

(Translation)
**Minutes of the 2010 Annual General Meeting of Shareholders
of Thai Airways International Public Company Limited
on Wednesday, 28 April 2010 at Makawan Rangsan Room,
the Army Club, Vibhavadi Rangsit Road, Bangkok**

Shareholders Present:

1.	The Ministry of Finance, holding (represented by Ms. Chutharasa Kanchanasai, proxy)	866,997,841	shares
2.	Other 2,860 shareholders, holding	550,066,923	shares
	Totaling 2,861 shareholders, representing a total of	1,417,064,764	shares

The Meeting commenced at 13.38 hrs.

Mr. Ampon Kittiampon, Chairman of the Board of Directors, presided over the Meeting as the Chairman. There were directors and committees including management executives attending the Meeting as follows:

Board of Directors and Committees

1. Mr. Ampon Kittiampon, Chairman
2. Mr. Sathit Limpongpan, 2nd Vice Chairman and Chairman of the Good Corporate Governance Committee
3. Mr. Chaikasem Nitisiri, 3rd Vice Chairman, Independent Director and Chairman of the Audit Committee
4. Mr. Weerawong Chittmittrapap, Independent Director and Member of the Good Corporate Governance Committee
5. Mr. Banyong Pongpanich, Independent Director and Member of the Risk Management Committee
6. Mr. Amornsuk Noparumpa, Independent Director and Member of the Nomination, Remuneration and Human Resources Development Committee
7. Mr. Pichai Chunhavajira, Independent Director, Chairman of the Risk Management Committee and Member of the Nomination, Remuneration and Human Resources Development Committee
8. Mr. Chaisak Angsuwan, Director, Member of the Nomination, Remuneration and Human Resources Development Committee
9. Mr. Areepong Bhoocha-oom, Director, Member of the Good Corporate Governance Committee and Member of the Risk Management Committee
10. Mr. Kanit Sangsubhan, Director, Member of the Risk Management Committee
11. Mr. Apiporn Pasawat, Director, Member of the Risk Management Committee
12. Mr. Pravich Ratanapian, Director
13. Mr. Piyasvati Amranand, Director, Member of the Good Corporate Governance Committee, Member of the Nomination, Remuneration and Human Resources Development Committee and Member of the Risk Management Committee

Management Executives

1. Mr. Piyasvati Amranand, President
2. Flg.Off. Norahuch Ployyai, Executive Vice President, Operations
3. Mr. Kaweepon Ruangpaka, Executive Vice President, Finance and Accounting
4. Mr. Pandit Chanapai, Executive Vice President, Human Resources and General Management
5. Flt.Lt. Montri Jumrieng, Managing Director, Technical (Executive Vice President level)
6. Mr. Pruet Boobphakam, Executive Vice President, Commercial
7. Mr. Chokechai Panyayong, Executive Vice President, Strategy and Business Development
8. Mr. Apichart Danaivan, Vice President, Risk Management and Insurance
9. Mrs. Suvakhon Nawongs, Vice President, Office of the Internal Audit
10. Mrs. Sunathee Isvasphornchai, Vice President, Public and Corporate Communications
11. Mr. Prakobkiat Ninnart, Vice President, Petroleum and Corporate Insurance
12. Mr. Sathok Worasarin, Special Activities Advisor, Office of the President
13. Mr. Pridi Bunsue, Vice President, Alliance and Loyalty Management
14. Mrs. Chuda Thanabhumi, Vice President, Personnel Management
15. Mrs. Nareeluck Wimooktanon, Vice President, VVIP/VIP Travel Planning and Coordination
16. Mr. Raj Tanta-Nanta, Vice President, Investor Relations
17. Mr. Pichait Riengvatanasuk, Vice President, Corporate Finance
18. Mr. Teeratat Pornpibul, Special Advisor, Office of the Executive Vice President, Operations
19. Mr. Thongchai Singhakul, Vice President, Financial Accounting
20. Mr. Teerapol Chotichanapibal, Vice President, Commercial Development and Support
21. Flt.Lt. Sopit Pokasoowan, Special Advisor, Office of the Executive Vice President, Strategy and Business Development
22. Mr. Danuj Bunnag, Vice President, Market Planning and Revenue Management
23. Ms. Monthicha Kruasuwan, Vice President, Personnel Development and Training
24. Flt.Lt. Charatpong Burutratanaphan, Vice President, General Administration
25. Flg.Off. Naruj Komalarachun, Special Advisor, Office of the Executive Vice President, Operations
26. Mrs. Bhinkham Rohitsathira, Vice President, In-Flight Service
27. Mr. Pichai Chunganuwad, Managing Director, Cargo and Mail Commercial
28. Mr. Chairuek Tippayachan, Special Advisor, Office of the President
29. Sqn.Ldr. Assadawut Wattanangkul, Vice President, Aviation Resources
30. Mr. Smith Pirunsarn, Managing Director, Catering
31. Mr. Lek Klinvibul, Managing Director, Ground Customer Service
32. Mrs. Charita Leelayudth, Vice President, Management Accounting and Budget
33. 2nd Lt. Annusorn Naksrichum, Managing Director, Ground Support and Equipment Services
34. Flg.Off. Wutthichai Sanguanmoo, Vice President, Heavy Maintenance
35. Flg.Off. Chalernpol Intarawong, Vice President, Aircraft Maintenance
36. Flt.Lt. Yuthasit Suwannaloy, Vice President, Technical Support
37. Sqn.Ldr. Wiroj Jutakasut, Vice President, Flight Operation
38. Flt.Lt. Arthit Nakeerak, Vice President, Operations Support
39. Sqn.Ldr. Chairit Srinual, Vice President, Aviation Safety, Security and Standard
40. Mrs. Wasukarn Wisansawatm Vice President, Business Development and Special Service
41. Mr. Ruangyot Pamornmontri, Vice President, Sales and Distribution
42. Mrs. Jirawan Jiasakul, Vice President, Information Technology Service
43. Mr. Woraneti Laoprabang, Vice President, Corporate Strategy and Planning
44. Mr. Niruj Maneepun, Vice President, Legal and Compliance, the Company Secretary

The representatives of the Office of the Auditor General of Thailand (OAG), as the Company's auditor, who were in charge of observing the voting process:

1. Mrs. Yupin Chalanontniwat
2. Mr. Terdpong Pongsaksi
3. Ms. Manussanant Prabsakun
4. Mr. Nonnatee Kruawong

The volunteer shareholders who were vote-counting committee members:

1. Mr. Parinya Kulnawan
2. Mrs. Patthanee Watanasathorn
3. Mr. Pongsarit Rodruangdej

Mr. Ampol Kittiampol, Chairman, informed the Meeting that, in accordance with the Company's Articles of Associations, Article 34 prescribed that in the Shareholders' Meeting, there must be of not less than 25 shareholders and their proxy attending the Meeting, or there must be of not less than a half of all shareholders and their proxies to attend the Meeting, and there must be of not less than total one thirds of the wholly sold shares to constitute the quorum." At present, there was total 1,384 shareholders who were present at the Meeting themselves or their proxy, representing total 1,148,904,466 shares equivalent to 67.62634 % of the total shareholders. Now, the Company had total 106,115 shareholders totaling 1,698,900,950 shares which duly constituted the quorum. Accordingly, the Chairman declared that the Company's 2010 Annual General Meeting of Shareholders (AGM) was opened.

The Chairman introduced the Board of Directors (the Board) and requested the President to introduce the Management Executives (the Management) to the Meeting. Then, the Chairman notified the major shareholder's proxy who attended the Meeting as requested by minor shareholders. The proxies were Ms. Chutharasa Kanchanasai for the Ministry of Finance, Mr. Banyong Pongpanich for the Government Pension Fund and Mr. Setha Paweenapichart for Vayupak Fund 1. Then, the Chairman informed the Meeting in regard to the AGM regulation. The Meeting must be conducted in accordance with the specified agenda which all shareholders had. This Meeting must be conducted according to the agenda, in this regard, Mr. Niruj Maneepun, Vice President, Legal and Compliance Department, the Company Secretary, acting as the Secretary to the Meeting, would inform the shareholders to acknowledge the agenda for voting to be the right practice and in order that the shareholders would acknowledge the voting practice including the vote counting for various agenda.

Mr. Niruj Maneepun, Vice President, Legal and Compliance Department, the Company Secretary, acting as the secretary to the Meeting, informed the Meeting that, in the 2010 AGM, for the purpose of promotion of good corporate governance regarding the protection of shareholders' rights, accordingly, the Company gave the opportunity to the shareholders to propose the affairs to be considered for being the agenda and to nominate the appropriate qualified persons to be considered and elected as members of the Board in the 2010 AGM in advance. In this connection, the details of criteria and method were disclosed in the Company website i.e <http://www.thaiairways.com> as from 25 September 2009. For the 2010 AGM, there were 11 agenda with the details in the Meeting Invitation Notice having been provided to all shareholders in advance.

Regulation of the Meeting:

In accordance with the Company's Articles of Association, Article 36 stipulated that "The Chairman of a Meeting shall conduct the Meeting in accordance with the Company's Articles of Association relating to Meetings, and shall cause the Meeting to be conducted in accordance with the order of the agenda as stated in the invitation to the Meeting, unless the Meeting resolves to change the order of the agenda by securing the votes of at least two-thirds (2/3) of the number of shareholders present at the Meeting."

Expression of opinions:

Any person wishing to express his/her opinion at the Meeting must raise his/her hand. When permission was granted by the Chairman, he/she must walk to a designated location and declared his/her name, last name, as well as his/her status as a shareholder or a proxy, and then expressed his/her opinion with respect to the subject matter of the agenda item under consideration. If there were many shareholders raising their hands, the Chairman or the person conducting the Meeting in place of the Chairman at that time, might permit either shareholder to inquire or to express his/her opinion, by taking into consideration the shareholder who had not yet inquired or expressed his/her opinion first. Such expression of opinion must be under the issue or in relation to the issue under discussion, and he/she must not use unnecessary, repetitious wordings. The person expressing his/her opinion must not act in impolite manner and must not use impolite wordings. He/she must not slander others, must not be sarcastic, or express aggressive manner in the Meeting. He/she should avoid speaking the wordings which might result in criminal offence or violation of civil right of others. For the control of Meeting time to be appropriate, the Chairman might limit the number of inquiries of the shareholders who would express their opinions of each agenda item as necessary. If either shareholder did not comply with the afore-mentioned practice, the Chairman or the person conducting the Meeting in place of the Chairman during such time or the Secretary to the Meeting would inform such incompliance to shareholder and would seek for improvement from such shareholder in order that the Meeting would be in good order and efficient, accordingly, it would be beneficial to both Company and all shareholders.

Voting:

If any shareholder would like to vote against, the Chairman would ask such shareholder and the proxy who would like to vote against, or to abstain, to indicate their votes on a ballot.

Vote counting and announcement of voting results:

For each agenda, only the votes of shareholders who voted against it, or who abstained from voting, would be counted. The votes cast in disagreement or abstentions would be deducted from the total votes of the shareholders in attendance at the Meeting. The remaining votes would be considered as affirmative votes for such agenda item.

Invalid votes:

Votes would be invalid

- If the votes cast in the ballots did not correspond to an agenda item proposed for voting;
- If shareholders marked nothing in the voting space before submitting their ballots to an officer for vote counting;
- If the ballots were so damaged that the voters' intention could not be determined; or
- If the Company found out later that a proxy failed to vote according to the shareholders' intention;

Then, the Chairman would ask three (3) volunteer shareholders to join the vote-counting committee and asked the representatives of the OAG as the Company's auditor, to observe the voting process. Additionally, the three (3) volunteer shareholders would be asked to vote on every agenda item proposed for voting. The Chairman then invited the three (3) volunteer shareholders to present themselves to be the vote-counting committee.

Agenda 1 **Report from the Chairman**

The Chairman informed the Meeting that, the current Board of Directors was appointed by the last AGM to solve the Company crisis due to the global aviation business downturn resulting from the world economic regression including the aviation fuel price fluctuation. In the last year, the Board had solved the basic problem by mean of the implement of Company's 4 basic policies as follows:

Firstly, the policy was to adjust the management system by separating the authorities between the policy sides i.e. the Board and the Management clearly. There was the concrete implementation on this matter, that is to say, the Board had the resolution and commenced such implementation. In terms of the personnel management, the Company was previously responsible for nomination and consideration on appointment of the executives at the level of Executive Vice President and Vice President more than 40 positions. However, at present, the Board would nominate and consider appointing only 7 major positions, which were President, and 6 positions of Executive Vice President. With regard to other personnel management of the Company, it would be the duty of the Management (the President) who was authorized by the Board to take action on such matter. Accordingly, this was in compliance with the practice of general listed companies. Besides, in order that the Company's management in various aspects would be transparent under the good corporate governance principle and in order that it would result in the efficiency and productivity of management, as a consequence, there was more transfer of management authority from the Board to the Management. There was more authority for the President in regarding the management of general matter, for instance, there was an increase of procurement authority up to the maximum amount of 200 Million Baht and authority of fuel price management was up to the maximum amount of 500 Million Baht. This was in accordance with the criteria of generally large corporate in the stock market.

Secondly, in addition to the implementation of Company's business rehabilitation plan during the urgent period of time, the Board also took the shareholders' opinion into consideration and such opinion was the basis for determining the Company's action plan in terms of expense reduction, revenue increasing and risk management. In regard to the Board, there was the reduction of expense by reducing the Board remuneration and benefit, that is to say reduce the meeting allowance reduced by 25% and the benefit in regard to the ticket reduced by 50% according to the notice raised by the shareholders in the last Meeting. In addition, in this year 2010, the Board had considered and was of the opinion that the Company had not yet safe from the financial crisis, although there was the Company's profit shown to public, nonetheless, the Company had continuously lacked of the liquidity. Therefore, the Board voluntarily reduced their meeting allowance at the same rate of that of the previous year, that is the meeting allowance reduced by 25% and the benefit in regard to the ticket reduced to be only 10 tickets per year representing 67% of the benefit that they used to obtain. In terms of the Management, there was also the reduction of benefits and the President would further explain this matter to the Meeting.

Thirdly, for the past period of time, the Board had carried out the improvement of products and financial restructuring under business rehabilitation plan in all aspects. However, the Board accepted that the past operation, for instance, personnel management, procurement of aircraft fleet, often had its annual action plan or short-term plan, consequently, the growth was instable. Therefore, the Board jointly with the Management established the 10-year strategic plan and to have a great reform in order that the Company would have stable and sustainable growth. In this connection, the Company had already proposed such strategic plan to the National Economic and Social Development Board (NESDB) and the Minister of the Ministry of Transport for further consideration.

Lastly, the Board had stressed the importance of the good corporate governance system, equity, responsibility for duty and ethics of the Company. Thus, the Company established an organization to accept the complaints and to create the procedure of equity promotion in various aspects, including the preparation of the rule in regard to the complaint on the dishonesty and non-compliance with the rule and regulation, code of good corporate governance and code of ethics of the Company which were created to enforce all levels of Company's employees. Additionally, the Company also did various activities in many projects in accordance with the Corporate Social Responsibility principle especially this year was the Company's 50th anniversary of operation therefore the Company would focus more on the Corporate Social Responsibility.

However, although the Company was able to tackle the crisis at a level, but there were still many obstacles that the Company must overcome. The Board confirmed that it would not give up in solving the problems and in organization development; it would be in cooperation with and to support the Management for the efficiency of working and to become the leading company who can compete others with sustainability. In addition, the Company would adopt the Self-Sufficiency philosophy to be the Company's operation principle.

Mr. Monchai Rabruentaveesuk, shareholder and proxy, expressed his opinion regarding the affair explained by the Chairman that it was appreciated but it was partially truth and he gave the notice that, in the previous meeting the Company was responsible for the duty stamp of the shareholders' proxies, but this year the shareholders must be responsible for their own duty stamp. Besides, he also expressed his opinion in regard to the increase of authority to the President in relation the Jet Fuel Price Hedging that it was worrisome if the President would be responsible for such hedging, because in the past year the Company had loss exceeding 6 Thousand Million Baht regarding such matter. In addition, there was another worry that is according to the news the Chairman supported the formation of Executive Committee which was between the Board and the Management. He was of the opinion that the formation of such Board would undermine the President's authority regarding the Management. In terms of the good corporate governance, he submitted the complaint on 7 October 2009 in connection with the punishment of the employee who committed an offence in regard to the taking of lease of hotel's room for crew and he used to ask the Company for clarification. Up to now, it had been over 6 months that the Company had not replied him yet, and in case that a member of the board carrying over 40 pieces of luggage with 300 to 400 KGS, the offender had not yet punished, but the Company approved the offender's resignation. That circumstance damaged the Company's good corporate governance system, accordingly, he asked the Company to clarify the policy in connection with the counter of corruption in the Company.

Mr. Prasert Lertyaso, shareholder, expressed his opinion regarding the process to be was incorrect, the shareholders did not acknowledge and approved and he proposed to adjourn Agenda 10, RE: To Consider on the Appointment of Directors, to be considered prior to the consideration on the approval of the minutes of the 2009 AGM and he also asked the Board to reply the inquiry remaining from the previous Meeting.

Mr. Thong-In Saeng-ngam, shareholder, proposed the Chairman to conduct the Meeting according to its agenda and not permit the shareholders to express the opinion or to inquire the mater not relating to the issue in order that the Meeting would be further proceeded with the best efficiency and said that he submitted the letter dated 15 June to the Company proposing about the solution of Company's liquidity problem by mean of reduction of expense, increase of revenue as the Chairman reported the Meeting under the Agenda 1. Moreover, there was his another proposal proposing the Company to sell A340-500 Airbus planes because there was a lot of expense for the maintenance and was not worth to make revenue from flying such planes. Thus, he asked for the reason that his proposal was not contained in the Company's action plan.

The Chairman explained about the taking lease on the hotels room for crew including the investigation regarding cases that the Company had carried the investigation and the punishment according to the Company's regulations and the aforementioned person was dismissed from Vice President. If the shareholders looked into the past profile of the Company, the shareholders would found that there had never been the dismissal like this before. The President would explain about the details of such implementation to the Meeting later. Then, the Chairman explained in relation to the process for assuming the office as a member of the Board and the Chairman of the Board that the current Board of Directors was appointed by the previous year's AGM and he was appointed by the Board's Meeting No.1 as the Chairman of the Board in accordance with the details contained in the minutes of such Meeting. In terms of the assuming of the office as of President of Mr. Piyasvasti Amranand, it was lawfully in accordance with both Company's Articles of Association and relevant laws including the Act on Standard and Qualifications of Committee Members and Officials of State Enterprise. In case of Mr. Wallop, the Company assigned the lawyer to submit the Notice to him and at present, the case file was at the Office of the National Anti-Corruption Commission already.

