



TISCO Financial Group Public Company Limited

**Notice of the Shareholder Ordinary General Meeting
For the year 2013**

April 25, 2013

March 22, 2013

Subject : Notice of the Shareholder Ordinary General Meeting for the year 2013
To : Shareholders

The Board of Directors' Meeting No. 1/2013 convened on February 18, 2013 has the resolutions to call the Shareholder Ordinary General Meeting for the year 2013 on April 25, 2013 at 14.00 hours in the Conference Room, 12th 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: 02-633-6855.

Enclosed herewith is the Company's 2012 Annual Report CD-ROM for your kind attention. Should you wish to have the printed version of our Annual Report, kindly contact Investor Relations, TISCO Financial Group Public Company Limited, 7th Floor, TISCO Tower, North Sathorn Road, Silom, Bangrak, Bangkok 10500; Telephone: 02-633-6868, Facsimile: 02-633-6855.

Yours sincerely,

Mr. Pliu Mangkornkanok
Chairman of the Board

- Enclosures:
1. Procedures for meeting registration
 2. Profiles of independent directors to be appointed as a proxy
 3. The Company's Articles of Association regarding General Meeting of Shareholders, Directors (Number of Directors, Election of Directors and Term of Office of Directors), Dividend and Auditors
 4. Location map
 5. Agendas of the Shareholder Ordinary General Meeting for the Year 2013
 6. Proxy Form B
 7. Proxy Form A and Registration and Voting Form
 8. Annual Report for the year 2012 (CD-ROM)
 9. Envelop
 10. Details of Transferable Subscription Right

Procedures for meeting registration

1. Meeting Registration

- 1.1 The shareholder/proxy shall register for the meeting attendance during 11.00 hours to 14.00 hours of the meeting date at the registration area, 1st Floor, TISCO Tower, North Sathorn Road, Silom, Bangrak, Bangkok 10500, Thailand. The shareholder/proxy shall receive Certificate of Registration to be used to
- Collect gift and snack, 1st Floor, TISCO Tower during 11.00 hours to 14.30 hours
 - Identify himself/herself for the right to attend the shareholders meeting at the Conference Room, 12th Floor, TISCO Tower.
- 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 election of directors in “Agenda 8: To approve the number of directors and the election of directors” (Item 8.2 in the Registration and Voting Form). The shareholder and/or the proxy may vote to elect 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 of 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 elected 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 elections 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 elect 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 elected 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/agmtisco.html>

3.2 The shareholder may appoint the following directors as proxy:

1. Mr. Pliu Mangkornkanok Chairman of the Board and Independent Director
2. Ms. Oranuch Apisaksirikul Director, Chairperson of Executive Board and Group Chief Executive
3. Ms. Panada Kanokwat Independent Director and Chairperson of the Audit Committee
4. Mr. Suthas Ruangmanamongkol Director, Member of Executive Board and President

(Profiles of independent directors to be appointed as a proxy are 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 Baht 20 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 before entering into the Meeting.

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 with 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 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 directors to be appointed as a proxy

1. Mr. Pliu Mangkornkanok

- Age** : 64
- Nationality** : Thai
- Address** : 70/6 Soi Inthamara 1, Sutthisan Winitchai Road
Samsen Nai, Phayathai, Bangkok
- Education** : Master of Business Administration (Finance)
University of California at Los Angeles, USA
Master of Science (Industrial Engineering)
Stanford University, USA
Bachelor of Engineering (Industrial Engineering)
Chulalongkorn University
Capital Market Academy Leadership Program
Capital Market Academy
- Director Training** : Directors Certification Program
Role of Chairman Program
Thai Institute of Directors Association
- Shareholding** : **TISCO Financial Group Public Co., Ltd.**
(As of January 31, 2013) 2,019,100 shares or 0.28% of total issued shares
- : **TISCO Bank Public Co., Ltd.**
None
- Meeting attendance in 2012** : **TISCO Financial Group Public Co., Ltd.**
Board of Directors 6 out of 6 meetings
- : **TISCO Bank Public Co., Ltd.**
Board of Directors 6 out of 6 meetings
- Years in director position** : **TISCO Financial Group Public Co., Ltd.** 5 years
: **TISCO Bank Public Co., Ltd.** 8 years



Current Position

TISCO Group		
July 2012-Present	Independent Director	TISCO Financial Group Public Co., Ltd.
2010-Present	Chairman of the Board of Directors	
July 2012-Present	Independent Director	TISCO Bank Public Co., Ltd.
2009-Present	Chairman of the Board of Directors	
1990-Present	Director	TISCO Foundation

OtherCompany with conflict of interest

-None-

Other listed company

-None-

Other company (3 companies)

Jun. 2012-Present	Independent Director Chairman of the Audit Committee Chairman of the Nomination and Remuneration Committee	Star Petroleum Refining Public Co., Ltd.
2011-Present	Director	Chuchawal-Royal Haskoning Co., Ltd.
2010-Present	Director	Design 103 International Ltd.
<u>Other organization (3 organizations)</u>		
2011-Present	Director	Sem Pringpuangkeo Foundation
2007-Present	Vice Chairman	Thai Institute of Directors Association
2004-Present	Councilor	Thailand Management Association

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 Chairman of the Executive Board Chief Executive Officer	TISCO Bank Public Co., Ltd.
2005-2006	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)

1973-Jun 2012	Director	Rama Textile Industry Co., Ltd.
2010- 2011	Director	Solido Co., Ltd.
2006-2010	Director	Amata Spring Development Co., Ltd.
1994-2010	Director	Phelps Dodge International (Thailand) Co., Ltd.
1994-2010	Director	PDTL Trading Co., Ltd.
2008-2010	Director	The Thai Bankers' Association

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 of 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 9: To approve the directors' remuneration and acknowledge current directors' remuneration

Profiles of independent directors to be appointed as a proxy

2. Ms. Panada Kanokwat



Age	:	63
Nationality	:	Thai
Address	:	43 Soi Suk Jai (Ban Kluai Tai Intersection) Prakanong Bangkok
Education	:	Master of Business Administration (Banking & Finance) North Texas State University, USA Bachelor of Business Administration (Accounting) Thammasat University Capital Market Academy 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 Financial Institutions Governance Program Thai Institute of Directors Association
Shareholding (As of January 31, 2012)	:	TISCO Financial Group Public Co., Ltd. None TISCO Bank Public Co., Ltd. None
Meeting attendance in 2012	:	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. 5 years TISCO Bank Public Co., Ltd. 5 years

Current Position

TISCO Group

2011-Present	Chairperson of the Audit Committee	TISCO Financial Group Public Co., Ltd.
2008-Present	Independent Director	
2011-Present	Chairperson of the Audit Committee	TISCO Bank Public Co., Ltd.
2008-Present	Independent Director	

Other

Company with conflict of interest

-None-

Other listed company

-None-

Other company

-None-

Other organization (1 organization)

2010-Present	Committee, The Bachelor's Degree in Business Administration (International Program)	Faculty of Commerce and Accountancy, Thammasat University
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Work Experience

TISCO Group

2008-2011	Member of the Audit Committee	TISCO Financial Group Public Co., Ltd.
2008-2011	Member of the Audit Committee	TISCO Bank Public Co., Ltd.

Other (within 5 years)

2009	Director	Thai Fatty Alcohols Co., Ltd.
2008-2009	Director	PTT Chemical International (Asia Pacific ROH) Ltd.
2008-2009	Director	Thai Oleochemicals Co., Ltd.
2008-2009	Director	PTT Chemical International (Singapore) Pte. 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.

