

-TRANSLATION-

TISCO FINANCIAL GROUP PUBLIC COMPANY LIMITED (“TISCO”)

MINUTES

**THE SHAREHOLDER ORDINARY GENERAL MEETING
FOR THE YEAR 2012**

The meeting was convened in the Conference Room, 12th floor, TISCO Tower, North Sathorn Road, Silom, Bangrak, Bangkok, on April 26, 2012, at 14.00 hours.

The directors, Management Committee and auditors presented at the meeting were:

Directors

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| 1. Mr. Pliu Mangkornkanok | Chairman of the Board of Directors |
| 2. Mr. Hon Kit Shing (Mr. Alexander H. Shing) | Vice Chairman of the Board of Directors,
Member of Executive Board and Member of
the Nomination and Compensation Committee |
| 3. Ms. Oranuch Apisaksirikul | Director, Chairperson of the Executive Board,
and Group Chief Executive (Group CEO) |
| 4. Ms. Krisna Theravuthi | Independent Director, Chairperson of the
Nomination and Compensation Committee |
| 5. Assoc. Prof. Dr. Angkarat Priebjrivat | Independent Director and Advisor to the Audit
Committee |
| 6. Ms. Panada Kanokwat | Independent Director and Chairperson of the
Audit Committee |
| 7. Prof. Dr. Pranee Tinakorn | Independent Director and Member of the Audit
Committee |
| 8. Ms. Patareeya Benjapolchai | Independent Director and Member of the Audit
Committee |
| 9. Mr. Chainoi Puankosoom | Independent Director |
| 10. Mr. Hirohiko Nomura | Director, Member of the Executive Board and
Member of the Nomination and Compensation
Committee |
| 11. Mr. Chi-Hao Sun | Director |
| 12. Mr. Suthas Ruangmanamongkol | Director, Member of the Executive Board, and
President of TISCO Bank Public Company
Limited |

Management Committee

(* positions seconded to manage in subsidiary companies)

1. Mr. Metha Pingsuthiwong First Executive Vice President
(* First Executive Vice President – Wealth Management & Banking Services, TISCO Bank Public Company Limited)
2. Ms. Araya Thirakomen First Executive Vice President
(* President, TISCO Asset Management Company Limited)
3. Mr. Paiboon Nalinthrangkurn First Executive Vice President
(* Chief Executive Officer, TISCO Securities Company Limited)
4. Ms. Yutiga Sonthayanavin Executive Vice President
(* Managing Director, TISCO Information Technology Company Limited)
5. Mr. Chatri Chandrangam Executive Vice President – Risk and Financial Control

Auditors (Ernst & Young Office Limited)

1. Ms. Ratana Jala
2. Ms. Yuppadee Satchawannakul
3. Ms. Chatmanee Jiravicha

There were also representatives from Bank of Thailand observed the meeting.

Mr. Pliu Mangkornkanok, Chairman of the Board of Directors, chaired the meeting and thanked the shareholders for attending. He stated that Notice of the Shareholder Ordinary General Meeting for the year 2012 had been duly sent out before the date of the meeting, in compliance with TISCO's Articles of Association and other relevant laws. In addition, TISCO had publicly informed shareholders of the meeting's agenda on March 15, 2012 through the dissemination channels of the Stock Exchange of Thailand (SET) and on TISCO's website to allow adequate time to study meeting material.

The Chairman also informed the meeting that TISCO had provided a period from October 14 - December 14, 2011 for all shareholders to propose any matter which they may deem significant and appropriate to be included as the agenda of the ordinary general meeting. However, no shareholders proposed any matters to be included as meeting agenda.

The Chairman noted that 1,263 shareholders holding 450,675,803 shares, or 61.91% of the total paid-up shares, were present, either in person or by proxy, thereby constituting a quorum as specified under TISCO's Articles of Association. The Chairman hence declared the meeting duly convened.

The Chairman informed the meeting that in accordance with TISCO's Articles of Association regarding voting, every shareholder present in person or being represented by proxy is entitled to one vote per share, with the exception of voting for the election of directors. For this specific agenda, TISCO has implemented cumulative voting procedure. In addition, to accommodate shareholders in voting, shareholders could cast their votes in advance by completing the details of voting on the Registration and Voting Form which had been sent out together with Notices of shareholders' meeting. For those who intended to vote at the meeting, TISCO had made voting forms available prior to the meeting. He added that shareholders who had not cast their votes in advance and intended to vote "Against", "Abstain", or split the votes (in case of foreign shareholder with custodian in Thailand) on any of the agenda items could complete the voting forms, and then submit them to Company's officer to calculate the voting result for each agenda. For cases in which shareholders have appointed a proxy and assigned their proxy to vote as directed, their votes would be recorded in the computer system for calculation on each agenda.

The Chairman also informed the meeting that for shareholders, who wished to leave the meeting before the meeting adjourned, shall return "Registration Receipt" and unused "Voting Form" (if any) to the Company's officer at the entrance of the meeting room.

In addition, TISCO assigned Ernst & Young Office Limited to monitor and oversee the shareholder meeting in order to ensure transparency and compliance with the law and TISCO's Articles of Association. Ernst & Young Office Limited assigned officer as an observer to the registration and vote counting throughout the meeting.

