



TISCO Bank Public Company Limited

**Notice of the Shareholder Ordinary General Meeting
For the year 2011**

February 25, 2011

February 15, 2011

Subject : Notice of the Shareholder Ordinary General Meeting for the year 2011
To : Shareholders

The Board of Directors' Meeting No. 6/2010 and No. 1/2011 convened on December 17, 2010 and February 4, 2011 respectively have the resolutions to call the Shareholder Ordinary General Meeting for the year 2011 on February 25, 2011 at 10.00 hours in the Auditorium, 21st floor, TISCO Tower, North Sathorn Road, Silom, Bangrak, Bangkok 10500, Thailand. The procedures for the meeting are as follows:

1. To prove that due notice was given.
2. To determine the existence of a quorum.
3. To consider the agendas of the meeting as enclosed herewith.

You are cordially invited to attend the meeting at the above-mentioned date, hour and venue. Any shareholder unable to attend the meeting is entitled to appoint a proxy using the enclosed proxy form. Please also study and follow the enclosed procedures for meeting registration. Should you have any questions concerning the agenda items that may require clarification from our directors or management at the meeting, please submit your questions in advance to the Company's email address ir@tisco.co.th or Facsimile: 02-633-6818.

Enclosed herewith is the Company's 2010 Annual Report CD-ROM for your kind attention. Should you wish to have the printed version of our Annual Report, kindly contact Investor Relations, 7th Floor, TISCO Tower, North Sathorn Road, Silom, Bangrak, Bangkok 10500; Telephone: 02-633-6868, Facsimile: 02-633-6818.

Yours sincerely,

Mr. Pliu Mangkornkanok
Chairman of the Board

Enclosures:

1. Procedures for meeting registration
2. Profile of independent director to be appointed as a proxy
3. TISCO Bank Public Company Limited's Articles of Association regarding General Meeting of Shareholders, Directors (Number of Directors, Election of Directors, Term of Office and Retirement of Directors), Dividend and Auditors
4. Location map
5. Agendas of the Shareholder Ordinary General Meeting for the Year 2011
6. Proxy Form B
7. Proxy Form A and Registration and Voting Form
8. Annual Report for the year 2010 (CD-ROM)
9. Envelop

Procedures for meeting registration

1. Meeting Registration

- 1.1 The shareholder/proxy shall register for the meeting attendance during 9.00 hours to 10.00 hours of the meeting date at the Pre-function area of the Auditorium, 21st Floor, TISCO Tower, North Sathorn Road, Silom, Bangrak, Bangkok 10500, Thailand.
- 1.2 The shareholder shall complete the Registration and Voting Form as follows:
 - The shareholder shall notify intention to attend the meeting in person or appoint a proxy to attend the meeting on his/her behalf by marking ✓ in the space provided on the Registration and Voting Form.
 - The shareholder and the proxy (if any) shall sign on the Registration and Voting Form.

2. Voting

- 2.1 The shareholder and/or the proxy shall complete the details of voting on the Registration and Voting Form.
- 2.2 The shareholder and/or the proxy may vote "For" with all voting rights for all the agenda items or cast the votes on each. The shareholder and/or the proxy shall mark ✓ on the selected agenda item on the Registration and Voting Form.
- 2.3 In voting "For" with all voting rights for all the agendas, the shareholder and/or the proxy shall mark ✓ in front of "**FOR WITH ALL VOTING RIGHT(S) FOR ALL THE AGENDAS**".
- 2.4 In casting the votes on each of the agendas, the shareholder and/or the proxy can vote on only one aspect with all voting rights for: "For" votes, "Against" votes, or "Abstain" votes. Splitting votes is not allowed, except for the case of foreign shareholder with custodian in Thailand. Voting by such shareholder may be split by specifying the number of "For" votes, "Against" votes or "Abstain" votes, with the sum of the votes not exceeding the total votes held, exercised or granted. The shareholder and/or the proxy shall mark ✓ in front of "*Casting the vote(s) as follows*"

Voting on only one aspect with all voting rights shall not apply to voting for the appointment of directors in "Agenda 5: To approve the number of directors and the appointment of directors" (Item 5.2 in the Registration and Voting Form). The shareholder and/or the proxy may vote to appoint all directors by equally splitting votes for each director or specifying the number of votes for certain directors. The Company has implemented cumulative voting for director election (details are stated in Section 23 of the Company's Articles of Association) to allow minority shareholders to exercise their rights in the nomination of directors. The cumulative voting procedures are as follows;

- (1) Each shareholder shall have a number of votes equal to the number of shares multiplied by the number of the directors to be elected.
- (2) Each shareholder may exercise all the votes he or she has under (1) to elect one or several persons as director or directors. If several persons are to be elected as directors, the shareholder may allot his or her votes to any person in any number.
- (3) After the vote, the candidates shall be ranked in order descending from the highest number of votes received to the lowest, and shall be appointed as directors in that order until all of the director positions are filled. Where the votes cast for candidates in descending order are tied, which would otherwise cause the number of directors to be exceeded, the remaining appointments shall be made by drawing lots.

Example:

A listed company has 1,000 paid-up shares holding by the following shareholders;
Mr. A holds 600 shares,
Ms. B holds 200 shares and
Other 8 shareholders hold 200 shares

At the shareholders ordinary general meeting, the Company wishes to appoint 3 directors. There are 3 existing directors due for retirement, namely Mr. Kanok, Mr. Hiran, and Mr. Annop. Mr. A, a major shareholder, proposes that the existing 3 directors are re-elected for another term. Meanwhile, Ms. B proposes a new director, Mr. Pitsanu, for election.

Voting example:

Mr. A has the right for 1,800 votes (600 shares x 3 directors)
Ms. B has the right for 600 votes (200 shares x 3 directors)
Other 8 shareholders have the right for 600 votes (200 shares x 3 directors)

Shareholders	Voting results				Total votes
	Mr. Kanok	Mr. Hiran	Mr. Annop	Mr. Pitsanu	
Mr. A	600	600	600	-	1,800
Ms. B	-	-	-	600	600
Other shareholders	200	200	-	200	600
Total	800	800	600	800	3,000

As a result, Mr. Kanok, Mr. Hiran and Mr. Pitsanu will be appointed as directors

From the above example, the cumulative voting for director election would allow minority shareholders to propose their candidates and elect them as representatives in the board of directors.

2.5 The shareholder and the proxy (if any) shall sign on the Registration and Voting Form.

3. Appointing a Proxy

3.1 The shareholder unable to attend the meeting shall appoint a proxy by completing the enclosed Proxy Form A.

Remark: Proxy Form B is also enclosed herewith. In case of foreign shareholder with custodian in Thailand, Proxy Form C can be downloaded from the Company's website <http://www.tisco.co.th/en/investorrelation/reportb.htm>

3.2 The shareholder may appoint the following directors as proxy:

1. Assoc. Prof. Dr. Angkarat Priebjrivat Independent Director and Chairperson of the Audit Committee
2. Mr. Pliu Mangkornkanok Chairman of the Board
3. Ms. Oranuch Apisaksirikul Director and Chairperson of the Executive Board
4. Mr. Suthas Ruangmanamongkol Director and President

(Profile of independent director to be appointed as a proxy is in the Enclosure 2)

In this circumstance, the completed Proxy Form and Registration and Voting Form shall be returned to the Company one day in advance of the meeting date in order that the Forms are submitted to the directors who are appointed as a proxy for further action.

3.3 The shareholder and the proxy (if any) shall sign on the Proxy Form and affix 20 baht duty stamp.

**Documents to be presented/submitted by the shareholder and the proxy
in order to attend the meeting**

A person attending the Meeting is required to present/submit the following documents to the Registration Officer.

1. An Individual Shareholder

1.1 An individual shareholder attending the Meeting in person

- a) A copy of Identification Card, Official Identification Card or Passport (in case of Non-Thai Nationality) of the shareholder.
- b) A completed Registration and Voting Form duly signed by the shareholder.

1.2 A proxy being appointed by an individual shareholder

- a) A completed Proxy Form signed by the shareholder and the proxy.
- b) A completed Registration and Voting Form signed by the shareholder and the proxy.
- c) A certified true copy of the shareholder's Identification Card, Official Identification Card or Passport (in case of Non-Thai Nationality).
- d) A copy of Identification Card, Official Identification Card or Passport (in case of Non-Thai Nationality) of the proxy.

2. A Juristic Shareholder

2.1 A representative of a juristic shareholder attending the Meeting in person

- a) A copy of Identification Card, Official Identification Card or Passport (in case of Non-Thai Nationality) of the representative of the shareholder.
- b) A copy of the company's affidavit, issued by Department of Business Development, Ministry of Commerce or other related agencies, certified by the representative and affixed company's stamp (if any). The company's affidavit shall contain statements showing that such representative is authorized to act for and on behalf of the juristic shareholder.
- c) A completed Registration and Voting Form duly signed by the representative of the juristic shareholder and affixed company's stamp (if any).

2.2 A proxy being appointed by a juristic shareholder

- a) A completed Proxy Form signed by the authorized signatory and affixed company's stamp (if any), as specified in the company's affidavit, and the proxy.
- b) A completed Registration and Voting Form signed by the authorized signatory of the juristic shareholder, as specified in the company's affidavit and affixed company's stamp (if any), and the proxy.
- c) A copy of the company's affidavit, issued by Department of Business Development, Ministry of Commerce or other related agencies, certified by authorized signatory of the juristic shareholder, as specified in the company's affidavit and affixed company's stamp (if any).
- d) A copy of the authorized signatory's Identification Card, Official Identification Card or Passport (in case of Non-Thai Nationality), certified by such authorized signatory of the juristic shareholder.
- e) A copy of Identification Card, Official Identification Card or Passport (in case of Non-Thai Nationality) of the proxy.

3. A Foreign Shareholder with a Custodian in Thailand

- a) Documents similar to the case of a juristic shareholder described in item 2.
- b) A copy of the Power of Attorney from the shareholder authorized a custodian to sign the Proxy Form on behalf of the shareholder, certified by authorized signatory of the custodian and affixed company's stamp (if any).
- c) A copy of the letter confirming that the person executing the Proxy Form has obtained a custodian license, certified by authorized signatory of the custodian and affixed company's stamp (if any).

4. A Deceased Shareholder

In this, the administrator of the deceased's estate attending the meeting in person or appointing a proxy to attend the meeting on his/her behalf must present similar documents described in item 1 and a copy of court order appointing him/her as administrator of the deceased's estate certified by the administrator.

5. A Minor Shareholder

Their parent or legal guardian attending the meeting in person or appointing a proxy to attend the meeting on his/her behalf must present similar documents described in item 1 and a copy of house registration of the minor shareholder certified by parent or legal guardian.

6. An Incompetent or Quasi-incompetent Shareholder

The guardian or curator attending the meeting in person or appointing a proxy to attend the meeting on his/her behalf must present similar documents described in item 1 and a copy of the court order appointing him/her as a guardian or curator certified by the guardian or curator.

In case the documents required above are in other language than Thai or English, Thai or English translation verified by shareholders or authorized persons of such juristic shareholder shall be provided.