Ms. Warrawimol Na Ranong, proxy, asked about the case of Mr. Pruet Boobphakam, she was of the opinion that it was the same as Mr. Wallop's case, thus, it was likely to be under the authority of the President to consider and make decision. In addition, if there was the appointment of the Fact Examination Committee, and there was the decision, why did the offender still performed his duty, he should be suspended from job like other case.

The Chairman explained that the appointment of the Fact Examination Committee was under the authority of the President and the fact examination had already been completed, as a result Mr. Pruet Boobphakam was punished with a penalty as same as Mr. Wallop's case. Additionally, there had also been the punishment according to the Management decision.

Mr. Thammanoon Chulamanechote, shareholder, asked the Chairman to check the accuracy of the Power of Attorney of the Company's major shareholders whether they were in compliance with the Regulation of Form of Power of Attorney, Form Gor., Form Khor., Form Kor., attached to the Announcement of Department of Business Development, Ministry of Commerce, RE: Determination of Power of Attorney (5th Issue) B.E.2550, in accordance with the Limited Public Company or not, prior to the voting of subsequent agenda.

The Chairman explained that the Company's Secretary confirmed that there has already been checked the Power of Attorney of the Ministry of Finance represented by Ms.Chutharasa Kanchanasai, the Government Pension Fund represented by Mr.Banyong Pongpanich and the Vayupak Fund 1 represented by Mr.Setha Paweenapichart and such Power of Attorney were correct and there had already been the letters from relevant state agencies confirming the status of such shareholders.

No shareholders further inquired or expressed their opinions, and then the Chairman conducted the Meeting on the Agenda 2.

The Meeting acknowledged accordingly.

Agenda 2 **To Consider adopting the Minutes of the 2009 Annual General Meeting of Shareholders held on Wednesday, 22 April 2009**

The Chairman proposed the shareholders to consider adopting the Minutes of the 2009 AGM held on Wednesday, 22 April 2009 as sent to the shareholders together with the Notice of Meeting Invitation sent to the shareholders on 12 April 2010 which is exceeding 14 days in advance in compliance with the regulation of the Stock Exchange of Thailand and the Securities and Exchange Commission, and the Chairman stated that first of all, the Company's Secretary proposed to amend the

Minutes of the 2009 AGM as the shareholder had sent the letter to amend the contents in such Minutes, therefore, the Chairman asked the Secretary to the Meeting explained this matter to the shareholders.

The Secretary to the Meeting explained that the shareholder had sent the letter to amend the contents in such Minutes of the 2009 AGM as sent to the shareholders, as follows:-

- On page 8, 10, 14, 23, 29, 47, 52, 60 and 64, from the original statement as follows: “Mr. Monchai Rabruentaveesuk, shareholder and proxy who are his family members, the Company’s staff and many of the general public” to “Mr. Monchai Rabruentaveesuk, shareholder and proxy”
- On page 10, Item 3, the shareholder requested to add as follows “Moreover, Mr. Apinan also said that Airbus 330 aircraft is not the old aircrafts, over 100 aircrafts are still ordered by the US government”;
- On page 14, Item 3, Line 4 from bottom, from the original statements “it can be summarized by itself” to “it can be summarized with A grade”;
- On page 15, Line 10,11 and 14 from the original statements “Rolls Royce brand” to “*Rolls-sa-roi* Brand” according to the real intention of the shareholder who expressed his/her opinion;
- On page 15, Line 10 and 11, there must be an addition of the word “times” for the understanding of readers of the Minutes, so, the original statements “its life cycle for usage is only 6,000 if we compared it with other 2 American brands, their life for usage was 9,000 and over 10,000” must be amended to be “its life cycle for usage is only 6,000 times if we compared it with other 2 American brands, their life cycle for usage was 9,000 times and over 10,000 times”;
- On page 23, there must be the addition of the phase “Item 4. Was the error and damage due to the Executive and Board of Directors’ lack of knowledge and competency or not” Would the national airline be collapsed by these executives or not, because if we compared the operating result with other airlines, which were
 - 4.1 Singapore which could use its Budget Airline i.e. Silk Air to compete its lower end of the market and it could have the profit, but Nok Air (which its parent company was THAI) was pressed by THAI until it had the loss. Therefore, it showed the lack of vision of management of this Board which comprised 15 members, such number was more than Singapore who comprised only 9 members.;
 - 4.2 THAI had over 40 Vice President Positions, which was the most number of the world comparing with other worldwide airlines. Some airlines had their aircrafts and flying routes more than THAI does, this can prove with the code of positions (which in 2 alternating English letters, accordingly, such alternating letters were inadequate, thus, the digits 1 to 9 were also used. Moreover, the most important matter was whether the Company would have profit or loss, the executive who committed offence was still promoted. As a result, that action discouraged the employees’ willpower and human resource as well.”

- On page 29, Line 6 from the bottom, the original statements “totaling over a Thousand Million Baht” must be amended to be “the total loan from Government Saving Bank was 4 Thousand Million Baht”;
- On page 29, Line 3 from the bottom, there must be the addition of phases following the original statements “I think that it is the matter to be evaluated as follow:

THAI share price decreased from the price during AGM in April 2008 from 28 Baht per share to be under its par value i.e.10 Baht per share for long time, its price decreased to 6.80 Baht on 8 December 2008, and its lowest price was 6.40 to 6.60 Baht during 20 to 23 January 2009. Its price was just above its par value on the past 16to17 April. Accordingly, the executives are requested to acknowledge the shareholders’ bitterness. Although the shareholders did not have many shares but they bought the shares when its price was in the amount of 60 Baht. Some shareholders bought shares last year when its price was in the amount of 28 Baht and it was in the amount of 12 Baht today, they must suffer loss because they love their nation, thus, they purchased THAI shares. In addition, the management style was the cause of mistake because DD favored his friend in setting up special projects in THAI; as a result, there was the damage, which might be the same as Alitalia Airline and Swiss Air Airline. The executives must be responsible according to law, social rule or law of Karma in the end. In this connection, the shareholders’ group would further take legal action in court.”

- On page 29, last line to page 30, first line, amending the original statements “the economic started to arise Lehman, 3rd quarter, 4th quarter, on 8th month, 9th month, did you make the profit?” must be amended to be “the economic started to arise Lehman crisis during final quarters for 3 to 4 months, for other 8 to 9 months, did you make any profit for the Company?”
- On page 30, there must be the addition of wordings following the statements of opinion expression as follows “ sample of telling a lie to shareholders, for instance, Khun Pichai stated in the 2006 AGM (at Police Club) appeared in the Minutes, which the shareholders were invited to attend the AGM on 27 December 2007, on page 10 that, the net profit per revenue from sale and service of other worldwide airline in accordance with the benchmark, they were in similar ratio, depending on the financial structure of each country, it was false because after comparing with Singapore Airline, it had profit three times more than THAI in three times for 3 consecutive years. Khun Ngamnit tried to reply in last year that the quarter accounting period of was different thus the Meeting was required to reply all inquiries with truth.”

The Chairman asked whether there were other shareholders wishing to raise an objection or to otherwise amend the minutes of the Meeting or not.

Mr. Monchai Rabruentaveesuk, shareholder and proxy, gave the notice that the recording of the minutes in the past for many times, if the executives did wrong, they often did not dare to record such wrong doing in the minutes. The submission of minutes without recording of Board of Directors and Executives’ reports to the Stock Exchange of Thailand might be the giving of falsely official statement. In addition, he also expressed thank to the Secretary to the Meeting who proposed the matter which he asked to amend. However, there was partial matter which he requested for amendment, but the Company claimed that it was the part that was not in the audio recording tape but he considered that such part could not be neglected. Such part was his statement regarding the

Company's damage exceeding 20,000 Million Baht in the last year. He said that there must be the person responsible for such damage. Therefore, he asked the Company to add such part in the minutes because it would have an effect to any future legal proceeding. Additionally, prior to the Meeting was adjourned, he had to proposed in regard to the providing minor shareholders with opportunity to jointly be a member of sub-committee of financial audit or the good corporate governance of the Company including the proposal to the Company to hold the drawing of lot for free air ticket to be an incentive for the shareholders who attended the meeting but the Company neglected to record such matter in the minutes and did not consider to implement such matter. He was so sorry for that accordingly, therefore he asked the Company to add such three parts into the minutes.

Mr. Wisudhu Sahachartmanop, shareholder, congratulated with Mr. Prawit Ratanapien who jointly managed the Company and he would like to add wordings on page 17 to 18 of the minutes as follows:-

He filed the lawsuit against the Company and the executives to liable personally in case of corruption in purchasing of Airbus A330-300 aircrafts, which its black case number was 4485/51. However, there was the notice that although the Board result had found that such persons had actually committed the offence, but they had been trusted to further act as the Company's executives, consequently, he asked the Company for explanation on this matter. Besides, the Company purchased 3 Airbus A330-300 aircrafts in the amount of 4,000 Million Baht per each aircraft, totaling 12,000 Million Baht, and had made the advance payment prior to proposing the purchase to the Cabinet for consideration and approval. Subsequently, the Cabinet did not approve such purchase but the Company still made the payment to Airbus. At present, the whole 3 aircrafts still parked in France, so he would like to ask the Company about the person who would be responsible for the expense of such parking and the whole damages. In terms of the corruption regarding the providing of hotel in foreign country which he had already taken legal proceeding in the same lawsuit whose its black case number was 4485/51, before he filed the lawsuit, he had made the complaint via email to the Company and according to the Company's investigation result, it could be concluded that the accused had actually committed the offence. Nonetheless, the documents of his complaint had been passed to the accused and the accused had brought such documents to file lawsuit against him and had filed the counter-claim, accordingly, he asked why the Management had treated him like this because he acted as minor shareholder to protect the Company's benefit, while the major shareholder, for instance, the Ministry of Finance, did not take any action on this matter, not even joined him as a co-plaintiff of the lawsuit. In regard to the Company's organizations, there were many organizations expressly declared that they were ready to investigate the Management Executives' corruption but they failed to take action on such matter. Additionally, with regard to the incident of theft on 27 November 1998, there were 3 accomplices, on 18 April 2009, he notified this incident to the Meeting on 24 April 2009, then, the Company made the complaint and the public prosecutor ordered to file the lawsuit in past July, at present, the lawsuit was under the court hearing but the Company punished the offenders with the salary deduction, such incidents were the samples of destroyed the good principle of personnel management of the Company and it might be the source of thefts in Company for many cases because due to such Company's punishment which was not strong, that is to say, it was just the deduction of salary.

Mr. Peerapat Pongrojphao, proxy, proposed the Chairman to conduct the Meeting according to the agenda, or else, the Meeting would not end.

Pol.Col. Sermkiat Bumrungpruek, shareholder and proxy, mentioned about his opinion in an important matter expressed in the previous Meeting as shown in the minutes and wished the Meeting to follow up the following matters. Firstly, the main causes of the Company's loss which was due to the lack of serious care of management of the Board. There must be the Duty of Loyalty and Care according to the criteria stipulated by law for the public company listed in the stock market. Secondly, the remedy of incurred damage due to the blockade of Suvarnabhumi Airport and Don

Muang Airport in regard to taking legal proceeding for both criminal and civil lawsuits. Thirdly, the interference domination from the politicians or any other interest groups. Lastly, the appointment of the previous Company's Board of Directors, there were the persons being with the scope that they were forbidden by law but such there was the resolution to appoint such person who was the previous Permanent Secretary of Ministry of Finance and he asked whether such member of the Board retired from his position at present and the cause of such retirement.

The Chairman replied the shareholders inquiries and explained as follows:

The Chairman replied the inquiry of Pol.Col. Sermkiat Bumrungpruek about the retirement of Mr. Suparat Kawatkul, Permanent Secretary of Ministry of Finance, that he resigned from member of the Board as from the Board Meeting No.2. In terms of the proposal of remedy for damage due to the blockade of Suvarnabhumi Airport and Don Muang Airport, the Company had already filed the civil lawsuit to the court, with regard to the criminal lawsuit, the police officers were taking action to further file the lawsuit.

The Chairman accepted all opinions of Mr. Wisudhu Sahachartmanop and further explained about the corruption of providing of hotel in foreign countries that the Company had taken action and the offenders had been removed from their positions, and there had never been such action. In terms of the purchase of Airbus A330-300 aircrafts, currently, the Board had received the fact investigation file and had already appointed the sub-committee having Mr. Chaikasem Nitisiri as the Chairman, in order to take action in accordance with the Company's rule and regulation strictly and there had been the record of damages and complaints including the fixing of plan for bringing back such aircrafts to fly at the soonest.

Then, the Chairman asked the Meeting to consider and pass the resolution.

The Meeting resolved, with the majority votes of the shareholders who attended the Meeting and having the right to vote, to approve the Minutes of the 2009 AGM held on 22 April 2009 as follows:-

Affirmative Votes:	1,360,649,169	representing	96.03%
Negative Votes:	435,301	representing	00.03%
Abstention:	55,814,200	representing	03.94%

Agenda 3 **To Acknowledge the Report on the Company operating result for the year 2009**

The Chairman asked Mr. Piyasvasti Amranand, President, to report this Agenda.

Mr. Piyasvasti Amranand, President, reported to the Meeting that, in the year 2007 there was the world severe economics regression and Thailand faced the politics problem, incident of airports blockade and high increase of oil price, as a consequence, in the year 2008, the Company had the loss exceeding 21,000 Million Baht. In the year 2009, the Company still confronted many crises in addition to the continuous world's economic downturn from the previous year. The incident of H1N1 breakout affecting global aviation business resulting in the international traveling much slowdown, but the Company was also affected by the domestic political problems. Therefore, although the world oil price decreased from the past year which helped lessen the effect from crises slightly, however, the Company was generally affected by such factors more severe than that of other worldwide airplanes. As seen from the previous year's month of April, the volume of transport of passengers and goods decreased approximately by 20-30% when comparing with that of the same period of time of the previous year while the competition of aviation business was higher. Many airlines had brought new aircrafts to fly, especially the Middle East airlines, as a result, the number of passengers decreased but the world's production volume was higher, thus, there was the widespread and severe competition of airfare reduction, accordingly, the average airfare calculated from Revenue Passengers Kilometer

(RPK) or called “Yield” had deeply decreased. Due to the effect from many crises affecting the Company’s operating result and financial standing, therefore, during the mid of year 2009, the Company had prepared the urgent business rehabilitation plan in order to fix the plan for solving the business operation problem and to take care of the Company’s liquidity by mean of determination of measure to reduce various expenses, the network development, new route opening and the important solution was to receive additional loan from domestic banks in the amount of 35,000 Million Baht in order to solve the problem on liquidity rapidly decreased at the end of year 2008. The aforementioned solution moderately reduced the Company’s problems. The Company was able to maintain its liquidity according to the plan. However, due to the abovementioned factors, the Company still suffered the loss during the first nine months of the year 2009 approximately in the amount of 1,100 Million Baht.

In terms of the measure on expense reduction, the Company had reduced its expenses in various aspects. There was the target to reduce the expense which was not the fuel expense in the amount up to 12,000 Million Baht. The sample of measures of expense reduction, were, for instance, the reduction of expense regarding employees, no salary raise, no bonus, reduction of overtime pay, review of expenses in accordance with agreements in relation to the hotel for crew including the negotiation for reduction of hotel related expense, change of hotels, reduction of number of nights which the crew and pilots must stay overnight, such measures were the major factors which maintained the Company’s financial standing not to suffer the loss exceeding 1,100 Million Bath during the first nine months of the year 2009.

At the beginning of the fourth quarter, the aviation business situation started to improve. The number of passengers and goods were higher than that of the previous year. The increase of passenger number caused the rate of passengers transport or called “Cabin Factor”, that is to say, the number of transported passengers divided by all existing number of seats, was exceeding 70%. Consequently, the Company was able to increase the revenue per each passenger from the sold air ticket and able to decrease the air ticket of the low airfare group. As a result, the total operating result of the Company in the year 2009 could generate the profit once again. There was the net profit in the amount of 7,344 Million Baht. Its EBITDA was equivalent to 30,297 Million Baht. If we considered on the decrease of revenue in the previous year due to the decrease of volume of transport of passengers and goods including parcel post, the revenue decreased approximately by 19.1% but expense decreased by 31%, it was partly due to the fuel price decrease, but the important part was due to the measure of reduction of expense which was not fuel, accordingly, it met the fixed target. After having considered the overview of volume of transport of passengers called “RPK”, that is to say, the volume of transport of passenger per kilometer would not be as low as that of the midyear, which decreased by 20% from the same period of the previous year. Consequently, RPK of the year 2009 generally decreased only by 6.7% from the year 2007. The volume of transport of goods per kilometer decreased only by 8.7%, the Cabin Factor was at the percentage of 73% which was far better that that of the midyear.

Besides, the Company had prepared the strategic plan for the Company’s operation for the next 3-4 years called “TG 100”. This strategic plan had an aim to make THAI to become one of the best airlines of Asia and of the world again, to have stable and sustainable financial standing, to be efficient, to have low cost, to be able to compete with other airlines. Currently, the strategic plan started to be implemented. There were 9 strategies of the plan, for instance, the improvement of quality of service and products, the improvement of aviation network and aircraft fleet, the improvement of financial structure to be strong, the reduction of cost and the improvement of management to be more efficient. All the aforementioned matters’ implementation had been started. Some matters had reasonable progress; some matters were expected to be concrete soon. The Agenda 9 proposed for the Meeting consideration was a part of strategic plan, that is to say, the Company’s financial structure improvement to be strong in order to be able to expand the business and to rehabilitate the Company’s aircraft fleet in the future. He believed that the measures which had been implemented by the Board and the Management, especially for the implementation according to the strategic plan, would cause

the Company to become the stable organization again, to have stable financial standing, and to be one of the best airlines of the Asia and the world soon.

The Chairman expressed his thanks to the President and asked the Meeting whether any shareholder had any inquiry or not.

Mr. Thong-in Saeng-ngam, shareholder, gave a notice that the Company's total net profit of the four quarters which was in the amount of 7,340 Million Baht or 4.32 Baht per share did not reflect the performance of the Board but it was a matter of market mechanism. Normally, the first quarter was the high season of tourism, thus, there were a lot of passengers during the first quarter, accordingly, the Company had generated the profit up to 7,900 Million Baht, while the second to the fourth quarters, the Company suffered the loss. According to the Chairman's statement that the Company would be the leading airline, in fact, the Company had been the leading airline of Asia for long time. THAI was the second only to Singapore Airline or called "SIA". In addition, he thought that it was hard that THAI would become the best airline of the world because THAI would not likely to be able to defeat the Singapore Airline because Singapore Airline was not the state enterprise, it was not dominated by any politicians or group of politicians. Additionally, he also expressed his opinion about the increase of airfare of domestic flight by 40-50%. The cancellation of flying route which had existed over 50 years was incorrect, the improvement of seats on the aircraft incurred the expense up to 6,000 Million Baht, the fact about the purchased aircrafts which were unable to fly, and the Company had changed its accounting year's end from 30 September to be 31 December as from the year 2007. As far as he knew, there had not been any amendment of such matter in the Company's Articles of Association, in Chapter 6, regarding the accounting, finance, audit and dividend.

