



THE SET Newsletter



Thailand's Second Capital Market Master Plan (2006-2010) provides the key framework for the overall development of the Thai capital market, and is now ready for the Finance Ministry's consideration.

In a combined effort to bolster the competitiveness and robustness of Thailand's economic system, all relevant organizations have formulated their own plans to contribute to the Master Plan.

Please take this opportunity to familiarize yourself with the newly-drafted Master Plan's key themes and features, which are summarized on page 3 of this month's *SET Newsletter*.

Continued on page 3



Thai bourse signs MOUs with Korea and Jakarta counterparts

The Stock Exchange of Thailand (SET) further developed its international network by signing memoranda of understanding (MOUs) with Korea Exchange (KRX) and Jakarta Stock Exchange (JSX) at an annual regional meeting in Taipei.

SET had signed separate MOUs on April 13, 2006 with both exchanges during the 25th Asian and Oceanian Stock Exchanges Federation General Assembly in Taipei, Taiwan, R.O.C., SET Chairman Mr. Vijit Supinit disclosed.

"Partnerships with KRX and JSX will lead to a more efficient exchange of information, as each market has its own strengths. The MOUs are an excellent start toward increasing official mutual development. This may include joint studies, seminars, staff exchanges with JSX, and cooperation in developing a bond trading system, research, and training with KRX", Mr. Vijit said.

"The MOUs establish a broad platform for mutually beneficial cooperation. Both exchanges agreed to provide information to smooth their respective operations. Under this agreement, the two bourses open opportunities for further cooperation to develop both securities markets", Mr. Erry Firmansyah, President Director of JSX, noted.

KRX Chairman and CEO Young-Tak Lee said, *"We are very pleased that SET and KRX have agreed to cooperate and communicate with each other in a more formal manner. We value our relationship with SET, which is growing rapidly every year. This arrangement will benefit all market participants and the financial services industry in Thailand and Korea."*



MOU signing with Jakarta Stock Exchange



MOU signing with Korea Exchange

JSX was privatized in 1992 and as of end-2005 market capitalization was recorded at approximately USD 81 billion, with 336 listed companies.

KRX was inaugurated in January 2005 through the merger of Korea Stock Exchange (KSE), Korea Futures Exchange (KOFEX), and KOSDAQ market. As of end-2005, the KRX was home to 1,616 companies whose total market capitalization exceeded USD 718 billion. ✍

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SET and FeTCO associates implement 2nd Capital Market Master Plan

Federation of Thai Capital Market Organizations (FeTCO) will implement the second Thai Capital Market Master Plan (2006-2010), in which all organizations will be formulating plans to increase the competitiveness and economic strength of the overall system. The capital market is expanding and will inevitably become as important an economic pillar as the banking system.

Thai Capital Market Master Plan II was presented for the consideration of representatives from capital market organizations on February 1, 2006.

The first phase (2002-2005) of the Plan focused on enhancing the attractiveness of the market and increasing liquidity. Listed companies' good governance was one of the objectives and, to a certain extent, has already been achieved.

The second phase focuses on the capital market's efficiency in mobilizing funds and providing a quality alternative for personal savings. Targets include not only an increase in market capitalization and price stability, but also the full valuation of stocks. In short, the second master plan aims to achieve both quantitative and qualitative targets thus improving the balance between markets.

"Drafting the Thai Capital Market Master Plan II has now been completed", Dr. Kongkiat Opaswongkarn, Chairman of FeTCO, revealed, and then went on to say that, "After a review by the working committee, it will be forwarded to Ministry of Finance. Subsequently, related organizations will formulate and implement their plans. FeTCO will monitor the progress of our members on a quarterly basis, beginning in Q2/2006.

"Our six member organizations (Association of Investment Management Companies, Association of Securities Companies, Listed Companies Association, Securities Analysts Association, Thai Investors Association, and The Stock Exchange of Thailand) recognize the importance of making the master plan a reality. We are ready to proceed, develop further, become more competitive, adapt to change, and be ready to face future challenges, such as the opening up of financial service sector," he noted.

Features of the Master Plan can be summarized as follows:

1. Equity market:

- Increasing market size and the supply of financial instruments issued by large companies.
- Encouraging small- and medium-sized enterprises to list on SET or Market for Alternative Investment (mai).
- Doubling the proportion of domestic institutional investors from 10% to 20%, to balance the range of investors.
- Changing the proportion of institutions (domestic and foreign) to individual investors to 40/60, a level that will support price stability.
- Promoting measures to increase overall market price-earnings (P/E) ratios.



สภาธุรกิจตลาดทุนไทย
Federation of Thai Capital Market Organizations

- Working with listed companies to improve P/E ratios.
- Promoting greater investment in mutual funds.

2. Bond market:

- Encouraging the continued growth of the bond market to enable it to match the money market in size.
- Supporting bonds issued by domestic and foreign companies and greater participation by retail investors.
- Providing incentives to attract more retail investors and taking measures to facilitate their investment.
- Splitting large-volume bonds into smaller units to broaden the range of investors.

3. Product innovation:

- Introducing market innovations, for example, derivatives and securitized or structured products.
- Reducing down-side risks and supporting the securitization process through these innovations.

4. Strengthening intermediaries:

- Encouraging intermediaries to enhance their capital base and capabilities to become better able to offer integrated products.
- Implementing action plans to increase intermediaries' competitiveness prior to opening up to foreign competition.
- Liberalizing trading fees on a step-by-step basis.
- Developing flexibility among industry operators to invest overseas.


5. Listed companies:

- Improving corporate governance and introducing tax measures aimed at increasing the quality and competitiveness of Thai public firms.

6. Financial literacy:

- Improving the financial literacy of Thai people both in the provinces and in large and medium-sized corporations, including assigning a geographical area to each FeTCO member organization in which to achieve this development.

7. Supervisory bodies:

- Developing the supervisory roles of Securities and Exchange Commission (SEC) and The Stock Exchange of Thailand (SET) to enhance the Thai capital market's operations on a full disclosure basis. 

Nine Thai listed firms included in FTSE/ASEAN 40 Index

The number of Thai public companies in the FTSE/ASEAN 40 Index increased to nine after FTSE Group included three more Thai listed securities. Thai companies currently account for 15.35% of this index in terms of market capitalization and liquidity.

Thai firms in the FTSE/ASEAN 40 Index are Advanced Info Service PCL (ADVANC), Bangkok Bank PCL (BBL), Kasikornbank PCL (KBANK), PTT PCL (PTT), PTT Exploration & Production PCL (PTTEP), and Siam Cement PCL (SCC). The newly-added companies are Krung Thai Bank PCL (KTB), Siam Commercial Bank PCL (SCB), and Thai Petrochemical Industry PCL (TPI).

