

# **The Stock Exchange of Thailand and its Subsidiaries**

Annual financial statements  
and  
Audit Report of Certified Public Accountant

For the years ended  
31 December 2009 and 2008



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## Audit Report of Certified Public Accountant

### To the Members of The Stock Exchange of Thailand

I have audited the accompanying consolidated and separate balance sheets as at 31 December 2009, and the related statements of revenues and expenses, changes in fund balances and cash flows for the year then ended of The Stock Exchange of Thailand and its subsidiaries, and of The Stock Exchange of Thailand respectively. The Stock Exchange of Thailand's management is responsible for the correctness and completeness of information presented in these financial statements. My responsibility is to express an opinion on these financial statements based on my audits. The consolidated and separate financial statements of The Stock Exchange of Thailand and its subsidiaries, and of The Stock Exchange of Thailand respectively for the year ended 31 December 2008 were audited by another auditor whose report dated 25 February 2009 expressed an unqualified opinion on those statements.

I conducted my audits in accordance with generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audits provide a reasonable basis for my opinion.

In my opinion, the consolidated and separate financial statements referred to above present fairly, in all material respects, the financial positions as at 31 December 2009 and the results of operations and cash flows for the year then ended of The Stock Exchange of Thailand and its subsidiaries, and of The Stock Exchange of Thailand respectively in accordance with generally accepted accounting principles.

(Charoen Phosamritlert)  
Certified Public Accountant  
Registration No. 4068

KPMG Phoomchai Audit Ltd.  
Bangkok  
18 February 2010

# The Stock Exchange of Thailand and its Subsidiaries

## Balance sheets

As at 31 December 2009 and 2008

		Consolidated			
		financial statements		SET	
Assets	Note	2009	2008	2009	2008
		(in thousand Baht)			
<i>Current assets</i>					
Cash and cash equivalents	5	281,753	231,757	189,465	88,897
Cash at banks for clearing collateral and dividend payables		5,453	8,813	-	-
Assets for margin deposits and benefits	15	2,835,368	1,901,914	-	-
Current investments	6	5,347,301	5,325,907	4,609,597	4,744,916
Accounts receivable and accrued income, net	4, 7	181,576	185,568	257,159	238,900
Accrued interest receivables		42,616	49,642	40,217	44,986
Other current assets	4, 8	72,893	88,532	70,406	58,525
<b>Total current assets</b>		<b>8,766,960</b>	<b>7,792,133</b>	<b>5,166,844</b>	<b>5,176,224</b>
<i>Non-current assets</i>					
Investments in subsidiaries	9	-	-	597,291	554,591
Investments in jointly-controlled entity, net	10	28,347	-	25,000	-
Investments in associates, net	11	467,684	159,939	385,806	100,000
Long-term investments, net	12	6,090,034	4,723,191	6,062,334	4,653,015
Assets for clearing system protection and benefits	16	817,807	776,016	-	-
Securities Investor Protection Fund	20	549,912	493,515	549,912	493,515
Property, plant and equipment, net	13	3,649,207	3,618,667	3,628,662	3,574,811
Intangible assets, net	14	314,289	430,032	296,422	395,626
Refundable deposits		7,279	6,977	125,311	6,937
<b>Total non-current assets</b>		<b>11,924,559</b>	<b>10,208,337</b>	<b>11,670,738</b>	<b>9,778,495</b>
<b>Total assets</b>		<b>20,691,519</b>	<b>18,000,470</b>	<b>16,837,582</b>	<b>14,954,719</b>

The accompanying notes are an integral part of these financial statements.

# The Stock Exchange of Thailand and its Subsidiaries

## Balance sheets

As at 31 December 2009 and 2008

Liabilities and fund balances	Note	Consolidated financial statements		SET	
		2009	2008	2009	2008
		<i>(in thousand Baht)</i>			
<b>Current liabilities</b>					
Clearing collateral and dividend payables		5,453	8,813	-	-
Margin deposits and benefits payables	15	2,835,368	1,901,914	-	-
Accounts payable and accrued expenses	4, 17	473,206	345,696	458,729	309,946
Fees received in advance		295,799	344,013	135,961	137,613
Income tax payable		10,826	5,845	-	-
Short-term borrowings from subsidiaries	4	-	-	565,850	343,850
Current portion of provision for employees' benefits	19	8,453	-	8,453	-
Other current liabilities	4, 18	254,992	213,892	148,356	104,864
<b>Total current liabilities</b>		<b>3,884,097</b>	<b>2,820,173</b>	<b>1,317,349</b>	<b>896,273</b>
<b>Non-current liabilities</b>					
Assets for clearing system protection and benefits payables	16	699,766	660,372	-	-
Contributions and benefits to Securities Investor Protection Fund	20	189,743	145,470	189,743	145,470
Provision for employees' benefits	19	111,149	133,723	111,149	92,502
Other non-current liabilities		43,408	48,066	43,408	32,483
<b>Total non-current liabilities</b>		<b>1,044,066</b>	<b>987,631</b>	<b>344,300</b>	<b>270,455</b>
<b>Total liabilities</b>		<b>4,928,163</b>	<b>3,807,804</b>	<b>1,661,649</b>	<b>1,166,728</b>
<b>Fund balances</b>					
Funds		15,083,615	14,627,100	14,491,978	14,222,727
Unrealised gain (loss) on available-for-sale securities		679,739	(434,436)	683,955	(434,736)
Minority interests		2	2	-	-
<b>Total fund balances</b>		<b>15,763,356</b>	<b>14,192,666</b>	<b>15,175,933</b>	<b>13,787,991</b>
<b>Total liabilities and fund balances</b>		<b>20,691,519</b>	<b>18,000,470</b>	<b>16,837,582</b>	<b>14,954,719</b>

The accompanying notes are an integral part of these financial statements.

# The Stock Exchange of Thailand and its Subsidiaries

## Statements of revenues and expenses

For the years ended 31 December 2009 and 2008

	Note	Consolidated		SET	
		financial statements			
		2009	2008	2009	2008
(in thousand Baht)					
<b>Operating revenues</b>					
Trading fees		629,555	534,963	442,898	398,123
Clearing and depository fees		215,227	203,125	-	-
Stock registrar fees		529,843	539,257	-	-
Listing fees		234,989	237,773	234,989	237,773
Members services fees		214,705	158,213	-	-
Service income	4	1,598	-	1,027,474	618,550
Investment income, net	4, 22	875,802	613,574	802,910	585,758
Other income	23	507,773	534,413	288,126	341,504
<b>Total operating revenues</b>		<b>3,209,492</b>	<b>2,821,318</b>	<b>2,796,397</b>	<b>2,181,708</b>
<b>Operating expenses</b>					
Employees' benefits expenses	24	1,238,616	1,024,907	1,237,813	719,351
Marketing and media production expenses		196,921	238,771	153,719	156,530
Fees and compensation expenses		113,501	109,053	154,554	180,048
Direct service expenses		134,018	129,555	-	-
Building and office expenses		125,974	130,779	123,327	128,873
Technology expenses		120,265	108,899	112,590	108,271
Contributions to the office of SEC	25	159,249	170,873	159,249	170,873
Depreciation	13	201,383	213,806	182,952	190,382
Amortisation	14	139,476	141,874	127,698	128,374
Other expenses	26	169,131	213,804	145,929	203,278
<b>Total operating expenses</b>		<b>2,598,534</b>	<b>2,482,321</b>	<b>2,397,831</b>	<b>1,985,980</b>

The accompanying notes are an integral part of these financial statements.

# The Stock Exchange of Thailand and its Subsidiaries

## Statements of revenues and expenses

For the years ended 31 December 2009 and 2008

		Consolidated		SET	
		financial statements			
	Note	2009	2008	2009	2008
		(in thousand Baht)			
Share of profit (loss) of investments in associates and jointly-controlled entity (net of income tax)		29,693	(895)	-	-
<b>Operating revenues over operating expenses</b>		<b>640,651</b>	<b>338,102</b>	<b>398,566</b>	<b>195,728</b>
<b>Non-operating items</b>					
Income derived from Securities Investor Protection Fund, net	21	12,210	12,352	12,210	12,352
Donation and social activities contribution, net		(141,421)	(96,356)	(141,439)	(94,470)
<b>Revenues over expenses before income tax expense</b>		<b>511,440</b>	<b>254,098</b>	<b>269,337</b>	<b>113,610</b>
Income tax expense		(54,839)	(48,617)	-	-
<b>Revenues over expenses</b>		<b>456,601</b>	<b>205,481</b>	<b>269,337</b>	<b>113,610</b>
<b>Revenues over expenses attributable to:</b>					
Equity holders of SET		456,601	205,481	269,337	113,610
Minority interests		-	-	-	-
		<b>456,601</b>	<b>205,481</b>	<b>269,337</b>	<b>113,610</b>

The accompanying notes are an integral part of these financial statements.

# The Stock Exchange of Thailand and its Subsidiaries

## Statements of changes in fund balances

For the years ended 31 December 2009 and 2008

### Consolidated financial statements

Note	Clearing & Settlement of Derivatives Market				Staff Welfare Fund	Securities Investor Protection Fund		The SET's 30th Anniversary Charity Fund	General Fund	Total fund balances attributable to equity holders of SET			Total fund balances
	Securities Clearing Reserve Fund	Clearing Reserve Fund	Indemnity Fund	SET Building Construction Fund		Investor Protection Fund				Unrealised gain (loss) on available-for-sale securities		Minority interests	
							(in thousand Baht)						
Balance at 1 January 2008	2,000,000	300,000	100,000	246,328	93,115	335,930		8,713	11,337,770	1,649,363	16,071,219	2	16,071,221
Adjustment for SET building construction expenses	-	-	-	(6,605)	-	-		-	6,605	-	-	-	-
Unrealised loss on available-for-sale securities	-	-	-	-	-	(237)		-	-	(2,083,799)	(2,084,036)	-	(2,084,036)
Net income (expenses) recognised directly in fund balances	-	-	-	(6,605)	-	(237)		-	6,605	(2,083,799)	(2,084,036)	-	(2,084,036)
Revenues over (under) expenses	-	-	-	-	1,061	12,352		(8,713)	200,781	-	205,481	-	205,481
Total recognised income and expenses	-	-	-	-	1,061	12,352		(8,713)	200,781	-	205,481	-	205,481
Balance at 31 December 2008 and 1 January 2009	2,000,000	300,000	100,000	239,723	94,176	348,045		-	11,545,156	(434,436)	14,192,664	2	14,192,666
Adjustment for SET building construction expenses	-	-	-	(66,858)	-	-		-	66,858	-	-	-	-
Unrealised gain (loss) on available-for-sale securities	-	-	-	-	-	(86)		-	-	1,114,175	1,114,089	-	1,114,089
Net income (expenses) recognised directly in fund balances	-	-	-	(66,858)	-	(86)		-	66,858	1,114,175	1,114,089	-	1,114,089
Revenues over expenses	-	-	-	-	1,127	12,210		-	443,264	-	456,601	-	456,601
Total recognised income and expenses	-	-	-	-	1,127	12,210		-	443,264	-	456,601	-	456,601
Balance at 31 December 2009	2,000,000	300,000	100,000	172,865	95,303	360,169		-	12,055,278	679,739	15,763,354	2	15,763,356

The accompanying notes are an integral part of these financial statements.

# The Stock Exchange of Thailand and its Subsidiaries

## Statements of changes in fund balances

For the years ended 31 December 2009 and 2008

SET										
Note	Securities Clearing Reserve Fund	Clearing & Settlement of Derivatives Market Reserve Fund	Indemnity Fund	SET Building Construction Fund	Staff Welfare Fund	Securities Investor Protection Fund	The SET's 30th Anniversary Charity Fund	General Fund	Unrealised gain (loss) on available-for-sale securities	Total fund balances
					(in thousand Baht)					
Balance at 1 January 2008	2,000,000	300,000	100,000	246,328	93,115	335,930	8,713	11,025,268	1,648,491	15,757,845
Adjustment for SET building construction expenses	-	-	-	(6,605)	-	-	-	6,605	-	-
Unrealised loss on available-for-sale securities	-	-	-	-	-	(237)	-	-	(2,083,227)	(2,083,464)
Net income (expenses) recognised directly in fund balances	-	-	-	(6,605)	-	(237)	-	6,605	(2,083,227)	(2,083,464)
Revenues over (under) expenses	-	-	-	-	1,061	12,352	(8,713)	108,910	-	113,610
Total recognised income and expenses	-	-	-	-	1,061	12,352	(8,713)	108,910	-	113,610
Balance at 31 December 2008 and 1 January 2009	2,000,000	300,000	100,000	239,723	94,176	348,045	-	11,140,783	(434,736)	13,787,991
Adjustment for SET building construction expenses	-	-	-	(66,858)	-	-	-	66,858	-	-
Unrealised gain (loss) on available-for-sale securities	-	-	-	-	-	(86)	-	-	1,118,691	1,118,605
Net income (expenses) recognised directly in fund balances	-	-	-	(66,858)	-	(86)	-	66,858	1,118,691	1,118,605
Revenues over expenses	-	-	-	-	1,127	12,210	-	256,000	-	269,337
Total recognised income and expenses	-	-	-	-	1,127	12,210	-	256,000	-	269,337
Balance at 31 December 2009	2,000,000	300,000	100,000	172,865	95,303	360,169	-	11,463,641	683,955	15,175,933

The accompanying notes are an integral part of these financial statements.



# The Stock Exchange of Thailand and its Subsidiaries

## Statements of cash flows

For the years ended 31 December 2009 and 2008

		Consolidated			
		financial statements		SET	
	Note	2009	2008	2009	2008
		(in thousand Baht)			
<b>Cash flows from operating activities</b>					
Revenues over expenses before income tax expense		511,440	254,098	269,337	113,610
<b>Adjustments for</b>					
Depreciation	13	201,383	213,806	182,952	190,382
Amortisation	14	139,476	141,874	127,698	128,374
Investment income, net	22	(875,802)	(613,574)	(802,910)	(585,758)
<b>Income derived from Securities Investor Protection</b>					
Fund, net	21	(12,210)	(12,352)	(12,210)	(12,352)
Loss on liquidation of subsidiary		-	-	384	-
(Reversal) provision for impairment losses of investments		(28,311)	-	189	-
Doubtful debts expenses		(144)	(253)	(99)	(253)
Provision for employees' benefits	19	17,906	16,778	55,260	11,769
(Gain) loss on disposals of property, plant and equipment and intangible assets		(3,279)	10,802	(3,296)	10,839
Share of (profit) loss of investments in associates and jointly-controlled entity (net of income tax)		(29,693)	895	-	-
		(79,234)	12,074	(182,695)	(143,389)
<b>Changes in operating assets and liabilities</b>					
Cash at banks for clearing collateral and dividend payables		3,360	12,574	-	-
Assets for margin deposits and benefits		(933,454)	(501,808)	-	-
Accounts receivable and accrued income		(14,074)	(28,561)	(18,160)	(77,265)
Other current assets		12,424	95,965	(11,962)	101,372
Assets for clearing system protection and benefits		(41,791)	(213,727)	-	-
Securities Investor Protection Fund		(56,187)	(49,612)	(56,187)	(49,612)
Refundable deposits		(360)	38	(118,374)	20
Clearing collateral and dividend payables		(3,360)	(12,574)	-	-
Margin deposits and benefits payables		933,454	501,808	-	-
Accounts payable and accrued expenses		129,000	(320,153)	128,982	(262,276)
Fees received in advance		(42,950)	127,205	(1,652)	(3,810)
Other current liabilities		43,212	(31,717)	43,492	(79,034)

The accompanying notes are an integral part of these financial statements.