Mr. Suthep Suebsantatiwong, shareholder, expressed his opinion regarding the money in the amount of 6,000 Million Baht in London that this matter should be finalized because he was assigned jointly with Mr. Borwornsak Uwanno to investigate this matter. There was the result of investigation that it was not in relation to the Management Executives' or the Company's employees corruption but it was due to the *force majeure*. Further, he also expressed his opinion about the news in Prachachat Business which the Company would withdraw from Billing Settlement System (BSP). He disagreed with such withdrawal because the BSP was very beneficial to the Company in terms of decreasing number of new employees, confidential documents, he also thought that the Company should assign the appropriate employees to take part in the relevant companies group, for instance, Star Group, Amadeus Group, especially for Star Group who had a lot of expense on Contribution Cost. It could be seen that all projects joined by the Company had a lot of Contribution Cost, for instance, BSP system, etc. The Company must pay Contribution Fee most because the Company had market share for the sale of airticket at the ratio of 50% of the whole market. Moreover, according to the news, the Company must pay more in the amount of 550 Million Baht from the damages due to the loss of money in the BSP System. It reflected that the Company did not pay attention to the BSP System because if the Company was interested in the System, there would not be such damage. Further, he also expressed his opinion about the airfare of domestic flight, if it would be actually increased by 30-40%, he thought that the Company would lose its domestic market in the end because the current market mainly competed on its airfare. If the Company increased the airfare, the passengers would use other airlines which had cheaper airfare. Thus, he asked the Company to explain the decision of the increase of Company's domestic flights airfare. Besides, he expressed his opinion about the good corporate governance that he would like to see the state agency which can really counter the corruption, he still had doubt regarding Amadeus Group incident, and he would like to ask the Company for explanation.

Mr. Wisudhu Sahachartmanop, shareholder, stated that the Meeting was likely to be prolonged, thus, if he expressed his opinion more, the Meeting would be further prolonged. In order to shorten the Meeting period of time, he would like to deliver the documents which he would express his

opinion to the Chairman for signing to receive such documents and he would like to ask for the Chairman's promise to contain the contents of his documents in the minutes.

The Chairman explained about the Amadeus Group that there was the Board to review the matter for clearness and there was the appointment of the committee for inspecting this matter. With regard to the details, he would like to ask the President and the relevant persons to further explain on this matter. With regard to BSP, he would like to ask Mr.Pruet Boobphakam, Executive Vice President Commercial, to explain on this matter. In regard to the increase of airfare, it would be explained later.

Mr. Monchai Rabruentaveesuk, shareholder and proxy, thanked the Chairman for opening the opportunity for expression of opinion and not conducted the Meeting briefly, and also expressed his opinion regarding the possible obstruction for implementation in accordance with the policy of the Board and the Management that there would be the obstruction more than that as reported by the Chairman and the President. Firstly, it was the domestic political problem and other problems for instance he met the member of the labor union and the Company's officer who filed the lawsuit to the court about the internal affair of the Company i.e. the Company's employees provident fund including the problem on the labor union election. Such problems were the major obstruction of all employees' unity which prevented the Company from being driven to be a successful airline as one of top five airline of the region and of the world or from defeating Singapore Airline. Moreover, he expressed the opinion about the agenda remaining from the previous Meeting i.e. the purchase of Airbus A330-300 aircrafts which was in contradiction to the Cabinet's Resolution. He used to raise the objection in the minutes of the 2006 AGM; there was the explanation of the Company that the Company would receive the discount and the change of the penalty in the purchase of Airbus 380 aircraft. In the end, the Company had no money to pay for the purchase of Airbus 380 aircraft and there must be postpone and there was neither fine receiving nor discount, it was great damage. In terms of the Company's operating result, the Company suffered the loss, he asked for clarity for an item of expense i.e. the expense on the reparation and maintenance of engine which the Company sent to be repaired in foreign country in the approximate amount exceeding 5,000 Million Baht. He asked about the solution for such very high expense. Moreover, in case where the Company was prosecuted in regard to the violation of Antitrust Law, and in the event that the Company must defend the case which may result in the payment of penalty and damages to various countries in the past year. The Company had allocated the budget for the payment of compensation exceeding 4,000 Million Baht, in the future, there might be higher expense, thus, he would like to ask for explanation on the policy for hedging on such matter. With regard to the incident in London, it may be finalized according to the legal proceeding but in terms of good corporate governance, such incident could not be finalized because the Board of Directors' conclusion was to punish the offenders severely but the Management Executives punished them mildly, that was the most serious and dangerous matter of the Company.

Moreover, he expressed the opinion about the explanation of Mr. Pichai Chunchavajira which was the reply to the shareholder. Such shareholder asked that, if we compared the Benchmark per Company's profit ratio with other airlines, how was our Benchmark? This matter was recorded in the minutes of the 2007 AGM. Mr. Pichai Chunchavajira replied the shareholder that it was not different from that of other airlines but in fact, the Company's Benchmark if compared with that of Singapore Airline, it generated profit more than that of the Company for two times to three times for 5 consecutive years. With regard to the insurance for the Company's fuel price, before the President assumed the office, had Mr. Pichai Chunchavajira used his knowledge, competency and experience as the CFO of PTT to assist the Company and how?

Mr. Thammanoon Chulamanechote, shareholder, proposed that the Agenda of Company's following up and report of Company's operating result of the President should be presented in form of Power Point because it would be clear, easy to understand and systematic.

The Chairman accepted the suggestion to consider for further implementation.

Mr. Monchai Rabruentaveesuk, shareholder and proxy, stated that he had prepared the Power Point showing the comparison of Turn Over between THAI and Singapore Airline for watching.

Mr. Prasert Lertvaso, shareholder, expressed his opinion that the position of President had been changed at all times, accordingly, the duty performing lacked the continuity, and he expressed the opinion about the amount i.e. 6,000 Million Baht in London that there was clear evidence that the Company's employees had actually committed the offence. Then, they had been punished for salary deduction by 15% for 6 months, later; they were promoted to higher position. Besides, in the 2009 Annual Report, the item of assets and liabilities of the balance sheets should have more details to show the assets location and the debts to be collected.

The Chairman reported about the incident of fighting between the soldiers and the demonstrators, accordingly, for the safety of attendants, he would like to ask for the Meeting which would be conducted more speedily.

Mr. Pitipat Patthanathanchoke, representative of Thai Investors Association, inquired about the news regarding the Ministry of Finance had the idea to sell partial Company's shares to the individuals, he asked whether the Board knew about the matter, and he thought that, was is appropriate if the national airline's shares were sold to the individuals and how?

Mr. Somsak Manop, shareholder, explained about the event which Mr. Montchai earlier mentioned about the representative of labor union filing the lawsuit to the court in connection with the provident fund. Mr. Somsak said that it was the matter of the Company employee who had already applied to be candidate of the Fund Committee and such employee was of the opinion that the past election was unlawful. Accordingly, such shareholder filed the lawsuit to the court and SEC, and this matter had no connection with the labor union.

Mr. Supoj Gosivajinda, shareholder, gave the notice regarding the corruption of the Company's employees by preparing fraud salary envelop to apply loan from the Cooperative in the year 2007. Legal and Compliance Department was of the opinion that the employee must resign, however, due to there was no punishment, the employee was removed but the Management punished the employee by deducting the salary. Consequently, in March, there were 3 more persons preparing the fraud salary envelop and there were the offenders from time to time. It was like this because the Company imposed too mild punishment, accordingly, he would like to have retrial of the lawsuit of the 3 employees who were punished by mean of salary deduction. In addition, about the Cooperative Meeting in February which was held at THAI kitchen, and there was a person claiming that he was the person being responsible for this matter. It appeared that the catering car was able to leave, the food could not be delivered, and the flight could not depart because the food could not be sent. Thus, he asked the Meeting to search for the responsible person in order to ask such person how much he would pay. He expressed his opinion in regard to the ballot that there were 6 ballots per person, accordingly, it was wasteful.

The Chairman stated that all inquiries and suggestions of shareholders were recorded and he asked the President to reply all relevant inquiries. About the airfare increase and BSP, the President assigned Mr. Preut to explain, Khun Pichai who was referred, would reply shortly and the representative of the Ministry of Finance would reply about the shares.

The President explained and replied the inquiries in various issues as follows:-

The issue raised by Mr. Thong-in Saeng-ngam who gave notice about the Company could generate profit again in year 2009 that it was not due to the competency of the Board and the Management because for the first quarter, there was profit, but the second quarter and the third quarter, the Company suffered loss and the fourth quarter, there was profit again. Partially, it was the change according to season. However, in last year, the aviation faced serious problem due to the condition of business operation. World's leading airlines who were the members of IATA suffered loss. THAI was one of few airlines who can generate profit in last year. During the first quarter, THAI could generate good profit because the fuel price decreased to 35 USD per barrel, which was lower than the normal price, and there was also the profit from foreign exchange rate, thus, the digit might be illusionary, when the fuel price was higher, there was not profit, but, during the fourth quarter, the fuel price was at the highest in last year, but the Company still generated profit. Therefore, he thought that we should give some credits to the Board. Especially for the very important measure i.e. the reduction of expense which was not fuel, there was the reduction of expense exceeding 12,000 Million Baht which quite affected THAI employees in many aspects. The Ministry of Finance informed that the state enterprise which suffered loss could raise the salary not exceeding 6.5%, but the Company employees had no salary raise, no bonus, reduction of overtime pay in huge amount, as a result, the profit was generated due to the unity in action and spirit of both the Board, the executives and all employees of the Company. With regard to the issue that Singapore Airline had generated its profit more than that of the Company for many consecutive years and the Company was one of the best airlines of the world. He would like to inform the Meeting that the Company was once a leading airline of the world, but for the recent period of time, if we considered on the evaluation of the third party organization, for instance, IATA GAP SURVEY or SKYTRAX, we would see that the Company's product and service ranking dropped to 8th ranking, which was too low in his opinion. Additionally, the Company would like to see such ranking being in higher rank again. Thus, Singapore Airline was not only airline having product and service being better than that of THAI, there were more airlines, such as, Cathay Pacific, etc. which had its product and service being better than that of THAI. The 8th ranking was too low in his opinion, but in fact, it was not so bad because there were approximate 150 worldwide airlines which were not the low cost airlines. In terms of the profit of Singapore Airline which was more than that of the Company, he thought and admitted that it was partly due to the Singapore Airline good management. Nonetheless, such circumstance was not the reason to prevent THAI to also have such good management. We must be in cooperation to make THAI to be like Singapore Airline. The revenue of Singapore Airline could be seen from its yield of the airfare of each passenger per one kilometer. Such yield was better than ours approximately by 15% due to the fact that, Firstly, the structure of passengers which was more advantageous because they were the businessmen who had more traveling, while THAI passengers were mainly the tourists. Secondly, Singapore Airline product and service quality was better than ours and its seats in all aircrafts were good, its Economy Class had personal screen in every aircraft. However, THAI product and service sometimes were not consistent and that was the main weak point of the Company. That was the reason why the Management and the Board were under the process for upgrading THAI product and service, and why the Company was speedily improving the seats and in flight entertainment in 12 Boeing 747 aircrafts, 8 Boeing 777 aircrafts. If the aircrafts were grouped with the new aircraft fleet which would be gradually introduced during the next 2-3 years, he believed that the in flight entertainment of THAI would be better similar to that of Singapore Airline in the end. The inferior part would be compensated with the service quality which he believed that THAI personnel could render such service easily without any improvement and without spending of much money. If we went to Suvarnabhumi Airport lounge, we could see the excellent lounge; the food in lounge was much improved. For other parts, Management Executives were improving them speedily and he thought that the passengers and shareholders would gradually see the change in the remaining period of this year and next year. Consequently, we would be able to increase our revenue to be near that of Singapore Airline. The fact that the THAI yield (RPK) was lower than that of Singapore Airline was a major cause which decreased our revenue in the approximate amount of 15,000 Million Baht per year. Therefore, he thought that although today THAI was unable to compete with Singapore Airline but we must do so in the future. The operation in the future still had obstruction. He agreed with Mr. Montchai that there would be the obstruction in the

future, politics was one of the obstructions, and volcano was another one which affected THAI. At present, the volcano obstruction was ended but THAI passengers decreased due to the politics problem. In his personal view, the expensive airfare was not major issue, the major one was the foreign passengers traveling to Thailand decreased by over 20% starting from the demonstration at Rajprasong Intersection including the bomb incident at Silom area last week. It was clearly seen that there were a lot of passengers canceling their travel. Thus, politics certainly caused the effect. At present, the Company was improving its strategy to be able to sell other destinations more in order to attract the passengers to enter THAI aviation network, for instance, the passengers might go to Bali, London-Bangkok, Bangkok-Bali, instead of going to Phuket. There would be the improvement of flying route, aviation network, marketing strategic plan, which were under review and change. He thought that, at this period of time, THAI might decrease the airfare, but he thought that the decrease would be a major cause for attracting the passengers to be back. Regarding the airfare was high, the Company had continuously suffered loss for many years. The routes of Bangkok-Phitsanulok, Bangkok-Ubonratchathani, Chiangmai-Mae Hongson, totaling 3 routes resulted in approximate 200 Million Baht in average. There were full of passengers but the Company suffered loss because the airfare was quite low and we must admit that THAI cost was quite high when compared with that of low cost airline, such as Nok Air. In fact, Nok Air was THAI affiliated company, it was established by THAI in order to compete with other low cost airlines, for instance, Air Asia, but THAI had competed with Nok Air. Currently, the Company had the clear strategy called "Two Brands Strategy", that is to say, THAI tried to attract the high class passengers, while Nok Air must try to attract working classed passengers. There was the connection for planning more aviation networks, accordingly, we must not deem Nok Air as our competitor. At present, Nok Air was our partner working closely with THAI. The passengers requiring cheap air ticket, not wanting many services, would fly with Nok Air while the high classed passengers would fly with THAI. Accordingly, the latter airfare might be quite expensive in exchange for better services. The operating result was satisfactory, Ubonratchathani decreased from 3 flights to one flight, Nok Air took two flights, as a result, the passengers needed more travel. At present, Nok Air had three flights per day, the people had more benefit due to the fact that THAI used Two Brands Strategy, there was low cost air ticket to be sold. THAI would like to focus on the domestic route which their passengers had linkage with the international route, for instance, Samui, Chaingmai, Krabi, Phuket, etc. Such routes were the routes which we would like to maintain. However, in April, we must admit that there was the politics problem, followed by volcano problem, the decrease of passengers who traveled from foreign countries also caused effect, including the domestic passengers as earlier reported. We were under the process of changing of marketing strategy plan. Regarding Airbus A340-500 aircrafts issue raised by the shareholder who inquired about the reason why the Company did not sell them. Actually, the Company would really like to sell them, but there was the problem that no purchaser offering a reasonable price, if the offered price reasonably was not so high, we would sell them immediately. Currently, we had already calculated on the route Bangkok-Los Angeles, at least, the revenue from the airfare would be more than that the variable cost, accordingly, it would be better to keep the aircrafts and to fly them, however, if they could be sold, THAI would sell them at the earliest. With regard to the seats in A330-300 of 8 aircrafts which were in violation of the Cabinet's Resolution and the Chairman had explained on this matter that the investigation of the fact had been completed. Currently, the case was under the process of the Board. There was the problem that the seats in 5 aircrafts could not be installed, accordingly, the received aircrafts must park. The problem was during the period which aircrafts were purchased for approximate three years ago, THAI entered into the agreement with Koito Industries Limited (Koito) to purchase Economy Class seats to be installed. The installation of seats of 3 aircrafts had already been installed. But the installation of the 4th aircraft, Koito seat's security was not certified by the European Aviation Safety Agency (EASA) and Japanese Civil Aviation Bureau (JCAB) of Japan. The worldwide 15 airlines faced with the same problem, that is to say, the seats could not be installed. Eva Air was the first one waiting for seats. THAI was the second one waiting for seats. Koito had requested for inclination for many times because there must be improvement for many times to meet the standard. The Company did not neglect this matter, we had urged Koito at all times and had sent the notice of agreement termination to Koito and started to seek for the alternative seats form other

company instead. The submission of the notice of agreement termination would entitle the Company to terminate the agreement, but today, the agreement had not yet been terminated because the Company was unable to find a new manufacturer. There was better sign at present from Koito that there would be clearer of due period and it might be better than to search for a new manufacturer. However, the Company and the Management did not neglect this matter but we had urged Koito to install the Economy Class seats of 5 Airbus A330-300 aircrafts at the earliest because there was no person intending to park 5 aircrafts without any utilization.

With regard to the unity, the President stated to support Mr. Monchai's expression of opinion of such matter. He thought that it was an important matter, thus, there must be improvement for making the Company's employees to have more unity. The lack of Company's employees might result from the fact that they were unfairly treated, the playing of favoritism, severe slander, therefore, the improvement of Company's moral and ethics standard was important. Whoever committed an offence must be punished, regardless of his/her level of position. There must not be the case that the high ranking offender was not punished, only low ranking offender was punished. At present, he thought that the standard on this matter had been reasonably improved. There was the sample that, no matter how the person's ranking was high, if such person committed offence, he/she must be dismissed, but, if he/she did good, he/she must receive good remuneration, such matter was under process. With regard to the problem on election, it was similar to Thai society at present, he thought that such matter was important and accepted to further take action on this matter. Moreover, there was much talk about BSP case in the Company. He asked Mr. Pruet Boobphakam to reply the inquiry about BSP and he may reply about the increase of domestic air ticket. He would like to explain about the increase of domestic air ticket, the explanation to mass media was sometimes difficult, it was normal that the increase of airfare, public utilities expense, did not satisfy any person, but, sometimes we must do so for survival, for the interest of the Company. Sometimes, we must take action which did not satisfy other persons but it was necessary for us, because the Company must generate profit. If there was no profit, the Company could not survive in the long term. If the airfare was cheap, the service quality was good but there was no profit, it would become JAL.

The Chairman asked Mr. Pruet explained to the Meeting.

Khun Worawimol Na Ranong, proxy, asked Mr. Pruet Boobphakam to explain about the luggage during he traveled with Khun Wallop, she asked him to explain the event to the Meeting and whether it was true that he liked to have Coke in Japan.

Mr. Thong-in Saeng-ngam, shareholder, inquired about the proportion of shareholding of Company in Nok Air because the Company held 39% of Nok Air shares, thus, he would like to know the shareholders of the remaining 61% of shares.

The Chairman asked Mr. Pruet Boobphakam, Executive Vice President, Commercial, to explain and to reply only for the issue assigned by the President.