The Chairman proposed that the meeting consider the following agenda:

Agenda 1: To certify the minutes of the Shareholder Ordinary General Meeting for the year 2011

The Chairman proposed that the meeting certify the minutes of the Shareholder Ordinary General Meeting for the year 2011, convened on April 21, 2011. Copies of the minutes had been sent to shareholders along with the Notice of this meeting.

No shareholder objected or requested that the minutes be amended otherwise. The meeting considered the matter and cast votes.

The voting in this agenda item requires a shareholders' resolution with the majority votes of the shareholders who attended the meeting and casted their votes

Resolution: The shareholders **certified** the minutes of the Shareholder Ordinary General Meeting for the year 2011 as proposed, with the votes as presented below:

	<u>Votes</u>	<u>%</u>
• For	448,017,054	99.37
• Against	100	0.00
• Abstain	2,847,850	0.63
• Void	0	0.00

Agenda 2: To ratify the Board of Directors' business activities conducted in 2011 as described in the Annual Report

The Chairman summarised the Board of the Directors' business activities conducted in 2011 and proposed the meeting to ratify the activities. Details were described in the "Report from the Board of Directors" on page A1-A2 of the Annual Report, which had been sent to shareholders along with the Notice of this meeting.

Mr. Ritthichai Yibcharoenporn, a shareholder, asked and the Management explained the issues as follows;

Question: 1) The calculation method for the regulatory capital requirement based on Basel II-International Ratings-Based (IRB) approach 2) The clarification on the statement that "capital adequacy calculation using Basel II – IRB approach truly reflect credit risk profile" stated in the Report from the Board of Directors, and 3) The calculation method for business cycle risk

Answer: Ms. Oranuch Apisaksirikul, the Group CEO, explained that Basel II – IRB approach has been adopted by most of the large financial institutions abroad for calculating its regulatory capital requirement. The calculation is carried out by assigning rating to each group of assets or debtors in order to calculate the Probability of Default (PD) and the Loss Given Default (LGD). The calculated amount, based on at least 5-7 years historical data, will then be used in determining the regulatory capital requirement. In addition, TISCO has also applied this approach to determine loan loss provisioning by calculating the probability of default of each loan for the next 12 months and used the historical loan loss data in determining the reserve amount. This Basel II – IRB approach helps TISCO identify our own risk which differs from Standardized Approach (SA) that uses average risk of the industry in the calculation. After applying this IRB approach for a certain period of time, risk calculation from the approach was proved to be accurate leading to the accurateness in forecasting risk for each business. Thus, TISCO can focus on investing in the business with high risk adjusted return and therefore manage Return on Equity (ROE) effectively.

The IRB Approach also considers the Business Cycle Risk. This risk can be calculated based on historical data and the IRB Approach required at least 5-7 years of historical data, as mentioned earlier. The worst case cycle in each business cycle will be selected for risk and reserve calculation. Furthermore, effective risk management model with high accuracy risk calculation enable TISCO Bank to manage NPL at low level.

Question: The preparation for the enforcement of Basel III implementation given the current regulatory capital Tier-I of approximately 7% as stated in Annual Report.

Answer: Ms. Oranuch Apisaksirikul informed that TISCO has continuously prepared for the Basel III implementation and further explained on the difference between Basel III and Basel II on two main concerns as follows;

- 1) Regulatory Capital Requirement: At present, TISCO Bank's Tier 1 capital ratio stood at 9.5%, remained higher than the minimum requirement by the Bank of Thailand and Basel III. The regulatory capital adequacy ratio (BIS ratio) of TISCO Bank remained higher than 14%, above the 12% target and the regulatory requirement. BIS ratio of TISCO Bank was slightly higher than the consolidated BIS ratio of TISCO Group because the securities and asset management businesses have minimal risk assets. The Tier-I capital ratio of 7.23% presented in Annual Report was TISCO Group consolidated capital requirement based on Standardized Approach (SA) at the end of 2011, However, the ratio shall increase to approximately 9.88% if calculated based on IRB approach. TISCO planned to applied the IRB approach for consolidated capital requirement from the end of year 2012 onward.

The shareholder asked management for rationale that capital requirement calculated based on IRB approach was higher than that calculated with SA approach. He further asked if the result shall be in the same direction in case that other commercial banks calculated their BIS ratio based on IRB Approach.

Ms. Oranuch Apisaksirikul elaborated that the SA approach treated every assets with no difference while IRB approach measured risks for each individual asset. As a result, capital ratio calculated based on IRB approach might be higher or lower than that calculated based on SA approach, depend on risk of certain commercial bank.

- 2) Liquidity Ratio: Liquidity Ratio is used to determine the proportion of liquidity that commercial banks have to maintain. At present, this criteria is under re-consideration as suggested by both domestic and international institutions. The revision period is expected to be around 3 years.

Question: TISCO Bank's strategy to expand deposit base, which should be considered as an important factor for managing cost of funds and new business development (i.e. credit card, housing loan, auto loan, etc.) given a decrease of deposit amount in 2011.