# The Stock Exchange of Thailand and its Subsidiaries

## Statements of cash flows

For the years ended 31 December 2009 and 2008

		Consolidated			
		financial statements		SET	
	Note	2009	2008	2009	2008
		(in thousand Baht)			
Assets for clearing system protection and benefits payables		39,394	208,439	-	-
Contributions and benefits to Securities Investor Protection Fund		44,273	37,989	44,273	37,989
Employees' benefits paid	19	(28,160)	-	(28,160)	-
Other non-current liabilities		(4,658)	(439)	10,925	(440)
Income tax paid		(49,992)	(50,788)	-	-
Net cash used in operating activities		(49,103)	(213,287)	(189,518)	(476,445)
<i>Cash flows from investing activities</i>					
Investment income received		511,320	423,845	429,840	399,560
Dividend received		408,031	207,338	407,887	209,338
Purchase of current investments	6	(1,871,442)	(3,845,654)	(1,409,785)	(2,184,184)
Sale of current investments	6	1,850,048	3,831,494	1,545,104	2,300,218
Purchase of investments in subsidiaries	9	-	-	(102,700)	(10,000)
Purchase of investments in jointly-controlled entity	10	-	-	(28,500)	-
Purchase of investments in associates	11	(250,000)	-	(250,000)	-
Net cash received (paid) from joint ventures		(31,282)	-	25,000	-
Purchase of long-term investments	12	(5,929,890)	(8,954,991)	(5,924,890)	(8,901,830)
Sale of long-term investments	12	5,651,086	8,930,823	5,603,874	8,932,187
Purchase of property, plant and equipment		(224,584)	(387,413)	(224,584)	(381,210)
Sale of property, plant and equipment		15,619	1,646	10,661	698
Purchase of intangible assets		(28,277)	(27,686)	(28,277)	(26,740)
Proceeds from capital reduction of subsidiary		-	-	9,616	-
Cash inflow on short-term borrowings from subsidiaries	4	-	-	231,000	122,000
Repayment of borrowings from subsidiaries	4	-	-	(9,000)	-
Interest paid		(13,611)	(6,577)	(7,241)	(8,851)
Benefits received from Securities Investor Protection Fund		12,081	11,899	12,081	11,899
Net cash provided by investing activities		99,099	184,724	290,086	463,085
Net increase (decrease) in cash and cash equivalents		49,996	(28,563)	100,568	(13,360)
Cash and cash equivalents at beginning of year		231,757	260,320	88,897	102,257
Cash and cash equivalents at end of year	5	281,753	231,757	189,465	88,897

The accompanying notes are an integral part of these financial statements.

# The Stock Exchange of Thailand and its Subsidiaries

## Statements of cash flows

For the years ended 31 December 2009 and 2008

	Consolidated financial statements		SET	
	2009	2008	2009	2008
	<i>(in thousand Baht)</i>			

### Supplemental disclosures of cash flows information

#### 1) Non-cash transactions

Unrealised gain (loss) on available-for-sale securities	1,114,175	(2,083,799)	1,118,691	(2,083,227)
Other payables for purchase of assets	19,801	-	19,801	-

#### 2) Additional information

In November 2009 The Stock Exchange of Thailand and a company has entered into a joint-venture arrangement in Family Know-how Co., Ltd. "Family Know-how" whereby the company invested in ordinary share of Family Know-how at the par value of Baht 10 per share, amounting to Baht 25 million, or 50% of share capital of Family Know-how. Consequently, the status of Family Know-how has been changed from SET's subsidiary to be a jointly-controlled entity. As a result, SET did not include the financial statements of Family Know-how in the consolidated financial statements but accounted for investment in the jointly-controlled entity by the equity method since 2 November 2009.

The reconciliation of assets and liabilities of Family Know-how which were transferred out during the year 2009 are as follows:

	<i>(in thousand Baht)</i>
Cash and cash equivalents	56,282
Accounts receivable and accrued income	18,210
Accrued interest receivables	54
Other current assets	3,266
Property and equipment, net	2,160
Intangible assets, net	2,506
Other assets	58
Accounts payable and accrued expenses	(21,291)
Fees received in advance	(5,264)
Value added tax payable	(1,549)
Other current liabilities	(565)
Provision for employees' benefits	(3,867)
Net assets	50,000
At sales proportion of 50%	25,000
Cash received from joint venture	25,000
Less cash and cash equivalents of the former subsidiary	(56,282)
Net cash paid from joint venture	(31,282)

The accompanying notes are an integral part of these financial statements.

# **The Stock Exchange of Thailand and its Subsidiaries**

## **Notes to the financial statements**

**For the years ended 31 December 2009 and 2008**

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# The Stock Exchange of Thailand and its Subsidiaries

## Notes to the financial statements

For the years ended 31 December 2009 and 2008

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Governors of The Stock Exchange of Thailand on 18 February 2010.

### 1 General information

The Stock Exchange of Thailand (SET) is a juristic entity incorporated in Thailand under the Securities Exchange of Thailand Act B.E. 2517. The principal businesses of SET are being the market or the centre for trading of securities and to provide related services, which have no objective of profit distribution to members. SET commenced its trading securities on 30 April 1975. SET is presently incorporated under the Securities Exchange of Thailand Act B.E. 2535 and has its registered office at 62 Rachadaphisek Road, Kwang Klongtoey, Khet Klongtoey, Bangkok 10110, Thailand.

The principal businesses of SET and its subsidiaries are summarised as follows:

- 1) Provide securities listing services
- 2) Provide listed securities trading system
- 3) Provide and disseminate data and knowledge to investors
- 4) Supervise and monitor securities trading activities, listed companies and member companies
- 5) Provide post-trade services for trading of securities and future contracts, including acting as clearing house, providing clearing and settlement of securities services, shares depository and back office service bureau
- 6) Provide registrar services including securities registrar and fund registrar
- 7) Manage trading center and advice on the trading of future contracts or all financial securities including providing other services related to futures trading transactions
- 8) Provide services related to computer systems, information technology and other communication network systems or integrating for trading of securities, clearing and settlement of securities
- 9) Provide and disseminate finance and investment knowledge to public
- 10) Manage open-ended mutual funds to promote foreign investment in The Stock Exchange of Thailand
- 11) Engage in the business of investment management by issuing Non-Voting Depository Receipt (NVDR) and Depository Receipt (DR) to investors as prescribed by the Office of the Securities and Exchange Commission (SEC) and invest the proceeds from the issuance of such instruments in shares of listed companies or public companies which have been approved by the SEC to offer to the public, or other securities as prescribed by the SEC

Details of the SET's subsidiaries, associates and jointly-controlled entity as at 31 December 2009 and 2008 were as follows:

Name of entities	Type of business	Country of incorporation	Ownership interest (%)	
			2009	2008
<i>Direct subsidiaries</i>				
Thailand Securities Depository Co., Ltd.	Post-trading clearing and settlement services	Thailand	99.99	99.99
SETTRADE.COM Co., Ltd.	Computer system services	Thailand	99.99	99.99

# The Stock Exchange of Thailand and its Subsidiaries

## Notes to the financial statements

For the years ended 31 December 2009 and 2008

Name of entities	Type of business	Country of incorporation	Ownership interest (%)	
			2009	2008
Family Know-how Co., Ltd. (1)	Providing services and advice of media production related to finance and investment knowledge	Thailand	-	99.99
Thailand Futures Exchange Public Company Limited	Future exchange center	Thailand	99.99	99.99
Thai Trust Fund Management Co., Ltd.	Mutual fund management	Thailand	99.99	99.99
Thai NVDR Co., Ltd.	Investment management in Non-Voting Depository Receipt	Thailand	99.99	99.99
Siam DR Co., Ltd.	Investment management in Depository Receipt	Thailand	99.99	99.99
mai Matching Fund Co., Ltd. (2)	Joint invest with fund or venture capital	Thailand	99.99	99.99
Thailand Clearing House Co., Ltd. (3)	Clearing house and related back office services for future contracts	Thailand	99.99	-
<b>Indirect subsidiary (investments held by Thailand Securities Depository Co., Ltd.)</b>				
Thailand Clearing House Co., Ltd. (3)	Clearing house and related back office services for future contracts	Thailand	-	99.99
<b>Jointly-controlled entity</b>				
Family Know-how Co., Ltd. (1)	Providing services and advice of media production related to finance and investment knowledge	Thailand	50.00	-
<b>Associates</b>				
Clearing Fund (4)	Fund	Thailand	20.43	21.76
TSFC Securities Public Company Limited	Granting credits to securities business and securities borrowing and lending business	Thailand	24.46	5.00

(1) Family Know-how Co., Ltd.

On 2 November 2009 SET had restructured the business of Family Know-how Co., Ltd. "Family Know-how" whereby entering into a joint-venture arrangement with a company which holds 50% of registered share capital in Family Know-how. While SET held 2,500,000 preference shares and that company holds 2,500,000 ordinary shares. Therefore, the status of Family Know-how had been changed from the SET's subsidiary to be a jointly-controlled entity in 2009.

# **The Stock Exchange of Thailand and its Subsidiaries**

## **Notes to the financial statements**

**For the years ended 31 December 2009 and 2008**

### **(2) *mai Matching Fund Co., Ltd.***

At the extraordinary shareholders' meeting of mai Matching Fund Co., Ltd. "MMF" held on 30 September 2009, the shareholders of MMF approved a special resolution to liquidate the company and have already been registered with the Ministry of Commerce on 30 September 2009.

As at 31 December 2009 MMF is in the process of liquidation.

### **(3) *Thailand Clearing House Co., Ltd.***

SET Group had restructured the organization of Thailand Clearing House Co., Ltd. "TCH" to be a clearing center of all financial instruments by transfer the clearing and settlement of equity securities from Thailand Securities Depository Co., Ltd. "TSD" to TCH starting in 2010. The purposes of this restructure are to reduce the operating cost and to improve risk management policies and procedures efficiency. On 16 October 2009 TSD, which holds 9,999,993 shares (99.99%) in TCH, sold those shares to SET. The status of TCH, therefore, had been changed from an indirect subsidiary of SET to a direct subsidiary in 2009.

### **(4) *Clearing Fund***

SET has no control over Clearing Fund's operations. Clearing Fund has been operated under Regulation of the Clearing Fund (No. 1) B.E. 2541 which require a one-time payment of Baht 100 million as an initial contribution from SET. The percentage of ownership interest will be reduced according to further contributions made from other members of Clearing Fund in the future. Therefore, the investment in Clearing Fund is classified as investment in associate.

## **2 Basis of preparation of the financial statements**

The financial statements issued for Thai reporting purposes are prepared in the Thai language. This English translation of the financial statements has been prepared for the convenience of readers not conversant with the Thai language.

The financial statements are prepared in accordance with Thai Accounting Standards ("TAS") and Thai Financial Reporting Standards ("TFRS") including related interpretations and guidelines promulgated by the Federation of Accounting Professions ("FAP"), with generally accepted accounting principles in Thailand, and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act B.E. 2535.

SET, subsidiaries and a jointly-controlled entity (together referred to as the "Group") have adopted the following revised TAS and TFRS and accounting guidance which were issued by the FAP during 2008 and 2009, which are relevant to their operations, and effective for accounting periods beginning on or after 1 January 2009. These consist of:

TAS 36 (revised 2007)    Impairment of Assets  
TFRS 5 (revised 2007)    Non-current Assets Held for Sale and Discontinued Operations  
Framework for the Preparation and Presentation of Financial Statements (revised 2007) (effective on 26 June 2009)  
Accounting Guidance about Leasehold Right (effective on 26 June 2009)

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The adoption of these revised TAS and TFRS and accounting guidance does not have any material impact on the consolidated or SET's financial statements.

The FAP has issued during 2009 a number of new and revised TAS and TFRS which are not currently effective and have not been adopted in the preparation of these financial statements. These new and revised TAS and TFRS, which are relevant to their operations, are disclosed in note 31 to the financial statements.

The financial statements are presented in Thai Baht, rounded to the nearest thousand unless otherwise stated. They are prepared on the historical cost basis except as stated in the accounting policies.

The preparation of financial statements in conformity with TAS and TFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from estimates. Although these estimates are based on management's best knowledge of current events and actions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which estimates are revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes to the financial statements:

Note 19	Measurement of provision for employees' benefits
Note 27	Measurement of financial instruments
Note 29	Measurement of contingent liabilities and contingent assets

### **3 Significant accounting policies**

#### **(a) Basis of consolidation**

The consolidated financial statements relate to SET and its subsidiaries and jointly-controlled entity and the Group's interests in associates.

##### *Subsidiaries*

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Group.



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*Jointly-controlled entities*

Jointly-controlled entities are those entities over whose activities the Group have joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions.

*Associates*

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Significant influence is presumed to exist when the Group holds between 20% and 50% of the voting power of another entity. The consolidated financial statements include the Group's share of the revenues, expenses and fund balances movements of associates and jointly-controlled entities after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases. When the Group's share of losses exceeds its interest in associates and jointly-controlled entities, the Group's carrying amount is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associates and jointly-controlled entities.

*Transactions eliminated on consolidation*

Intra-group balances and transactions, and any unrealised revenues or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with associates and joint ventures are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

**(b) Foreign currencies**

*Foreign currency transactions*

Transactions in foreign currencies are translated to Thai Baht at the foreign exchange rates ruling at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to Thai Baht at the foreign exchange rates ruling at that date. Foreign exchange differences arising on translation are recognised in the statement of revenues and expenses.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to Thai Baht using the foreign exchange rates ruling at the dates of the transactions.

Non-monetary assets and liabilities measured at fair value in foreign currencies are translated to Thai Baht at the foreign exchange rates ruling at the dates that fair value was determined.

**(c) Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, call deposits (excluding deposits held to maturities), other short-term highly liquid investments held for working capital and short-term commitment payment purposes with original maturities of three months or less.

# **The Stock Exchange of Thailand and its Subsidiaries**

## **Notes to the financial statements**

**For the years ended 31 December 2009 and 2008**

### **(d) *Accounting policy of underlying assets and Non-Voting Depository Receipts***

Underlying assets are the financial assets carried by Thai NVDR Co., Ltd. and Siam DR Co., Ltd. ("subsidiaries"). Non-Voting Depository Receipts (NVDRs) and Depository Receipts (DRs) are the financial liabilities. The subsidiaries will offset between financial assets and financial liabilities, and show the net amount in the financial statements. The prospectus contained regulation and condition that the subsidiaries are responsible for issuing and selling NVDRs or DRs and invest in listed companies in The Stock Exchange of Thailand at the same amount and period (back to back). Moreover, the subsidiaries who are the holders will receive the financial benefits and responsible to repay all financial benefits to the investors in NVDRs or DRs according to the prospectus. Those benefits are not recognised as revenue and expense of those subsidiaries.