Mr. Pruet Boobphakam, Executive Vice President, Commercial, explained to the Meeting that the cause of airfare of domestic flight was high, as explained by the President, but the Company could generate profit in the past year, it was partly due to the reduction of cost and another important factor was the price system. The Company seriously used the price system as from October 2009. Both domestic and foreign price systems were fully used for developing the price system and to improve the yield per price as much as possible, that means, the Company was creating the price which was in line with the market price and customers group most. In addition, if we compared with the competitor airlines, Nok Air or Air Asia, the Company cost would be higher than that of such airlines. However, in some sectors of domestic flights in the past, THAI price was lower than that of the low cost airlines, therefore, it was not correct price system. After the Company had set the price system accurately, it could be seen that the Company started to generate profit. However, in part of

profit system, it looked like the price highly increased, but, in fact, the Company price system having included the fuel price. In the past, the domestic air ticket would have the price of air ticket added with fuel price, but at present, the fuel price was included with the ticket price, it seemed that the air ticket of domestic flight was high. In fact, the Company would like to set the price system according to the fact as much as possible, it meant, THAI, Nok Air, or Air Asia should have the price system setting. The price system of such airlines might be different from one another but the Company would set the price system. In terms of BSP, he would like to explain that the Company was a member of IATA and BSP was a member of IATA. The Company had no policy to withdraw from BSP but for the past 2-3 years, BSP had its internal problem, as a result, there was the error in its operation, and airlines were blamed on such error. The Company had negotiated with BSP. We were already to be in fully cooperation with BSP but BSP must improve its working standard first, then we and BSP could work together.

The Chairman thanked for such explanation and asked to record such explanation in the minutes of this AGM.

Mr. Pichai Chunhavajira, director, explained about the operating result of the Company compared with the benchmark of other airlines. Generally airlines business was under the same situation, the highest cost was fuel representing 40%, the second cost was for the personnel, representing 20%. The Company personnel cost was high due to our great number of personnel but our revenue paid to each person was low when comparing with other airlines, the Company's cost would not be higher or lower than that of other airlines, while the cost of fuel and air ticket would be about the same. As a consequence, if the cost structure of various airlines were about the same, the Company could surely be in the group of other airlines' benchmark. He also explained that the second factor causing to be benchmark was the structure of revenue, if comparing with Singapore Airline, its revenue per person was higher than ours. Thus, the Singapore Airline passengers were pleased to pay more airfare, but THAI had more passengers and the passengers' behaviors were different with one another, for instance, 100 passengers traveling to Thailand, after arriving Thailand, approximate 30 passengers would fly to other areas, the remaining 70 passengers would be tourists, Thai people and others. While in Singapore, the passengers who flew to Singapore would fly to other areas, only 20-30% of the passengers would further visit Singapore and the passengers were mainly the businessmen. In terms of fuel in general years, its price was about the same, the matter which was clearly different was the efficiency, the aircrafts were newer, and the good structure, for instance, the Singapore Government allowed the individual to own aircraft and Singapore Airline would take lease on such aircrafts. With regard to the number of passengers traveling to Thailand, it could be seen that Thailand had more number thereof, the passengers still traveled to Thailand consistently although there was economic crisis but most of businessmen did not travel. Accordingly, we could see that when there was the crisis in the year 2007, later, in the year 2008, there was only few passengers traveling to Singapore, thus, number of passengers traveling to Singapore was more than ours in some years only.

In terms of Hedging or hedging of fuel, it was the negotiated affair between the Company and the bank. The consistent hedging for fuel with good structure was the matter which should be done because there would be not much damage when there was a crisis. There was a notice that the Company hedged the fuel price too little. However, the low hedged amount of fuel was sometimes beneficial to the Company, we could see from the operating result of other airlines in the first to the second quarters of the year 2008 which was not so good while the Company who hedged the fuel price too little, but it was beneficial to the Company when the fuel price decreased to 40-50 USD. In the first quarter, accordingly, the Company's cost of fuel was low but the airfare was high. Regarding the hedging methodology of organization, it was under consideration but he personally supported the determination of policy to have consistent hedging. Additionally, if you would notice our today's operation, we must reduce the expense, improve the quality of aircrafts and services, and he believed that if we manage the passenger structure well, we would not lose.

In terms of the policy on aircrafts, he thought that the Company should improve the quality of seats to have quality to be at the same level of that of other airlines, but the problem was that the aircrafts were not the properties which could be purchased and sold easily. There were some shareholders proposing to phase out A340-500 aircrafts, but the Company had not been able to sell them, when the Company would like to purchase them but we could not do so, it could be seen that such non timeliness caused damage. According to the Company's structure in this region, the Company's benchmark was at the average or higher than the average, if we could do it well, we were likely to be in the best group of all airlines.

Mr. Monchai Rabruentaveesuk, shareholder and proxy, expressed his opinion that the Board explanation was unclear, he referred to page 119 of Company's Annual Report, when comparing with the benchmark, we could see that the Company had the profit by 3%, 5% or 7% in the past five years. We could conclude about the benchmark that the Company suffered the loss in the amount of 6,000 Million Baht in the year 2007, and there was the same problem in the year 2008. When comparing with the benchmark, we could see that the operating results were different from one another for two to three times, especially in the year 2006, the Singapore Airline had its sale volume in the approximate amount of 300,000 Million Baht while THAI sale volume was in the approximate amount exceeding 170,000 Million Baht. It could be seen that the Singapore Airline had its profit at the percentage of 14-15% comparing with its sale volume, the said explanation was unclear.

The Chairman was of his opinion that the issue raised by Mr. Montchai, was clearly explained by the Director. However, for the second issue, it was the retroactive issue in relation to the Company's operating result in the year 2008, accordingly, he would like to record this issue's explanation and opinion in the minutes only.

Mr. Suthep Suebsantiwong, shareholder, expressed his opinion about the increase of airfare domestic flights that, such increase of airfare could really result in the Company revenue increase, but in terms of the competition, the Company was a major competitor of Nok Air and Air Asia because such two airlines were the low cost airlines. However, the Company increase of airfare of domestic flight would increase the Company gap of competition, as a result, the sale of Company airfare of domestic flight would be harder in the future. Such increase of price would cause the Company to be unable to compete with the domestic competitors. He also expressed more opinion regarding Two Brands Strategy as explained by the President. He thought that it would not be in response to the actual objective because Nok Air did not have adequate good potential in making the Company to achieve the objective and he proposed that if the Company wished to implement the Two Brands Strategy, the Company should do so with Air Asia which would have better result.

Mr. Thammanoon Chulamaneechote, shareholder, proposed the Board to hold the Meeting with shareholders for saving the expenses and for more efficient working because the suggestion and opinions of shareholders would be few in the AGM. The Meeting might be held once a week or every two weeks, as a consequence, it would result in more friendship, more efficiency, more good corporate governance and Company's better image.

The Chairman agreed with Mr. Thammanoon's suggestion but there must be the discussion in the Board. There should be the activity of relationship with minor shareholders in order to make a study trip and to report progressive of many issues before wasting 3 to 4 hours in the discussion of Shareholders' meeting.

The Meeting acknowledged the Report on the Company operating results for the year 2009 in accordance with the 2009 Annual Report provided to all shareholders together with this Meeting's invitation notice.

Agenda 4 **To Consider approving the Balance Sheets and Income Statements for the year 2009**

The Chairman asked the President to report this matter to the Meeting.

The President explained this matter to the Meeting in brief that as of 31 December 2009, the Company had its total assets in the amount of 271,694 Million Baht, increased from that as of 31 December 2008 in the amount of 12,159 Million Baht or 4.7% resulting from the cash or cash equivalents increased in the amount of 6,854 Million Baht, non-current assets increased from the acceptance of delivery of six A330-300 aircrafts. In terms of the liabilities as of the end of accounting year of the year 2009, the Company's total liabilities were in the amount of 218,450 Million Baht increased from that as of the end of year 2008 in the amount of 4,797 Million Baht or 2.2% resulting from (1) the increase of long-term liabilities due to the fact that the Company had borrowed money for procurement of 6 aircrafts (2) the Company had restructured its loan by taking out the long-term loan to repay the short-term loan, consequently, the short-term loan decreased. The shareholders' equity as of the end of year 2009, was in the amount of 53,244 Million Baht, increased according to the retained earnings which increased in the amount of 7,362 Million Baht. In the last year, the Company had total revenues in the amount of 163,875 Million Baht, decreased from that of the previous year in the amount of 38,371 Million Baht due to the fierce competition of price, decrease of transport volume, decrease of revenue of fuel fee according to the fuel price decrease. With regard to the expense in the year 2009, the Company had total expenses in the amount of 155,768 Million Baht, decreased from that of the previous year in the amount of 70,438 Million Baht due to the fuel price decrease according to the world market price, the performance according to the measure of expense reduction under the business rehabilitation plan resulting in the decrease of expenses of working units. Moreover, other expenses decreased as well because in the past year, the Company had profit from the foreign exchange, while in the year 2008, the Company suffered the loss from the foreign exchange and the Company also had the reserve for the loss resulting from the depreciation of A340-500 aircrafts in the amount of 4,426 Million Baht, and had reserve for loss which might incur from the event that the Company was prosecuted in violation of law for prevention of unfair trade, in the amount of 4,290 Million Baht and in the year 2009, the Company did not have such special expenses.

Summary of Balance Sheets and Incomes Statements of the Company and its Subsidiaries

Total assets	271,694	Million Baht
Total liabilities	218,450	Million Baht
Shareholders' equity	53,244	Million Baht
Total revenues	163,875	Million Baht
Profit before Financial Costs and Income Tax Expenses	13,845	Million Baht
Net Profit	7,344	Million Baht
Earning per Share	4.32	Baht per share

The Chairman asked whether any shareholder had an inquiry or not.

Mr. Siriwat Worawetwuttikun, shareholder and proxy, praised the Chairman's duty performing but he would like to raise an objection on the case that the Chairman asked the Meeting to applaud for the shareholder who gave compliment to the Board because he thought that it was inappropriate. He also mentioned about the Annual Report, page 126, in regard to the fuel expense which some directors explained that such expense greatly decreased according to the world market fuel

price decrease. Thus, he would like to ask how much the percentage of decrease of the world's average fuel price of the same period and same year in the year 2009.

The Chairman clarified that, as the Secretary General of the National Economic and Social Development Board, he remembered that the average fuel price in the year 2008 was at the approximate of 90-100 USD per barrel, while in the year 2009 as he had concluded last year was approximately 70 USD per barrel, or decreased approximately by 15-20%.

Mr. Siriwat Worawetwuttikun, shareholder and proxy, said that the Company could reduce the expense of aviation fuel approximately be 50%, he inquired about this matter because he would like to see the management of fuel price when compared with the world's fuel price decreased and also praised on this matter.

The Chairman said that he and the President including Mr. Pichai Chunchavajira and the Board decided to enter into Hedging in 4th quarter at the percentage up to 17% while the fuel price was in the amount of 65 USD per barrel, then the fuel price was in the amount of 85 USD per barrel, as a consequence, the amount for Hedging in 4th quarter was high.

Mr. Siriwat Worawetwuttikun, shareholder and proxy, praised that, according to the shown performance number, we can see that the Board managed the business with competency not with luck as questioned by some shareholders. He also inquired the President that around the end of year 2008 was it true that the world fuel price decreased to approximate 40 USD per barrel?

The President replied that, at the end of year 2008 and at the beginning of the year 2009, the world fuel price had been decreased continuously to the lowest price i.e. 35 USD per barrel.

Mr. Siriwat Worawetwuttikun, shareholder and proxy, further inquired that after the President taking the office and after the Board had considered the risk regarding the fuel price, how much the Company entered into the Hedging?

The Chairman replied that this Board took the office in 2nd quarter while the President took his office in 4th quarter, at that time, the fuel entered into the Hedging at the proximate percentage of 5% only because the Company had entered into Hedging in great amount in 3rd quarter of the year 2008.

Mr. Siriwat Worawetwuttikun, shareholder and proxy, said that the Company suffered a lot of loss due to Hedging during that time but he would not mention about the past incident. He bought the Company's shares at the price exceeding 10 Baht per share before the President taking the office. He expected that after the President's taking of office, with the President's reputation and experience, the Company would have better the operating result and it was true, thus, he would like to request the President to utilize his skill, knowledge, competency, honesty and proficiency of the President to manage the fuel price efficiently in order that the next year's operating result would be better than that of this year and would be able to pay dividend more than that of this year.

The Chairman asked the President to give this matter to the Meeting.

The President explained about the fuel price management that, in fact, nobody could estimate the fuel price. It was the matter in the future without any prediction. Additionally, if the Company tried to speculate the fuel price, it would be very dangerous because if the speculation was right, it would be advantageous, if not, there would be the damage. Therefore, the matter which the Company tried to take action was the fuel price management. If the fuel price became higher, the Company would be able to increase the airfare also, it would not be necessary to manage the fuel price risk. However, in fact, in case that the fuel increased, the Company would not be able to increase the

airfare because the our competitors might have entered into Hedging more than of us or the market condition was inappropriate which it had arisen in the years 2008 and 2009. In the year 2008, our competitors might entered into Hedging up to 60% more than that of us but the Company entered into Hedging in quite low amount, accordingly, in the year 2008, the Company suffered a lot of loss. It might be partly from the fuel price which had increased a lot but the Company had not be able to increase its airfare because the market condition was inappropriate as other airlines having entered into Hedging more than that of us. At present, the matter which the Company tried to take action was to apply two tools simultaneously, that is to say, the Hedging and Fuel surcharge. Thus, there must be the increase of airfare through the Fuel Surcharge. The management of fuel price risk by mean of Hedging at a level would be able to reduce the fuel cost fluctuation. The Company would have time to adjust the Fuel Surcharge. Such matter was carried out since the end of last year. It was clearly seen that our Hedging had been made at quite consistent level i.e. approximately by 40-50% when comparing with very low level during the previous period of time because the Company could not know how much was the fuel price, and the Company would have time enough for managing the cost of the fuel which had no Hedging by using Fuel Surcharge. Accordingly, the whole Fuel Surcharge would not be required to be increased according to the higher cost. At present, the result of management was satisfactory. In case of the higher fuel price, the Company would receive partial amount back from financial institution with which the Company entered into Hedging. Although, in fact, the Company did not need such amount because it would result in a higher cost, however, if there was no Hedging, there might be higher loss.

The Chairman asked the Meeting to cast the votes.

The Meeting resolved, with the majority votes of the shareholders who attended the Meeting and had the voting right, to approve the balance sheets and income statements for the year 2009 which were audited and certified by the OAG and the our auditor, as follows:-

Affirmative Votes:	1,358,766,814	representing	95.89%
Negative Votes:	47,500	representing	0.00%
Abstention:	58,246,150	representing	4.11%

Agenda 5 **To Approve the dividend payment from Company Operating Result of the year 2009**

The Chairman asked the President to give this matter to the Meeting.

The President explained to the Meeting in brief that the Company had policy to pay dividend not less than 25% of the consolidated net profit before gains or losses of foreign currency exchange, subject to the Company's investment plans, and other relevant factors. For the accounting year of 2009, the Company's consolidated net profit before any gain or loss on foreign currency exchange was 4,176 Million Baht. After the Board had considered, the Board found it was appropriate to propose the AGM to approve the dividend payment from the Company's operating result of the year 2009 to the Company's shareholders representing 1,698,900,950 shares at 0.25 Baht per share, totaling 424,725,237.50 Baht or 10.17% of the consolidated net profit before any gain or loss on foreign currency exchange. Accordingly, he proposed the shareholders to approve the dividend payment.

Mr. Thammanoon Chulamanechote, shareholder, said that the Company did not pay dividend last year. However, he noticed that although some companies suffered loss but they were still able to pay dividend by paying the dividend from the retained earnings, such as PTTAR paid the dividend at the rate of 50 Satang per share. Nonetheless this year the Company's earning per share in the amount of 4.32 Baht thus there was the dividend payment proposal. However, he was of the opinion that such proposed dividend to be paid representing approximately 5.7% of the profit which was too small because the Company had a lot of retained earning and cash flow, thus, he proposed to

make more payment of dividend from 25 Satang to be 50 Satang per share in order to create share value and to be the willpower of shareholders.

The Chairman explained that in the Board's Meeting, many directors proposed like Mr. Thammanoon did. However, if we compared the Company's financial structure with that of PTTAR, we would see that the Company's Debt to Equity Ratio including the Company's loss in last year, we could not compare it with that of PTTAR. The shareholders might know well that the Ministry of Finance also needed money; he had negotiated with major shareholders by making dividend in this amount first. For the next year, if the existing demonstrations ceased soon, and the situation in May would not be worse than that which we had already estimated, the operating result would be better than that of this year. In addition, the Agenda 9 to be further considered would be important matter which affected the shareholders' share value. Accordingly, the share price would reflect the Company's fact, that is to say, the capital increase would make the Company's financial structure become sustainable and permanent. As there was no other shareholder's inquiry, the Chairman asked the Meeting to cast the votes.

The Meeting resolved, with the majority votes of the shareholders who attended the Meeting and had the voting right, to approve dividend payment from the Company's operating result of the year 2009 to the shareholders representing 1,698,900,950 shares at 0.25 Baht per share. Total dividend payment amounting to 424,725,237.50 Baht or 10.17% of the consolidated net profit before any gain or loss on foreign currency exchange. The dividend would be paid to the shareholders whose names appear on the list on the Record Date for the right to dividend payment which was on 2 April 2010. The dividend would be distributed on 27 May 2010, as follows:-

Affirmative Votes:	1,353,849,064	representing	95.54%
Negative Votes:	377,450	representing	0.03%
Abstention:	62,834,650	representing	4.43%

Agenda 6 **To Consider the Board of Directors' remuneration**

The Chairman stated to the Meeting that the Board of approved the opinion of the Nomination, Remuneration and Human Resources Development Committee to propose it for consideration of the AGM for approving the remuneration of each member of the Board to receive the monthly remuneration in the amount of 50,000 Baht and the meeting allowance in the amount of 30,000 Baht for each meeting. Should there was more than one meeting per month, each member would receive a meeting allowance of not more than 30,000 Baht per month, and the Chairman and the Vice Chairman would respectively receive 25% and 12.5% more than that of the other members. All remuneration and meeting allowance were subject to income tax to be paid by each member. In such case, when a member was appointed by the Board or its Chairman to be committee, sub-committee and member of working groups of the Company, such member would receive an additional meeting allowance in the amount of 10,000 Baht per meeting. Should there be more than one meeting per month; a meeting allowance would remain in the amount of 10,000 Baht for that month. Audit Committee would receive meeting allowance at the same rate as of the Board which the allowance would also be paid for the month during which no meeting was held.