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 9: To approve the directors' remuneration and acknowledge current directors' remuneration

TISCO Financial Group 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 airtailed 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 or he may assign a director to preside as chairman of 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, 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 elected 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 elections 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 24 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 elect another in his stead, the person so elected 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 38 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 39 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 40 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.

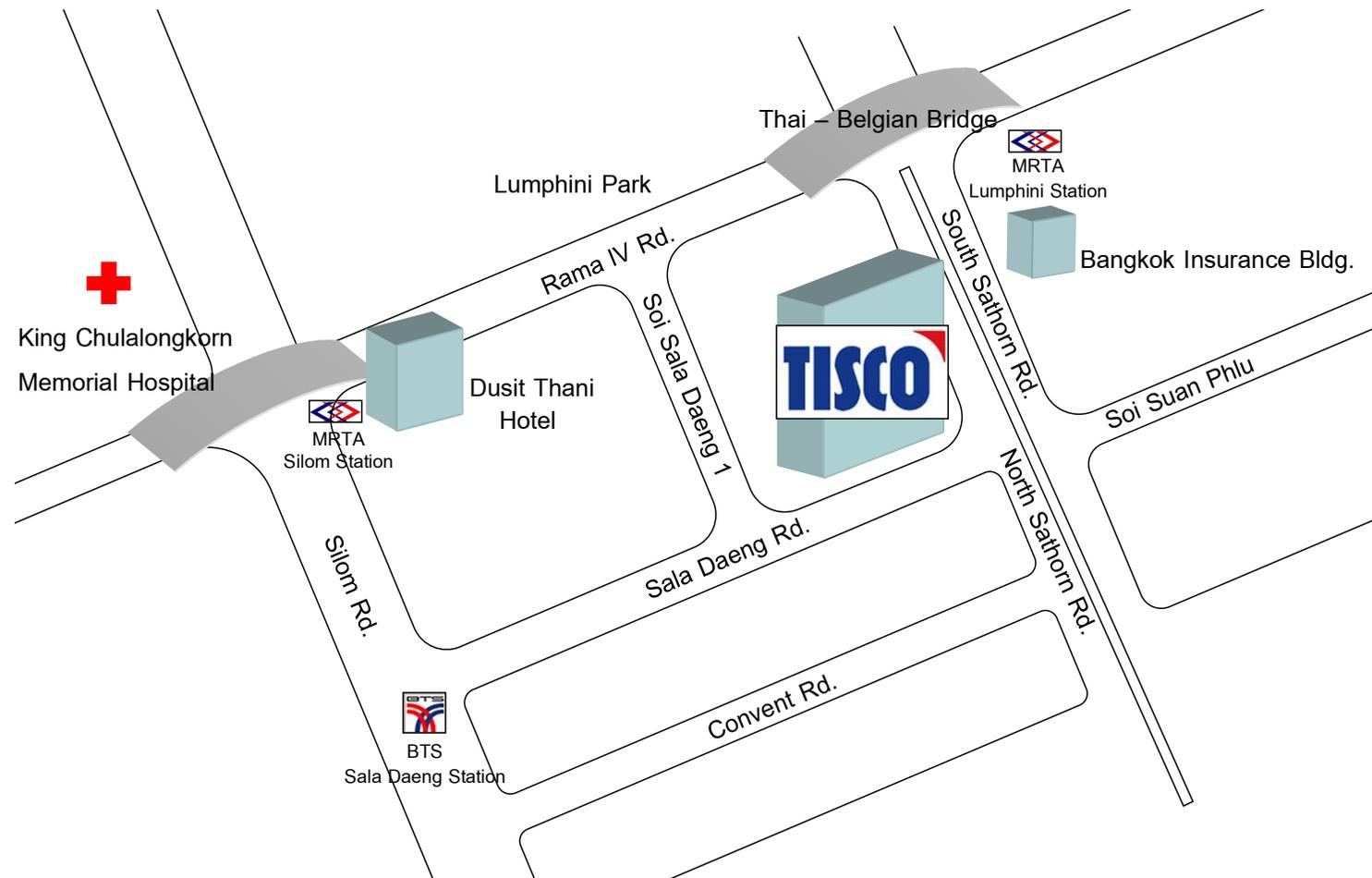
In case that it is a requirement from the authority governing the Company's business operations (if any) to grant approval for the auditor appointed by the general meeting of shareholders and in case that the Company's auditor is not granted an approval from such governing authority, the Board of Directors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

- 1st Floor : Registration area, to collect gift and snack Tel. 0-2633-6868 Fax. 0-2633-6855
 - 12th Floor : Conference Room for the Shareholder Ordinary General Meeting for the year 2013
 Tel. 0-2633-6898 Fax. 0-2633-6816
 TISCO Tower, North Sathorn Road, Silom, Bangrak, Bangkok, 10500, Thailand E-mail : ir@tisco.co.th

Public Transportation:

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

Agendas of the Shareholder Ordinary General Meeting for the year 2013

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1. To certify the minutes of the Shareholder Ordinary General Meeting for the year 2012

Objective and Reason:

The Shareholder Ordinary General Meeting for the year 2012 was summoned by the Board of Directors on February 17, 2012. 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 2012 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 2012.

Required votes for resolution:

The resolution for this agenda item requires the majority votes of the shareholders who attend the meeting and cast their votes.

-TRANSLATION-

TISCO FINANCIAL GROUP PUBLIC COMPANY LIMITED (“TISCO”)

MINUTES

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

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

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

Directors

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

Management Committee

(* positions seconded to manage in subsidiary companies)

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

Auditors (Ernst & Young Office Limited)

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

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

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

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

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

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

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

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

The Chairman proposed that the meeting consider the following agenda:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

- 1) Regulatory Capital Requirement: At present, TISCO Bank's Tier 1 capital ratio stood at 9.5%, remained higher than the minimum requirement by the Bank of Thailand and Basel III. The regulatory capital adequacy ratio (BIS ratio) of TISCO Bank remained higher than 14%, above the 12% target and the regulatory requirement. BIS ratio of TISCO Bank was slightly higher than the consolidated BIS ratio of TISCO Group because the securities and asset management

businesses have minimal risk assets. The Tier-I capital ratio of 7.23% presented in Annual Report was TISCO Group consolidated capital requirement based on Standardized Approach (SA) at the end of 2011, However, the ratio shall increase to approximately 9.88% if calculated based on IRB approach. TISCO planned to applied the IRB approach for consolidated capital requirement from the end of year 2012 onward.

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

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

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

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

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

Ms. Oranuch Apisaksirikul informed that the company has managed the cost of fund at certain period of time by adjusting the funding mix for the lowest possible financial cost. Considering the shareholder's concern on cross selling based on depository customer base to other products, while other financial institution may have different cross selling strategy, TISCO has currently satisfied with the utilization of retail loan portfolio database as the major tools for cross selling.

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

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

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

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

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

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

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

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

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

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

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

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

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

business might be the first business to be expanded to other ASEAN countries through business partnership with international market network.

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

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

Ms. Oranuch Apisaksirikul further clarified that the interest rate has been on downward trend during 2008-2009 and began to rise in 2010. However, the impact to the performance of TISCO was minimal in the year 2010. The effect has, however, become evident in 2011. Considering TISCO's historical interest spread over the longer period, it could be seen that TISCO has efficiently managed the spread whereby the interest rate spread has increased and remained at high level up to present. Besides, higher interest cost in the 2011 was partly due to deposit funding base to retain an excess liquidity in order to prepare for the reduction of the deposit protection amount down to Baht 1 Million this year.