### **(e) *Investments***

#### ***Investments in subsidiaries, jointly-controlled entities and associates***

Investments in subsidiaries, jointly-controlled entities and associates in the SET's financial statements are accounted for using the cost method. Investments in associates and jointly-controlled entities in the consolidated financial statements are accounted for using the equity method.

#### ***Investments in debt and equity securities***

Debt securities and marketable equity securities held for trading are classified as current assets and are stated at fair value, with any resultant gain or loss recognised in the statement of revenues and expenses.

Debt securities that the Group has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are stated at amortised cost, less any impairment losses. The difference between the acquisition cost and redemption value of such debt securities is amortised using the effective interest rate method over the period to maturity.

Debt securities and marketable equity securities, other than those securities held for trading or intended to be held to maturity, are classified as available-for-sale investments. Available-for-sale investments are, subsequent to initial recognition, stated at fair value, and changes therein, other than impairment losses and foreign currency differences on available-for-sale monetary items, are recognised directly in fund balances. Impairment losses and foreign exchange differences are recognised in the statement of revenues and expenses. When these investments are derecognised, the cumulative gain or loss previously recognised directly in fund balances is recognised in the statement of revenues and expenses. Where these investments are interest-bearing, interest calculated using the effective interest method is recognised in the statement of revenues and expenses.

Investments in fixed deposits, promissory notes at financial institutions and negotiable certificates of deposits are classified as general investments and stated in the balance sheet at cost less impairment losses.

Investments in specific mutual funds established under specific purposes, which have policy of investing in marketable securities and other equity instruments, are classified as general investments and stated in the balance sheet at cost less impairment losses.

Investments in equity securities which are not marketable are stated at cost less impairment losses.

# **The Stock Exchange of Thailand and its Subsidiaries**

## **Notes to the financial statements**

**For the years ended 31 December 2009 and 2008**

The fair value of financial instruments classified as held-for-trading and available-for-sale is determined as the quoted bid price at the reporting date for marketable equity securities. The fair value of debt securities is calculated by reference to risk-free yield curve adjusted by appropriate risk premium.

### *Disposal of investments*

On disposal of an investment, the difference between net disposal proceeds and the carrying amount together with the associated gain or loss that was reported in fund balances is recognised in the statement of revenues and expenses.

If the Group disposes of part of its holding of a particular investment, the deemed cost of the part sold is determined using the weighted average method applied to the carrying value of the total holding of the investment.

### **(f) *Accounts receivable and accrued income***

Accounts receivable and accrued income are carried at original invoice amount less allowance for doubtful accounts.

The allowance for doubtful accounts is assessed primarily on analysis of payment histories and future expectations of customer payments, assessment of the future cash flows, known and identified instances of default and consideration of market trends. Bad debts are written off when incurred and recognise as part of other expenses in the statement of revenues and expenses.

### **(g) *Property, plant and equipment***

#### *Owned assets*

Land is stated at cost less impairment losses. Property and equipment are stated at cost less accumulated depreciation and impairment losses.

Repair and maintenance expenses are charged to the statement of revenues and expenses during the financial period in which they are incurred. The cost of major renovation is included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Group. Major renovations are depreciated over the remaining useful life of the related assets.

Gains and losses on disposal are determined by comparing proceeds with carrying amount and are included in the statement of revenues and expenses.

#### *Depreciation*

Depreciation is charged to the statement of revenues and expenses on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. The estimated useful lives are as follows:

Land improvements	5 years
Buildings	10 - 30 years
Building improvements	2 - 10 years
Furniture and fixtures	5 years
Office equipment	5 years
Vehicles	5 years

# The Stock Exchange of Thailand and its Subsidiaries

## Notes to the financial statements

For the years ended 31 December 2009 and 2008

Management determines the estimated useful lives and residual values for the Group's property and equipment. Management will appropriately revise the residual values and useful lives of assets when the residual values and useful lives differ from previous estimations or it will write-off technically obsolete or assets which have been sold or abandoned.

No depreciation is provided on freehold land or assets under construction.

### (h) *Intangible assets*

Intangible assets that are acquired by the Group, which have finite useful lives, are stated at cost less accumulated amortisation and impairment losses. Intangible assets are amortised in the statement of revenues and expenses on a straight-line basis over their estimated useful lives from the date that they are available for use. The estimated useful lives are as follows:

Computer software	5 years
Patent and operating rights	10 years

#### *Computer software*

Costs associated with developing or maintaining computer software are recognised as expenses as incurred in the statement of revenues and expenses. Costs that are directly associated with identifiable and unique software products controlled by the Group and have probable economic benefit exceeding the cost beyond 1 year, are recognised as intangible assets. Direct cost includes purchase price and an appropriate portion of relevant overheads to allow such asset to be ready for its intended use. Expenditures which enhance or extend the performance of computer software beyond their original specifications are recognised as intangible assets.

#### *Patent and operating rights*

Patent represents the expenditure on acquired patent for media publications (including related identifiable trademarks). Operating rights represent the expenditure on acquiring of the rights to use systems including copyrights, patents and trademarks and other related rights, i.e. bond trading system. Both patent and operating rights are controlled by the Group and are expected to generate economic benefits more than 1 year. They are recognised as intangible assets.

Management determines the estimated useful lives for the Group's intangible assets. Management will revise the amortisation charge where useful lives differ from the previous estimations or it will write-off technically obsolete or assets which have been sold or abandoned.

### (i) *Impairment*

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognised in the statement of revenues and expenses unless it reverses a previous revaluation credited to fund balances, in which case it is charged to fund balances.

# **The Stock Exchange of Thailand and its Subsidiaries**

## **Notes to the financial statements**

**For the years ended 31 December 2009 and 2008**

When a decline in the fair value of an available-for-sale financial asset has been recognised directly in fund balances and there is objective evidence that the value of the asset is impaired, the cumulative loss that had been recognised directly in fund balances is recognised in the statement of revenues and expenses even though the financial asset has not been derecognised. The amount of the cumulative loss that is recognised in the statement of revenues and expenses is the difference between the acquisition cost and current fair value, less any impairment losses on that financial asset previously recognised in the statement of revenues and expenses.

### *Calculation of recoverable amount*

The recoverable amount of held-to-maturity securities and receivables carried at amortised cost is calculated as the present value of the estimated future cash flows discounted at the original effective interest rate. Receivables with a short duration are not discounted.

The recoverable amount of available-for-sale financial assets is calculated by reference to the fair value.

The recoverable amount of a non-financial asset is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

### *Reversals of impairment*

An impairment loss in respect of a financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised. For financial assets carried at amortised cost and available-for-sale financial assets that are debt securities, the reversal is recognised in the statement of revenues and expenses. For available-for-sale financial assets that are equity securities, the reversal is recognised directly in fund balances.

An impairment loss in respect of other non-financial assets recognised in prior periods is assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

### *(j) Interest-bearing liabilities*

Interest-bearing liabilities are recognised initially at fair value less attributable transaction charges. Subsequent to initial recognition, interest-bearing liabilities are stated at amortised cost with any difference between cost and redemption value being recognised in the statement of revenues and expenses over the period of the borrowings on an effective interest basis.

### *(k) Trade and other accounts payable*

Trade and other accounts payable are stated at cost.

# **The Stock Exchange of Thailand and its Subsidiaries**

## **Notes to the financial statements**

**For the years ended 31 December 2009 and 2008**

### **(l) Employees' benefits**

#### *Defined contribution plans*

The Group participates a provident fund which is a defined contribution plan. The assets for which are held in a separate trustee-administered fund and are managed by a licensed Fund Manager. The provident fund is funded by payments from employees and by the Group. The Group's contributions to the provident fund are charged to the statement of revenues and expenses in the year to which they are related.

#### *Defined benefit plans*

The Group provides for post employment retirement benefits, payable to employees under the labour laws applicable in Thailand. The liability in respect of employees' benefits is measured, using the projected unit credit method which is calculated by an independent actuary in accordance with the actuarial technique. The present value of the defined benefit obligation is determined by discounting estimated future cash flows using yield on the government bonds which have terms to maturity approximating the terms of related liability. The estimated future cash flows shall reflect employee salaries, turnover rate, mortality, length of service and others. Actuarial gains or losses will be recognised in the statement of revenues and expenses in the period to which they are related.

In determining the appropriate discount rate, the Group considers the interest rates in which the benefits will be paid to the staffs.

#### *Termination benefits*

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

### **(m) Provisions**

A provision is recognised when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where the Group expects a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

Provisions are recognised in the period in which the Group becomes legally or constructively committed to payment. Costs relating to the ongoing activities are not classified as provisions.

### **(n) Revenue**

Revenue excludes value added taxes.

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Service income is recognised upon performance of services.

Where there are long outstanding receivables from listing fees and registrar fees collection over 3 months, the Group considers the collectability of the receivables as doubtful and ceases revenue recognition on fees of related companies immediately.

Membership fees comprise of initial and annual fees. The initial fees are recognised as revenues on the straight line basis over the period of 5 years starting from the first day of service rendered. Annual fees are recognised upon performance of services.

Interest income is recognised on a time proportion basis, taking into account of the principal outstanding and the effective rate over the period to maturity, when it is determined that such income will accrue to the Group.

Dividend income is recognised in statement of revenues and expenses when the Group's right to receive payment is established.

Other income is recognised when right to receive payment is established.

**(o) Expenses**

*Operating leases*

Leases of assets under which all the risks and benefits of ownership are effectively retained by the lessor are classified as operating leases.

Payments made under operating leases are recognised in the statement of revenues and expenses on a straight line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income. Contingent rentals are charged to the statement of revenues and expenses for the accounting period in which they are incurred.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

*Finance costs*

Interest expenses and similar costs are charged to the statement of revenues and expenses for the period in which they are incurred.

**(p) Dividend payment**

Dividends paid are recorded in the consolidated and SET's financial statements in the period in which they are approved by the Group's shareholders.

**(q) Directors' remuneration**

Directors' remuneration comprises the benefits paid to the Board of Governors of SET and Board of Directors of subsidiaries including benefits received by the members of sub-committees (excluding salaries, bonus and related benefits payable to management).

# The Stock Exchange of Thailand and its Subsidiaries

## Notes to the financial statements

For the years ended 31 December 2009 and 2008

### 4 Related party transactions and balances

Related parties are those parties linked to the Group. Transactions with related parties are conducted at prices based on market prices or, where no market price exists, at contractually agreed prices.

Relationships with related parties that controlled or jointly control the Group or are being controlled or jointly controlled by the Group or have transactions with the Group were as follows:

Name of entities	Country of incorporation	Nature of relationships
Thailand Securities Depository Co., Ltd.	Thailand	Subsidiary, 99.99% shareholding, all directors are representatives of SET
Thailand Futures Exchange Public Company Limited	Thailand	Subsidiary, 99.99% shareholding, over 50% of directors are representatives of SET
SETTRADE.COM Co., Ltd.	Thailand	Subsidiary, 99.99% shareholding, all directors are representatives of SET
Thai Trust Fund Management Co., Ltd.	Thailand	Subsidiary, 99.99% shareholding, all directors are representatives of SET
Thailand Clearing House Co., Ltd.	Thailand	Subsidiary, 99.99% shareholding, all directors are representatives of SET
mai Matching Fund Co., Ltd.	Thailand	Subsidiary, 99.99% shareholding, all directors are representatives of SET
Thai NVDR Co., Ltd.	Thailand	Subsidiary, 99.99% shareholding, all directors are representatives of SET
Siam DR Co., Ltd.	Thailand	Subsidiary, 99.99% shareholding, all directors are representatives of SET
Family Know-how Co., Ltd.	Thailand	Jointly controlling shareholder, 50% shareholding, 50% of directors are representatives of SET
Clearing Fund	Thailand	Associate, 20.43% shareholding, over 50% of directors are representatives of SET
TSFC Securities Public Co., Ltd.	Thailand	Associate, 24.66% shareholding, less than 50% of directors are representatives of SET

The pricing policies for particular types of transactions are explained further below:

Transactions	Pricing policies
Service income	Contractually agreed price
Purchase of services	Cost plus margin
Interest expense	Referred to the deposit rate of financial institutions



# The Stock Exchange of Thailand and its Subsidiaries

## Notes to the financial statements

For the years ended 31 December 2009 and 2008

Transactions with related parties for the years ended 31 December 2009 and 2008 were as follows:

	Consolidated financial statements		SET	
	2009	2008	2009	2008
	(in thousand Baht)			
<b>Service income</b>				
<b>Subsidiaries</b>				
Thailand Securities Depository Co., Ltd.	-	-	593,591	412,074
Thailand Futures Exchange Public Company Limited	-	-	233,176	129,941
SETTRADE.COM Co., Ltd.	-	-	106,880	62,526
Thailand Clearing House Co., Ltd.	-	-	83,112	-
Family Know-how Co., Ltd.	-	-	5,068	8,709
Thai Trust Fund Management Co., Ltd.	-	-	4,800	4,800
Thai NVDR Co., Ltd.	-	-	-	500
	-	-	<b>1,026,627</b>	<b>618,550</b>
<b>Jointly-controlled entity</b>				
Family Know-how Co., Ltd.	847	-	847	-
<b>Associate</b>				
Clearing Fund	751	-	-	-
<b>Total</b>	<b>1,598</b>	<b>-</b>	<b>1,027,474</b>	<b>618,550</b>

### Purchase of services

#### Subsidiaries

Family Know-how Co., Ltd.	-	-	63,954	72,328
Thai NVDR Co., Ltd.	-	-	1,500	1,500
SETTRADE.COM Co., Ltd.	-	-	200	43,418
Thailand Securities Depository Co., Ltd.	-	-	95	803
Thailand Clearing House Co., Ltd.	-	-	49	-
	-	-	<b>65,798</b>	<b>118,049</b>

#### Jointly-controlled entity

Family Know-how Co., Ltd.	20,701	-	15,701	-
<b>Total</b>	<b>20,701</b>	<b>-</b>	<b>81,499</b>	<b>118,049</b>

SET  
2009 2008  
(in thousand Baht)

### Interest expense

#### Subsidiaries

Thailand Futures Exchange Public Company Limited	3,618	4,754
Thai Trust Fund Management Co., Ltd.	1,700	3,295
Thailand Securities Depository Co., Ltd.	566	-
SETTRADE.COM Co., Ltd.	486	-
Thai NVDR Co., Ltd.	354	358
Thailand Clearing House Co., Ltd.	236	-
Siam DR Co., Ltd.	149	322
mai Matching Fund Co., Ltd.	132	122
<b>Total</b>	<b>7,241</b>	<b>8,851</b>

