Thainox Stainless Pcl. decided to raise funds by listing on The Stock Exchange of Thailand in the Building and Furnishing Materials Industry Group (Property and Construction Sector). The company's shares began trading from December 14, 2004 onwards, using **"TNX"** as their trading symbol. The company had a total paid-up capital worth THB 8 bln. (approx. USD 204 mln.), consisting of an existing 7,670,411,666 shares plus an additional 329,588,334 shares in capital increase, with a par value of THB 1.00 per share. During November 30 and December 3, 2004, TNX offered 329,588,334 shares in capital increase and 2,170,411,666 of its original shares to the public at THB 2.10 per share. Tisco Securities Co. Ltd. acted as its financial advisor. The proceeds from the share offering will be used as the company's working capital.

After its initial public share offering, TNX's major shareholder is the Mahagitsiri Group, holding 65.30% of the company's shares. The group's holdings are comprised of a 39.16% stake held by Lakewood Real Estate Co. Ltd., a 24.20% stake by Mr. Prayudh Mahagitsiri, and a 1.94% stake by Lakewood Country Club Co. Ltd. TNX will pay out dividends of no less than 50% of its net profits after taxes and other reserves.

The SET Posted a Total Trading Value of Over THB 5 Trillion in 2004

The Stock Exchange of Thailand (SET) experienced both ups and downs throughout 2004, amid ever-changing market conditions. The total trading turnover in 2004, as of December 30, 2004, was recorded at approximately THB 5 trillion (approx. USD 124 bln.), a 7.6% increase over 2003. The average daily trading value of THB 20,500 mln. (approx. USD 509 mln.) represents an 8.47% rise year-on-year. The market P/E (price/earnings ratio) was about 9.4 times.

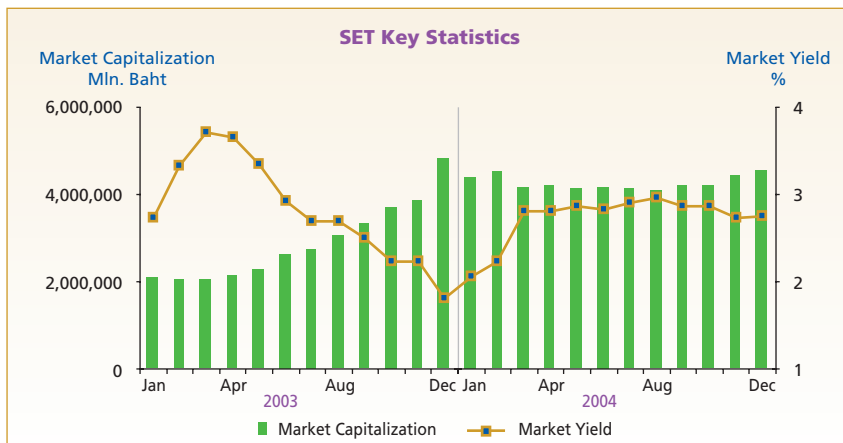
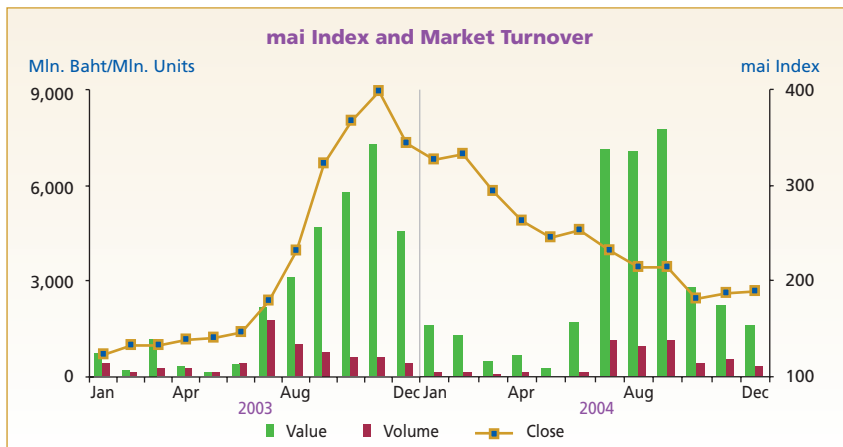
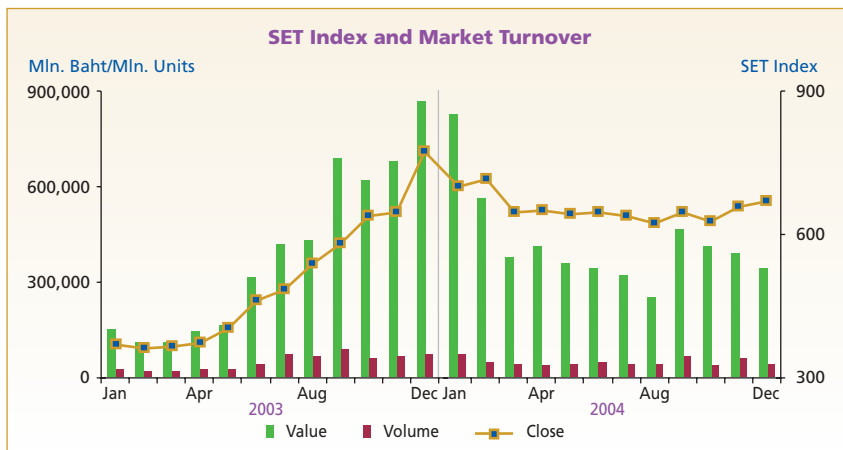
Although the total trading turnover increased, the SET Index declined from year-end 2003, due to numerous external and internal factors. The causes included increasing crude oil prices, exchange rate fluctuations, rising interest rates, the local bird flu epidemic and the unrest in Thailand's 3 southern provinces, as well as the recent catastrophe of the tsunami in 6 southern provinces. Due to these factors, the SET Index closed on December 30, 2004, at 668.10 points,