Profiles of independent director to be appointed as a proxy

Name	: Assoc. Prof. Dr. Angkarat Priebjrivat	
Age	: 56	
Nationality	: Thai	
Address	: 112/107 Millennium Residence Tower B 34 th Flr., Soi Sukhumvit 20, Sukhumvit Road, Klongtoey, Bangkok	
Education	: Ph.D (Accounting) New York University, USA M.S. (Accounting) B.B.A. (Accounting) Thammasat University Certificate of Executive Leadership Program Capital Market Academy Certificate in International Financial Reporting Standard (IFRS) The Institute of Chartered Accountants in England and Wales (ICAEW)	
Director Training	: Directors Certification Program Directors Accreditation Program Role of Chairman Program Audit Committee Program Monitoring the Internal Audit Function Monitoring the System of Internal Control and Risk Management Monitoring Fraud Risk Management Thai Institute of Directors Association	
Shareholding	: TISCO Financial Group Public Co., Ltd.	
(As of December 31, 2010)	None	
	: TISCO Bank Public Co., Ltd.	
	None	
Meeting attendance in 2010	: TISCO Financial Group Public Co., Ltd.	
	Board of Directors	6 out of 6 meetings
	Audit Committee	12 out of 12 meetings
	: TISCO Bank Public Co., Ltd.	
	Board of Directors	6 out of 6 meetings
	Audit Committee	12 out of 12 meetings
Years in director position	: TISCO Financial Group Public Co., Ltd.	3 years
	: TISCO Bank Public Co., Ltd.	6 years

Current Position

TISCO Group		
2008-Present	Independent Director Chairperson of the Audit Committee	TISCO Financial Group Public Co., Ltd.
2007-Present	Chairperson of the Audit Committee	TISCO Bank Public Co., Ltd.
2005-Present	Independent Director	
Other		
<u>Company with conflict of interest</u>		
-None-		
<u>Other listed company (1 company)</u>		
2008-Present	Independent Director Chairperson of the Audit Committee	Office Mate Public Co., Ltd.
<u>Other company (1 company)</u>		
2002-Present	Advisor to the Audit Committee	TOT Corporation Public Co., Ltd.
<u>Other organization (5 organizations)</u>		
2009-Present	Member, Accounting and Corporate Governance Steering Group	The Securities and Exchange Commission
2006-Present	Chairman, Supervisory Committee	The ABF Thailand Bond Index Fund
2004-Present	Independent Director (Accounting Specialist)	Association of Investment Management Companies
1997-Present	Associate Professor	National Institute of Development Administration (NIDA)
1992-Present	Advisor to the Listing and Disclosure Department	The Stock Exchange of Thailand

Work Experience

TISCO Group		
2005-2007	Member of the Audit Committee	TISCO Bank Public Co., Ltd.
Other (within 5 years)		
2004-2009	Member of the Consultative Subcommittee on Cost Accounting Development Project	Commission on Higher Education
2002-2009	Advisor	The Comptroller General's Department, Ministry of Finance

Additional qualification for independent director

Type of relationship with the Company	Yes	No
1. Being close relative of management or major shareholder of the Company or its subsidiaries		✓
2. Having the following relationship with the Company, parent company, subsidiary company, associated company or any juristic persons who might have a conflict of interest at present or during the past 2 years; 2.1 Taking part in the management or being an employee, staff member, advisor who receives a regular salary 2.2 Being professional services provider, e.g., auditor, legal advisor 2.3 Having business relation that is material and could be barrier to independent judgment		✓ ✓ ✓

Interest in any agenda:

Agenda 6: To approve the directors' remuneration

TISCO Bank Public Company Limited
Articles of Association

CHAPTER III

General Meeting of Shareholders

Section 14 Ordinary General Meeting

The Board of Directors shall hold the annual ordinary general meeting of shareholders within four months from the date ending the accounting period of the Company.

Section 15 Extraordinary General Meeting

All other meetings of shareholders in addition to the ordinary general meeting specified in Section 14 hereof shall be called extraordinary meeting.

An extraordinary meeting may be summoned by the Board of Directors at such date, time and place as they may determine, subject, however, to the requirement that due notice thereof be given as provided in Section 16 hereof.

Shareholders holding an aggregate number of shares not less than one-fifth of the total number of shares sold; or shareholders in a number not less than twenty-five holding an aggregate number of shares not less than one-tenth of the total number of shares sold may subscribe their names to a notice requesting the Board of Directors to convene an extraordinary meeting of shareholders but they must also specify reasons for such request in the notice. In such case, the Board of Directors must arrange for a general meeting of shareholders within one month from the date of receipt of the notice.

Section 16 Notice of the Meetings

Notice of every meeting of shareholders shall be sent to all shareholders whose names and addresses appeared in the register of shareholders and to the registrar, not less than seven days before the date set for the meeting. In case of a shareholder residing in Thailand, such notice shall be delivered personally to the shareholder or his representative or sent by registered mail; and in case of a shareholder residing abroad, such notice shall be sent by telex, cable, facsimile or any other sophisticated telecommunication and confirmed by a registered letter airmailed on the same day.

The Board of Directors shall also cause notice of the meeting to be published in a local newspaper for a period of not less than three consecutive days and at least three days prior to the date of the meeting.

The Board of Directors shall determine the place for each meeting of shareholders.

All notices for general meetings of shareholders must contain the place, date, time and agenda of the meeting, and the matters proposed to be considered at any such meeting with appropriate details. The notice must be clearly specified in respect of each matter whether it is to be proposed to inform the meeting, to obtain the approval or to be considered, as the case may be, including the opinion of the Board of Directors on the said matters.

Section 17 Agenda of Meeting

The Chairman of the shareholders' meeting has the duty to conduct the meeting in compliance with the articles of association of the company relating to meetings and to follow the sequence of the agenda specified in the notice calling for the meeting, provided that the meeting may pass a resolution allowing a change in the sequence of the agenda with a vote of not less than two-thirds of the number of the shareholders present at the meeting.

If the consideration of the matters referred to in the first paragraph is finished, the shareholders holding shares amounting to not less than one-third of the total number of shares sold may request the meeting to consider matters other than those indicated in the notice calling for the meeting.

If the meeting has not concluded the consideration of the matters according to the sequence of the agenda as referred to in the first paragraph or the matters raised by shareholders under the second paragraph, as the case may be, and it is necessary to postpone the consideration of the meeting, the meeting shall determine the place, date and time for the next meeting and the Board of Directors shall, not less than seven days prior to the date of the meeting, deliver to the shareholders notice calling the meeting which indicates the place, date, time and the agenda of the meeting. The notice calling the meeting shall also be published in a newspaper not less than three days prior to the date of the meeting.

Section 18 Quorum

In order for a quorum of the meetings of shareholders to be constituted, at least twenty five shareholders and proxies (if any) or at least one half of the total number of shareholders, whichever is lower, holding an aggregate of at least one third of the total shares sold must be present at the meeting.

If after one hour from the meeting time has lapsed and the quorum is not present, the meeting shall be dismissed if it is called upon a request of the shareholders, otherwise it shall be postponed and held again within 30 days of the first meeting date upon a seven days' advance notice. In the substituting meeting, a quorum is not needed.

Section 19 Conduct of Meetings

The chairman of the Board of Directors shall preside over the general meeting of shareholders. In the event the Chairman is absent or present but unable to perform his/her duty; the shareholders present shall elect one of them to act as the chairman of the meeting.

The chairman of the meeting of shareholders has duties to conduct the meeting to be in accordance with the Articles of Association and in order of the agenda as arranged in the notice of the meeting, unless the meeting resolves to change order of the agenda with votes not less than two-third of the number of shareholders present.

Upon completion of consideration the subject containing in the agenda, shareholders holding an aggregate number of shares not less than one-third of the total number of sold shares may request the meeting to consider other matters in addition to those specified in the notice of meeting.

Section 20 Voting

Every shareholder presenting in person or being represented by proxy shall be entitled to one vote for each share held by him/her, irrespective of the method of voting adopted at any general meeting.

The resolution of the general meeting shall be supported by votes as follows:

- 1) In a normal case, by the majority of votes of the shareholders present and voting. In the event of an equality of votes, the chairman of the meeting shall give the casting vote.
- 2) In the following cases, by votes not less than three-fourth of the total votes of the shareholders present and qualified to vote;
 - a) a sale or transfer of business of the Company, in whole or in essential part, to other person;
 - b) a purchase or acceptance of transfer of business of other company or private company to be the Company's own;
 - c) entering into, amending, or terminating a lease of business of the Company in whole or in essential part; entrusting other person with the management of the Company; or amalgamating business with other persons with the objective to share profit and loss.

Section 21 Proxies

A shareholder may attend and participate at a general meeting either in person or by proxy. Every instrument appointing a proxy shall be in accordance with the form specified by the Registrar.

The proxy shall be transmitted either to the Chairman or the person designated by the Chairman at the place of the meeting before the proxy holder enters into the meeting.

CHAPTER IV

Directors

Section 22 Number of Directors

The shareholders shall, from time to time, by resolution of a general meeting, determine the number of directors which shall not be less than five.

The meeting of shareholders shall elect the directors in the number as determined in the foregoing paragraph, provided that not less than one half of the directors must domicile in Thailand. In addition, the number of directors who are persons of Thai nationality shall be in compliance with related laws.

Section 23 Election of Directors

The general meeting of shareholders shall elect directors in accordance with rules and procedures as follows:

- (1) Each shareholder shall have a number of votes equal to the number of shares multiplied by the number of the directors to be elected.
- (2) Each shareholder may exercise all the votes he or she has under (1) to elect one or several persons as director or directors. If several persons are to be elected as directors, the shareholder may allot his or her votes to any person in any number.
- (3) After the vote, the candidates shall be ranked in order descending from the highest number of votes received to the lowest, and shall be appointed as directors in that order until all of the director positions are filled. Where the votes cast for candidates in descending order are tied, which would otherwise cause the number of directors to be exceeded, the remaining appointments shall be made by drawing lots.

Section 24 Term of Office and Retirement of Directors

At the shareholders ordinary general meeting of each calendar year, the whole board of directors shall be simultaneously elected. However, the former board of directors shall remain in office to conduct the business of the Company for the time being, as necessary, until the new board of directors takes office.

A director who vacates office under this section may be re-elected.

Section 25 Removing from Directors before Expiration of Office

In addition to vacating office on expiration of term of office, directors shall vacate office upon :-

- 1) death;
- 2) resignation;
- 3) dispossession of qualification or possession of disqualification pursuant to the laws
- 4) the meeting of shareholders resolving to remove with the votes of not less than three-fourth of number of shareholders present and eligible to vote, and representing an aggregate number of shares not less than one half number of shares held by shareholders present and eligible to vote;
- 5) the court issuing an order to remove.

Section 26 Removal and Filling of Vacancies

A director can be elected or removed only by the shareholders at a general meeting, provided, however, that any vacancy occurring in the Board of the Directors otherwise than by rotation or retirement, as provided in Section 25 hereof, may be filled up by the remaining Directors, unless, the term of the original director is less than two months. For the purpose thereof, the resolution of the Board of Directors shall be passed by vote of not less than three-fourth of number of remaining Directors, but any person so appointed shall hold office only for the remainder of the term of the director to whom he has succeeded. If a general meeting of the shareholders remove a director, and appoint another in his stead, the person so appointed shall hold office only for the remainder of the term of the director so removed.

Section 27 Resignation of Directors

Any director who wishes to resign from office shall tender a letter of resignation to the Company, and resignation shall take effect the date on which the letter of resignation reaches the Company.

The director who resigned from office under paragraph one may notify the Registrar of his resignation.

CHAPTER VI

Account, Finance and Audit

Section 39 Dividend

No dividend shall be paid out of any money other than profits. In the event that the Company still has an accumulative loss or is unable to maintain capital adequacy as required by law after dividend payment, no dividend shall be paid.

Dividend shall be paid equally according to the numbers of shares, unless otherwise specified for the preferred shares in this Article. Payment of dividend shall be subject to shareholders' approval.

The Board of Directors may from time to time pay interim dividend when they see that the Company has sufficient profit to do so and, after the interim dividend has been paid, they shall report to the next meeting of shareholders.

Payment of dividend shall be made within one month from the date of the general meeting of shareholders or of the Board of Directors pass the resolution as the case may be. However, a notice thereof shall be sent to the shareholders and also published in a local newspaper for a period of not less than three consecutive days.

In the event the Company still cannot sell its shares up to the number registered or the Company has registered an increase of capital, the Company may pay dividend in full or in part by issuing new ordinary shares to the shareholders, with approval of the general meeting of shareholders.

Subject to payment of the dividend as set forth in the above paragraphs, the Board of Directors shall determine the excess amount of the Company's profit after the appropriation to be appropriated to the unappropriated retained earnings. The Board of Directors shall report the appropriation to the next meeting of shareholders.

Section 40 Reserve Fund

The Company shall allocate part of the annual net profit as reserve fund in an amount not less than five percent of the annual net profit less the sum accumulated loss brought forward (if any) until the reserve fund amounts to not less than ten percent of the registered capital.

Section 41 Auditors

The ordinary general meeting of shareholders shall appoint an auditor and determine the remuneration of the auditor of the Company every year.

The auditor must not be a director, staff, employee, or person holding any position in the Company.