However, at present, the Board understood the Company's situation that although the Company had generated the profit in the year 2009 but the financial crisis and the situations were not completely trustworthy, as a result, the Board voluntarily decreased their remuneration and a Meeting allowance by 25% upon the temporary basis as from 1 May 2010 up to 30 April 2011. In terms of bonus, the Board would like to seek for shareholders' approval for the bonus of the Board by calculating from the percentage of 0.5% of the paid dividend and the criteria of dividend allocation would be subject to the determination of the Board. Additionally, the Board resolved to reduce the half of the Board right and benefit for the second time after having decreased the ticket benefit to 15 tickets

for the domestic routes and 15 tickets for international routes. In this connection, the Board approved the members of the Board to receive free right and benefit in regard to the round trip of international routes for 10 tickets per year and the domestic route for maximum of 10 tickets per year of the highest class. The members who were entitled to such right during their period only, this would be effective as from 1 May 2010. With regard to the ex-members of the Board, their right to buy ticket with discount of 25%, the Board resolved to reduce the right and benefit only for 3 years after they had been retired and the right and benefit of the ticket decreased to only 6 tickets for the domestic routes and 6 tickets for international routes.

Mr. Siriwat Worawetwuttikun, shareholder and proxy, praised on the sacrifice of the Chairman and the executives who voluntarily decreased the members of the Board remuneration. The shareholders had seen the concrete operation in this Meeting after there were many discussions on this matter in the AGM. Besides, he would like to confirm the understanding that the Board voluntarily to receive the remuneration and Meeting allowance at the rate which decreased by 25%, accordingly, the Board would receive them at the rate of 75% of the fixed rate.

The Chairman thanked all shareholders for the willpower given to all members of the Board and also affirmed that the Board agreed to receive the remuneration and Meeting allowance at the rate of 75% of the fixed rate.

The Meeting resolved, with the votes of not less than two-thirds of the total votes of the shareholders who attended the Meeting, to approve the Board remuneration of the year 2010 as follows:-

The Board of Directors remuneration and meeting allowance

- To approve the remuneration of each member of the Board of Directors to receive monthly remuneration in the amount of 50,000 Baht and meeting allowance in the amount of 30,000 Baht for each meeting. Should there was more than one meeting per month, each Board member would receive meeting allowance of not more than 30,000 Baht per month, and the Chairman of the Board would receive 25% more than that of the other members, and Vice Chairman would receive 12.5% more than that of the other members. All remuneration and meeting allowance were subject to income tax to be paid by their own.

- In the case that a member was appointed by the Board or a Chairman to be committee, sub-committee, and member of working groups of the Company, such member would receive additional meeting allowance in the amount of 10,000 Baht per meeting. Should there be more than one meeting per month; meeting allowance would remain in the amount of 10,000 Baht for each month.

- Audit Committee would receive meeting allowance at the same rate as that of Board. The allowance would also be paid for the month during which no meeting was held.

Hence, the Board had volunteered to temporarily deduct the remuneration and meeting allowance by 25% which would take effect from 1 May 2010 to 30 April 2011.

Bonus: The Board would receive annual bonus at 0.5% of dividend payment, under rules and regulations set by the Board.

Benefits in air ticket for the directors: The Board of Directors had approved to reduce the benefits in air ticket so that the Board, including family members (namely, lawful father, mother, husband, wife and children), shall receive 10 roundtrip tickets per year for international routes

and 10 roundtrip tickets per year for domestic routes, of the highest class free of charge. This benefit shall be granted only during as a Board member and shall take effect from 1 May 2010 onwards.

The Meeting cast the votes as follows:-

Affirmative Votes:	1,353,080,864	representing	95.48%
Negative Votes:	8,345,950	representing	0.59%
Abstention:	55,634,350	representing	3.93%

Agenda 7 **To Consider appointing auditor and To Determine the audit fee**

The Chairman asked Mr. Banyong Pongpanich as the Audit Committee member to explain this matter to the Meeting.

Mr. Banyong Pongpanich, audit committee member, reported to the Meeting in brief that the Audit Committee had considered to appoint the OAG to be the Company's auditor for which was in compliance with law because the Company was a state-enterprise and continually had the OAG as the auditor. For the year 2010, the Audit Committee proposed the same auditor with the same rate of audit fee which was 2,000,000 Baht and the audit fee of Company's financial statements in each quarter in the amount of 300,000 Baht per quarter.

The Chairman asked the shareholders to resolve and approve the audit committee's proposal and to approve the appointment of auditor and to determine the audit fee of the auditor as proposed.

Mr. Pichai Chaiyanamsathit, shareholder, praised the President and all members of the Board who could solve the Company's previous year loss until there was the profit in this year. However, he would like to seek for kindness from the President because he had been crippled for 6 years, unemployed, having 2 children who were not yet come of age and they still studied, he had no money to buy their study apparatus, as a consequence, he would like to ask for President's kindness in seeking for a working position.

The Chairman replied that there would likely be the solution for this matter because the Company had many projects but the President could not commit himself to this matter because it might be violate the regulations and also asked the officer to meet the shareholder to acknowledge the information, then, he asked the Meeting to resolve on this Agenda.

The Meeting resolved, with the majority votes of the total votes of the shareholders who attended the Meeting and had the voting right, to approve the appointment of auditor and to approve the audit fee for the year 2010 as proposed by the Audit Committee, as follows:-

1. To appoint the OAG to be the Company's auditor for the year 2010;
2. To approve the audit fee of the Company's financial statements for the year 2010 and the audit fee of Company's financial statements in each quarter which was at the same rate as that of the year 2009 which was 2,000,000 Baht and the audit fee of Company's financial statements in each quarter, totaling 3 quarters, in the amount of 300,000 Baht per quarter.

The Meeting cast the votes as follows:-

Affirmative Votes:	1,361,366,714	representing	96.07%
Negative Votes:	37,400	representing	0.00%
Abstention:	55,657,050	representing	3.93%

Agenda 8 **To Consider approving the cancellation of outstanding for debenture issuance and offering and to approve the issuance and offering of the debenture in the amount of not exceeding 40,000 Million Baht or equivalent within 5 years**

The Chairman asked the President to explain this matter to the Meeting.

The President explained to the Meeting in brief that on 23 December 2005, the AGM resolved that the Company would issue and offer the debenture in an amount of not exceeding 60,000 Million Baht or equivalent within 5 years. The Company had issued and offered such debenture in the amount of 19,000 Million Baht, leaving outstanding amount not offered to the shareholders and the period of offering would expire on 23 December 2010. In addition, the Company still had a need for additional debenture and capital, the President would like to propose the shareholders for consider approving the company the matter as follows:

1. To cancel the outstanding amount of 40,710 Million Baht according to the AGM held on 23 December 2005; and
2. To issue and offer the debt instrument in category of debenture for replacing the existing debenture which were matured and/or to be the Company working capital in the amount of not exceeding 40,000 Million Baht or equivalent within 5 years, which might be issued in Baht and/or other currencies of equivalent amount, using exchange rate at the time of issuance and offering, in order to provide flexibilities in funding according to fund needs and capital market conditions.

In addition, the Board shall be authorized

1. To consider and set the category, name, offering amount, face value, offering price per unit, term of issuance and offering, allocation procedures, offering method, interest rate, term and other details relating to the issuance and the offering or redemption of debentures;
2. To appoint the Financial Advisor(s), and/or Advisor, and/or Underwriter(s), and/or Credit Rating Agency(s) in connection with the debentures' rating and/or the Company's rating, and/or Financial Institution, and/or other person(s) for the issuance and offering of the debentures;
3. To contact, negotiate, process, sign and amend any agreement and/or document, including to ask for permission, submission of documents and evidence to the Office of the Securities and Exchange Commission and/or other agencies relating to the issuance and offering of the debentures and proceeding with all necessary activities in relation to the issuance and offering of the debentures.

As there was no other shareholder's inquiry, the Chairman asked the Meeting to consider and pass the resolution.

The Meeting considered and cast the votes.

The Meeting resolved, with the votes of not less than thirds-fourths of the total votes of the shareholders who attended the Meeting, to approve the cancellation of the outstanding amount of 40,710 Million Baht which was approved on 23 December 2005; and to approve the Company to issue and offer the debt instrument in category of debenture for replacing the existing debenture which were matured and/or to be the Company working capital in the amount of not exceeding 40,000 Million Baht or equivalent within 5 years, which might be issued in Baht and/or other currencies of equivalent amount, using exchange rate at the time of issuance and offering, in order to provide flexibilities in funding according to fund needs and capital market conditions. In addition, the Board shall be authorized

- To consider and set the category, name, offering amount, face value, offering price per unit, term of issuance and offering, allocation procedures, offering method, interest rate, term and other details relating to the issuance and the offering or redemption of debentures;

- To appoint the Financial Advisor(s), and/or Advisor, and/or Underwriter(s), and/or Credit Rating Agency(s) in connection with the debentures' rating and/or the Company's rating, and/or Financial Institution, and/or other person(s) for the issuance and offering of the debentures;

- To contact, negotiate, process, sign and amend any agreement and/or document, including to ask for permission, submission of documents and evidence to the Office of the Securities and Exchange Commission and/or other agencies relating to the issuance and offering of the debentures and proceeding with all necessary activities in relation to the issuance and offering of the debentures.

The shareholders cast the votes as follows:-

Affirmative Votes:	1,361,309,214	representing	96.06%
Negative Votes:	77,600	representing	0.01%
Abstention:	55,674,350	representing	3.93%

Agenda 9 **To Consider on Capital Increase**

The Chairman explained to the Meeting that the consideration on the Company's capital increase would relate to many operations and must seek for the AGM resolution for many matters, accordingly, there was the division of relevant agendas to be sub-agendas as follows:-

Agenda 9.1 **To Consider approving the decrease in the registered capital of the Company from 17,000,000,000 Million Baht to 16,989,009,500 Million Baht by canceling the 1,099,050 unoffered registered shares at a par value of 10 Baht**

The Chairman asked the President to explain this matter to the Meeting.

The President explained to the Meeting that the following matter was to be done in order to be in compliance with Limited Public Company Act B.E.2535, that is to say, the Company must decrease the unoffered registered capital before the Company could increase its registered capital. There were total unoffered 1,099,050 shares; they were the outstanding shares from the project of allocation of securities for the Company's employees or ESOP project which ended in the year 2007. The Board had considered and was of the opinion that the AGM should approve to decrease the Company's registered capital as proposed.

The Chairman said that was the matter which the Company must comply with the provision of law i.e. Limited Public Company Act B.E.2535, if there was no shareholder's inquiry or suggestion, he asked the shareholders to cast the votes whether to consider approving the proposal or not.

As there was no other shareholder's inquiry, the Chairman asked the Meeting to consider and pass the resolution.

The Meeting resolved, with the votes of not less than thirds-fourths of the total votes of the shareholders who attended the Meeting and had the right to vote, to approve the decrease of registered capital by canceling the 1,099,050 unoffered registered shares at a par value of 10 Baht in the amount of 10,990,500 Baht as follows:-

Affirmative Votes:	1,360,917,614	representing	96.04%
Negative Votes:	148,100	representing	0.00%
Abstention:	55,996,350	representing	3.95%

Agenda 9.2 **To Consider approving the amendment to Clause 4. Of the Memorandum of Associations of the Company, RE: Registered Capital to correspond with such decrease in registered capital**

The Chairman asked the President to explain this matter to the Meeting.

The President explained to the Meeting that the Agenda 9.2 was the amendment of Clause 4. of the Memorandum of Associations of the Company, RE: Registered Capital to correspond with such decrease in registered capital by repealing the existing clause and replacing it with the following:-

“Clause 4 Registered Capital of 16,989,009,500 Baht (sixteen thousand, nine hundred eighty-nine million, nine thousand and five hundred baht)
 Divided into 1,698,900,950 shares (one thousand, six hundred ninety-eight million, nine hundred thousand, nine hundred and fifty shares)
 Par value 10 Baht (ten baht)
 Being classified as
 Ordinary shares: 1,698,900,950 (one thousand, six hundred ninety-eight million, nine hundred thousand, nine hundred and fifty shares)
 Preferred shares: (-)”

The Board had considered and was of the opinion that the AGM should approve the amendment of Clause 4 of the Memorandum of Associations of the Company, RE: Registered Capital to correspond with such decrease in registered capital as proposed.

The Chairman said that if there was no shareholder’s inquiry or suggestion, he asked the shareholders to cast the votes whether to consider approving the proposal or not.

As there was no other shareholder’s inquiry, the Chairman asked the Meeting to consider and to pass the resolution.

The Meeting resolved, with the votes of not less than thirds-fourths of the total votes of the shareholders who attended the Meeting and had the right to vote, to approve the amendment to Clause 4. of the Memorandum of Associations by repealing the existing clause and replacing it with the following:-

“Clause 4. Registered Capital of 16,989,009,500 Baht (sixteen thousand, nine hundred eighty-nine million, nine thousand and five hundred baht)
 Divided into 1,698,900,950 shares (one thousand, six hundred ninety-eight million, nine hundred thousand, nine hundred and fifty shares)
 Par value 10 Baht (ten baht)
 Being classified as
 Ordinary shares: 1,698,900,950 (one thousand, six hundred ninety-eight million, nine hundred thousand, nine hundred and fifty shares)
 Preferred shares: (-)”

The shareholders cast the votes as follows:-

Affirmative Votes:	1,360,924,214	representing	96.04%
Negative Votes:	146,300	representing	0.00%
Abstention:	55,994,050	representing	3.95%

Agenda 9.3 **To Consider approving the increase in the registered capital of the Company from 16,989,009,500 Baht to 26,989,009,500 Baht by issuing 1,000,000,000 new ordinary shares at a par value of 10 Baht**

The Chairman asked the President to explain this matter to the Meeting.

The President explained to the Meeting that this Agenda was the request for increase of the registered capital of the Company amidst the current economic crisis, competition, including the uncertainty of several factors in the country which had resulted in Company decrease of operating result in 2008. Currently, capital structure of the Company was not at an appropriate level where for the Company to operate the business in the long run. Therefore, the Company deemed that it was appropriate to adjust its structure of capital in order to enhance its long-term competitiveness. From the study on the Company's Financial Restructuring Plan, it was found that during the year 2010-2014 or in the next 5 years, the Company would need for additional funding. The mobilization of fund would be in forms of share capital together with debt for the Company's purpose of:- 1) Enhancing the potential of the Company for investment of business expansion in order to stay competitive in the long run; 2) Enabling the Company to have sufficient cash for repayment of debts in the coming due date; 3) Strengthening the capital structure of the Company; 4) Increasing appropriate liquidity to have the stable finance in order to carry on the business under the high volatility in airlines business. The Board had considered and was of the opinion that the AGM should approve the increase in the registered capital of the Company from 16,989,009,500 Baht to 26,989,009,500 Baht by issuing 1,000,000,000 new ordinary shares at a par value of 10 Baht

The Chairman said that if there was no shareholder's inquiry or suggestion, he asked the shareholders to cast the votes whether to consider approving the proposal or not.

Mr. Pitipat Pattanathanchoke, representative of Thai Investors Association, would like to ask the Board that in case that the Company would issue the share of capital increase in the number of 1,000 Million shares, in the amount of 10 Baht per share, it would cause the dilution effect which affect the shareholders. In this regard, how did the Board have the measures to support such dilution effect? In terms of the Company's financial structure, how much it would increase? In addition, he further asked that, as the Company required the loan in the amount of 50 Thousand Million baht, would the Company increase the capital in the near future or not?

The President replied to Mr. Pitipat, representative of Thai Investors Association, that the Company had forecasted the Company's financial standing in the next 5 years, and found that the Company had necessity to invest in the reasonable rehabilitation and improvement of aircraft fleet which its investment money was approximately in the amount of 150,000 Million Baht. However, considering from the money from operation and repayment for the principal, the Company would lack the money in the amount of 50 Thousand Million Baht which would be provided from the issuance of new shares, issuance of debenture and the loan from financial institution. At present, D/E Ratio was at the level higher than 3:1. The Company considered that such level was too high for the aviation business in the high fluctuation circumstance, the Board would like to see the D/E Ratio at the level of 2:1. He had calculated such matter and considered that if there would be the issuance of new shares in the number of 1,000 Million shares, there would be the money adequate for causing D/E Ratio of the Company to decrease to approximate 2:1 and there would also be the money for investment in the additional procurement of aircraft fleet. The issuance of new shares might not be up to 1,000 Million

shares because the new shares to be issued must depend on the market condition at that time therefore, the inquiry about the effect of new share issuance against the existing shareholders. Regarding the supportive measures of the Board, such issues were important and had been considered, the Company did not want to have any effect to the existing shareholders. Accordingly, the price fixing was the fixing which would be mostly as close as that of the market price. It would be in line with its demand-supply by using Book Building system. The interested person to purchase shares would propose number and price of shares, then there would be the assessment of appropriate price. All shareholders, regardless of the Ministry of Finance, or old shareholders or new shareholders, would purchase the shares at the same price. Such method would be the most fair for the existing shareholders.

Pol.Col. Sermkiat Bamrungpruek, shareholder, expressed his opinion in regard to the capital increase and new shares issuance in the number up to 1,000 Million shares that there must be the period of IPO but there was no determination of clear details of shares issuance, thus, he proposed the Board to carefully calculate the selling price of shares which caused the least effect to the existing shareholders.

Mr. Monchai Rabruentaveesuk, shareholder and proxy, expressed his opinion regarding the expense for the liquidity that he used to inquire about the wasteful expense of the computer back up system although there were already both main system and backup system. The budget was used in the amount exceeding 900 Million Baht and there was no confirmation from the Company that the said system was able to actually work, thus he proposed the Board to test such system by switching off the main system or by any other mean of testing. Additionally, he expressed opinion in regard to the expense of reparation of engines of aircrafts by using the Total Care System. At present, the Company had a lot of well trained personnel of Aircraft Maintenance Department. The Company had invested both money and time to create such personnel but there was no work for them. Accordingly, he would like to ask the Board whether there was the plan to improve or to enhance the competency of personnel of Aircraft Maintenance Department in order to be adequate for the engine reparation or not. Because it would enable the Company to reduce a lot of overhead burden which incurred from employing other person to repair the engine and incurred from the Total Care System.

Mr. Thammanoon Chulamaneechote, shareholder, expressed his opinion regarding the increase of capital by mean of issuance of new shares and the Dilution Effect that the Board had not yet mentioned to the proposal for managing the Dilution Effect. The financial advisor had not said about the increase of capital by mean of issuance of new shares in the number of 1,000 Million shares. It was certainly that there would be the Dilution Effect to the existing shareholders, thus he proposed the Board to show relevant information to the shareholders. Besides, he expressed the opinion about the Company's dividend payment by proposing the Company to pay the dividend to shareholders within 1 day after the date of AGM through e-dividend system in place of the 30-day payment after the date of AGM. Such new payment system would show the efficiency and potential of management of the new Board and Management on the 50th Anniversary of the Company.