# The Stock Exchange of Thailand and its Subsidiaries

## Notes to the financial statements

For the years ended 31 December 2009 and 2008

Balances as at 31 December 2009 and 2008 with related parties were as follows:

### Accounts receivable

	Consolidated financial statements		SET	
	2009	2008	2009	2008
	(in thousand Baht)			
<b>Subsidiaries</b>				
Thailand Securities Depository Co., Ltd.	-	-	-	649
Thailand Futures Exchange Public Company Limited	-	-	-	514
SETTRADE.COM Co., Ltd.	-	-	-	1,959
Family Know-how Co., Ltd.	-	-	-	2,803
	-	-	-	<u>5,925</u>
<b>Jointly-controlled entity</b>				
Family Know-how Co., Ltd.	<u>301</u>	-	<u>301</u>	-
<b>Total</b>	<u>301</u>	-	<u>301</u>	<u>5,925</u>

### Accrued income

	Consolidated financial statements		SET	
	2009	2008	2009	2008
	(in thousand Baht)			
<b>Subsidiaries</b>				
Thailand Securities Depository Co., Ltd.	-	-	113,420	70,491
Thailand Futures Exchange Public Company Limited	-	-	66,197	66,561
SETTRADE.COM Co., Ltd.	-	-	11,718	49,910
Thailand Clearing House Co., Ltd.	-	-	11,096	-
Family Know-how Co., Ltd.	-	-	-	3,349
	-	-	<u>202,431</u>	<u>190,311</u>
<b>Jointly-controlled entity</b>				
Family Know-how Co., Ltd.	<u>752</u>	-	<u>752</u>	-
<b>Total</b>	<u>752</u>	-	<u>203,183</u>	<u>190,311</u>

### Other current assets

	Consolidated financial statements		SET	
	2009	2008	2009	2008
	(in thousand Baht)			
<b>Subsidiaries</b>				
SETTRADE.COM Co., Ltd.	-	-	-	3,447
Family Know-how Co., Ltd.	-	-	-	346
Thailand Securities Depository Co., Ltd.	-	-	-	15
Thailand Futures Exchange Public Company Limited	-	-	-	1
	-	-	-	<u>3,809</u>
<b>Jointly-controlled entity</b>				
Family Know-how Co., Ltd.	<u>15</u>	-	<u>15</u>	-
<b>Total</b>	<u>15</u>	-	<u>15</u>	<u>3,809</u>

# The Stock Exchange of Thailand and its Subsidiaries

## Notes to the financial statements

For the years ended 31 December 2009 and 2008

### *Payables and accrued expenses*

	Consolidated financial statements		SET	
	2009	2008	2009	2008
	(in thousand Baht)			
<b>Subsidiaries</b>				
Thailand Clearing House Co., Ltd.	-	-	49	-
SETTRADE.COM Co., Ltd.	-	-	48	4,908
Thailand Securities Depository Co., Ltd.	-	-	6	684
Family Know-how Co., Ltd.	-	-	-	4,258
	-	-	<b>103</b>	<b>9,850</b>
<b>Jointly-controlled entity</b>				
Family Know-how Co., Ltd.	<b>8,586</b>	-	<b>3,236</b>	-
<b>Total</b>	<b>8,586</b>	-	<b>3,339</b>	<b>9,850</b>

### *Other current liabilities*

	Consolidated financial statements		SET	
	2009	2008	2009	2008
	(in thousand Baht)			
<b>Subsidiaries</b>				
SETTRADE.COM Co., Ltd.	-	-	156	610
Thailand Securities Depository Co., Ltd.	-	-	10	4,455
Thailand Futures Exchange Public Company Limited	-	-	-	946
<b>Total</b>	-	-	<b>166</b>	<b>6,011</b>

### *Short-term borrowings from subsidiaries*

	Interest rate		SET	
	2009	2008	2009	2008
	(% per annum)		(in thousand Baht)	
<b>Subsidiaries</b>				
Thailand Futures Exchange Public Company Limited	1.50	3.25 - 3.50	252,000	205,000
Thai Trust Fund Management Co., Ltd.	1.50	3.25 - 3.50	114,450	102,450
Thailand Securities Depository Co., Ltd.	1.50	-	70,000	-
SETTRADE.COM Co., Ltd.	1.50	-	53,000	-
Thailand Clearing House Co., Ltd.	1.50	-	35,000	-
Thai NVDR Co., Ltd.	1.50	3.25 - 3.50	31,200	18,200
Siam DR Co., Ltd.	1.50	3.50	10,200	9,200
mai Matching Fund Co., Ltd.	-	3.25	-	9,000
<b>Total</b>			<b>565,850</b>	<b>343,850</b>

## **The Stock Exchange of Thailand and its Subsidiaries**

### **Notes to the financial statements**

**For the years ended 31 December 2009 and 2008**

The Group has a policy of centralising the investments and managed by SET in order to increase the efficiency and the overall returns. Therefore, investments been transferred from subsidiaries will be borrowed in a form of promissory note which has no longer than 1 year of maturity and bears interest rate based on the deposit rate given by the financial institution (may be revised when deemed suitable).

Movements of short-term borrowings from subsidiaries during the years ended 31 December 2009 and 2008 were as follows:

	SET	
	2009	2008
	<i>(in thousand Baht)</i>	
<b>Subsidiaries</b>		
At 1 January	343,850	221,850
Increase	231,000	122,000
Decrease	(9,000)	-
<b>At 31 December</b>	<b>565,850</b>	<b>343,850</b>

#### ***Sponsor to Jointly-controlled entity***

Under the shareholder agreement between SET and a shareholder, SET will be a principal sponsor of a jointly-controlled entity's program by a limited amount and not exceeding of Baht 214 million per annum and for the period of 3 years starting from 1 January 2010. SET will sell entire assets in studios unit to the jointly-controlled entity at the net book value as at 31 December 2009 (Baht 45.8 million) and also offers a soft loan for payment of the assets.

#### ***Contributions for The Stock Exchange of Thailand Foundation***

In 2006 the Board of Governors of SET approved the establishment of The Stock Exchange of Thailand Foundation (SOF) and the Board of Governors of SET will be appointed as directors of the Board of SOF. In addition, the Board of Governors of SET approved the appropriation of one-third of annual revenues over expenses of SET to the SOF for its social activities.

SOF was registered and incorporated on 9 August 2006 with the objective of conducting activities for the development of society, communities and the environment. SOF's activities focus on developing a vigorous Thai society and communities in order to prevent and resolve problems relating to addictive drugs and other problems affecting Thai youth and Thai society. In addition, the activities support projects and programmes relating to education.

In 2009 SET has appropriated its annual revenues over expenses to SOF of Baht 134.7 million (2008: Baht 56.8 million).

#### ***Directors' remuneration***

The directors' remuneration represents director fees and compensation fees for the Group's board of directors and other sub-committees.

The directors' remuneration for the year 2009 amounted to Baht 16.4 million (2008: Baht 24.5 million).

# The Stock Exchange of Thailand and its Subsidiaries

## Notes to the financial statements

For the years ended 31 December 2009 and 2008

### 5 Cash and cash equivalents

	Consolidated financial statements		SET	
	2009	2008	2009	2008
		(in thousand Baht)		
Cash on hand	347	470	326	366
Cash deposits - savings and current accounts	273,208	196,292	189,139	88,531
Highly liquid current investments	8,198	34,995	-	-
<b>Total</b>	<b>281,753</b>	<b>231,757</b>	<b>189,465</b>	<b>88,897</b>

### 6 Current investments

	Consolidated financial statements		SET	
	2009	2008	2009	2008
		(in thousand Baht)		
<b>Investments managed by SET</b>				
General investments				
Savings accounts	120,783	510,510	112,783	465,827
Fixed deposit accounts	1,470,703	955,519	1,045,332	611,392
Promissory notes	916	-	916	-
	<u>1,592,402</u>	<u>1,466,029</u>	<u>1,159,031</u>	<u>1,077,219</u>
Investments in mutual funds				
Money market funds	262,199	718,904	262,199	718,904
Foreign investment funds	5,134	-	-	-
Debt securities held-to-maturity				
Bonds and debentures (Note 12)	119,236	55,093	87,246	55,093
Other debt instruments	<u>1,181,544</u>	<u>299,784</u>	<u>1,049,595</u>	<u>218,856</u>
	<u><b>3,160,515</b></u>	<u><b>2,539,810</b></u>	<u><b>2,558,071</b></u>	<u><b>2,070,072</b></u>
<b>Investments managed by private funds</b>				
General investments				
Savings accounts	28,697	24,284	24,186	23,594
Fixed deposit accounts	30,000	55,000	30,000	55,000
Other debt instruments	<u>147,714</u>	<u>323,473</u>	<u>147,714</u>	<u>318,541</u>
	<u>206,411</u>	<u>402,757</u>	<u>201,900</u>	<u>397,135</u>
Trading securities	<u>1,980,375</u>	<u>2,383,340</u>	<u>1,849,626</u>	<u>2,277,709</u>
	<u><b>2,186,786</b></u>	<u><b>2,786,097</b></u>	<u><b>2,051,526</b></u>	<u><b>2,674,844</b></u>
<b>Total</b>	<u><b>5,347,301</b></u>	<u><b>5,325,907</b></u>	<u><b>4,609,597</b></u>	<u><b>4,744,916</b></u>

# The Stock Exchange of Thailand and its Subsidiaries

## Notes to the financial statements

For the years ended 31 December 2009 and 2008

Movements during the years ended 31 December 2009 and 2008 were as follows:

	Consolidated financial statements		SET	
	2009	2008	2009	2008
	(in thousand Baht)			
Opening net book value	5,325,907	5,311,747	4,744,916	4,860,950
Purchase during the year	1,871,442	3,845,654	1,409,785	2,184,184
Disposal during the year	(1,850,048)	(3,831,494)	(1,545,104)	(2,300,218)
Closing net book value	<u>5,347,301</u>	<u>5,325,907</u>	<u>4,609,597</u>	<u>4,744,916</u>

### Investments managed by SET

Savings accounts bear interest rates ranging from 0.25% - 0.50% per annum in 2009 (2008: ranging from 0.125% - 1.75% per annum).

Fixed deposit accounts represent fixed deposits at banks which have maturity within 3 to 12 months and bear interest rates ranging from 0.75% - 4.25% per annum in 2009 (2008: ranging from 1.75% - 5.50% per annum).

Promissory notes represent the promissory notes at financial institutions which have maturity within 6 months and bear interest rate at 3.00% per annum in 2009 (2008: nil).

Investments in money market funds represent investments in 3 open-ended funds (2008: 4 open-ended funds). The investment policy emphasises the investments in short-term debt securities.

Investments in foreign investment funds represent investment in a open-ended fund (2008: nil) and investment in bonds, treasury bill or central bank bond that were issued or guaranteed by South Korea's Government of organisation. The fund is open-ended-fund and automatic redemption which have maturity within 1 year.

Bonds and debentures represent government bonds, Bank of Thailand bonds, foreign financial institution bonds and debentures which have coupon rates ranging from 3.73% - 5.00% per annum in 2009 (2008: ranging from 4.63% - 6.30% per annum) and market yields range from 1.22% - 2.27% per annum in 2009 (2008: ranging from 1.96% - 3.57% per annum). The aggregate market value as at 31 December 2009 was Baht 120.2 million (2008: Baht 56.0 million).

Other debt instruments represent treasury bills (zero coupons) which have market yields ranging from 0.87% - 1.15% per annum in 2009 (2008: ranging from 2.01% - 2.26% per annum). The aggregate market value as at 31 December 2009 was Baht 1,181.7 million (2008: Baht 300.0 million).

### Investments managed by private funds

Investments in private funds are managed by 2 asset management companies (2008: 3 companies). The investment policy for private funds is subject to SET's regulations on deposits at financial institutions and investment policies.

The return rates of investments managed by private funds range from 1.95% - 17.61% per annum in 2009 (2008: ranging from 4.68% - 7.46% per annum).

# The Stock Exchange of Thailand and its Subsidiaries

## Notes to the financial statements

For the years ended 31 December 2009 and 2008

### 7 Accounts receivable and accrued income, net

		Consolidated financial statements		SET	
	Note	2009	2008	2009	2008
		(in thousand Baht)			
<b>Accounts receivable</b>					
Related parties	4	301	-	301	5,925
Other parties		58,119	59,230	26,396	24,560
		58,420	59,230	26,697	30,485
Less allowance for doubtful accounts		(19,255)	(19,399)	(8,675)	(8,774)
Net		<u>39,165</u>	<u>39,831</u>	<u>18,022</u>	<u>21,711</u>
<b>Accrued income</b>					
Related parties	4	752	-	203,183	190,311
Other parties		141,659	145,737	35,954	26,878
		<u>142,411</u>	<u>145,737</u>	<u>239,137</u>	<u>217,189</u>
<b>Accounts receivable and accrued income, net</b>		<u>181,576</u>	<u>185,568</u>	<u>257,159</u>	<u>238,900</u>

Aging analysis for accounts receivable is as follows:

		Consolidated financial statements		SET	
	Note	2009	2008	2009	2008
		(in thousand Baht)			
<b>Related parties</b>					
Within credit terms	4	301	-	301	5,925
		<u>301</u>	<u>-</u>	<u>301</u>	<u>5,925</u>
<b>Other parties</b>					
Within credit terms		34,762	36,116	14,446	15,589
Overdue:					
Less than 3 months		4,100	3,714	3,275	197
3 - 6 months		-	1	-	-
6 - 12 months		2	-	-	-
Over 12 months		19,255	19,399	8,675	8,774
		<u>58,119</u>	<u>59,230</u>	<u>26,396</u>	<u>24,560</u>
Less allowance for doubtful accounts		(19,255)	(19,399)	(8,675)	(8,774)
		<u>38,864</u>	<u>39,831</u>	<u>17,721</u>	<u>15,786</u>
Net		<u>39,165</u>	<u>39,831</u>	<u>18,022</u>	<u>21,711</u>

The normal credit term granted by the Group ranges from 15 days to 30 days.

