

THE STOCK EXCHANGE OF THAILAND AND ITS SUBSIDIARIES

CONSOLIDATED AND ENTITY FINANCIAL STATEMENTS

31 DECEMBER 2014



AUDITOR'S REPORT

To the Members of The Stock Exchange of Thailand

I have audited the accompanying consolidated and entity financial statements of The Stock Exchange of Thailand and its subsidiaries and of The Stock Exchange of Thailand which comprise the consolidated and entity statements of financial position as at 31 December 2014, and the related consolidated and entity statements of comprehensive revenues and expenses, changes in fund balances and cash flows for the year then ended, and a summary of significant accounting policies and other notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.



Opinion

In my opinion, the consolidated and entity financial statements referred to above present fairly, in all material respects, the consolidated and entity financial position of The Stock Exchange of Thailand and its subsidiaries and of The Stock Exchange of Thailand as at 31 December 2014, and its consolidated and entity results of operations and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

A handwritten signature in black ink, appearing to read "Nattaporn", with a horizontal line drawn underneath.

Nattaporn Phan-Udom
Certified Public Accountant (Thailand) No. 3430
PricewaterhouseCoopers ABAS Ltd.
Bangkok

17 February 2015

The Stock Exchange of Thailand and its Subsidiaries
Statements of Financial Position
As at 31 December 2014

		(Unit : Baht'000)			
		Consolidated		SET	
	Notes	2014	2013	2014	2013
Assets					
Current assets					
Cash and cash equivalents	8	1,360,901	1,795,113	1,220,729	1,686,363
Cash at banks for financial benefits payable		57,814	75,223	-	-
Assets for margin deposits and benefits	18	8,053,630	9,361,833	-	-
Short-term investments, net	9	7,837,836	10,632,814	7,837,836	10,586,614
Accounts receivable and accrued income, net	7, 10	365,520	287,552	305,950	219,249
Accrued interest receivable		103,555	227,051	98,753	223,028
Other current assets	7, 11	232,930	585,193	140,728	246,461
Total current assets		18,012,186	22,964,779	9,603,996	12,961,715
Non-current assets					
Investments in subsidiaries	12	-	-	597,291	597,291
Investments in jointly-controlled entity, net	13	63,027	60,184	25,000	25,000
Investments in associates, net	14	882,042	508,936	775,620	396,605
Long-term investments, net	15	8,690,342	5,126,076	8,690,342	5,123,301
Assets for clearing system protection and benefits	19	1,518,935	1,543,446	134,843	130,835
Securities Investor Protection Fund	24	698,332	665,433	698,332	665,433
Derivatives Investor Protection Fund	24	65,273	58,954	-	-
Property, plant and equipment, net	16	4,026,039	2,673,780	4,025,414	2,672,335
Intangible assets, net	17	493,254	434,831	491,309	431,915
Refundable deposits		3,015	3,015	3,005	3,005
Total non-current assets		16,440,259	11,074,655	15,441,156	10,045,720
Total assets		34,452,445	34,039,434	25,045,152	23,007,435

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

The Stock Exchange of Thailand and its Subsidiaries
Statements of Financial Position (Cont'd)
As at 31 December 2014

		(Unit : Baht'000)			
		Consolidated		SET	
Notes		2014	2013	2014	2013
Liabilities and fund balances					
Current liabilities					
Margin deposits and benefits payable	18	8,053,630	9,361,833	-	-
Accounts payable and accrued expenses	7, 21	1,600,634	1,150,842	1,580,637	1,134,660
Fees received in advance		249,727	240,249	196,299	169,502
Short-term borrowings from subsidiaries	7	-	-	1,271,314	1,246,000
Current portion of provision for employee benefits	23	5,561	5,568	5,561	5,568
Other current liabilities	7, 22	436,310	756,398	230,174	243,596
Total current liabilities		10,345,862	11,514,890	3,283,985	2,799,326
Non-current liabilities					
Assets for clearing system protection and benefits payable	19	1,384,092	1,412,610	-	-
Contributions and benefits to Securities Investor Protection Fund	24	264,895	250,699	264,895	250,699
Contributions and benefits to Derivatives Investor Protection Fund	24	13,083	7,961	-	-
Provision for employee benefits	23	197,479	175,304	197,479	175,304
Other non-current liabilities		8,357	25,055	8,357	25,055
Total non-current liabilities		1,867,906	1,871,629	470,731	451,058
Total liabilities		12,213,768	13,386,519	3,754,716	3,250,384
Fund balances					
Funds	24	21,886,507	20,346,928	20,930,288	19,442,966
Unrealised gain on available-for-sale securities		352,168	305,985	360,148	314,085
Non-controlling interests		2	2	-	-
Total fund balances		22,238,677	20,652,915	21,290,436	19,757,051
Total liabilities and fund balances		34,452,445	34,039,434	25,045,152	23,007,435

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

The Stock Exchange of Thailand and its Subsidiaries
Statements of Comprehensive Revenues and Expenses
For the year ended 31 December 2014

		(Unit : Baht'000)			
		Consolidated		SET	
	Notes	2014	2013	2014	2013
Revenues					
Operating revenues	26	4,200,820	4,309,279	1,861,296	1,864,544
Investment income, net	27	871,129	820,730	1,247,033	1,229,584
Other income	28	165,174	171,728	1,699,123	1,752,589
Total revenues		5,237,123	5,301,737	4,807,452	4,846,717
Expenses					
Employee benefit expenses	29	1,259,918	1,240,228	1,260,017	1,240,235
Directors' remuneration	7	24,582	20,087	22,899	19,327
Marketing expenses		143,326	136,071	143,158	137,671
Educational activity expenses		191,929	157,246	191,931	157,246
Direct service expenses		271,012	237,823	-	-
Building and office expenses		164,164	162,230	163,601	161,694
Technology expenses		185,942	157,417	185,920	157,392
SEC fees	30	470,483	517,338	468,483	515,338
Depreciation and amortisation	16, 17	208,240	189,101	205,890	186,340
Other expenses	31	162,131	157,978	149,712	148,646
Total expenses		3,081,727	2,975,519	2,791,611	2,723,889
Share of profit of investments in jointly-controlled entity (net of income tax)	13	3,692	1,453	-	-
Share of profit of investments in associates (net of income tax)	14	20,487	11,076	-	-
Revenues over expenses		2,179,575	2,338,747	2,015,841	2,122,828
Non-operating items					
Income derived from Securities Investor Protection Fund, net	25	14,601	15,125	14,601	15,125
Income derived from Derivatives Investor Protection Fund, net	25	1,197	993	-	-
Contributions to the Stock Exchange of Thailand Foundation	7	(547,222)	(561,633)	(547,222)	(561,633)
Revenues over expenses before income tax expense		1,648,151	1,793,232	1,483,220	1,576,320
Income tax expense	32	(112,674)	(132,020)	-	-
Revenues over expenses		1,535,477	1,661,212	1,483,220	1,576,320
Revenues over expenses for the year attributable to:					
Owners of the parent		1,535,475	1,661,210	1,483,220	1,576,320
Non-controlling interests		2	2	-	-
		1,535,477	1,661,212	1,483,220	1,576,320

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

The Stock Exchange of Thailand and its Subsidiaries
Statements of Comprehensive Revenues and Expenses (Cont'd)
For the year ended 31 December 2014

		(Unit : Baht'000)			
		Consolidated		SET	
	Notes	2014	2013	2014	2013
Revenues over expenses		1,535,477	1,661,212	1,483,220	1,576,320
Other comprehensive revenues and expenses:					
Available-for-sale financial assets					
Unrealised gain (loss) recognised in fund balances		72,579	(487,728)	46,063	(487,622)
Share of profit in investments in associates	14	(26,396)	57	-	-
		46,183	(487,671)	46,063	(487,622)
Available-for-sale financial assets from					
Securities Investor Protection Fund, net	25	4,102	(6,821)	4,102	(6,821)
Total other comprehensive revenues and expenses		50,285	(494,492)	50,165	(494,443)
Total comprehensive revenues and expenses		1,585,762	1,166,720	1,533,385	1,081,877

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

The Stock Exchange of Thailand and its Subsidiaries
Statement of Changes in Fund Balances
For the year ended 31 December 2014

(Unit : Baht'000)													
Consolidated													
		Securities Clearing Reserve Fund	Derivatives Clearing Reserve Fund	Indemnity Fund	SET Building Construction Fund	Staff Welfare Fund	Securities Investor Protection Fund	Derivatives Investor Protection Fund	General Fund	Unrealised gain (loss) on available- for-sale securities	Fund balances	Non- controlling interests	Total fund balances
Notes													
Opening balance at 1 January 2013		2,000,000	300,000	100,000	7,769	99,913	406,430	-	15,778,425	793,656	19,486,193	2	19,486,195
Appropriation of general fund	24	500,000	-	-	-	-	-	50,000	(550,000)	-	-	-	-
Total comprehensive revenues and expenses	25	-	-	-	-	2,598	8,304	993	1,642,496	(487,671)	1,166,720	-	1,166,720
Closing balance at 31 December 2013		<u>2,500,000</u>	<u>300,000</u>	<u>100,000</u>	<u>7,769</u>	<u>102,511</u>	<u>414,734</u>	<u>50,993</u>	<u>16,870,921</u>	<u>305,985</u>	<u>20,652,913</u>	<u>2</u>	<u>20,652,915</u>
Opening balance at 1 January 2014		2,500,000	300,000	100,000	7,769	102,511	414,734	50,993	16,870,921	305,985	20,652,913	2	20,652,915
Appropriation of general fund	24	-	-	-	(7,769)	-	-	-	7,769	-	-	-	-
Total comprehensive revenues and expenses	25	-	-	-	-	2,325	18,703	1,197	1,517,354	46,183	1,585,762	-	1,585,762
Closing balance at 31 December 2014		<u>2,500,000</u>	<u>300,000</u>	<u>100,000</u>	<u>-</u>	<u>104,836</u>	<u>433,437</u>	<u>52,190</u>	<u>18,396,044</u>	<u>352,168</u>	<u>22,238,675</u>	<u>2</u>	<u>22,238,677</u>

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

The Stock Exchange of Thailand and its Subsidiaries
Statement of Changes in Fund Balances (Cont'd)
For the year ended 31 December 2014

(Unit : Baht'000)									
		SET						Unrealised gain (loss) on available- for-sale securities	Total fund balances
		Securities Clearing Reserve Fund	Derivatives Clearing Reserve Fund	Indemnity Fund	SET Building Construction Fund	Staff Welfare Fund	Securities Investor Protection Fund	General Fund	
Notes									
Opening balance at 1 January 2013		2,000,000	300,000	100,000	7,769	99,913	406,430	14,959,355	18,675,174
Appropriation of general fund	24	500,000	-	-	-	-	-	(500,000)	-
Total comprehensive revenues and expenses	25	-	-	-	-	2,598	8,304	1,558,597	1,081,877
Closing balance at 31 December 2013		<u>2,500,000</u>	<u>300,000</u>	<u>100,000</u>	<u>7,769</u>	<u>102,511</u>	<u>414,734</u>	<u>16,017,952</u>	<u>19,757,051</u>
Opening balance at 1 January 2014		2,500,000	300,000	100,000	7,769	102,511	414,734	16,017,952	19,757,051
Appropriation of general fund	24	-	-	-	(7,769)	-	-	7,769	-
Total comprehensive revenues and expenses	25	-	-	-	-	2,325	18,703	1,466,294	1,533,385
Closing balance at 31 December 2014		<u>2,500,000</u>	<u>300,000</u>	<u>100,000</u>	<u>-</u>	<u>104,836</u>	<u>433,437</u>	<u>17,492,015</u>	<u>21,290,436</u>

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

The Stock Exchange of Thailand and its Subsidiaries
Statements of Cash Flows
For the year ended 31 December 2014