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

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

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

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

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

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

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

The meeting considered the matter and cast votes.

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

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

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

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

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

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

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

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

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

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

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

relatively low because few customers were affected and most of the clients granted flood relieved measures have already resumed to normal payment scheme.

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

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

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

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

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

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

Question: Policy to set up Excess Reserve in the future

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

Question: The potential growth of the fee income

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

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

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

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

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

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

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

The meeting considered the matter and cast votes.

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

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

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

Agenda 4: To approve the appropriation of profit arising from year 2011 operations for statutory reserve, dividend and others
--

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

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

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

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

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

The meeting considered the matter and cast votes.

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

Resolution: The shareholders resolved the followings as proposed;

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

with the votes as presented below:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

The meeting considered the matter and cast votes.

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

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

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

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

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

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

Agenda 6: To approve the directors' remuneration and acknowledge current directors' remuneration

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

According to the Company's Articles of Association, the Board of Directors may assign directors to conduct the businesses on behalf of the Board of Directors. In this connection, the remuneration to be paid to such directors for other appointments or special assignments shall be determined by the Board of Directors. Duties and responsibilities of board members who are assigned to other committee are detailed under Part 1, Section 8 Management in the Annual Report.

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

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

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

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

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

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

The meeting considered the matter and cast votes.

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

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

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

The shareholder also **acknowledged** current directors' remuneration as proposed.

After the meeting considered director-related agendas, all the elected directors rejoined the meeting.

Agenda 7: To approve the appointment of the auditors and their remuneration for the year 2012
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The Chairman proposed the meeting to consider the appointment of the auditors and their remunerations for the year 2012 and subsequently invited Ms. Panada Kanokwat, Chairperson of the Audit Committee, to summarise this agenda item to the meeting.

Ms. Panada Kanokwat informed that the Company's Articles of Association required that the shareholders approve the appointment of auditors and their remuneration. The Audit Committee, in accordance with the Company's External Auditor Selection Guideline, had considered proposals for the appointment of the Company's auditors for the year 2012.

The Board of Directors, recommended by the Audit Committee, proposed the shareholders to consider the appointment of auditors from Ernst & Young Office Limited to be the Company's auditors for the year 2012 with the audit fee of not exceeding Baht 520,000.

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

Any one of these auditors is authorized to certify the auditor's report. The approval for the appointment has been obtained from the Bank of Thailand

All the above auditors have not been in service for TISCO for more than 3 consecutive years. Auditors' profiles were presented in page 90-92 of the Notice.

In addition, to apply the same standard to financial statements of all companies in TISCO Group, auditors of Ernst & Young Office Limited shall also be appointed as auditors for 9 subsidiary companies with total remuneration of not exceeding Baht 6,680,000.

The reason for the increase of TISCO Group's total audit fee proposed for the year 2012 by Baht 320,000, equivalent to the rate of 4.7%, compared to the previous year was on the normal increasing rate of business volume and increase of workload due to increase in business activities, and additional implementation of new accounting standards and related laws and regulations. The fee increase is in line with increase in business activities of TISCO.

The meeting considered the matter and cast votes.

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

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

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

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

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

Agenda 8: Others, if any

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Pliu Mangkornkanok

(Mr. Pliu Mangkornkanok)

Chairman of the Meeting and Chairman of the Board

2. To ratify the Board of Directors' business activities conducted in 2012 as described in the Annual Report

Objective and Reason:

The Board clearly summarized all details of business activities providing reasonable explanations to support the results of the business operations for the year 2012 in the Report from the Board of Directors as described in the "Report from the Board of Directors" on page A1-A2 of the Annual Report. The Report from the Board of Directors is presented herewith.

Board of Directors' opinion:

The Board recommends the shareholders to ratify the Board of Directors' business activities conducted in 2012 as described in the Annual Report.

Required votes for resolution:

The resolution for this agenda item requires the majority votes of the shareholders who attend the meeting and cast their votes.

Report from the Board of Directors

In year 2012, Thai economy recovered from the aftermath of flood crisis to solid economic expansion driven by domestic consumption, following the accommodative fiscal and monetary policy, with high level of resiliency to external uncertainty. Strong economy coupled with the government stimulus programs helped to spur nationwide spending as evidenced by strong growth in private consumption and investment. Meanwhile, the Bank of Thailand eased monetary stance by lowering the policy rates to cushion against potential deterioration in export-related sectors amidst the fragile global economy. Capital market has been particularly benefited from these fundamentals as seen in the benchmark SET index rose by 36%, the best performing in Asia, whereas Bank's credit growth has enjoyed another strong year with a growth rate of as high as 14%.

In this exciting year, TISCO has captured the opportunity to ride economic cycle for exceptional business expansion. The group has recorded a loan growth of 34%, among the highest in the banking industry, with total asset exceeding Baht 290,000 Million at the year-end. Our 5-year plan to double asset size has been achieved in merely 3 years, thanks to the success of our selective focus strategy within robust marketplace. In particular, the market for auto loan financing experienced phenomenal growth, with industry car sales sharply rose by 81% to 1.44 million units, following government tax incentive program for first car buyers. Among Key Performance Indicators, TISCO profit grew 13% to reach a record Baht 3,705 Million, with a sustaining high rate of return on equity to shareholders for another consecutive year. Meanwhile, TISCO strong governance and prudent risk management continued to be assured as evidenced in a very low NPL of only 1.2%. Going forward, the board is confident that TISCO's focused strategy, dynamic adaptability, and highly capable management & staffs, with continue to propel the company forward for quality growth and prosperity into the future.

The Group's 4 business pillars namely **Retail Banking, Corporate Banking, Wealth & Asset Management**, and **Corporate Affairs & CSR**, carried on creating synergies of resources within the Group. The **Retail Banking** group successfully sustained strong growth while continuing to expand strong foothold in consumer finance market throughout the country. Dominant market position in auto hire purchase business was still maintained, particularly the strong ties with major car manufacturers under captive finance arrangement. The **Corporate Banking** group continued to help our clients accomplished their business expansion opportunities. The team's cooperative orientation towards client's solution resulted in a stream of business transactions with wide-range of loan facilities and financial services. A few notable capital market transactions have been successfully launched during the year with great success for both our clients and investors. And for the sixth consecutive times, TISCO ranked first in the Asset Asian Currency Bond Benchmark Survey as "Top Bank in the Secondary Market for Corporate Bonds 2012, Thailand". In **Wealth & Asset Management**, TISCO Securities received "Outstanding Securities Company Awards - Retail Investors" category from SET Awards 2012. In order to enhance business excellences, TISCO Securities has marked another key milestone by setting up a newly joint venture firm, Deutsche TISCO Investment Advisory, with Deutsche Bank group, to establish international-standard institutional business platform for equities brokerage, through synergy from Deutsche Securities' global expertise and TISCO's deep market connections and experience in Thai markets.

The **Corporate Affairs & CSR** group ensured TISCO's consistent adherence to the highest standard of corporate governance at all levels within the organization. This commitment yielded TISCO recognition and honors from many institutions. In 2012, TISCO was awarded "Top Corporate Governance Report Awards" from SET Awards 2012. The award was presented to listed company with outstanding corporate governance reports. For over 4 decades, TISCO has been operating with a guiding principle on social contribution by the active participation of all stakeholders. All of which are undertaken as long-term projects and closely monitored on a yearly basis. In addition to existing charitable programs such as scholarship, medical support, blood donation, and start-up fund, TISCO constantly carried out concurrent CSR activities with this year particularly focusing on increasing social awareness on saving and financial planning, the development of teaching personal, and selling & marketing program for community products. Through TISCO's long standing "Volunteer spirit", most of the projects will be delivered by TISCO volunteer team.