# The Stock Exchange of Thailand and its Subsidiaries

## Notes to the financial statements

For the years ended 31 December 2009 and 2008

### 8 Other current assets

	Consolidated Financial statements		SET	
	2009	2008	2009	2008
			<i>(in thousand Baht)</i>	
Loans to employees	34,541	32,414	34,541	20,545
Prepaid expenses	29,257	28,307	28,928	31,038
Pending input tax	4,490	5,087	4,022	4,907
Inventory - publication	1,951	-	1,951	-
Value added tax receivable	996	3,290	-	-
Restricted cash at bank ( <i>Note 29</i> )				
Principal	-	2,743	-	-
Interest	-	55	-	-
Other	1,658	16,636	964	2,035
<b>Total</b>	<b>72,893</b>	<b>88,532</b>	<b>70,406</b>	<b>58,525</b>

### 9 Investments in subsidiaries

	SET	
	2009	2008
	<i>(in thousand Baht)</i>	
<i>Subsidiaries</i>		
At 1 January	554,591	544,591
Acquisitions	102,700	10,000
Change status from subsidiary to jointly-controlled entity	(50,000)	-
During liquidation process	(10,000)	-
<b>At 31 December</b>	<b>597,291</b>	<b>554,591</b>



**The Stock Exchange of Thailand and its Subsidiaries**  
**Notes to the financial statements**  
**For the years ended 31 December 2009 and 2008**

Investments in subsidiaries as at 31 December 2009 and 2008, and dividend income from those investments for the years then ended were as follows:

	Ownership interest		Paid-up capital		SET Cost method		At cost, net		Dividend income	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
	(%)				(in thousand Baht)					
<b><i>Subsidiaries</i></b>										
Thailand Securities Depository Co., Ltd.	99.99	99.99	200,000	200,000	200,000	200,000	200,000	200,000	-	-
SETTRADE.COM Co., Ltd.	99.99	99.99	80,000	80,000	74,591	74,591	74,591	74,591	-	-
Family Know-how Co., Ltd.	-	99.99	-	50,000	-	50,000	-	50,000	-	-
Thailand Futures Exchange Public Company Limited	99.99	99.99	100,000	100,000	100,000	100,000	100,000	100,000	-	-
Thai Trust Fund Management Co., Ltd.	99.99	99.99	100,000	100,000	100,000	100,000	100,000	100,000	-	2,000
Thai NVDR Co., Ltd.	99.99	99.99	10,000	10,000	10,000	10,000	10,000	10,000	-	-
Siam DR Co., Ltd.	99.99	99.99	10,000	10,000	10,000	10,000	10,000	10,000	-	-
Thailand Clearing House Co., Ltd.	99.99	-	100,000	-	102,700	-	102,700	-	-	-
mai Matching Fund Co., Ltd.	99.99	99.99	-	10,000	-	10,000	-	10,000	-	-
<b>Total</b>					<b><u>597,291</u></b>	<b><u>554,591</u></b>	<b><u>597,291</u></b>	<b><u>554,591</u></b>	<b><u>-</u></b>	<b><u>2,000</u></b>

**The Stock Exchange of Thailand and its Subsidiaries**  
**Notes to the financial statements**  
**For the years ended 31 December 2009 and 2008**

**10 Investments in jointly-controlled entity, net**

	<b>Consolidated financial statements</b>		<b>SET</b>	
	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
	<i>(in thousand Baht)</i>			
<b><i>Jointly-controlled entity</i></b>				
At 1 January	-	-	-	-
Change status from subsidiary to jointly-controlled entity	50,000	-	50,000	-
Share of net profit of investments in equity method since 2 November 2009	3,347	-	-	-
Acquisitions	-	-	28,500	-
Allowance for impairment losses	-	-	(28,500)	-
Disposals	(25,000)	-	(25,000)	-
<b>At 31 December</b>	<b><u>28,347</u></b>	<b><u>-</u></b>	<b><u>25,000</u></b>	<b><u>-</u></b>

# The Stock Exchange of Thailand and its Subsidiaries

## Notes to the financial statements

For the years ended 31 December 2009 and 2008

Investments in jointly-controlled entity as at 31 December 2009 and 2008, and dividend income for the years then ended were as follows:

		Consolidated financial statements								Dividend income					
		Ownership interest		Paid-up capital		Cost method		Equity method		2009	2008				
		2009	2008	2009	2008	2009	2008	2009	2008	2009	2008				
		(%)		(in thousand Baht)											
<i>Jointly-controlled entity</i>															
Family know-how Co., Ltd.		50	-	25,000	-	25,000	-	28,347	-	-	-				
<b>Total</b>						<u>25,000</u>	<u>-</u>	<u>28,347</u>	<u>-</u>	<u>-</u>	<u>-</u>				
		SET								Dividend income					
		Ownership interest		Paid-up capital		Cost method		Impairment		At cost, net		Market price of listed securities		2009	2008
		2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
		(%)		(in thousand Baht)											
<i>Jointly-controlled entity</i>															
Family know-how Co., Ltd.		50	-	25,000	-	25,000	-	-	-	25,000	-	-	-	-	-
<b>Total</b>						<u>25,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

## The Stock Exchange of Thailand and its Subsidiaries

### Notes to the financial statements

#### For the years ended 31 December 2009 and 2008

The following summarised financial information on interests in jointly-controlled entity as at 31 December 2009 and for the year then ended which have been accounted for using the equity method represents the Group's share:

	<i>Note</i>	<b>Ownership interest (%)</b>	<b>Current assets</b>	<b>Non- current assets</b>	<b>Total assets</b>	<b>Current liabilities</b>	<b>Non- current liabilities</b>	<b>Total liabilities</b>	<b>Total revenues</b>	<b>Total expenses</b>	<b>Net loss</b>
<i>(in thousand Baht)</i>											
<b>2009</b>											
Family Know-how Co., Ltd.	<i>1</i>	50	<u>77,618</u>	<u>4,404</u>	<u>82,022</u>	<u>22,015</u>	<u>3,308</u>	<u>25,323</u>	<u>141,543</u>	<u>147,162</u>	<u>(5,619)</u>
<b>Total</b>			<u>77,618</u>	<u>4,404</u>	<u>82,022</u>	<u>22,015</u>	<u>3,308</u>	<u>25,323</u>	<u>141,543</u>	<u>147,162</u>	<u>(5,619)</u>

SET has recorded interests by Group's share (share of net profit of investments in equity method) since the date which Family Know-how Co., Ltd. changed the status from a subsidiary to be a joint venture (2 November 2009) to 31 December 2009 amounting to Baht 3.3 million.

**The Stock Exchange of Thailand and its Subsidiaries**  
**Notes to the financial statements**  
**For the years ended 31 December 2009 and 2008**

**11 Investments in associates, net**

	<b>Consolidated financial statements</b>		<b>SET</b>	
	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
	<i>(in thousand Baht)</i>			
<i><b>Associates</b></i>				
At 1 January	159,939	160,834	100,000	100,000
Acquisitions	250,000	-	250,000	-
Reversal of impairment losses	35,806	-	35,806	-
Unrealised loss on available-for-sale securities accounted for equity method	(4,407)	-	-	-
Share of net profit (loss) of investments in equity method	26,346	(895)	-	-
<b>At 31 December</b>	<b>467,684</b>	<b>159,939</b>	<b>385,806</b>	<b>100,000</b>

During the year 2009 SET reversed impairment losses of investment in an associate amounting to Baht 35.8 million due to the recoverable amount of the investment is presently increasing.

# The Stock Exchange of Thailand and its Subsidiaries

## Notes to the financial statements

For the years ended 31 December 2009 and 2008

Investments in associates as at 31 December 2009 and 2008, and dividend income for the years then ended were as follows:

Consolidated financial statements															
		Ownership interest		Paid-up capital		Cost method		Equity method		Dividend Income					
		2009	2008	2009	2008	2009	2008	2009	2008	2009	2008				
		(%)		(in thousand Baht)											
<b>Associates</b>															
Clearing Fund		20.43	21.76	782,078	738,530	100,000	100,000	167,900	159,939	-	-				
TSFC Securities Public Company Limited		24.66	-	1,016,740	-	285,806	-	299,784	-	-	-				
<b>Total</b>						<u>385,806</u>	<u>100,000</u>	<u>467,684</u>	<u>159,939</u>	<u>-</u>	<u>-</u>				
<b>SET</b>															
		Ownership Interest		Paid-up capital		Cost method		Impairment		At cost, net		Market price of listed securities		Dividend income	
		2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
		(%)		(in thousand Baht)											
<b>Associates</b>															
Clearing Fund		20.43	21.76	782,078	738,530	100,000	100,000	-	-	100,000	100,000	-	-	-	-
TSFC Securities Public Company Limited		24.66	-	1,016,740	-	300,000	-	(14,194)	-	285,806	-	-	-	-	-
<b>Total</b>						<u>400,000</u>	<u>100,000</u>	<u>(14,194)</u>	<u>-</u>	<u>385,806</u>	<u>100,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

# The Stock Exchange of Thailand and its Subsidiaries

## Notes to the financial statements

For the years ended 31 December 2009 and 2008

### 12 Long-term investments, net

	Consolidated financial statements		SET	
	2009	2008	2009	2008
	(in thousand Baht)			
<b>Available-for-sale investments</b>				
Investments in mutual funds				
General mutual funds	2,945,526	2,579,943	2,945,526	2,579,943
Property funds	300,303	271,419	297,603	268,419
Foreign investment funds	302,296	273,374	302,296	268,187
	<u>3,548,125</u>	<u>3,124,736</u>	<u>3,545,425</u>	<u>3,116,549</u>
<b>Held-to-maturity debt securities</b>				
Bonds and debentures	1,133,283	888,368	1,115,283	833,403
	<u>1,133,283</u>	<u>888,368</u>	<u>1,115,283</u>	<u>833,403</u>
<b>General investments</b>				
Cash at banks by M.O.U.	442,474	407,649	442,474	407,649
Investments in specific-purpose funds	216,311	203,078	216,311	203,078
Fixed deposit accounts	745,000	57,024	738,000	50,000
Other debt instruments	-	30,000	-	30,000
Equity securities	12,336	62,336	12,336	62,336
Less allowance for impairment losses	(7,495)	(50,000)	(7,495)	(50,000)
	<u>1,408,626</u>	<u>710,087</u>	<u>1,401,626</u>	<u>703,063</u>
<b>Total</b>	<u>6,090,034</u>	<u>4,723,191</u>	<u>6,062,334</u>	<u>4,653,015</u>

Movements of long-term investments during the years ended 31 December 2009 and 2008 were as follows:

	Consolidated financial statements		SET	
	2009	2008	2009	2008
	(in thousand Baht)			
Opening net book value	4,723,191	6,795,998	4,653,015	6,781,998
Acquisitions	5,929,890	8,954,991	5,924,890	8,901,830
Disposals	(5,651,086)	(8,930,823)	(5,603,874)	(8,932,187)
Adjustments	(18,641)	36,824	(22,893)	34,601
Unrealised gain (loss) on available-for-sale securities	1,114,175	(2,083,799)	1,118,691	(2,083,227)
Less allowance for impairment losses	(7,495)	(50,000)	(7,495)	(50,000)
<b>Closing net book value</b>	<u>6,090,034</u>	<u>4,723,191</u>	<u>6,062,334</u>	<u>4,653,015</u>

Investments in mutual funds represent investments in 12 open-ended funds (2008: 22 funds) and 1 debt fund (2008: 1 fund), which have a policy of emphasising the investments in equity securities of listed companies.

Investments in property funds represent 11 closed-end mutual funds (2008: 11 funds). These funds are established for acquiring, leasing and transferring properties and/or their leasehold right and providing for income-generating properties. All these property fund units are listed and traded on The Stock Exchange of Thailand.

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Investments in foreign investment funds represent investments in 7 open-ended funds (2008: 10 funds), which the Feeder Fund has the policy to emphasise the investments in foreign fund securities.

Bonds and debentures represent government bonds, Bank of Thailand bonds, foreign financial institution bonds and debentures which have maturity within 2 to 9 years, coupon rates range from 3.00% - 6.10% per annum in 2009 (2008: ranging from 3.73% - 6.10% per annum) and market yields range from 1.98% - 4.64% per annum in 2009 (2008: ranging from 1.97% - 4.37% per annum). The aggregated market value at 31 December 2009 was Baht 1,201.3 million (2008: Baht 986.0 million).

As at 31 December 2009 and 2008 bonds and debentures classified by maturity were as follows:

	Consolidated financial statements			
	Due			Total
	Within 1 year	1 to 5 years (in thousand Baht)	Over 5 years	
<b>2009</b>				
Held-to-maturity debt securities				
Government bonds	17,115	665,000	1,093	683,208
Bank of Thailand bonds	16,990	-	100,000	116,990
Foreign financial institution bonds	40,000	-	-	40,000
Debentures	45,131	367,190	-	412,321
<b>Total</b>	<b>119,236</b>	<b>1,032,190</b>	<b>101,093</b>	<b>1,252,519</b>

<b>2008</b>				
Held-to-maturity debt securities				
Government bonds	20,093	671,043	1,103	692,239
Bank of Thailand bonds	-	21,965	-	21,965
Foreign financial institution bonds	-	40,000	-	40,000
Debentures	35,000	154,257	-	189,257
<b>Total</b>	<b>55,093</b>	<b>887,265</b>	<b>1,103</b>	<b>943,461</b>

	SET			
	Due			Total
	Within 1 year	1 to 5 years (in thousand Baht)	Over 5 years	
<b>2009</b>				
Held-to-maturity debt securities				
Government bonds	17,115	665,000	1,093	683,208
Bank of Thailand bonds	-	-	100,000	100,000
Foreign financial institution bonds	30,000	-	-	30,000
Debentures	40,131	349,190	-	389,321
<b>Total</b>	<b>87,246</b>	<b>1,014,190</b>	<b>101,093</b>	<b>1,202,529</b>

<b>2008</b>				
Held-to-maturity debt securities				
Government bonds	20,093	671,043	1,103	692,239
Foreign financial institution bonds	-	30,000	-	30,000
Debentures	35,000	131,257	-	166,257
<b>Total</b>	<b>55,093</b>	<b>832,300</b>	<b>1,103</b>	<b>888,496</b>



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The fair value and unrealised gain (loss) of investments in bonds and debentures are as follows:

	Consolidated financial statements					
	Amortised cost, net		Fair value		Unrealised gain (loss)	
	2009	2008	2009	2008	2009	2008
	<i>(in thousand Baht)</i>					
Government bonds	683,208	692,239	742,654	783,942	59,446	91,703
Bank of Thailand bonds	116,990	21,965	119,063	22,520	2,073	555
Foreign financial institution bonds	40,000	40,000	40,254	40,682	254	682
Debentures	412,321	189,257	419,586	195,066	7,265	5,809
	1,252,519	943,461	1,321,557	1,042,210	69,038	98,749
<i>Less current portion (Note 6)</i>	<i>(119,236)</i>	<i>(55,093)</i>	<i>(120,225)</i>	<i>(55,775)</i>	<i>(989)</i>	<i>(682)</i>
	<b>1,133,283</b>	<b>888,368</b>	<b>1,201,332</b>	<b>986,435</b>	<b>68,049</b>	<b>98,067</b>

	SET					
	Amortised cost, net		Fair value		Unrealised gain (loss)	
	2009	2008	2009	2008	2009	2008
	<i>(in thousand Baht)</i>					
Government bonds	683,208	692,239	742,654	783,942	59,446	91,703
Bank of Thailand bonds	100,000	-	101,905	-	1,905	-
Foreign financial institution bonds	30,000	30,000	30,191	30,512	191	512
Debentures	389,321	166,257	395,836	171,733	6,515	5,476
	1,202,529	888,496	1,270,586	986,187	68,057	97,691
<i>Less current portion (Note 6)</i>	<i>(87,246)</i>	<i>(55,093)</i>	<i>(87,969)</i>	<i>(55,775)</i>	<i>(723)</i>	<i>(682)</i>
	<b>1,115,283</b>	<b>833,403</b>	<b>1,182,617</b>	<b>930,412</b>	<b>67,334</b>	<b>97,009</b>

Cash at banks by M.O.U. is used as a security for housing loans to employees of the Group by a bank under a Memorandum of Understanding.