a decrease of 104.05 points, or 13%, from 2003. Meanwhile, the mai Index closed at 188.07 points, a 45% decrease over 2003.

The SET's total market capitalization was recorded at approximately THB 4.5 trillion (approx. USD 112 bln.), down by 5.59% compared to 2003-end. In the meantime, the mai's market capitalization was at THB 11.70 bln. (approx. USD 291 mln.), down by 14.52% over 2003. Throughout 2004, there were a total of 36 new listings on the SET and 14 on the mai, bringing the total number of listed firms on the SET to 439 and the mai to 24.

As for trading by type of investors, local institutions and foreign investors had net buy values of THB 2,790 mln. (approx. USD 69 mln.) and THB 5,646 mln. (approx. USD 140 mln.) respectively. Meanwhile, local individual investors had a net sale of THB 8,436 mln. (approx. USD 209 mln.).

Market Statistics (2003 - 2004)



New Listing Summary of 2004

The Stock Exchange of Thailand (SET)

No.	Company	Symbol
1	Quality Construction Products Pcl.	Q-CON
2	Sahacogen (Chonburi) Pcl.	SCG
3	Grande Asset Development Pcl.	GRAND
4	Airports of Thailand Pcl.	AOT
5	Eastern Commercial Leasing Pcl.	ECL
6	N.C. Housing Pcl.	NCH
7	S. Pack & Print Pcl.	SPACK
8	Areeya Property Pcl.	AREEYA
9	CS LoxInfo Pcl.	CSL
10	Nava Nakorn Pcl.	NNCL
11	SiS Distribution (Thailand) Pcl.	SIS
12	Professional Waste Technology (1999) Pcl.	PRO
13	Asia Metal Pcl.	AMC
14	MIDA Leasing Pcl.	ML
15	Oishi Group Pcl.	OISHI
16	K-TECH Construction Pcl.	KTECH
17	Seafoo Pcl.	SEAFCO
18	Asian Insulators Pcl.	AI
19	Samchai Steel Industries Pcl.	SAM
20	DE Capital Pcl.	DE
21	DCON Products Pcl.	DCON
22	Workpoint Entertainment Pcl.	WORK
23	T.Krungthai Industries Pcl.	TKT
24	Globlex Holding Management Pcl.	GBX
25	Group Lease Pcl.	GL
26	SNC Former Pcl.	SNC
27	Thai Oil Pcl.	TOP
28	Syrus Securities Pcl.	SYRUS
29	Mangpong Pcl.	PONG
30	Pacific Pipe Pcl.	PAP
31	Bangkok Chain Hospital Pcl.	KH
32	MCOT Pcl.	MCOT
33	Bliss-Tel Pcl.	BLISS
34	Thainox Stainless Pcl.	TNX
35	Polyplex (Thailand) Pcl.	PTL
36	United Paper Pcl.	UTP