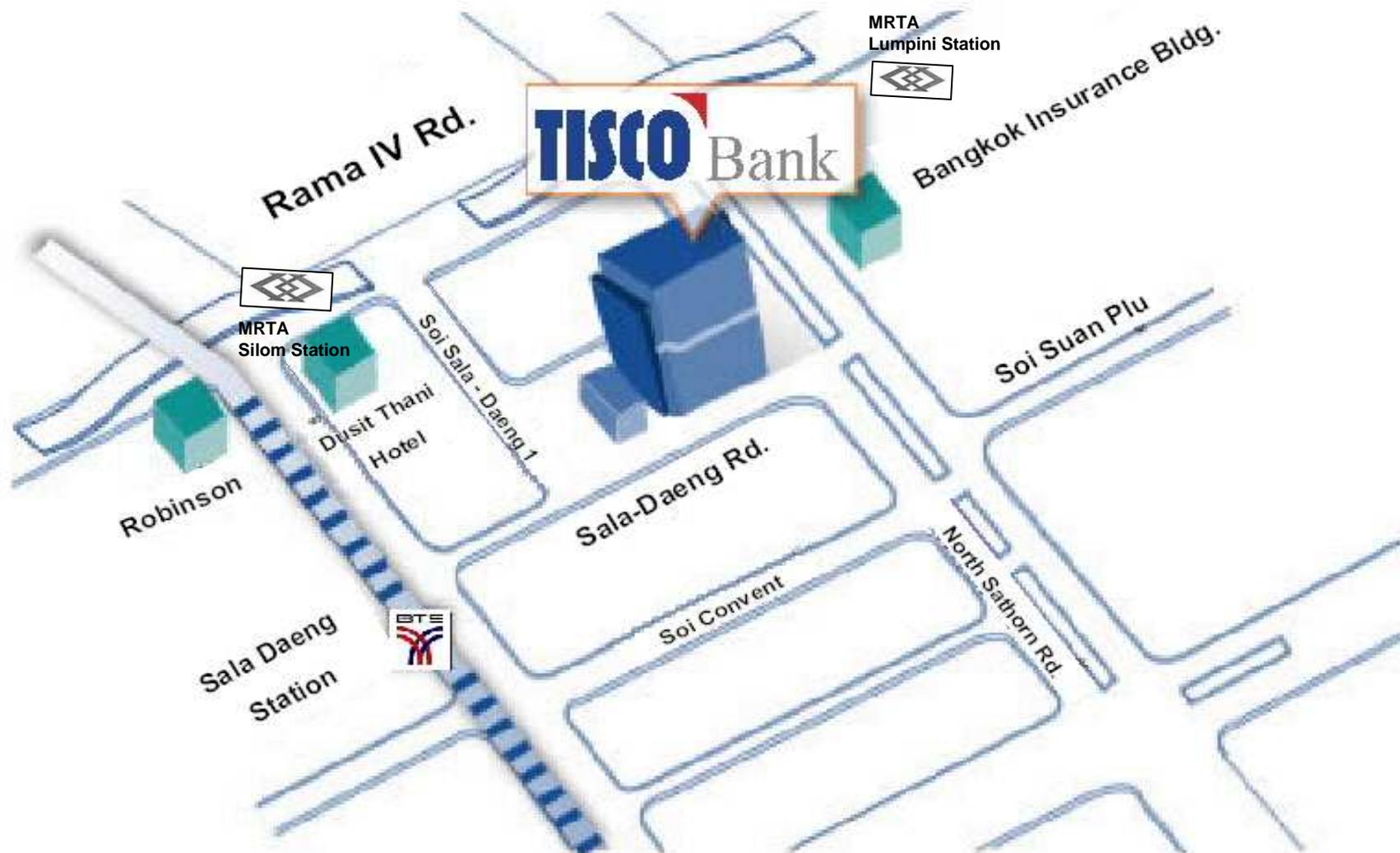
In case that it is a requirement from the authority governing the Company's business operations (if any) to grant approval for the auditor appointed by the general meeting of shareholders and in case that the Company's auditor is not granted an approval from such governing authority, the Board of Directors shall;

- (1) summon an extra-ordinary meeting to consider appointing new auditor or;
- (2) propose and recommend the auditor for the Bank of Thailand's approval, after which an extra-ordinary meeting is summoned to appoint such auditor

If vacancy of the auditor occurs before the expiration of his/her term, the Board of Directors should proceed with (1) or (2) stated above by *mutatis mutandis*.

The auditor has the duty to attend the meeting of shareholders every time the Balance Sheet, Profit and Loss Account, and problems pertaining to accounting of the Company are to be considered.

The auditor shall have powers to examine accounts, documents and other documentary evidences related to income and expenditure as well as assets and liabilities of the Company during working hours of the Company. In this connection, the auditor is empowered to interrogate the directors, staff, employee, persons holding any position in the Company, and agents of the Company, including the power to instruct said persons to give facts or furnish documents pertaining to the operations of the Company.



TISCO Bank Public Company Limited
The Auditorium, 21st Floor, TISCO Tower,
North Sathorn Road, Bangrak, Bangkok, 10500
Tel. 0-2633-6868 Fax. 0-2633-6818 E-mail : ir@tisco.co.th

Public Transportation :

- Skytrain (BTS) : Sala-Daeng Station
- Subway (MRTA) : Lumpini Station (Exit No. 2 Q-House Lumpini, South Sathorn Road) or
: Silom Station (Exit No. 2 Near to Dusit Thani Hotel, Silom Road)

Agendas of the Shareholder Ordinary General Meeting for the Year 2011

Agendas of the meeting	Board of Directors' opinion	Page
1. To certify the Minutes of the Shareholder Ordinary General Meeting for the Year 2010	For	16
2. To ratify the Board of Directors' business activities conducted in 2010 as described in the Annual Report	For	25
3. To adopt TISCO Bank Public Company Limited's Balance Sheet and Profit and Loss Statements for the year ended December 31, 2010	For	28
4. To acknowledge the appropriation of net profit arising from year 2010 operations as the interim dividend payment and to approve the appropriation of profit arising from year 2010 operations for statutory reserve and others	For	35
5. To approve the number of directors and the appointment of directors	For	37
6. To approve the director's remuneration	For	61
7. To approve the appointment of the auditors and their remuneration for the year 2011 and to ratify the additional remuneration paid to the auditors in year 2010	For	63
8. To approve the disposition of TISCO Leasing Company Limited to TISCO Financial Group Public Company Limited	For	68
9. To approve the amendment to Clause 4 Registered Capital of the Company's Memorandum of Association	For	69
10. Others, if any		70

1. To certify the Minutes of the Shareholder Ordinary General Meeting for the Year 2010

The Shareholder Ordinary General Meeting for the Year 2010 was summoned by the Board of Directors on February 26, 2010. Due notice was given in accordance with the Company's Articles of Association and the meeting was conducted in order of the agendas as arranged in the notice of the meeting. The Minutes of the Shareholder Ordinary General Meeting for the Year 2010 is presented herewith.

Board of Directors' opinion:

The Board recommends the shareholders to certify the Minutes of the Shareholder Ordinary General Meeting for the Year 2010.

-TRANSLATION-

TISCO BANK PUBLIC COMPANY LIMITED

MINUTES

**THE SHAREHOLDER ORDINARY GENERAL MEETING
FOR THE YEAR 2010**

The meeting was convened in the Queen's Park 3, 2nd floor, The Imperial Queen's Park Hotel, No. 199 Sukhumvit Road Soi 22, Bangkok, on April 29th, 2010, at 16.00 hours.

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

Directors

- | | |
|--|--|
| 1. Mr. Pliu Mangkornkanok | Chairman of the Board |
| 2. Assoc. Prof. Dr. Angkarat Priebjrivat | Chairperson of the Audit Committee and Independent Director |
| 3. Ms. Panada Kanokwat | Member of the Audit Committee and Independent Director |
| 4. Prof. Dr. Pranee Tinakorn | Member of the Audit Committee and Independent Director |
| 5. Mr. Hirohiko Nomura | Member of the Executive Board |
| 6. Ms. Oranuch Apisaksirikul | Member of the Executive Board, and President of TISCO Financial Group Public Company Limited |
| 7. Mr. Suthas Ruangmanamongkol | Member of the Executive Board, and President |

Management

- | | |
|----------------------------|--|
| 1. Mr. Sakchai Peechapat | Senior Executive Vice President - Marketing and Customer Relations |
| 2. Mr. Metha Pingsuthiwong | First Executive Vice President - Banking Service |
| 3. Mr. Chalit Silpsirikul | Executive Vice President – Retail Banking |

Auditors

- | | |
|-------------------------------|------------------------------|
| 1. Mr. Supachai Phanyawattano | Ernst & Young Office Limited |
| 2. Ms. Waraporn Prapasirikul | Ernst & Young Office Limited |

Mr. Pliu Mangkornkanok, Chairman of the Board of Directors, chaired the meeting and thanked the shareholders for attending. He stated that Notice of the Shareholder Ordinary General Meeting for the year 2010 had been duly sent out before the date of the meeting, in compliance with the Company's Articles of Association and other relevant laws to allow adequate time to study meeting material.

The Chairman noted that 55 shareholders holding 727,103,288 shares, or 99.86% of the total paid-up shares, were present, either personally or by proxy, thereby constituting a quorum as specified in the Company's Articles of Association. The Chairman declared the meeting duly convened.

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

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

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

The Chairman proposed that the meeting consider the following agenda:

Agenda 1: To certify the Minutes of the Shareholder Ordinary General Meeting for the Year 2009

The Chairman proposed that the meeting certify the Minutes of the Shareholder Ordinary General Meeting for the Year 2009, convened on April 24, 2009. Copies of the minutes had been sent to shareholders along with the Notice of this meeting.

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

Resolution: The shareholders **certified** the Minutes of the Shareholder Ordinary General Meeting for the Year 2009 as proposed with the unanimous votes of shareholders who attended the meeting and had the right to vote.

Agenda 2: To ratify the Board of Directors' business activities conducted in 2009 as described in the Annual Report

The Chairman proposed that the meeting ratify the Board of Directors' business activities conducted in 2009 as described in the Annual Report, which had been sent to shareholders along with the Notice of this meeting. The Chairman invited Mr. Suthas Ruangmanamongkol, President, to summarize the details of the financial statements.

Mr. Suthas Ruangmanamongkol presented the meeting with details and analysis of the 2009 financial statements.

The meeting considered the matter and cast votes.

Resolution: The shareholders **ratified** the Board of Directors' business activities conducted in 2009 as described in the Annual Report as proposed with the unanimous votes of shareholders who attended the meeting and had the right to vote.

Agenda 3: To adopt TISCO Bank Public Company Limited's Balance Sheet and Profit and Loss Statements for the year ended December 31, 2009

The Chairman proposed that the meeting adopt TISCO Bank Public Company Limited's Balance Sheet and Profit and Loss Statements for the year ended December 31, 2009. The Audit Committee agreed with the auditor that the Balance Sheet and Profit and Loss Statements presented fair and comprehensive performance and financial position of TISCO Bank. Details were published in the Annual Report, which had been sent to shareholders along with the Notice of this meeting. The Chairman invited Ms. Oranuch Apisaksirikul, Executive Director and President of TISCO Financial Group Public Company Limited, to summarize the details of the financial statements.

Ms. Oranuch Apisaksirikul presented the meeting with a detail and an analysis of the Balance Sheet and Profit and Loss Statements.

The meeting considered the matter and cast votes.

Resolution: The shareholders **adopted** TISCO Bank Public Company Limited's Balance Sheet and Profit and Loss Statements for the year ended December 31, 2009 as proposed with the unanimous votes of shareholders who attended the meeting and had the right to vote.

Agenda 4: To acknowledge the appropriation of profit arising from year 2009 operations as the interim dividend payments and to approve the appropriation of profit arising from year 2009 operations for statutory reserve and capital fund

The Chairman proposed the meeting to acknowledge the appropriation of profit arising from year 2009 operations for interim dividend and approve the appropriation of remaining profit arising from year 2009 as statutory reserve and capital fund. He invited Ms. Oranuch Apisaksirikul to summarize details of this agenda.

Ms. Oranuch Apisaksirikul reported that the Company has to appropriate 5% of net profit for the year for statutory reserve until reaching 10% of registered capital, according to the Public Limited Company Act. In this regard, the Company set up 67,900,000 Baht for statutory reserve. Details of unappropriated retained earnings available for dividend payment for year 2009 were as follows:

	Baht
Beginning Unappropriated Retained Earnings	3,369,567,073
Net Profit for year 2009	1,357,063,321
Annual dividend payment from profit arising from year 2008 operations	(656,797,248)
Deferred tax assets	(479,399,809)
Required Statutory Reserve	(67,900,000)
Unappropriated Retained Earnings available for dividend payment for year 2009	3,522,533,337
Interim dividend payment from profit arising from the first half of 2009 operations	(368,446,816)
Interim dividend payment from profit arising from the second half of 2009 operations	(436,889,490)
Unappropriated Retained Earnings for year ended 2009	2,717,197,031

From the unappropriated retained earnings available for dividends for year 2009 amount of 3,522,533,337 Baht, the Company made the dividend payment for year 2009 totaled 805,336,306 Baht, comprising of the interim dividend paid from profit arising from first half of 2009 operations amount of 368,446,816 Baht and the interim dividend paid from profit arising from second half of 2009 amount of 436,889,490 Baht.