The Chairman thanked for the shareholders' suggestions and informed the Meeting that all suggestions would be recorded in the minutes and the Company would further put forward all suggestions which were beneficial to the Company. In terms of engine, Aircraft Maintenance Department and the computer back-up system, he would like to suspend these issues and he would find channel and reasonable period of time for the Board or the Management to give the explanation later.

The Chairman said that if there was no shareholder's inquiry or suggestion, he asked the shareholders to cast the votes whether to consider and approve the proposal or not.

As there was no other shareholder's inquiry, the Chairman asked the Meeting to consider and pass the resolution.

The Meeting resolved, with the votes of not less than thirds-fourths of the total votes of the shareholders who attended the Meeting and had the right to vote, to approve the increase in the registered capital of the Company from 16,989,009,500 Baht to 26,989,009,500 Baht by issuing 1,000,000,000 new ordinary shares at a par value of 10 Baht, as follows:-

Affirmative Votes:	1,360,061,014	representing	95.98%
Negative Votes:	1,331,500	representing	0.08%
Abstention:	55,672,050	representing	3.93%

Agenda 9.4 **To Consider approving the amendment to Clause 4. of the Memorandum of Associations of the Company, RE: Registered Capital to correspond with such decrease in registered capital**

The Chairman asked the President to explain this matter to the Meeting.

The President explained to the Meeting that the abovementioned Agenda 9.3 was the amendment of Clause 4. Of the Memorandum of Associations of the Company, RE: Registered Capital to correspond with such decrease in registered capital by repealing the existing clause and replacing it with the following:-

“Clause 4 Registered Capital of 26,989,009,500 Baht (twenty-six thousand, nine hundred eighty-nine million, nine thousand and five hundred baht);
 Divided into 2,698,900,950 shares (two thousand, six hundred ninety-eight million, nine hundred thousand, nine hundred and fifty shares);
 Par value 10 Baht (ten baht)
 Being classified as
 Ordinary shares: 2,698,900,950 shares (two thousand, six hundred ninety-eight million, nine hundred thousand, nine hundred and fifty shares);
 Preferred shares: (-)”

Ms. Nisarath Aurmbonsook, proxy, would like to inquire the Board regarding the increase of capital with the purpose of increase of capital for business expansion and for debt repayment, how much was the percentage of each aforementioned purpose?

The Chairman asked the financial officer to give explanation for such inquiry because we had passed such Agenda and further stated that if there was no other shareholder’s inquiry, the Chairman asked the Meeting to cast the votes whether to consider and approve the proposal or not.

As there was no other shareholder’s inquiry, the Chairman asked the Meeting to consider and pass the resolution.

The Meeting resolved, with the votes of not less than thirds-fourths of the total votes of the shareholders who attended the Meeting and had the right to vote, to approve the amendment to Clause 4 of the Memorandum of Associations by repealing the existing clause and replacing it with the following:-

“Clause 4 Registered Capital of 26,989,009,500 Baht (twenty-six thousand, nine hundred eighty-nine million, nine thousand and five hundred baht);
 Divided into 2,698,900,950 shares (two thousand, six hundred ninety-eight million, nine hundred thousand, nine hundred and fifty shares);
 Par value 10 Baht (ten baht)
 Being classified as

Ordinary shares:	2,698,900,950 shares (two thousand, six hundred ninety-eight million, nine hundred thousand, nine hundred and fifty shares);
Preferred shares:	(-)"

The shareholders cast the votes as follows:-

Affirmative Votes:	1,360,164,614	representing	95.97%
Negative Votes:	1,229,000	representing	0.09%
Abstention:	55,671,150	representing	3.93%

Agenda 9.5 **To Consider approving the allocation of no more than 1,000,000,000 shares for the increase of capital for public offering**

The Chairman asked the President to explain this matter to the Meeting.

The President explained to the Meeting that the principle and proposal which he asked the Meeting to consider was to require the Meeting to allocate new ordinary shares for the increase of capital not more than 1,000,000,000 ordinary shares, par value of 10 Baht would be offered to public. He also asked the Meeting to consider in delegating the Board or the person assigned by the Board to have power to determine necessary details and conditions in connection with the offer of shares for sale, including to determine the offering price by taking into consideration the advice given by financial advisor and/or underwriter and the conditions of capital markets at the time. The principle which he proposed to the Meeting was the determination of offering price, he would determine by method of Book Building which had been explained in Agenda 9.3. Such method was the most fair for the existing shareholders. The allocation and offering of shares, in whole or in part, would be made to the existing shares. In this regard, the existing shares might include the major shareholders and relevant persons as permitted by relevant notifications of the Capital Market Supervisory Board. The next issue was the authority not to allocate the shares to some shareholders, if such allocation might result in violation of foreign laws or regulations or might result in any act required in addition to those already required under rules and regulations relating to the issuance and offer of securities for sale under the Thai laws. The Board had considered on this matter and was of the opinion that the AGM should approve the allocation of new ordinary shares for capital increase and to give authority as requested.

Mr. Monchai Rabruentaveesuk, shareholder and proxy, inquired that the shareholders attending the Meeting today or the existing shareholders had the opportunity to purchase shares first or not.

The President explained that the Company might not issue the whole 1,000 Million shares because he thought that it was unnecessary to issue the whole shares unless in case where the market price of share was very low, for instance, the Company issued 700 Million shares, the Company might offer the 500 Million shares to the existing shareholders and the 200 Million shares to the new shareholders, depending upon the pre marketing. The existing shareholders could purchase the 500 Million shares according to the existing shareholding proportion. With regard to the new shareholders, he would propose in the next Agenda requesting the Ministry of Finance to hold shares over 50% for maintaining the level of Ministry of Finance's shareholding over 50% because the Company was intended to be maintained as the state enterprise. The remaining shares would be offered to the new shares but it did not mean that the existing shareholders could not purchase the shares, accordingly, the share price would be the same due to the method of Book Building, the whole action would be taken simultaneously.

The Chairman stated that if there was neither other shareholder's inquiry nor suggestion, the Chairman asked the Meeting to cast the votes whether to consider approving the proposal or not.

As there was no other shareholder's inquiry, the Chairman asked the Meeting to consider and pass the resolution.

The Meeting resolved with the majority vote of the shareholders who attended the Meeting and had the right to vote, to approve and allocate the new ordinary shares for the increase of capital not more than 1,000,000,000 ordinary shares, par value of 10 Baht to be offered to public. The Board or the person assigned by the Board shall have power to determine necessary details and conditions in connection with the offer of shares for sale, including to determine the offering price by taking into consideration the analysis of demand for the purchase and the sale of newly issued shares e.g. the exploration of demand to purchase of institutional investors at different price (Book Building) including the allocation and offering of all or some of such shares to the existing shareholders. In this regard, the existing shares might include the major shareholders and relevant persons as permitted by relevant notifications of the Capital Market Supervisory Board and by taking into consideration the advice given by financial advisor and/or underwriter(s) and the conditions of capital markets at such period of time. In addition, the Board or the person assigned by the Board shall have power not to allocate the shares to some shareholders, if such allocation might result in violation of foreign laws or regulations or might result in an act required in addition to those already required under rules and regulations relating to the issuance and offer of securities for sale under the Thai laws.

The shareholders cast the votes as follows:-

Affirmative Votes:	1,360,244,514	representing	95.99%
Negative Votes:	1,292,200	representing	0.09%
Abstention:	55,528,050	representing	3.92%

Agenda 9.6 **To Consider approving the authorization of the Board of Directors or any person(s) delegated by the Board of Directors to allocate and offer the ordinary shares for capital increase to the Ministry of Finance in order that the Ministry of Finance holds approximately 51.03% of total sold shares of the Company after the offering**

The Chairman asked the President to explain this matter to the Meeting.

The President explained to the Meeting that several financial agreements stipulating that the Ministry of Finance must maintain its shareholding ratio at more than 50%, otherwise, the Company would be deemed to be in default of performing obligations under such financial agreements. Therefore, share offering to the Ministry of Finance would ensure success in funding in the form of share capital together with debt, there was the purpose that the Ministry of Finance could hold shares exceeding 50%. The Board (excluding directors who had conflict of interest i.e. the Ministry of Finance in this case), had approved to propose to the shareholders to approve the Board or any person(s) delegated by the Board to have authority to allocate and offer the ordinary shares for capital increase to the Ministry of Finance at the same price as the public offering price in order that the Ministry of Finance would hold shares at the existing ratio including to have an authority to seek for relaxation from the Office of the Securities and Exchange Commission in order to comply with the Notification of the Capital Market Supervisory Board, RE: Subscription, Underwriting and Allocation of Newly Issued Securities. Therefore, the estimated maximum number of shares to be offered to the Ministry of Finance according to its shareholding would not exceed 510.3 Million shares.

The Chairman sought approval from the Ministry of Finance, major shareholder, to abstain the voting in this Agenda and if there was neither other shareholder's inquiry nor suggestion, the Chairman asked the Meeting to cast the votes whether to approve as proposed or not.

As there was no other shareholder's inquiry, the Chairman asked the Meeting to consider and pass the resolution.

The Meeting resolved, with majority votes of the shareholders who attended the Meeting and having the right to vote, to approve the Board or any person(s) delegated by the Board to have authority to allocate and offer the ordinary shares for capital increase to the Ministry of Finance at the same price as the public offering price in order that the Ministry of Finance would hold shares at the approximate ratio of 51.03% if the Company total sold shares after the offering of capital increase shares which was the Ministry of Finance's existing ratio prior to the offering of capital increase shares. In addition, upon the approval of the AGM, the Board or any person(s) delegated by the Board to have an authority to seek for relaxation from the Office of the Securities and Exchange Commission in order to comply with the Notification of the Capital Market Supervisory Board, No.Tor.Jor.29/2551, RE: Subscription, Underwriting and Allocation of Newly Issued Securities. As the Ministry of Finance was the interested person, accordingly, it had no right to vote in this Agenda.

The shareholders cast the votes as follows:-

Affirmative Votes:	493,132,173	representing	89.65%
Negative Votes:	1,302,500	representing	0.24%
Abstention:	55,632,250	representing	10.11%

Agenda 9.7 **To Consider approving the authorization of the Board of Directors or any persons(s) delegated by the Board of Directors to allocate and offer the Company's ordinary shares for capital increase**

The Chairman asked the President to explain this matter to the Meeting.

The President explained to the Meeting that this Agenda was the matter of authorization to the Board or any person(s) delegated by the Board to carry out the allocation and offering of Company's ordinary shares for capital increase. The proposed principle was to ensure success of the allocation and offering of Company's ordinary shares for capital increase, accordingly, the Board had the resolution to propose the shareholders to consider and approve the Board or any person(s) delegated by the Board to take any action as necessary for or in connection with allocation and offering of Company's ordinary shares for capital increase which included 1) To consider and set details or conditions regarding the allocation, for instance, allocation and offering of ordinary shares of each offering (or at the same offering or the offering of ordinary shares in any number from time to time), ratio and method offering, timing, record date, existing shareholders rights, 2) To negotiate, amend, enter into and/or sign agreement, obligation, right issue document, representation and/or any related documents, 3) To ask for approval, preparation, and submission of documents and evidence to the Office of the Securities and Exchange Commission, the Stock Exchange of Thailand or other related agency, including seeking for relaxation to the Office of the Securities and Exchange Commission, to allocate the Company's ordinary shares for capital increase to the major shareholder and/or the person(s) prohibited to be allocated for securities except the case where there was the relaxation for them.

Pol.Col. Sermkiat Bumrungpruek, shareholder and proxy, asked the Board that before there was the voting for resolution of Agenda 9.5 regarding the offer of capital increase shares, had the Board surveyed the information of foreign institution or foreign investors (who had high financial power in this situation) including the minor investors or not? He thought that the Ministry of Finance also did not have strong financial standing and this was not in line with the country situation, so, there was not much hope for the persons who were interested in purchasing the new shares to be offered to the public. In addition, the minor shareholders must consider about the Dilution Effect which

would arise, accordingly, he would like to ask the Board to reconsider whether this was the appropriate time for the mobilizing of the fund for capital increase or not.

The Chairman stated that due to the fact that the Agenda of capital increase had been passed, therefore, he could not reply the inquiry according to Agenda 9.5. However, the issue to be replied by the President would be in Agenda 9.7, so, he asked the President to reply the inquiry of Pol.Col. Sermkiat Bumrungpruek in this Agenda but it must be recorded that this inquiry was under Agenda 9.7 not 9.5 in order to maintain the same standard as Ms. Nisarath Uem-boonsook who inquired about the capital increase issue in Agenda 9.4.

The President explained to the Meeting that the seeking for shareholders' approval in order to authorize the Board to allocate and offer the ordinary shares for Company's capital increase today did not mean that the offering would be made tomorrow. However, the Company was in need to seek for approval from shareholders before purchasing the new shares in the appropriate timing including period of time and factors, for instance, the Company's demand for money, market condition, Thai politics, etc. If there was a lot of problem of Thai politics, the stock market was down; it was likely that the company might delay the share selling. At the same time, if the economics was very weak, the Company might have necessity to have speedy capital increase. Thus, there must be the seeking for approval from the shareholders first because if there was no seeking for prior approval before taking action, it would not be timely because there were quite many processes and steps of practice before the shares selling, for instance, the seeking for permission from relevant governmental agencies and there must be the pre marketing first. However, for the past 4 to 5 months, he had met many institutional investors. They were quite interested in the Company's business because they saw that the Company's business started to rehabilitate and at present the world's aviation business was better, thus, the aviation business interested the investors again. Besides, he believed that Thai minor investors would be interested in buying the Company's shares but there was the only obstacle i.e. our country's politics problem.

The Chairman stated that if there was neither other shareholder's inquiry nor suggestion, the Chairman asked the Meeting to cast the votes whether to consider and approve the proposal or not.

As there was no other shareholder's inquiry, the Chairman asked the Meeting to consider and pass the resolution.

The Meeting resolved, with majority votes of the shareholders who attended the Meeting and had the right to vote, to approve the Board or any person(s) delegated by the Board to have authority to take any action as necessary for or in connection with allocation and offering of Company's ordinary shares for capital increase which included

(a) To consider and set details or conditions regarding the allocation, for instance, allocation and offering of ordinary shares of each offering (or at the same offering or the offering of ordinary shares in any number from time to time), ratio and method offering, timing, record date, existing shareholders rights;

(b) To negotiate, amend, enter into and/or sign agreement, obligation, right issue document, representation and/or any related documents;

(c) To ask for approval, preparation, and submission of documents and evidence to the Office of the Securities and Exchange Commission, the Stock Exchange of Thailand or other related agency, including seeking for relaxation to the Office of the Securities and Exchange Commission, to allocate the Company's ordinary shares for capital increase to the major shareholder and/or the

person(s) prohibited to be allocated for securities except the case where there was the relaxation for them.

The shareholders cast the votes as follows:-

Affirmative Votes:	1,360,125,714	representing	95.97%
Negative Votes:	1,292,300	representing	0.09%
Abstention:	55,646,750	representing	3.93%

Agenda 10 **To Consider the election of directors**

The Chairman informed that in this AGM, there were one-thirds of directors retiring by rotation under the Company's Articles of Association, Article 17 as follows:-

1. Mr. Chaikasem Nitisiri
2. Mr. Weerawong Chittmitrapap
3. Mr. Kanit Sangsubhan
4. Mr. Apiporn Pasawat
5. Mr. Pravich Ratanapian

In this connection, the Company had given the shareholders an opportunity to nominate qualified person to be elected as Board of Directors according to the Criteria posted on the Company's website. However, there was no nomination, therefore, the Nomination, Remuneration and Human Resource Development Committee had selected qualified person according to its selection process by considering the qualification, learning qualification and knowledge of the nominated persons. The Board of Directors resolved to approve the opinion of the Nomination, Remuneration and Human Resource Development Committee, therefore, he would like to propose the Shareholders' Meeting to consider on the election of directors for replacing the 5 retiring directors by rotation as follows:-

- | | |
|--------------------------------|---|
| 1. Mr. Chulasingh Vasantasingh | To be in place of Mr. Chaikasem Nitisiri |
| 2. Mr. Weerawong Chittmitrapap | To be re-elected as a director for another term |
| 3. Mr. Kanit Sangsubhan | To be re-elected as a director for another term |
| 4. Mr. Apiporn Pasaw | To be re-elected as a director for another term |
| 5. Mr. Pravich Ratanapian | To be re-elected as a director for another term |

The Secretary to the Meeting explained that, in voting, he would like to ask the shareholder wishing to cast affirmative vote, negative vote and abstain to vote, to cast the vote in the ballot given by the Company. For the transparency of vote counting, there would be the observer from the OAG and volunteer from shareholders to be the committee for vote counting. Upon the voting, he asked the Company's office to keep ballot and then record the vote.

Mr. Wisuth Sahachartmanop, shareholder, asked the names of members of the Nomination, Remuneration and Human Resource Development Committee who considered to nominate the persons to be directors of the Company. Then, he said that in case that Mr. Weerawong Jitmitraphab, who was currently the director of Nok Air and Mr. Kanit Sangsubhan who was a director of the Bank of Thailand, had been nominated to be a director for another term, such cases were in violation of the Company's rules and regulations in regard to the conflict of interest or not? He also proposed the Company to announce the invitation to shareholders to nominate the person to be the Company's directors through other medias other than the Company's website, for instance, the announcement through radio and newspaper, etc. because there were some shareholders were not familiar with the announcement through the Company's website.

The Chairman replied the inquiry of Mr. Wisuth Sahachartmanop about the Nomination, Remuneration and Human Resource Development Committee that the Committee comprised 6 members as follows:

1. Mr. Surachai Tansitpong
2. ACM Satitpong Sukvimol
3. Mr. Chaisak Angsuwan
4. Mr. Amornsuk Noparumpa
5. Mr. Pichai Chuhavajira
6. Mr. Piyasvati Amranand

In case that Mr. Weerawong Jitmitraphab, had been nominated to be a director for another term, while he was currently the director of Nok Air, the Company confirmed that the nomination to assume the Company's director position was not in violation the Company's rules and regulations because the Company was the major shareholder of Nok Air holding 39% of its shares, and the Company nominated Company's 4 directors and executives to be the directors to be agents of management in Nok Air as the major shareholder. In case that Mr. Kanit Sangsubhan who was nominated to be a director for another term while he was a director of the Bank of Thailand, the Company had checked with the Company's rules and regulations and confirmed that the nomination in case of Mr. Kanit Sangsubhan to be a director was not in violation the Company's rules and regulations. Regarding the proposal to the Company to announce the invitation to shareholders for nominating the person to be the Company's directors through other medias, the Chairman acknowledged accordingly and he asked the Legal and Compliance Department to check that if the Company announced the invitation through other medias as proposed by the shareholder, would it violate any Company's rules and regulations or not. Upon completion of checking on such matter, if there was no violation of Company's rules and regulations, the Company would announce such invitation for the AGM in subsequent years.