Initially there were six Thai securities included in the Index, along with 34 securities from other ASEAN markets. In early March 2006, FTSE Group adjusted the constituent list of securities in the FTSE/ASEAN 40 on the basis of market capitalization and liquidity.

To qualify for inclusion in the FTSE/ASEAN 40, to be reviewed each March, securities must meet these criteria:

- 1) Market capitalization: have no less than USD 100 million in market capitalization.
- 2) Liquidity: have a trading turnover of no less than 20% of tradable shares (free-float-adjusted) in the 12-month period prior to the index constituent list adjustment.

No. of securities included in FTSE/ASEAN 40 Index by country

| Country | No. of securities included in FTSE/ASEAN 40 Index | |
|-----------------|---|----------------------|
| | As of September 21, 2005 | As of March 31, 2006 |
| Malaysia | 14 | 12 |
| Singapore | 12 | 11 |
| Thailand | 6 | 9 |
| Indonesia | 7 | 7 |
| Philippines | 1 | 1 |

FTSE Group and five ASEAN exchanges (Bursa Malaysia, Jakarta Stock Exchange, The Philippine Stock Exchange, Singapore Exchange, and The Stock Exchange of Thailand) officially launched the FTSE/ASEAN and FTSE/ASEAN 40 Indices on September 21, 2005. The collaboration is to create an 'ASEAN brand' and highlight ASEAN as an attractive market for investment.

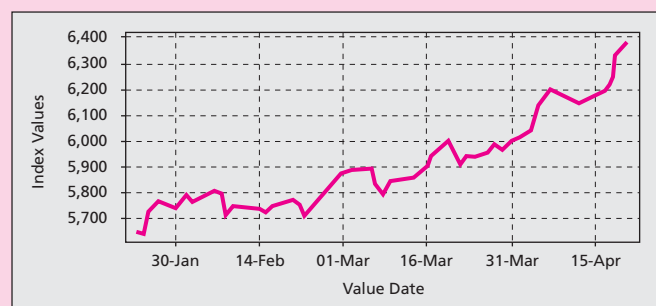
The FTSE/ASEAN Index 40 is a tradable index that can be used to create index-linked products. The first possible product based on the FTSE/ASEAN 40 Index could be an Exchange Trade-Fund (ETF). The FTSE/ASEAN 40 Index was up 21.50% to 6,381.15 on April 21, 2006 from 5,252.20 on September 21, 2005.

FTSE/ASEAN Index is an innovative product and was as one of five nominees for the Most Innovative Index category in the William F. Sharpe Indexing Achievement Awards hosted by Index.Universe.com later last year.

For more information on the FTSE/ASEAN and FTSE/ASEAN 40 Indices, please visit www.set.or.th ("FTSE/ASEAN Index" section) or www.ftse.com ("Indices" section).

FTSE/ASEAN 40 Index trends in the past seven months

(September 21, 2005 - April 21, 2006)



FTSE/ASEAN 40 constituents list (as of March 2006)

| Securities | Country | Market Capitalization (USD million) | Market Capitalization -net* (USD million) | Weighting in FTSE/ASEAN 40 Index (%) | Securities | Country | Market Capitalization (USD million) | Market Capitalization -net* (USD million) | Weighting in FTSE/ASEAN 40 Index (%) |
|--|-----------------|-------------------------------------|---|--------------------------------------|--|-----------------|-------------------------------------|---|--------------------------------------|
| 1 DBS Group Holdings | Singapore | 15,006.25 | 11,254.69 | 7.92% | 21 Telekom Malaysia | Malaysia | 8,576.08 | 2,572.82 | 1.81% |
| 2 United Overseas Bank | Singapore | 14,812.26 | 11,109.19 | 7.81% | 22 Genting | Malaysia | 4,553.03 | 2,322.05 | 1.63% |
| 3 Singapore Telecom | Singapore | 27,108.51 | 10,843.40 | 7.63% | 23 Advanced Info Service | Thailand | 6,920.56 | 2,076.17 | 1.46% |
| 4 Overseas Chinese Banking | Singapore | 12,910.18 | 9,682.64 | 6.81% | 24 Kasikornbank (F) | Thailand | 4,203.36 | 2,059.65 | 1.45% |
| 5 Telekomunikasi Indonesia | Indonesia | 15,353.64 | 7,676.82 | 5.40% | 25 Siam Cement (F) | Thailand | 7,916.51 | 1,979.13 | 1.39% |
| 6 Malayan Banking | Malaysia | 11,227.81 | 5,613.90 | 3.95% | 26 Perusahaan Gas Negara | Indonesia | 4,928.75 | 1,971.50 | 1.39% |
| 7 Singapore Airlines | Singapore | 10,598.01 | 5,299.00 | 3.73% | 27 SembCorp Industries | Singapore | 3,764.34 | 1,882.17 | 1.32% |
| 8 PTT | Thailand | 16,867.82 | 5,060.34 | 3.56% | 28 Thai Petrochemical Industry | Thailand | 3,718.59 | 1,822.11 | 1.28% |
| 9 Keppel Corp | Singapore | 6,668.91 | 5,001.68 | 3.52% | 29 Maxis Communications | Malaysia | 5,853.63 | 1,756.09 | 1.24% |
| 10 Tenaga Nasional | Malaysia | 9,220.03 | 4,610.01 | 3.24% | 30 British American Tobacco (Malaysia) | Malaysia | 3,295.68 | 1,647.84 | 1.16% |
| 11 City Developments | Singapore | 5,926.45 | 4,444.84 | 3.13% | 31 Bumiputra-Commerce Holdings | Malaysia | 5,375.75 | 1,612.73 | 1.13% |
| 12 Singapore Press Holdings | Singapore | 4,380.05 | 4,380.05 | 3.08% | 32 Resorts World | Malaysia | 3,914.16 | 1,565.66 | 1.10% |
| 13 Capitaland | Singapore | 8,224.01 | 4,112.01 | 2.89% | 33 Siam Commercial Bank | Thailand | 3,127.80 | 1,532.62 | 1.08% |
| 14 Astra International | Indonesia | 4,989.91 | 3,742.43 | 2.63% | 34 Phil Long Dist Tel | Philippines | 6,814.78 | 1,362.96 | 0.96% |
| 15 PTT Exploration & Production | Thailand | 9,274.68 | 3,709.87 | 2.61% | 35 Astro All Asia Networks | Malaysia | 2,474.07 | 1,237.03 | 0.87% |
| 16 IOI | Malaysia | 4,134.19 | 3,100.64 | 2.18% | 36 Indosat | Indonesia | 3,057.04 | 1,222.82 | 0.86% |
| 17 Bank Central Asia | Indonesia | 5,648.29 | 2,824.15 | 1.99% | 37 Krung Thai Bank | Thailand | 3,143.57 | 785.89 | 0.55% |
| 18 Bangkok Bank (F) | Thailand | 5,705.08 | 2,795.49 | 1.97% | 38 Bank Mandiri | Indonesia | 3,770.06 | 754.01 | 0.53% |
| 19 Singapore Technologies Engineering | Singapore | 5,574.73 | 2,787.36 | 1.96% | 39 Plus Expressways | Malaysia | 3,761.44 | 752.29 | 0.53% |
| 20 Bank Rakyat Indonesia | Indonesia | 5,205.97 | 2,602.98 | 1.83% | 40 YTL Power International | Malaysia | 3,042.27 | 608.45 | 0.43% |