The Market for Alternative Investment (mai)

No.	Company	Symbol
1	Pico (Thailand) Pcl.	PICO
2	Business Online Pcl.	BOL
3	L.V. Technology Pcl.	LVT
4	Unique Mining Services Pcl.	UMS
5	Interlink Communication Pcl.	ICT
6	Lighting & Equipment Pcl.	L&E
7	Dhanamitr Factoring Pcl.	DM
8	C.M. Organizer Pcl.	CMO
9	Focus Engineering and Construction Pcl.	FOCUS
10	Solution Corner (1998) Pcl.	SLC
11	Sherwood Chemicals Pcl.	SWC
12	Porn Prom Metal Pcl.	PPM
13	Tapaco Pcl.	TAPAC
14	Goldfine Manufacturers	GFM

SET to Implement 13 IT Projects To Better Serve the Integrated Market in 2005


The Stock Exchange of Thailand (SET) has recently disclosed that it will implement 13 new IT projects in 2005, to better assist in the development of the entire Thai capital market, which is expected to become more integrated with a greater variety of financial instruments, including equity, debt, and derivatives.

With the mission of developing its IT capabilities to keep up and serve any imminent innovations, the SET's Information Technology Division is prepared to implement 13 IT projects in 2005. The 13 projects are aimed at continually upgrading and improving the SET's IT system capabilities. In particular, the SET is preparing to serve the trading system for the derivatives market, which will start operations in 2005. Out of the 13 projects, 7 are new while the other 6 are ongoing projects from 2004.

The 7 new projects will deal with several important areas, including the trading and clearing of derivative instruments and the development of the supporting system for bonds. The new projects will also cover the surveillance system for all 3 markets at the SET, the centralization of the clearing and settlement processes, and the systems necessary for securities borrowing and lending (SBL) as well as the repurchasing of government bonds and other debt

instruments. Furthermore, the SET will develop the linkages for clearing in the Real-Time Gross Settlement (RTGS) system, which in turn, will offer a one-stop service for investors, plus implement a back-up system for the brokers in case they experience internal system errors.

The 6 ongoing projects deal with the development of the SET's infrastructure and work systems. These projects cover the new order-matching system, the development or procurement of the back-office system, the multi-channel order-receiving system, the TSD's work system, an improvement of the SET's information dissemination channels, the SET's system back-up center, and the establishing of service standards. The projects are aimed at improving investor services and service quality to better assure customer satisfaction whilst reducing the brokers costs.


All the projects will be geared towards improving the convenience and efficiency of the SET's services for all relevant parties in the securities business. The SET will work closely with its member companies, listed companies, investment management companies, as well as other relevant organizations in order that all parties will be better prepared for the changes and developments. 

TSD Prepared to Provide e-IPO Service Ahead of 2005 Initial Offerings

Thailand Securities Depository Co., Ltd. (TSD) celebrates its 10 year anniversary with the introduction of an electronic subscription service for Initial Public Offering (IPO) shares, called "e-IPO". The new service is for brokers to help them accommodate the new IPOs from over 100 companies planning to list on both The Stock Exchange of Thailand (SET) and the Market for Alternative Investment (mai) in 2005. The e-IPO service is expected to be available for securities companies and brokerage firms in February 2005.

