

Translation

Kor.Tor. (Wor) 35/2001

October 5, 2001

Managing Directors

All Listed companies, Members, Non-member securities companies, Financial Advisors and Auditors

Dear Sirs,

Re: Measure to revive and develop Thai Capital Market

Attachment : Copy of the Royal Decree issued from the revenue code governing the decreases in revenue No. 387, B.E. 2544 (2001)

As a result of a meeting of both government organizations and the private sector on March 31, 2001 to discuss ways to develop the capital market in Thailand, new tax incentives measures have been introduced for new companies wishing to list on the Stock Exchange of Thailand (SET) and for listed companies to maintain their listing status. The SET wishes to inform that the Royal Decree issued from the revenue code governing the decreases in revenue No. 387, B.E. 2544 (2001) was made effective from September 6, 2001. We can summarize as follows :

1. For existing listed companies.

Corporate taxes for listed companies that listed on the SET before September 6, 2001 will be reduced from 30% to 25% but only for profits that do not exceed 300 million baht. This will remain in effect for five consecutive accounting periods from the date of the accounting period beginning on or after September 6, 2001. Listed companies that have an accounting period matching with the calendar year will receive the benefit of the tax discount from January 1, 2002 to December 31, 2006. For listed companies that do not have accounting periods matching with the calendar year and those accounting periods begin on or after September 6, 2001 will receive the benefit of the tax discount starting from the beginning of their accounting periods, such as the company that has an accounting period from October to September will receive the benefit of the tax discount from October 1, 2001 to September 30, 2006.

2 New listed companies.

2.1 Corporate taxes for newly listed companies on the SET (MAIN MARKET) will be reduced from 30% to 25% for five accounting periods.

2.2 Corporate taxes for newly listed companies on the Market for Alternative Investment (MAI) will be reduced from 30% to 20% for five accounting periods.

However, corporate taxes will be reduced for companies planning to list on the SET or the MAI within three years from the date that the Royal Decree comes into effect, or up until September 5, 2004. The benefit of the tax discount mentioned above will become effective in the accounting period from or after the date that the companies have listing status with the SET or the MAI. The companies being listed on the SET before December 31, 2001 with the accounting period matching with the calendar year will receive the benefit of the tax discount from January 1, 2002 to December 31, 2006.

Pleased be informed accordingly.

Sincerely yours,

(Signed) Kittiratt Na-Ranong

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