Remarks: * Investable market capitalization

Source: FTSE Group

Thai bourse launches Total Return Index

SET produced its Total Return Index (TRI) to assess total returns from investing in SET-listed securities. The Index is useful for making investment decisions and for appraising funds and fund management. It is assessable via the SET website, www.set.or.th.

Senior Vice President of the SET Dr. Sethaput Suthiwart-narueput disclosed that TRI measures market performance from three sources of returns:

- 1) Price movements (capital gain/loss)
- 2) Rights offered to current shareholders allowing them to purchase additional shares, usually at a discount to market price (rights offering)
- 3) Income from dividend payments (dividends)

"Price indices measures only items (1) and (2), above. Hence, the TRI envisages a complete picture of returns, as it includes dividends," he noted.

"Measuring fund performance based on price indices alone will often yield above-the-market

performance. TRI thus can be another tool used to measure funds or fundmanagers' performance," Dr. Sethaput concluded.



Dr. Sethaput Suthiwart-narueput

following day. Monthly total returns, by individual security for last 12 months, will be calculated at the end of each month, and published within the first five trading days of the following month. ✍

For more details on the index's methodology, calculation, and movement, please visit <http://www.set.or.th/en/info/statistics/tri.html>.

Total return indices are calculated at the end of each trading day and published the

SET sees THB 13 billion capitalization increase in Q1/2006

The Stock Exchange of Thailand (SET) reported a capitalization increase of THB 13 billion (approx. USD 33.05 million) in Q1/2006 despite political uncertainties. Furthermore, the arrival of six newly-listed companies in Q2/2006 should raise the total market capitalization by another THB 100 billion (approx. USD 2.54 billion).

Two newly-listed companies in Q1/2006, G Steel PCL and City Steel PCL, both in the construction sector, raised a further THB 2.6 billion via the capital market, bringing the total market value of their initial public offerings (IPO) to THB 16 billion, Capital Market Opportunity Center (CMOC) Chairman Ms. Sopawadee Lertmanaschai reported.

"As of March 31, 2006 there were a total of 22 companies applying to be listed, as well as the six new listings that will be trading on SET by Q2 this year. The new listings are BMCL, Jasmine Telecom System, Thai Optical Group, SEC Auto Sales and Services, Rayong Oil Refinery, and TPT Petro Chemical", the CMOC Chairman said.

She also mentioned that this year's target for total capitalization of all companies currently listed with SET is THB 55 billion. The THB 13.26 billion raised in Q1/2006 consists of THB 13.07 billion from SET-listed companies and THB 184 million from those on Market for Alternative Investment (mai), which accounted for 24% of the targeted amount, a slight decrease from last year.

Moreover, this year's capitalization from medium-sized companies is higher than last year's. The companies ranked 51 to 100 in the SET100 Index raised THB 5.79 billion,



Ms. Sopawadee Lertmanaschai

an 84% improvement on Q1/2005's performance of THB 3.16 billion. Meanwhile, the capitalization of large companies in SET50 decreased year-on-year (y-o-y). In Q1/2006 they raised only THB 1.12 billion, whereas in Q1/2005 they had raised THB 6.1 billion,

representing an 82% decline.

"Almost two-thirds (64%) of the capitalization from listed companies came from warrant exercise, Employee Stock Option Programs (ESOP), and Private Placement (PP). This reflected the capacity of companies to raise funds from specific groups of investors despite political uncertainties affecting the market," Ms. Sopawadee announced.

In addition, medium-sized companies have greatly expanded their access to PP, receiving a 123% increase in funds from this source y-o-y (Q1/2006: THB 4.36 billion; versus Q1/2005: THB 1.95 billion).

Concurrently, SET has set up many development programs to enhance the quality and standards of public firms. To educate those wishing to form companies, a seminar, *"Strategies for Successful IPOs"*, was presented and dealt with corporatization, corporate governance, and the submitting of public offering applications to agencies such as Securities and Exchange Commission (SEC). The program received an excellent response from top management at 50 companies in both the SET and mai markets. ✍

SET co-hosts Money Expo 2006: “The Colors of Life”

SET and *Money & Banking Magazine* hosted ‘Money Expo 2006’ at the Queen Sirikit National Convention Center, Bangkok, during May 11-14. Deputy Prime Minister and Commerce Minister Dr. Somkid Jatusripitak presided over the prestigious and comprehensive financial fair. The event was a great success, attracting more than 600,000 businessmen, investors, students and members of the general public.



Transactions totaling THB 58 billion at Money Expo 2006

About 140 organizations participated in the sixth Money Expo, ranging from commercial and state-owned banks, non-bank financial firms, insurance/assurance firms, finance and leasing service providers, to securities and investment management firms. They energetically showcased their products and services, and provided useful information, entertaining activities and exciting privileges, attracting much attention and interest.

At this event, Securities and Exchange Commission (SEC), Agricultural Futures Exchange of Thailand (AFET), SET, Market for Alternative Investment (mai), Bond Electronic Exchange (BEX), Thailand Futures Exchange PCL (TFEX), and SET’s subsidiaries, namely, Thailand Securities Depository Co., Ltd. (TSD), SETTRADE.Com Co., Ltd., and Family Know-how Co., Ltd., presented their products and services, attracting much attention from event-goers.

Money Expo 2006: “The Colors of Life” offered a four-day cornucopia of fascinating presentations and free seminars to suit a broad range of interests — from the beginner to the experienced and discerning operator. New investors were catered for by interesting seminars such as ‘New Start, Smart Profit’ and ‘Strategies for New Investors’, while more comprehensive topics such as ‘All about Stocks’ and ‘Investment Choices’ were also on offer.