	Notes	(Unit : Baht'000)			
		Consolidated		SET	
		2014	2013	2014	2013
Cash flows from operating activities					
Revenues over expenses before income tax expense		1,648,151	1,793,232	1,483,220	1,576,320
Adjustments for					
Depreciation and amortisation	16, 17	208,240	189,101	205,890	186,340
Investment income, net	27	(847,832)	(816,734)	(1,226,965)	(1,225,544)
Income derived from Securities Investor Protection Fund, net	25	(14,601)	(15,125)	(14,601)	(15,125)
Income derived from Derivatives Investor Protection Fund, net	25	(1,197)	(993)	-	-
Impairment losses of investments (reversal)	27	(2,530)	6,691	(2,530)	6,691
Doubtful debts expenses (reversal)	10	332	(1,124)	(35)	(800)
Provision for employee benefits	23	32,757	24,252	32,757	24,252
Adjust work in process to expenses (revenues)	16	(83)	4,185	(83)	4,185
Gain on disposals of assets		(129)	(450)	(129)	(438)
Share of profit of investments in jointly-controlled entity (net of income tax)	13	(3,692)	(1,453)	-	-
Share of profit of investments in associates (net of income tax)	14	(20,487)	(11,076)	-	-
		998,929	1,170,506	477,524	555,881
Changes in operating assets and liabilities					
(Increase) decrease in operating assets					
Assets for margin deposits and benefits		1,308,203	(2,551,760)	-	-
Accounts receivable and accrued income		(78,300)	7,541	(86,666)	50,713
Other current assets		364,894	(127,400)	103,768	(56,709)
Assets for clearing system protection and benefits		24,511	4,911	(4,008)	(3,802)
Securities Investor Protection Fund		(33,677)	(12,160)	(33,677)	(12,160)
Derivatives Investor Protection Fund		(6,965)	(58,498)	-	-
Refundable deposits		-	(127)	-	(127)
Increase (decrease) in operating liabilities					
Margin deposits and benefits payables		(1,308,203)	2,551,760	-	-
Accounts payable and accrued expenses		256,252	159,182	252,437	162,233
Fees received in advance		9,478	5,616	26,797	14,930
Other current liabilities		(310,608)	87,880	(13,422)	(29,928)
Assets for clearing system protection and benefits payables		(28,518)	(8,714)	-	-
Contributions and benefits to Securities Investor Protection Fund		14,196	6,028	14,196	6,028
Contributions and benefits to Derivative Investor Protection Fund		5,122	7,961	-	-
Employee benefits paid	23	(10,589)	(9,822)	(10,589)	(9,822)
Other non-current liabilities		(16,698)	(3,079)	(16,698)	(3,079)
Cash flows generated from operations		1,188,027	1,229,825	709,662	674,158
Less Income tax paid		(136,787)	(134,085)	-	-
Net cash generated from operating activities		1,051,240	1,095,740	709,662	674,158

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

The Stock Exchange of Thailand and its Subsidiaries
Statements of Cash Flows (Cont'd)
For the year ended 31 December 2014

		(Unit : Baht'000)			
		Consolidated		SET	
	Notes	2014	2013	2014	2013
Cash flows from investing activities					
Investment income received		533,483	424,078	527,503	408,012
Dividend received		443,914	301,643	858,753	754,471
Purchase of short-term investments	9	(5,058,083)	(4,475,664)	(5,058,083)	(4,475,664)
Proceeds from disposals of short-term investments	9	6,111,593	4,476,499	6,065,393	4,439,479
Purchase of investment in associates	14	(379,015)	-	(379,015)	-
Purchase of long-term investments	15	(3,251,558)	(2,494,594)	(3,251,558)	(2,494,594)
Proceeds from disposals of long-term investments	15	1,477,578	1,830,644	1,474,578	1,830,644
Purchase of property, plant and equipment		(1,292,089)	(297,114)	(1,292,089)	(297,114)
Proceeds from disposals of property, plant and equipment		1,764	2,293	1,764	2,275
Purchase of intangible assets		(134,845)	(122,012)	(134,286)	(120,461)
Proceeds from share of profit of investments in jointly-controlled entity		849	11,753	-	-
Proceeds from share of profit of investments in associates		26,326	-	-	-
Benefits received from Securities Investor Protection Fund		15,379	12,953	15,379	12,953
Benefits received from Derivatives Investor Protection Fund		1,843	537	-	-
Net cash generated from (used in) investing activities		(1,502,861)	(328,984)	(1,171,661)	60,001
Cash flows from financing activities					
Cash inflow on short-term borrowings from subsidiaries	7	-	-	395,314	400,000
Repayment of short-term borrowings from subsidiaries	7	-	-	(370,000)	(189,400)
Interest paid		-	-	(28,949)	(28,263)
Net cash generated from (used in) financing activities		-	-	(3,635)	182,337
Net increase (decrease) in cash and cash equivalents		(451,621)	766,756	(465,634)	916,496
Opening balance		1,870,336	1,103,580	1,686,363	769,867
Closing balance		1,418,715	1,870,336	1,220,729	1,686,363
Supplemental disclosures of cash flows information					
Cash and cash equivalents are as follows:					
Cash and cash equivalents	8	1,360,901	1,795,113	1,220,729	1,686,363
Cash at a banks for financial benefits payables		57,814	75,223	-	-
		1,418,715	1,870,336	1,220,729	1,686,363
Significant non-cash transactions					
Unrealised gain (loss) on available-for-sale securities		46,183	(487,671)	46,063	(487,622)
Unrealised gains (loss) on available-for-sale securities from Securities Investor Protection Fund		4,102	(6,821)	4,102	(6,821)
Other payables from purchase of assets		193,540	116,066	193,540	116,066
Classification of investments		(1,748,011)	3,368,057	(1,748,011)	3,321,857

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

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 business activities of the SET are serving as the market or the centre for trading of securities and providing related services without the objective of distribution of profit to members. The SET commenced its trading of securities on 30 April 1975 and operates under the framework of the Securities Exchange of Thailand Act B.E. 2535. Its registered office is located at 62 Ratchadapisek Road, Kwaeng Klongtoey, Khet Klongtoey, Bangkok 10110, Thailand.

For reporting purposes, the SET and its subsidiaries are referred to as the Group.

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

- 1) Securities markets comprise the operation of securities listing, trading system, clearing and settlement, depository, including market surveillance and supervision of listed companies and member companies.
- 2) Derivatives markets comprise the operation of trading and clearing of futures contracts and financial securities, providing other services related to futures trading transactions.
- 3) Technology services comprise the operation of internet trading platform for securities and derivatives, information services and other member services.
- 4) Registrar services comprise the operation of securities registrar and fund registrar.

The consolidated and entity financial statements were authorised for issue by the Board of Governors of the Stock Exchange of Thailand on 17 February 2015.

Details of the SET's subsidiaries, associates and jointly-controlled entity as at 31 December 2014 and 2013 are as follows:

as follows:

Name of entity	Type of business	Country of incorporation	Ownership interest %	
			2014	2013
Direct subsidiaries				
Thailand Securities Depository Co., Ltd.	Securities depository and registrar services	Thailand	100.00	100.00
Thai Trust Fund Management Co., Ltd.	Mutual fund management	Thailand	100.00	100.00
Thai NVDR Co., Ltd.	Investment management in Non-Voting Depository Receipts	Thailand	100.00	100.00
SETTRADE.COM Co., Ltd.	Computer system services	Thailand	100.00	100.00
Siam DR Co., Ltd.	Investment management in Depository Receipts	Thailand	100.00	100.00
Thailand Futures Exchange Public Company Limited	Derivatives exchange	Thailand	100.00	100.00
Thailand Clearing House Co., Ltd.	Clearing house and related back-office services for securities and derivatives contracts	Thailand	100.00	100.00
Jointly-controlled entity				
Family Know-how Co., Ltd.	Media business specialising in financial and investment information	Thailand	50.00	50.00
Associates				
Clearing Fund (1)	Fund	Thailand	14.03	15.18
TSFC Securities Public Company Limited	Securities financing services and securities borrowing and lending	Thailand	40.65	24.66

1 General information (Cont'd)

Details of the SET's subsidiaries, associates and jointly-controlled entity as at 31 December 2014 and 2013 are as follows: (Cont'd)

(1) Clearing Fund

The Clearing Fund operates under the Regulations of the Clearing Fund (No. 1) B.E. 2541, which require that a one-time payment of Baht 100 million be made as an initial contribution by the SET. The ownership interest percentage will be reduced based on further contributions made by other members of the Clearing Fund in the future.

The SET has no control over the Clearing Fund's operations, but has influences in policy and operation. Therefore, the investment in the Clearing Fund is classified as investment in an associate.

2 Accounting policies

2.1 Basis of preparation

The consolidated and entity financial statements have been prepared in accordance with Thai Financial Reporting Standards under the Accounting Act B.E. 2543, being those Thai Financial Reporting Standards issued under the Accounting Profession Act B.E. 2547.

The consolidated and entity financial statements have been prepared under the historical cost convention except as disclosed in the accounting policy for investments below.

The preparation of financial statements in conformity with Thai Financial Reporting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated and entity financial statements are disclosed in Note 4.

An English version of the consolidated and entity financial statements has been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

2.2 New financial reporting standards and revised financial reporting standards

- 1) Revised accounting standards which are effective on 1 January 2014 and are relevant to the Group:

TAS 7 (revised 2012)	Statement of cash flows
TAS 19 (revised 2012)	Employee benefits
TAS 28 (revised 2012)	Investments in associates
TAS 31 (revised 2012)	Interest in joint ventures
TFRS 8 (revised 2012)	Operating segments
TSIC 32	Intangible assets - Web site costs

TAS 7 (revised 2012) clarifies that only expenditures that result in a recognised asset in the statement of financial position are eligible for classification as investing activities. This standard has no impact to the Group.

TAS 19 (revised 2012) deletes the transition provisions of the current TAS 19. This standard has no impact to the Group.

2 Accounting policies (Cont'd)

2.2 New financial reporting standards and revised financial reporting standards (Cont'd)

1) Revised accounting standards which are effective on 1 January 2014 and are relevant to the Group: (Cont'd)

TAS 28 (revised 2012) clarifies that when an entity moves from an equity accounting to cost accounting in the separate financial statements, the standard requires this to be adjusted retrospectively. An entity loses significant influence, the remaining interest of investment should be valued at fair value. This matter should be adjusted prospectively effectively for the period begins on or after 1 Jan 2011. This standard has no impact to the Group.

TAS 31 (revised 2012) clarifies that when an entity moves from an equity accounting to cost accounting in the separate financial statements, the standard requires this to be adjusted retrospectively. An entity loses joint control in its interest in joint control, the remaining interest of investment should be valued at fair value. This matter should be adjusted prospectively effectively for the period begins on or after 1 Jan 2011. This standard has no impact to the Group.

TFRS 8 (revised 2012) clarifies that an entity is required to disclose a measure of segment assets only if the measure is regularly reported to the chief operating decision-maker. This standard has no impact to the Group.

TSIC 32 provides guidance on the internal expenditure on the development and operation of the entity web site for internal or external access. The entity shall comply with the requirements described in TAS 38 "Intangible Assets". This interpretation has no impact to the Group.

2) New financial reporting standards and revised accounting standards, revised financial reporting standards are effective on 1 January 2015. These standards are relevant to the group and are not early adopted:

TAS 19 (revised 2014)	Employee benefits
TAS 28 (revised 2014)	Investments in associates and joint ventures
TFRS 10	Consolidated financial statements
TFRS 13	Fair value measurement
TFRIC 14 (revised 2014)	TAS 19 - The limit on a defined benefit asset, minimum funding requirements and their interaction

TAS 19 (revised 2014), the key changes are (a) actuarial gains and losses are renamed 'remeasurements' and will be recognised immediately in 'other comprehensive income' (OCI). Actuarial gains and losses will no longer be deferred using the corridor approach or recognised in profit or loss; and (b) past-service costs will be recognised in the period of a plan amendment; unvested benefits will no longer be spread over a future-service period. The Group has not assessed the full impact of the revision yet.

TAS 28 (revised 2014) provide the requirements for investment in associates and joint ventures accounted by equity method. The Group has not assessed the full impact of the revision yet.

2 Accounting policies (Cont'd)

2.2 New financial reporting standards and revised financial reporting standards (Cont'd)

- 2) New financial reporting standards and revised accounting standards, revised financial reporting standards are effective on 1 January 2015. These standards are relevant to the group and are not early adopted: (Cont'd)

TFRS 10 has a single definition of control and supersedes the principles of control and consolidation included within the original TAS 27, 'Consolidated and separate financial statements'. The standard sets out the requirements for when an entity should prepare consolidated financial statements, defines the principles of control, explains how to apply the principles of control and explains the accounting requirements for preparing consolidated financial statements. The key principle in the new standard is that control exists, and consolidation is required, only if the investor possesses power over the investee, has exposure to variable returns from its involvement with the investee and has the ability to use its power over the investee to affect its returns. The Group has not assessed the full impact of the revision yet.

TFRS 13 aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across TFRSs. The Group has not assessed the full impact of the revision yet.

TFRIC 14 (Revised 2014), this interpretation applies to all post-employment defined benefits and other long-term employee benefits. For the purpose of this interpretation, minimum funding requirements are any requirements to fund a post-employment or other long-term benefit plan. This interpretation explains how the pension asset or liability may be affected by a statutory or contractual minimum funding requirement. The Group has not assessed the full impact of the revision yet.

2.3 Investment in subsidiaries, jointly-controlled entity and associates

2.3.1 Subsidiaries

Subsidiaries are all the entities over which the SET has the power to govern the financial and operating policies. Subsidiaries are consolidated from the date on which control is transferred to the SET and are no longer consolidated from the date on which that control ceases.