Answer: Mr. Suthas Ruangmanamongkol, director and president of TISCO Bank Public Company Limited, clarified that the Bank has performed asset and liability management. For liabilities management, most of them are from deposits, and other sources of funds i.e. short-term debenture, long-term debentures and other debt securities i.e. Bill of Exchange (B/E) or Promissory Notes (P/N). Despite of the decrease in the deposit volume in 2011, other borrowings have significantly increased especially B/E. TISCO will adjust the funding mix from time to time according to the market and business environment.

Ms. Oranuch Apisaksirikul informed that the company has managed the cost of fund at certain period of time by adjusting the funding mix for the lowest possible financial cost. Considering the shareholder's concern on cross selling based on

depository customer base to other products, while other financial institution may have different cross selling strategy, TISCO has currently satisfied with the utilization of retail loan portfolio database as the major tools for cross selling.

The Chairman further added that the current B/E customers are depository customers who are confident in TISCO. The number of depository and B/E customers is quite satisfactory. By combining the depository and B/E customers with retail loan customer base, the cross selling is considered to be efficient. All in all, TISCO has always focused on expanding customer base to support the continuous business growth. Lastly, the chairman thanked the shareholder for this valuable advise.

Mr. Chatchai Khun-ngam, a shareholder, asked and the Management explained the issues as follows;

Question: Benefit to TISCO group from high growth in Automotive industry especially after the flood and the effect to the company's market share for new car hire purchase loan.

Answer: Ms. Oranuch Apisaksirikul explained that, in general, the growth in automotive market would certainly bring the positive impact to TISCO's automotive hire purchase business. However, TISCO market share might not fully correlated to the industry growth because TISCO tends to focus on business with justified risk-adjusted returns. Thus, hire purchase financing for some automotive brands with high price competition shall not be focused.

The Chairman further elaborated that it was generally perceived that the growth in automotive business would have positive impact on all financial institutions provided hire purchase business. However, the growth in automotive business would also lead to more intense competition in hire purchase market. Thus, TISCO shall consider to invest in the business with appropriated risk-return profile and avoid the highly competitive business which yield unfavorable risk-adjusted return, TISCO shall seek for other alternatives with better return.

Question: Does TISCO Group engage in Proprietary Trading and if do so, how is its current profit/loss status?

Answer: Ms. Oranuch Apisaksirikul explained that the company has not engaged in proprietary trading transaction since 2008. However, there is unrealized gain from the remaining unrealized portfolio at approximately Baht 200 – 300 Million.

The Chairman further clarified that proprietary trading is the transaction that the securities companies trade under their own portfolio for speculative purpose in the stock market. However, since this transaction is not TISCO's core business, the company therefore only manage the remained portfolio at present.

Ms. Chanida Promchainan, a proxy, asked and the Management explained the issues as follows;

Question: Details of market differentiation from the “House of Financial Expertise” Re-Branding.

Answer: Ms. Oranuch Apisaksirikul explained that TISCO group set market position as “Niche Market” and emphasize on “Selective Focus” strategy selecting only high risk-adjusted return business with effective capital reserve utilization. For better brand perception, image and understanding of TISCO business, TISCO group shall communicate these strategies as well as the corporate vision “Wealth of Possibilities” or “To provide a wealth of possibilities to clients for the realization of their goals, through TISCO’s financial knowledge” to clients.

Question: The preparation for the upcoming ASEAN Economic Community (AEC)

Answer: Ms. Oranuch Apisaksirikul clarified that the ASEAN Economic Community (AEC) is the Southeast Asia regional economic integration to create highly competitive single market for goods and services, labour, and capital. However, the single market for labour is expected to be the most possible cooperative. Accordingly, TISCO has the business plan which included the preparation for AEC. Regarding the banking business expansion to ASEAN countries, TISCO has viewed that there are plenty of business opportunity in the local market especially in the provincial areas. The plan is to increase domestic market share by employing local market expertise to create “Local Barrier to Entry” strategy. TISCO’s security brokerage and asset management business might be the first business to be expanded to other ASEAN countries through business partnership with international market network.

Question: Explanation for the increase of interest expense by twofold in the year 2011

Answer: Mr. Suthas Ruangmanamongkol explained that the direction of global interest rate has gone downward since the economic crisis in the year 2008 causing financial institution, especially those with high proportion of hire purchase business, to benefit from increasing interest margin. On the contrary, during the economic recovery period around mid 2010, the interest rate began to be on the upward trend. At that period, interest margin of financial institutions with high proportion of hire purchase business become narrower. Thus, considering interest margin trend would be more important than the change in interest expense. In 2011, despite the increasing interest expense, the interest margin of the company remained at high level.

Ms. Oranuch Apisaksirikul further clarified that the interest rate has been on downward trend during 2008-2009 and began to rise in 2010. However, the impact to the performance of TISCO was minimal in the year 2010. The effect has, however, become evident in 2011. Considering TISCO’s historical interest spread over the longer period, it could be seen that TISCO has efficiently managed the spread whereby the interest rate spread has increased and remained at high level up to present. Besides, higher interest cost in the 2011 was partly due to deposit funding base to retain an excess liquidity in order to prepare for the reduction of the

deposit protection amount down to Baht 1 Million this year.

Ms. Uttaya Jangbumrung, a proxy holder from the Minister of Finance, asked and the Management explained the issue as follows;

Question: Explanation for proposing the shareholders to ratify the Board of Directors' business activities conducted in 2011.