Those interested in mutual funds were drawn to presentations like ‘Investing Smart in LTFs and RMFs’,



Transactions at the four-day event totaled THB 58 billion (approx. USD 1.53 billion). Home loans were the most popular product, with deals adding up to THB 41 billion, representing 71% of all transactions. The attractive and competitive interest rates offered by the banks were especially well-received. Loans for SMEs, at THB 10 billion, were the second most popular offering, with personal loans next, doing THB 1.8 billion worth of business.

SET promoted a variety of alternatives tailored to the small investor

SET and its subsidiaries presented their services and activities with the theme, “Empowering your investment with stocks, unit trusts, bonds, and derivatives.” They introduced a broad range of investment tools to enable investors to “empower their savings” through a variety of choices tailored to their differing needs. The event was a milestone for the Thai capital market, as people were exposed to a wide array of investment alternatives, not just conventional bank deposits. The theme was a continuation of the two previous events SET had presented: “Thai capital market in its 30th year — providing a full range of investment choices” and “Investment lifestyle”.

‘Investing in Times of Oil Price Hikes’, and ‘Profit-Making Made Easy’. Among the booklets given away to every seminar participant were “*RMF-LTF: Tax-Saving Twins*” and “*Jotting for Future Rich*”.

Complementing the seminars, experts from SET, mai, BEX, TFEX, and related organizations were on hand to provide information and advice. Internet trading was also featured, with SETTRADE.Com demonstrating net-based stock and derivatives trading. Meanwhile, TSD set up its TSD Counter Service at the fair, where e-Dividend and other services attracted a great deal of interest.

The 30% discount on SET publications from Thailand Securities Institute (TSI) was a highlight, as was the free pocket book given to those who made a THB 40 donation to charity. There were 13 titles from which donors could choose, with all proceeds going to Duang Prateep Foundation, Baan Thep Childcare Center, Kua Darun Foundation, and the Association for Population and Community Development.

For the kids, Family Know-how Co., Ltd., a SET subsidiary, presented a stage play, ‘The Magic Piggy Bank’, aimed at promoting saving habits. The play drew the attention of both adults and children. ✍

Thai listed companies exceed THB 140 billion profit (Q1/2006)

SET announced that 482 listed companies on SET and Market for Alternative Investment (mai), or 96% of the total 504 public firms, had submitted their financial statements for Q1/2006.

SET-listed companies posted a Q1/2006 profit of THB 145.28 billion (approx. USD 3.77 billion), an 8% increase year-on-year (y-o-y). Profit for SET50 and SET100 companies made up 77% and 82% of overall profit respectively. The three industry groups recording the highest net profit were Resources, Financials, and Services.

Financial results for public firms on SET, excluding those on mai, improved in terms of both net profit and sales, with 446 of the 467 companies having submitted their financial statements. Collectively they posted THB 145.01 billion in net profit, or an 8% y-o-y increase. Of the companies that have submitted financial statements, 376 (or 84%) were profitable. Total sales from these 446 companies were THB 1.24 trillion, up 23% y-o-y.

For companies listed on mai, 36 of 37 companies have submitted their financial statements (the remaining firm operates on a different accounting year). These companies posted THB 279 million in net profit, a 10% drop y-o-y. Nevertheless, their total sales were recorded at THB 5.70 billion, a 14% increase y-o-y.

The five most profitable companies, with their respective net profit, were PTT PCL (PTT) with THB 23.73 billion, Siam Cement PCL (SCC) at THB 9.55 billion, PTT Exploration and Production PCL (PTTEP) with THB 7.84 billion, Thai Airways International PCL (THAI) at THB 6.21 billion, and finally Advanced Info Service PCL (ADVANC) with THB 5.29 billion in net profit.

In order of net profit, details for the eight industry groups are as follows:

1. Resources Industry Group: This group's combined net profit was THB 43.80 billion, a y-o-y increase of 6%. The energy and

utility sector enjoyed a 41% jump in sales as a result of robust domestic consumption of energy, higher prices for crude oil and related products, together with exchange rate gains.

2. Financials Industry Group: This industry group realized a net profit of THB 30.23 billion, a similar result to the same period last year.

3. Services Industry Group: This group posted a combined net profit of THB 20.78 billion, up 30% y-o-y due to a 12% increase in sales. Profit from the transportation and logistics sector accounted for 64% of the group's profit and were derived from an increase in flights, creation of new routes, and exchange rate gains.

4. Property and Construction Industry Group: This group saw a net profit of THB 15.86 billion, down 27% y-o-y. This was due to a 9% rise in sales-related costs, associated with construction materials and energy. Margins narrowed, especially in the steel industry, with further cost increases resulting from higher interest rates.

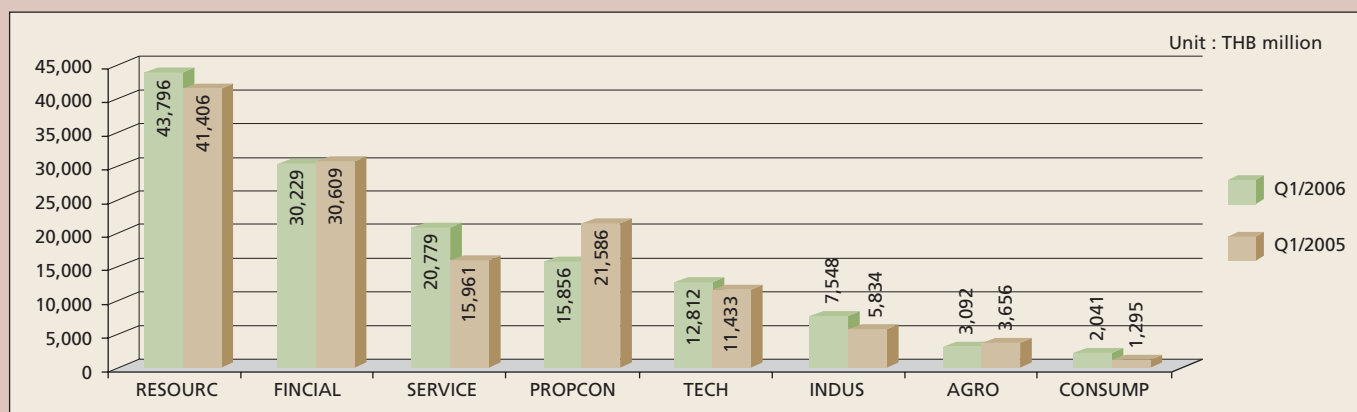
5. Technology Industry Group: This group's combined net profit amounted to THB 12.81 billion, a 12% increase y-o-y. The increase was due to higher revenue from sales and services as well as exchange rate gains.