Although, TISCO has progressively expanded in terms of business and operation, our core belief remained unchanged. To have a long lasting success in business, we recognized that importance of human resource as the most valuable asset to the firm. Since our inception, TISCO has always been exhibiting strong culture and we intend to pass it forward to newer generations. Currently, TISCO is a big family with over 3,700 members who come from a diverse background. Therefore, proactive Employee Relations program have been initiated to address employees' voices at all levels, with an utmost intention to promote employer-employee, supervisor-subordinate, and employee-employee relationships within the firm. The program would help instill corporate cultural into new employees. In addition, to ensure the visibility of business continuity and competent workforce, various employee development programs have been initiated for key middle management guaranteeing the congruence and readiness of the team to encounter an increasingly dynamic business environment.

The year forward, Thai economy is expected to sustain its growth prospect buoyed by government's long-term plan on infrastructure investment, as well as continued expansion of domestic consumption. Meanwhile, the increasing integration among fast-growing emerging countries where more collaborative measures starting to begin following the AEC initiation and rapid expansion in peripheral countries such as Laos, Vietnam, Myanmar, and Cambodia, would further support export recovery and economic activities. Despite the positive outlook in immediate term, the board remains cautious on some macro developments that may give rise to longer term instability. This includes the high level of international fund flow into Thai capital market that is opportunistic in nature, as well as the government's continuing policies to stimulate domestic consumptions that may lead to concerns over financial discipline in the economic system. Amidst, the backdrop of external uncertainties and domestic volatility, TISCO will continue to follow our focused strategies, good corporate governance, prudent business practice as well as strong risk management disciplines, in order to ensure business continuity & resiliency in the long run.

The board would like to express a sincere gratitude to all clients, business partners, and shareholders for their long-term support that helped TISCO ventured through the challenging time. Combined with complete dedication and hard work of management team and staff, the board is confident that the enduring success of TISCO shall lie ahead for us and all our stakeholders.

Board of Directors

3. To adopt TISCO Financial Group Public Company Limited and its subsidiary companies' Statement of Financial Position and Statement of Comprehensive Income for the year ended December 31, 2012

Objective and Reason:

Reference is made to the auditor's report, TISCO Financial Group Public Company Limited and its subsidiary companies' Statement of Financial Position and Statement of Comprehensive Income are presented fairly, in all material respects, in compliance with generally accepted accounting principles. The Audit Committee agreed with the auditors that the Statement of Financial Position and Statement of Comprehensive Income presented fair and comprehensive performance and financial position of TISCO Group. The auditor's report and the Consolidated Statement of Financial Position and Statement of Comprehensive Income for the year ended December 31, 2012 are provided in the Attachment 7 of the Annual Report.

Board of Directors' opinion:

The Board recommends the shareholders to adopt TISCO Financial Group Public Company Limited and its subsidiary companies' Statement of Financial Position and Statement of Comprehensive Income for the year ended December 31, 2012.

Required votes for resolution:

The resolution for this agenda item requires the majority votes of the shareholders who attend the meeting and cast their votes.



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Report of Independent Auditor

To the Shareholders of TISCO Financial Group Public Company Limited

I have audited the accompanying consolidated financial statements of TISCO Financial Group Public Company Limited and its subsidiaries which comprise the consolidated statement of financial position as at 31 December 2012, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, and have also audited the separate financial statements of TISCO Financial Group Public Company Limited for the same period.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of TISCO Financial Group Public Company Limited and its subsidiaries and of TISCO Financial Group Public Company Limited as at 31 December 2012, and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.



Ratana Jala
Certified Public Accountant (Thailand) No. 3734

Ernst & Young Office Limited
Bangkok: 11 February 2013

TISCO Financial Group Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2012

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2012	2011	2012	2011
Assets					
Cash		1,046,330	903,450	50	50
Interbank and money market items - net	3.2	31,196,279	30,722,345	565,984	169,447
Derivatives assets	3.3	41,863	45,374	-	-
Investments - net	3.4, 3.8	7,015,518	3,706,257	812,737	-
Investments in subsidiaries - net	3.5	-	-	15,021,895	15,021,902
Loans to customers and accrued interest receivables	3.6, 3.8				
Loans to customers		273,311,973	203,429,925	3,841,000	944,000
Accrued interest receivable		352,769	258,374	-	-
Total loans to customers and accrued interest receivables		273,664,742	203,688,299	3,841,000	944,000
Less: Deferred revenue		(24,996,296)	(18,416,303)	-	-
Less: Allowance for doubtful accounts	3.7	(5,121,518)	(4,420,351)	-	-
Less: Allowance for loss on debt restructuring		(3)	(3)	-	-
Loans to customers and accrued interest receivables - net		243,546,925	180,851,642	3,841,000	944,000
Property foreclosed - net	3.8, 3.9	272,533	257,869	-	-
Investment property	3.10	304	952	363,191	376,439
Premises and equipment - net	3.11	1,384,381	1,450,901	365,160	395,255
Intangible assets - net	3.12	126,709	182,317	45,208	62,427
Deferred tax assets	3.29	306,126	355,401	191,381	154,406
Securities and derivatives business receivables - net		2,223,792	724,650	-	-
Dividend receivable from subsidiaries	3.33	-	-	1,832,654	735,317
Other assets	3.13	3,336,175	1,516,412	126,988	39,256
Total assets		290,496,935	220,717,570	23,166,248	17,898,499

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

TISCO Financial Group Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2012.

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2012	2011	2012	2011
Liabilities and shareholders' equity					
Liabilities					
Deposits	3.14	219,823,339	37,978,994	-	-
Interbank and money market items - net	3.15	13,970,808	14,478,653	200,000	-
Liability payable on demand		652,310	448,049	-	-
Payable under securities borrowing and lending business		163	-	-	-
Derivatives liabilities	3.3	747	276,056	-	-
Debts issued and borrowings	3.16	27,877,250	145,396,598	6,311,631	1,808,832
Provision for long-term employee benefits	3.17	324,357	205,141	71,086	49,069
Deferred tax liabilities	3.29	158,583	61,339	-	-
Securities and derivatives business payables		1,523,645	469,540	-	-
Accrued interest payable		1,773,793	1,396,455	31,087	8,465
Income tax payable		428,307	137,821	66,129	50,348
Other liabilities	3.18	5,583,583	3,557,332	744,487	676,258
Total liabilities		272,116,685	204,405,978	7,424,420	2,592,972

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

TISCO Financial Group Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2012

(Unit: Thousand Baht)

Note	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Shareholders' equity				
Share capital				
Registered				
	372,287,914 preference shares of Baht 10 each	3,722,879	3,722,879	3,722,879
	727,912,086 ordinary shares of Baht 10 each	7,279,121	7,279,121	7,279,121
		<u>11,002,000</u>	<u>11,002,000</u>	<u>11,002,000</u>
Issued and fully paid-up				
	33,858 preference shares of Baht 10 each	339	339	339
	727,878,228 ordinary shares of Baht 10 each	7,278,782	7,278,782	7,278,782
		<u>7,279,121</u>	<u>7,279,121</u>	<u>7,279,121</u>
Share premium				
	Share premium on preference shares	-	298	298
	Share premium on ordinary shares	-	6,012,817	6,012,817
		<u>-</u>	<u>6,013,115</u>	<u>6,013,115</u>
Other components of shareholders' equity				
		1,040,375	999,037	11,571
Retained earnings				
	Appropriated-statutory reserve	405,200	297,900	405,200
	Unappropriated	9,471,665	7,634,389	2,032,821
		<u>18,196,381</u>	<u>16,210,447</u>	<u>15,741,828</u>
Equity attributable to owners of the Company				
		18,196,381	16,210,447	15,741,828
Non-controlling interest of the subsidiaries				
		183,889	101,145	-
		<u>18,380,250</u>	<u>16,311,592</u>	<u>15,741,828</u>
Total shareholders' equity				
		<u>18,380,250</u>	<u>16,311,592</u>	<u>15,741,828</u>
Total liabilities and shareholders' equity				
		<u>290,496,935</u>	<u>220,717,570</u>	<u>23,166,248</u>
		<u>290,496,935</u>	<u>220,717,570</u>	<u>17,898,499</u>