Answer: Ms. Oranuch Apisaksirikul explained that the purpose of proposing the shareholders to ratify the Board of directors' activities conducted over the past year was to provide the opportunity to the shareholders to inquire and opionate on the matter in transparent manner. In recognition to the significance of the rights of shareholders, the Board therefore propose the shareholders to ratify the Board of Directors' business activities conducted.

Mr. Somboon Udomdirekrek asked and the Management explained the issue as follows;

Question: Details of "intangible assets" as described in the financial statement

Answer: Ms. Oranuch Apisaksirikul informed that most of TISCO's intangible assets in the financial statement are deferred tax and computer software. The decrease in such asset in 2011 resulted from the accelerated depreciation of computer software and deferred tax written off. The write off was executed prior to the decrease in corporate tax from 30% to 23% in 2012.

Mr. Chatchai Khun-ngam, a shareholder, proposed the Chairman to proceed to the next agenda while awaiting for voting result, starting from this agenda onward. No shareholder objected otherwise. The Chairman proceeded the next agenda while awaiting for voting result as proposed.

The meeting considered the matter and cast votes.

The voting in this agenda item requires a shareholders' resolution with the majority votes of the shareholders who attended the meeting and casted their votes.

Resolution: The shareholders **ratified** the Board of Directors' business activities conducted in 2011 as described in the Annual Report as proposed, with the votes as presented below:

	<u>Votes</u>	<u>%</u>
• For	475,860,324	99.34
• Against	6,600	0.00
• Abstain	3,178,251	0.66
• Void	0	0.00

Agenda 3: To adopt TISCO Financial Group Public Company Limited and its subsidiary companies' Statement of Financial Position and Statement of Comprehensive Income for the year ended December 31, 2011

The Chairman proposed that the meeting adopt TISCO Financial Group Public Company Limited and its subsidiary companies' Statement of Financial Position and Statement of Comprehensive Income for the year ended December 31, 2011. The Audit Committee agreed with the auditors that the Statement of Financial Position and Statement of Comprehensive Income presented fair and comprehensive performance and financial position of TISCO Group, in compliance with generally accepted accounting principles. Details were published in the Annual Report, which had been sent to shareholders along with the Notice of this meeting. The Chairman invited Ms. Oranuch Apisaksirikul, the Group CEO, to summarize the details of the financial statements.

Ms. Oranuch Apisaksirikul summarized that, TISCO and its subsidiaries have reported a profit of Baht 3,267 Million in the year 2011, increasing by 13.1% from the previous year. The financial statements were audited by Ms. Ratana Jala, a qualified auditor of Ernst & Young Office Limited. Ms. Oranuch Apisaksirikul invited Mr. Chatri Chandrangam, Executive Vice President – Risk and Financial Control, to present the details of the financial statements.

Mr. Chatri Chandrangam presented the meeting with the details and analysis of the Statement of Financial Position and Statement of Comprehensive Income.

Ms. Oranuch Apisaksirikul further elaborated that TISCO is one of the first companies that set up provisions for economic uncertainty since 2009 to prepare for an irregular economic/business situation, resulted in higher-than-normal excess reserve in the year 2010. However, TISCO has gradually lowered such excess reserve and set up provision for bad debt and doubtful accounts at normal rate when the economic has returned to normal in the year 2011.

Mr. Ritthichai Yibcharoenporn, a shareholder, asked and the Management explained the issues as follows;

Question: The impact from the recent flood disaster to the provision for bad debt and the impact from the Flood Alleviated measures provided to clients.

Answer: Ms. Oranuch Apisaksirikul informed that the recent flood incidence was an example of the irregular events that TISCO has set the excess reserve for. As mentioned before, the excess reserve set for economic uncertainty was proven to be beneficial to TISCO. Therefore, the need to set up additional reserve from impact from flood relieved measures and the loan repayment period extension provided to the clients who have been impacted from the flood was minimal, compared with other companies that set the provision varied to the asset quality changes. Besides, the company was able to utilize such reserve (approximately Baht 300-500 Million) during the flooding period. In sum, the impact from the flood to TISCO's business performance was relatively low because few customers were affected and most of the clients granted flood relieved measures have already resumed to normal payment scheme.

Mr. Sakchai Tirathanapiboon, a shareholder, asked and the Management explained the issues as follows;

Question: The preparation to support the enforcement of the Deposit Protection Agency (DPA) Act that will reduce the deposit protection amount to Baht 1 Million in August 2012.

Answer: Ms. Oranuch Apisaksirikul clarified that most of TISCO depository clients were large-scale depositors which normally diversify their funds into several deposit accounts in several financial institutions. Under the normal economic circumstance, Management do not expect these clients to regularly move their deposit across financial institutions. Management expected that individuals with Baht 1 – 10 Million deposit account would be the group with high possibility to move their depository base. However, TISCO expected higher inward accounts than the outward accounts.

Mr. Suppasak Chunlasorn, a shareholder, asked and the Management explained the issues as follows;

Question: The explanation on the decrease in the book value of the investment in AXA Insurance Public Company Limited from Baht 53 Million in 2010 to zero in 2011 despite the remaining of equities holding as stated in Notes to consolidated financial statement No. 5.4.3.