Investments in specific-purpose funds represent investment in 3 open-ended venture capital funds (2008: 3 venture capital funds). This investment is carried at cost under generally accepted accounting principles due to the redemption restriction for the first 5 years. Details are as follows:

- 1) In 2005 fund established by the government to strengthen and recover businesses which suffered from the tsunami disaster. The specific-purpose fund has a policy of investing in securities of businesses involved in the tourism industry and has been affected by the tsunami in the six southern provinces. The fund has an automatic redemption from the sixth year (2011) unless there is approval by the investment committee for redemption before the redemption restriction term.
- 2) In 2007 non-retail fund which mainly invests directly in energy, alternative and renewable energy firms and businesses that support the government's energy policies. The fund has an automatic redemption from the sixth year (2013) when the fund disposes its assets, then no further re-investment.
- 3) In 2008 non-retail fund which mainly invests directly in businesses and industries which have potential growth. The fund is a long-term investment and has an automatic redemption from the fourth year (2012).

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Investments in 2 and 3 specific-purpose funds have the capital commitment subscription until the end of contract (*Note 28*).

The fair value and unrealised gain (loss) from investments in specific-purpose funds are as follows:

	Consolidated and SET's financial statements							
	Cost		Fair value		Impairment		Unrealised loss	
	2009	2008	2009	2008	2009	2008	2009	2008
Investment unit in specific-purpose fund	<u>216,311</u>	<u>203,078</u>	<u>208,816</u>	<u>185,967</u>	<u>(7,495)</u>	<u>-</u>	<u>-</u>	<u>(17,111)</u>

Fixed deposit accounts represent fixed deposits at banks which have maturity over 1 year and bear interest rates ranging from 2.75% 3.75% per annum in 2009 (*2008: ranging from 3.00% - 5.50% per annum*).

Other debt instruments represent promissory notes issued by financial institutions which have maturity within 6 years and bear interest rate at 5.50% per annum in 2008.

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**13 Property, plant and equipment, net**

	Consolidated financial statements					Total
	Land and improve- ments	Construction in process	Buildings and improve- ments (in thousand Baht)	Furniture, fixtures and office equip- ment	Vehicles	
<b>Cost</b>						
At 1 January 2008	1,987,025	19,809	1,313,432	1,651,305	15,994	4,987,565
Additions	267,660	89,398	5,997	23,117	1,241	387,413
Disposals	-	-	(72)	(652,573)	(1,991)	(654,636)
Transfers	-	(19,800)	-	19,800	-	-
<b>At 31 December 2008 and 1 January 2009</b>	<b>2,254,685</b>	<b>89,407</b>	<b>1,319,357</b>	<b>1,041,649</b>	<b>15,244</b>	<b>4,720,342</b>
Additions	-	159,365	33,497	45,274	6,031	244,167
Disposals	-	-	-	(14,534)	(18,124)	(32,658)
Transfers	-	(181,893)	181,893	-	-	-
Adjustments	-	-	(2,171)	(21,527)	-	(23,698)
<b>At 31 December 2009</b>	<b>2,254,685</b>	<b>66,879</b>	<b>1,532,576</b>	<b>1,050,862</b>	<b>3,151</b>	<b>4,908,153</b>
<b>Accumulated depreciation</b>						
At 1 January 2008	55	-	302,040	1,231,551	7,006	1,540,652
Depreciation charge for the year	114	-	60,165	150,503	3,024	213,806
Disposals	-	-	(45)	(652,361)	(377)	(652,783)
<b>At 31 December 2008 and 1 January 2009</b>	<b>169</b>	<b>-</b>	<b>362,160</b>	<b>729,693</b>	<b>9,653</b>	<b>1,101,675</b>
Depreciation charge for the year	133	-	62,260	136,914	2,076	201,383
Disposals	-	-	-	(11,118)	(11,456)	(22,574)
Adjustments	-	-	(1,426)	(20,112)	-	(21,538)
<b>At 31 December 2009</b>	<b>302</b>	<b>-</b>	<b>422,994</b>	<b>835,377</b>	<b>273</b>	<b>1,258,946</b>
<b>Net book value</b>						
At 31 December 2008	2,254,516	89,407	957,197	311,956	5,591	3,618,667
At 31 December 2009	2,254,383	66,879	1,109,582	215,485	2,878	3,649,207

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			SET			
	Land and improve- ments	Construction in process	Buildings and improve- ments (in thousand Baht)	Furniture, fixtures and office equip- ment	Vehicles	Total
<b>Cost</b>						
At 1 January 2008	1,987,025	19,809	1,308,703	1,436,830	15,994	4,768,361
Additions	267,660	89,398	5,842	17,882	428	381,210
Disposals	-	-	(72)	(612,922)	(1,178)	(614,172)
Transfers	-	(19,800)	-	19,800	-	-
<b>At 31 December 2008 and 1 January 2009</b>	<b>2,254,685</b>	<b>89,407</b>	<b>1,314,473</b>	<b>861,590</b>	<b>15,244</b>	<b>4,535,399</b>
Additions	-	159,365	33,497	45,274	6,031	244,167
Disposals	-	-	-	(6,933)	(18,124)	(25,057)
Transfers	-	(181,893)	181,893	-	-	-
<b>At 31 December 2009</b>	<b>2,254,685</b>	<b>66,879</b>	<b>1,529,863</b>	<b>899,931</b>	<b>3,151</b>	<b>4,754,509</b>
<b>Accumulated depreciation</b>						
At 1 January 2008	55	-	300,473	1,075,902	7,006	1,383,436
Depreciation charge for the year	114	-	59,681	127,563	3,024	190,382
Disposals	-	-	(45)	(612,808)	(377)	(613,230)
<b>At 31 December 2008 and 1 January 2009</b>	<b>169</b>	<b>-</b>	<b>360,109</b>	<b>590,657</b>	<b>9,653</b>	<b>960,588</b>
Depreciation charge for the year	133	-	61,806	118,937	2,076	182,952
Disposals	-	-	-	(6,237)	(11,456)	(17,693)
<b>At 31 December 2009</b>	<b>302</b>	<b>-</b>	<b>421,915</b>	<b>703,357</b>	<b>273</b>	<b>1,125,847</b>
<b>Net book value</b>						
<b>At 31 December 2008</b>	<b>2,254,516</b>	<b>89,407</b>	<b>954,364</b>	<b>270,933</b>	<b>5,591</b>	<b>3,574,811</b>
<b>At 31 December 2009</b>	<b>2,254,383</b>	<b>66,879</b>	<b>1,107,948</b>	<b>196,574</b>	<b>2,878</b>	<b>3,628,662</b>

The gross amount of the Group's and SET's fully depreciated plant and equipment that was still in use as at 31 December 2009 amounted to Baht 421.9 million and Baht 348.4 million respectively (2008: Baht 375.6 million and Baht 299.8 million respectively).

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**14 Intangible assets, net**

	Consolidated financial statements			
	Work in process	Computer software <i>(in thousand Baht)</i>	Patents and Operating rights	Total
<b><i>Cost</i></b>				
At 1 January 2008	118,306	765,783	16,231	900,320
Additions	8,825	18,861	-	27,686
Transfers	(96,825)	96,825	-	-
Disposals	-	(47,905)	(14,231)	(62,136)
<b>At 31 December 2008 and 1 January 2009</b>	<b>30,306</b>	<b>833,564</b>	<b>2,000</b>	<b>865,870</b>
Additions	2,005	26,490	-	28,495
Transfers	(32,311)	32,311	-	-
Disposals	-	(50,396)	-	(50,396)
Adjustments	-	(3,400)	(2,000)	(5,400)
<b>At 31 December 2009</b>	<b>-</b>	<b>838,569</b>	<b>-</b>	<b>838,569</b>
<b><i>Accumulated amortisation</i></b>				
At 1 January 2008	-	341,683	3,822	345,505
Amortisation charge for the year	-	141,260	614	141,874
Disposals	-	(47,904)	(3,637)	(51,541)
<b>At 31 December 2008 and 1 January 2009</b>	<b>-</b>	<b>435,039</b>	<b>799</b>	<b>435,838</b>
Amortisation charge for the year	-	139,309	167	139,476
Disposals	-	(48,140)	-	(48,140)
Adjustments	-	(1,928)	(966)	(2,894)
<b>At 31 December 2009</b>	<b>-</b>	<b>524,280</b>	<b>-</b>	<b>524,280</b>
<b><i>Net book value</i></b>				
<b>At 31 December 2008</b>	<b>30,306</b>	<b>398,525</b>	<b>1,201</b>	<b>430,032</b>
<b>At 31 December 2009</b>	<b>-</b>	<b>314,289</b>	<b>-</b>	<b>314,289</b>

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For the years ended 31 December 2009 and 2008

		SET		
	Work in process	Computer software (in thousand Baht)	Patents and Operating rights	Total
<b>Cost</b>				
At 1 January 2008	117,024	646,383	14,231	777,638
Additions	8,825	17,915	-	26,740
Transfers	(95,543)	95,543	-	-
Disposals	-	(31,857)	(14,231)	(46,088)
<b>At 31 December 2008 and 1 January 2009</b>	<b>30,306</b>	<b>727,984</b>	<b>-</b>	<b>758,290</b>
Additions	2,005	26,490	-	28,495
Transfers	(32,311)	32,311	-	-
Disposals	-	(45,325)	-	(45,325)
<b>At 31 December 2009</b>	<b>-</b>	<b>741,460</b>	<b>-</b>	<b>741,460</b>
<b>Accumulated amortisation</b>				
At 1 January 2008	-	266,561	3,222	269,783
Amortisation charge for the year	-	127,959	415	128,374
Disposals	-	(31,856)	(3,637)	(35,493)
<b>At 31 December 2008 and 1 January 2009</b>	<b>-</b>	<b>362,664</b>	<b>-</b>	<b>362,664</b>
Amortisation charge for the year	-	127,698	-	127,698
Disposals	-	(45,324)	-	(45,324)
<b>At 31 December 2009</b>	<b>-</b>	<b>445,038</b>	<b>-</b>	<b>445,038</b>
<b>Net book value</b>				
<b>At 31 December 2008</b>	<b>30,306</b>	<b>365,320</b>	<b>-</b>	<b>395,626</b>
<b>At 31 December 2009</b>	<b>-</b>	<b>296,422</b>	<b>-</b>	<b>296,422</b>

The gross amount of the Group's and SET's fully amortised intangible assets that was still in use as at 31 December 2009 amounted to Baht 136.3 million and Baht 93.4 million respectively (2008: Baht 163.0 million and Baht 120.6 million respectively).

## 15 Assets for margin deposits and benefits

Thailand Clearing House Co., Ltd. (TCH) is the clearing house for derivatives market members of TCH who have outstanding positions are obliged to place the required margin deposits as the guarantee according to rate or amount called by TCH. TCH may invest the proceeds of margins according to specified terms and conditions. The benefits, after deducting management fees, shall be distributed to members at the announced rates and procedures.

As at 31 December 2009 margins deposits placed by members amounting to Baht 2,480.4 million (2008: Baht 1,897.2 million) were deposited in savings accounts and fixed deposit accounts with maturity less than one year, and Baht 333.1 million (2008: nil) were deposited in Bank of Thailand bonds, and the accrued benefits of these deposits amounting to Baht 21.9 million (2008: Baht 4.7 million), totaling Baht 2,835.4 million (2008: Baht 1,901.9 million), which SET separately presented in the account "Assets for margin deposits and benefits" in current assets in the balance sheet and presented liabilities in the same amount in the account "Margin deposits and benefits payables" in current liabilities in the balance sheet.

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### **16 Assets for clearing system protection and benefits**

The assets for the clearing system protection are established to secure the clearing system of Thailand Clearing House Co., Ltd. (TCH) against any damage caused by defaults or other incidents made by members.

Assets for the clearing system protection comprise of the following 2 types:

#### **16.1 Securities Deposit**

Members of TCH are required to place a Securities Deposit according to the announcement made by TCH (current Securities Deposit for general clearing members is not less than Baht 5 million per member and for gold related products clearing members is not less than Baht 4 million per member). TCH shall invest the proceeds of Securities Deposit and return benefits derived from those Securities Deposit, after deducting management fee, to members in accordance with announced rates and procedures. Assets held as Securities Deposit will be returned to member after membership termination.

#### **16.2 Clearing fund comprises contributions from:**

- (1) SET amounting to Baht 100 million (*31 December 2008: Thailand Securities Depository Co., Ltd., amounting to Baht 100 million*)
- (2) Members of TCH:
  - Initial contribution according to the announced rates (currently initial contribution for general clearing members is not less than Baht 5 million per member and for gold related products clearing members is not less than Baht 1 million per member)
  - Monthly contribution at the value of not less than Baht 1,000

Securities Deposit and benefits are the right of the payers according to the proportion of their contributions. When the membership is terminated, the member's Securities Deposit and benefits on contributions will be returned.

