



THE SET Newsletter



New
SET President
is ready to
further strengthen
the Thai capital market

Since its founding in 1975, The Stock Exchange of Thailand (SET), firmly at the hub of Thailand's capital market, has been an innovative, dynamic exchange offering an extensive range of products, services and trading facilities for investors, listed companies and other stakeholders. For 31 years, SET management and staff have devoted themselves to achieving the organization's goals and missions. One of the most outstanding SET people has been **Ms. Patareeya Benjapolchai**, now the 10th SET President.

Today, *SET Newsletter* provides readers with insights into the new President's vision, and her plans to further develop the capital market.

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Tirathai PCL (TRT), a leading producer and distributor of electrical transformers, has been raising funds through Thailand's Market for Alternative Investment (mai) for expansion and to strengthen its capital base.

TRT, whose services include the installation, maintenance, and testing of transformers, operates under the trademark "TIRATHAI". It has a variety of local and overseas customers, including state electricity enterprises such as Electricity Generating Authority of Thailand, Provincial Electricity Authority, and Metropolitan Electricity Authority, and industrial plants, major buildings, and electrical contractors,

"TIRATHAI": A brand of premium quality

"Currently, TRT is one of three manufacturers in Thailand who produce power transformers. One of its competitive advantages is the breadth of its product range, which vary from small transformers with a capacity of over 10 MVA, or 36kv, to major ones which can handle more than 200 MVA, or 230kv", noted Mr. Sumpun Vongphan, Managing Director of TRT.

He continued, "TRT also produces distribution transformers, which are used to lower the voltage between power lines and users. These include oil and dry cast resin transformers, with a capacity of less than 10 MVA, or less than 36kv, and are used mainly in chemical, anodizing and plating processes.



"With over 15 years of experience, our made-to-order

Tirathai PCL (TRT)



Mr. Sumpun Vongphan
Managing Director

TRT's consolidated financial summary (in THB million)

	Q1/2006	Q1/2005	2005
Sales revenue	259.51	316.81	1,035.73
Net profit/(loss)	(0.98)	29.95	77.34

electrical transformers, under the brand name 'TIRATHAI', are well-recognized by our customers. In 2005, TRT had over 70% of the domestic market, and is now exporting to Japan, and the ASEAN region.

"To increase our global competitiveness, TRT has focused on quality improvement. Our best-practice strategy has entailed the establishment of joint ventures and knowledge transfer arrangements with several international market leaders in transformer production, such as VA TECH EBG Transformatoren GmbH&Co from Austria, and Fuji Electric Systems Co., Ltd. from Japan", he concluded.

Presently the company holds a 99.99% stake in its three subsidiaries — Thai Fin Co., Ltd., HTT (Thailand) Co., Ltd. and Tirathai E&S Co., Ltd.

TRT has THB 202.64 million (approx. USD 5.33 million) in paid-up capital. This is made up of 71.32 million ordinary shares, plus 30 million shares in capital increase, with each share having a par value of THB 2.00. Its securities commenced trading on May 10, 2006, with "TRT" as their trading symbol. During April 26 - 28, 2006, the company sold the capital increase shares at its initial public offering (IPO) at THB 5.75 per share. KGI Securities (Thailand) PCL acted as financial advisor.

TRT's principal shareholders include Mr. Sumpun Vongphan, SEAVI III Fund (B) Ltd., and Mr. Charuvit Suanmalee, who respectively hold 12.30%, 10.54%, and 5.87% of the company's paid-up capital after the IPO. TRT's dividend payment policy is to pay no less than 50% of net profit.

For more information on Tirathai PCL, please visit its corporate website at www.tirathai-transformer.com, mai's website at www.mai.or.th, or SETTRADE.Com's website at www.settrade.com.

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Thai Optical Group PCL (TOG), Thailand's leading producer and distributor of optical lenses, listed its securities on The Stock Exchange of Thailand (SET), in the Consumer Products Industry group (Personal Products & Pharmaceuticals sector). The company's securities commenced trading on May 16, with "TOG" as their trading symbol.

"TOG's technology includes producing high-impact resistant lens. Its products are distributed on an Original Equipment Manufacturer (OEM) basis and under its own brand, 'Excelite'. TOG is one of the world's top four independent producers of optical lenses, and the largest in Thailand. In 2005, TOG and its subsidiary (Thai Optical Co., Ltd.) sold 18.44 million pieces, accounting for 2.17% of the global market," said Mr. Sawang Prachartam, Managing Director of TOG.

The company has received several international certifications of production quality (ISO9002: 1994 - 1995, ISO9001: 2000 - 2004), and the "Golden Certificate" for export business operations from the Customs Department in 2003.

"TOG devotes maximum effort to research, experimentation and development to enhance efficiency and product quality. Our production control is meticulous, from raw material selection to final inspection, guaranteeing the highest quality standards are met," Mr. Sawang said.



"Our state-of-the-art technology allows us to design innovative products, such as 'Excelite Freedom', the ultimate individualized vision correctional lens. Excelite Freedom is individually tailored to decrease distortion and widen the wearer's range of vision. It delivers a viewing area 20% larger than do other general progressive lenses," he continued.