Answer: Ms. Oranuch Apisaksirikul clarified that TISCO has written off the investment in AXA Insurance Public Company Limited as the company forecasted that insurance business would be impacted from the 2011 flood disaster. However, the proportion of the shareholding still remained unchanged.

Question: Policy to set up Excess Reserve in the future

Answer: Ms. Oranuch Apisaksirikul informed that, as previously mentioned, the set up of excess reserve was from the economic uncertainty concept. In the period of exceptionally good economic situation, the excess reserve shall be set aside to be utilized in exceptionally volatile economic period. Currently, TISCO has adequate excess reserve and therefore no need to set up additional reserve. TISCO shall set aside the reserve at normal rate under normal condition or relatively stable economy.

Question: The potential growth of the fee income

Answer: Ms. Oranuch Apisaksirikul explained that the fee income of TISCO group consists of the followings;

- 1) Fee income from securities business which is varied in accordance with the market fluctuation. TISCO, thus, planned to increase the market share in the security market in order to increase such fee. The fee income for asset management business which has steadily growth rate at 10-15% every year.
- 2) Banking fee income especially Bancassurance fee, which is the major source of revenue, has the growth rate at 15-25% every year.

The most fluctuated fee income was the financial advisory fee due to high revenue gained per one business transaction.

Ms. Naruchol Jongrungreung, a shareholder, asked and the Management explained the issues as follows;

Question: The standard or criteria in determining the provision for economic uncertainty with prime concern on impact to dividend payment amount.

Answer: Ms. Oranuch Apisaksirikul explained that TISCO has not set any specific criteria or standard for setting up the reserve for economic uncertainty. TISCO shall consider setting aside such excess reserve based on an evaluation of the irregularity of economy with utmost duty of care.

Regarding the impact to dividend payment, the Chairman further elaborated that such reserve was not only set up with the management's duty of care, but also required the review and approval from the company's Audit Committee as well as the auditors for the appropriation of such reserve.

The meeting considered the matter and cast votes.

(The voting in this agenda item requires a shareholders' resolution with the majority votes of the shareholders who attended the meeting and casted their votes)

Resolution: The shareholders **adopted** TISCO Financial Group Public Company Limited and its subsidiary companies' Statement of Financial Position and Statement of Comprehensive Income for the year ended December 31, 2011 as proposed, with the votes as presented below:

	<u>Votes</u>	<u>%</u>
• For	476,210,050	99.40
• Against	1,600	0.00
• Abstain	2,857,850	0.60
• Void	0	0.00

Agenda 4: To approve the appropriation of profit arising from year 2011 operations for statutory reserve, dividend and others
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The Chairman proposed that the meeting approve the appropriation of profit arising from year 2011 operations for statutory reserve, dividend, and others. The Chairman invited Ms. Oranuch Apisaksirikul, the Group CEO, to summarize the details of this agenda.

Ms. Oranuch Apisaksirikul reported that TISCO shall appropriate 5% of its annual net profit as statutory reserve until this fund attains an amount of 10% of its registered capital. Thus, TISCO appropriated Baht 85,300,000 from the annual profit amount as statutory reserve in 2011. In compliance with the Public Limited Companies Act B.E. 2535, the dividend payment shall be paid based on standalone financial statement. Consequently, the remaining unappropriated

retained earnings based on standalone financial statement available for the dividend payment was detailed as follows:

	Baht
Beginning Unappropriated Retained Earnings 2011	1,768,927,351
Dividend payment from profit arising from 2010 operations	(1,637,735,819)
Net Profit for year 2011	1,705,560,800
Required Statutory Reserve	(85,300,000)
Adjustment: Cumulative effect of change in accounting policy for employee benefit	(36,061,805)
<i>Unappropriated Retained Earnings available for dividend payment for year 2011</i>	<i>1,715,390,528</i>

Total unappropriated retained earnings available for dividend payment for the year ended 2011 was Baht 1,715,390,528 after appropriation of Baht 85,300,000 as statutory reserve.

TISCO Group has a policy to pay dividend at the appropriate rate based on operating performance of the group while also maintaining sufficient Capital Adequacy Ratio (BIS Ratio) for group business expansion. The Board therefore recommended the shareholders to approve the dividend payment from the remaining net profit arising from year 2011 operations at Baht 2.35 per share for common shareholders and preferred shareholders. The proposed dividend payment amount would be approximately Baht 1,711 Million, equivalent to dividend payout ratio of 52.4% on consolidated basis, compared to dividend payout ratio of 56.7% for year 2010. The dividend payment was in accordance with the TISCO dividend policy at the rate of approximately 50% of net profit, depending on the financial performance, capital adequacy, investment plan, and business strategies of the Company. Also, such dividend payment shall have no impact on TISCO's subsidiary's status as a Qualified Bank under the definition of Bank of Thailand. The remaining net profit from year 2011, on consolidated basis, would be appropriated as capital fund.

The meeting considered the matter and cast votes.