All related party transactions, balances and unrealised gains and losses on transactions between the SET and its subsidiaries have been eliminated.

In the SET's financial statements, investments in subsidiaries are accounted for using the cost method. Under the cost method, income from investments in subsidiaries will be recorded when dividends are declared.

2.3.2 Jointly-controlled entity

The interest in a jointly controlled entity is accounted for using the equity method in the consolidated and the cost method in the entity financial statements.

2 Accounting policies (Cont'd)

2.3 Investment in subsidiaries, jointly-controlled entity and associates (Cont'd)

2.3.3 Associates

Associates are the entities which the SET influences, but does not control. In the consolidated financial statements, investments in associates are initially recognised at cost and are subsequently accounted for using the equity method of accounting.

The SET's share of its associates' post-acquisition profits or losses is recognised in the statement of comprehensive revenues and expenses. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the SET's share of losses in associates equal or exceed its interest in the associate, the SET does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealised gains on transactions between the SET and its associates are eliminated to the extent of the SET's interest in the associates. Unrealised losses on transactions are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

In the entity's financial statements, investment in associates are accounted for using the cost method.

Allowance, if any, is recorded for impairment in investment in subsidiaries, jointly-controlled entity and associates in the statement of comprehensive revenues and expenses.

A list of the SET's principal subsidiaries, jointly-controlled entity and associates is provided in Note 1.

2.4 Foreign currencies

a) Functional and presentation currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Thai Baht, which is the group's functional and the group's presentation currency.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the revenues or expenses.

When a gain or loss on a non-monetary item is recognised in other comprehensive revenues and expenses, any exchange component of that gain or loss is recognised in other comprehensive revenues and expenses. Conversely, when a gain or loss on a non-monetary item is recognised in revenues or expenses, any exchange component of that gain or loss is recognised in revenues or expenses.

2 Accounting policies (Cont'd)

2.5 Underlying assets

Underlying assets are the financial assets carried by Thai NVDR Co., Ltd. (the subsidiary). The financial liabilities are the Non-Voting Depository Receipts (NVDRs). The subsidiary will offset the financial assets and financial liabilities, and show the net amount in the financial statements. According to the regulations and conditions in the prospectus the subsidiary are responsible for issuing and selling NVDRs and making investments in listed companies in the Stock Exchange of Thailand at the same amount and in the same period (back to back). In addition to the entitlement of financial benefits of those underlying securities as the registered holder, the subsidiaries have an obligation to repay those financial benefits to the investors in the NVDRs as mentioned in the prospectus. Those benefits are not recognised as revenues or expenses of the subsidiary.

2.6 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 maturities from acquisition date of three months or less.

2.7 Investments

Investments other than investments in subsidiaries, associates and jointly-controlled entity are classified into the following four categories: (1) trading investments; (2) held-to-maturity investments; (3) available-for-sale investments; and (4) general investments. The classification is dependent on the purpose for which the investments were acquired. Management determines the appropriate classification of its investments at the time of the purchase and re-evaluates such designation on a regular basis.

- (1) Investments that are acquired principally for the purpose of generating a profit from short-term fluctuations in price are classified as trading investments and included in current assets.
- (2) Investments with fixed maturity that the management has the intent and ability to hold to maturity are classified as held-to-maturity and are included in non-current assets, except for maturities within 12 months from the statement of financial position date which are classified as current assets.
- (3) Investments intended to be held for an indefinite period of time, which may be sold in response to liquidity needs or changes in interest rates, are classified as available-for-sale; and are included in non-current assets unless management has expressed the intention of holding the investment for less than 12 months from the statement of financial position date or unless they will need to be sold to raise operating capital, in which case they are included in current assets.
- (4) Investments in non-marketable equity securities are classified as general investments.

All categories of investment are initially recognised at cost, which is equal to the fair value of consideration paid plus transaction cost.

Trading investments and available for sale investments are subsequently measured at fair value. The fair value of investments is based on last bid price at the close of business on the statement of financial position date by reference to the Stock Exchange of Thailand and the Thai Bond Dealing Centre. The unrealised gains and losses of trading investments are recognised in the statement of comprehensive revenues and expenses. The unrealised gains and losses of available for sale investments are recognised in fund balances.

Held-to-maturity investments are carried at amortised cost using the effective yield method less impairment loss (if any).

2 Accounting policies (Cont'd)

2.7 Investments (Cont'd)

General investments are carried at cost less impairment loss (if any).

A test for impairment is carried out when there is a factor indicating that an investment might be impaired. If the carrying value of the investment is higher than its recoverable amount, impairment loss is charged to the statement of comprehensive revenues and expenses.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the profit or loss. When disposing of part of the Group's holding of a particular investment in debt or equity securities, the carrying amount of the disposed part is determined by the weighted average carrying amount of the total holding of the investment.

2.8 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 recognised as part of other expenses in the statement of comprehensive revenues and expenses.

2.9 Property, plant and equipment

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

Depreciation is charged to the statement of comprehensive revenues and expenses on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment, except for land which is considered to have an unlimited useful life. The estimated useful lives are as follows:

Land improvements	5 years
Buildings	10 - 30 years
Building improvements	3 - 30 years
Furniture and fixtures	5 - 20 years
Office equipment	5 - 10 years
Vehicles	5 - 7 years

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 assets or assets which have been sold or abandoned.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Repair and maintenance expenses are charged to the statement of comprehensive 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 lives of the related assets.

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

2 Accounting policies (Cont'd)

2.10 Intangible assets

Intangible assets, computer software, patent and right in operation, that are acquired by the Group, which have finite useful lives, are recognised at cost less accumulated amortisation and impairment losses. Intangible assets are amortised in the statement of comprehensive 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 5 - 10 years.

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

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

2.11 Impairment

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows. Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2.12 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 comprehensive revenues and expenses over the period of the borrowings on an effective interest basis.

2.13 Trade and other accounts payable

Trade and other accounts payable are stated at cost.

2.14 Employee benefits

Defined contribution plans

The Group participates in 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 comprehensive revenues and expenses in the year to which they are related.

2 Accounting policies (Cont'd)

2.14 Employee benefits (Cont'd)

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 employee benefits is measured, using the corridor 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 the yield on government bonds which have terms to maturity approximating the terms of the related liability. The estimated future cash flows shall reflect employee salaries, turnover rate, mortality rate, length of service and other factors. Actuarial gains or losses will be recognised as income or expense in the statement of comprehensive revenues and expenses if the net cumulative unrecognised actuarial gain and losses at the end of the previous reporting period exceeding the greater of 10% of the present value of the defined benefit obligation at that date (before deducting plan assets) and 10% of the future value of the plan assets at that date.

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

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 the possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

2.15 Provisions

Provisions are 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.

2.16 Lease-where a Group is the lessee

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 comprehensive revenues and expenses on a straight-line basis over the term of the lease. Lease incentives granted are recognised in the statement of comprehensive revenues and expenses as an integral part of the total rental income. Contingent rentals are charged to the statement of comprehensive 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.

2 Accounting policies (Cont'd)

2.17 Revenue

Revenue excludes value added taxes.

Service income is recognised upon performance of services.

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

Membership fees comprise initial and annual fees. The initial fees are recognised as revenue on a straight-line basis over a period of five years starting from the first day on which the service is rendered. Annual fees are recognised upon performance of services.

Interest income is recognised on a time proportion basis, taking into account 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 the statement of comprehensive revenues and expenses when the Group's right to receive payment is established.

Other income is recognised when the right to receive cash is established.

2.18 Directors' remuneration

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

2.19 Current and deferred income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in revenue or expense, except to the extent that it relates to items recognised in other comprehensive revenues and expenses or directly in fund balance. In this case the tax is also recognised in other comprehensive revenues and expenses or directly in fund balance, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2 Accounting policies (Cont'd)

2.20 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Group's senior management.

3 Financial risk management

Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk and cash flow interest rate risk), credit risk, liquidity risk and risk from investments and deposits. The Group's financial risk management programme focuses on investment management under investment policies and strategic asset allocation which is approved by the SET's Board of Governors and subsidiaries' Board of Director. The investment committees is strictly established to oversee the investment in compliance with the policies and strategic asset allocation defined. The investment policy aims on maintaining stability of the principal, while receiving the appropriate level of return.

3.1 Foreign exchange risk

The Group has no significant exposure to foreign currency risk relates due to its accounts receivable and accounts payable are mainly made in Thai Baht. The Group does not use any derivative financial instruments to hedge foreign currency exposure.

3.2 Interest rate risk

Interest rate risk arises from fluctuations in market interest rates which may affect the Group's operating results and cash flow. The market interest rate at the time of transaction will be considered when the borrowing transaction is initiated. The Group does not have interest rate derivative in order to manage fluctuation of the interest rate.

3.3 Credit risk

The Group has no significant concentrations of credit risk. The Group has appropriate policies in place to ensure that Group sell products and provide services to customers who have appropriate credit history.

3.4 Liquidity risk

The Group has no significant exposure to liquidity risk as the Group has sufficient cash to support its operations. The Group aims on maintaining flexibility of funding by using internal capital of the Group.

3.5 Risk from investments and deposits

The Group is exposed to market risks as the investor of 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 the investment policy prescribed by the resolution of the investment committee.

3 Financial risk management (Cont'd)

3.5 Risk from investments and deposits (Cont'd)

The investment policies framework regarding types and proportion of investments are as follows:

1) Investments in debt securities

Type of investment	Proportion of total investment
Government securities, debentures or bonds of state enterprises or entities incorporated by specific laws and guaranteed by the Ministry of Finance	Unlimited
Fixed deposits or NCDs at commercial banks and promissory notes of finance companies or financial institutions incorporated by specific laws	Not to exceed 15% per institution
Debentures or warrants of debentures and bills of exchange	Not to exceed 5% per issuer
Investment units or warrants of investment units in mutual funds invested in debt securities	Not to exceed 10% per mutual fund

2) Investments in equity securities

Type of investment	Proportion of total investment
Investment units or warrants of investment units in mutual funds invested in equity securities	Not to exceed 15% per mutual fund (2013: Not to exceed 10% per mutual fund)

3) Investments in property funds

Type of investment	Proportion of total investment
Property funds	Not to exceed 10% of total investment (2013: Not to exceed 10% of project value, and amount not to exceed 2% of total investments)

4) Investments in foreign investment funds

Type of investment	Proportion of total investment
Foreign investment funds	Not to exceed 7.5% of total investment (2013: Not to exceed 3% of total investments)

5) Investments in gold funds

Type of investment	Proportion of total investment
Gold funds	Not to exceed 3% of total investments

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

4 Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

5 Capital risk management

The Group's objectives when managing capital are to safeguard the Subsidiaries in 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 investor and stakeholder confidence.

In order to maintain or adjust the capital structure, the Subsidiaries in the Group may adjust the amount of dividends paid to shareholders depending on their operating performance.

6 Segment information

Segment information is presented in respect of the Group's business segments. The primary format, business segments, is based on the Group's management and internal reporting structure.

The Group comprises the following 5 main business segments:

- 1) Securities Markets (including securities trading, clearing and settlement, listing, depository and membership fees)
- 2) Derivatives Markets (including trading and clearing of future contracts and membership fees)
- 3) Technology Services (including member services, information services and technology support)
- 4) Registrar Services (including securities registrar and fund registrar)
- 5) Capital market development and others, i.e., expenses for Capital Market Development Fund (CMDf), rental income and other miscellaneous income. CMDf focuses on long-term development of capital market including improving financial and investment capabilities of Thai people and executives, promoting development of capital market industry, and conducting of capital market research.