TOG widens its business horizons by listing on SET

TOG has THB 400 million (approx. USD 10.52 million) in paid-up capital, made up of an existing 332 million shares, plus 68 million shares in capital increase, all with a par value of THB 1.00 each. Between May 8 - 9, at its initial public offering (IPO), the company sold its capital increase shares at THB 2.80 per share,

Thai Optical Group PCL (TOG)



Mr. Sawang Prachartam

Managing Director

with 58 million shares distributed to retail and institutional investors, and another 10 million shares distributed to TOG benefactors. ACAP Advisory PCL acted as the firm's financial advisor and Ayudhya Securities PCL as the lead underwriter.

"Listing on the Exchange will strengthen TOG's capital base and enhance its competitive advantage, providing ready access to funding sources through the capital market. TOG's dividend payment policy is to pay no less than 40% of net profits after reserves," Mr. Sawang said.

TOG plans to use the funds raised for purchasing land, developing information technology, and as working capital.

TOG's financial highlights (in THB million)

	Q1/2006	Q1/2005	2005
Sales revenue	210.50	184.90	724.93
Net profit	23.73	21.00	52.60

"TOG plans to expand high-impact resistant lens production to meet the growing global demand. We will have established another production line for these lenses by 2007, increasing daily production to 10,000 pieces. In addition, the company will produce more of the highly profitable prescription lenses, the so called 'Rx lens'," Mr. Sawang added.

For more information on Thai Optical Group PCL, please visit the company's website at www.thaiopticalgroup.com, the SET's website at www.set.or.th, or SETTRADE.Com's website at www.settrade.com.

Changes in Names and Symbols of Listed Company and Member Companies

Date	Before Changing	Symbol	After Changing	Symbol
Listed Company 9/5/2006	Swedish Motors Corporation Public Company Limited	SMC	SMC Motors Public Company Limited	SMC
Member Companies 18/5/2006 22/5/2006	BNP Paribas Peregrine Securities (Thailand) Company Limited Intel Vision Securities Public Company Limited	BNPPP IVS	CIMB-GK Securities (Thailand) LTD. IV Global Securities Public CO., LTD.	CIMB-GK IVG

S.E.C. group was established in 1991 by Mr. Sompong Witthayaraksan, following the liberalization of the automobile industry under the then-Prime Minister, Mr. Anand Panyarachun. The company's ambition has been to import a range of luxury vehicles to meet the demands of the Thai market.

SECC...the specialty vehicle importer

The company currently imports and sells cars through five branches and two dealerships. The focus is on Japanese and European brands, e.g., Toyota, Honda, Mazda, Nissan, Volkswagen, Mercedes Benz and Porsche.

SECC's five branches each provide full vehicle service, including maintenance and mileage, parts and machining, painting and body repair, and other larger scale services that require a professional touch.

"Our strengths are our competitive prices, quick delivery and ability to meet customer specifications. We have successfully adapted our business strategy to counter risk factors, such as oil price increases. To take advantage of tax reductions for energy-efficient vehicles, we are beginning to import hybrid cars.



Although not popular at the moment, the demand for these cars is growing.

Our sales figures demonstrate that we are the leading independent car importer in Thailand, and so we are expanding with a new branch at Rama II," SECC President Mr. Sompong Witthayaraksan stated.

Together with operating through its branches (head office at Rama IX road, New Petchburi, Bangna, Ratchayothin and Thonglor), the company markets through road shows in major leading department stores, exclusive property projects, and big events such as Thailand International Motor Expo.

Consolidated financial summary (in THB million)

	Q1/2006	Q1/2005	2005
Sales revenue	805.02	634.86	2,293.01
Net profit	64.46	18.04	102.26

S.E.C. Auto Sales and Service PCL (SECC)



Mr. Sompong Witthayaraksan
President

The new branch on Rama II road will be opened in Q4/2006, an expansion which will cost approximately THB 50 million, including land, construction and refurbishment.

Listed on SET to expand its business horizon

S.E.C. Auto Sales and Service PCL was listed in the Industrial Industry Group, Automotive Sector, using "SECC" as its trading symbol. It is this year's first listing in that sector.

SECC has THB 400 million (approx. USD 10.52 million) in paid-up capital, and its securities are made up of an existing 300 million shares and an additional 100 million shares in capital increase, with a par value of THB 1.00 each. During May 9 - 11, 2006, at its initial public offering (IPO), the company sold 100 million shares to the general public at THB 3.00 per share. Finansa Securities Ltd. acted as their financial advisor.

SECC plans to utilize the THB 291 million (approx. USD 7.61 million) raised to repay debts and expand its branch network, so as to enhance its distribution channels and hence its customer base.

The principal shareholders of SECC are Mr. Sompong Witthayaraksan, Mr. Phaibul Suksuthamawong and Mr. Somchai Sriphayak, who respectively hold 30%, 7.50%, and 7.50% of the company's paid-up capital after the IPO. The company's dividend-payment policy is to disburse no less than 50% of net profits after deductions, and all loan and other conditions are met.

For more information on SECC, please visit www.secgroup.co.th, www.set.or.th or www.settrade.com

Thailand Depository further upgrades back-office services, regulations and fees

Thailand Securities Depository Co. Ltd. (TSD) continues to improve its post-security-trading services, continuing to be a one-stop back-office service center for the Thai capital market, and improving its regulations and fee structure.