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Assets for the clearing system protection and benefits as at 31 December 2009 and 2008 consist of:

	Consolidated financial statements					
	Securities Deposit and benefits		Clearing fund and benefits		Total	
	2009	2008	2009	2008	2009	2008
	<i>(in thousand Baht)</i>					
Investments managed by the company	255,080	258,142	-	1	255,080	258,143
Investments managed by private funds						
Savings accounts	441	491	363	240	804	731
Other debt instruments	27,410	60,700	52,819	115,000	80,229	175,700
Trading securities	173,409	122,902	302,880	210,081	476,289	332,983
	<u>456,340</u>	<u>442,235</u>	<u>356,062</u>	<u>325,322</u>	<u>812,402</u>	<u>767,557</u>
Accrued interest receivables	2,233	2,574	2,106	4,316	4,339	6,890
Other assets	133	203	933	1,366	1,066	1,569
<b>Total</b>	<b><u>458,706</u></b>	<b><u>445,012</u></b>	<b><u>359,101</u></b>	<b><u>331,004</u></b>	<b><u>817,807</u></b>	<b><u>776,016</u></b>

Assets for the clearing system protection and benefits payables as at 31 December 2009 and 2008 consist of:

	Consolidated financial statements	
	2009	2008
	<i>(in thousand Baht)</i>	
<b>Securities Deposit and benefits</b>		
Contributions	454,978	435,000
Benefits (semi-annually distribute to members)	3,728	10,012
	<u>458,706</u>	<u>445,012</u>
<b>Clearing fund and benefits</b>		
Contributions	219,873	199,061
Benefits	21,187	16,299
	<u>241,060</u>	<u>215,360</u>
<b>Total</b>	<b><u>699,766</u></b>	<b><u>660,372</u></b>

## 17 Accounts payable and accrued expenses

	Note	Consolidated financial statements		SET	
		2009	2008	2009	2008
		<i>(in thousand Baht)</i>			
Related parties	4	8,586	-	3,339	9,850
Other parties		<u>464,620</u>	<u>345,696</u>	<u>455,390</u>	<u>300,096</u>
<b>Total</b>		<b><u>473,206</u></b>	<b><u>345,696</u></b>	<b><u>458,729</u></b>	<b><u>309,946</u></b>



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**18 Other current liabilities**

	<b>Consolidated financial statements</b>		<b>SET</b>	
	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
	<i>(in thousand Baht)</i>			
Withholding tax payable	86,399	53,951	63,785	28,484
Payable of financial benefits to unit holders	41,081	37,432	-	-
Dividend payable from Legal Execution Department	33,602	44,576	-	-
Pending donation for disaster	23,437	24,328	23,437	24,328
Other retention payables	21,696	14,685	21,687	19,574
Provision for employees' benefits from accumulated annual leave	18,387	-	18,387	-
Ngoen-Thong-khong-Mee-Kha Fund	12,035	11,936	12,035	11,936
Other	18,355	26,984	9,025	20,542
<b>Total</b>	<b>254,992</b>	<b>213,892</b>	<b>148,356</b>	<b>104,864</b>

**19 Provision for employees' benefits**

	<b>Consolidated financial statements</b>		<b>SET</b>	
	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
	<i>(in thousand Baht)</i>			
Balance sheet obligations	119,602	133,723	119,602	92,502
Charge in the statement of revenues and expenses	17,906	16,778	55,260	11,769

The amounts of liabilities recognised in the balance sheets are determined as follows:

	<b>Consolidated financial statements</b>		<b>SET</b>	
	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
	<i>(in thousand Baht)</i>			
Present value of obligations	118,464	133,723	118,464	92,502
Unrecognised actuarial gain	1,138	-	1,138	-
<b>Liabilities in the balance sheets</b>	<b>119,602</b>	<b>133,723</b>	<b>119,602</b>	<b>92,502</b>

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Movements of provision for employees' benefits are as follows:

	Consolidated financial statements		SET	
	2009	2008	2009	2008
	<i>(in thousand Baht)</i>			
Beginning balance	133,723	116,945	92,502	80,733
Current service costs	11,923	11,515	11,405	8,136
Interest costs	5,983	5,263	5,871	3,633
	<u>151,629</u>	<u>133,723</u>	<u>109,778</u>	<u>92,502</u>
Less benefits paid	(28,160)	-	(28,160)	-
Add (less) adjustments	(3,867)	-	37,984	-
Ending balance	<u>119,602</u>	<u>133,723</u>	<u>119,602</u>	<u>92,502</u>
Less current portion	(8,453)	-	(8,453)	-
Total non-current	<u>111,149</u>	<u>133,723</u>	<u>111,149</u>	<u>92,502</u>

In 2009 SET management approved a restructuring management plan and personnel under a new organization structure for which transferring all staffs from all subsidiaries to SET. Therefore, SET has been transferred provision for employees' benefits from the subsidiaries and charged as part of employees' benefits expenses in the statement of revenues and expenses.

Furthermore, the Group had restructured business of a subsidiary by entering a joint venture arrangement with a company; therefore, the status of a subsidiary had been changed to be a jointly-controlled entity. The Group had adjusted the provision for employees' benefits of the subsidiary for which previously were included in the consolidated financial statements.

The amounts recognised in the statements of revenues and expenses are as follows:

	Consolidated financial statements		SET	
	2009	2008	2009	2008
	<i>(in thousand Baht)</i>			
Current service costs	11,923	11,515	11,405	8,136
Interest costs	5,983	5,263	5,871	3,633
	<u>17,906</u>	<u>16,778</u>	<u>17,276</u>	<u>11,769</u>
Add transferred from subsidiaries	-	-	37,984	-
Total	<u>17,906</u>	<u>16,778</u>	<u>55,260</u>	<u>11,769</u>

The principal actuarial assumptions used are as follows:

	2009	2008
Discount rate as of 31 December	4.80%	4.50%
Salary increase rate - permanent employees	6.00%	6.00%
Salary increase rate - contract employees	4.50%	4.50%
Average turnover rate	6.40%	6.40%
Pre-retirement mortality rate	0.11% - 1.48%	0.11% - 1.48%
Retirement age	60 years old	60 years old

# **The Stock Exchange of Thailand and its Subsidiaries**

## **Notes to the financial statements**

**For the years ended 31 December 2009 and 2008**

### **20 Fund balances**

Details of fund balances consist of:

#### **Securities Clearing Reserve Fund**

In 1997 the Board of Governors of SET approved an appropriation of general fund of Baht 2,000 million to be the Securities Clearing Reserve Fund, which operated by a subsidiary of SET, in order to resolve liquidity risk in the event of default on clearing and settlement from securities trading in SET.

#### **Clearing and Settlement of Derivatives Market Reserve Fund**

In 2004 the Board of Governors of SET approved an appropriation of general fund of Baht 300 million to be the Clearing and Settlement of Derivatives Market Reserve Fund in order to assure contingent loss from clearing and settlement system of future contracts at Thailand Clearing House Co., Ltd.

#### **Indemnity Fund**

In 1993 and 2002 the Board of Governors of SET approved appropriations of general fund totaling Baht 100 million to be the Indemnity Fund in order to assist and assure the Board of Governors and those appointed assignees on matters requiring consideration and decisions which may affect or cause damages to other parties.

#### **SET Building Construction Fund**

In 1992 the Board of Governors of SET approved an appropriation of general fund of Baht 580 million for the construction of SET buildings. The office buildings were completely constructed in 1998. The remaining fund of Baht 246.3 million is reserved for further construction of parking building.

In 2008 the Board of Governors of SET approved SET to build the car park building with the above-mentioned remaining fund. The total construction cost paid in 2009 was Baht 66.9 million (2008: Baht 6.6 million).

#### **Staff Welfare Fund**

In 1997 and 2004 the Board of Governors of SET approved appropriations of general fund totaling Baht 75 million to be the Staff Welfare Fund. All benefits earned from this fund are retained in the fund.

#### **Securities Investor Protection Fund**

In 2004 the Board of Governors of SET approved an appropriation of Baht 300 million from broker seat admission fees as an initial fund for the establishment of the Securities Investor Protection Fund (SIPF).

The SIPF was formally established under SIPF regulations on 1 October 2004. The objective of the fund is to protect and build confidence of investors in trading listed securities at SET through the members of SIPF. As at 31 December 2009 the number of SIPF members was 33 companies (2008: 33 companies).

**The Stock Exchange of Thailand and its Subsidiaries**  
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**For the years ended 31 December 2009 and 2008**

The assets of SIPF consist of:

- 1) the initial fund from SET of Baht 300 million which appropriated from broker seat admission fees;
- 2) the membership entrance fees and monthly fees collected from the members (commencing from 1 January 2005) which will be cumulated up to Baht 200 million; and
- 3) the future benefits generated from investments in SIPF.

The fund will protect the investors' assets which are in the custody of the securities brokers who are members of SIPF. In the event that the members of SIPF fail to return the assets to investors, each investor shall be compensated by SIPF for his/her damage at the actual cost but not over Baht 1 million per each SIPF member in the following cases:

- 1) if any SIPF member is in receivership under the Bankruptcy Acts or
- 2) if there are disputes concerning the purchase or sale of listed securities in SET between investors and any SIPF member, and the arbitrators' award is that SIPF member shall return the assets to investors, but such SIPF member violates such award.

The protection will not include any losses from securities trading regardless who makes investment decision.

SIPF's financial statements included as part of the consolidated and SET's financial statements are as follows:

	<b>Consolidated and SET's financial statements</b>	
	<b>2009</b>	<b>2008</b>
	<i>(in thousand Baht)</i>	
<b>Assets</b>		
<b>Current assets</b>		
Cash and investments	283,350	306,160
Contributions due from members	2,697	2,251
Accrued interest receivables	3,869	2,363
<b>Total current assets</b>	<b>289,916</b>	<b>310,774</b>
<b>Non-current assets</b>		
Long-term investments	259,996	182,741
<b>Total assets</b>	<b>549,912</b>	<b>493,515</b>
<b>Liabilities and fund balances</b>		
<b>Non-current liabilities</b>		
Contributions from members	173,786	134,554
Benefits on contributions from members	15,956	10,433
Other non-current liabilities	1	483
<b>Total non-current liabilities</b>	<b>189,743</b>	<b>145,470</b>

# The Stock Exchange of Thailand and its Subsidiaries

## Notes to the financial statements

For the years ended 31 December 2009 and 2008

	Consolidated and SET's financial statements	
	2009	2008
	(in thousand Baht)	
<b>Fund balances</b>		
Initial fund	300,000	300,000
Fund balances	60,169	48,045
<b>Total fund balances</b>	<b>360,169</b>	<b>348,045</b>
<b>Total liabilities and fund balances</b>	<b>549,912</b>	<b>493,515</b>

SIPF's statement of revenues and expenses for the years ended 31 December 2009 and 2008 are presented in note 21 to the financial statements "Results of funds operations".

### SET's 30th Anniversary Charity Fund

In 2004 the Board of Governors of SET approved an appropriation of membership fees of Baht 100 million to establish a charity fund on the occasion of SET's 30th anniversary. The purpose of the fund is mainly to contribute to SET's neighbouring communities and universities through SET university networking on youth development, sports and education projects. This fund was fully used in 2008.

## 21 Results of funds operations

Details of results of funds operations which are included as part of the consolidated and SET's statements of revenues and expenses are as follows:

Consolidated financial statements					
	Staff Welfare Fund	Securities Investor Protection Fund (SET's portion)	The SET's 30 <sup>th</sup> Anniversary Charity Fund	General Fund	Total
	(in thousand Baht)				
<i>For the year ended 31 December 2009</i>					
<b>Revenues</b>					
Fee and service income	-	-	-	1,825,917	1,825,917
Investment income, net	1,127	12,291	-	874,675	888,093
Other income	-	-	-	537,466	537,466
<b>Total revenues</b>	<b>1,127</b>	<b>12,291</b>	<b>-</b>	<b>3,238,058</b>	<b>3,251,476</b>
<b>Expenses</b>					
Operating expenses	-	81	-	2,598,534	2,598,615
Donation and social activities contributions	-	-	-	141,421	141,421
Income tax expense	-	-	-	54,839	54,839
<b>Total expenses</b>	<b>-</b>	<b>81</b>	<b>-</b>	<b>2,794,794</b>	<b>2,794,875</b>
<b>Revenues over expenses</b>	<b>1,127</b>	<b>12,210</b>	<b>-</b>	<b>443,264</b>	<b>456,601</b>

# The Stock Exchange of Thailand and its Subsidiaries

## Notes to the financial statements

For the years ended 31 December 2009 and 2008

Consolidated financial statements					
	Staff Welfare Fund	Securities Investor Protection Fund (SET's portion)	The SET's 30 <sup>th</sup> Anniversary Charity Fund (in thousand Baht)	General Fund	Total
<i>For the year ended 31 December 2008</i>					
<b>Revenues</b>					
Fee and service income	-	-	-	1,673,331	1,673,331
Investment income, net	1,061	12,391	-	612,513	625,965
Other income	-	-	-	533,518	533,518
<b>Total revenues</b>	<b>1,061</b>	<b>12,391</b>	<b>-</b>	<b>2,819,362</b>	<b>2,832,814</b>
<b>Expenses</b>					
Operating expenses	-	39	-	2,482,321	2,482,360
Donation and social activities contributions	-	-	8,713	87,643	96,356
Income tax expense	-	-	-	48,617	48,617
<b>Total expenses</b>	<b>-</b>	<b>39</b>	<b>8,713</b>	<b>2,618,581</b>	<b>2,627,333</b>
<b>Revenues over (under) expenses</b>	<b>1,061</b>	<b>12,352</b>	<b>(8,713)</b>	<b>200,781</b>	<b>205,481</b>

SET					
	Staff Welfare Fund	Securities Investor Protection Fund (SET's portion)	The SET's 30 <sup>th</sup> Anniversary Charity Fund (in thousand Baht)	General Fund	Total
<i>For the year ended 31 December 2009</i>					
<b>Revenues</b>					
Fee and service income	-	-	-	1,705,361	1,705,361
Investment income, net	1,127	12,291	-	801,783	815,201
Other income	-	-	-	288,126	288,126
<b>Total revenues</b>	<b>1,127</b>	<b>12,291</b>	<b>-</b>	<b>2,795,270</b>	<b>2,808,688</b>
<b>Expenses</b>					
Operating expenses	-	81	-	2,397,831	2,397,912
Donation and social activities contributions	-	-	-	141,439	141,439
<b>Total expenses</b>	<b>-</b>	<b>81</b>	<b>-</b>	<b>2,539,270</b>	<b>2,539,351</b>
<b>Revenues over expenses</b>	<b>1,127</b>	<b>12,210</b>	<b>-</b>	<b>256,000</b>	<b>269,337</b>

# The Stock Exchange of Thailand and its Subsidiaries

## Notes to the financial statements

For the years ended 31 December 2009 and 2008

		SET			
	Staff Welfare Fund	Securities Investor Protection Fund (SET's portion)	The SET's 30 <sup>th</sup> Anniversary Charity Fund	General Fund	Total
			(in thousand Baht)		
<b>For the year ended 31 December 2008</b>					
<b>Revenues</b>					
Fee and service income	-	-	-	1,254,446	1,254,446
Investment income, net	1,061	12,391	-	584,697	598,149
Other income	-	-	-	341,504	341,504
<b>Total revenues</b>	<b>1,061</b>	<b>12,391</b>	<b>-</b>	<b>2,180,647</b>	<b>2,194,099</b>
<b>Expenses</b>					
Operating expenses	-	39	-	1,985,980	1,986,019
Donation and social activities contributions	-	-	8,713	85,757	94,470
<b>Total expenses</b>	<b>-</b>	<b>39</b>	<b>8,713</b>	<b>2,071,737</b>	<b>2,080,489</b>
<b>Revenues over (under) expenses</b>	<b>1,061</b>	<b>12,352</b>	<b>(8,713)</b>	<b>108,910</b>	<b>113,610</b>

## 22 Investment income, net

		Consolidated financial statements		SET	
	Note	2009	2008	2009	2008
			(in thousand Baht)		
Interest income		241,489	301,501	162,294	210,806
Less interest expense					
Short-term borrowings from subsidiaries	4	-	-	(7,241)	(8,851)
Assets for the clearing system protection - members' portion		(58,007)	(67,133)	-	-
Other		(329)	(741)	(329)	(741)
Interest income, net		183,153	233,627	154,724	201,214
Dividend income from					
Mutual funds		404,902	200,288	404,758	200,288
Subsidiaries	9	-	-	-	2,000
Other entities		2,001	12,521	2,001	12,521
Realised gain from investments		288,571	158,278	285,775	157,357
Unrealised gain (loss) from investments		(31,136)	58,860	(43,775)	62,378
Impairment losses on investments		(7,495)	(50,000)	(35,995)	(50,000)
Reversals of impairment losses	11	35,806	-	35,806	-
Recognised loss from liquidation of subsidiary		-	-	(384)	-
<b>Net</b>		<b>875,802</b>	<b>613,574</b>	<b>802,910</b>	<b>585,758</b>

# The Stock Exchange of Thailand and its Subsidiaries

## Notes to the financial statements

For the years ended 31 December 2009 and 2008

### 23 Other income

	Consolidated financial statements		SET	
	2009	2008	2009	2008
	(in thousand Baht)			
Revenues from membership fees	118,388	110,470	23,400	43,638
Information service income	100,980	85,022	78,395	71,087
Education dissemination income	66,595	63,655	62,288	58,970
Service and advertising production income	37,371	46,207	-	-
Income on fund registrar fees	37,188	28,333	-	-
Income on customisation and IT support fee	31,509	25,879	31,509	25,879
Revenues from fees and management funds	23,130	25,448	6,133	11,068
Fines	12,071	21,464	11,328	17,130
Other income	80,541	127,935	75,073	113,732
<b>Total</b>	<b>507,773</b>	<b>534,413</b>	<b>288,126</b>	<b>341,504</b>

### 24 Employees' benefits expenses

	Consolidated financial statements		SET	
	2009	2008	2009	2008
	(in thousand Baht)			
Salaries and other benefits	1,171,397	954,405	1,173,256	670,044
Contributions to provident fund	67,219	70,502	64,557	49,307
<b>Total</b>	<b>1,238,616</b>	<b>1,024,907</b>	<b>1,237,813</b>	<b>719,351</b>

The defined contribution plans comprise provident funds established by the Group for its employees. Membership to the funds is on a voluntary basis. Contributions are made monthly by the employees at rates ranging from 3% to 10% of their basic salaries and by the Group at the rate of 10% of the employees' basic salaries. The provident funds are registered with the Ministry of Finance as juristic entities and are managed by a licensed Fund Manager.