(The voting in this agenda item requires a shareholders' resolution with the majority votes of the shareholders who attended the meeting and casted their votes)

Resolution: The shareholders resolved the followings as proposed;

- **Approved** the appropriation of profit arising from year 2011 operations of Baht 85,300,000 as statutory reserve;
- **Approved** the appropriation of profit arising from year 2011 operations after statutory reserve as dividend payment for common and preferred shareholders at Baht 2.35 per share;
- The shareholders whose names are shown in the registration book as of May 8, 2012 will be entitled to receive the dividend;
- Dividend payment shall be made on May 25, 2012; and

- **Approved** the appropriation of profit arising from year 2011 operations after dividend payment, as capital fund according to the Consolidated Supervision guidelines.

with the votes as presented below:

	<u>Votes</u>	<u>%</u>
• For	476,160,650	99.39
• Against	58,600	0.01
• Abstain	2,850,250	0.59
• Void	0	0.00

Agenda 5: To approve the number of directors and the election of directors

The Chairman informed the meeting that since the Agenda 5 and 6 were matters relating to directors, all directors would voluntarily leave the meeting in light of good corporate governance. He proposed the meeting elect a shareholder to conduct the meeting for the Agenda 5 and 6.

The meeting elected Dr. Suwan Valaisathien, a shareholder, to conduct the meeting during the Agenda 5 and 6.

Dr. Suwan Valaisathien informed the meeting that according to TISCO's Articles of Association, the whole Board of Directors shall be simultaneously elected at the general meeting of shareholders of each year. Thus, the current Board of Directors was due to retire today.

He further added that consideration of this agenda would be divided into 2 sections, (1) To approve the number of directors and (2) To approve the election of directors.

Pursuant to TISCO's Articles of Association, the shareholders shall, from time to time by resolution of a general meeting, determine the number of directors which shall not be less than 5, provided that not less than one half of the directors must domicile in Thailand. In addition, the number of directors who are persons of Thai nationality shall be in compliance with related laws, which shall be not less than 75% of the total number of directors.

The Board of Directors, therefore, with recommendations from the Nomination and Compensation Committee, considered the appropriate number of directors for good corporate governance. The qualifications and benefits that each candidate might bring were also considered upon contemplating TISCO's needs, the most suitable board size and composition. The Board therefore proposed that the shareholders approved the number of directors at 12.

Dr. Suwan Valaisathien proposed that the meeting approved the number of board members and informed the meeting that shareholders, present in person or represented by proxy, were entitled to one vote per share.

Dr. Suwan Valaisathien further informed the meeting that TISCO's Articles of Association required cumulative voting for the election of directors. This mechanism would increase the opportunity for minority shareholders to nominate persons to become TISCO directors. He further explained details of Cumulative Voting to the meeting.

In addition to those restricted by laws, the Nomination and Compensation Committee, assigned by the Company's Board of Directors, identified and proposed qualified nominees for director positions as deemed appropriated to ensure the suitable size and composition of the board of directors. TISCO had allowed time frame during October 14 - December 14, 2011 for all shareholders to propose qualified candidate for director position in advance of the Shareholder Ordinary General Meeting for the year 2012. No shareholder has proposed candidates for director position within the mentioned period.

The Nomination and Compensation Committee shall select qualified candidates by considering their knowledge, experiences, sufficient understanding of finance and banking, economics, law or any other related fields based upon the Company's needs and maximize interest, Corporate Governance, laws and relevant rules and regulations for the most appropriate size and composition of the board.

In addition, a person to be nominated or elected as an independent director must meet the requirements in TISCO's Corporate Governance Code of Conduct, which are more stringent than those of the Securities and Exchange of Thailand and the Stock Exchange of Thailand and shall not be related to the Company, other companies in TISCO Group, and management in the manner that may cause conflict of interest.

The Board of Directors, after considering the Nomination and Compensation Committee's recommendation on the qualifications of the candidates, proposed the shareholders to approve the election of the following qualified candidates as the Company's directors. Candidates' profiles were presented in the Notice which had been sent to shareholders.

<u>Name – Surname</u>	<u>Proposed Position</u>
1. Mr. Pliu Mangkornkanok	Director
2. Mr. Hon Kit Shing (Mr. Alexander H. Shing)	Director
3. Ms. Oranuch Apisaksirikul	Director
4. Ms. Krisna Theravuthi	Independent Director
5. Assoc. Prof. Dr. Angkarat Priebjrivat	Independent Director
6. Ms. Panada Kanokwat	Independent Director
7. Prof. Dr. Pranee Tinakorn	Independent Director
8. Ms. Patareeya Benjapolchai	Independent Director
9. Mr. Chainoi Puankosoom	Independent Director
10. Mr. Hirohiko Nomura	Director
11. Mr. Chi-Hao Sun	Director
12. Mr. Suthas Ruangmanamongkol	Director

Dr. Suwan Valaisathien requested that every shareholder who did not cast votes in advance to complete the voting forms and submit them to TISCO's officers to calculate voting results.

The meeting considered the matter and cast votes.