The dividend payout ratio for year 2009 was 59.3%, compared to 54.6% for year 2008. Such dividend payment was in compliance with the Company's dividend policy, which stated that dividend payout ratio shall be at least 50% of net profit depending on the financial performance of the Company while maintaining sufficient Capital Adequacy Ratio for business expansion. As the Company already made interim dividend payments from annual profit arising from 2009 operations, there will be no annual dividend payment for the year 2009.

The meeting considered the matter and cast votes.

Resolution: The shareholders resolved the followings as proposed;

- **Acknowledged** the interim dividend payment from profit arising from year 2009 operations as follows;
 - The first half interim dividend payment from profit arising from the first half of 2009 operations totaling 368,446,816 Baht or 0.38 Baht per share for common shareholders and 0.88 Baht per share for preferred shareholders. The interim dividend payment was paid on July 10, 2009; and

- The second half interim dividend payment from profit arising from the second half of 2009 operations totaling 436,889,490 Baht or 0.60 Baht per share for common shareholders and preferred shareholders. The interim dividend payment was paid on January 13, 2010
- **Approved** the followings with the unanimous votes of shareholders who attended the meeting and had the right to vote;
 - The appropriation of profit arising from year 2009 operations of 67,900,000 Baht as statutory reserve; and
 - The appropriation of remaining net profit arising from year 2009 operations after statutory reserve and dividend payment, as the capital fund according to the Consolidated Supervision guidelines.

Agenda 5: To approve the number of directors and the appointment of directors
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Since the consideration of this agenda was matter relating to directors, the Chairman informed the meeting that all directors would volunteer to leave the meeting in the interests of good corporate governance. He invited Ms. Krisna Theravuthi, the Chairperson of Nomination and Compensation Committee (“NCC”) of TISCO Financial Group Public Company Limited - the parent company of TISCO Group, to act as Chairman of the Meeting for this agenda.

The Chairperson of the NCC informed the Board that the shareholders, at the Shareholders Ordinary General Meeting of each calendar year, shall elect the whole board of directors simultaneously according to the Company’s Articles of Association. Thus, the term of all of the members of the Board of Directors shall be expired today.

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

Reference is made to the Company’s Articles of Association, the number of directors, to be approved by the shareholders in the Shareholders Ordinary General Meeting, shall be not less than five and not less than one half of the directors must domicile in Thailand. In addition, the number of directors who are persons of Thai nationality shall be not less than 75%, in compliance with related laws.

The Board of Directors, therefore, with recommendations from the parent company’s NCC, considered the appropriate number of directors for good corporate governance. The qualifications and benefits that each candidate might bring were also considered upon contemplating the company’s needs, the most suitable board size and composition. The Board therefore proposed that the shareholders approve the number of directors at 9. For this section, shareholders, present in person or represented by proxy, were entitled to one vote per share.

For the appointment of directors, Ms. Krisna Theravuthi further informed the meeting that the Company’s Articles of Association required cumulative voting for the appointment of directors and explained procedure of Cumulative Voting in details.

In addition, TISCO Group Corporate Governance Policy assigned the NCC to select qualified director candidates by considering their knowledge, experiences, sufficient understanding of finance and banking, economics, law or any other related fields based upon the Company's needs and maximize interest, good corporate governance, laws and relevant rules and regulations for the most appropriate size and composition of the board.

Furthermore, a person to be nominated or appointed as an independent director must meet the requirements in TISCO Corporate Governance Policy and Guideline, which were more stringent than those of the SEC and shall not be related to the Company, other companies in TISCO Group, and management in the manner that may cause conflict of interest.

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

	<u>Name</u>	<u>Position</u>
1.	Mr. Pliu Mangkornkanok	Director
2.	Assoc. Prof. Dr. Angkarat Priebjriwat	Independent Director
3.	Ms. Panada Kanokwat	Independent Director
4.	Prof. Dr. Pranee Tinakorn	Independent Director
5.	Mr. Hon Kit Shing (Alexander H. Shing)	Director
6.	Mr. Hirohiko Nomura	Director
7.	Mr. Pichai Chanvirachart	Director
8.	Ms. Oranuch Apisaksirikul	Director
9.	Mr. Suthas Ruangmanamongkol	Director

Ms. Krisna Theravuthi further informed that TISCO Group only paid remunerations to directors of TISCO Financial Group Public Company Limited. TISCO Bank directors shall not be entitled to any remuneration. She informed shareholders who had not cast their votes in advance to vote in the meeting and submit the voting form to the officers to calculate voting results.

The meeting considered the matter and cast votes.

Resolution: The shareholders **approved** the number of directors at 9, with the unanimous votes of shareholders who attended the meeting and had the right to vote and;

approved the appointment of the following candidates as the Company's directors as proposed with the votes of shareholders who attended the meeting and had the right to vote as presented below:

<u>Name</u>	<u>For (votes)</u>	<u>Against (votes)</u>
1. Mr. Pliu Mangkornkanok	727,103,288	0
2. Assoc. Prof. Dr. Angkarat Priebjrivat	727,103,288	0
3. Ms. Panada Kanokwat	727,103,288	0
4. Prof. Dr. Pranee Tinakorn	727,103,288	0
5. Mr. Hon Kit Shing (Alexander H. Shing)	727,079,388	23,900
6. Mr. Hirohiko Nomura	727,103,288	0
7. Mr. Pichai Chanvirachart	727,103,288	0
8. Ms. Oranuch Apisaksirikul	727,079,388	23,900
9. Mr. Suthas Ruangmanamongkol	727,103,288	0
Total	6,543,881,792	47,800
	Abstain (votes)	0
	Void (votes)	0

After the meeting considered director-related agenda, all the director candidates elected as new directors rejoined the meeting.

Agenda 6: To approve the appointment of the auditors and their remuneration for the year 2010

The Chairman proposed the meeting to consider the appointment of the auditors and their remunerations and invited Assoc. Prof. Dr. Angkarat Priebjrivat, Chairperson of the Audit Committee, to present the agenda.

Assoc. Prof. Dr. Angkarat Priebjrivat informed that the Board of Directors, as recommended by the Audit Committee, proposed auditors of Ernst and Young Office Limited, whose names were presented below, be appointed as the Company's auditors with total remuneration of not exceeding 3,200,000 Baht.

Name of auditors	CPA License Number
- Ms. Ratana Jala	3734,
- Ms. Siraporn Ouaanunkun	3844, and
- Ms. Rungnapa Lertsuwankul	3516

Any one of these auditors is authorized to certify the auditor's report.

None of the above auditors proposed has audited the Company's account for more than 3 consecutive years. Profiles of all auditors were presented in Page 63-65 of the Notice submitted to the shareholders.

The proposed 2.6% increase in the professional audit fee for year 2010 was due to the increased volume of business transactions and the inflation level.

The meeting considered the matter and cast votes.

2. To ratify the Board of Directors' business activities conducted in 2010 as described in the Annual Report

The Board clearly summarized all details of business activities providing reasonable explanations to support the results of the business operations for the year 2010 in the Report from the Board of Directors as described in the Annual Report.

Board of Directors' opinion:

The Board recommends the shareholders to ratify the Board of Directors' business activities conducted in 2010.

Report from the Board of Directors

Despite several internal and external disruptions in 2010, including the violent political demonstration in Bangkok, severe flooding in the central and southern region, and sovereign debt crisis in Europe, the Thai economy was able to withstand all disturbances and continued to demonstrate strong growth in GDP of over 7%. This was attributable to the strong fundamental of the Thai economic structure, particularly in the banking and private sector. The capital market responded positively with significant increase in the SET Index of more than 40% over the year, driven by large foreign capital inflow.

Along with the economic growth, TISCO Bank Public Company Limited (TISCO Bank) reported an exceptional performance in 2010, with a net profit after tax of 1,993 million Baht, or 46.9% increase from the previous year. The asset base of TISCO Bank also strongly expanded to reach 162 billion baht, driven by record high loan growth of 33%. While the growth and profitability was strong, the asset quality was well controlled through highly effective risk management system, as reflected in the continually declining NPL ratio to the industry lowest level of 1.6%. TISCO Bank's Returns on Equity (ROE) of 17%, also one of the highest in the banking industry, was well driven by sustainable core businesses. With banking platform fully operational and integrated with well-rounded financial services, TISCO Bank has now emerged as full-service bank with a strong market position.

TISCO Bank is a member of TISCO group of companies (TISCO Group), with TISCO Financial Group Public Company Limited (TISCO) as the parent company. In 2010, TISCO Group has successfully completed the transition of the top management and organizational restructuring. Dr. Phisit Pakkasem, the former chairman of the Board of TISCO, who resigned from his Directorship, was succeeded by Mr. Pliu Mangkornkanok the former CEO of TISCO Group. The Board would like to take this opportunity to express deep gratitude to Dr. Phisit Pakkasem for his valuable advice and vision contributed to TISCO Group throughout his term. Meanwhile, Ms. Oranuch Apisaksirikul, the former President of TISCO, was appointed as the new Group CEO, with Mr. Suthas Ruangmanamongkol as the President of TISCO Bank.

Together with group achievements, TISCO Bank has also completed the final stage of organizational restructuring to become a full client focused organization as well as redefined the vision to emphasize more on wealth creation for all stakeholders. The Bank's businesses are also fully transformed into 3 groups – Retail Banking, Corporate & SME Banking, and Wealth & Deposit Service, in order to synergize group resources to maximize value for all clients and stakeholders.

The **Retail Banking** group constitutes all retail finance businesses of TISCO Group, with hire purchase as the core asset portfolio accounting for 89.5% of the total retail loans. Hire purchase business continued to exhibit an impressive loan growth of 22.9% over the year, contributed by strong surge of domestic car sales and successful business partnerships with Ford, Mazda, and Chevrolet groups. In addition to the core hire purchase business, TISCO Bank also successfully promoted "TISCO Auto Cash", a secured consumer loan product with car pledged as collateral, which has substantially gained popularity among retail clients over the past years, due to its convenience, flexibility, and fairness of terms and conditions. Auto Cash portfolio thus

successfully demonstrated strong growth of 104.6% over the year. In addition, bancassurance business continued its leading position in credit life and auto-related insurance with exceptional fee income growth of 74.6% over the year.

The **Corporate & SME Banking** group combined together TISCO Group resources in corporate banking, and SME banking to provide top notch financial solutions to corporate clients. With the strong recovery of corporate loan demand following investment up cycle, TISCO Bank corporate loan portfolio grew sharply by 50.8% in 2010, through numerous loan syndication and credit facilities granted to leading corporations in various industries. In addition, an impressive SME loan growth of 101.8% was also achieved through the success of inventory financing for car dealers and strong expansion in logistic and transportation sectors.

The **Wealth & Deposit Service** group covers Private Banking service and Retail Deposit Banking service. With an integrated wealth management service, TISCO Bank provides clients with one-stop services with full-shelved investment and saving products, including deposits, financial instruments, as well as effective advice on asset allocation strategies. Wealth relationship managers are dedicated to each particular client to offer best service and maximize satisfaction and all key accounts will be serviced with one on one investment adviser.

TISCO Bank, as being the important part of TISCO Group, has adopted the highest ethical standards and good corporate governance best practices throughout the organization according to TISCO Group Policy. It was the third consecutive year that Thai Institute of Directors Association's Corporate Governance Report ranked TISCO as "Excellent CG Scoring" for overall performance. On Risk Management practice, TISCO Bank continued to be at the forefront of the industry peers for its internal best-practice risk management system, which not only ensure prudent business practice and excellent asset quality, but also enable TISCO Bank to achieve a phenomenally strong loan growth. Year 2010 was also the first full year TISCO Bank has adopted the Basel II - IRB (Internal Rating-Based) approach in capital adequacy calculation with satisfactory result. With the fully risk-adjusted capital adequacy framework, TISCO Bank capital adequacy ratio continued to be very strong with a BIS ratio of 15.2%.

Going forward, the overall economy is expected to do well in the coming year. However, uncertainties are high and several unresolved internal and external problems are still ongoing, while the competition in the banking industry is likely to severely continue. It will therefore be another challenging year for TISCO Bank to sustain our success story in this highly demanding environment. The Board, is however, confident that with TISCO Bank's solid infrastructure, effective core value and capability, TISCO Bank will continue to thrive well, along with the Thai society.

The Board is highly grateful for the long-term support from our customers, business partners, and shareholders, and would like to express sincere appreciation to management and staff for their dedication, diligence, and commitments that have made these achievements possible for TISCO Bank.