The e-IPO service will handle various types of share subscriptions while helping reduce errors from such actions because of its reliable verification system and real time follow-up service. More importantly, this web-based application will help cut the costs of securities companies, because TSD will invest in the system for all brokers. For the public, TSD plans to develop a new system to enable them to subscribe to shares electronically through e-IPO on the Internet as well as to directly debit payments from their accounts on-line (e-Payment).

In addition, TSD also is prepared to launch its **Securities Borrowing and Lending service (SBL)** for member companies, in order to help cut their costs and simultaneously provide investors with more efficient tools for their investment management. This service is expected to come into operation in 2Q/2005.

In addition to the above-mentioned new services, TSD also plans to further develop its after-sale services to improve the efficiency of its stock trading system, adhering to international standards. TSD plans to offer a one-stop after-sales service for securities trading by utilizing advanced technology and systems that can respond to users' demands and allow them to efficiently and quickly process their transactions for trading bonds, debt instruments and derivatives, regardless if they are the issuers, TSD members or investors. The implemented system in this service will comply with TSD's path of action, which it has followed over the past 10 years, which focuses on data security. 

Polyplex (Thailand) Pcl. (PTL) produces and distributes thin PET (polyethylene terephthalate) films, mainly to customers in packaging, industrial, and electrical industries. PTL exports approximately 90% of its products to overseas markets, while the remainder is sold locally.

Polyplex Group: The world's fifth biggest thin film producer

PTL's major shareholder is Polyplex Corp. Ltd. (PCL), a listed firm on the Bombay Stock Exchange and the National Stock Exchange of India, which has been in the producing film business for over 16 years. PTL also owns Polyplex (Singapore) Pte. Ltd., an investment vehicle for another Polyplex member in Europe. Together, these companies make the Polyplex Group the world's fifth largest thin film producer, with an annual production capacity of approximately 59,000 tons.

Mr. Manu Leopaiprote, Chairman of PTL, disclosed that the Group's international network benefits PTL in many ways, ranging from its marketing and distribution channels to technological support. He said: *"Apart from the Polyplex Group's wide acceptance among customers globally, PTL effectively provides products worldwide with its expansive network. PTL does business in North America, Europe, Southeast Asia, Far East, Australia, New Zealand, China and Pakistan, while PCL operates in South Asia, the Middle East, the Commonwealth of Independent States (CIS)/Russia and Africa. Another way that the Group benefits PTL is in terms of technology. PCL has been providing PTL technological support by periodically sending experts to train PTL's staff in Thailand. This helps optimize PTL's manufacturing technology, resulting in a premium quality production process."*

Polyplex Group will become the world's fourth largest producer and distributor of thin films after the establishment of a new firm in Turkey

Due to the expected product demand increase, the Polyplex Group has expanded its business network by establishing Polyplex Europa Polyester Film. Starting operations in Turkey by October 2005, this new member will mainly serve the demand for thin PET films in Europe, Middle East and CIS/Russia. The business expansion will reduce the Group's transportation and customs duty expenses, and deliver its products more promptly. After expanding production capacity in

Polyplex (Thailand) Pcl. (PTL)



Mr. Manu Leopaiprote
Chairman of PTL

Turkey, the Group will become the world's fourth largest producer and distributor of thin PET films.

Mr. Manu went on to talk about a major key strength of his firm: *"One of PTL's major competitive advantages lies in its lower production cost, compared to its competitors. The company has established itself as one of the most profitable producers of PET films, resulting from high productivity and low overheads,"* he noted.


PTL's financial summary (in THB mln.)

	April 2003-March 2004	April 2004-September 2004* (6 months)
Total revenues	1,718	1,595
Net profits	367	333

* Consolidated financial summary (after the establishment of Polyplex (Singapore) Pte. Ltd., a PTL subsidiary, in July 2004)

Polyplex (Thailand) Pcl. is listed in the Industrials Industry Group, Packaging Sector, with THB 800 mln. (approx. USD 20 mln.) worth of paid-up capital. It had 560 mln. existing shares and 240 mln. shares in capital increase, each with a par value of THB 1.00. These securities commenced trading on December 15, 2004 using **"PTL"** as their trading symbol. PTL sold its shares in an initial public offering (IPO) at THB 6.90 per share during Nov. 30-Dec. 1, 2004. The company's financial advisor was Advisory Plus Co., Ltd.