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6 Segment information (Cont'd)

Financial information presented in the consolidated financial statements as at 31 December 2014 and 2013 and for the years ended 31 December 2014 and 2013 are as follows:

	(Unit : Baht'000)						
	Consolidated						
	Securities Markets	Derivatives Markets	Technology Services	Registrar Services	Capital Market Development and others	Elimination	Total
For the year ended 31 December 2014							
Revenues from operation	2,396,069	578,910	237,703	931,862	221,449	-	4,365,993
Revenue from inter-segment	667,042	470,583	42,136	461,762	32,718	(1,674,241)	-
Total revenue	3,063,111	1,049,493	279,839	1,393,624	254,167	(1,674,241)	4,365,993
Segment revenues over expenses	1,177,490	338,284	5,465	298,960	(535,932)	-	1,284,267
Investment income, net							871,129
Share of profit of investments in jointly- controlled entity (net of income tax)							3,692
Share of profit of investments in associates (net of income tax)							20,487
Revenues over expenses in operations							2,179,575
Non-operating items:							
Income derived from Securities Investor Protection Fund, net							14,601
Income derived from Derivatives Investor Protection Fund, net							1,197
Contributions to the Stock Exchange of Thailand Foundation							(547,222)
Revenues over expenses before income tax expenses							1,648,151
Income tax expense							(112,674)
Revenues over expenses							1,535,477
As at 31 December 2014							
Segment assets	2,514,576	10,213,353	382,104	337,337	239,014	(298,785)	13,387,599
Other assets	-	-	-	-	22,789,002	(1,724,156)	21,064,846
Total assets	2,514,576	10,213,353	382,104	337,337	23,028,016	(2,022,941)	34,452,445
Segment liabilities	1,200,541	9,798,609	87,971	342,703	1,082,729	(298,785)	12,213,768
Other liabilities	-	-	-	-	1,271,314	(1,271,314)	-
Total liabilities	1,200,541	9,798,609	87,971	342,703	2,354,043	(1,570,099)	12,213,768

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6 Segment information (Cont'd)

Financial information presented in the consolidated financial statements as at 31 December 2014 and 2013 and for the year ended 31 December 2014 and 2013 are as follows: (Cont'd)

	(Unit : Baht'000)						
	Consolidated						
	Securities Markets	Derivatives Markets	Technology Services	Registrar Services	Capital Market Development and others	Elimination	Total
For the year ended 31 December 2013							
Revenues from operation	2,440,695	787,838	216,338	835,613	200,523	-	4,481,007
Revenue from inter-segment	631,969	600,318	35,052	432,526	31,577	(1,731,442)	-
Total revenue	3,072,664	1,388,156	251,390	1,268,139	232,100	(1,731,442)	4,481,007
Segment revenues over expenses	1,314,043	229,643	72,988	228,441	(339,627)	-	1,505,488
Investment income, net							820,730
Share of profit of investments in jointly- controlled entity (net of income tax)							1,453
Share of profit of investments in associates (net of income tax)							11,076
Revenues over expenses in operations							2,338,747
Non-operating items:							
Income derived from Securities Investor Protection Fund, net							15,125
Income derived from Derivatives Investor Protection Fund, net							993
Contributions to the Stock Exchange of Thailand Foundation							(561,633)
Revenues over expenses before income tax expenses							1,793,232
Income tax expense							(132,020)
Revenues over expenses							1,661,212
As at 31 December 2013							
Segment assets	2,515,062	11,610,691	228,887	530,988	692,372	(264,964)	15,313,036
Other assets	-	-	-	-	20,422,174	(1,695,776)	18,726,398
Total assets	2,515,062	11,610,691	228,887	530,988	21,114,546	(1,960,740)	34,039,434
Segment liabilities	1,076,747	11,216,210	77,326	414,230	866,970	(264,964)	13,386,519
Other liabilities	-	-	-	-	1,246,000	(1,246,000)	-
Total liabilities	1,076,747	11,216,210	77,326	414,230	2,112,970	(1,510,964)	13,386,519

6 Segment information (Cont'd)

Reconciliation of reportable segment assets/liabilities were as follow:

	(Unit : Baht'000)	
	Consolidated	
	2014	2013
Assets		
Assets for reportable segments	13,387,599	15,313,036
Unallocated amounts:		
- Cash and investments	17,248,977	16,545,159
- Investments in related party	945,069	569,120
- Accrued interest receivables	103,555	227,051
- Land and building under construction	2,767,245	1,385,068
Total assets	34,452,445	34,039,434
Liabilities		
Total liabilities for reportable segments	12,213,768	13,386,519

7 Related party transactions

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

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

Transaction	Pricing policy
Service income	Contractually agreed price
Purchase of services	Cost plus margin
Interest income	With reference to the return of bank deposit and debt securities
Interest expense	With reference to the return of one-year bond

Related party transactions for the years ended 31 December 2014 and 2013 were as follows:

	(Unit : Baht'000)			
	Consolidated		SET	
	2014	2013	2014	2013
Service income				
Subsidiaries	-	-	1,574,175	1,628,664
Jointly-controlled entity	13,432	14,638	13,432	14,638
Associates	1,577	1,339	-	-
	<u>15,009</u>	<u>15,977</u>	<u>1,587,607</u>	<u>1,643,302</u>
Purchase of services				
Subsidiaries	-	-	2,124	3,812
Jointly-controlled entity	97,642	97,865	97,642	97,865
	<u>97,642</u>	<u>97,865</u>	<u>99,766</u>	<u>101,677</u>
Interest income				
Subsidiaries	-	-	4,348	4,132
Interest expense				
Subsidiaries	-	-	28,949	28,263

7 Related party transactions (Cont'd)

Related party balances as at 31 December 2014 and 2013 were as follows:

	(Unit : Baht'000)			
	Consolidated		SET	
	2014	2013	2014	2013
Accounts receivable				
Subsidiaries	-	-	-	2,622
Jointly-controlled entity	-	1,249	-	1,249
	-	1,249	-	3,871
Accrued income				
Subsidiaries	-	-	150,979	118,970
Jointly-controlled entity	438	467	438	467
Associates	139	124	-	-
	577	591	151,417	119,437
Other current assets				
Subsidiaries	-	-	4	7
Jointly-controlled entity	626	1,277	626	1,277
	626	1,277	630	1,284
Payables				
Subsidiaries	-	-	-	107
Jointly-controlled entity	9,567	19,525	9,567	19,525
	9,567	19,525	9,567	19,632
Accrued expenses				
Subsidiaries	-	-	172	167
Jointly-controlled entity	887	2,042	887	2,042
	887	2,042	1,059	2,209
Other current liabilities				
Subsidiaries	-	-	-	162
Jointly-controlled entity	-	82	-	82
	-	82	-	244

Short-term borrowings from subsidiaries

	(Unit : Baht'000)			
	Interest rate (% per annum)		SET	
	2014	2013	2014	2013
Short-term borrowings from subsidiaries	1.99 - 2.77	2.15 - 2.77	1,271,314	1,246,000

The Group uses a policy to centrally manage its investments through the SET to maximise its efficiency and overall returns. Investments from subsidiaries represent loans in the form of one-year promissory notes. The interest rate on the loan is reference to the return one-year bond (the interest rate may be revised as appropriate).

7 Related party transactions (Cont'd)

Related party balances as at 31 December 2014 and 2013 were as follows: (Cont'd)

Short-term borrowings from subsidiaries (Cont'd)

Movements of short-term borrowings from subsidiaries for the years ended 31 December 2014 and 2013 were as follows:

	(Unit : Baht'000)	
	SET	
	2014	2013
Subsidiaries		
Opening balance	1,246,000	1,035,400
Additions	395,314	400,000
Repayments	(370,000)	(189,400)
Closing balance	<u>1,271,314</u>	<u>1,246,000</u>

Sponsorship for jointly-controlled entity

Under the shareholder agreement between the SET and a company, the SET will be a principal sponsor of a jointly-controlled entity's program in 2014 of Baht 90 million (2013: Baht 90 million).

Contributions to the Stock Exchange of Thailand Foundation

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

The Foundation was registered and incorporated on 9 August 2006 with the objective of conducting activities for the development of society, communities and the environment. The Foundation'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.

For the year ended 31 December 2014, the SET appropriated its annual revenues over expenses of Baht 547.22 million (2013: Baht 561.63 million) to the Foundation.

Directors' remuneration

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

	(Unit : Baht'000)			
	Consolidated		SET	
	2014	2013	2014	2013
Director's remuneration	24,582	20,087	22,899	19,327
	<u>24,582</u>	<u>20,087</u>	<u>22,899</u>	<u>19,327</u>

8 Cash and cash equivalents

	(Unit : Baht'000)			
	Consolidated		SET	
	2014	2013	2014	2013
Cash on hand	349	367	338	351
Saving and current accounts	1,360,552	1,436,866	1,220,391	1,328,132
Fixed deposit accounts	-	357,880	-	357,880
	<u>1,360,901</u>	<u>1,795,113</u>	<u>1,220,729</u>	<u>1,686,363</u>

For the year ended 31 December 2014, saving accounts carried the interest at rates ranging from 0.30% - 2.30% per annum (2013: from 0.40% - 2.15% per annum).

As at 31 December 2013, fixed deposit accounts at banks represented fixed deposit accounts at call that carried the interest at the rates ranging from 2.35% - 2.55% per annum.

9 Short-term investments, net

	Note	(Unit : Baht'000)			
		Consolidated		SET	
		2014	2013	2014	2013
Investments managed by SET					
General investments		58,704	69,185	58,704	69,185
<u>Less</u> Allowance for impairment losses	15	<u>(11,168)</u>	<u>(13,698)</u>	<u>(11,168)</u>	<u>(13,698)</u>
		47,536	55,487	47,536	55,487
Available-for-sales		404,866	70,079	404,866	70,079
Held-to-maturity debt securities	15	<u>2,970,513</u>	<u>6,468,223</u>	<u>2,970,513</u>	<u>6,422,023</u>
		<u>3,422,915</u>	<u>6,593,789</u>	<u>3,422,915</u>	<u>6,547,589</u>
Investments managed by private funds					
Held-to-maturity debt securities		1,150,403	1,162,140	1,150,403	1,162,140
Trading securities		<u>3,264,518</u>	<u>2,876,885</u>	<u>3,264,518</u>	<u>2,876,885</u>
		<u>4,414,921</u>	<u>4,039,025</u>	<u>4,414,921</u>	<u>4,039,025</u>
		<u>7,837,836</u>	<u>10,632,814</u>	<u>7,837,836</u>	<u>10,586,614</u>

Movements of short-term investments for the years ended 31 December 2014 and 2013 were as follows:

	(Unit : Baht'000)			
	Consolidated		SET	
	2014	2013	2014	2013
Opening balance	10,632,814	7,275,683	10,586,614	7,238,663
Purchases	5,058,083	4,475,664	5,058,083	4,475,664
Disposals	(6,111,593)	(4,476,499)	(6,065,393)	(4,439,479)
Classification of investments (Note15)	(1,748,011)	3,368,057	(1,748,011)	3,321,857
Unrealised gain (loss) on available for-sale securities	4,013	5	4,013	5
(Allowance for impairment losses) reversal	2,530	(10,096)	2,530	(10,096)
Closing balance	<u>7,837,836</u>	<u>10,632,814</u>	<u>7,837,836</u>	<u>10,586,614</u>

9 Short-term investments, net (Cont'd)

Investments managed by the SET

As at 31 December 2014, fixed deposit accounts represented fixed deposit accounts at banks which had maturities not over 12 months and carried interest at rates ranging from 2.10% - 3.30% per annum (2013: from 2.38% - 4.10% per annum).

As at 31 December 2014, investments in money market funds represent investments in three open-ended funds (2013: three open-ended fund). The investment policy emphasises investments in short-term debt securities.

As at 31 December 2014, investments in specific-purpose funds represented investments in three open-ended venture capital funds (2013: three open-ended venture capital funds). The details are as follows:

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

The specific-purpose investments in 2) have a commitment subscription for additional investment until the end of the contract (Note 33).

As at 31 December 2014, government bonds, Bank of Thailand bonds, state enterprise bonds and debentures, which had coupon rates ranging from 3.95% - 5.19% per annum (2013: from 3.00% - 4.90% per annum) and market yields ranging from 2.59% - 2.98% per annum (2013: from 2.77% - 2.91% per annum).

Investments managed by private funds

As at 31 December 2014 investments in private funds are managed by three asset management companies (2013: three asset management companies). The investment policy for private funds is subject to the SET's regulations on deposits at financial institutions and investment policies as disclosed in Note 3 - Financial risk management. The Group presented investments managed by private funds as short-term investments.

For the year ended 31 December 2014, the return rates for investments managed by private funds ranged from 3.82% - 5.13% per annum (2013: from 3.45% - 4.33 per annum).

10 Accounts receivable and accrued income, net

		(Unit : Baht'000)			
		Consolidated		SET	
Note		2014	2013	2014	2013
Accounts receivable					
Related parties	7	-	1,249	-	3,871
Other parties		93,337	74,466	47,346	38,914
		93,337	75,715	47,346	42,785
<u>Less</u> Allowance for doubtful accounts		(19,014)	(18,682)	(8,883)	(8,918)
		74,323	57,033	38,463	33,867
Accrued income					
Related parties	7	577	591	151,417	119,437
Other parties		290,620	229,928	116,070	65,945
		291,197	230,519	267,487	185,382
		365,520	287,552	305,950	219,249

Aging analysis for accounts receivable is as follows:

		(Unit : Baht'000)			
		Consolidated		SET	
Note		2014	2013	2014	2013
Related parties					
Within credit terms		-	1,249	-	3,871
	7	-	1,249	-	3,871
Other parties					
Within credit terms		66,521	47,934	33,246	26,496
Overdue:					
Less than 3 months		7,200	7,013	4,635	2,769
3 - 6 months		495	403	475	294
6 - 12 months		474	102	107	99
Over 12 months		18,647	19,014	8,883	9,256
		93,337	74,466	47,346	38,914
<u>Less</u> Allowance for doubtful accounts		(19,014)	(18,682)	(8,883)	(8,918)
		74,323	55,784	38,463	29,996
		74,323	57,033	38,463	33,867

The normal credit terms granted by the Group range from 15 days to 30 days.