Board of Directors

3. To adopt TISCO Bank Public Company Limited's Balance Sheet and Profit and Loss Statements for the year ended December 31, 2010

Reference is made to the auditor's report, TISCO Bank Public Company Limited's Balance Sheet and Profit and Loss Statements are presented fairly, in all material respects, in compliance with generally accepted accounting principles. The Audit Committee agreed with the auditors that the Balance Sheets and Profit and Loss Statements presented fair and comprehensive performance and financial position of TISCO Bank. The auditor's report and TISCO Bank's Balance Sheet and Profit and Loss Statements for the year ended December 31, 2010 are provided in Attachment 5 of the Annual Report.

Board of Directors' opinion:

The Board recommends the shareholders to adopt TISCO Bank Public Company Limited's Balance Sheet and Profit and Loss Statements for the year ended December 31, 2010.



ERNST & YOUNG

Ernst & Young Office Limited
33rd Floor, Lake Rajada Office Complex
193/136 137 Rajadapisek Road
Klongtoey, Bangkok 10110
G.P.O.Box 1047, Bangkok 10501, Thailand
Tel: +66 2264 0777
Fax: +66 2264 0789-90
www.ey.com

บริษัท สำนักงาน เอ็นดี แอนด์ ยังก์ จำกัด
ชั้น 33 อาคารศรียาตรา
193 136-137 ถนนรัชดาภิเษก
คลองเตย กรุงเทพฯ 10110
ตู้ ป.ณ. 1047 กรุงเทพมหานคร 10501
โทรศัพท์: +66 2264 0777
โทรสาร: +66 2264 0789-90
www.ey.com

Report of Independent Auditor

To the Shareholders of TISCO Bank Public Company Limited

I have audited the accompanying balance sheet of TISCO Bank Public Company Limited as at 31 December 2010, the related statements of income, changes in shareholders' equity and cash flows for the year then ended. These financial statements are the responsibility of the Bank's management as to their correctness and the completeness of the presentation. My responsibility is to express an opinion on these financial statements based on my audit. The financial statements of TISCO Bank Public Company Limited as at 31 December 2009 and for the year then ended, as presented herein for comparative purposes, were audited by another auditor of our firm who, under his report dated 8 February 2010, expressed an unqualified audit opinion on those statements.

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

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of TISCO Bank Public Company Limited as at 31 December 2010, and the results of its operation and cash flows for the year then ended in accordance with generally accepted accounting principles.

Rungnapa Lertsuwankul

Rungnapa Lertsuwankul
Certified Public Accountant (Thailand) No. 3516

Ernst & Young Office Limited
Bangkok: 4 February 2011

TISCO Bank Public Company Limited

Balance sheets

As at 31 December 2010 and 2009

		(Unit: Baht)	
	<u>Note</u>	<u>2010</u>	<u>2009</u>
Assets			
Cash		902,815,741	826,095,960
Interbank and money market items	3.1		
Domestic			
Interest bearing		11,371,117,353	9,900,793,589
Non-interest bearing		989,373,393	2,173,850,384
Total interbank and money market items - net		12,360,490,746	12,074,643,973
Investments	3.2, 3.3, 3.6		
Current investment - net		2,463,186,236	2,537,845,421
Long-term investment - net		2,501,416,159	5,811,725,391
Investment in subsidiaries - net		135,312,317	60,055,638
Net investments		5,099,914,712	8,409,626,450
Loans, receivables and accrued interest receivable	3.4, 3.6		
Loans and receivables		145,188,545,195	109,102,566,701
Accrued interest receivable		115,566,800	97,471,206
Total loans, receivables and accrued interest receivable		145,304,111,995	109,200,037,907
Less: Allowance for doubtful accounts	3.5	(3,859,411,530)	(2,088,416,132)
Less: Allowance for loss on debt restructuring		(2,967)	(18,258)
Net loans, receivables and accrued interest receivable		141,444,697,498	107,111,603,517
Property foreclosed - net	3.7	17,962,840	47,241,840
Land, premises and equipment - net	3.8	575,272,056	649,626,633
Deferred tax assets	3.20	954,833,209	479,399,809
Other assets	3.9	990,349,637	1,042,483,541
Total assets		162,346,336,439	130,640,721,723

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

TISCO Bank Public Company Limited

Balance sheets (continued)

As at 31 December 2010 and 2009

		(Unit: Baht)	
	<u>Note</u>	<u>2010</u>	<u>2009</u>
Liabilities and shareholders' equity			
Deposits in baht	3.10	48,608,753,759	56,930,949,089
Interbank and money market items			
Domestic - Interest bearing	3.11	8,867,298,839	4,321,444,855
Liability payable on demand		532,447,850	345,170,135
Borrowings	3.12		
Short-term borrowings		72,513,367,910	50,117,254,545
Long-term borrowings		15,460,403,568	5,429,750,030
Total borrowings		87,973,771,478	55,547,004,575
Accrued interest payable		445,504,777	250,447,376
Corporate income tax payables		686,196,718	571,218,915
Dividend payable		1,019,409,230	436,889,490
Other liabilities	3.13	2,001,560,391	1,006,201,223
Total liabilities		150,134,943,042	119,409,325,658

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

TISCO Bank Public Company Limited
Balance sheets (continued)
As at 31 December 2010 and 2009

	<u>Note</u>	<u>2010</u>	<u>2009</u>
			(Unit: Baht)
Shareholders' equity			
Share capital			
Registered	2.2	<u>11,002,000,000</u>	<u>11,002,000,000</u>
Issued and fully paid-up			
104 preference shares of Baht 10 each (2009: 73,204 preference shares of Baht 10 each)		1,040	732,040
728,152,146 ordinary shares of Baht 10 each (2009: 728,079,046 ordinary shares of Baht 10 each)		<u>7,281,521,460</u>	<u>7,280,790,460</u>
		7,281,522,500	7,281,522,500
Share premium			
Share premium of preference shares		53	37,480
Share premium of ordinary shares		130,451,197	130,413,770
Revaluation surplus on investments	3.16	14,310,659	7,927,052
Retained earnings			
Appropriated-statutory reserve	2.3	714,600,000	614,900,000
Unappropriated		<u>4,070,508,988</u>	<u>3,196,595,263</u>
Total shareholders' equity		<u>12,211,393,397</u>	<u>11,231,396,065</u>
Total liabilities and shareholders' equity		<u>162,346,336,439</u>	<u>130,640,721,723</u>
Off-balance sheet items - contingencies	3.25		
Aval to bills and guarantees of loans		194,136,067	21,651,000
Other commitments		1,402,566,527	1,616,936,304

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



Mrs. Oranuch Apisaksirikul
 (Chairman of the Executive Board)



บริษัท ทีเอสซี จำกัด (มหาชน)
 TISCO Bank Public Company Limited



Mr. Suthas Ruangmanamongkol
 (President)

TISCO Bank Public Company Limited

Income statements

For the years ended 31 December 2010 and 2009

		(Unit: Baht)	
	<u>Note</u>	<u>2010</u>	<u>2009</u>
Interest and dividend income			
Loans		1,632,743,084	1,332,375,203
Interbank and money market items		178,321,866	133,781,609
Hire purchase and financial lease income		6,465,099,512	5,773,453,963
Investments		<u>495,399,857</u>	<u>552,461,773</u>
Total interest and dividend income		8,771,564,319	7,792,072,548
Interest expenses			
Deposits		802,984,232	1,090,078,579
Interbank and money market items		116,736,050	113,300,341
Short-term borrowings		835,134,112	851,599,459
Long-term borrowings		<u>403,732,674</u>	<u>278,011,984</u>
Total interest expenses		<u>2,158,587,068</u>	<u>2,332,990,363</u>
Net interest and dividend income		6,612,977,251	5,459,082,185
Bad debts and doubtful accounts		<u>(1,759,031,947)</u>	<u>(1,195,853,909)</u>
Net interest and dividend income after bad debts and doubtful accounts		4,853,945,304	4,263,228,276
Non-interest income			
Gain on investments	3.17	165,026,408	71,239,230
Fees and service income			
Acceptances, aval and guarantees		10,428,089	9,850,231
Insurance services		820,610,935	613,151,987
Others		426,474,770	369,062,028
Gain (loss) on exchange		(2,262,312)	9,228,971
Other income	3.18	638,757,102	432,552,280
Total non-interest income		<u>2,059,034,992</u>	<u>1,505,084,727</u>
Total net income		<u>6,912,980,296</u>	<u>5,768,313,003</u>

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

TISCO Bank Public Company Limited
Income statements (continued)
For the years ended 31 December 2010 and 2009

		(Unit: Baht)	
	<u>Note</u>	<u>2010</u>	<u>2009</u>
Non-interest expenses			
Personnel expenses		1,339,253,608	1,002,452,622
Premises and equipment expenses		673,164,587	623,495,416
Taxes and duties		146,022,517	111,310,282
Fees and service expenses		1,114,812,213	997,242,782
Contribution to Deposit Protection Agency		255,951,764	228,752,550
Advertising and promotion expenses		324,252,454	135,233,871
Other expenses	3.19	221,872,136	728,731,737
Total non-interest expenses		<u>4,075,329,279</u>	<u>3,827,219,260</u>
Income before income tax		2,837,651,017	1,941,093,743
Income tax expenses	3.20	<u>(844,626,886)</u>	<u>(584,030,422)</u>
Net income for the year		<u>1,993,024,131</u>	<u>1,357,063,321</u>
Earnings per share			
Basic earnings per share	3.22	<u>2.74</u>	<u>1.74</u>

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

4. To acknowledge the appropriation of net profit arising from year 2010 operations as the interim dividend payment and to approve the appropriation of profit arising from year 2010 for statutory reserve and others

In year 2010, TISCO Bank recorded a net profit of 1,993,024,131 Baht, increased by 635,960,810 Baht from year 2009. In compliance with the Public Company Act B.E. 2535 as well as rules and regulations of the Bank of Thailand, the dividend payment shall be paid based on standalone financial statement whereby TISCO Bank must appropriate 99,700,000 Baht from the annual profit amount as statutory reserve. Consequently, TISCO Bank's full year profit and unappropriated retained earnings for the year ending 2010 based on standalone financial statements, are shown as follows;

TISCO Bank Public Company Limited – Standalone financial statement for year 2010

	Baht
Beginning Unappropriated Retained Earnings (December 31, 2009)	3,196,595,263
Net Profit for year 2010	1,993,024,131
Deferred tax assets	(960,966,348)
Required Statutory Reserve	(99,700,000)
Unappropriated Retained Earnings for year ended 2010	4,128,953,046
Interim dividend payment from profit arising from year 2010 operations	(1,019,413,150)
Unappropriated Retained Earnings for year ended 2010	3,109,539,896

TISCO Bank has unappropriated retained earnings available for dividends for year 2010 in amount of 4,128,953,046 Baht. TISCO Bank made the interim dividend payment for year 2010 amounted to 1,019,413,150 Baht. Therefore, TISCO Bank has unappropriated retained earnings for year ended 2010 totaled 3,109,539,896 Baht.

TISCO Bank considered paying dividend at the appropriate rate based on operating performance while maintaining sufficient Capital Adequacy Ratio (BIS Ratio) for business expansion. The dividend payout ratio for year 2010 is 51.1%, compared to dividend payout ratio of 59.3% for year 2009. The dividend payment is in accordance with TISCO Bank dividend policy with dividend payout ratio at least 50% of net profit, depending on the financial performance of TISCO Bank while maintaining sufficient Capital Adequacy Ratio for business expansion. In addition, there will be no annual dividend payment for the year 2010 since TISCO Bank already made interim dividend payments from annual net profit.

Board of Directors' opinion:

The Board recommends the shareholders the followings:

- To acknowledge the interim dividend payment from net profit arising from year 2010 operations as follows;
 - The interim dividend payment from net profit arising from year 2010 operations at 1.40 Baht per share for common shareholders and preferred shareholders;
 - The shareholders whose names shown in the registration book as of January 5, 2011 were entitled to receive the dividend;
 - The interim dividend payment was paid on January 14, 2011
- To approve the followings;
 - The appropriation of net profit arising from year 2010 operations of 99,700,000 Baht as statutory reserve according to related law and regulation;
 - The appropriation of remaining net profit arising from year 2010 operations after the interim dividend payments and statutory reserve, as capital fund according to the Consolidated Supervision guidelines.

5. To approve the number of directors and the appointment of directors

The Company's Articles of Association prescribed that the shareholders shall, from time to time, by resolution of a general meeting, determine the number of directors which shall be not less than five and not less than one half of the directors must domicile in Thailand. In addition, the number of directors who are persons of Thai nationality shall be in compliance with related laws.