6. Industrials Industry Group: These firms posted a combined net profit of THB 7.55 billion, a 29% rise y-o-y. The gains were mainly due to a 42% rise in sales in the petrochemicals and chemicals sector, together with gains derived from the stronger Baht.

7. Agro and Food Industry Group: This group's net profit of THB 3.09 billion dropped 15% y-o-y, due to a 21% rise in costs associated with higher energy prices.

8. Consumer Products Industry Group: This group's posted net profit of THB 2.04 billion soared 58% y-o-y due to a 17% increase in sales.

Total net profit for the eight industry groups



| Industry group | Resources | Financials | Services | Property & construction | Technology | Industrials | Agro & food industry | Consumer products |
|------------------------|-----------|------------|----------|-------------------------|------------|-------------|----------------------|-------------------|
| % Growth in Net Profit | 6% | (1)% | 30% | (27)% | 12% | 29% | (15)% | 58% |

Twenty-one of the 35 companies under rehabilitation (Rehabco) submitted financial statements. Fifteen enjoyed a net profit, with a combined net profit of THB 8.85 billion, a more than 200% increase y-o-y, given the THB 3.03 billion earned last year. The substantial increase was a result of a 24% rise in operational revenue together with exchange rate gains.

In conclusion, total outstanding debt of companies under rehabilitation, as of March 31, 2006, was THB 91.76 billion, a 7% decrease y-o-y. The following is a summary of the status of Rehabco companies from January 1 - May 16, 2006:

- No companies were moved into this sector.
- Six companies were removed from the sector and are trading in their regular sectors:
 - Everland PCL (EVER)
 - Inter Far East Engineering PCL (IFEC)
 - Preecha Group PCL (PRECHA)
 - Thai Heat Exchange PCL (THECO)
 - Thai Nam Plastic PCL (TNPC)
 - Thai Wire Products PCL (TWP).

Financial records of listed firms for Q1/2006 (ending March 31)

Unit : THB million

| Item | Overall (482 firms) | | Companies listed on SET (446 firms) | | | | | | SET50 companies | | SET100 companies | | Companies listed on mai (36 firms) | |
|---------------------|------------------------|------------------|-------------------------------------|------------------|--------------------------|------------------|-----------------------|------------------|--------------------|------------------|---------------------|------------------|---------------------------------------|------------------|
| | | | 7 Industry groups (359 firms) | | Financials (66 firms) | | Rehabco (21 firms) | | | | | | | |
| | Mar. 31, 2006 | Mar. 31, 2005 | Mar. 31, 2006 | Mar. 31, 2005 | Mar. 31, 2006 | Mar. 31, 2005 | Mar. 31, 2006 | Mar. 31, 2005 | Mar. 31, 2006 | Mar. 31, 2005 | Mar. 31, 2006 | Mar. 31, 2005 | Mar. 31, 2006 | Mar. 31, 2005 |
| Net profit (losses) | 145,284 | 135,112 | 105,924 | 101,168 | 30,229 | 30,609 | 8,852 | 3,025 | 111,171 | 108,129 | 119,805 | 116,077 | 279 | 310 |
| Sales | 1,248,636 | 1,017,570 | 1,072,176 | 880,831 | 112,992 | 85,319 | 57,737 | 46,384 | 810,405 | 637,963 | 937,043 | 744,214 | 5,731 | 5,036 |
| Total assets* | 12,592,745 | 12,045,649 | 4,418,683 | 4,277,964 | 7,963,760 | 7,560,078 | 190,518 | 187,867 | 9,739,155 | 9,301,283 | 10,608,170 | 10,168,991 | 19,784 | 19,740 |
| Liabilities* | 9,610,665 | 9,202,023 | 2,335,284 | 2,291,320 | 7,173,905 | 6,802,177 | 91,764 | 98,569 | 7,796,688 | 7,451,676 | 8,392,381 | 8,060,143 | 9,712 | 9,957 |
| Shareholder equity* | 2,858,772 | 2,731,230 | 1,966,736 | 1,880,508 | 785,381 | 753,550 | 96,630 | 87,517 | 1,847,916 | 1,765,156 | 2,107,436 | 2,010,784 | 10,025 | 9,655 |

Remarks: * Figures as of March 31, 2006 are compared with those of December 31, 2005.

Thai bourse waives bond up-front collateral requirement

From May 2006, investing in bonds via cash accounts will no longer require placing 10% collateral up-front. The SET Board of Governors (BoG) has resolved to remove this requirement, to increase bond market liquidity.

"Clearing and settlement of bonds will be made on the second business day after the transaction date (T+2), or earlier. Therefore there's little chance of default risk, so it is only logical to dispense with this prerequisite," said

Ms. Patareeya Benjapolchai, SET Executive Vice President and SET BoG Secretary.

Bond Electronic Exchange (BEX) had proposed that the scheme be considered at the SET members' General Meeting on April 5, 2006. No member companies have objected to the decision.



ABF Thailand Bond Index Fund joins Bond Electronic Exchange

Bond Electronic Exchange (BEX) approved the listing of the ABF Thailand Bond Index Fund's (ABFTH) unit trust, worth THB 5.58 billion (approx. USD 146.87 million). The fund is managed by Kasikorn Asset Management Co., Ltd., and commenced trading on April 27, using "ABFTH" as its trading symbol.

ABFTH was established to develop the domestic currency bond market, following the Asian Bond Fund 2 Initiative, established through the co-operation of 11 East Asia-Pacific region central banks and monetary authorities at the Executives' Meeting of East Asia-Pacific Central Banks (EMEAP).

ABFTH is an Exchange-Traded Fund (ETF) and a passively managed index fund. The fund offers low risk, as it invests principally in government bonds and debt instruments, and will not invest in derivative products. The fund, therefore, is suitable for those wishing to invest long-term in a low-risk fund.

BEX Chief Executive Officer Dr. Santi Kiranand said: *"Additionally, ABFTH will provide investors with more flexibility, as those wishing to invest in the fund can do so conveniently through brokers, as they normally do*

when investing in stocks. There is no need to contact an asset management company directly. ABFTH's listing will provide another interesting option for Thai investors and promote greater retail participation in the Thai bond market, as set forth in the 2nd Thai Capital Market Master Plan."