(The voting in this agenda item requires a shareholders' resolution with the majority votes of the shareholders who attended the meeting and casted their votes for the number of directors part. For the election of directors part, cumulative voting will be applied according to the Articles of Association)

Resolution: The shareholders **resolved** the followings as proposed:

- **Approved** the number of directors at 12, with the votes as presented below:

	<u>Votes</u>	<u>%</u>
• For	476,193,550	99.40
• Against	1,600	0.00
• Abstain	2,874,350	0.60
• Void	0	0.00

- **Approved** the election of the following director candidates as the Company's directors, with the votes as presented below:

<u>Name - Surname</u>	<u>For (votes)</u>	<u>Against (votes)</u>
1. Mr. Pliu Mangkornkanok	403,102,454	100
2. Mr. Hon Kit Shing (Mr. Alexander H. Shing)	764,287,511	75,559,043
3. Ms. Oranuch Apisaksirikul	403,101,254	1,300
4. Ms. Krisna Theravuthi	401,657,254	1,492,100
5. Assoc. Prof. Dr. Angkarat Priebjrivat	403,080,454	2,000,100
6. Ms. Panada Kanokwat	403,069,254	100
7. Prof. Dr. Pranee Tinakorn	403,070,254	100
8. Ms. Patareeya Banjapolchai	403,071,254	1,720,100
9. Mr. Chainoi Puankosoom	403,070,454	1,311,900
10. Mr. Hirohiko Nomura	345,072,217	56,696,537
11. Mr. Chi-Hao Sun	837,040,348	2,786,206
12. Mr. Suthas Ruangmanamongkol	399,092,954	3,985,600
Total	5,568,715,662	145,553,186
	Abstain (votes)	34,563,988
	Void (votes)	1,200

<p>Agenda 6: To approve the directors' remuneration and acknowledge current directors' remuneration</p>
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Dr. Suwan Valaisathien informed the meeting that on April 21, 2011, the Shareholder Ordinary General Meeting for the year 2011 approved the annual directors' remuneration in the form of reward, monthly fee, meeting fee and bonus at the amount of not greater than Baht 2,400,000 for the Chairman of the Board and not greater than Baht 500,000 for each Board member, provided that the amount of such remuneration so determined shall be valid until amended. The Board of Directors, under the authority delegated by the shareholders, will determine appropriate amount and the exact amount to be paid each time. Besides, the directors are entitled to receive other remuneration or benefits paid for other appointments or special assignments from the Board of Directors.

According to the Company's Articles of Association, the Board of Directors may assign directors to conduct the businesses on behalf of the Board of Directors. In this connection, the remuneration to be paid to such directors for other appointments or special assignments shall be determined by the Board of Directors. Duties and responsibilities of board members who are

assigned to other committee are detailed under Part 1, Section 8 Management in the Annual Report.

The Nomination and Compensation Committee shall consider appropriate remuneration for director and propose to the Board of Directors. The scale and components of remuneration for directors should be appealing enough to attract and retain quality directors, but avoid excessive pays. Remuneration for non-executive directors should be comparable to the general practice in the industry with regard to work experience and commitment, as well as the benefits each director brings. Directors who are assigned with extra work (being members of other committee, for example) should be paid appropriately. The remuneration to be paid to such director or directors will be approved by the board.

Regarding directors' remuneration for companies in TISCO Group, in addition to directors' remunerations paid to directors of TISCO, the Parent Company, starting from year 2011 there are only remuneration to be paid to directors who do not hold any directorship in TISCO and/or management position in other subsidiary companies in the form of reward, monthly fee, meeting fee, and bonus in the same form and amount to TISCO Board member, to be valid until amended. The Board of Directors, under the authority delegated by the shareholders, will determine appropriate amount and the exact amount to be paid each time. Besides, the directors are entitled to receive other remuneration or benefits paid for other appointments or special assignments from the Board of Directors.

In this regard, the Nomination and Compensation Committee had made an annual review of the directors' remuneration to ensure that remuneration is commensurate with their duties and responsibilities. The study suggested that TISCO current remuneration of directors was still in line with the industry.

The Board, with the recommendation from the Nomination and Compensation Committee, recommended shareholders to approve current annual directors' remuneration in the form of reward, monthly fee, meeting fee and bonus at the amount of not greater than Baht 2,400,000 for the Chairman of the Board and not greater than Baht 500,000 for each Board member, to be valid until amended. The Board of Directors, under the authority delegated by the shareholders, will determine appropriate amount and the exact amount to be paid each time. Besides, the directors are entitled to receive other remuneration or benefits paid for other appointments or special assignments from the Board of Directors. The Board also recommended the shareholders to acknowledge current director remuneration. Details of current director remuneration are as follows:

	Remuneration	
	Monthly Fee (Baht/Month)	Meeting Fee (Baht/Meeting)
Board of Directors		
Chairman	200,000	-
Member	40,000	-
Executive Board		
Chairman	-	40,000
Member	-	35,000
Audit Committee		
Chairperson	-	50,000
Member	-	40,000
Advisor	-	35,000
Nomination and Compensation Committee		
Chairperson	-	50,000
Member	-	40,000

The payment of such remuneration requires the shareholders' resolution with the votes of not less than two-thirds of the total number of votes of shareholders who attended the meeting. Moreover, the directors who held shares were considered as having a conflict of interest in this matter and were not entitled to vote.

The meeting considered the matter and cast votes.