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



Mrs. Oranuch Apisaksnikul

(Group Chief Executive, TISCO Group)



บริษัท ทีเอสซี จำกัด (มหาชน)
TISCO Financial Group Public Company Limited

TISCO Financial Group Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 December 2012

(Unit: Thousand Baht, except earnings per share expressed in Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2012	2011	2012	2011
Interest incomes	3.21	15,210,812	12,368,668	86,047	54,642
Interest expenses	3.22	(8,166,146)	(5,461,341)	(129,589)	(86,867)
Net interest income		7,044,666	6,907,327	(43,542)	(32,225)
Fees and service income		4,407,551	3,066,989	-	-
Fees and service expenses		(278,919)	(212,818)	(9,958)	(9,203)
Net fees and service income	3.23	4,128,632	2,854,171	(9,958)	(9,203)
Net gains (losses) on tradings and foreign exchange transactions	3.24	167,256	42,905	(4,847)	-
Net gains (losses) on investments	3.25	120,532	34,266	(7)	962
Dividend income		82,856	83,257	1,834,859	1,407,312
Penalty fee income from loans		256,662	220,532	-	-
Income from business promotion relating to the business		1,259,511	538,092	-	-
Reversal allowance for impairment of property foreclosed		315	248,232	-	-
Intercompany supporting fee income	3.33	-	-	1,529,999	1,286,324
Other operating income	3.27, 3.33	122,657	143,759	64,934	81,440
Total operating income		13,182,887	11,072,541	3,371,438	2,734,610
Expense from business promotion relating to the business		1,422,668	598,701	-	-
Total net operating income		11,760,219	10,473,840	3,371,438	2,734,610
Other operating expenses					
Employee's expenses		3,223,511	2,722,316	660,165	497,627
Directors' remuneration		13,345	13,231	12,385	12,271
Premises and equipment expenses		843,452	685,086	325,779	265,732
Taxes and duties		174,668	224,067	1,442	1,447
Others	3.28	769,330	691,158	123,093	100,488
Total other operating expenses		5,024,306	4,335,858	1,122,864	877,565
Bad debt, doubtful accounts and impairment loss	3.26	1,922,244	1,283,075	-	-
Profit from operating before income tax expenses		4,813,669	4,854,907	2,248,574	1,857,045
Income tax expenses	3.29	1,080,661	1,561,908	103,706	151,484
Profit for the year		3,733,008	3,292,999	2,144,868	1,705,561

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

TISCO Financial Group Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the year ended 31 December 2012

(Unit: Thousand Baht, except earnings per share expressed in Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2012	2011	2012	2011
Other comprehensive income	3.30				
Gains (losses) arising from translating the financial statements of a foreign operation		(1,467)	2,427	-	-
Investment in available-for-sale securities		174,090	(251,804)	14,464	-
Actuarial gains (losses)		(61,777)	(23,558)	(11,955)	(5,405)
Cash flow hedges		(112,575)	124,252	-	-
Income tax effect	3.29, 3.31	73	77,213	(502)	1,080
Other comprehensive income for the year		(1,656)	(71,470)	2,007	(4,325)
Total comprehensive income for the year		3,731,352	3,221,529	2,146,875	1,701,236
Profit attributable to:					
Equity holders of the Company	3.32	3,705,180	3,266,755	2,144,868	1,705,561
Non-controlling interests of the subsidiaries		27,828	26,244		
		3,733,008	3,292,999		
Total comprehensive income attributable to:					
Equity holders of the Company		3,696,488	3,197,405	2,146,875	1,701,236
Non-controlling interests of the subsidiaries		34,864	24,124		
		3,731,352	3,221,529		
Earnings per share of equity holders of the Company	3.32				
Basic earnings per share		5.09	4.49	2.95	2.34

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

4. To approve the appropriation of profit arising from year 2012 operations as statutory reserve, dividend and others.

Objective and Reason:

In year 2012, TISCO Group recorded a net profit before minority interest of Baht 3,733,007,858 on consolidated basis, increased by Baht 440,008,848 from year 2011. Excluding minority interests, net profit attributable to the Company's shareholders for year 2012 was Baht 3,705,180,098.

In compliance with the Public Limited Companies Act, the dividend payment shall be paid based on standalone financial statement. Also, the Company must appropriate Baht 107,300,000 from the annual profit amount as statutory reserve. Consequently, the Company's full year profit and unappropriated retained earnings for the year ended 2012 based on standalone financial statement are shown as follows;

	Baht
Beginning Unappropriated Retained Earnings 2012	1,715,390,528
Dividend payment from profit arising from 2011 operations	(1,710,574,402)
Net Profit for year 2012	2,144,868,083
Required Statutory Reserve	(107,300,000)
Actuarial Gain/Loss	(9,564,000)
<i>Unappropriated Retained Earnings available for dividend payment for year 2012</i>	<i>2,032,820,209</i>

Total unappropriated retained earnings available for dividend payment for the year ended 2012 is Baht 2,032,820,209 after appropriation of Baht 107,300,000 as statutory reserve.

TISCO Group has a policy to pay dividend at the appropriate rate based on operating performance of the group while also maintaining sufficient Capital Adequacy Ratio (BIS Ratio) for group business expansion. Also, such dividend payment shall have no impact on TISCO's subsidiary's status as a Qualified Bank under the definition of the Bank of Thailand.

The Board therefore recommends the shareholders to approve the dividend payment from the net profit arising from year 2012 operations at Baht 2.40 per share for common shareholders and preferred shareholders. The proposed dividend payment amount will be approximately Baht 1,747 Million, equivalent to the dividend payout ratio of 47% on consolidated basis, compared to dividend payout ratio of 52.4% for year 2011. Moreover, the remaining net profit from year 2012 operations after statutory reserve and dividend payment, on consolidated basis, will be appropriated as capital fund.

Board of Directors' opinion:

The Board recommends the shareholders to approve the followings;

- The appropriation of profit arising from year 2012 operations of Baht 107,300,000 as statutory reserve;
- The appropriation of profit arising from year 2012 operations after statutory reserve as dividend payment for common shareholders and preferred shareholders at Baht 2.40 per share;
 - The shareholders whose names are shown in the registration book as of May 7, 2013 will be entitled to receive the dividend;
 - Dividend payment shall be made on May 23, 2013
- The appropriation of profit arising from year 2012 operations after statutory reserve and dividend payment, as capital fund according to the Consolidated Supervision guidelines by the Bank of Thailand.

Required votes for resolution:

The resolution of this agenda item requires the majority vote of the shareholders who attend the meeting and cast their votes.