The Company's Articles of Association required that at the general meeting of shareholders of each calendar year, the whole board of directors shall be simultaneously elected. The general meeting of shareholders shall elect directors in accordance with rules and procedures as follows:

- (1) Each shareholder shall have the number of votes equal to the number of shares multiplied by the number of the directors to be elected.
- (2) Each shareholder may exercise all the votes he or she has under (1) to elect one or several persons as director or directors. If several persons are to be elected as directors, the shareholder may allot his or her votes to any person in any number.
- (3) After the vote, the candidates shall be ranked in order descending from the highest number of votes received to the lowest, and shall be appointed as directors in that order until all of the director positions are filled. Where the votes cast for candidates in descending order are tied, which would otherwise cause the number of directors to be exceeded, the remaining appointments shall be made by drawing lots.

Upon contemplating Company's need and for the best interest of the Company, good corporate governance, laws and related regulations, the Nomination and Compensation Committee of the Parent Company shall identify qualified nominees who have knowledge, experiences, sufficient understanding of banking and finance, economics, law or any other fields deem appropriate, to the Board of Directors for further recommend to the shareholders for consideration.

In addition, a person to be nominated or appointed as an independent director must meet the requirements in TISCO's Corporate Governance Code of Conduct, which are more stringent than those of the SEC and SET, as summarized below;

- (1) holding shares not exceeding 0.25 per cent of the total number of voting rights of the Company, its parent company, subsidiary, affiliate or juristic person which may have conflicts of interest, including the shares held by related persons of the independent director;
- (2) neither being nor having been an executive director, employee, staff, or advisor who receives salary, or a controlling person of the Company, its parent company, subsidiary, affiliate, or juristic person who may have conflicts of interest unless the foregoing status has ended not less than two years;
- (3) not being a person related by blood or registration under laws, (such as father, mother, spouse, sibling, and child, including spouse of the children) of executives, major shareholders, controlling persons, or persons to be nominated as executive or controlling persons of the Company or its subsidiary;

- (4) not having a business relationship as specified by the Capital Market Supervisory Board with the Company, its parent company, subsidiary, affiliate or juristic person who may have conflicts of interest, in the manner which may interfere with his independent judgment, and neither being nor having been a major shareholder, non-independent director or executive of any person having business relationship with the Company, its parent company, subsidiary, affiliate or juristic person who may have conflicts of interest unless the foregoing relationship has ended not less than two years;
- (5) neither being nor having been an auditor of the Company, its parent company, subsidiary, affiliate or juristic person who may have conflicts of interest, and not being a major shareholder, non-independent director, executive or partner of an audit firm which employs auditors of the Company, its parent company, subsidiary, affiliate or juristic person who may have conflicts of interest unless the foregoing relationship has ended not less than two years;
- (6) neither being nor having been any professional advisor including legal advisor or financial advisor who receives an annual service fee exceeding two million Baht from the Company, its parent company, subsidiary, affiliate or juristic person who may have conflicts of interest, and neither being nor having been a major shareholder, non-independent director, executive or partner of the professional advisor unless the foregoing relationship has ended not less than two years;
- (7) not being a director who has been appointed as a representative of the Company's director, major shareholder or shareholders who are related to the Company's major shareholder;
- (8) not undertaking any business in the same nature and in competition to the business of the Company or its subsidiary companies or not being a significant partner in a partnership or being an executive director, employee, staff, advisor who receives salary or holding shares exceeding one per cent of the total number of shares with voting rights of other company which undertakes business in the same nature and in competition to the business of the Company or its subsidiary companies; and
- (9) not having any characteristics which make him/her incapable of expressing independent opinions with regard to the Company's business affairs.

The Board of Directors, after considering the Nomination and Compensation Committee's recommendation on the qualifications of the candidates in accordance with the TISCO's Guidelines for Board Composition and Selection Criteria, propose the shareholder to approve the number of directors at 9 and approve the appointment of the following qualified candidates as the Company's directors. Candidates' profiles are presented herewith.

	<u>Name</u>	<u>Position</u>
1.	Mr. Pliu Mangkornkanok	Director
2.	Mr. Hon Kit Shing (Alexander H. Shing)	Director
3.	Ms. Panada Kanokwat	Independent Director
4.	Prof. Dr. Pranee Tinakorn	Independent Director
5.	Ms. Patareeya Benjapholchai	Independent Director
6.	Mr. Hirohiko Nomura	Director
7.	Mr. Pichai Chanvirachart	Director
8.	Ms. Oranuch Apisaksirikul	Director
9.	Mr. Suthas Ruangmanamongkol	Director

Board of Directors' opinion:

The Board recommends the shareholders to approve the number of directors at 9 and the appointment of directors, subject to the approval from the Bank of Thailand as proposed.

Candidate's profile

1. Name	:	Mr. Pliu Mangkornkanok	
Proposed Position	:	Director	
Age	:	63	
Nationality	:	Thai	
Education	:	M.B.A. (Finance) University of California at Los Angeles, USA M.S. (Industrial Engineering) Stanford University, USA B.Eng. (Industrial Engineering) Chulalongkorn University	
Director Training	:	Directors Certification Program Chairman 2000 Program Thai Institute of Directors Association	
Shareholding (As of December 31, 2010)	:	TISCO Financial Group Public Co., Ltd. 2,019,100 shares or 0.28% of total issued shares	
	:	TISCO Bank Public Co., Ltd. None	
Meeting attendance in 2010	:	TISCO Financial Group Public Co., Ltd. Board of Directors 6 out of 6 meetings Executive Board 4 out of 4 meetings	
	:	TISCO Bank Public Co., Ltd. Board of Directors 6 out of 6 meetings	
Years in director position	:	TISCO Financial Group Public Co., Ltd. 3 years	
	:	TISCO Bank Public Co., Ltd. 17 years	

Current Position

TISCO Group		
2010-Present	Chairman of the Board of Directors	TISCO Financial Group Public Co., Ltd.
2009-Present	Chairman of the Board of Directors	TISCO Bank Public Co., Ltd.

Current Position (Con't)

Other

Company with conflict of interest

-None-

Other listed company

-None-

Other company (3 companies)

Oct 2010-Present	Director	Solido Co., Ltd.
Oct 2010-Present	Director	Design 103 International Ltd.
1973-Present	Director	Rama Textile Industry Co., Ltd.

Other organization (3 organizations)

2007-Present	Director	Thai Institute of Directors Association
2004-Present	Councilor	Thai Management Association
1990-Present	Director	TISCO Foundation

Work Experience

TISCO Group

2009-2010	Chairman of the Executive Board Group Chief Executive Officer	TISCO Financial Group Public Co.,Ltd.
2008-2010	Director	
2005-2008	Director	TISCO Bank Public Co., Ltd.
2005-2006	Chairman of the Executive Board Chief Executive Officer Secretary to the Nomination Committee	
2002-2005	Director Chairman of the Executive Board Member of the Nomination Committee Chief Executive Officer	TISCO Finance Public Co., Ltd.

Other (within 5 years)

2006-2010	Director	Amata Spring Development Co., Ltd.
1994-May 2010	Director	Phelps Dodge International (Thailand) Co., Ltd.
1994-May 2010	Director	P D T L Trading Co., Ltd.
2008-2010	Director	The Thai Bankers' Association
2003-2006	Director	Thai Agro Exchange Co., Ltd.

Candidate's profile

2. Name	: Mr. Hon Kit Shing (Mr. Alexander H. Shing)	
Proposed Position	: Director	
Age	: 34	
Nationality	: New Zealand	
Education	: B.Sc. (Economics) Massachusetts Institute of Technology, USA	
Director Training	: None	
Shareholding	: TISCO Financial Group Public Co., Ltd.	
(As of December 31, 2010)	None	
	: TISCO Bank Public Co., Ltd.	
	None	
Meeting attendance in 2010	: TISCO Financial Group Public Co., Ltd.	
	Board of Directors	5 out of 6 meetings*
	Executive Board	8 out of 11 meetings*
	Nomination and Compensation Committee	6 out of 7 meetings*
	: TISCO Bank Public Co., Ltd.	
	Board of Directors	5 out of 6 meetings*
	Executive Board	8 out of 11 meetings*
	* Did not attend Board of Directors meeting in person 1 time, Executive Board meeting 3 times and Nomination and Compensation Committee meeting 1 time but participated through teleconferencing.	
Years in director position	: TISCO Financial Group Public Co., Ltd.	3 years
	: TISCO Bank Public Co., Ltd.	4 years

Current Position

TISCO Group		
2010-Present	Vice Chairman of the Board of Directors Member of the Executive Board	TISCO Financial Group Public Co., Ltd.
2008-Present	Member of the Nomination and Compensation Committee	

Current Position (Con't)

2010-Present	Vice Chairman of the Board of Directors Member of the Executive Board	TISCO Bank Public Co., Ltd.
Other		
<u>Company with conflict of interest</u>		
-None-		
<u>Other listed company</u>		
-None-		
<u>Other company (2 companies)</u>		
2008-Present	Senior Advisor	CDIB & Partners Investment Holding Corporation
2005-Present	Managing Director	Quintus Capital Group Ltd.
<u>Other organization</u>		
-None-		

Work Experience

TISCO Group		
2008-2010	Director	TISCO Financial Group Public Co., Ltd.
2009-2010	Vice Chairman of the Executive Board	
2009-2010	Chairman of the Executive Board	TISCO Bank Public Co., Ltd.
2007-2010	Director	
2007-2008	Member of the Executive Board Member of the Nomination and Compensation Committee	
Other (within 5 years)		
2005-2008	Senior Vice President	CDIB & Partners Investment Holding Corporation
2005-2008	Director	CDIB & Partners Asset Management Holding Ltd.

Candidate's profile



3. Name	: Ms. Panada Kanokwat	
Proposed Position	: Independent Director	
Age	: 62	
Nationality	: Thai	
Education	: M.B.A. (Finance & Banking) North Texas State University, USA B.A. (Accounting) Thammasat University Certificate of Executive Leadership Program Capital Market Academy Certificate of Executive Program in International Management Stanford-National University of Singapore Certificate of Building, Leading & Sustaining Innovation Organization Sloan School of Management, Massachusetts Institute of Technology, USA	
Director Training	: Directors Certification Program Directors Accreditation Program Thai Institute of Directors Association	
Shareholding (As of December 31, 2010)	: TISCO Financial Group Public Co., Ltd. None : TISCO Bank Public Co., Ltd. None	
Meeting attendance in 2010	: TISCO Financial Group Public Co., Ltd. Board of Directors 6 out of 6 meetings Audit Committee 12 out of 12 meetings : TISCO Bank Public Co., Ltd. Board of Directors 6 out of 6 meetings Audit Committee 12 out of 12 meetings	
Years in director position	: TISCO Financial Group Public Co., Ltd. 3 years : TISCO Bank Public Co., Ltd. 3 years	

Current Position

TISCO Group

2008-Present	Independent Director Member of the Audit Committee	TISCO Financial Group Public Co., Ltd.
2008-Present	Independent Director Member of the Audit Committee	TISCO Bank Public Co., Ltd.

Other

Company with conflict of interest

-None-

Other listed company

-None-

Other company

-None-

Other organization

-None-

Work Experience

TISCO Group

-None-

Other (within 5 years)

2009	Director	Thai Fatty Alcohols Co., Ltd.
2008-2009	Director	PTT Chemical International Pte. Ltd. (Asia Pacific ROH)
2008-2009	Director	Thai Oleochemicals Co., Ltd.
2008-2009	Director	TOC Glycol Co., Ltd.
2008-2009	Director	Thai Choline Chloride Co., Ltd.
2008-2009	Director	Thai Ethanolamines Co., Ltd.
2008-2009	Director	PTT Polyethylene Co., Ltd.
2005-2009	Senior Executive Vice President, Chief Corporate Finance & Accounting	PTT Chemical Public Co., Ltd.
2005-2009	Executive Vice President	PTT Public Co., Ltd.
2008	Director	Bangkok Polyethylene Public Co., Ltd.
2006	Director	Star Petroleum Refining Co., Ltd.