ABFTH will be the first listed fund on BEX, a subsidiary of The Stock Exchange of Thailand (SET). It is an open-ended, fixed-income, bond index ETF. Consequently, its project life has not been determined. The fund's units have a THB 1,000 par value. The fund's policy is to

invest in Thai baht-denominated financial instruments issued by the Thai government or state enterprises. Its policy is to pay dividends no more than twice a year, at no less than 50% of any increase in the net asset value (NAV).

For more information on ABFTH, please visit the BEX website, www.bex.or.th, and click on Bond-Related Funds. Alternatively, you can visit the Kasikorn Asset Management website at www.k-asset.co.th. To trade in ABFTH's unit trust, please contact any SET member company.

Thai listed companies pay over THB 70 billion taxes in 2005

In 2005, listed companies on SET and Market for Alternative Investment (mai) collectively paid THB 71.08 billion (approx. USD 1.77 billion) in corporate taxes, or an average of THB 140 million (approx. USD 3.48 million) per company. Of Thailand's 260,000 companies, the 504 listed companies on the bourse contributed about 20% of the nation's total corporate taxes.

Newly-listed companies during 2001-2005 paid THB 55.15 billion (approx. USD 1.37 billion) in cumulative corporate taxes.


During 2001-2004, taxes paid by listed firms increased by 45% per year on average, while those paid by non-listed companies rose by only 16% on average.

By being traded on SET or mai, firms enjoy a tax reduction of 5% or 10%, respectively, vis-à-vis non-listed companies, for two years after being listed. Public companies were able to put these savings to good use by expanding their profitability.

Hence, this tax measure has attracted more listings. From September 2001 to Q1/2006, a total of 160 companies

have enjoyed these privileges — and more are coming. Thirty-three firms have applied to list: 21 on SET, and the other 12 on mai. These firms must commence trading by end-2006. To date, 11 of them have been approved for listing.

A survey of 74 listed on SET or mai from 2004 to August, 2005 showed that their average listing expenses came to THB 26 million, plus THB 2 million for meeting corporate governance requirements. These included auditing expenses and audit committee payments, together with a total THB 0.5 million annual fee to SET and Thailand Securities Depository Co., Ltd. combined.

The Listed Companies Association has tried to negotiate for tax privileges. These companies feel they deserve a lower rate, as they feel they have already paid sufficient taxes. Furthermore, their tax payments have grown at a higher rate than non-listed firms. Therefore, they want their tax rate gradually decreased to a level that they find reasonable, and which will allow them to compete effectively in international markets. 

13 Thai listed companies join Forbes Global 2000

Thirteen Thai public firms have been included in this year's Forbes Global 2000, a ranking of the world's 2000 largest public companies conducted by *Forbes Magazine*, reported Capital Market Opportunity Center (CMOC) Chairman Ms. Sopawadee Lertmanaschai.

PTT PCL was ranked at 372, making it the leading Thai firm in the top 500 list. Meanwhile, Siam Cement PCL was ranked at 833 and Bangkok Bank PCL at 946. Seven other large Thai banks were included in the 2000.

"Two Thai companies from the oil & gas sector, PTT PCL and Thai Oil PCL, are included. The number of Thai public firms joining the Forbes Global 2000 is higher than from other bourses in the region", the CMOC Chairman said.

Thai Petrochemical Industry PCL and Siam Cement PCL, from the chemicals and construction sectors, also made the table. Similar companies in the region did not.

"In 2006, there are two Thai newcomers joining the Forbes Global 2000: Thai Petrochemical Industry PCL (ranked at 1418) and TMB Bank PCL (at 1818).

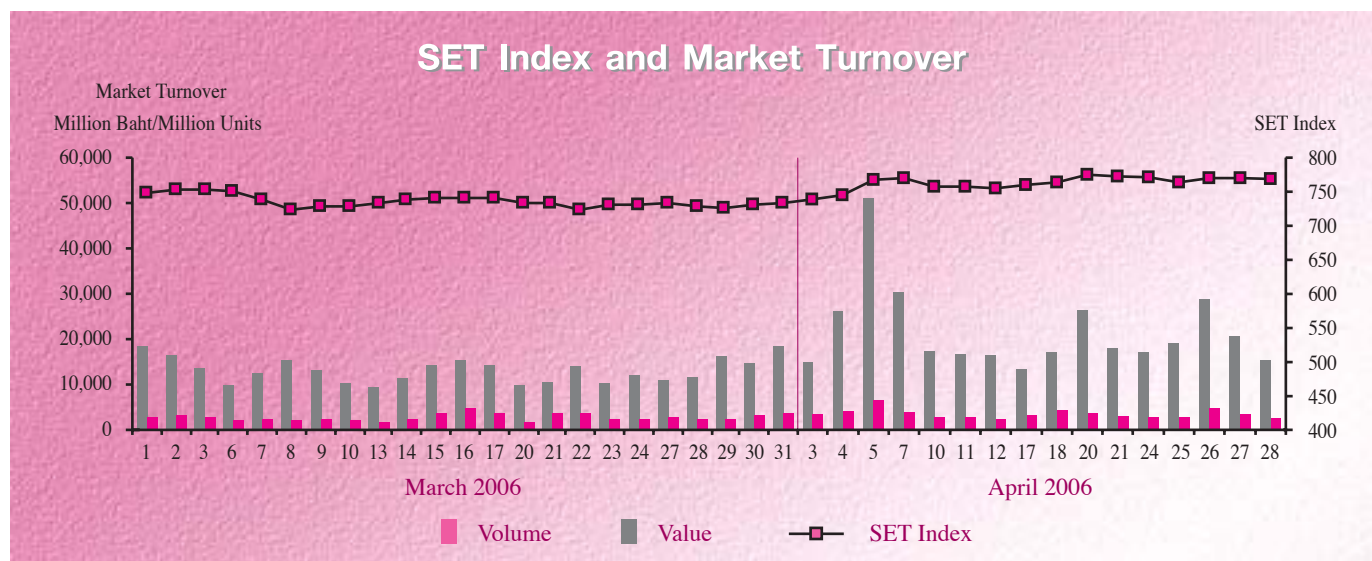
"Moreover, seven previously ranked companies improved their position. PTT PCL shot up from 425 to 372, Siam Cement PCL inched up from 852 to 833, Siam Commercial Bank PCL climbed from 1295 to 1211, Krung Thai Bank PCL improved from 1265 to 1215, Thai Oil PCL jumped from 1595 to 1330, Siam City Bank PCL moved up from 1968 to 1861, and finally, Bank of Ayudhya PCL rose in the list from 1924 to 1889", Ms. Sopawadee added.