TSD offers one-stop back-office services for bonds

TSD is poised to add to its current full back-office service for stocks and derivatives, by acting as the depository center and clearinghouse for bonds. Additionally, TSD will provide central collateral management for the private repurchase (repo) market.

"TSD's depositing, clearing and settlement systems for bonds have been fully operational since May 15. They are both modern and meet international standards, with about 70 member companies and custodian banks currently participating. These systems will be linked to overseas back-office service agencies, enabling us to service Asian bond markets and process other market transactions efficiently," TSD President Ms. Nongram Wongwanich said.

Previously the Bank of Thailand (BoT) was responsible for depositing and clearing government and state-owned enterprise bonds, while TSD offered depository services for only some corporate bonds. By providing a service center for all bonds, TSD is not only enhancing services to customers, but also contributing to the ongoing development of the Thai capital market.

"TSD service center will provide depository services for bonds worth nearly THB 2.7 trillion (approx. USD 71.05 billion), of which, THB 2.29 trillion will be transferred from the BoT system," Ms. Nongram added.

In addition to being a service center for bonds, TSD can now provide more efficient collateral management services for the private repo market. These include matching orders for counter-parties, making mark-to-market value adjustments, following-up on collateral additions, and producing reports on collateral. The expanded range of services will increase the efficiency of the debt instrument market, by reducing operational costs and duplication. In addition, TSD's new role increases overall market liquidity.

TSD upgrades clearing & settlement regulations and fees

From July 1, 2006, to further strengthen the market's reliability, TSD will introduce new charges for defaults caused by operational errors of member companies. The new buy-in requirement for default settlement will be in effect from October 2, 2006, and the collateral requirement for fractional settlement default will be rounded up to a board lot.

The revised clearing and settlement regulations and charges are:

- 1) Charges for a clearing default resulting from the operational errors of a member company:



Ms. Nongram Wongwanich

One firm's late clearance should not affect others. For first-time defaulters, the charge will no longer be waived, but will be THB 5,000. Repeat defaulters will be charged THB 10,000 on the second occasion, and THB 50,000 each time thereafter (currently, repeat defaulters are charged THB 2,000 on the second default, and THB 5,000 for subsequent instances). Defaults will be calculated on a yearly basis, from July 1, 2006.

"Increasing clearing default charges highlights the importance of being disciplined and executing timely clearances. If members manage their operations effectively, the market becomes more reliable," the TSD President said.

- 2) Collateral requirement for settlement default in fractions of shares to be rounded up to board lots:


This is to ensure that TSD has sufficient collateral to execute clearances with sellers of securities by the date of settlement. A defaulting member company will have to buy-in and settle the securities by the 4th day after the transaction date for equities, and by the 3rd day after the transaction date for debt instruments. This will be in effect from October 2, 2006.

The change in collateral requirement is consistent with TSD's "next day buy-in, same day settlement" scheme, which requires TSD members to undertake the 'forced-buy right', and to clear and settle by the day after the due date.

Thai Depository revises custody fees

TSD imposes a custody fee for securities with less than one month's maturity, and for the withdrawal of bonds pledged as collateral with BoT. The custody fee will be based on the value of outstanding securities at the end of the depository period, and the duration of that period. This will enable TSD to balance revenue and service costs, while maintaining the rates being charged on other securities. The new rate will be introduced on July 1, 2006.

Moreover, TSD has reduced service fees for withdrawing government bonds which are to be pledged as collateral for use in check-clearing with BoT. The fee will be THB 30 per transaction from May 15, 2006 (less than half the previous rate of THB 65 per transaction).

"The fee adjustment will help contain the costs for financial institutions undertaking pledge transactions with BoT, and will increase the clearing system's liquidity," concluded Ms. Nongram. 

New SET President is ready to further strengthen the Thai capital market

From page 1

The new President of The Stock Exchange of Thailand (SET) announced that the Exchange, working closely with Federation of Thai Capital Market Organizations (FeTCO) and other relevant state and private agencies, is ready to implement the more important parts of the Thai Capital Market Master Plan.

"To ensure that SET and the other cooperating agencies all share the same aims and vision, we will be consulting closely with the members of FeTCO and other supporters of the Thai Capital Market Master Plan on a quarterly basis, beginning in June. At this point, although we have taken only the first steps indicated in the plan, I am confident that we can deal with any difficulties along the way," said Ms. Patareeya Benjapolchai, the 10th SET President.

A major part of SET's strategy is to bring in new, high-quality listings; investor education and the development and promotion of new products, such as Exchange-Traded Funds (ETF), to boost market liquidity.

"We have to admit that, currently, several factors affect the attractiveness of SET for listed companies and investors. Consequently, the most immediate issue is to regain investor confidence. We can achieve this through developing new products, concentrating on large, blue-chip corporations, and encouraging investors to diversify both their portfolios and their ways of investing," said the SET President.

Ms. Patareeya said that in order to have access to large, blue-chip firms, SET plans to meet with those which are already clients of large commercial banks, the Federation of Thai Industries (FTI) or the Thai Chamber of Commerce. Concurrently, the Exchange will establish a consulting team specializing in funds structuring and in advising companies planning to list.