11 Other current assets

	(Unit : Baht'000)			
	Consolidated		SET	
	2014	2013	2014	2013
Financial benefits to unitholders	66,621	200,321	-	-
Thai Stock Market Flood Relief Fund	36,459	48,741	36,459	48,741
Pending Input tax	32,902	8,681	32,817	8,656
Loans to employees	28,660	35,718	28,660	35,718
Other receivables from investment in mutual fund	21,400	127,452	21,400	127,452
Prepaid expenses	16,612	19,141	16,607	18,996
Cash at bank for clearing collateral	6,331	121,531	-	-
Value added tax receivable	4,490	6,519	-	-
Withholding income tax receivable	4,304	2,103	-	-
Inventory - publication	3,667	3,667	3,667	3,667
Deferred tax assets (Note 20)	2,021	1,953	-	-
Dividend receivable	-	1,965	-	1,965
Others	9,463	7,401	1,118	1,266
	<u>232,930</u>	<u>585,193</u>	<u>140,728</u>	<u>246,461</u>

12 Investments in subsidiaries

Investments in subsidiaries as at 31 December 2014 and 2013, and dividend income for the years then ended were as follows:

		(Unit : Baht'000)						
		SET						
Ownership interest		Paid-up capital		Cost method		Dividend income		
%								
2014	2013	2014	2013	2014	2013	2014	2013	
Subsidiaries								
Thailand Securities Depository Co., Ltd.	100.00	100.00	200,000	200,000	200,000	200,000	284,200	305,000
Thai Trust Fund Management Co., Ltd.	100.00	100.00	100,000	100,000	100,000	100,000	680	2,700
Thai NVDR Co., Ltd.	100.00	100.00	10,000	10,000	10,000	10,000	1,960	13,800
SETTRADE.COM Co., Ltd.	100.00	100.00	80,000	80,000	74,591	74,591	66,072	109,599
Siam DR Co., Ltd.	100.00	100.00	10,000	10,000	10,000	10,000	280	2,700
Thailand Futures Exchange Public Company Limited	100.00	100.00	100,000	100,000	100,000	100,000	34,736	7,500
Thailand Clearing House Co., Ltd.	100.00	100.00	100,000	100,000	102,700	102,700	-	-
		600,000	600,000	597,291	597,291	387,928	441,299	

13 Investments in jointly-controlled entity, net

	(Unit : Baht'000)			
	Consolidated		SET	
	2014	2013	2014	2013
Jointly-controlled entity				
Opening balance	60,184	76,359	25,000	25,000
Dividend received	(849)	(17,628)	-	-
Share of profit from investment under equity method	3,692	1,453	-	-
Closing balance	<u>63,027</u>	<u>60,184</u>	<u>25,000</u>	<u>25,000</u>

13 Investments in jointly-controlled entity, net (Cont'd)

Investments in jointly-controlled entity as at 31 December 2014 and 2013, and dividend income for the years then ended were as follows:

		(Unit : Baht'000)							
		Consolidated							
Ownership interest		Paid-up capital		Equity method		Dividend income			
%									
2014	2013	2014	2013	2014	2013	2014	2013		
Jointly-controlled entity									
Family Know-how Co., Ltd.		50.00	50.00	50,000	50,000	63,027	60,184	-	-

		(Unit : Baht'000)							
		SET							
Ownership interest		Paid-up capital		Cost method		Dividend income			
%									
2014	2013	2014	2013	2014	2013	2014	2013		
Jointly-controlled entity									
Family Know-how Co., Ltd.		50.00	50.00	50,000	50,000	25,000	25,000	849	11,754

13 Investments in jointly-controlled entity, net (Cont'd)

The following summary of the financial information in respect of the interest in the jointly-controlled entity as at 31 December 2014 and 2013 and for the years then ended which has been accounted for using the equity method represents the Group's share:

	(Unit : Baht'000)	
	Consolidated	
	2014	2013
Current assets	153,755	139,737
Non-current assets	49,009	45,594
Total assets	202,764	185,331
Current liabilities	66,704	56,761
Non-current liabilities	9,488	7,683
Total liabilities	76,192	64,444
Total revenues	200,136	195,261
Total expenses	191,032	191,085
Total comprehensive income	7,384	3,397

14 Investment in associates, net

	(Unit : Baht'000)			
	Consolidated		SET	
	2014	2013	2014	2013
Associates				
Opening balance	508,936	497,803	396,605	396,605
Additional investment during the year	379,015	-	379,015	-
Share of profit from investments - recognised in statements of revenues and expenses	20,487	11,076	-	-
Share of profit for investments - recognised in statements of comprehensive revenues and expenses	(26,396)	57	-	-
Closing balance	882,042	508,936	775,620	396,605

14 Investments in associates, net (Cont'd)

Investments in associates as at 31 December 2014 and 2013, and dividend income for the years then ended were as follows:

(Unit : Baht'000)										
	Ownership interest %		Consolidated							
			Paid-up capital		Cost method, net		Equity method		Dividend income	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Associates										
Clearing Fund	14.03	15.18	1,307,134	1,176,471	100,000	100,000	188,975	183,495	-	-
TSFC Securities Public Company Limited	40.65	24.66	1,549,126	1,016,740	675,620	296,605	693,067	325,441	-	-
					775,620	396,605	882,042	508,936	-	-

(Unit : Baht'000)												
Ownership interest %		SET										
		Paid-up capital		Cost method		Impairment		At cost, net		Dividend income		
		2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	
Associates												
Clearing Fund	14.03	15.18	1,307,134	1,176,471	100,000	100,000	-	-	100,000	100,000	-	-
TSFC Securities Public Company Limited	40.65	24.66	1,549,126	1,016,740	679,015	300,000	(3,395)	(3,395)	675,620	296,605	26,325	-
					779,015	400,000	(3,395)	(3,395)	775,620	396,605	26,325	-

15 Long-term investments, net

	(Unit : Baht'000)			
	Consolidated		SET	
	2014	2013	2014	2013
Available-for-sale investments	4,778,889	3,456,754	4,778,889	3,453,979
Held-to-maturity debt securities	3,899,117	1,656,143	3,899,117	1,656,143
General investments	12,336	13,179	12,336	13,179
	<u>8,690,342</u>	<u>5,126,076</u>	<u>8,690,342</u>	<u>5,123,301</u>

As at 31 December 2014, fixed deposit accounts represented fixed deposits at banks which had maturities over one year and carried interest at rates ranging from 3.28% - 4.00% per annum.

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

As at 31 December 2014, investments in general mutual funds represented investments in fifteen open-ended funds, which have a policy of emphasising investment in equity securities of listed companies (2013: 19 funds) gold fund seven funds (2013: 9 funds).

As at 31 December 2014, investments in property funds represented ten closed-end non redeemable mutual funds (2013: 9 funds). These funds were established for acquiring, leasing and transferring properties and/or their leasehold rights and providing for income-generating properties. All these property funds are listed and traded on the Stock Exchange of Thailand.

As at 31 December 2014, investments in foreign investment funds represented investments in seventeen open-ended funds (2013: 12 funds). The Feeder Fund policy is to emphasise investment in foreign fund securities.

As at 31 December 2014, government bonds, Bank of Thailand bonds and debentures which had maturities over one year to seven years, coupon rates ranging from 3.00% - 6.34% per annum (2013: from 3.00% - 6.34% per annum) and market yields ranging from 2.09% - 5.01% per annum (2013: from 2.85% - 5.28% per annum).

Movements of long-term investments for the years ended 31 December 2014 and 2013 were as follows:

	(Unit : Baht'000)			
	Consolidated		SET	
	2014	2013	2014	2013
Opening balance	5,126,076	8,314,525	5,123,301	8,265,430
Purchases	3,251,558	2,494,594	3,251,558	2,494,594
Disposals	(1,477,578)	(1,830,644)	(1,474,578)	(1,830,644)
Classification of investments (Note 9)	1,748,011	(3,368,057)	1,748,011	(3,321,857)
Adjustment	105	(71)	-	-
Unrealised gain (loss) on available-for-sale securities	42,170	(487,676)	42,050	(487,627)
Reversal of allowance for impairment losses	-	3,405	-	3,405
Closing balance	<u>8,690,342</u>	<u>5,126,076</u>	<u>8,690,342</u>	<u>5,123,301</u>

15 Long-term investments, net (Cont'd)

As at 31 December 2014 and 2013, held-to-maturity debt securities which were classified by maturity were as follows:

	(Unit : Baht'000)			
	Consolidated			
	Due			
	Within 1 year	1 to 5 years	Over 5 years	Total
31 December 2014				
Held-to-maturity debt securities				
Government bonds	-	1,032	-	1,032
Bank of Thailand bonds	-	100,000	-	100,000
Foreign bond	-	20,000	-	20,000
Debentures	155,380	1,000,271	453,438	1,609,089
Deposits at banks	2,815,133	2,324,376	-	5,139,509
	2,970,513	3,445,679	453,438	6,869,630

31 December 2013				
Held-to-maturity debt securities				
Government bonds	-	1,046	-	1,046
Bank of Thailand bonds	-	100,000	-	100,000
Foreign bond	-	20,000	-	20,000
Debentures	148,533	646,457	385,000	1,179,990
Deposits at banks	6,319,690	503,640	-	6,823,330
	<u>6,468,223</u>	<u>1,271,143</u>	<u>385,000</u>	<u>8,124,366</u>

(Unit : Baht'000)				
SET				
Due				
Within 1 year	1 to 5 years	Over 5 years	Total	
31 December 2014				
Held-to-maturity debt securities				
Government bonds	-	1,032	-	1,032
Bank of Thailand bonds	-	100,000	-	100,000
Foreign bonds	-	20,000	-	20,000
Debentures	155,380	1,000,271	453,438	1,609,089
Deposits at banks	2,815,133	2,324,376	-	5,139,509
	2,970,513	3,445,679	453,438	6,869,630

31 December 2013				
Held-to-maturity debt securities				
Government bonds	-	1,046	-	1,046
Bank of Thailand bonds	-	100,000	-	100,000
Foreign bonds	-	20,000	-	20,000
Debentures	148,533	646,457	385,000	1,179,990
Deposits at banks	6,273,490	503,640	-	6,777,130
	6,422,023	1,271,143	385,000	8,078,166

15 Long-term investments, net (Cont'd)

As at 31 December 2014 and 2013, the fair value of held-to-maturity debt securities were as follows:

		(Unit : Baht'000)			
		Consolidated			
		Amortised cost, net		Fair value	
		2014	2013	2014	2013
Government bonds		1,032	1,046	1,067	1,065
Bank of Thailand bonds		100,000	100,000	105,743	106,424
Foreign bonds		20,000	20,000	20,302	19,985
Debentures		1,609,089	1,179,990	1,669,884	1,192,299
Deposits at banks		5,139,509	6,823,330	5,139,509	6,823,330
		6,869,630	8,124,366	6,936,505	8,143,103
<u>Less</u> Classification of investments					
to short-term investment (Note 9)		(2,970,513)	(6,468,223)	(2,971,483)	(6,469,641)
		<u>3,899,117</u>	<u>1,656,143</u>	<u>3,965,022</u>	<u>1,673,462</u>
		(Unit : Baht'000)			
		SET			
		Amortised cost, net		Fair value	
		2014	2013	2014	2013
Government bonds		1,032	1,046	1,067	1,065
Bank of Thailand bonds		100,000	100,000	105,743	106,424
Foreign bonds		20,000	20,000	20,302	19,985
Debentures		1,609,089	1,179,990	1,669,884	1,192,299
Deposits at banks		5,139,509	6,777,130	5,139,509	6,777,130
		6,869,630	8,078,166	6,936,505	8,096,903
<u>Less</u> Classification of investments					
to short-term investment (Note 9)		(2,970,513)	(6,422,023)	(2,971,483)	(6,423,441)
		<u>3,899,117</u>	<u>1,656,143</u>	<u>3,965,022</u>	<u>1,673,462</u>

As at 31 December 2014 and 2013, the fair value of investments in specific-purpose funds were as follows:

		(Unit : Baht'000)					
		Consolidated and SET					
		Cost		Fair value		Impairment	
		2014	2013	2014	2013	2014	2013
Investments in specific-purpose funds		58,704	70,029	54,422	61,494	(11,168)	(13,698)
<u>Less</u> Classification of investment							
to short-term investments (Note 9)		(58,704)	(69,185)	(54,422)	(60,379)	11,168	13,698
		<u>-</u>	<u>844</u>	<u>-</u>	<u>1,115</u>	<u>-</u>	<u>-</u>

The Stock Exchange of Thailand and its Subsidiaries
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16 Property, plant and equipment, net