5. To approve the issuance of Transferable Subscription Rights (TSRs)

Objective and Reason:

With TISCO Group's continuing prospect for progressive business expansion, it is considered that some capital management action to strengthen the level of capital fund is needed to enable future growth and ensure prudent financial position. As part of the capital management plan, the Company will increase the capital through the issuance and allocation of Transferable Subscription Rights (TSRs) to the existing shareholders at the ratio of 10 existing shares for both common shares and preferred shares to 1 TSR unit at no cost. The TSR unitholders have the rights to convert their TSRs into the Company's common shares at the conversion ratio of 1 TSR unit per 1 newly issued common share at par value of Baht 10 per share with the exercise price of Baht 24 per share, with terms and conditions set forth in Enclosure 10.

In this regard, the Company will issue and allocate up to 72,791,209 units of TSRs for the existing shareholders. The TSRs are categorized into 2 tranches based on nationality of the shareholders which are

- (1) TSRs for Thai individual or juristic person are symbolized as TISCO-T1 and having full amount of capital increased share reserved for the exercise of TISCO-T1.
- (2) TSRs for Foreign individual or juristic person are symbolized as TISCO-T2 and having full amount of capital increased share reserved for the exercise of TISCO-T2.

TSR is another way of raising capital similar to warrant, with key benefits of TSRs in terms of transferability, tradability and short period of share subscription in less than 2 months. Furthermore, TSRs will provide the existing shareholders with alternatives to exercise their rights to subscribe for newly issued shares or sell their right in the Stock Exchange of Thailand to obtain some returns in the event that they do not wish to exercise their right to subscribe for the newly issued shares.

Board of Directors' opinion:

The Board recommends the shareholders to approve the followings as proposed;

- (1) The issuance and allocation of up to 72,791,209 units of Transferable Subscription Rights (TSRs) at no cost to the existing shareholders of the Company pro rata to their shareholding at the offering ratio of 10 existing shares (common shares and preferred shares) for 1 unit of TSRs, whereby any fraction of shares shall be disregarded. 1 unit of TSRs conveys the right to purchase 1 newly issued common share of the Company at the price of Baht 24 per share. The issuance and allocation of TSRs is divided into 2 tranches according to the nationality of the shareholders as follows;
 - (1.1) TISCO-T1 will be issued and allocated to the existing shareholder who is Thai individual or juristic person
 - (1.2) TISCO-T2 will be issued and allocated to the existing shareholder who is Foreign individual or juristic person.
- (2) The methods for the allocation of the capital increased shares to the TSRs Holder of TISCO-T1 and TISCO-T2 according to the initial rights of shareholders with respect to the foreign shareholding limit prescribed by law.
- (3) The closing date of share registration book to determine the shareholders, who are entitled to receive the TSRs, shall be on May 7, 2013.
- (4) The delegation of authority to the Board of Directors or the Group Chief Executive to determine other relevant details in connection with the issuance and allocation of the TSRs.

Required votes for resolution:

The resolution of this agenda item requires the votes of not less than three-fourths of the total number of votes of shareholders who attend the meeting and have the right to vote.

6. To approve the reduction of the Company's registered capital by cancelling preferred shares which has already been converted into common shares and the amendment to the Company's Memorandum of Association Clause 4

Objective and Reason:

At present, the Company has the registered capital in the amount of Baht 11,002,000,000 divided into 372,287,914 of preferred shares and 727,912,086 of common shares, with par value of Baht 10 per share. Prior to the increase of the registered capital to reserve for the exercising of Transferable Subscription Rights (TSRs) as detailed in Agenda 5, the Company is required to reduce the registered capital by cancelling unissued preferred shares of 372,287,914 shares at par value of Baht 10 per share, which have already been converted into common shares. Therefore, the Company needs to reduce its registered capital by cancelling such registered preferred shares, according to the Section 140 of the Public Limited Companies Act.

Board of Directors' opinion:

The Board recommends the shareholders to approve the reduction of the Company's registered capital by cancelling unissued preferred shares of 372,287,914 shares at par value of Baht 10 per share. The Company's registered capital will reduce from Baht 11,002,000,000 to Baht 7,279,120,860.

In order to reflect the reduction of the registered capital, the shareholders are recommended to approve the amendment to the Company's Memorandum of Association Clause 4 as follows:

Clause 4	Registered Capital	:	7,279,120,860 Baht	(Seven billion two hundred and seventy nine million one hundred and twenty thousand eight hundred sixty Baht)
	Divided into	:	727,912,086 shares	(Seven hundred and twenty seven million nine hundred and twelve thousand eighty six shares)
	Par Value per share	:	10 Baht	(Ten Baht)
	Consisting of			
	Preferred shares	:	33,858 shares	(Thirty three thousand eight hundred fifty eight shares)
	Common shares	:	727,878,228 shares	(Seven hundred and twenty seven million eight hundred and seventy eight thousand two hundred and twenty eight shares)

Required votes for resolution:

The resolution of this agenda item requires the votes of not less than three-fourths of the total number of votes of shareholders who attend the meeting and have the right to vote.

7. To approve the increase of the Company's registered capital, and the amendment to the Company's Memorandum of Association Clause 4

Objective and Reason:

After the reduction of the Company's registered capital in Agenda 6, the Company will have the registered capital in the amount of Baht 7,279,120,860. To reserve for the exercising of Transferable Subscription Rights (TSRs) as detailed in Agenda 5, the Company will increase the registered capital in the amount of Baht 727,912,090. As a result, the Company's registered capital will be increased to Baht 8,007,032,950.

Board of Directors' opinion:

The Board recommends the shareholders to approve the increase of the Company's registered capital to support the resolution of the Shareholders' Meeting in Agenda 5 and 6 in consideration and approval of the issuance of Transferable Subscription Rights (TSRs) by amending the Company's registered capital from Baht 7,279,120,860 to Baht 8,007,032,950. The additional registered capital of Baht 727,912,090 will be 72,791,209 common shares at par value of Baht 10 per share.

In order to reflect the increase of the Company's registered capital, the shareholders are recommended to approve the amendment to the Company's Memorandum of Association Clause 4 as follows:

Clause 4	Registered Capital	:	8,007,032,950 Baht	(Eight billion seven million and thirty two thousand nine hundred fifty Baht)
	Divided into	:	800,703,295 shares	(Eight hundred million seven hundred and three thousand two hundred ninety five shares)
	Par Value per share	:	10 Baht	(Ten Baht)
	Consisting of			
	Preferred shares	:	33,858 shares	(Thirty three thousand eight hundred fifty eight shares)
	Common shares	:	800,669,437 shares	(Eight hundred million six hundred and sixty nine thousand four hundred thirty seven shares)

Required votes for resolution:

The resolution of this agenda item requires the votes of not less than three-fourths of the total number of votes of shareholders who attend the meeting and have the right to vote.

8. To approve the number of directors and the election of directors

Objective and Reason:

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 elected 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 elections 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 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 elected as an independent director must meet the requirements in TISCO's Corporate Governance Code of Conduct, which are more stringent than those of the SEC and SET, as summarized below;

- (1) holding shares not exceeding 0.50 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 percent 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 Company realizes the importance of equitable right of all shareholders, including minority shareholders, in nominating board members. In this regard, the Company has allowed time frame during October 3, 2012 - January 7, 2013 for minority shareholder to propose qualified candidate for director position in advance of the Shareholders Ordinary General Meeting for the year 2013. No shareholder has proposed candidates for director position within that period.

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 shareholders to approve the number of directors at 12 and approve the election of the following qualified candidates as the Company's directors, subject to the approval from the Bank of Thailand. Candidates' profiles are presented herewith.