"When interest rates are rising, it is difficult for businesses to raise funds. Consequently, there is an opportunity for us to target firms seeking capital to grow their businesses. By increasing its listings, SET can regain public confidence, and reaffirm its role as the center of capital activity, which in turn will render the market more interesting and attractive to investors," she continued.

"SET will be working with Listed Companies' Association to develop the capacity of firms in a number of areas. There will be a strong emphasis on disclosure,



Ms. Patareeya Benjapolchai

entailing both quality and distribution of information. Listed companies will be supported in investor relations activities, to increase the effectiveness of their marketing and information dissemination.

"SET will attract more investors by offering a variety of products, such as equities, debt and derivatives instruments, and mutual funds. There are marketing plans in place for each of these products,

and we are confident that this year the bonds and derivatives instruments will be especially attractive to investors.


"More facilities are being developed to enhance market liquidity, such as IPO Online, which will be available by the end of 2006, and SBL (securities borrowing and lending), to be offered in Q3/2006," added Ms. Patareeya.

In regard to mutual funds, SET cooperates with the Association of Investment Management Companies (ASCO) to encourage more investment through LTFs (long-term funds) and RMFs (retirement mutual funds). Currently, there is a potential market of two million income-earners.

To promote securities analysis, SET will collaborate with Securities Analysts' Association (SAA) to support the undertaking and dissemination of research. To ensure that research is of the highest quality and meets accepted standards, ASCO will supervise analysts and research projects will be assessed and ranked.

Ms. Patareeya added that market regulation today is strengthened because investors are more informed and better able to interpret both companies' information and SET rules and procedures. Similarly, listed companies are becoming more sophisticated in understanding how SET's policies and regulations work to protect the whole capital market system.

Concerning investors, SET will focus on investor education through the university networking project and other educational activities. This policy is intended to provide a solid intellectual basis for long-term investment activity.

In addition, SET will continue to stress corporate social responsibility, and cooperate with relevant organizations, such as listed and member companies, to improve the quality of life of people in need. 

Thai bourse reorganizes its industry sectors

The Stock Exchange of Thailand (SET) will update the scope and titles of three industry sectors to encompass new and expanding business areas, and more accurately reflect the core businesses of firms preparing to list. These sectors will be renamed as follows: Industrial Materials and Machinery (IMM) instead of Machinery & Equipment, Home and Office Products (HOME) instead of Household Goods, and Information and Communication Technology (ICT) instead of Communication. This latest reorganization will come into effect on July 3, 2006.

Twenty-one companies will be moved to IMM, which will include manufacturers and distributors of machinery and equipment, related products, and basic components of electrical appliances. The affected companies include two from the existing Machinery and Equipment sector, four from Electrical Products and Computer, one from Packaging, twelve from Construction Materials, and two from Automotive. The IMM sector index will start at 100 points on July 3, 2006.

Another twelve companies will be moved to HOME: eight from the existing Household Goods sector, and four from Electrical Products and Computer. HOME includes manufacturers and distributors of household products, home and office electrical appliances, and office supplies.

Twenty-two firms will join ICT: eighteen from the Communication sector and four from Electrical Products and Computers. ICT includes providers of information management and communication technology, internet services, computer systems and related products, such as hardware and software.

Together with the redistribution to these three new sectors, four companies from Electrical Products and Computers — [DE Capital PCL (DE), IT CITY PCL (IT), Mida Assets PCL (MIDA), and Singer Thailand PCL (SINGER)] — will join the existing Commerce sector. Muramoto Electron (Thailand) PCL (METCO) from Electrical Products and Computer will move to the Electronic Components sector. The current Electrical Products and Computers sector will be deleted from the Technology Industry Group.

Listed companies to be reclassified to new sectors on July 3, 2006 are:

Industrial Materials and Machinery sector

	Company		Original sector
1	Asia Metal PCL	AMC	Construction Materials
2	City Steel PCL	CITY	Construction Materials
3	CSP Steel Center PCL	CSP	Construction Materials
4	Charoong Thai Wire & Cable PCL	CTW	Electrical Products and Computer
5	Furukawa Metal (Thailand) PCL	FMT	Electrical Products and Computer
6	G Steel PCL	GSTEEL	Construction Materials
7	Thainox Stainless PCL	INOX	Construction Materials
8	Kulthorn Kirby PCL	KKC	Electrical Products and Computer
9	Nakornthai Strip Mill PCL	NSM	Construction Materials
10	Patkol PCL	PATKL	Machinery and Equipment
11	Permsin Steel Works PCL	PERM	Construction Materials
12	Sahamit Machinery PCL	SMIT	Automotive
13	SNC Former PCL	SNC	Electrical Products and Computer
14	Sahaviriya Steel Industries PCL	SSI	Construction Materials
15	Siam Steel Service Center PCL	SSSC	Construction Materials
16	T.C.J Asia PCL	TCJ	Machinery and Equipment
17	Thai Heat Exchange PCL	THECO	Automotive
18	Thai Metal Trade PCL	TMT	Construction Materials
19	Thai Unique Coil Center PCL	TUCC	Construction Materials
20	Tycoons Worldwide Group (Thailand) PCL	TYCN	Construction Materials
21	Varopakorn PCL	VARO	Packaging