### 25 Contributions to the office of the Securities and Exchange Commission (SEC)

The Securities and Exchange Act B.E. 2535 requires SET to contribute to the SEC at a rate as determined by the Board of SEC.

During 2006 to 2008 the Board of SEC has required contributions at the rate of 0.002% of trading volume of the prior year. The contribution criteria are required to review at every 3 years.

In 2009 the Board of SEC has resolved to pay contributions by the same criteria and conditions for another 1 year.



**The Stock Exchange of Thailand and its Subsidiaries**  
**Notes to the financial statements**  
**For the years ended 31 December 2009 and 2008**

**26 Other expenses**

	<b>Consolidated financial statements</b>		<b>SET</b>	
	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
	<i>(in thousand Baht)</i>			
Education dissemination expenses	43,687	60,402	38,585	53,494
Contributions to capital market institutions	35,336	63,267	37,847	66,361
Travelling and vehicle expenses	33,831	34,979	33,558	24,756
Other expenses	56,277	55,156	35,939	58,667
<b>Total</b>	<b>169,131</b>	<b>213,804</b>	<b>145,929</b>	<b>203,278</b>

**27 Financial instruments**

***Financial risk management policies***

The Group is exposed to normal business risks from changes in market interest rates and from non-performance of contractual obligations by counterparties. The Group does not hold or issue derivative financial instruments for speculative or trading purposes.

***Interest rate risk***

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows because debt securities and loan interest rates are mainly fixed. The Group is primarily exposed to interest rate risk from its borrowings.

***Credit risk from investments and deposits***

Credit risk is the potential loss resulting from the failure of a customer or counterparty to settle its financial and contractual obligations to the Group as and when they fall due.

The group has no significant concentration of investments or deposits at financial institutions. The group, however, is exposed to market risks as investor in financial instruments, and credit risk from the issuer of financial instruments. The group, therefore, has a policy of diversifying its investments and deposits to high credit financial institutions according to SET's regulations.

Investment policies of 2009 and 2008 are summarised as follows:

**1) Investments in debt securities**

<b>Type of investments</b>	<b>Proportion of total investments</b>
Government securities, debentures or bonds of state enterprises or entities incorporated by specific laws and guaranteed by the Ministry of Finance	Unlimited amount
Fixed deposits or NCD at commercial banks and promissory notes of finance companies or financial institutions incorporated by specific laws	Not exceed 15% per an institution

# The Stock Exchange of Thailand and its Subsidiaries

## Notes to the financial statements

For the years ended 31 December 2009 and 2008

Type of investments	Proportion of total investments
Debentures or warrants of debentures and bills of exchange	Not exceed 5% per an issuer
Investment units or warrants of investment units in mutual funds invested in debt securities	Not exceed 10% per a mutual fund
2) Investments in equity securities	
Type of investments	Proportion of total investments
Investment units or warrants of investment units in mutual funds which emphasise on equity securities	Not exceed 10% per a mutual fund
3) Investments in property funds	
Type of investments	Proportion of total investments
Property funds	Not exceed 10% of project value, and amount not over 3% of total investments <i>(2008: not exceed 10% of project value and amount not over 4% of total investments)</i>
4) Investments in foreign investment funds	
Type of investments	Proportion of total investments
Foreign investment funds	Not exceed 20% of total investments in the first half of the year and 3% of total investments in the second half of the year <i>(2008: not exceed 20% of total investments in the first half of the year and 6% of total investments in the second half of the year)</i>

Investments in asset management companies should not exceed 40% of total investments.

### ***Liquidity risk***

The Group has high liquidity. The Group has no policy to seek outside funding in the near future. The Group has a policy to invest in low risk and high return financial institution.

# The Stock Exchange of Thailand and its Subsidiaries

## Notes to the financial statements

For the years ended 31 December 2009 and 2008

### *Capital risk management*

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to increase investors and stakeholders' confidence.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders depend on subsidiaries' operating performance.

### *Determination of fair values*

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. The fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Fair values have been determined for measurement and/or disclosure purposes based on the following methods (when applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability).

The fair value of other short-term receivables is taken to approximate the carrying value.

The carrying amounts of the following financial assets and financial liabilities are approximate to their fair values. These consist of cash and cash equivalents, cash at banks for clearing collateral and dividend payable, accounts receivable and accrued income, accrued interest receivables, clearing collateral and dividend payables, accounts payable and accrued expenses, fees received in advance, income tax payable and short-term borrowings from subsidiaries.

The fair value of investments in debt and equity securities, which are held for trading, held-to-maturity and available-for-sales, is determined by reference to their quoted bid price at the reporting date. The fair value of held-to-maturity investments is determined for disclosure purposes only as described in notes 6 and 12 to the financial statements respectively.

## 28 Commitments with non-related parties

	Consolidated financial statements		SET	
	2009	2008	2009	2008
	(in thousand Baht)			
<i>Capital commitments</i>				
Buildings and other constructions	<u>173,573</u>	<u>308,000</u>	<u>173,573</u>	<u>308,000</u>
<i>Non-cancellable operating lease commitments</i>				
Within one year	16,507	13,749	16,507	13,289
After one year but within five years	<u>23,371</u>	<u>15,084</u>	<u>23,371</u>	<u>14,531</u>
<b>Total</b>	<u><b>39,878</b></u>	<u><b>28,833</b></u>	<u><b>39,878</b></u>	<u><b>27,820</b></u>

# The Stock Exchange of Thailand and its Subsidiaries

## Notes to the financial statements

### For the years ended 31 December 2009 and 2008

Moreover, SET has obligation from capital commitment subscription in 2 specific-purpose funds. The Asset Management Company will make an additional payment from SET after the initial investment. The additional payment has not exceed Baht 50 million and Baht 30 million respectively unless the payment was made in the full amount of capital commitment subscription or due in terms of 10 years (3 August 2017) and 8 years (11 August 2016) respectively (*Note 12*).

## 29 Contingent liabilities and contingent assets

### 29.1 Contingent assets

#### (a) Jointly-controlled entity

SET Group had restructured the business of Family Know-how Co., Ltd. "Family Know-how" whereby entering into a joint venture arrangement with a company which holds 50% of registered share capital in Family Know-how. While SET holds 2,500,000 preference shares and the company holds 2,500,000 ordinary shares. Preference shares will be entitled to receive dividend before ordinary shares from the result of Family Know-how during the period from 1 January 2010 to 31 December 2012, and will receive 10% of net profit before legal reserve and receive dividends from the remaining net profit in proportion to the shareholders in Family Know-how. After those periods, all shares will have equal right and status.

However, right to receive dividend from Family Know-how in the future is still uncertain and dependent upon its ability to make profit in the future. As at 31 December 2009 the Group did not record contingent assets in the financial statements.

### 29.2 Contingent liabilities

#### (a) SET

As at 31 December 2009 SET had letters of guarantee issued by banks totaling Baht 4.2 million (2008: Baht 3.9 million) in respect of electricity usage in the ordinary course of business from which management anticipates that no material liabilities will arise.

SET has issued a letter of comfort to a bank in respect of an overdraft credit line of Baht 1,500 million (2008: Baht 1,500 million) granted to Thailand Securities Depository Co., Ltd. (TSD), a subsidiary. Under the terms of the letter of comfort, SET is required to maintain its shareholdings at 99.99% of the registered share capital in TSD to the end of the credit period. In addition, SET is required to support TSD's operations to ensure its ability to repay the debt to the bank. As at 31 December 2009 TSD did not draw down the overdraft credit line.

SET has issued a letter of comfort to a bank in respect of an overdraft credit line of Baht 2,400 million (2008: Baht 200 million issued by TSD) granted to Thailand Clearing House Co., Ltd. (TCH) for preparing transfer securities clearing from TSD to be the center of clearing and settlement house at TCH. Under the terms of the letter of comfort, SET is required to maintain its shareholdings at 99.99% of the registered share capital in TCH to the end of the credit period. In addition, SET is required to support TCH's operations to ensure its ability to repay the debt to the bank. As at 31 December 2009 TCH did not draw down the overdraft credit line.

# The Stock Exchange of Thailand and its Subsidiaries

## Notes to the financial statements

For the years ended 31 December 2009 and 2008

### (b) Subsidiaries

In 2008 Family Know-how Co., Ltd. “Family Know-how” had letters of guarantee totaling Baht 2.7 million issued by banks in respect of the normal business operation that were guaranteed by the fixed deposit accounts (*Note 8*).

During 2009 a subsidiary of SET was filed a civil lawsuit case as a joint defendant (together with other individuals and juristic persons/entities) for alleged wrongful acts, seeking compensation for alleged damages about the forgery of ordinary share certificates for the defendants to be jointly responsible for compensation totaling Baht 223 million. The outcome of the case has not presently been estimated reliably. Management of the subsidiary has assessed the current status of litigation and anticipated that such the case will not give rise to any significant loss to the subsidiary. Therefore, the subsidiary has not recorded such potential losses in the financial statements for the year ended 31 December 2009.

The Group is defendants in various pending legal cases with third parties from normal operations. In the opinion of management after taking appropriate legal advice, the anticipated outcome is that such legal cases will not give rise to any significant losses.

### 29.3 Long-term land lease agreement

SET has commitments to enter into the land lease agreement with the lessor for the period from 5 July 2007 to 4 July 2028, with a total of Baht 315.4 million. Details are as follows:

Year	Lease period	Rent fee per year (in thousand Baht)
1	5 July 2007 - 4 July 2008	11,000
2	5 July 2008 - 4 July 2009	11,401
3 – 5	5 July 2009 - 4 July 2012	11,687
6 – 10	5 July 2012 - 4 July 2017	13,525
11 – 15	5 July 2017 - 4 July 2022	15,679
16 – 20	5 July 2022 - 4 July 2027	18,177
21	5 July 2027 - 4 July 2028	21,072

### 30 Event after the reporting period

SET has a policy for development project on land at Ratchapisek Road, which is the property of SET. This is to be the first center for innovative financial products and integrated investment in Thailand.

On 21 January 2010 the Board of Governors of SET resolved to allocate space of about 9.7 rais for sale or long-term lease rights by auction. In February 2010 SET announced an auction to the public. SET will select the type of corporate operations, joint ventures, limited company or public company who proposed an approach and land development patterns in the same way as capital markets business center project. The expected outcome of the auction will be in the second quarter of 2010.

# The Stock Exchange of Thailand and its Subsidiaries

## Notes to the financial statements

For the years ended 31 December 2009 and 2008

### 31 Thai Accounting Standards not yet adopted

The Group has not adopted the following new and revised Thai Accounting Standards (“TAS”) that have been issued as of the reporting date but are not yet effective. The new and revised TAS are anticipated to become effective for annual financial periods beginning on or after 1 January in the year indicated.

TAS	Topic	Year effective
TAS 24 (revised 2007)	Related Party Disclosures	2011
TAS 40	Investment Property	2011

Management is presently considering the potential impact of adopting and initial application of these new and revised TAS on the consolidated and SET’s financial statements.

### 32 Reclassification of accounts

Certain accounts in the 2008 financial statements have been reclassified to conform to the presentation in the 2009 financial statements as follows:

	2008					
	Consolidated financial statements		SET			
	Before reclassification	Reclassification	After reclassification (in thousand Baht)	Before reclassification	Reclassification	After reclassification
<b>Balance sheets</b>						
Investments in subsidiaries	-	-	-	-	554,591	554,591
Investments in associates, net	-	159,939	159,939	-	100,000	100,000
Investments in subsidiaries and associates	159,939	<u>(159,939)</u>	-	654,591	<u>(654,591)</u>	-
		<u>-</u>			<u>-</u>	
<b>Statement of revenues and expenses</b>						
<b>Operating revenues</b>						
Clearing and depository fees	-	203,125	203,125	-	-	-
Stock registrar fees	567,590	(28,333)	539,257	-	-	-
Members services fees	142,643	15,570	158,213	-	-	-
Depository fees	129,168	(129,168)	-	-	-	-
Service income	-	-	-	618,169	381	618,550
Other income	595,607	(61,194)	534,413	341,885	(381)	341,504

# The Stock Exchange of Thailand and its Subsidiaries

## Notes to the financial statements

For the years ended 31 December 2009 and 2008

	2008					
	Consolidated financial statements		After reclassi- fication (in thousand Baht)	Before reclassi- fication	SET	After reclassi- fication
	Before reclassi- fication	Reclassi- fication			Reclassi- fication	
<b>Operating expenses</b>						
Employees' benefits expenses	(1,024,741)	(166)	(1,024,907)	-	-	-
Marketing and media production expenses	(268,635)	29,864	(238,771)	(178,968)	22,438	(156,530)
Communication expenses	(132,530)	132,530	-	(26,460)	26,460	-
Fees and compensation expenses	(100,119)	(8,934)	(109,053)	(170,600)	(9,448)	(180,048)
Direct service expenses	-	(129,555)	(129,555)	-	-	-
Building and office expenses	(95,595)	(35,184)	(130,779)	(94,616)	(34,257)	(128,873)
Technology expenses	-	(108,899)	(108,899)	-	(108,271)	(108,271)
Contributions to subsidiaries	-	-	-	(12,000)	12,000	-
Other expenses	(334,148)	120,344	(213,804)	(294,356)	91,078	(203,278)
		<u>-</u>			<u>-</u>	

The reclassifications have been made in order to comply with the presentation of information in the current year.