The raised proceeds will be used to purchase machinery to enhance the company's productivity and quality, repay its debts, and be used as as working capital.

After the IPO, PTL's two major shareholders are Polyplex (Asia) Pte. Ltd. and another member of the Group, Polyplex Corp. Ltd., which respectively hold 53.50% and 16.50% of its paid-up capital after the capital increase. As for its dividend payment policy, PTL will pay out about 40% of its net profits. 

United Paper Pcl. (UTP) manufactures and distributes Kraft paper for the packaging industry, mainly for the domestic market. The company's product lines are Kraft liner board and corrugating medium, which are generally used for the production of corrugated paper containers. Since its establishment in 1990, UTP has proven its ability to manufacture high-quality products, so it was certified by the United Kingdom Accreditation Services (UKAS) for its high quality standards.

UTP: Thailand's dominant Kraft paper manufacturer has an outstandingly high profit margin

UTP has been widely recognized as one of Thailand's leading Kraft paper producers. Currently, it ranks No.8 among the industry's key players in terms of market share. More interestingly, the company's gross profit margin stood at 18.92% in 2003, ranked it 2nd among its business rivals.

Mr. Mongkol Mangkornkanok, Managing Director of UTP, unveiled the company's plan to increase its production capacity to serve its customers' demands. *"Although UTP is now running at 95% of its total production capacity, it cannot efficiently serve customers' huge orders. We now have orders that exceed our production capacity by approximately 8%. Consequently, UTP is planning to increase its annual production capacity from 100,000 tons to 130,000 tons. The company will then be able to expand its sales volume and adequately serve its customers' demands,"* he said.

Moreover, UTP also plans to construct a co-generation power plant to produce electricity and steam for its paper production. The project will require an investment of approximately THB 280 mln.-300 mln. (approx. USD 7 mln.). It is expected that the company will be able to save at least THB 50 mln. (approx. USD 1.25 mln.), or a 25% of its energy expenses, per year after the commencement of the power plant's operation in Q2/2005.

High growth potential due to projected increase in local consumption is expected to boost demand for UTP's products

Mr. Mongkol went on to disclose that the local paper manufacturing industry has a promising outlook. He noted: *"Currently, the annual paper consumption in Thailand stands at 39 kg. per capita. This is relatively low, compared with other countries, e.g. the USA (300 kg.), Japan (240 kg.), or Malaysia (98 kg.). This*

United Paper Pcl. (UTP)



Mr. Mongkol Mangkornkanok
Managing Director of UTP

obviously shows that there remains a large amount of room for growth in local paper consumption, and indicates a promising future for UTP's continued growth."