Information and Communication Technology sector

	Company		Original sector
1	Advanced Info Service PCL	ADVANC	Communication
2	Advanced Information Technology PCL	AIT	Communication
3	Bliss-Tel PCL	BLISS	Communication
4	CS Loxinfo PCL	CSL	Communication
5	The International Engineering PCL	IEC	Communication
6	Internet Thailand PCL	INET	Communication
7	Jasmine International PCL	JAS	Communication
8	MFEC PCL	MFEC	Communication
9	M Link Asia Corporation PCL	MLINK	Communication
10	Metro Systems Corporation PCL	MSC	Electrical Products and Computer
11	Samart Corporation PCL	SAMART	Communication
12	Samart Telcoms PCL	SAMTEL	Communication
13	Shin Satellite PCL	SATTEL	Communication
14	SIS Distribution (Thailand) PCL	SIS	Electrical Products and Computer
15	Shin Corporation PCL	SHIN	Communication
16	Samart I-Mobile PCL	SIM	Communication
17	SVOA PCL	SVOA	Electrical Products and Computer
18	T.K.S. Technologies PCL	TKS	Electrical Products and Computer
19	True Corporation PCL	TRUE	Communication
20	TT&T PCL	TT&T	Communication
21	TWZ Corporation PCL	TWZ	Communication
22	United Communication Industry PCL	UCOM	Communication

Home and Office Products sector

	Company		Original sector
1	Compass East Industry (Thailand) PCL	CEI	Electrical Products and Computer
2	Distar Electric Corporation PCL	DISTAR	Electrical Products and Computer
3	D.T.C. Industries PCL	DTCI	Household Goods
4	Fancy Wood Industries PCL	FANCY	Household Goods
5	Inter Far East Engineering PCL	IFEC	Electrical Products and Computer
6	Kang Yong Electric PCL	KYE	Electrical Products and Computer
7	Modernform Group PCL	MODERN	Household Goods
8	Ocean Glass PCL	OGC	Household Goods
9	Rockworth PCL	ROCK	Household Goods
10	Siam Steel International PCL	SIAM	Household Goods
11	Srithai Superware PCL	SITHAI	Household Goods
12	Sun Wood Industries PCL	SUN	Household Goods

Additional redistribution of companies

	Company		Original sector
- Commerce sector			
1	DE Capital PCL	DE	Electrical Products and Computer
2	IT CITY PCL	IT	Electrical Products and Computer
3	Mida Assets PCL	MIDA	Electrical Products and Computer
4	Singer Thailand PCL	SINGER	Electrical Products and Computer
- Electronic Components sector			
1	Muramoto Electron (Thailand) PCL	METCO	Electrical Products and Computer

Thai bourse amends trading rules to ease investment

The Stock Exchange of Thailand (SET) will amend three key trading rules to increase the attractiveness of the Thai market to investors and simplify their portfolio management. The changes, which will become effective on July 3, 2006, are:

- 1) Raising the priority of order matching for at-the-open (ATO) and at-the-close (ATC) orders.
- 2) Permitting brokers to submit "basket orders", each containing several simultaneous trading orders.
- 3) Permitting brokers to submit trading orders using the Volume-Weighted Average Price Program (VWAP).



Mr. Suthichai Chitvanich

"Making the ATO and ATC orders the first priority to be matched before limited-price orders will benefit investors, as they will be able to trade securities at either opening or closing prices, at their discretion. Additionally, their orders will be matched at price levels appropriate to their risk preference. Currently, a limit price order, which may be higher or lower than the market price, is matched as a first priority," SET Executive Vice President Mr. Suthichai Chitvanich said.

Raising the priority of order-matching will not affect opening and closing prices. Nevertheless, the number of shares and orders matched simultaneously may not be covered by the current regulations, thus the amendments.

Furthermore, ATO and ATC orders may be made on-line, just like any other internet trade, provided the screening system is in place to prevent inappropriate orders being transmitted.

"Allowing 'basket orders' and trading via VWAP will help SET member companies to better manage their clients' orders, and assist investors in controlling their risk exposure. The amendments bring the Thai market more into line with international markets, easing the way for both foreign and local investors," said Mr. Suthichai.

Allowing basket orders will be especially useful for index arbitrage and hedging, and will be attractive for asset management companies with index-linked managed funds. The amendments will boost the participation of institutional investors and development of the derivatives market.

A basket order must involve more than 10 securities, all of which must be listed in SET50 Index, and collectively worth at least THB 15 million. The price specified in a basket order must be within 2% of each

security's most recent price, to avoid any major market disturbance.

Sending orders via VWAP assures brokers that their trades are precisely or approximately at the volume-weighted average price of the securities.

"In summary, amending these three trading regulations eases investment and thus boosts the attractiveness of the Thai market," SET EVP concluded.

Examples of Opening Price Calculation and Order Matching Sessions

Orders in the order book:

Table 1: At the time of the opening price calculation (sorted by price and time)

Bidders	Bid		Sellers	Offer	
	Price	Shares		Price	Shares
G	ATO*	1000	H	102	2500
A	103	1000	I	102	1000
B	103	1300	J	103	500
C	102	500	K	104	1000
D	102	1100	L	105	1500
E	101	800	M	106	500
F	101	300			

* ATO refers to orders with an intention to buy or sell at the opening of a session.