	(Unit : Baht'000)					
	Consolidated					
	Land and land improvements	Buildings and building improvements	Furniture, fixtures and office equipment	Motor vehicles	Work in process / Building under construction	Total
As at 1 January 2013						
Cost	1,014,022	1,746,413	893,264	3,238	106,054	3,762,991
<u>Less</u> Accumulated depreciation	-	(576,544)	(734,860)	(1,152)	-	(1,312,556)
Net book amount	<u>1,014,022</u>	<u>1,169,869</u>	<u>158,404</u>	<u>2,086</u>	<u>106,054</u>	<u>2,450,435</u>
For the year ended 31 December 2013						
Opening net book amount	1,014,022	1,169,869	158,404	2,086	106,054	2,450,435
Additions	-	3,211	74,701	1,350	268,833	348,095
Disposals/write-off	-	-	(274)	(1,350)	-	(1,624)
Depreciation charge	-	(69,297)	(49,491)	(153)	-	(118,941)
Adjustments	-	(343)	-	-	(3,842)	(4,185)
Closing net book amount	<u>1,014,022</u>	<u>1,103,440</u>	<u>183,340</u>	<u>1,933</u>	<u>371,045</u>	<u>2,673,780</u>
As at 31 December 2013						
Cost	1,014,022	1,749,281	929,398	3,238	371,045	4,066,984
<u>Less</u> Accumulated depreciation	-	(645,841)	(746,058)	(1,305)	-	(1,393,204)
Net book amount	<u>1,014,022</u>	<u>1,103,440</u>	<u>183,340</u>	<u>1,933</u>	<u>371,045</u>	<u>2,673,780</u>
For the year ended 31 December 2014						
Opening net book amount	1,014,022	1,103,440	183,340	1,933	371,045	2,673,780
Additions	-	1,543	93,864	1,367	1,384,194	1,480,968
Disposals/write-off	-	(19)	(249)	(1,367)	-	(1,635)
Depreciation charge	-	(69,246)	(57,758)	(153)	-	(127,157)
Adjustments	75	13	21	-	(26)	83
Transfer	-	2,054	11	-	(2,065)	-
Closing net book amount	<u>1,014,097</u>	<u>1,037,785</u>	<u>219,229</u>	<u>1,780</u>	<u>1,753,148</u>	<u>4,026,039</u>
As at 31 December 2014						
Cost	1,014,097	1,752,819	1,016,176	3,238	1,753,148	5,539,478
<u>Less</u> Accumulated depreciation	-	(715,034)	(796,947)	(1,458)	-	(1,513,439)
Net book amount	<u>1,014,097</u>	<u>1,037,785</u>	<u>219,229</u>	<u>1,780</u>	<u>1,753,148</u>	<u>4,026,039</u>

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16 Property, plant and equipment, net (Cont'd)

	(Unit : Baht'000)					
	SET					
	Land and land improvements	Buildings and building improvements	Furniture, fixtures and office equipment	Motor vehicles	Work in process / Building under construction	Total
As at 1 January 2013						
Cost	1,014,022	1,744,696	806,770	3,238	106,054	3,674,780
<u>Less</u> Accumulated depreciation	-	(575,308)	(650,789)	(1,152)	-	(1,227,249)
Net book amount	1,014,022	1,169,388	155,981	2,086	106,054	2,447,531
For the year ended 31 December 2013						
Opening net book amount	1,014,022	1,169,388	155,981	2,086	106,054	2,447,531
Additions	-	3,211	74,701	1,350	268,833	348,095
Disposals/write-off	-	-	(268)	(1,350)	-	(1,618)
Depreciation charge	-	(69,256)	(48,079)	(153)	-	(117,488)
Adjustments	-	(343)	-	-	(3,842)	(4,185)
Closing net book amount	1,014,022	1,103,000	182,335	1,933	371,045	2,672,335
As at 31 December 2013						
Cost	1,014,022	1,747,564	848,632	3,238	371,045	3,984,501
<u>Less</u> Accumulated depreciation	-	(644,564)	(666,297)	(1,305)	-	(1,312,166)
Net book amount	1,014,022	1,103,000	182,335	1,933	371,045	2,672,335
For the year ended 31 December 2014						
Opening net book amount	1,014,022	1,103,000	182,335	1,933	371,045	2,672,335
Additions	-	1,543	93,864	1,367	1,384,194	1,480,968
Disposals/write-off	-	(19)	(249)	(1,367)	-	(1,635)
Depreciation charge	-	(69,204)	(56,980)	(153)	-	(126,337)
Adjustments	75	13	21	-	(26)	83
Transfer	-	2,054	11	-	(2,065)	-
Closing net book amount	1,014,097	1,037,387	219,002	1,780	1,753,148	4,025,414
As at 31 December 2014						
Cost	1,014,097	1,751,102	935,438	3,238	1,753,148	5,457,023
<u>Less</u> Accumulated depreciation	-	(713,715)	(716,436)	(1,458)	-	(1,431,609)
Net book amount	1,014,097	1,037,387	219,002	1,780	1,753,148	4,025,414

17 Intangible assets, net

	(Unit : Baht'000)			
	Consolidated			
	Computer software	Patent	Work in process	Total
As at 1 January 2013				
Cost	1,038,235	-	31,220	1,069,455
<u>Less</u> Accumulated amortisation	(751,342)	-	-	(751,342)
Net book amount	286,893	-	31,220	318,113
For the year ended 31 December 2013				
Opening net book amount	286,893	-	31,220	318,113
Additions	60,765	861	125,471	187,097
Disposals/write-off	(219)	-	-	(219)
Amortisation charge	(70,154)	(6)	-	(70,160)
Closing net book amount	277,285	855	156,691	434,831
As at 31 December 2013				
Cost	1,000,634	861	156,691	1,158,186
<u>Less</u> Accumulated amortisation	(723,349)	(6)	-	(723,355)
Net book amount	277,285	855	156,691	434,831
For the year ended 31 December 2014				
Opening net book amount	277,285	855	156,691	434,831
Additions	56,800	1,923	80,783	139,506
Amortisation charge	(80,958)	(125)	-	(81,083)
Transfer	197,810	-	(197,810)	-
Closing net book amount	450,937	2,653	39,664	493,254
As at 31 December 2014				
Cost	1,255,244	2,784	39,664	1,297,692
<u>Less</u> Accumulated amortisation	(804,307)	(131)	-	(804,438)
Net book amount	450,937	2,653	39,664	493,254

17 Intangible assets, net (Cont'd)

	(Unit : Baht'000)			
	SET			
	Computer software	Patent	Work in process	Total
As at 1 January 2013				
Cost	957,501	-	31,220	988,721
<u>Less</u> Accumulated amortisation	(673,281)	-	-	(673,281)
Net book amount	284,220	-	31,220	315,440
For the year ended 31 December 2013				
Opening net book amount	284,220	-	31,220	315,440
Additions	60,075	-	125,471	185,546
Disposals/write-off	(219)	-	-	(219)
Amortisation charge	(68,852)	-	-	(68,852)
Closing net book amount	275,224	-	156,691	431,915
As at 31 December 2013				
Cost	919,686	-	156,691	1,076,377
<u>Less</u> Accumulated amortisation	(644,462)	-	-	(644,462)
Net book amount	275,224	-	156,691	431,915
For the year ended 31 December 2014				
Opening net book amount	275,224	-	156,691	431,915
Additions	56,241	1,923	80,783	138,947
Amortisation charge	(79,551)	(2)	-	(79,553)
Transfer	197,810	-	(197,810)	-
Closing net book amount	449,724	1,921	39,664	491,309
As at 31 December 2014				
Cost	1,173,737	1,923	39,664	1,215,324
<u>Less</u> Accumulated amortisation	(724,013)	(2)	-	(724,015)
Net book amount	449,724	1,921	39,664	491,309

18 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 a guarantee according to the rate or amount called by TCH. TCH may invest the margin proceeds 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 2014 and 2013, the details of investments for which margin deposits were placed by members amounting to Baht 8,053.63 million and Baht 9,361.83 million, respectively are as follows:

	(Unit : Baht'000)	
	Consolidated	
	2014	2013
Savings and fixed deposit accounts	7,565,619	8,639,053
Savings account in foreign currency	429,951	395,028
Bonds	-	212,261
Accrued benefits	58,060	115,491
	<u>8,053,630</u>	<u>9,361,833</u>

As at 31 December 2014, savings account in foreign currency of USD 13.10 million was translated into Thai Baht using the average transfer buying rate announced by the Bank of Thailand at the end of the accounting period (2013: USD 12.09 million).

The Group presented margin deposits placed by members separately in the account "Assets for margin deposits and benefits" in current assets in the statement of financial position and presented liabilities in the same amount in the account "Margin deposits and benefits payables" in current liabilities in the statement of financial position.

19 Assets for clearing system protection and benefits

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

Assets for clearing system protection comprise the following :

19.1 Securities Deposit

Members of TCH are required to place a Securities Deposit according to the announcement made by TCH (the current Securities Deposit for members, who are allowed to clear all types of derivatives, is not less than Baht 5 million and for only one type of derivatives is not less than Baht 4 million). TCH will invest the proceeds from the Securities Deposit and return any benefits derived from the Securities Deposit, after deducting management fees, to members in accordance with the announced rates and procedures. Assets held as Securities Deposit will be returned to members after their membership is terminated.

19 Assets for clearing system protection and benefits (Cont'd)

19.2 Clearing fund contributions comprising contributions from:

(1) The SET amounting to Baht 100 million

(2) Members of TCH:

- Initial contributions according to the announced rates (currently the initial contribution members, who are allowed to clear all types of derivatives, is not less than Baht 5 million and for only one type of derivatives is not less than Baht 1 million)
- Monthly contributions at a 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.

As at 31 December 2014 and 2013, assets for clearing system protection and benefits consist of:

	(Unit : Baht'000)					
	Securities Deposit and benefits		Consolidated Clearing fund and benefits		Total	
	2014	2013	2014	2013	2014	2013
Investments managed by TCH	629,138	725,497	-	-	629,138	725,497
Investments managed by private fund						
Savings accounts	1,600	1,558	2,604	259	4,204	1,817
Fixed deposit accounts	82,002	78,003	250,028	231,309	332,030	309,312
Trading Securities	127,756	132,155	410,267	355,218	538,023	487,373
	840,496	937,213	662,899	586,786	1,503,395	1,523,999
Accrued interest receivable	3,295	9,672	6,965	4,323	10,260	13,995
Other assets	94	52	5,186	5,400	5,280	5,452
	843,885	946,937	675,050	596,509	1,518,935	1,543,446

(Unit : Baht'000)		
SET		
	2014	2013
Clearing fund and benefits		
Contributions	100,000	100,000
Benefits	34,843	30,835
	134,843	130,835

19 Assets for clearing system protection and benefits (Cont'd)

Investment managed by TCH

For the year ended 31 December 2014, savings accounts carried interest at the rate of 2.07 % per annum (2013: from 0.50% - 0.625% per annum).

For the year ended 31 December 2014, fixed deposit accounts carried interest at the rates ranging from 1.50% - 1.60% per annum (2013: 2.35% per annum).

Investments managed by private fund

Investments in private fund are managed by 1 asset management company (2013: 1 company).

The investments policy of private fund is reference to the TCH's regulations in relation to deposits with financial institution and company's investment policies. For the year ended 31 December 2014, the investment in private fund have return rates ranging from 3.17% - 4.95% per annum (2013: from 3.29% - 3.31% per annum).

