

THAILAND FUTURE EXCHANGE PUBLIC COMPANY LIMITED

STATUTORY FINANCIAL STATEMENTS

FOR THE PERIOD FROM 17 MAY 2004 (DATE OF INCORPORATION)
TO 31 DECEMBER 2004

AUDITOR'S REPORT

To the Shareholders of Thailand Future Exchange Public Company Limited

I have audited the accompanying balance sheet as at 31 December 2004, the related statement of income, changes in shareholders' equity and cash flows for the period from 17 May 2004 (date of incorporation) to 31 December 2004 of Thailand Future Exchange Public Company Limited. These financial statements are the responsibility of the Company's management. My responsibility is to express an opinion on these financial statements based on my audit.

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

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position as at 31 December 2004 and the results of its operations and its cash flows for the period from 17 May 2004 to 31 December 2004 of Thailand Future Exchange Public Company Limited in accordance with generally accepted accounting principles.

Unakorn Phruithithada
Certified Public Accountant
(Thailand) No. 3257
PricewaterhouseCoopers ABAS Limited

Bangkok
16 February 2005

Thailand Future Exchange Public Company Limited**Balance Sheet****As at 31 December 2004**

	<u>Notes</u>	<u>Baht</u>
Assets		
Current Assets		
Cash and cash equivalents		1,101,423
Short-term investments	3	98,566,825
Accrued interest receivable		178,063
Other current assets		719
Total Assets		<u><u>99,847,030</u></u>
Liabilities and Shareholders' Equity		
Current Liabilities		
Accrued expenses		<u>50,000</u>
Total Current Liabilities		<u><u>50,000</u></u>
Shareholders' Equity		
Share capital		
Authorized, issued and fully paid-up		
10,000,000 ordinary shares of Baht 10 each	4	100,000,000
Net loss		<u>(202,970)</u>
Total Shareholders' Equity		<u><u>99,797,030</u></u>
Total Liabilities and Shareholders' Equity		<u><u>99,847,030</u></u>

The notes to the financial statements on pages 6 to 8 form an integral part of these financial statements

Statement of Income**For the period from 17 May 2004 (Date of incorporation) to 31 December 2004**

	<u>Note</u>	<u>Baht</u>
Revenues		
Interest income		250,009
Total Revenues		<u>250,009</u>
Expenses		
Administrative expenses		452,979
Total Expenses		<u>452,979</u>
Net loss for the period		<u>(202,970)</u>
Loss per share		
Net loss for the period	5	<u>(0.02)</u>

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Thailand Future Exchange Public Company Limited
Statement of Changes in Shareholders' Equity
For the period from 17 May 2004 (Date of incorporation) to 31 December 2004

		Issued and paid up share capital	Net loss	Total
	Note	Baht	Baht	Baht
Beginning balance as at 17 May 2004		-	-	-
Ordinary shares	4	100,000,000	-	100,000,000
Net loss for the period		-	(202,970)	(202,970)
Ending balance as at 31 December 2004		<u>100,000,000</u>	<u>(202,970)</u>	<u>99,797,030</u>

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Thailand Future Exchange Public Company Limited
Statement of Cash Flows
For the period from 17 May 2004 (Date of incorporation) to 31 December 2004

	<u>Baht</u>
Cash Flows from Operating Activities	
Net loss for the period	(202,970)
Adjustment for:	
Interest income	(250,009)
Changes in operating assets and liabilities	
(Increase) in Operating Assets	
Other current assets	(719)
Increase in Operating Liabilities	
Accrued expenses	50,000
Net Cash Used in Operating Activities	<u>(403,698)</u>
Cash Flows from Investing Activities	
Interest received	71,946
Purchases of short-term investments	<u>(98,566,825)</u>
Net Cash Used in Investing Activities	<u>(98,494,879)</u>
Cash Flows from Financing Activities	
Proceeds from issue of ordinary shares	<u>100,000,000</u>
Net Cash from Financing Activities	<u>100,000,000</u>
Net Increase in Cash and Cash Equivalents	1,101,423
Cash and Cash Equivalents, Beginning Balance	-
Cash and Cash Equivalents, Ending Balance	<u><u>1,101,423</u></u>
Supplementary information for cash flows :	
Cash paid during the period	
Income tax paid	719

The notes to the financial statements on pages 6 to 8 form an integral part of these financial statements.