Table 2: Calculation of the opening price according to the highest matched share volume offered.

Price	Number of shares bid	Number of shares offered	Number of shares matched
101	1000+1000+1300+500+1100+800+300 = 6000	0 = 0	0
102	1000+1000+1300+500+1100 = 4900	2500+1000 = 3500	3500
103	1000+1000+1300 = 3300	2500+1000+500 = 4000	3300
104	1000 = 1000	2500+1000+500+1000 = 5000	1000
105	1000 = 1000	2500+1000+500+1000+1500 = 6500	1000
106	1000 = 1000	2500+1000+500+1000+1500+500 = 7000	1000

The opening price of this stock will thus be THB 102, as this corresponds to highest matched share volume (3,500 shares).

Order matching:

Table 3: Existing rule: (ATO orders will be matched after limit price orders)

Transaction No.	Bidders	Sellers	Price	Volume
1	A	H	102	1000
2	B	H	102	1300
3	C	H	102	200
4	C	I	102	300
5	D	I	102	700
Total				3500

Table 4: New rule: (ATO orders will be matched first)

Transaction No.	Bidders	Sellers	Price	Volume
1	G	H	102	1000
2	A	H	102	1000
3	B	H	102	500
4	B	I	102	800
5	C	I	102	200
Total				3500

The above example shows that the opening price under the new rule is still THB 102. However, the number of shares and orders matched simultaneously may be different.

Existing rule: Seller C's order will be totally matched (500 shares). Seller D's order will be partially matched (700 of the requested 1,100 shares). Seller G, who sent in an ATO order, will not be matched.

New rule: Seller G's order will be totally matched (1,000 shares). Seller C's order will be partially matched (200 out of requested 500 shares). Seller D's order won't be matched.

Remarks: The rationale for ATC and ATO orders is the same.

Thai bourse maintains minimum brokerage fee at 0.25% for a further 3 years

The Stock Exchange of Thailand (SET) Board resolved on May 24 to maintain its minimum brokerage fee at the current level for three years from January 14, 2007. (The minimum fee has been in effect from January 14, 2002, and was to be revised on January 13, 2007.) Usually, the lowest rate is 0.25% of trading value, buying or selling, except for internet trading, where it is 0.20%. SET will confer with the Association of Securities Companies (ASCO) at least one year prior to any further revision. The extension of minimum brokerage fees will allow securities companies more time to anticipate change, including preparing for financial liberalization, and increase their products and services.

A general meeting of member companies is scheduled for June 21, 2006, at which SET will table the Board's resolution and discuss its implementation.

Subsequently, the resolution will be submitted to the Securities and Exchange Commission for approval.

Other matters considered by the Board included service quality and market representative remuneration. To ensure service quality, firms will now be required to have at least four analysts doing fundamental research. ASCO will also be looking more closely at the turnover of marketing representatives.

On a related matter, the remuneration of marketing representatives is now based on two schemes - incentive or salary-based. Currently, a marketing representative may receive no more than 27.5% of the total commissions he earned for his employer, or a salary plus bonus totaling no more than 25% of what he earned for his firm. The Board decided that these arrangements will continue for a further three years from January 13, 2007. ✍

Thai bourse eases rules governing big-lot cash transactions

The Stock Exchange of Thailand (SET) Board resolved on May 24 to allow customers greater flexibility when requesting a member company to sell securities for them, by easing its "Rules and Procedures Relating to Securities Trading in Cash".

The amendment enables the member company to pay the customer the funds from the sale "by", instead of "on", the third business day following the sale. However, the change will apply only to big-lot cash transactions, worth at least THB 50 million (approx. USD 1.32 million), completed on a gross-settlement basis.

The arrangement can be executed only on behalf of a customer, not a member company, and requires the prior approval of the member company's president or his/her delegate. Subsequently, the member company must report all relevant gross-settlement transactions.

The amendment is consistent with current clearing and settlement practice. It gives greater flexibility to members, allowing them to clear and settle their transactions sooner than the current T+3 period. ✍

TFEX agrees to derivatives Internet trading and market makers

At their recent meeting (June 6), Thailand Futures Exchange PCL (TFEX) members discussed plans for business development, new products, and the introduction, in August, of derivatives trading via the internet. TFEX is also encouraging brokers to be market makers to increase market liquidity. Furthermore, the Exchange will be hosting ongoing investor education and promotional activities throughout the country, as well as increasing facilities for investors.