As at 31 December 2014 and 2013, assets for clearing system protection and benefits payables consist of:

	(Unit : Baht'000)	
	Consolidated	
	2014	2013
Securities Deposit and benefits		
Contributions	835,000	935,000
Benefits (semi-annually distribute to members)	8,934	11,937
	<u>843,934</u>	<u>946,937</u>
Clearing fund and benefits		
Contributions	470,712	409,321
Benefits	69,446	56,352
	<u>540,158</u>	<u>465,673</u>
	<u>1,384,092</u>	<u>1,412,610</u>

20 Deferred income taxes

	(Unit : Baht'000)	
	Consolidated	
	2014	2013
Deferred tax assets	2,021	1,953
Deferred tax liabilities	(920)	(237)
Deferred income taxes, net	<u>1,101</u>	<u>1,716</u>

20 Deferred income taxes (Cont'd)

The gross movement of the deferred income tax account is as follows:

Deferred tax asset

	(Unit : Baht'000)	
	Consolidated	
	2014	2013
Opening balance	1,953	2,018
Charged/(credited) to profit or loss	68	(65)
Tax charged/(credited) directly to fund balance	-	-
Closing balance	2,021	1,953

Deferred tax liabilities:

	(Unit : Baht'000)	
	Consolidated	
	2014	2013
Opening balance	237	271
(Charged)/credited to profit or loss	647	(18)
Tax (charged)/credited directly to fund balance	36	(16)
Closing balance	920	237

21 Accounts payable and accrued expenses

	Note	(Unit : Baht'000)			
		Consolidated		SET	
		2014	2013	2014	2013
Accounts payable					
Subsidiaries	7	-	-	-	107
Jointly-controlled entity	7	9,567	19,525	9,567	19,525
		9,567	19,525	9,567	19,632
Other parties		402,594	136,666	400,514	135,964
		412,161	156,191	410,081	155,596
Accrued expenses					
Subsidiaries	7	-	-	172	167
Jointly-controlled entity	7	887	2,042	887	2,042
		887	2,042	1,059	2,209
Other parties		1,187,586	992,609	1,169,497	976,855
		1,188,473	994,651	1,170,556	979,064
		1,600,634	1,150,842	1,580,637	1,134,660

22 Other current liabilities

	(Unit : Baht'000)			
	Consolidated		SET	
	2014	2013	2014	2013
Other retention payables	95,237	30,606	95,234	30,602
Dividend payable from registrar services to shareholders	66,621	200,321	-	-
Financial benefits payable	57,814	75,223	-	-
Thai Stock Market Flood Relief Fund	36,459	48,741	36,459	48,741
Income tax payable	33,525	43,688	-	-
Withholding tax payable	25,193	162,132	11,436	107,114
Provision for employee benefits from accumulated annual leave	24,051	22,951	24,051	22,951
Refund for unallotted TNVDR	23,215	13,019	-	-
Other payable from investment in mutual fund	21,307	-	21,307	-
Ngoen-Thong-khong-Mee-Kha Fund	11,552	11,275	11,552	11,275
Clearing collateral payables	6,331	121,531	-	-
Deferred tax liabilities (Note 20)	920	237	-	-
Others	34,085	26,674	30,135	22,913
	<u>436,310</u>	<u>756,398</u>	<u>230,174</u>	<u>243,596</u>

23 Provision for employee benefits

	(Unit : Baht'000)			
	Consolidated		SET	
	2014	2013	2014	2013
Obligations in statement of financial position				
Retirement benefits	170,879	149,754	170,879	149,754
Other benefits	32,161	31,118	32,161	31,118
	<u>203,040</u>	<u>180,872</u>	<u>203,040</u>	<u>180,872</u>
Charge in the statement of comprehensive revenues and expenses				
Retirement benefits	21,935	20,891	21,935	20,891
Other benefits	6,449	3,361	6,449	3,361
	<u>28,384</u>	<u>24,252</u>	<u>28,384</u>	<u>24,252</u>

As at 31 December 2014 and 2013, the amounts of liabilities recognised in the statement of financial position are determined as follows:

	(Unit : Baht'000)			
	Consolidated		SET	
	2014	2013	2014	2013
Present value of obligations				
Retirement benefits	179,130	170,751	179,130	170,751
Other benefits	32,161	31,118	32,161	31,118
	<u>211,291</u>	<u>201,869</u>	<u>211,291</u>	<u>201,869</u>
Unrecognised actuarial loss				
Retirement benefits	(8,251)	(20,997)	(8,251)	(20,997)
Liabilities in the statement of financial position	<u>203,040</u>	<u>180,872</u>	<u>203,040</u>	<u>180,872</u>

23 Provision for employee benefits (Cont'd)

Movements of the provision for employee benefits for the years ended 31 December 2014 and 2013 were as follows:

	(Unit : Baht'000)			
	Consolidated		SET	
	2014	2013	2014	2013
Opening balance	180,872	166,442	180,872	166,442
Current service cost	20,176	16,829	20,176	16,829
Interest costs	7,641	7,012	7,641	7,012
Gain from actuarial	567	411	567	411
Adjustment	4,373	-	4,373	-
	213,629	190,694	213,629	190,694
<u>Less</u> Benefits paid	<u>(10,589)</u>	<u>(9,822)</u>	<u>(10,589)</u>	<u>(9,822)</u>
Closing balance	203,040	180,872	203,040	180,872
<u>Less</u> Current portion	<u>(5,561)</u>	<u>(5,568)</u>	<u>(5,561)</u>	<u>(5,568)</u>
Total non-current portion	<u>197,479</u>	<u>175,304</u>	<u>197,479</u>	<u>175,304</u>

For the years ended 31 December 2014 and 2013 the amounts recognised in the statement of comprehensive revenues and expense are as follows:

	(Unit : Baht'000)			
	Consolidated		Consolidated	
	2014	2013	2014	2013
Current service cost	20,176	16,829	20,176	16,829
Interest costs	7,641	7,012	7,641	7,012
Gain from actuarial	567	411	567	411
	<u>28,384</u>	<u>24,252</u>	<u>28,384</u>	<u>24,252</u>

For the years ended 31 December 2014 and 2013, the principal actuarial assumptions used were as follows:

	2014	2013
Discount rate as of 31 December	3.60%	3.80%
Salary increase rate - permanent employees	5.00% - 10.00%	5.00% - 10.00%
Salary increase rate - contract employees	4.50%	4.50%
Average turnover rate	0.00% - 13.00%	0.00% - 9.00%
Pre-retirement mortality rate	3.00%	0.08% - 1.03%
Retirement age	60 years old	60 years old

24 Fund balances

Details of fund balances are as follows:

Securities Clearing Reserve Fund

In 1997 and 2013, the Board of Governors of the SET approved an appropriation of general funds of Baht 2,000 million and Baht 500 million, respectively, totalling Baht 2,500 million to the Securities Clearing Reserve Fund, which is operated by a subsidiary of the SET, in order to resolve liquidity risk in the event of default on clearing and settlement from securities trading on SET.

Derivatives Clearing Reserve Fund

In 2004, the Board of Governors of the SET approved an appropriation of general funds of Baht 300 million to the Derivatives Clearing Reserve Fund in order to assure contingent losses from the clearing system of futures contracts at Thailand Clearing House Co., Ltd.

Indemnity Fund

In 1993 and 2002, the Board of Governors of the SET approved appropriations of general funds totalling Baht 100 million to the Indemnity Fund in order to assist and assure the Board of Governors of the SET 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 the SET approved an appropriation of general funds totalling Baht 580 million for the construction of SET buildings. Construction of the office buildings was completed in 1998. The remaining fund balance of Baht 246.30 million is reserved for further construction of a parking building.

In 2008, the Board of Governors of the SET approved the construction of the car park building from the above mentioned remaining fund balance. In 2014, the Board Governors of the SET approved the transfer of the remaining fund balance to general fund. (2013: Baht 7.77 million).

Staff Welfare Fund

In 1997 and 2004, the Board of Governors of the SET approved appropriations of general funds was Baht 75 million to 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 the 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 investor confidence in trading listed securities on the SET through the members of the SIPF. As at 31 December 2014, 33 SIPF members from securities companies (2013: 33 SIPF members).

The assets of SIPF consist of:

- 1) the initial fund from the SET of Baht 300 million;
- 2) the cumulative membership entrance fees and monthly fees collected from the members ; and
- 3) the future benefits generated from investments in the SIPF.

24 Fund balances (Cont'd)

Details of fund balances are as follows: (Cont'd)

Securities Investor Protection Fund (Cont'd)

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

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

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

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

	(Unit : Baht'000)	
	Consolidated and SET	
	2014	2013
Assets		
Current assets		
Cash deposits and short-term investments	415,169	487,632
Accrued interest receivable	7,290	8,318
Other current asset	291	5
Total current assets	422,750	495,955
Non-current assets		
Long-term investments	275,582	169,478
Total non-current assets	275,582	169,478
Total assets	698,332	665,433
Liabilities and fund balances		
Current liabilities		
Other current liabilities	5	10
Total current liabilities	5	10
Non-current liabilities		
Contributions from members	205,132	202,322
Benefits on contributions from members	59,758	48,367
Total non-current liabilities	264,890	250,689
Total liabilities	264,895	250,699
Fund balances		
Initial fund	300,000	300,000
Benefits on contributions from SET	133,437	114,734
Total fund balances	433,437	414,734
Total liabilities and fund balances	698,332	665,433

The SIPF's statement of revenues and expenses for the years ended 31 December 2014 and 2013 are presented in Note 25 to the financial statements "Results of fund operations".

24 Fund balances (Cont'd)

Details of fund balances are as follows: (Cont'd)

Derivatives Investor Protection Fund

In 2012 the board of directors of Thailand Futures Exchange Public Company Limited (TFEX), a subsidiary, has a resolution to establish the Derivatives Investor Protection Fund (DIPF) and approved an appropriation of Baht 50 million as an initial fund.

The DIPF was established on 15 November 2012. The objective of the DIPF is to provide protection for derivatives contracts investors in accordance with the rules prescribed by TFEX. Investors need to be protected must become customers of DIPF members and is a Thai natural person, a juristic person incorporated in Thailand who is not an institutional investor under the Derivatives Act B.E. 2546 (2003). As at 31 December 2014, there were 42 DIPF members from security companies (2013: 41 DIPF members).

Assets of the DIPF consist of the Company's initial capital, admission fees and contributions collected from members of the DIPF, and yields or benefits obtained from the proceeds and assets of the DIPF after the deduction of expenses for the operation of the DIPF. At the time of its establishment, the DIPF will have assets worth no less than Baht 100 million, which consists of initial capital of THB 50 million from the Company and admission fees and contributions from DIPF members in the rest to make the total of Baht 100 million. The Company may collect additional sums of money as it deems necessary and appropriate.

DIPF will protect the investors' assets which are in the custody of the securities brokers who are members of the DIPF. In the event that the members of the DIPF fail to return the assets to investors, each investor shall be compensated by the DIPF for the related damages at the actual cost, but not exceeding Baht 1 million per DIPF member, in the following cases:

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

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

24 Fund balances (Cont'd)

Details of fund balances are as follows: (Cont'd)

Derivatives Investor Protection Fund (Cont'd)

The DIPF's financial statement included as part of the consolidated and entity's financial statements are as follows:

	(Unit : Baht'000)	
	Consolidated	
	2014	2013
Assets		
Current assets		
Cash deposits and short-term investments	64,008	57,622
Contributions from members	545	354
Accrued interest receivable	720	978
Total current assets	65,273	58,954
Liabilities and fund balances		
Current liabilities		
Other current liabilities	336	267
Total current liabilities	336	267
Non-current liabilities		
Contributions from members	12,421	7,601
Benefits on contributions from members	326	93
Total non-current liabilities	12,747	7,694
Total liabilities	13,083	7,961
Fund balances		
Initial fund	50,000	50,000
Benefits on contributions from TFEX	2,190	993
Total fund balances	52,190	50,993
Total liabilities and fund balances	65,273	58,954

The DIPF's statement of revenues and expenses for the years ended 31 December 2014 and 2013 are presented in Note 25 to the financial statements "Results of fund operations".

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25 Results of fund operations

Details of the results of fund operations which are included as part of the consolidated and the entity's statement of comprehensive revenues and expenses are as follows:

	(Unit : Baht'000)				
	Consolidated				
	Staff Welfare Fund	Securities Investor Protection Fund (SET's portion)	Derivatives Investor Protection Fund (TFEX's portion)	General Fund	Total
For the year ended 31 December 2014					
Revenues					
Operating revenues	-	-	-	4,200,820	4,200,820
Investment income, net	2,325	14,739	1,633	868,804	887,501
Other income	-	-	-	189,353	189,353
Total revenues	2,325	14,739	1,633	5,258,977	5,277,674
Expenses					
Operating expenses	-	138	137	3,081,727	3,082,002
Contributions to the Stock Exchange of Thailand Foundation	-	-	-	547,222	547,222
Income tax expense	-	-	299	112,674	112,973
Total expenses	-	138	436	3,741,623	3,742,197
Revenues over expenses	2,325	14,601	1,197	1,517,354	1,535,477
Total other comprehensive revenues and expenses - available-for-sale financial assets	-	4,102	-	46,183	50,285
Total comprehensive revenues and expenses	2,325	18,703	1,197	1,563,537	1,585,762
For the year ended 31 December 2013					
Revenues					
Operating revenues	-	-	-	4,309,279	4,309,279
Investment income, net	2,598	15,268	1,392	818,132	837,390
Other income	-	-	-	184,257	184,257
Total revenues	2,598	15,268	1,392	5,311,668	5,330,926
Expenses					
Operating expenses	-	143	151	2,975,519	2,975,813
Contributions to the Stock Exchange of Thailand Foundation	-	-	-	561,633	561,633
Income tax expense	-	-	248	132,020	132,268
Total expenses	-	143	399	3,669,172	3,669,714
Revenues over expenses	2,598	15,125	993	1,642,496	1,661,212
Total other comprehensive revenues and expenses - available-for-sale financial assets	-	(6,821)	-	(487,671)	(494,492)
Total comprehensive revenues and expenses	2,598	8,304	993	1,154,825	1,166,720