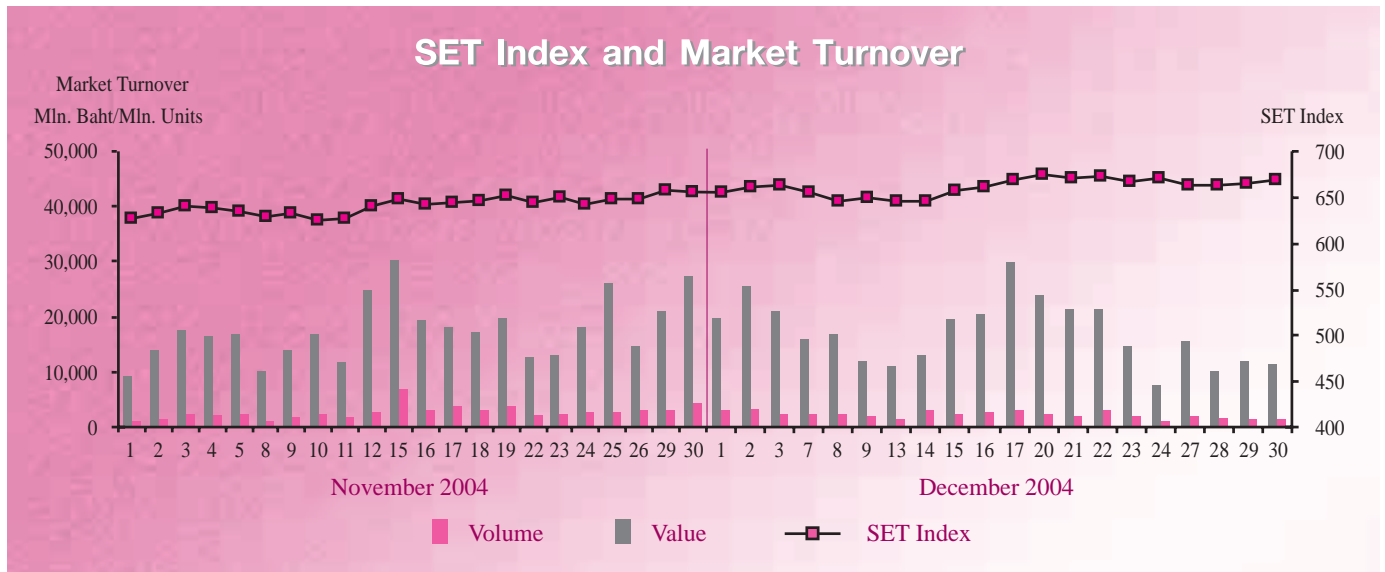
Thanks to the upward trend of the demand for its products, UTP has been preparing to increase and improve its production capacity. In doing so, the company decided to raise funds through the Thai capital market. UTP listed its securities on The Stock Exchange of Thailand, in the Industrials Industry Group (Pulp & Paper Sector), on December 16, 2004. The company had THB 650 mln. (approx. USD 17 mln.) worth of paid-up capital. Its shares were comprised of 99.32 mln. existing shares and 30.68 mln. shares in capital increase, each with a par value of THB 5.00. The securities use **"UTP"** as their trading symbol. On December 1-3, 2004, the company sold its capital increase shares in its initial public offering (IPO), at THB 9.50 per share. Finansa Securities Co., Ltd. acted as UTP's financial advisor.

The fundraising proceeds will be used to construct a co-generation power plant to produce electricity and steam for its paper production. The remaining proceeds will be used for repaying its long-term debts.

UTP's financial summary (in THB mln.)

	2003	9M/2004
Total revenues	1,448	1,160
Sales revenues	1,446	1,158
Net profits	103	103
(excluding profits from the company's financial restructuring)		

The three major shareholders of UTP are the Chinsettawong group, the Mangkornkanok group, and Marketing Consultant Co., Ltd., respectively holding 29.71%, 12.11%, and 8.31% of the company's paid-up capital after the IPO. As for its dividend payment policy, UTP will pay out 50% of its net profits after taxes.



The Stock Price Indices in December 2004

Index	High (Date)	Low (Date)	Close	
			December 2004	Compared with November 2004 (%)
SET	675.71 (20)	645.41 (8)	668.10	↑ 1.73%
SET50	47.66 (20)	45.08 (8)	46.87	↑ 1.69%
mai	189.40 (24)	186.42 (7)	188.07	↑ 0.14%

Stock Market Turnover in December 2004

	Volume (Mln. Shares)				Value (Mln. Baht)				
	December 2004		Compared with November 2004 (%)		December 2004		Compared with November 2004 (%)		
	SET	mai	SET	mai	SET	mai	SET	mai	
Total	42,615.76	293.21	↓ 23.43%	↓ 42.78%	Total	341,023.77	1,561.86	↓ 11.44%	↓ 29.35%
Daily Average	2,130.79	14.66	↓ 15.77%	↓ 37.05%	Daily Average	17,051.19	78.09	↓ 2.58%	↓ 22.29%