1. General information

Thailand Future Exchange Public Company Limited (“the Company”) was incorporated on 17 May 2004 to be the center and advisor for the purchase and sale of derivatives or other financial instruments including any related services connected to such activities. In 2004, the Company has not yet commenced its operations.

The address of its registered office is as follows:

62 The Stock Exchange of Thailand Building, Ratchadaphisek Road, Kwaeng Klongtoey, Khet Klongtoey, Bangkok 10110.

2. Summary of significant accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below :

2.1 Basis of preparation

The financial statements have been prepared in accordance with Thai generally accepted accounting principles under the Accounting Act B.E. 2543, being those Thai Accounting Standards issued under the Accounting Profession Act B.E. 2547. The financial statements have been prepared under the historical cost convention.

2.2 Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management, in some circumstances, to make estimates and assumptions to reflect the appropriated contingencies of the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the amounts of revenues and expenses in the reported periods. Actual results afterwards may differ from those estimates.

2.3 Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. Cash and cash equivalents comprise cash at banks and promissory notes at financial institutions held for working capital and short term commitment payment purposes.

2.4 Revenue recognition

Interest is recognized on an accrual basis taking account of the principal outstanding and the effective rate over the period to maturity unless collectibility is in doubt.

Thailand Future Exchange Public Company Limited
Notes to the Financial Statement
For the period from 17 May 2004 (Date of incorporation) to 31 December 2004

2. Summary of significant accounting policies (Cont'd)

2.5 Related parties

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the company, including holding entities, subsidiaries and fellow subsidiaries are related parties of the company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

3. Short-term investments

	<u>Baht</u>
Fixed deposits	68,566,825
Promissory notes	30,000,000
	<u>98,566,825</u>

Fixed deposits represent fixed deposits at banks which have maturity within 3 months and interest rates of 1.38% - 1.50% per annum.

Promissory notes represent the promissory notes at financial institutions which have maturity within 3 months and interest rates of 1.55% per annum.

4. Share capital

	<u>Number of shares</u>	<u>Ordinary shares Baht</u>
As at 17 May 2004	-	-
Issue of shares	10,000,000	100,000,000
As at 31 December 2004	<u>10,000,000</u>	<u>100,000,000</u>

The total authorized number of ordinary shares is 10,000,000 shares with a par value of Baht 10 per share. All issued shares are fully paid.

Thailand Future Exchange Public Company Limited
Notes to the Financial Statement
For the period from 17 May 2004 (Date of incorporation) to 31 December 2004

5. Loss per share

Basic loss per share is calculated by dividing the net loss attributable to shareholders by the weighted average number of ordinary shares in issue during the period as follows:

Net loss attributable to shareholders (Baht)	(202,970)
Weighted average number of ordinary shares in issue during the period (Shares)	10,000,000
Basic loss per share (Baht)	(0.02)

6. Financial instruments

a) Key objectives and condition

The Company's investments are used as working capital. The Company has no policy to seek outside funding in the near future but to maintain its liquidity.

b) Credit risk

The Company has no significant concentration of investments or deposits at financial institutions. The Company, however, is exposed to market risks as investor of financial instruments. The Company, however, has a policy to diversify its investments and deposits to high credit financial institutions.

c) Fair value

The carrying amounts of these financial assets and financial liabilities are approximate to their fair values: cash and cash equivalents, short-term investments, accrued interest receivable and accrued expenses.

7. Approval of financial statements

These financial statements have already been approved by the Company's Board of Directors.