(The voting in this agenda item requires a shareholders' resolution with the votes of not less than two-thirds of the total number of votes of shareholders who attended the meeting. The directors who held shares were considered as having a conflict of interest in this matter and were not entitled to vote)

Resolution: The shareholders **approved** annual directors' remuneration in the form of reward, monthly fee, meeting fee, and bonus at the amount of not greater than Baht 2,400,000 for the Chairman of the Board and not greater than Baht 500,000 for each Board member, to be valid until amended. The Board of Directors, under the authority delegated by the shareholders, will determine appropriate amount and the exact amount to be paid each time. Besides, the directors are entitled to receive other remuneration or benefits paid for other appointments or special assignments from the Board of Directors, as proposed, with the votes as presented below:

	<u>Votes</u>	<u>%</u>
• For	471,177,153	98.35
• Against	9,400	0.00
• Abstain	2,866,850	0.60
• Void	0	0.00

Resolution: The shareholders **approved** the appointment of the following auditors of Ernst & Young Office Limited, with total remuneration of not exceeding Baht 520,000 as proposed, as the Company's auditors for the year 2012;

- Ms. Ratana Jala CPA License No. 3734
- Ms. Rungnapa Lertsuwankul CPA License No. 3516 and,
- Ms. Somjai Khunapasut CPA License No. 4499

Any one of these auditors is authorised to certify the auditor's report, with the votes as presented below:

	<u>Votes</u>	<u>%</u>
• For	476,204,153	99.40
• Against	9,300	0.00
• Abstain	2,859,050	0.60
• Void	0	0.00

Agenda 8: Others, if any

The Chairman informed the meeting that all agenda items had been considered and invited the shareholders to bring forward any additional matters, issues, or concerns that they might wish to discuss.

Mr. Chatchai Khun-ngam, a shareholder, asked and the Management explained the issues as follows;

Question: The impact from Trigger Fund to the security market fluctuation

Answer: Mr. Suthas Ruangmanamongkol explained that Trigger Fund is the fund developed to serve the need of certain type of investor that has no time to follow the movement in the stock market by setting the expected rate of return. When the predetermined criteria reached, a trigger fund will be redeem and/or switch the units by the fund manger on behalf of the investors. Despite the sell of trigger fund might affect the market price, the investment in such fund also bring the positive effect to the market as well.

Question: The opinion on the analyst proclaimed that the company will pay dividend twice a year.

Answer: The Chairman clarified that the company dividend payment has to be approved by the shareholders. However, the payment of dividend has to be considered as deem appropriate to which normally paid only once a year.

A shareholder asked and the Management explained the issues as follows;

Question: The impact from the change of interest rate determined by Monetary Policy Committee.

Answer: Mr. Suthas Ruangmanamongkol explained that the change of market interest rate was not depended solely on policy interest rate. Other factors i.e. the market's liquidity was also brought into the consideration as well. In practice, the major big commercial banks are influenced the market interest rate.

Question: Factors that mostly affected the Company's business performance in the year 2012

Answer: Ms. Oranuch Apisaksirikul informed that the Management gave an importance to most of the factors that might be affected the company's performance. However, the level of impact imposed by each factor may vary, for example, the impact from the world economic may have less impact to the company due to less direct exposure in foreign market and considerable adjusting period.

The Chairman further added that factors that might have direct impact to the company are energy price and interest rate since they are factors which has an influenced to the company's business structure.

Question: Consideration of TISCO as the Market leader in Hire Purchase Business

Answer: Ms. Oranuch Apisaksirikul informed that the decision to operate certain business is determined mainly on the return. The company shall invest on the business with appropriated risk-adjusted return, not focus solely on high market share.

The Chairman further added that to being success or being the market leader could be defined from several aspects i.e. profit, market share, service or business size. For TISCO, customer satisfaction and long term customer relationship are the main concern.

Question: Impact from the enforcement of the Deposit Protection Agency Act

Answer: Ms. Oranuch Apisaksirikul informed that at present the impact from such enforcement remained subtle as most of the major clients has dispersed their deposit in several financial institutions. The possible affect customer group is the one with the deposit amount from Baht 1 – 10 Million which remained under coverage in the year 2011.

Question: Possibility for high capital gain on the company's share price similar to the large commercial banks.

Answer: Ms. Oranuch Apisaksirikul clarified that the share of the large commercial bank has high trading liquidity and is able to serve the large trade volume. These made foreign investors interested in such shares. While the share of the company has a distinctive characteristic emphasis on long term fundamental attracted most of the investors in institutional and foreign sectors.

The chairman further added that the decision to invest in each type of securities is varied depended on type of investors as well. For the company's share, long term investment is much more emphasized.

A shareholder asked and the Management explained the issues as follows;

Question: Preparation for the commission fee liberalization and current average commission fee as well as the forecasted commission after the liberalization.

Answer: Ms. Oranuch Apisaksirikul clarified that TISCO Securities focused on institutional clients which prefer the quality of services, analyst and research articles rather than price. Regarding, the average commission fee, it is currently around 0.20-0.21% and expected to be slightly lower after the liberalization.

For this subject matter, the Chairman invited Ms. Patareeya Benjapolchai, independent director and the member of audit committee of the company for further remark. Ms. Patareeya Benjapolchai informed that such liberalization was developed to increase the competitiveness on service quality rather than price, therefore, the impact to the revenue of the company should be at minimal.

There being no other issues, the Chairman thanked the shareholders for attending and adjourned the meeting at 16.30 hours.

Pliu Mangkornkanok

(Mr. Pliu Mangkornkanok)

Chairman of the Meeting and Chairman of the Board