Additional qualification for independent director

Type of relationship with the Company	Yes	No
1. Being close relative of management or major shareholder of the Company or its subsidiaries		✓
2. Having the following relationship with the Company, parent company, subsidiary company, associated company or any juristic persons who might have a conflict of interest at present or during the past 2 years; 2.1 Taking part in the management or being an employee, staff member, advisor who receives a regular salary 2.2 Being professional services provider, e.g., auditor, legal advisor 2.3 Having business relation that is material and could be barrier to independent judgment		✓ ✓ ✓

Candidate's profile



- 4. Name** : **Prof. Dr. Pranee Tinakorn**
- Proposed Position** : **Independent Director**
- Age** : 62
- Nationality** : Thai
- Education** : Ph.D (Economics)
M.A. (Economics)
University of Pennsylvania, USA
B.A. (Economics)
Swarthmore College, USA
- Director Training** : Directors Certification Program
Directors Accreditation Program
Audit Committee Program
Monitoring the System of Internal Audit Function
Monitoring the System of Internal Control and Risk Management
Monitoring Fraud Risk Management
Monitoring the Quality of Financial Reporting
Thai Institute of Directors Association
- Shareholding** : **TISCO Financial Group Public Co., Ltd.**
(As of December 31, 2010) None
- : **TISCO Bank Public Co., Ltd.**
None
- Meeting attendance in 2010** : **TISCO Financial Group Public Co., Ltd.**
Board of Directors 6 out of 6 meetings
Audit Committee 12 out of 12 meetings
- : **TISCO Bank Public Co., Ltd.**
Board of Directors 6 out of 6 meetings
Audit Committee 12 out of 12 meetings
- Years in director position** : **TISCO Financial Group Public Co., Ltd.** 3 years
: **TISCO Bank Public Co., Ltd.** 2 years

Current Position

TISCO Group		
2008-Present	Independent Director Member of the Audit Committee	TISCO Financial Group Public Co., Ltd.
2009-Present	Independent Director Member of the Audit Committee	TISCO Bank Public Co., Ltd.

Current Position (Con't)

Other		
<u>Company with conflict of interest</u>		
-None-		
<u>Other listed company</u>		
-None-		
<u>Other company</u>		
-None-		
<u>Other organization (4 organizations)</u>		
2010-Present	Director	National Reform Committee
2009-Present	University Council Director	Krirk University
2008-Present	Executive Director of TDRI	Thailand Development Research Institute
2005-Present	Member of TDRI Council of Trustees	Foundation (TDRI)
1979-Present	Professor of Economics	Thammasat University

Work Experience

TISCO Group		
-None-		
Other (within 5 years)		
2008-2010	Member of the Committee on Budget Subsidy for Public Services	Ministry of Finance
2007-2008	Advisor to the Minister of Finance	
2007-2008	Subcommittee on Budget Law under the Committee on Fiscal, Banking and Financial Institutions	National Council of Legislation
2007-2008	Member of the Committee on Private Joint Operation in Public Enterprise, (CAT Telecom Public Co., Ltd. and True Move Company Limited and Digital Phone Company Limited)	CAT Telecom Public Co., Ltd.
2007-2008	Member of Executive Committee	Triam-Udomsuksa Alumni Association
2005-2007	Subcommittee of the Thammasat University Council on Assets and Fiscal Affairs	Thammasat University
2005-2006	University Committee on Grievance and Appeal	
2003-2006	Member	Puey Ungphakorn Institute Committee
2003-2006	Member of the Research Committee	Secretariat of the House of Representatives

Work Experience (Con't)

Other (within 5 years)		
2004-2005	Member of the Committee on Adjustment of the State Enterprise Capital Act B.E.2542	Ministry of Finance
2004-2005	Member of the Thammasat University Council	Thammasat University
2003-2006	Dean, Faculty of Economics	

Additional qualification for independent director

Type of relationship with the Company	Yes	No
1. Being close relative of management or major shareholder of the Company or its subsidiaries		✓
2. Having the following relationship with the Company, parent company, subsidiary company, associated company or any juristic persons who might have a conflict of interest at present or during the past 2 years;		
2.1 Taking part in the management or being an employee, staff member, advisor who receives a regular salary		✓
2.2 Being professional services provider, e.g., auditor, legal advisor		✓
2.3 Having business relation that is material and could be barrier to independent judgment		✓

Candidate's profile



5. Name	: Ms. Patareeya Benjapolchai
Proposed Position	: Independent Director
Age	: 57
Nationality	: Thai
Education	: M.B.A. Thammasat University B.A. (Accountancy) Chulalongkorn University
Director Training	: Certificate of Advanced Accounting and Auditing Chulalongkorn University Certificate of The Executive Program University of Michigan, USA Certificate of Executive Leadership Program Capital Market Academy Directors Certification Program Financial Institutions Governance Program Thai Institute of Directors Association
Shareholding	: TISCO Financial Group Public Co., Ltd.
(As of December 31, 2010)	None
	: TISCO Bank Public Co., Ltd.
	None
Meeting attendance in 2010	: TISCO Financial Group Public Co., Ltd.
	Board of Directors 3 out of 3 meetings
Years in director position	: TISCO Financial Group Public Co., Ltd. 8 months

Current Position

TISCO Group		
2010-Present	Independent Director	TISCO Financial Group Public Co., Ltd.
Other		
<u>Company with conflict of interest</u>		
-None-		
<u>Other listed company</u>		
-None-		
<u>Other company (1 company)</u>		
2010-Present	Director	Baan Ruam Tang Fhun Co., Ltd.

Current Position (Con't)

Other organization (5 organizations)

2010-Present	Audit Committee	Office of the Permanent Secretary for Defence
2010- Present	Associate Judge	The Central Intellectual Property and International Trade Court
2010- Present	State-owned Enterprises Awards Committee, Board of the year 2010	State Enterprise Policy Office, Ministry of Finance
2008- Present	Directors on Foreign Business Committee	Department of Business Development, Ministry of Commerce
2007- Present	Honorary Advisor	The Institute of Internal Auditors of Thailand

Work Experience

TISCO Group

-None-

Other (within 5 years)

2006-May 2010	President Executive Committee	The Stock Exchange of Thailand
2009-May 2010	Chairman Executive Chairman	Thailand Securities Depository Co., Ltd.
2006-May 2010	Vice Chairman Executive Chairman	Thailand Futures Exchange Public Co., Ltd.
2009-May 2010	Chairman	Family Know How Co., Ltd.
2006-May 2010	Vice Chairman	
2009-May 2010	Chairman	Settrade.com Co., Ltd.
2006-May 2010	Chairman	Thai NVDR Co., Ltd.
2006-May 2010	Chairman	Thai Trust Fund Co., Ltd.
2006-May 2010	Chairman	SiamDR Co., Ltd.
2006-May 2010	Chairman	Thailand Clearing House Co.,Ltd
2006-May 2010	Director and Secretary	Federation of Thai Capital Market Organizations
2002-May 2010	Director, Subcommittee on Investors Education and Public Relations and on Corporate Governance in Thailand	The Prime Minister's Office
2005-2010	Director, Award Committee, Board of the Year Award	State Enterprise Policy Office, Ministry of Finance
2005-2010	Director	Thailand Management Association

Work Experience (Con't)**Other (within 5 years)**

Oct 2006-Feb 2008	Member of The National Legislative Assembly Member Committee on Finance, Banking and Finance Institutions	The National Legislative Assemble, Thailand
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Additional qualification for independent director

Type of relationship with the Company	Yes	No
1. Being close relative of management or major shareholder of the Company or its subsidiaries		✓
2. Having the following relationship with the Company, parent company, subsidiary company, associated company or any juristic persons who might have a conflict of interest at present or during the past 2 years;		
2.1 Taking part in the management or being an employee, staff member, advisor who receives a regular salary		✓
2.2 Being professional services provider, e.g., auditor, legal advisor		✓
2.3 Having business relation that is material and could be barrier to independent judgment		✓

Candidate's profile



6. Name : **Mr. Hirohiko Nomura**

Proposed Position : **Director**

Age : 47

Nationality : Japanese

Education : B.A. (Economics)
The University of Tokyo, Japan

Director Training : None

Shareholding : **TISCO Financial Group Public Co., Ltd.**
(As of December 31, 2010) None

: **TISCO Bank Public Co., Ltd.**
None

Meeting attendance in 2010 : **TISCO Financial Group Public Co., Ltd.**

Board of Directors	6 out of	6 meetings
Executive Board	11 out of	11 meetings
Nomination and Compensation Committee	6 out of	7 meetings

: **TISCO Bank Public Co., Ltd.**

Board of Directors	6 out of	6 meetings
Executive Board	11 out of	11 meetings

Years in director position : **TISCO Financial Group Public Co., Ltd.** 3 years

: **TISCO Bank Public Co., Ltd.** 3 years

Current Position

TISCO Group		
2009-Present	Director Member of the Executive Board	TISCO Financial Group Public Co., Ltd.
2008-Present	Member of the Nomination and Compensation Committee	
2008-Present	Director Member of the Executive Board	TISCO Bank Public Co., Ltd.
Other		
<u>Company with conflict of interest</u>		
-None-		
<u>Other listed company</u>		
-None-		
<u>Other company (1 company)</u>		
2008-Present	Managing Director	MHCB Consulting (Thailand) Co., Ltd.

Current Position (Con't)

Other organization

-None-

Work Experience**TISCO Group**

2008	Member of the Nomination and Compensation Committee	TISCO Bank Public Co., Ltd.
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Other (within 5 years)

2002-2008	Senior Manager, International Credit Division	Mizuho Corporate Bank, Ltd., Head Office
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Candidate's profile



7. Name : **Mr. Pichai Chanvirachart**

Proposed Position : **Director**

Age : 61

Nationality : Thai

Education : B.B.A. (Finance)
Marshall University, USA

Director Training : Directors Certification Program
Thai Institute of Directors Association

Shareholding : **TISCO Financial Group Public Co., Ltd.**
(As of December 31, 2010) 2,112,168 shares or 0.29% of total issued shares

: **TISCO Bank Public Co., Ltd.**
None

Meeting attendance in 2010 : **TISCO Bank Public Co., Ltd.**
Board of Director 5 out of 6 meetings

Years in director position : **TISCO Financial Group Public Co., Ltd.** 0 years
: **TISCO Bank Public Co., Ltd.** 10 years

Current Position

TISCO Group

2009-Present	Director	TISCO Information Technology Co., Ltd.
2005-Present	Director	TISCO Bank Public Co., Ltd.

Other

Company with conflict of interest

-None-

Other listed company

-None-

Other company

-None-

Other organization

-None-

Work Experience

TISCO Group		
2009-2010	Advisor	TISCO Financial Group Public Co., Ltd.
2005-2008	Member of the Executive Board	TISCO Bank Public Co., Ltd.
	President	
2001-2005	Director	TISCO Finance Public Co., Ltd.
	Member of the Executive Board	
	President	
1995-1998	Executive Vice President	TISCO Finance & Securities Public Co., Ltd.
Other (within 5 years)		
1993-2008	Director	Mizuho Corporate Leasing (Thailand) Co., Ltd.
2003-2007	Director	AXA Insurance Public Co., Ltd.

Candidate's profile



8. Name : **Ms. Oranuch Apisaksirikul**

Proposed Position : **Director**

Age : 53

Nationality : Thai

Education : M.B.A (Finance)
LL.B.
B.A. (Accounting & Commerce)
Thammasat University

Director Training : Directors Certification Program
Thai Institute of Directors Association

Shareholding : **TISCO Financial Group Public Co., Ltd.**
(As of December 31, 2010) 100,000 shares or 0.01% of total issued shares (held by spouse)

: **TISCO Bank Public Co., Ltd.**
None

Meeting attendance in 2010 : **TISCO Financial Group Public Co., Ltd.**
Board of Directors 6 out of 6 meetings
Executive Board 11 out of 11 meetings

: **TISCO Bank Public Co., Ltd.**
Board of Directors 6 out of 6 meetings
Executive Board 11 out of 11 meetings

Years in director position : **TISCO Financial Group Public Co., Ltd.** 3 years
: **TISCO Bank Public Co., Ltd.** 6 years

Current Position

TISCO Group		
2010-Present	Chairman of the Executive Board	TISCO Financial Group Public Co., Ltd.
2010-Present	Group Chief Executive Officer	
2008-Present	Director	
2010-Present	Chairman of the Executive Board	TISCO Bank Public Co., Ltd.
2005-Present	Director	

Current Position (Con't)

TISCO Group		
2010-Present	Chairman of the Board	TISCO Information Technology Co., Ltd.
2009-Present	Director	
Other		
<u>Company conflict of interest</u>		
-None-		
<u>Other listed company</u>		
-None-		
<u>Other company</u>		
-None-		
<u>Other organization (1 organization)</u>		
2010-Present	Advisor, Member of Risk Management Sub-Committee	Government Pension Fund

Work Experience

TISCO Group		
2010-2011	Chairman of the Board	TISCO Securities Co., Ltd.
2009-2011	Director	
2010-2011	Chairman of the Board	TISCO Asset Management Co., Ltd.
2009-2011	Director	
2009-2010	Member of the Executive Board President	TISCO Financial Group Public Co., Ltd.
2008-2009	Member of the Executive Board	TISCO Bank Public Co., Ltd.
2005-2008	Senior Executive Vice President	
2000-2007	Director	TISCO Global Securities Ltd.
2000-2007	Director	TISCO Securities Hong Kong Ltd.
2005	Director	TISCO Finance Public Co., Ltd.
2002-2005	Chief Financial Officer, Planning and Risk Management	
Other (within 5 years)		
2004-2010	Member of Risk Management Committee	Small Industry Credit Guarantee Corporation
2004-2010	Member of Risk Management Sub Committee	The Stock Exchange of Thailand

Candidate's profile



9. Name	: Mr. Suthas Ruangmanamongkol
Proposed Position	: Director
Age	: 50
Nationality	: Thai
Education	: M.S. (Finance & Banking) University of Wisconsin-Madison, USA M.B.A. (Finance) Western Illinois University, USA B.S. (Engineer – Computer) Chulalongkorn University
Director Training	: Directors Certification Program Thai Institute of Directors Association
Shareholding	: TISCO Financial Group Public Co., Ltd. 3,000,000 shares or 0.41% of total issued shares
(As of December 31,2010)	: TISCO Bank Public Co., Ltd. None
Meeting attendance in 2009	: TISCO Financial Group Public Co., Ltd. Board of Directors 5 out of 6 meetings Executive Board 10 out of 11 meetings
	: TISCO Bank Public Co., Ltd. Board of Directors 5 out of 6 meetings Executive Board 10 out of 11 meetings
Years in director position	: TISCO Financial Group Public Co., Ltd. 3 years
	: TISCO Bank Public Co., Ltd. 2 years

Current Position

TISCO Group		
2010-Present	President*	TISCO Financial Group Public Co., Ltd.
2009-Present	Member of the Executive Board	
2008-Present	Director	
2009-Present	President*	TISCO Bank Public Co., Ltd.
	Director	
	Member of the Executive Board	

* Currently, Mr. Suthas Ruangmanamongkol is management employed by TISCO Financial Group Public Company Limited and he has been seconded as President of TISCO Bank Public Company Limited.