Statistics of Listed Debentures in December 2004

Issues	Listed Debentures		Total Turnover	
	Units	Total Par Value (Mln. Baht)	Units	Value (Mln. Baht)
39	203,770,000	194,854.35	19,400	19.48

Transactions by Type of Investors**

Unit : Mln. Baht

Type of Investors	November 2004				December 2004			
	Buy	%	Sell	%	Buy	%	Sell	%
Foreigners (corporate & individual)	100,512.18	25.95	81,597.22	21.07	95,746.62	27.95	72,052.83	21.03
Local Institutions*	32,722.74	8.45	32,975.94	8.51	31,093.10	9.08	44,689.20	13.04
Local Investors	254,054.87	65.60	272,716.63	70.42	215,745.91	62.97	225,843.60	65.93
Total	387,289.79	100.00	387,289.79	100.00	342,585.63	100.00	342,585.63	100.00

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

** Including transactions of the mai

Top Ten Securities with Highest Market Value in December 2004

Rank	Securities		Market Value	
			Mln. Baht	% of Total
1	PTT	PTT	483,923.51	11.10
2	Advanced Info Service	ADVANC	315,135.12	7.23
3	The Siam Cement	SCC	292,800.00	6.72
4	Bangkok Bank	BBL	198,505.97	4.55
5	PTT Exploration & Production	PTTEP	189,466.40	4.35
6	Kasikornbank	KBANK	124,090.29	2.85
7	Shin Corporation	SHIN	117,406.88	2.69
8	Thai Oil	TOP	104,041.42	2.39
9	Krung Thai Bank	KTB	100,617.74	2.31
10	The Siam Commercial Bank	SCB	83,066.10	1.91
Total			2,009,053.43	46.10

Top Ten Most Actively Traded Securities (Main Board) in December 2004

Rank	Securities		Number of Securities	Turnover Value	
				Mln. Baht	% of Total
1	Thai Oil	TOP	455,411,161	21,407.60	6.69
2	Siam City Bank	SCIB	662,027,022	16,486.45	5.15
3	PTT	PTT	82,702,928	14,205.23	4.44
4	True Corporation	TRUE	1,364,226,166	10,935.84	3.42
5	Bangkok Bank	BBL	94,166,483	10,011.51	3.13
6	The Siam Cement	SCC	34,913,524	8,387.76	2.62
7	Krung Thai Bank	KTB	878,307,230	7,897.21	2.47
8	Kasikornbank	KBANK	144,604,144	7,840.15	2.45
9	Advanced Info Service	ADVANC	75,963,338	7,801.79	2.44
10	The Siam Commercial Bank	SCB	154,410,509	7,744.84	2.42
Total			3,946,732,505	112,718.38	35.23

* Excluding transactions on Foreign Board and the mai

Top Ten Most Actively Traded Securities (Foreign Board) in December 2004

Rank	Securities		Number of Securities	Turnover Value	
				Mln. Baht	% of Total
1	Bangkok Bank	BBL-F	67,898,403	7,776.76	37.01
2	Siam Cement	SCC-F	22,210,480	5,708.99	27.17
3	Kasikornbank	KBANK-F	92,920,500	5,392.75	25.67
4	Land and Houses	LH-F	111,183,000	1,196.81	5.70
5	Tisco Finance	TISCO-F	8,008,300	202.24	0.96
6	Electricity Generating	EGCOMP-F	2,169,100	158.55	0.75
7	Thai Union Frozen Products	TUF-F	5,809,600	145.93	0.69
8	Siam Commercial Bank	SCB-F	1,163,800	59.13	0.28
9	True Corporation	TRUE-F	6,820,900	54.84	0.26
10	Siam Commercial Bank	SCB-Q	1,015,000	49.67	0.24
Total			319,199,083	20,745.68	98.74

* Excluding transactions of the mai

Top Ten Outstanding Non-Voting Depository Receipts (NVDRs) By Percentage of Paid-up Capital (as of 30 December 2004)