"TFEX and its members are satisfied that trading is off to a good start. So far, trading has totaled 5,229 contracts, or 217 contracts per day, with an average daily

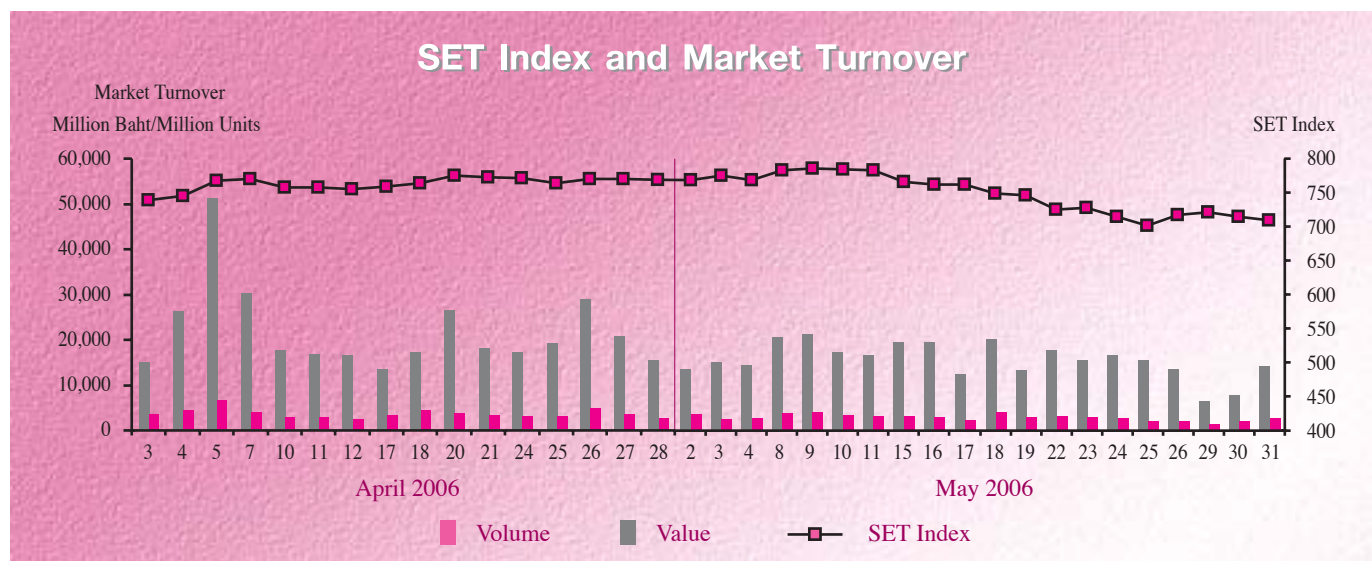
value of THB 122.7 million (approx. USD 3.23 million). So we are confident that, with

continuing effort and commitment, we will reach our first-year target of 1,000 contracts per day.

"Products to be introduced include interest rate futures and index options. With an advisor who has over 25 years' experience in these two instruments, we have no doubts about their viability," TFEX Managing Director Ms. Kesara Manchusree said.

For more information on TFEX, updates and seminars, please visit www.tfex.or.th, or call 66-2229-2222. ✍





The Stock Price Indices in May 2006

Index	High (Date)	Low (Date)	Close	
			May 2006	Compared with April 2006 (%)
SET	785.38 (9)	701.03 (25)	709.43	↓ 7.66%
SET50	547.53 (9)	482.89 (25)	492.52	↓ 7.74%
SET100*	1,197.32 (9)	1,055.60 (25)	1,074.53	↓ 8.08%
mai	178.54 (10)	162.64 (31)	162.64	↓ 4.59%

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

Stock Market Turnover in May 2006

	Volume (Million Shares)				Value (Million Baht)				
	May 2006		Compared with April 2006 (%)		May 2006		Compared with April 2006 (%)		
	SET	mai	SET	mai	SET	mai	SET	mai	
Total	54,150.57	683.69	↓ 1.47%	↑ 73.43%	Total	308,001.32	15,400.07	↓ 11.39%	↑ 1,326.92%
Daily Average	2,707.53	34.18	↓ 21.17%	↑ 38.72%	Daily Average	2,182.82	109.14	↓ 89.95%	↑ 61.81%

Statistics of Listed Debentures in May 2006

Issues	Listed Debentures		Total Turnover	
	Units	Total Outstanding Value (Million Baht)	Units	Value (Million Baht)
520	2,572,816,353	2,698,272.95	0	0.00

Transactions by Type of Investors*

Unit : Million Baht

Type of Investors	April 2006				May 2006			
	Buy	%	Sell	%	Buy	%	Sell	%
Foreigners (corporate & individual)	135,226.24	38.78	116,770.58	33.49	94,026.38	30.31	128,411.74	41.40
Local Institutions**	34,430.25	9.88	36,728.00	10.53	48,531.34	15.65	35,800.33	11.54
Local Investors	179,000.53	51.34	195,158.44	55.98	167,626.41	54.04	145,972.06	47.06
Total	348,657.02	100.00	348,657.02	100.00	310,184.13	100.00	310,184.13	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 May 2006

Rank	Securities		Market Value	
			Million Baht	% of Total
1	PTT	PTT	676,933.47	13.64
2	PTT Exploration and Production	PTTEP	360,262.05	7.26
3	Advanced Info Service	ADVANC	273,134.43	5.50
4	The Siam Cement	SCC	266,400.00	5.37
5	Bangkok Bank	BBL	196,610.82	3.96
6	Kasikornbank	KBANK	147,657.87	2.97
7	Thai Petrochemical Industry	TPI	147,225.00	2.97
8	Thai Oil	TOP	124,441.70	2.51
9	Krung Thai Bank	KTB	116,269.39	2.34
10	The Siam Commercial Bank	SCB	110,582.75	2.23
Total			2,419,517.47	48.75