Pol.Col. Sermkiat Bumrungpruek, shareholder and proxy, mentioned about his opinion in regard to the consideration for directors appointment that, for the past period of time, the minor shareholders had tried a lot to seek for opportunity to be the Company's directors with an aim to have the shareholders' representatives for acknowledging and checking the Board working in accordance with the principle of good corporate governance. However, as the Company's major shareholder was the Ministry of Finance, in every voting, the representative would had the casting vote to finalize the resolution. Last year, the minor shareholders nominated the persons to be 2 Company's directors, a lot of minor shareholders approved so but the major shareholder i.e. the Ministry of Finance was the only one who cast the negative vote. As a result, the nomination of persons to be 2 Company's directors was invalid. He considered that it was the taking advantage against the minor shareholders' rights because they could not have their representative in the Board. Therefore, he would like to ask the Board to consider on this matter and he also wished the minor shareholders' success.

Mr. Monchai Rabruentaveesuk, shareholder and proxy, expressed his opinion about the consideration on appointment of directors that, in accordance with the Company's Articles of Association, the shareholding ratio of minor shareholders was approximately by 20% of the total issued shares. If calculating according to the ratio of shareholding, the minor shareholders should have the right to appoint the 3 directors to be their representatives but they had never had the opportunity to appoint the directors. Additionally, he further explained that the purpose was that they wished to have some minor shareholders to have an opportunity to be the sub-committee of good corporate governance or audit committee. Consequently, he proposed the Chairman, the President and the representative of the Ministry of Finance to consider fairly, in democratic manner and to refuse the capitalism or vicious capitalism in order that the minor shareholders would have the right to jointly be the Company's directors.

Mr. Thammanoon Chulamaneechote, shareholder, expressed his opinion that, with regard to the nomination of minor shareholders to be the directors, all minor shareholders must jointly file a lawsuit to the court in order to issue the order to the Company to have the directors according to the shareholding ratio in the Board of Directors in accordance with the Company's Articles of Association and laws. Accordingly, he proposed to further take the legal proceeding rightfully.

The Chairman thanked for the shareholders' suggestion and informed that all suggestions must be recorded in the minutes and he would implement all matters which were beneficial to the Company.

Mr. Somphol Trakulrung, proxy, expressed his opinion in regard to the directors that all shareholders should obey the Company's rules and regulations and laws. In this regard, there were clear provisions of laws in regard to nomination of the Company executives. He asked the Meeting to consider that the objective for nomination of the Board or the executives of the Company was for the benefit of Company's business operation. Therefore, it was ordinary if the Ministry of Finance who was the major shareholder wished to have the reliable executives. Personally, he did not object the case that the minor shareholders intended to be directors. However, if the Ministry of Finance as the major shareholders disagreed so, he asked the Meeting to accept the truth and must not have bias with the Board who were from the line of activity of government service. Further, he further expressed the opinion that the aspect which the shareholders should consider was the Company's potential and whether the investment had the adequate potential for giving the yield the shareholders or not. If it appeared that the Company's potential or executives of the Company (in which they wished to invest) were not credible, they should not invest.

The Chairman thanked the shareholders, there was other shareholder's inquiry, the Chairman asked the Meeting to consider and pass the resolution and asked Mr. Chokechai Panyawong, Executive Vice President, Strategy & Business Development, to explain regarding the investment in the computer back-up system as inquired by the shareholders in Agenda 9.3

Mr. Chokechai Panyawong, Executive Vice President, Strategy & Business Development, explained regarding the investment in the computer back-up system that the Company had spent approximately 950 Million Baht for establishment of the computer back-up system within 5 years and it was a measure which the Company had studied for long time. It was the risk management of the whole computer system, for instance, with regard to the Company's ticket sale system, the revenue from the ticket sale was approximately in the amount of 450 to 500 Million Baht per day. If the system had problem, for instance, the ticket reservation, etc., there would be the loss of revenue. Additionally, all operating systems at the airport were based upon the computer's system, as a result, the existing of computer back up system was the risk insurance at the approximate ratio of 0.1% of total revenue. In terms of the efficiency of system working, the Company had practiced to use the system every year. The Company had practiced to use the system of the year 2009 approximately at the end of November of the year 2009.

The Chairman thanked Mr. Chokechai Panyawong, Executive Vice President, Strategy & Business Development, for his explanation and would like to ask Flight Lieutenant Montri Jumrieng, Managing Director, Technical, as inquired by the shareholders in Agenda 9.3.

Flt.lt Montri Jumrieng, Managing Director, Technical, had explained on the capacity of maintenance of Technical Department and overview Total Care system, at present, there were approximate 300 engines of Technical Department and approximate 125 out of such 300 engines (approximate 40%) had the maximum capacity, that is, the competency of heavy maintenance, or it could be compared with the reviving of engine to be able to work again. There were many levels of capacity of maintenance of Technical Department, starting from the level of assembly, disassembly, parts separation, spare-parts reparation, spare-parts replacement including heavy maintenance. With

regard to the issue of capacity at the approximate 40% as mentioned above which were in the A300-600 engines and B747-400 engines which would be deployed in the future, he would like to explain that, if we considered the Company's long term i.e. 2 years, 5 years, and 10 years in the future, it could be seen that 40% of engines would disappear and how we should do in order to seek for the new engines to be repaired at the maximum level like this. In this connection, the Company was able to provide maintenance at the highest level by 40%, there was in the Total Care system by 30%. There were many levels of Total Care and the Company could already provide at the levels 1, 2, 3 and 4. However, at the level requiring the heavy reparation, they must be sent to be repaired according to the executed Agreement. The remaining 30% were the Company's old engines at present which the Company would send them for reparation at each time. Currently, the first action to be taken by the Company was to manage its positions to be appropriate with its existing workloads. Secondly, it was to seek for the substituting works, that is to say, the preserving of present capability to exist up to 10 years comprising two parts. The first part was to talk to the airline who would barter with each others, for instance, in case of China Airline, etc. The second part was to not permit the vendor repairing the Company's engines had received the engines without any charge, but such vendor must seek for other engines to be repaired. However, it must be accepted that the engines which the Company had the capability (CF6-80) would be mostly in Africa and South America which the Company must seek for them. Such action was the solution at present, that is, the preservation of capability in repairing GE 80 within 10 years. Next, it would be the development of capability of maintenance because the Company's existing know-how would belong to only 2 companies i.e. General Electric and Rolls Royce. With regard to the future engines, they would have 4 types, General Electric would have GE 90 and GENX, but Rolls Royce would have Rolls Royce Trent 900 and Rolls Royce Trent 1000. Accordingly, the Company was in need to use the Total Care system (Rolls Royce used Total Care system, General Electric used Power-By-The-Hour system). However, 2 systems had the same thing i.e. the maintenance would be for the whole system. Therefore, the Company could be a part of Total Care system when the Company developed its existing knowledge and capability to be in line of GE 90 and GENX to meet 5th level of knowledge and capability, as a result, the Company would have the opportunity to take part in General Electric at the 5th level, and to take part in Rolls Royce at 1st to 4th levels. The afore-mentioned matter was the plan to develop the capability of Technical Department at present and to support the work in the future.

The Chairman thanked for the explanation.

Mr. Monchai Rabruentaveesuk, shareholder and proxy, said that he would like to keep this matter as the lesson for next purchase of engines. He would like to ask Company to focus on the best interest in the next purchase of engines and not to pay for the Total Care expense which resulted in the Company's overhead burden over 5,000 Million Baht. In terms of the computer back-up system, he further inquired that, in the trial of back-up system in the year 2009, whether the Company had tested to switch off the main computer system and to switch on the computer back-up system in order to test its full function or not, and he asked the Company to guarantee the efficiency of such computer back-up system.

Mr. Chokechai Panyawong, Executive Vice President, Strategy & Business Development, said to confirm that the Company was ready to use the computer back-up system. In testing the back-up system, there was the clear step that if the main system had problem, the back up system must be able to function immediately. Therefore, the test did not mean the test of back up system because there had been the test from time to time but it meant the test of main system switching off. Accordingly, in regard to the risk management, if there was any technical error, the Company would lose 400-500 Million Baht per day or 5 Million Baht per hour, thus, the computer system was like the Company's life assurance which always incurred the cost for the risk management but it was the protection of Company's revenue and properties. For many past years, there were many crises, for instance, 9/11 crisis, Bird-Flu and volcano's crisis, etc. which affected aviation business a lot,

accordingly, the Company was certain that the computer back-up system was ready for usage and the management would achieve the Company's goal.

Mr. Monchai Rabruentaveesuk, shareholder and proxy, said that he would like to ask Strategy & Business Development Department to confirm that the main system had been switched-off and the back-up system at Chaeng Wattana had been used instead thereof.

The Chairman said that the issue of computer back-up system was recorded and there would be the explanation in form of the report to the Board. In terms of the capacity of Technical Department, he would like to explain that after the 2009 AGM, the Company, at that time, had approximate 90 aircrafts in the fleet and there were 26 aircrafts in the On-Ground Report, that is, the utilization of aircraft at that time was less than 10 hours per day due to the fact that there was the change of Technical Department. At present, Technical Department could decrease the aircrafts which did not fly in the On-Ground Report to only 8 aircrafts. In addition, the Company could use the aircrafts in fleet including four to five old aircrafts i.e. 747-400 aircrafts being over 20 years old, or Airbus A300 or AB6, which generally flew for only 3 times and to be on ground, but Flt.Lt. Montri and Technical Department could make such aircrafts to fly safely at present according to the standard safety approximately 90.93%. Accordingly, the President could bring such aircraft to generate the revenue during the peak period i.e. 4th quarter of the year 2009 and 1st quarter of the year 2010. As a result, the Cabin Factor of the Company reached the highest in the Company 50-years history i.e. 82.40%. The Board had been reported these matters every week. This kind of thing would be always followed up by the Board and the Executive Committee would follow up whether the policies or opinions of shareholders expressed in the AGM had been implemented or not. On behalf of the Board, he confirmed that there would be the progress of every issue raised by shareholders in this Meeting, but he could not guarantee that every problem would be solved within the next 12 months. However, the Board promised that there must always be progress and explanation for shareholders.

The Meeting resolved, with majority votes of the shareholders who attended the Meeting and had the right to vote, to approve the election of 5 Directors to replace the Company's directors who retired by rotation in accordance with the Company's Article of Association, Article 17., to be effective as from 28 April 2010 onwards, as follows:-

Names List	Position	Approved (Votes)
1. Mr. Chulasingh Vasantasingh	Director	1,340,227,494
2. Mr. Weerawong Chittmitrapap	Director	1,340,221,994
3. Mr. Kanit Sangsuban	Director	1,340,199,294
4. Mr. Apiporn Pasawat	Director	1,339,947,692
5. Mr. Pravich Ratanapia	Director	1,339,877,494

Accordingly, 15 members of the Board of Directors comprised as follows:-

1. Mr. Ampon Kittiampon	Director
2. Mr. Surachai Tansitpong	Director
3. Mr. Sathit Limpongpan	Director
4. Mr. Chaisak Angkasuwan	Director
5. Mr. Areepong Bhoocha-oom	Director
6. ACM Satitpong Sukvimol	Director
7. Mr. Amornsuk Noparumpa	Director
8. Mr. Pichai Chunchavajira	Director
9. Mr. Banyong Pongpanich	Director
10. Mr. Kanit Sangsubhan	Director
11. Mr. Weerawong Chittmitrapap	Director
12. Mr. Apiporn Pasawat	Director

13. Mr. Pravich Ratanapian	Director
14. Mr. Chulasingh Vasantasingh	Director
15. Mr. Piyasvati Amranand	Director

Agenda 11 Other Business

The Chairman asked the Meeting whether there would be other shareholder's inquiry or proposal or not.

like this time, accordingly, he would like to propose the matters as follows:-

1. the Board must reply in writing for the matters which the shareholders had submitted in regard to the taking of legal proceedings of both civil and criminal offences relating to the corruption in Company in the next meeting and must also record this proposal in the minutes of this Meeting;

2. there must be the preparation of account of property, liabilities of the Company in the Balance Sheets and must attach the details of Company's debtors therewith for the interest of shareholders;

3. the Company should hold the next AGM on holiday, for instance, on Saturday or Sunday, etc. because some shareholders worked on Saturday and being free on Sunday, some shareholders were the civil servants or worked in state enterprises and some shareholders lived in regional province, therefore, it might be beneficial to some shareholders;

4. the Company was asked to consider on the souvenir to be given out to shareholders;

5. there must be the establishment of shareholders' club having Mr. Wisuth Sahachatmanop as the coordinator with an aim not being the Board member but for helping the Company in the management in order to have good governance in the organization.

The Chairman explained that the Board must check the Company's Articles of Association and relevant legal issues, in order that the disclosure of information as proposed by Mr. Prasert Lertyaso in Clause 1 and 2 regarding the investigation of corruption would not violate any laws. In terms of the good corporate governance, there had been many improvements and there had already been the stipulation in the new code of ethics already.

Mr. Surasith Sripapha, shareholder, said that he disagreed with the person nominated by Mr. Prasert Lertyaso to be the coordinator because the nominated person's employment was terminated by the Company and the Company had announced to disallow him to enter the Office of Company at Don Mueang Airport. If it was other person, he would accept so.

Mr. Thammanoon Chulamaneechote, shareholder, proposed the Company to give air ticket to the shareholder attending the Meeting as the shareholder's willpower on 50th anniversary of the Company.

The Chairman thanked all shareholders for all opinions of operations which would be beneficial to the Company and they would be further considered.

There was no other matter to be considered or acknowledged, therefore, the Chairman declared that the Meeting was adjourned.

Meeting was adjourned at 18.11 hrs.

(Mrs. Chutiporn Kamolbutr)
Director, Compliance Department
Minutes Keeper

(Mr. Niruj Maneepun)
Vice President
Legal and Compliance Department
The Company Secretary

(Mr. Piyasvasti Amranand)
Director and President

(Mr. Ampon Kittiampon)
Chairman and Chairman of the Meeting

As a result of the fact that Mr. Wisudhi Sahachardmanop, a shareholder, proposed to the Meeting for discussion but due to limited time, he delivered his documents to the Meeting and also asked the Meeting to contain the documents' contents in the Minute, as follows:

1. Status of Holding DD Office of Mr. Piyasvasti Amranand

Mr. Apinan retired from his office upon November 27, 2008 due to the fact that the Company had examined and found his offenses in the case of A330 Aircraft Procurement in violation of the resolution of the Council of Ministers and NACC had examined a number of additional matters, all of which had evidences in association with offenses. But up to present, the Company has not yet taken any legal action, causing shareholders to file lawsuit to the court by themselves. The name list of Board of Directors and Executives have not yet changed and the money of the Company had also been approved for assistance in defenses of the case and a public prosecutor has been appointed in this case, this matter would be further mentioned.

According to the fact, when Mr. Apinan had retired from his office, the Company lacked a person holding the DD office. Thus, the Board of Directors appointed DD Nominating Committee upon December 3, 2008 when the Company commenced to announce the DD application acceptance. Subsequently, the application period was extended and closed upon February 2009. Mr. Piyasvasti filed an application during the period of time so extended as mentioned above. In this regard, when Mr. Piyasvasti came to apply for the position, Mr. Piyasvasti was legally disqualified because he possessed disqualification under Section 8 *ter* (12) of the Standard Qualification of Directors and Officials of State Enterprise Act which prohibits the persons who have been directors or executives in the juristic persons who are joint venture of any other state enterprise to hold an executive offices of those state enterprises within 3 years.

Mr. Piyasvasti used to hold office in the capacity of a director of Bangkok Aviation Fuel Services Company Public Company Limited (BAFS) which is a joint venture of the Company. Mr. Piyasvasti resigned from his office to hold the office of the Minister of Energy in the Government of the Council of National Security upon October 9, 2006. Consequently, Mr. Piyasvasti would be fully qualified by law upon October 9, 2009. Nonetheless, the Nominating Committee determined that the applicant was required to possess complete qualifications upon the date of inauguration. After that, the Nominating Committee let the applicants show their visions in May 2009 and the announcement was made in June 2009. However, as Mr. Piyasvasti would be fully qualified in October 2009; thus, the Nominating Committee waited until October 2009 and let Mr. Piyasvasti conclude the DD Position Inauguration Contract upon October 19, 2009 and he was entitled to the salary at the rate of 900,000 Baht; meanwhile, the Deputy DD was entitled to the salary at the rate of 240,000 Baht, new employees with Bachelor' Degree were entitled to the salary at the rate of 12,000 Baht, and outsourced officers who are not regarded as employees were entitled to the salary at the rate of 8,000 Baht.

These behaviors in view of general persons were the intention to make the specific person to hold the DD office, causing the Company to lack a DD office holder for a period of 11 months. During the airport closing crisis in November 2008, the Company declared that the Company was damaged up to 20,000 Million Baht. After that, at the beginning of the year 2009, the Company was encountered with the financial crisis to the extent that the Company had to announce the rehabilitation plan so as to borrow money in the amount of 35,000 Million Baht. The Company had to reduce the flights at the beginning of the year up to 50%, despite the fact that such period of time was a profit-

making period for the Company. All of the crises so occurring were as a result of the fact that the Company lacked the DD position holder during the period of time mentioned above because the Nominating Committee intended to let Mr.Piyasvasti hold the DD office.

Therefore, the Company ought to give reasons why the DD nominating process was like that and why the Board of Directors was unaware of the crises of the Company and let the Company lack a DD position holder during the aforementioned crises.

2. Cancellation of the Flights at Ubon Ratchathani and Phitsanulok Airports

According to the study of flights cancellation at Ubon Ratchathani and Phitsanulok Airports in March 2010, additional details are known that the Company prepared to cancel the flights to other domestic airports; namely Khon Kaen Airport and Surat Thani Airport. The domestic routes will be only Chiang Mai, Chiang Rai, Udon Thani, Phuket, Had Yai, and Samui Island. Mostly, all of the domestic destinations of the Company are to international airports, except Samui Island merely. Why would the Company need to maintain the Samui Island route? According to the fact, the Company has to pay the airport utilizing costs of the Samui Island Airport at the rate up to 80 Thousand Baht per flight, meanwhile, the airport utilizing costs in other domestic airports are 8,000–9,000 Baht only. The above-mentioned reason shows no transparency between the Company and Bangkok Airway.

In addition, the Company also announced its policy to let Nok Air fly in the routes to be cancelled by the Company. Additionally, the Company let on lease of ATR Aircraft in favor of Nok Air at cheap price so as to open the Bangkok–Buri Ram Route, which had already been cancelled by the Company over 10 years. The Company should also give these reasons because the Company is also a major shareholder of Nok Air Co., Ltd. and could not cite that this matter was the policy of Nok Air Co., Ltd.