<u>Name</u>	<u>Proposed Position</u>
1. Mr. Pliu Mangkornkanok	Independent Director
2. Mr. Hon Kit Shing (Mr. Alexander H. Shing)	Director
3. Ms. Oranuch Apisaksirikul	Director
4. Ms. Panada Kanokwat	Independent Director
5. Prof. Dr. Pranee Tinakorn	Independent Director
6. Ms. Patareeya Benjapolchai	Independent Director
7. Assoc. Prof. Dr. Angkarat Priebjrivat	Independent Director
8. Mr. Hirohiko Nomura	Director
9. Mr. Chi-Hao Sun	Director
10. Mr. Suthas Ruangmanamongkol	Director
11. <i>Under the selection process of the Nomination and Compensation Committee, the qualified candidate will be proposed at the Shareholder Ordinary General Meeting for the year 2013.</i>	
12. <i>Under the selection process of the Nomination and Compensation Committee, the qualified candidate will be proposed at the Shareholder Ordinary General Meeting for the year 2013.</i>	

Board of Directors' opinion:

The Board recommends the shareholders to approve the number of directors at 12 and the election of the following director candidates whose names were proposed by the Nomination and Compensation Committee, subject to the approval from the Bank of Thailand.

Required votes for resolution:

The resolution for this agenda item required the majority votes of the shareholders who attend the meeting and cast their votes for the number of directors part. For the election of directors part, cumulative voting will be applied according to the Articles of Association.

Candidate's profile



1. Name	:	Mr. Pliu Mangkornkanok	
Proposed Position	:	Independent Director	
Age	:	64	
Nationality	:	Thai	
Education	:	Master of Business Administration (Finance) University of California at Los Angeles, USA Master of Science (Industrial Engineering) Stanford University, USA Bachelor of Engineering (Industrial Engineering) Chulalongkorn University Capital Market Academy Leadership Program Capital Market Academy	
Director Training	:	Directors Certification Program Role of Chairman Program Thai Institute of Directors Association	
Shareholding	:	TISCO Financial Group Public Co., Ltd.	
(As of January 31, 2013)		2,019,100 shares or 0.28% of total issued shares	
	:	TISCO Bank Public Co., Ltd.	
		None	
Meeting attendance in 2012	:	TISCO Financial Group Public Co., Ltd.	
		Board of Directors	6 out of 6 meetings
	:	TISCO Bank Public Co., Ltd.	
		Board of Directors	6 out of 6 meetings
Years in director position	:	TISCO Financial Group Public Co., Ltd.	5 years
	:	TISCO Bank Public Co., Ltd.	8 years

Current Position

TISCO Group		
July 2012-Present	Independent Director	TISCO Financial Group Public Co., Ltd.
2010-Present	Chairman of the Board of Directors	
July 2012-Present	Independent Director	TISCO Bank Public Co., Ltd.
2009-Present	Chairman of the Board of Directors	
1990-Present	Director	TISCO Foundation

OtherCompany with conflict of interest

-None-

Other listed company

-None-

Other company (3 companies)

Jun. 2012-Present	Independent Director Chairman of the Audit Committee Chairman of the Nomination and Remuneration Committee	Star Petroleum Refining Public Co., Ltd.
2011-Present	Director	Chuchawal-Royal Haskoning Co., Ltd.
2010-Present	Director	Design 103 International Ltd.
<u>Other organization (3 organizations)</u>		
2011-Present	Director	Sem Pringpuangkeo Foundation
2007-Present	Vice Chairman	Thai Institute of Directors Association
2004-Present	Councilor	Thailand Management Association

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 Chairman of the Executive Board Chief Executive Officer	TISCO Bank Public Co., Ltd.
2005-2006	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)

1973-Jun 2012	Director	Rama Textile Industry Co., Ltd.
2010- 2011	Director	Solido Co., Ltd.
2006-2010	Director	Amata Spring Development Co., Ltd.
1994-2010	Director	Phelps Dodge International (Thailand) Co., Ltd.
1994-2010	Director	PDTL Trading Co., Ltd.
2008-2010	Director	The Thai Bankers' Association

Candidate's profile

2. Name	: Mr. Hon Kit Shing (Mr. Alexander H. Shing)	
Proposed Position	: Director	
Age	: 35	
Nationality	: New Zealand	
Education	: Bachelor of Science (Economics) Massachusetts Institute of Technology, USA	
Director Training	: None	
Shareholding	: TISCO Financial Group Public Co., Ltd.	
(As of January 31, 2013)	None	
	: TISCO Bank Public Co., Ltd.	
	None	
Meeting attendance in 2012	: TISCO Financial Group Public Co., Ltd.	
	Board of Directors	4 out of 6 meetings
	Executive Board	5 out of 8 meetings*
	Nomination and Compensation Committee	5 out of 7 meetings
	: TISCO Bank Public Co., Ltd.	
	Board of Directors	4 out of 6 meetings
	Executive Board	5 out of 8 meetings*
	* 1) Resigned from the position of member of the Executive Board on September 3, 2012	
	2) Did not attend three Executive Board's meetings in person but participated one meeting through teleconferencing.	
Years in director position	: TISCO Financial Group Public Co., Ltd.	5 years
	: TISCO Bank Public Co., Ltd.	6 years

Current Position

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

OtherCompany with conflict of interest

-None-

Other listed company

-None-

Other company (2 companies)

2012-Present	Managing Director	Capcelona Advisors, LLC
2008-Present	Senior Advisor	CDIB & Partners Investment Holding Corporation

Other organization

-None-

Work Experience**TISCO Group**

2008-Sep 2012	Member of the Executive Board	TISCO Financial Group Public Co., Ltd.
2009-2010	Vice Chairman of the Executive Board	
2008-2010	Director	
2010-Sep 2012	Member of the Executive Board	TISCO Bank Public Co., Ltd.
2009-2010	Chairman of the Executive Board	
2007-2010	Director	
2007-2008	Member of the Executive Board Member of the Nomination and Compensation Committee	

Other (within 5 years)

2005-2011	Managing Director	Quintus Capital Group Ltd.
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. Oranuch Apisaksirikul	
Proposed Position	:	Director	
Age	:	54	
Nationality	:	Thai	
Education	:	Master of Business Administration (Finance) Bachelor of Laws Bachelor of Accountancy (Accounting & Commerce) Thammasat University Capital Market Academy Leadership Program Capital Market Academy	
Director Training	:	Directors Certification Program Anti Corruption Training Program for Corporate Directors and Executives Thai Institute of Directors Association	
Shareholding (As of January 31, 2013)	:	TISCO Financial Group Public Co., Ltd. None TISCO Bank Public Co., Ltd. : None	
Meeting attendance in 2012	:	TISCO Financial Group Public Co., Ltd. Board of Directors 6 out of 6 meetings Executive Board 12 out of 12 meetings : TISCO Bank Public Co., Ltd. Board of Directors 6 out of 6 meetings Executive Board 12 out of 12 meetings	
Years in director position	:	TISCO Financial Group Public Co., Ltd. 5 years : TISCO Bank Public Co., Ltd. 8 years	

Current Position

TISCO Group		
2010-Present	Chairperson of the Executive Board Group Chief Executive	TISCO Financial Group Public Co., Ltd.
2008-Present	Director	
2010-Present	Chairperson of the Executive Board	TISCO Bank Public Co., Ltd.
2005-Present	Director	
2011-Present	Director	TISCO Foundation
2011-Present	Director	TISCO Learning Center Co., Ltd.