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

Rank	Securities		Number of Securities	Turnover Value	
				Million Baht	% of Total
1	PTT	PTT	68,177,214	17,055.31	6.03
2	PTT Exploration and Production	PTTEP	138,720,291	16,294.67	5.76
3	Bangkok Bank	BBL	127,735,803	14,121.61	5.00
4	Thai Petrochemical Industry	TPI	1,454,704,720	11,862.46	4.20
5	Thai Oil	TOP	172,101,561	11,143.44	3.94
6	The Siam Commercial Bank	SCB	151,099,480	9,371.27	3.32
7	Advanced Info Service	ADVANC	91,066,531	8,649.71	3.06
8	The International Engineering	IEC	1,675,993,900	7,667.50	2.71
9	Kasikornbank	KBANK	114,255,683	7,428.11	2.63
10	The Siam Cement	SCC	30,714,508	6,970.87	2.47
Total			4,024,569,691	110,564.95	39.12

* Excluding transactions on Foreign Board and mai

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

Rank	Securities		Number of Securities	Turnover Value	
				Million Baht	% of Total
1	Bangkok Bank	BBL-F	83,381,180	9,625.27	37.98
2	The Siam Cement	SCC-F	17,567,490	4,279.62	16.89
3	Kasikornbank	KBANK-F	63,279,700	4,235.47	16.71
4	Advanced Info Service	ADVANC-F	40,752,400	3,880.80	15.31
5	Land and Houses	LH-F	178,008,400	1,396.44	5.51
6	Bank of Ayudhya	BAY-F	23,598,900	428.32	1.69
7	Banpu	BANPU-F	2,848,001	423.23	1.67
8	Electricity Generation	EGCOMP-F	3,285,600	264.46	1.04
9	Thai Union Frozen Products	TUF-F	6,005,300	178.83	0.71
10	Tisco Bank	TISCO-F	6,310,100	170.49	0.67
Total			425,037,071	24,882.93	98.20

* Excluding transactions of mai

Top Ten Outstanding Non-Voting Depository Receipts (NVDRs) in May 2006 By Percentage of Paid-up Capital

Rank	Securities	Number of NVDRs	% of Paid-up Capital	
1	Jasmine International	JAS-W	59,108,220	65.86
2	Raimon Land	RAIMON-W	380,409,797	49.14
3	Golden Land Property Development	GOLD	220,673,472	35.02
4	Tisco Finance	TISCO	173,561,903	32.07
5	Aapico Hitech	AH	66,069,366	27.53
6	L.P.N. Development	LPN	379,607,212	25.72
7	Univentures	UV	126,714,749	23.89
8	Supalai	SPALI-W3	34,032,206	23.40
9	Land and Houses	LH	1,962,365,048	23.35
10	Pranda Jewelry	PRANDA	69,738,800	23.00

Market data of TFEX*

Transaction Summary		April 2006	May 2006	April - May 2006
Total Volume	(Contracts)	161	4,565	4,726
Daily Average Volume	(Contracts)	161	228.25	225.05
Total Value	(Million Baht)	86.47	2,368.56	2,455.02
Daily Average Value	(Million Baht)	86.47	118.43	116.91
Month-end Open Interest	(Contracts)	102.00	1,109	1,109

Market Summary: SET50 Index Futures		Open	High	Low	Average	Settle
S50M06	Jun-06	536.0	545.5	482.5	518.6	492.3
S50U06	Sep-06	539.0	544.6	485.0	522.0	490.4
S50Z06	Dec-06	544.6	548.0	485.5	511.4	490.1
S50H07	Mar-07	-	-	-	-	495.9

* TFEX started its trading on April 28, 2006.

Visitors from the City of London

SET Chairman Mr. Vijit Supinit, and other top-level SET executives, welcomed Mr. David Brewer, Lord Mayor of the City of London, during his official visit to SET and Maruey Knowledge & Resource Center.



TSD offers e-Dividend service through Standard Chartered Bank



Thailand Securities Depository Co., Ltd. (TSD), a SET subsidiary, signed a memorandum of cooperation with Standard Chartered Bank (Thai) PCL on May 10, offering investors an e-Dividend service.

Standard Chartered Bank (Thai) PCL is the ninth bank providing this innovative service, which enables shareholders to receive their dividends quickly, without additional costs, while avoiding the risk of misplaced checks.



Congratulations to the new SET President

Mr. Kittiratt Na-Ranong, the outgoing SET President, and Mr. Piyabutr Cholvijarn, Vice-Minister for Education, congratulated the incoming SET President, Ms. Patareeya Benjapolchai, who began her term on June 1, 2006.

"7 wonders of online investment" at Thai Investors' Day



SETTRADE.Com Co., Ltd. introduced visitors to online investment at the Thai Investors' Day employing the theme: "7 wonders of online investment".

The event was held at the SET Building on June 3-4.

The fair's highlights included the stock simulation game, which received a great deal of attention from visitors, and the well-attended seminars, which provided insight into online investment. Also, people opening Internet trading accounts received attractive gifts and premiums from the twenty-two brokers participating in the fair.

The event, on the first weekend of every month, is part of SET's strategy to encourage new investors, while updating existing stakeholders with reliable financial information. For more information, please visit www.thaiinvestors.com, or www.set.or.th.