Forbes Magazine is a leading business and investment magazine with coverage in the USA, Europe, and Asia. The Forbes Global 2000 ranking is based on sales, profits, assets, and market value.

Thai listed companies in Forbes Global 2000 in 2006

| Ranking | | Company | | Industry |
|---------|------|---------------------------------|--------|----------------------------|
| 2006 | 2005 | Name | Symbol | (Forbes category) |
| 372 | 425 | PTT PCL | PTT | Oil & gas operations |
| 833 | 852 | Siam Cement PCL | SCC | Construction |
| 946 | 943 | Bangkok Bank PCL | BBL | Banking |
| 1153 | 1060 | Kasikornbank PCL | KBANK | Banking |
| 1211 | 1295 | Siam Commercial Bank PCL | SCB | Banking |
| 1215 | 1265 | Krung Thai Bank PCL | KTB | Banking |
| 1330 | 1595 | Thai Oil PCL | TOP | Oil & gas operations |
| 1338 | 1149 | Advanced Info Service PCL | AIS | Telecommunication services |
| 1418 | - | Thai Petrochemical Industry PCL | TPI | Chemicals |
| 1818 | - | TMB Bank PCL | TMB | Banking |
| 1861 | 1968 | Siam City Bank PCL | SCIB | Banking |
| 1865 | 1538 | Thai Airways International PCL | THAI | Transportation |
| 1889 | 1924 | Bank of Ayudhya PCL | BAY | Banking |

SET Index and Market Turnover



The Stock Price Indices in April 2006

| Index | High (Date) | Low (Date) | Close | |
|---------|---------------|--------------|------------|------------------------------|
| | | | April 2006 | Compared with March 2006 (%) |
| SET | 774.57 (20) | 738.67 (3) | 768.29 | ↑ 4.78% |
| SET50 | 541.69 (20) | 512.64 (3) | 533.86 | ↑ 4.86% |
| SET100* | 1,182.75 (20) | 1,121.04 (3) | 1,169.02 | ↑ 4.98% |
| mai | 170.47 (28) | 165.95 (3) | 170.47 | ↑ 3.05% |

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

Stock Market Turnover in April 2006

| | Volume (Million Shares) | | | | Value (Million Baht) | | | | |
|---------------|-------------------------|--------|------------------------------|----------|----------------------|------------|------------------------------|----------|----------|
| | April 2006 | | Compared with March 2006 (%) | | April 2006 | | Compared with March 2006 (%) | | |
| | SET | mai | SET | mai | SET | mai | SET | mai | |
| Total | 54,957.45 | 394.21 | ↓ 5.86% | ↓ 45.72% | Total | 347,577.77 | 1,079.25 | ↑ 16.85% | ↓ 37.20% |
| Daily Average | 3,434.84 | 24.64 | ↑ 35.33% | ↓ 21.95% | Daily Average | 21,723.61 | 67.45 | ↑ 67.97% | ↓ 9.73% |

Statistics of Listed Debentures in April 2006

| Issues | Listed Debentures | | Total Turnover | |
|--------|-------------------|--|----------------|----------------------|
| | Units | Total Outstanding Value (Million Baht) | Units | Value (Million Baht) |
| 21 | 2,329,624,353 | 2,428,516.80 | 0 | 0.00 |

Transactions by Type of Investors*

Unit : Million Baht

| Type of Investors | March 2006 | | | | April 2006 | | | |
|-------------------------------------|-------------------|---------------|-------------------|---------------|-------------------|---------------|-------------------|---------------|
| | Buy | % | Sell | % | Buy | % | Sell | % |
| Foreigners (corporate & individual) | 112,650.71 | 37.65 | 112,947.98 | 37.75 | 135,226.24 | 38.78 | 116,770.58 | 33.49 |
| Local Institutions** | 33,511.34 | 11.20 | 33,762.54 | 11.29 | 34,430.25 | 9.88 | 36,728.00 | 10.53 |
| Local Investors | 153,017.63 | 51.15 | 152,469.16 | 50.96 | 179,000.53 | 51.34 | 195,158.44 | 55.98 |
| Total | 299,179.68 | 100.00 | 299,179.68 | 100.00 | 348,657.02 | 100.00 | 348,657.02 | 100.00 |

* Including transactions of mai

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

Top Ten Securities with Highest Market Value in April 2006

| Rank | Securities | | Market Value | |
|--------------|--------------------------------|--------|---------------------|--------------|
| | | | Million Baht | % of Total |
| 1 | PTT | PTT | 721,689.40 | 13.47 |
| 2 | PTT Exploration and Production | PTTEP | 412,643.26 | 7.70 |
| 3 | The Siam Cement | SCC | 285,600.00 | 5.33 |
| 4 | Advanced Info Service | ADVANC | 261,319.46 | 4.88 |
| 5 | Bangkok Bank | BBL | 215,699.25 | 4.03 |
| 6 | Thai Petrochemical Industry | TPI | 163,800.00 | 3.06 |
| 7 | Kasikornbank | KBANK | 157,184.19 | 2.93 |
| 8 | Thai Oil | TOP | 137,701.88 | 2.57 |
| 9 | Krung Thai Bank | KTB | 137,510.91 | 2.57 |
| 10 | The Siam Commercial Bank | SCB | 122,869.72 | 2.29 |
| Total | | | 2,616,018.07 | 48.83 |

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

| Rank | Securities | | Number of Securities | Turnover Value | |
|--------------|--------------------------------|--------|----------------------|-------------------|--------------|
| | | | | Million Baht | % of Total |
| 1 | Thai Petrochemical Industry | TPI | 4,676,764,749 | 37,649.93 | 11.74 |
| 2 | PTT | PTT | 84,190,585 | 21,459.12 | 6.69 |
| 3 | Bangkok Bank | BBL | 173,003,060 | 20,197.99 | 6.30 |
| 4 | PTT Exploration and Production | PTTEP | 60,491,588 | 13,982.72 | 4.36 |
| 5 | Thai Oil | TOP | 199,290,518 | 13,821.00 | 4.31 |
| 6 | Kasikornbank | KBANK | 147,174,037 | 10,014.64 | 3.12 |
| 7 | The Siam Commercial Bank | SCB | 132,994,340 | 8,879.84 | 2.77 |
| 8 | Advanced Info Service | ADVANC | 90,929,255 | 8,231.91 | 2.57 |
| 9 | Krung Thai Bank | KTB | 571,398,862 | 6,990.52 | 2.18 |
| 10 | The Siam Cement | SCC | 26,625,126 | 6,428.36 | 2.00 |
| Total | | | 6,162,862,120 | 147,656.05 | 46.04 |