Rank	Securities	Number of NVDRs	% of Paid-up Capital	
1	Golden Land Property Development	GOLD	218,347,662	34.65
2	Univentures	UV-W1	43,323,000	25.04
3	Univentures	UV	129,236,749	24.76
4	Home Product Center	HMPRO-W1	80,011,128	21.51
5	Land and Houses	LH	1,588,510,432	19.63
6	Siam Panich Leasing	SPL	38,629,508	17.97
7	Aapico Hitech	AH	41,208,705	17.17
8	M.K. Real Estate Development	MK	141,209,624	16.29
9	Raimon Land	RAIMON	182,306,345	16.21
10	Bangkok Bank	BBL	307,214,200	16.10

Top Ten Outstanding Non-Voting Depository Receipts (NVDRs) By Number of NVDRs (as of 30 December 2004)

Rank	Securities	Number of NVDRs	% of Paid-up Capital	
1	Land and Houses	LH	1,588,510,432	19.63
2	The Thai Military Bank	TMB	350,560,201	2.63
3	Hemraj Land and Development	HEMRAJ	344,663,400	5.91
4	Krung Thai Bank	KTB	315,352,887	1.45
5	Bangkok Bank	BBL	307,214,200	16.10
6	Kasikornbank	KBANK	291,594,381	12.34
7	Quality Houses	QH	242,168,515	3.29
8	Golden Land Property	GOLD	218,347,662	34.65
9	Bank of Ayudhya	BAY	199,444,825	7.00
10	Asian Property Development	AP	195,203,186	8.59

Six New Listed Companies Welcomed to the Bourse

In December 2004, The Stock Exchange of Thailand (SET) welcomed six new listed firms to the bourse—**Bliss-Tel Pcl. (BLISS)**, **Thainox Stainless Pcl. (TNX)**, **Polyplex (Thailand) Pcl. (PTL)**, and **United Paper Pcl. (UTP)** in the main market, and two listed firms—**Tapaco Pcl. (TAPAC)** and **Goldfine Manufacturers Pcl. (GFM)**—in the Market for Alternative Investment (mai).



BLISS



TNX



PTL



UTP



TAPAC



GFM

FeTCO Joins Forces in Providing Aid to Tsunami Victims



Mr. Suthep Peetakanont, Chairman of the Federation of Thai Capital Markets Organizations (FeTCO), disclosed that FeTCO has donated funds from its various members to help the tsunami victims in southern Thailand, while concurrently acting as a collection center for donated materials and money from other sources as well.

On January 9, 2005, FeTCO hosted **“A Walk to Unite All Thai Hearts for the South”** at Lumpini Park to express their feelings and concerns for Tsunami victims. The walk was held in Bangkok as well as in all four of Thailand’s regions, i.e., Kamphaeng Phet, Nongkhai, Amnaj Charoen, Petchburi, Chantaburi, and Ranong.

MKRC Cooperates with Praphansarn and Family Know-How to Establish a **“Literature and Bestseller Corner”** for Library Visitors

Maruey Knowledge & Resource Center (MKRC) has been working with Praphansarn Publishing Co., Ltd. to establish a **“Literature and Bestseller Corner”** to provide visitors to this library with bestselling books. Every month, Praphansarn provides some bestsellers to the MKRC for free, and it will invite renowned writers to events where they can meet their readers. Moreover, Family Know-How Co., Ltd. will help publicize Praphansarn’s publications through its TV and radio programs as well as in the newspapers without charge. This cooperation helps promote wider awareness of Praphansarn’s publications while promoting better reading habits amongst the youth and general public, in Bangkok and rural areas.



SET and CRMA to Promote Financial Literacy

The Stock Exchange of Thailand (SET) has signed a Memorandum of Understanding (MOU) with the Chulachomkhalao Royal Military Academy (CRMA) to jointly educate the academy’s cadets, lecturers, school staff, and the general public in finance and investment. The SET and CRMA will co-host educational activities about finance, investment, the market and economy, as well as provide opportunities for cadets and lecturers to learn on the www.tsi-thailand.org’s e-learning system. In addition, the SET has introduced a **“SET Corner”** to the CRMA’s library. This agreement is the SET’s sixth one made under the University Networking Project.