In the case of cancellation of Ubon Ratchathani Flight, the Company needs to give reasons, because, according to the information, the performance in the year 2008 of the Bangkok– Ubon Ratchathani–Bangkok Route had average cabin factor of 82.7%, and the performance in the year 2009 which was during the same period as the Company had to decrease foreign flights but the Bangkok–Ubon Ratchathani–Bangkok Route had more passengers with average cabin factor as high as 96%

Cabin factor means the passenger-to-seat ratio. For instance, if the aircraft has 100 seats and there are 80 passengers, it means 80% cabin factor. Hence, the fact that the Bangkok–Ubon Ratchathani–Bangkok Route flights have annually average 96% cabin factor means every flight of the aircraft is full throughout the year. Meanwhile, the airlines around the world set the targets of annual average cabin factor at the rate of 75% only. Therefore, the Company should increase the flights or the size of the aircrafts to support more passengers, the Company should not have cancelled the flights like this; it showed no transparency of management of the Company.

In essence, the Company had average monthly income only from the Bangkok–Ubon Ratchathani–Bangkok Route in the amount of 20.1 Million Baht. Meanwhile, the monthly employee expenditure was only 1.1 Million Baht. This showed that the Company had profits in the amount of 19 Million Baht per month or 630,000 Baht on a daily basis. There were 3 flights per day, each flight in this route, the Company would have profit in

the amount of 210,000 Baht. The flight from Bangkok to Ubon Ratchathani used fuel approximately 2 tons or approximately 2,500 litres at 20 Baht per litre. Thus, average aviation fuel was approximately 50,000 Baht, maintenance cost was approximately 40,000 Baht, airport expenses and expense of aeronautical radio were approximately 20,000 Baht, and expenses for each flight were approximately 110,000-120,000 Baht. In conclusion, the Company have net profit in the amount of approximately 90,000-100,000 Baht per flight in this route.

However, for the time being, the Company had already cancelled this route. The doubt was why such route had been cancelled which caused Nok Air Co., Ltd., a private entity, to obtain benefits in lieu of the Company which is a state enterprise.

3. Being sued in the unfair trade case by the European Countries, the United States of America, Australia, New Zealand, and Korea

The Company was sued by Air Cargo Association in the amount as high as 20,000 Million Baht as a result of the fact that the Company had colluded with other airlines to determine the freight rate. While other airlines agreed to pay the fine, only the Company still defended the case. The fine, only in the European Countries, was in the amount of approximately 20,000 Million Baht. Last year, the Company provided a reserve for the fine payment in the amount up to 4,000 Million Baht. Moreover, the Company had proceeded with the case in several countries; for example, the United States of America, Australia, New Zealand, and Korea. For the time being, the Company had paid the lawyer costs to defend the cases, particularly in EU Countries, the lawyer fee was in the amount of approximately 800 Million Baht and the Company had employed Siam Premier Co., Ltd. to be its legal advisor with the fee in the amount up to 100 Million Baht. It was doubtful why the Company employed Siam Premier Co., Ltd. despite the fact that the Company had already had a legal advisor, namely Baker & McKenzie Co., Ltd., to work on a regular basis.

Initial damage was the lawyer fee in the amount of approximately 800 Million Baht. The sufferers were the minority shareholders who ought to be explained by the Company in a variety of issues. For example, who was required to be responsible for the incurred damage; in the case where the Company was fined in the amount of 20,000 Million Baht, how the Company's status would be; and in the case where the management worked in an erroneous manner, whether the management should be responsible for the occurred results or not, and how much.

4. Damage from the Passenger Seats of A330 Aircraft

In the event of procurement of 8 A330 Aircraft, it was found that the procurement process was dishonest which was contrary to the resolution of the Council of Ministers. The Committee had mentioned the prima facie since November 2008 and NACC had inspected since 2009. Up to present, there had not yet been such any progress that shareholders took a legal action thereagainst. This case was pending under the Undecided Case No.....

In addition to the dishonesty in aircraft procurement, selection of type of purchased engine, inclusive of the selection of seat type to be installed in the aforesaid aircraft, was also pending in the court pursuant to the plaint of shareholders. For the time being, after the Company had accepted the delivery of the 3rd aircraft, it appeared that the

passenger seats were not standardized and warranted by the air safety guarantee agency of the manufacturer country, namely Japan.

The damage arising against the Company was that after the Company had paid money to purchase each aircraft in the amount of approximately 4,000 Million Baht, but the Company was unable to utilize such aircraft on account of no passenger seats. The Company had to park the aircraft without any utilization and also had to pay rental expense and maintenance expense in France. For the time being, such event arose against three aircraft and such event would occur against another 5 aircraft.

The damage value from the price of the aircraft was at the rate of 4,000 Million Baht per one aircraft. This amount had been borrowed by the Company with interest at the rate of 5% in the amount of approximately 200 Million Baht *per annum*. Additionally, the Company had to depreciate the aircraft at the rate of 10% *per annum* in the amount of approximately 400 Million Baht. Total damage to the Company was approximately 600 Million Baht *per annum* or 50 Million Baht per one aircraft. For the time being, there were 3 unutilized aircraft which meant that total damage of the Company was 150 Million Baht on a monthly basis.

In this event, the sufferers were shareholders. The majority shareholders neglected to take any action because such amounts had come from people's taxes and duties. How would the management take responsibility?

5. Charter of 777 Aircraft

Provision of 6 B777 Aircraft in accordance with the resolution of the Board of Directors in February 2010 by chartering 3 aircraft from Jet Airways and another 3 aircraft from Air India at the rate of USD 2 Million per month or USD 24 Million per annum by commencing to deliver the aircraft as from April 2010.

This procurement was very doubtful. The Company increased the aircraft up to 6 in number but why the Company did not increase the flights and destinations. The Company had to bear additional costs in charter and maintenance. When the Company did not increase the flights, there was no additional income. This charter made the Company experienced unavoidable loss.

Normally, the aircraft procurement of general airlines shall have prior taken into account the routes, worthiness, and personnel. For instance, an aircraft needs pilots of 5 shifts and each shift needs 2 pilots, namely an aircraft needs 10 pilots. When there were 6 aircraft, 60 pilots were needed. Meanwhile, for the time being, the pilots had already had their full flights in line with international standards. Finally, the Company had to order the pilots to work overtime, causing fruitlessness to the overtime reduction policy and also lowered the flight safety.

According to the follow-up of the performance of the Company in previous year, at the beginning of the year, which is normally the period of time when the Company has maximum profit, the Company had to reduce the flights down to 60% as a result of the political crisis. The Company's performance had just started to recover at the end of the year. Therefore, this fact indicated that, how the Company would consider expanding its fleet while the Company was experiencing such crisis.

Accordingly, the procurement of these 6 aircraft was sudden. Shareholders were very concerned about the performance of the Company. Because the charter cost was at the rate of USD 2 Million per month per one aircraft, chartering 6 aircraft would be in the amount of USD 12 Million or approximately 400 Million Baht. Furthermore, during April–September (6 months) of every year is the low season period of the Company, with low performance as shown in the Quarterly Performance Announcement of the Company, which mostly suffered loss due to few passengers. In consequence, while the incomes were standstill, expenses increased up to 400 Million Baht per month, together with the facts that the Company had expenses on A330 Aircraft which had been purchased but could not be utilized and that the Company had to prepare to be fined in the price collusion case, it was extremely concerned matter.

6. Upgrade of Air Tickets – Excess Baggage Allowance

In the case where a director of the Company loaded forty baggage weighted 400-kilogram on the Tokyo–Bangkok Flight as commented in newspapers, such director finally resigned from office, consequently, the critique on this matter ceased.

The issue still criticized was the news of upgrade of the air tickets for a politician. Such politician had purchased an economy class air ticket and asked for upgrading to first class air ticket. This showed the loophole of the Company. In this event, shareholders demanded the Management to present data on how much the value of the Company's air tickets upgrade in each year was, because prices are very different between economy class air ticket and first class air ticket. For example, for Bangkok – London flight, an economy class air ticket is approximately 30,000-40,000 Baht and a first class air ticket is approximately 120,000 Baht. This caused decrease in incomes of the Company.

According to the news, political officers are prohibited from accepting gifts with value exceeding 3,000 Baht as stipulated by law, but the value of the upgrade of the air ticket was equal to hundred thousands Baht. There was an explanation that such upgrade of the air ticket was mileage redemption. Later on, the Company's informant announced that the gold cardholder would be entitled to voucher of increase mileage to be used for upgrading of air tickets in various cases, such as birthday. In this regard, the Management needed to clarify the fact for justice of every party. Nonetheless, there were also evidences as appearing afterwards in respect of the information on upgrade of the air tickets for politicians. According to the news, it was an upgrade by gold card, but according to the informed source, it was an upgrade through the Management of the Company.

In addition, there were evidences with regard to approval of increase in the baggage allowance for politicians so as to be able to load up to 500 kilograms. After the Management had already received such evidences, the Management ought to also explain to shareholders as owners of the Company why the shareholders did not acquire the same right and how much the lost income *per annum* suffered by the Company was. After the Management had given this explanation, the shareholders would further lodge a complaint with NACC based upon the information given by the Management for inspection of the political officers' receiving gifts in the amount of over 3,000 Baht.

7. HR Management of the Company

At present, the Company has 28,000 employees and approximately 8,000 outsourced employees, totaling 36,000 employees. According to the fact that the Company has a large number of employees, the Human Resource or HR jobs must be

regarded as very important job, because for several leading companies, HR top management is essential next to CEO. Nevertheless, as far as we have examined our Company, the HR top management, holding the DB office, having 2 departments under his control, that is, DI supervising personnel and D9 supervising training.

Upon the consideration of DI and D9 structures, their work natures are only general work, such as employee record preparation, disciplinary, right and benefit supervising, and employee training, which do not reflect the main HR jobs which is policy related in labor management, proactive work; for instance, job evaluation, employee number planning, compensation determination in each profession, job rotation, career path determination, labor relations, etc. Upon consideration of these jobs structures, the responsible departments have not yet been found in the jobs mentioned above. Therefore, the issues which should be considered are that how the Company does the work, how the Management set the labor utilizing targets, and how about the Company's demand for labors. Up to present, the Company had outsourced several external companies to lay down the salary and position structure plans, such as Cooper, Peat Marwick, Hay, etc. it is doubtful that if the Company has not operated these matters by itself, how the external companies can operate these works.

There is an additional fact showing that the HR problems mentioned above are only one part. It can be seen that the Company has several work units in the level of Deputy DD as classified by professional groups, for example, operation department, financial and accounting department, technical department, commercial department, HR department whose all of the executives of these departments are the personnel in their lines of work, except for HR Department which is DB. In 2007, DB was Khun Kaweepan coming from Financial and Accounting Department holding office as Executive Vice President for Finance and Accounting Department or DE. However, the Company needed to change the person in DE position; consequently, Khun Kaweepan was transferred from DE office to DB office. In 2008, the Company needed to promote Khun Montree to a Deputy DD position; accordingly, Khun Kaweepan was transferred and then Khun Montree was appointed to be DB, despite the fact that Khun Montree was a pilot having a career path to be an executive in pilot line. In 2009, the Company needed to change the top management in commercial line or DN from Khun Pandit to Mr.Pruet; as a result, the Company transferred Khun Pandit who held DN office to hold DB office and transferred Khun Montree to hold DT office because the existing DT office holder retired from office. In summary, over the past three years, the Company had changed up to 3 DB office holders or 1 DB held office for one year. Furthermore, during 2004 – 2005 (2 years), the Company changed up to 4 DB office holders. Since the Company had established DB position in 2002 up to present, there had been no direct personnel of such line holding this office. Most of them came from commercial line, financial line, accounting line, and pilot line. It could be seen that HR top management position is the position used in supporting the transfer of the top management in other lines.

8. Company Structure

According to the executive structure information of the Company, the Company has 28,000 employees, exclusive of approximately 8,000 outsourced employees. According to the job structure of 28,000 employees, there are executives in every level, ranging from division managers, department managers, directors, vice presidents, to executive vice presidents, totaling 3,000 in number. Interestingly, there are 7 Executive Vice Presidents or EVPs and 36 Vice Presidents or VPs.

According to the structure in the part of 28,000 employees, there are approximately 24,000 employees comprising a variety of workgroups in professional lines, such as pilots, cabin crews, mechanics, catering services, ground support services department, ground customer services department, and cargo department; and there are 2 EVPs and 11 VPs.

For production line, there are approximately 3,500 employees working in the supporting lines, such as finance and accounting line, Human Resource Management Department and Commercial Department; and there are 3 EVPs and 14 VPs.

The comparison is as follows:

Operating line employees	24,000	2 EVPs and 11 VP s
Supporting line employees	3,500	3 EVPs and 11 VP s
Other employees	500	2 EVPs and 14 VP s

The abnormality in distribution of positions in the Company is expressly seen, that is, the top management positions are concentrated, causing unfairness in income distribution.

The more interesting information is that, out of 28,000 employees, there are 3,000 executives, approximately 10,000 pilots–cabin crews, approximately 6,000 employees in Administrative–Supervisor lines, and 9,000 labors, while the Company has approximately 8,000 outsourced employees. It can be seen that, for the time being, the main labors of the Company are outsourced groups. The outsourced employees holding Bachelor’s Degree have their salaries in the amount of approximately 8,000 Baht, while the employees holding Bachelor’s Degree have their salaries in the amount of approximately 12,000 Baht. Upon comparison with the actual income of EVP which is approximately 200,000 Baht and 75,000-Baht carfares, and if holding DD office, the salary is 900,000 Baht. The difference of income of upper level employees and lower level employees is more than 30 times. How much would cooperation be given by the employees and how would the Company be developed?

9. Management supported the Labor Union to close Don Muang Airport and Suvarnabhumi Airport in November 2008 causing damage to the Company in the amount of approximately Ten Thousand Million Baht.

In the shareholder meeting last year, shareholders had inquired about the event of seizure of the Government House and closing of the airports which were jointly operated by the employees of the Company. Importantly, the Company deemed that the employees by joining the seizure of the Government House – closing the airports were working for the Company, not being deemed to have taken any leave. In this respect, prior to the meeting, shareholders had prior served a notice on the Company about the matters to be inquired and had attached the approval evidences of the Company but the Company failed to give any explanation to the meeting but answered in writing thereafter that the Company was investigating this matter. For the time being, the events of seizure of the Government House and closing of the airports had elapsed for a period of one and a half year. Nonetheless, the Company notified the shareholders that the Company was investigating this matter. When another 1 year had elapsed, the shareholders would like to know how about the investigation because, according to the event occurring, the Company declared to the mass media that the Company suffered damage over Ten Thousand Million Baht. The damage like this together with clear evidences from a variety

of media, namely, newspapers, VDO recording the pictures of the police officers, and mass media, as well as the time recording evidences, needed no additional investigation. In this regard, in the past one year, this matter had not yet been concluded.

There were irregularities pertaining to the Management and the labor union in other issues, despite the fact that they had been discussed last year. The Management notified that the Management was investigating them, such as sex harassment against a female employee during working hours and on the Company's property, which was serious disciplinary offense and criminal offense. Additionally, under labor laws, the employer was deemed to commit offense against the employee. However, upon the offense occurrence, the offender was punished by the Company immediately by warning. Even if the injured person lodged a complaint, the punishment was deemed by the Company to have been conducted.

In addition, there was a joint theft of the employer at night by using vehicle which had already been discussed in the shareholder meeting last year. This event occurred upon November 27, 2008 at 22.00 hrs. which was the date of seizure of the airports. The things so stolen were the airports' lubricants which were declared that the said things would be used in interception against officers if the officers exercised their forces against the ralliers. After the incident occurrence, the Company still let those employees proceed with their work. During the incident occurrence, there were 3 joint offenders but the Company considered, investigated, punished, and lodged a report to the police only 1 offender. After 9 months had passed, the Company punished him by deducting his salary. This matter was insurmountable because it was under the power of the Management but minority shareholders should also have their rights to be informed of reasons behind the Company's decision.

10. Follow-up the inquiries from the last year Shareholders' Meeting

According to the inquiries made by shareholders to the Management last year but the Management failed to make the explanation. There were several matters as presented by the shareholders together with sufficient information to be sued. For the time being, the cases were under the hearing of the court; namely:

- Dishonesty in purchasing 8 A330 Aircraft in the amount of 30,000 Million Baht which was contrary to the resolution passed by the Council of Ministers;
- Procurement of engines to be installed with A330 Aircraft which showed signs of dishonesty;
- Procurement of engines to be installed with A380 Aircraft which showed signs of dishonesty;
- Execution of the contract to charter and maintain the engines so installed with A340 Aircraft in the amount of approximately 10,000 Million Baht which showed signs of dishonesty;
- Provision of hotels for accommodation of cabin crews in foreign countries in the amount of over 50,000 Million Baht which showed signs of dishonesty: In this case, shareholders had initially lodged a complaint with the Company but the Company failed to take any action whatsoever. Afterwards, the shareholders mentioned above had lodged a complaint to the government service for inspection but there was not any progress. Thus, the shareholders made the prosecution to the court for proceeding with the case by themselves to protect the properties of the Company and to punish the offender according to laws.

In 2008, the Board of Directors set up a Fact-Finding Committee in the case of aircraft procurement as contrary to the resolution of the Council of Ministers. The Committee had mentioned prima facie since December 1, 2008; nevertheless, up to present, the Management failed to penalize any offender. This showed the negligence of the damage of the Company.

The Management also cited the Rules of the Company Re: Management Liabilities, which can be summarized that the Company had approved money in favor of the executive groups to defend the case against the shareholders due to the corruption, causing more damages to the Company. Moreover, the Company also submitted this case to the Office of the Attorney General to send its public prosecutor to be the lawyer for those corrupting executives. Furthermore, in the court processes, such cases were delayed by a delay in submitting documents to the court as per the writ on time as ordered by the court. Additionally, the documents so submitted were in foreign language despite of the fact that it is well known that the court does not accept documents in foreign languages. These acts resulted in delay in proceedings of the cases.

In conclusion, the behaviors of the Company were that there were corruptions among the executives in procurement of supplies in the large amount of approximately 50,000 Million Baht, in spite of the fact that the Board of Directors had mentioned prima facie since 2008. However, up to present, the Company had not yet taken any action. It could be seen that when the minority shareholders had been informed of this matter, they lodged the complaint with the Company for inspection but the Company neglected to do so. Hence, the minority shareholders lodged the complaint with the majority shareholders but they also neglected to do so. Moreover, the minority shareholders, later on, lodged the complaint with the government service but the government service also neglected to do so. In consequence, the minority shareholders made the prosecution to conduct legal proceedings against the corrupting government officers but the Company asked the public prosecutor to assist the persons so conducted of legal proceedings and approved the amount of the Company in the case defense.

In summary, a variety of undue behaviors of the Company had been inquired in the Shareholder's General Meeting for a period of 2 years but there was no any explanation of the reasons. In this year, the Company ought to also give the explanation to the shareholders of the damage in various cases.