* Excluding transactions on Foreign Board and mai

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

| Rank | Securities | | Number of Securities | Turnover Value | |
|--------------|------------------------|----------|----------------------|------------------|--------------|
| | | | | Million Baht | % of Total |
| 1 | Bangkok Bank | BBL-F | 106,331,240 | 13,311.81 | 49.54 |
| 2 | Kasikornbank | KBANK-F | 68,343,290 | 4,819.41 | 17.93 |
| 3 | The Siam Cement | SCC-F | 13,949,054 | 3,620.41 | 13.47 |
| 4 | Advanced Info Service | ADVANC-F | 19,573,800 | 1,745.25 | 6.49 |
| 5 | Land and Houses | LH-F | 84,791,100 | 764.01 | 2.84 |
| 6 | Siam City Bank | SCIB-F | 21,386,500 | 534.83 | 1.99 |
| 7 | Banpu | BANPU-F | 3,372,000 | 526.63 | 1.96 |
| 8 | Bank of Ayudhya | BAY-F | 24,088,800 | 474.38 | 1.77 |
| 9 | Krung Thai Bank | KTB-F | 14,713,750 | 180.49 | 0.67 |
| 10 | Electricity Generation | EGCOMP-F | 1,938,000 | 163.23 | 0.61 |
| Total | | | 358,487,534 | 26,140.46 | 97.28 |

* Excluding transactions of mai

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

| Rank | Securities | | Number of NVDRs | % of Paid-up Capital |
|------|----------------------------------|----------|-----------------|----------------------|
| 1 | Jasmine International | JAS-W | 39,898,120 | 44.46 |
| 2 | Golden Land Property Development | GOLD | 220,548,872 | 35.00 |
| 3 | Tisco Finance | TISCO | 180,138,489 | 33.29 |
| 4 | Raimon Land | RAIMON-W | 348,790,397 | 30.74 |
| 5 | Aapico Hitech | AH | 70,443,366 | 29.35 |
| 6 | Agripure Holdings | APURE-W1 | 1,497,600 | 27.90 |
| 7 | L.P.N. Development | LPN | 362,980,755 | 24.60 |
| 8 | Univentures | UV | 126,949,249 | 23.94 |
| 9 | Land and Houses | LH | 2,006,517,407 | 23.88 |
| 10 | Pranda Jewelry | PRANDA | 68,248,400 | 22.51 |

Top Ten Outstanding Non-Voting Depository Receipts (NVDRs) in April 2006 By Number of NVDRs

| Rank | Securities | | Number of NVDRs | % of Paid-up Capital |
|------|------------------------------|--------|-----------------|----------------------|
| 1 | Bangkok Land | BLAND | 3,000,181,425 | 20.76 |
| 2 | Land and Houses | LH | 2,006,517,407 | 23.88 |
| 3 | TMB Bank | TMB | 576,327,674 | 4.33 |
| 4 | Hemaraj Land and Development | HEMRAJ | 530,685,500 | 7.71 |
| 5 | Quality Houses | QH | 512,399,724 | 8.15 |
| 6 | Kasikornbank | KBANK | 511,251,405 | 21.47 |
| 7 | Bank of Ayudhya | BAY | 500,989,044 | 17.44 |
| 8 | Asian Property Development | AP | 414,233,343 | 18.16 |
| 9 | Bangkok Bank | BBL | 392,664,047 | 20.57 |
| 10 | Charoen Pokphand Foods | CPF | 373,632,494 | 4.97 |

SET held a conference on oil price trends

On April 26, Professor Sangvian Indaravijaya Foundation and SET jointly hosted a conference entitled **"Solutions for Thai Businesses in Coping with Oil Price Hike"** at the Professor Sangvian Indaravijaya Auditorium, SET Building, Bangkok. Deputy Prime Minister and Commerce Minister Dr. Somkid Jatusripitak presided over the opening ceremony and gave a keynote address on oil price trends. Dozens of top-executives from Thailand's energy firms participated in the event, some of whom also shared their opinions and insights about the solutions for Thai businesses amidst the current oil price hike. The event drew a lot of attention from the press and the general public.



TFEX's inauguration opens a new era for Thai capital market



Thailand Futures Exchange PCL (TFEX) debuted on April 28, the SET's 31st anniversary. Finance Minister Dr. Thanong Bidaya presided over the ceremony, which was held at the SET Building, Bangkok. Many representatives from local and foreign financial institutions and capital market institutions also witnessed the inauguration.

The launch of Thailand's futures exchange marked a new era of a truly integrated market, with a variety of stock, bond and derivative products. Derivatives are useful risk management tools, while equity and debt instruments provide long-term national economic support.

The first product to be offered by TFEX is the SET50 Index Futures, with four contracts available:

- S50M06 expiring in June 2006;
- S50U06 expiring in September 2006;
- S50Z06 expiring in December 2006;
- S50H07 expiring in March 2007.

For more information, please visit www.tfex.co.th or contact any of the 19 TFEX brokers.

SET promotes household financial planning

On April 10, SET, Bank for Agriculture and Agricultural Cooperatives (BAAC), and Family Know-how Co., Ltd. (FKH) jointly signed a memorandum of understanding to promote financial literacy at the household level. These three allied organizations will be regularly distributing stories and educational media promoting a savings culture and systematically educate the general public. These efforts should increase the excess income of Thai households and make it work for them, through investment.



To further promote financial knowledge and skills amongst farmers, the majority of the nation's population, SET will also produce and publish BAAC's work, including educational materials, such as the *"Household income and expenditure"* book. Moreover, FKH will broadcast stories produced by BAAC on 'Money Channel' to reach a wider range of audience across the nation. In addition, BAAC and FKH have conducted a joint BAAC-FKH Money Channel Poll to assess farmers' financial habits and views on the economic policies and conditions affecting them.

"Thai Investors' Day" features the mai for young entrepreneurs and investors



The latest "Thai Investors' Day" event was held on May 6-7, 2006 at the SET Building, Bangkok. The event used the theme of **"mai: New Investment Beat"**, aimed to provide information on investing via Market for Alternative Investment (mai). There were interesting seminars, booths and exhibitions by mai-listed firms, brokerage companies and organizations in the Thai capital market.



The event is organized by the Thai Investors' Association (TIA) and SET on the first weekend of every month throughout 2006 from 9.30 - 17.00 hours at the SET Building. Those who already hold a TIA Passbook may make advance bookings at www.thaiinvestors.com, or call 66-2237-1992-3 for the exclusive privilege of attending certain seminars.