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25 Results of fund operations (Cont'd)

Details of the results of fund operations which are included as part of the consolidated and the entity's statement of comprehensive revenues and expenses are as follows: (Cont'd)

	(Unit : Baht'000)				
	SET				
	Staff Welfare Fund	Securities Investor Protection Fund (SET's portion)	Derivatives Investor Protection Fund (TFEX's portion)	General Fund	Total
For the year ended 31 December 2014					
Revenues					
Operating revenues	-	-	-	1,861,296	1,861,296
Investment income, net	2,325	14,739	-	1,244,708	1,261,772
Other income	-	-	-	1,699,123	1,699,123
Total revenues	2,325	14,739	-	4,805,127	4,822,191
Expenses					
Operating expenses	-	138	-	2,791,611	2,791,749
Contributions to the Stock Exchange of Thailand Foundation	-	-	-	547,222	547,222
Total expenses	-	138	-	3,338,833	3,338,971
Revenues over expenses	2,325	14,601	-	1,466,294	1,483,220
Total other comprehensive revenues and expenses					
-available-for- sale financial assets	-	4,102	-	46,063	50,165
Total comprehensive revenues and expenses	2,325	18,703	-	1,512,357	1,533,385
For the year ended 31 December 2013					
Revenues					
Operating revenues	-	-	-	1,864,544	1,864,544
Investment income, net	2,598	15,268	-	1,226,986	1,244,852
Other income	-	-	-	1,752,589	1,752,589
Total revenues	2,598	15,268	-	4,844,119	4,861,985
Expenses					
Operating expenses	-	143	-	2,723,889	2,724,032
Contributions to the Stock Exchange of Thailand Foundation	-	-	-	561,633	561,633
Total expenses	-	143	-	3,285,522	3,285,665
Revenues over expenses	2,598	15,125	-	1,558,597	1,576,320
Total other comprehensive revenues and expenses					
-available-for- sale financial assets	-	(6,821)	-	(487,622)	(494,443)
Total comprehensive revenues and expenses	2,598	8,304	-	1,070,975	1,081,877

26 Operating revenues

	(Unit : Baht'000)			
	Consolidated		SET	
	2014	2013	2014	2013
Trading fees	1,344,659	1,588,371	1,113,957	1,233,094
Stock registrar fees	867,879	769,709	-	-
Listing fees	434,838	361,030	434,838	361,030
Member services fees	420,246	416,041	-	-
Clearing fees	398,697	487,709	-	-
Depository fees	260,277	234,356	-	-
Information service fees	237,703	216,338	199,026	178,944
Customisation and IT support fees	90,675	68,676	90,675	68,676
Membership fees	81,863	101,146	22,800	22,800
Fund registrar fees	63,983	65,903	-	-
	<u>4,200,820</u>	<u>4,309,279</u>	<u>1,861,296</u>	<u>1,864,544</u>

27 Investment income, net

	Notes	(Unit : Baht'000)			
		Consolidated		SET	
		2014	2013	2014	2013
Interest income		696,656	730,333	416,705	445,177
Less Interest expense					
Short-term borrowings from subsidiaries	7	-	-	(28,949)	(28,263)
Assets for clearing system protection - members' portion		(273,212)	(269,913)	-	-
Interest income, net		423,444	460,420	387,756	416,914
Dividend income from					
Mutual funds		439,119	295,532	438,910	295,307
Subsidiaries	12	-	-	387,928	441,299
Jointly-controlled entity	13	-	-	849	11,754
Associates	14	-	-	26,325	-
Private fund		129	-	74	-
Other entities		2,701	2,151	2,702	2,151
Realised gain (loss) from investments		(17,561)	58,676	(17,579)	58,118
Unrealised gain from investments		20,767	10,642	17,538	10,732
Reversals of impairment/(impairment loss)		2,530	(6,691)	2,530	(6,691)
		<u>871,129</u>	<u>820,730</u>	<u>1,247,033</u>	<u>1,229,584</u>

28 Other income

	(Unit : Baht'000)			
	Consolidated		SET	
	2014	2013	2014	2013
Educational activities income	44,370	35,707	44,370	35,707
Revenues from marketing event	34,728	34,005	34,728	34,005
Revenues from fees and management funds	25,355	23,454	-	-
Service income	15,009	15,977	1,587,607	1,643,302
Fines	14,546	17,154	10,291	10,890
Rental & utilities revenue	11,189	13,701	11,189	13,558
Other income	19,977	31,730	10,938	15,127
	<u>165,174</u>	<u>171,728</u>	<u>1,699,123</u>	<u>1,752,589</u>

29 Employee benefit expenses

	(Unit : Baht'000)			
	Consolidated		SET	
	2014	2013	2014	2013
Management				
Salaries and other benefits	157,390	143,582	157,390	143,582
Contributions to provident fund	10,745	10,757	10,745	10,757
	<u>168,135</u>	<u>154,339</u>	<u>168,135</u>	<u>154,339</u>
Other employees				
Salaries and other benefits	1,031,423	1,028,169	1,031,522	1,028,176
Contributions to provident fund	60,360	57,720	60,360	57,720
	<u>1,091,783</u>	<u>1,085,889</u>	<u>1,091,882</u>	<u>1,085,896</u>
	<u>1,259,918</u>	<u>1,240,228</u>	<u>1,260,017</u>	<u>1,240,235</u>

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 3.00% to 10.00% of their basic salaries and by the Group at the rate of 10.00% 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.

30 SEC fees

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

In 2013, the Board of the SEC has approved to charge SET for the year 2014 - 2016 (for the period of 3 years) as follows:

1. Charge at the rate of 0.002% of trading value of the year, and
2. Charge on total equity of listing companies who have never issued securities for sale under the approval of the SEC, at the same rate that the SEC charge from listed companies who issued securities and submit report to the SEC according to clause 56 of the SEC Act.

However, if there is an event changes or problems of implementation during the period, terms and conditions may be revised.

The Board of the SEC also approved to charge fees from Thailand Future Exchange Public Company Limited for derivatives trading exchange. The rate for year 2014 - 2016 is Baht 2 million per annum.

31 Other expenses

	(Unit : Baht'000)			
	Consolidated		SET	
	2014	2013	2014	2013
Fees and compensation expenses	62,628	60,186	55,158	55,859
Travelling and vehicle expenses	40,095	34,450	40,095	34,052
Contributions to capital market institutions	27,014	29,315	27,014	29,315
Institution membership fees	4,780	4,083	3,936	3,466
Meeting expenses	4,415	3,720	4,410	3,720
Entertainment expenses	1,854	2,581	1,854	2,581
Other expenses	21,345	23,643	17,245	19,653
	<u>162,131</u>	<u>157,978</u>	<u>149,712</u>	<u>148,646</u>

32 Income tax expense

	(Unit : Baht'000)	
	Consolidated	
	2014	2013
Current income tax		
Current income tax	112,095	131,973
Total Current income tax	<u>112,095</u>	<u>131,973</u>
Deferred income tax		
Origination and reversal of temporary differences	579	47
Total deferred income tax	<u>579</u>	<u>47</u>
Total income tax expense	<u>112,674</u>	<u>132,020</u>

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the Thailand basic tax rate as follows:

	(Unit : Baht'000)	
	Consolidated	
	2014	2013
Revenues over expenses before income tax expense	1,648,151	1,793,232
Tax calculated at a tax rate of 20% (2013: 20%)	329,630	358,646
Income not subject to tax	(70)	(250)
Expenses not deductible for tax purposes	1,812	982
Eliminated transaction between related party, net of income tax	78,185	88,105
Revenues over expenses - Stock Exchange of Thailand, net of income tax	(296,644)	(315,264)
Revenues over expenses - Derivatives Investor Protection Fund (TFEX's portion), net of income tax	(239)	(199)
Current income tax	<u>112,674</u>	<u>132,020</u>

The weight average applicable tax rate was 6.84% (2013: 7.36%).

33 Commitments with non-related parties

	(Unit : Baht'000)			
	Consolidated		SET	
	2014	2013	2014	2013
Capital commitments				
Buildings and other constructions	1,623,083	2,176,756	1,623,083	2,176,756
Computer and software	75,384	146,548	75,384	146,548
	<u>1,698,467</u>	<u>2,323,304</u>	<u>1,698,467</u>	<u>2,323,304</u>
Non-cancellable operating lease commitments				
Within one year	13,289	11,607	13,289	11,607
After one year but within five years	27,801	19,014	27,801	19,014
	<u>41,090</u>	<u>30,621</u>	<u>41,090</u>	<u>30,621</u>
Land lease commitments				
Within one year	13,525	13,525	13,525	13,525
After one year but within five years	44,883	58,408	44,883	58,408
Over 5 years	158,994	158,994	158,994	158,994
	<u>217,402</u>	<u>230,927</u>	<u>217,402</u>	<u>230,927</u>
Derivative trading and clearing system maintenance commitments				
Within one year	59,111	80,561	59,111	80,561
After one year but within five years	171,968	200,332	171,968	200,332
Over 5 years	-	20,868	-	20,868
	<u>231,079</u>	<u>301,761</u>	<u>231,079</u>	<u>301,761</u>

Moreover, the SET has an obligation to capital commitment subscription in specific-purpose funds (Note 9) Fund invested directly in energy, alternative a renewable energy firms and businesses that support the government's energy policies. The Asset Management Company will make additional investments from the SET amounting to Baht 18.4 million unless the payment was made in the full amount of capital commitment subscription of due in terms of the 10 years (3 August 2017).

34 Litigation, contingent assets and contingent liabilities

34.1 Litigation

34.1.1 SET

In 2012, the Group sued the insurance group because the Stock Exchange of Thailand building was fire damaged in 2010. The Group is seeking compensation for alleged damages relating to dismiss a insurance contract amount Baht 123 million combined with interest rate at 7.50% per annum. On 30 September 2013, the case was dismissed by civil court. On 27 December 2013, the Group filed petitions to the appeal court. On 14 November 2014, the case was dismissed by Appeal court. As at 31 December 2014 the Group filed petitions to the supreme court. The outcome of the case has not presently been finalised. Therefore, the Group has not recorded any potential income in the financial statements for the years ended 31 December 2014 and 2013.

34 Litigation, contingent assets and contingent liabilities (Cont'd)

34.2 Contingent liabilities

34.2.1 SET

As at 31 December 2014, the SET has letters of guarantee issued by banks totalling Baht 4.61 million (2013: Baht 4.61 million) in respect of electricity usage in the ordinary course of business from which management anticipates that no material liabilities will arise.

The SET has issued a letter of comfort to a bank in respect of an overdraft credit line of Baht 2,400 million (2013: Baht 2,400 million) granted to Thailand Clearing House Co., Ltd. (TCH), a subsidiary, for clearing and settlement of equity instruments and derivatives. Under the terms of the letter of comfort, the SET is required to maintain its shareholding at 99.99% of the registered share capital in TCH to the end of the credit period. In addition, the SET is required to support TCH's operations to ensure its ability to repay the debt to the bank. As at 31 December 2014, TCH had not drawn down the overdraft credit line.

34.2.2 Subsidiaries

34.2.2.1 On 26 March 2009, a civil lawsuit was filed against a subsidiary of a parent company, together with other individuals and juristic persons/entities, for alleged wrongful acts. The plaintiff was seeking for alleged damages relating to the forgery of ordinary share certificates and for the defendant to be jointly responsible for compensation totalling Baht 223 million. On 30 November 2011, the case was dismissed by the Civil court. The plaintiff further appealed to the Appeal Court. The subsidiary had also filed against that appeal on 30 May 2012.

On 29 April 2014, the Appeal Court ruled that the subsidiary and related parties jointly admitted the damage to the plaintiff. The subsidiary filed petitions to the Supreme Court on 6 August 2014 and filed against the plaintiff on 30 September 2014.

As at 31 December 2014 the case is under the consideration of the Supreme Court. The outcome of the case has not currently been finalised. Therefore, the subsidiary has not recorded any potential loss in the financial statements for the years ended 31 December 2014 and the year 2013. The parent entity has insurance coverage for Financial Institutional Professional Indemnity Insurance, which cover liability for such case.

34.2.2.2 On 6 January 2014, the subsidiary was claimed in a civil lawsuit as joint defendant, together with other individuals and juristic persons/entities, related to the performance of certain investment consultant from member which caused damage to the plaintiff. The plaintiff was seeking that alleged damages be jointly responsible for compensation totalling Baht 0.96 million. On 12 November 2014, the case was dismissed by civil court. On 9 December 2014, the plaintiff filed petitions to the appeal court.

As at 31 December 2014, the subsidiary was in the process of filing petitions to withdraw the appeal. The outcome of the case had not currently been finalised. Therefore, the subsidiary did not record any potential loss in the financial statements for the year ended 31 December 2014.