Current Position (Con't)

TISCO Group		
2009-Present	Director	TISCO Information Technology Co., Ltd.
2005-Present	Director	TISCO Asset Management Co., Ltd.
Other		
<u>Company with conflict of interest</u>		
-None-		
<u>Other listed company</u>		
-None-		
<u>Other company (2 companies)</u>		
2010-Present	Director	P D T L Trading Co., Ltd.
2010-Present	Director	Phelps Dodge International (Thailand) Co., Ltd.
<u>Other organization (1 organization)</u>		
2010-Present	Director	The Thai Bankers' Association

Work Experience

TISCO Group		
2005-2008	Managing Director	TISCO Asset Management Co., Ltd.
2002-2005	Head of Commercial Finance Treasury and Funding	TISCO Finance Public Co., Ltd.
2000-2001	Director	TISCO Securities Company Limited
1998-2001	Assistant Managing Director – Securities Investment and Trading	
Other (within 5 years)		
-None-		

6. To approve the directors' remuneration

TISCO Group Director and Management Remuneration Policy stated that the remuneration of directors, proposed by the Nomination and Compensation Committee, shall be approved by shareholders. The scale and components of remuneration for directors and management has been set subject to the principle that such remuneration should be appealing enough to attract and retain quality directors, but avoid excessive pays. Remuneration for directors should be comparable to the general practice in the industry with regard to work experience and commitment, as well as the benefits each director brings. In addition, the remuneration shall be reviewed in comparison to comparable listed companies with similar size of business and the listed company average as disclosed in the Thai Institute of Directors Association (IOD)'s Thai Directors Compensation Survey.

Directors who are assigned with extra work (being members of other committee, for example) should be paid appropriately. The remuneration to be paid to such director or directors will be approved by the board. Remuneration for management shall be linked to the performance of TISCO Group, and that of each management member. The remuneration should be determined in accordance with the principles and policies approved by the Nomination and Compensation Committee with an endorsement from the Board of Directors.

To avoid conflict of interest and enhance transparency, remuneration shall always be approved from the higher level of command. Namely, shareholders approve the remuneration of the board of directors, the board of directors approves remuneration of the Executive Board, and the Executive Board approves remuneration of management upon the consideration of the Nomination and Compensation Committee.

Regarding director remuneration of TISCO Group in 2010, only TISCO Financial Group Public Company Limited, the parent company, pays remunerations to the directors. Other subsidiary companies, including TISCO Bank, shall not pay any remuneration to their directors.

In 2011, the Nomination and Compensation Committee has carefully reviewed such policy and recommended the Board of Directors to further recommend shareholders to approve the annual directors' remuneration to be paid, only to non-executive director(s) who do not hold any directorship in TISCO Financial Group Public Company Limited or management position in TISCO Group of companies, in the form of reward, meeting fee, monthly fee, and bonus at the amount of not greater than 500,000 Baht each, to be valid until amended. The Board of Directors, under the authority delegated by the shareholders, will determine appropriate amount and the exact amount to be paid each time. Besides, the directors are entitled to receive other remuneration or benefits paid for other appointments or special assignments from the Board of Directors.

Board of Directors' opinion:

The Board recommends the shareholders to approve the annual directors' remuneration to be paid, only to non-executive director(s) who do not hold any directorship in TISCO Financial Group Public Company Limited or management position in TISCO Group of companies, in the form of reward, meeting fee, monthly fee, and bonus at the amount of not greater than 500,000 Baht each, to be valid until amended. The Board of Directors, under the authority delegated by the shareholders, will determine appropriate amount and the exact amount to be paid each time. Besides, the directors are entitled to receive other remuneration or benefits paid for other appointments or special assignments from the Board of Directors.

7. To approve the appointment of the auditors and their remuneration for the year 2011 and to ratify the additional remuneration paid to the auditors in year 2010

TISCO Bank's Articles of Association required that the shareholders approve the appointment of auditor and their remuneration. The Audit Committee, in accordance with TISCO Bank's External Auditor Selection Guideline, had considered proposals for the appointment of TISCO Bank's auditors for the year 2011. It is recommended to the Board of Directors that Ernst & Young Office Limited be appointed as TISCO Bank's auditors with total remuneration of not exceeding 3,340,000 Baht.

With respect to the proposed audit fee for year 2011 quoted by Ernst & Young, the following table exhibits details of audit fee.

(Unit : Baht)

Remuneration for the auditors	<u>Y2011</u>	<u>Y2010</u>	<u>Increase (%)</u>
Audit Fee	3,110,000	3,070,000 [*]	1.3%
Non-Audit Fee	230,000	230,000	-
Total	3,340,000	3,300,000	1.2%

^{*} Including an additional audit fee of 100,000 Baht for issuance of TISCO Bank Q3/2010 financial statements

The professional audit fee quoted by Ernst & Young Office Limited for the year 2011 amounted to 3,340,000 Baht, increased at a rate of 1.2% according to the increased volume of business transactions and the inflation level. In addition, TISCO Bank paid the additional audit fee amounted to 100,000 Baht for the issuance of financial statements for the third quarter of 2010.

For the year 2011, the following auditors of Ernst & Young Office Limited, are proposed as TISCO Bank's auditors.

Name of auditors	CPA License Number	No. of working year with TISCO
1. Ms. Ratana Jala	3734	-
2. Ms. Rungnapa Lertsuwankul	3516	1
3. Ms. Siraporn Ouaanunkun	3844	-

Any one of these auditors is authorized to certify the auditor's report. Profiles of the auditors are attached herewith.

The authorized CPA who certify the auditor's report for the year 2011 is changed from Ms. Rungnapa Lertsuwankul to Ms. Ratana Jala. Although the guideline for External Auditor Selection does not require to change the auditor in this year, Ernst & Young is requesting to change the authorized auditors of TISCO due to the internal policy of the firm which is to comply good corporate governance.

Auditors' Profile

1. Ms. Ratana Jala

Age	46 years
Education	Master Degree in Accounting Thammasat University Bachelor Degree in Accounting Chiangmai University
CPA No.	3734
Date of Registration	1 October 1989
Current Position 1999 – Present	: Audit Partner Ernst & Young Office Limited
Other Position	-
Work Experiences 1986 – Present	Ernst & Young Office Limited
Number of working year with TISCO	-

Direct or indirect benefit or interest in TISCO Bank, management, TISCO Bank's major shareholders or related persons

-None-

2. Ms. Rungnapa Lertsuwankul

Age	51 years
Education	Master Degree in Business Administration Thammasat University Bachelor Degree in Accounting Chulalongkorn University
CPA No.	3516
Date of Registration	8 April 1986
Current Position 1994 – Present	Audit Partner Ernst & Young Office Limited
Other Position	-
Work Experiences 1982 – Present	Ernst & Young Office Limited
Number of working year with TISCO	1 year

Direct or indirect benefit or interest in TISCO Bank, management, TISCO Bank's major shareholders or related persons

-None-

3. Ms. Siraporn Ouaanunkun

Age 48 years

Education Master degree in Accounting
Thammasat University
Bachelor Degree in Accounting
Chulalongkorn University

CPA No. 3844

Date of Registration 25 April 1990

Current Position
1999 – Present Audit Partner
Ernst & Young Office Limited

Other Position -

Work Experiences
1984 – Present Ernst & Young Office Limited

Number of working year with TISCO -

Direct or indirect benefit or interest in TISCO Bank, management, TISCO Bank's major shareholders or related persons

-None-

8. To approve the disposition of TISCO Leasing Company Limited to TISCO Financial Group Public Company Limited

According to the group's business strategies to expand geographical scope and coverage of retail banking business into micro finance segment, TISCO group has initiated an action plan to expand branch network into the provincial area under a new operating entity which has differentiated branding from that of TISCO Bank, in order to effectively penetrate target customers. The new operating entity is expected to provide retail financing products, particularly hire purchase and loan against auto license, targeting customers with smaller-sized loan amount.

TISCO group currently has TISCO Leasing Company Limited ("TISCO Leasing") as one of the subsidiary company, 100% owned by TISCO Bank. TISCO Leasing previously operated leasing business for the group, but later as the leasing business was transferred to operate in TISCO Bank itself and other subsidiary, the company ceased operations and pending for liquidation. However, as TISCO Leasing brand is well suitable to be the carrier of the new business in micro financing as planned, the company has been re-activated for such business operation and already obtained approval from the Bank of Thailand.

Currently TISCO Bank Public Company Limited holds 100% shares in TISCO Leasing. To enhance operating effectiveness and ensure good standard of corporate governance under holding company structure, the shareholding of TISCO Leasing will be transferred from TISCO Bank to TISCO Financial Group Public Company Limited ("TISCO"), the group parent company. Under the group operating structure, TISCO, also holding 99.9% of shares in TISCO Bank, is the governance entity for all companies in the group, while all subsidiaries serve as the strategic business units in various business areas. In addition, TISCO will buy all shares of TISCO Leasing held by TISCO Bank at book value as of December 31, 2010, net of dividend paid from retained earnings as of December 31, 2010 of TISCO Leasing, where such dividend will be fully paid prior to the shares acquisition date.

Board of Directors' opinion:

The Board recommends the shareholders to approve the disposition of TISCO Leasing Company Limited to TISCO Financial Group Public Company Limited as proposed.

9. To approve the amendment to Clause 4 Registered Capital of the Company's Memorandum of Association

Reference was made to the issuance of preferred shares which its preferential rights and benefit was expired since June 30, 2009. Resulting from the conversions of preferred shares to common shares carried during the past 5 years, the Company's paid-up capital was amended from time to time.

The Company's Current Registered Capital and Paid-up Capital after preferred shares conversion at end of January 2011 is as follows:

	<u>Registered Capital</u>	<u>Paid-up Capital</u>
Total Capital (Baht)	11,002,000,000	7,281,522,500
Divided into (Shares)	1,100,200,000	728,152,250
At par value of (Baht)	10	10
Divided into		
- Common Shares	100,200,000	728,152,146
- Preferred Shares	1,000,000,000	104

Board of Directors' opinion:

The Board recommends the shareholders to approve the amendment to Clause 4 Registered Capital of the Company's Memorandum of Association to be in accordance with the current paid-up capital. Clause 4 is therefore proposed to read as follows:

“Clause 4

Registered Capital	Baht Eleven Thousand and Two Million	(11,002,000,000.-)
Divided into	One Thousand One Hundred Million and Two Hundred Thousand Shares	(1,100,200,000)
At par value of	Baht Ten	(10.-)
Divided into		
- Common Shares	Seven Hundred Twenty Eight Million One Hundred Fifty Two Thousand One Hundred and Forty Six Shares	(728,152,146)
- Preferred Shares	Three Hundred Se venty Two Million Forty Seven Thousand Eight Hundred and Fifty Four Shares	(372,047,854)”

10. Others, if any