OtherCompany conflict of interest

-None-

Other listed company

-None-

Other company

-None-

Other organization (1 organization)

Jan. 2012-Present	Member of Risk Management Sub-Committee	Government Pension Fund
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Work Experience**TISCO Group**

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	
2010-2011	Chairperson of the Board	TISCO Securities Co., Ltd.
2009-2011	Director Member of the Audit Committee	
2010-2011	Chairperson of the Board	TISCO Asset Management Co., Ltd.
2009-2011	Director Member of the Audit Committee	
2010-2011	Chairperson of the Board	TISCO Information Technology Co., Ltd.
2009-2011	Director	
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)

2010-2011	Advisor to the Risk Management Sub-Committee	Government Pension Fund
2006-2010	Advisor and Member of Risk Management Committee	Small Industry Credit Guarantee Corporation
2001-2008	Member of Risk Management Sub-Committee	The Stock Exchange of Thailand

Candidate's profile



4. Name	: Ms. Panada Kanokwat	
Proposed Position	: Independent Director	
Age	: 63	
Nationality	: Thai	
Education	: Master of Business Administration (Banking & Finance) North Texas State University, USA Bachelor of Business Administration (Accounting) Thammasat University Capital Market Academy 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 Financial Institutions Governance Program Thai Institute of Directors Association	
Shareholding	: TISCO Financial Group Public Co., Ltd.	
(As of January 31, 2013)	None	
	: TISCO Bank Public Co., Ltd.	
	None	
Meeting attendance in 2012	: 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.	5 years
	: TISCO Bank Public Co., Ltd.	5 years

Current Position

TISCO Group

2011-Present	Chairperson of the Audit Committee	TISCO Financial Group Public Co., Ltd.
2008-Present	Independent Director	
2011-Present	Chairperson of the Audit Committee	TISCO Bank Public Co., Ltd.
2008-Present	Independent Director	

Other

Company with conflict of interest

-None-

Other listed company

-None-

Other company

-None-

Other organization (1 organization)

2010-Present	Committee, The Bachelor's Degree in Business Administration (International Program)	Faculty of Commerce and Accountancy, Thammasat University
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Work Experience

TISCO Group

2008-2011	Member of the Audit Committee	TISCO Financial Group Public Co., Ltd.
2008-2011	Member of the Audit Committee	TISCO Bank Public Co., Ltd.

Other (within 5 years)

2009	Director	Thai Fatty Alcohols Co., Ltd.
2008-2009	Director	PTT Chemical International (Asia Pacific ROH) Ltd.
2008-2009	Director	Thai Oleochemicals Co., Ltd.
2008-2009	Director	PTT Chemical International (Singapore) Pte. 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.

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** : **Prof. Dr. Pranee Tinakorn**
- Proposed Position** : **Independent Director**
- Age** : 63
- Nationality** : Thai
- Education** : Doctor of Philosophy (Economics)
Master of Art (Economics)
University of Pennsylvania, USA
- Bachelor of Art (Economics)
Swarthmore College, USA
- Director Training** : Directors Certification Program
Directors Accreditation Program
Financial Institutions Governance Program
Audit Committee Program
Monitoring the System of Internal Control and Risk Management
Monitoring the Internal Audit Function
Monitoring the Quality of Financial Reporting
Monitoring Fraud Risk Management
Thai Institute of Directors Association
- Shareholding** : **TISCO Financial Group Public Co., Ltd.**
(As of January 31, 2013) None
- : **TISCO Bank Public Co., Ltd.**
None
- Meeting attendance in 2012** : **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.** 5 years
: **TISCO Bank Public Co., Ltd.** 4 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.

OtherCompany with conflict of interest

-None-

Other listed company

-None-

Other company

-None-

Other organization (4 organizations)

2012-Present	Member of the Board of Governors	Thai Public Broadcasting Service
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)

2011-2012	Subcommittee on Improvement of Financial and Budget System under Public Sector Development Commission	The Office of the Public Sector Development Commission
2010-2011	Director	National Reform Committee
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

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 : **Ms. Patareeya Benjapolchai**

Proposed Position : **Independent Director**

Age : 58

Nationality : Thai

Education : Master of Business Administration
Thammasat University

Bachelor of Accountancy (Accounting)
Chulalongkorn University

Capital Market Academy Leadership Program
Capital Market Academy

Certificate of The Executive Program
University of Michigan, USA

Certificate of Advanced Accounting and Auditing
Chulalongkorn University

Director Training : Directors Certification Program
Financial Institutions Governance Program
Thai Institute of Directors Association

Shareholding : **TISCO Financial Group Public Co., Ltd.**
(As of January 31, 2013) None

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

Meeting attendance in 2012 : **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 year



Current Position

TISCO Group		
2011-Present	Member of the Audit Committee	TISCO Financial Group Public Co., Ltd.
2010-Present	Independent Director	
2011-Present	Member of the Audit Committee	TISCO Bank Public Co., Ltd.
	Independent Director	

OtherCompany with conflict of interest

-None-

Other listed company

-None-

Other company (2 companies)

2010-Present Director Baan Ruam Tang Fhun Co., Ltd.

2002-Present Director Krabi Petra Co., Ltd.

Other organization (9 organizations)2013-Present Corporate Governance Committee Corporate Governance Center,
The Stock Exchange of Thailand2011-Present Ethic Committee Federation of Accounting Professions
under the Royal Patronage of His Majesty
the King2011-Present Award Committee, Board of the
Year Award Thai Institute of Directors Association

2011-Present Chairperson of the Audit Committee Agricultural Futures Trading Commission

2010-Present Advisor Thai Listed Company Association

2010-Present Audit Committee Office of the Permanent Secretary for
Defence, Ministry of Defence2010-Present Associate Judge The Central Intellectual Property and
International Trade Court2010-Present Directors' Responsibilities Steering
Committee The Securities and Exchange Commission2007-Present Honorary Advisor The Institute of Internal Auditors of
Thailand**Work Experience****TISCO Group**

-None-

Other (within 5 years)2008-2012 Directors on Foreign Business
Committee Department of Business Development,
Ministry of Commerce

2009-2010 Chairman Thailand Securities Depository Co., Ltd.

2006-2010 Executive Chairman

2007-2010 Chairman of the Subcommittee of
Member Recruitment Thailand Futures Exchange Public Co., Ltd.2006-2010 Vice Chairman
Executive Chairman

2009-2010 Chairman Family Know How Co., Ltd.

2006-2009 Vice Chairman

2009-2010 Chairman Settrade.com Co., Ltd.

2008-2010 Award Committee, State-owned
Enterprise Award 2008-2010 State Enterprise Policy Office, Ministry of
Finance

Other (within 5 years)

2006-2010	President and Executive Committee	The Stock Exchange of Thailand
2006-2010	Chairman	Thai NVDR Co., Ltd.
2006-2010	Chairman	Thai Trust Fund Co., Ltd.
2006-2010	Chairman	SiamDR Co., Ltd.
2006-2010	Chairman	Thailand Clearing House Co., Ltd
2006-2010	Director and Secretary	Federation of Thai Capital Market Organizations
2002-2010	Director, Subcommittee on Investors Education and Public Relations and on Corporate Governance in Thailand	The Prime Minister's Office
2005-2010	Councilor	Thailand Management Association
2005-2008	Director	Thai Institute of Directors Association
2006-2008	Member of The National Legislative Assembly	The National Legislative Assembly, Thailand
	Member Committee on Finance, Banking and Finance Institutions	

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

7. Name	: Assoc. Prof. Dr. Angkarat Priebjivat	
Proposed position	: Independent Director	
Age	: 58	
Nationality	: Thai	
Education	: Doctor of Philosophy (Accounting) New York University, USA Master of Science (Accounting) Bachelor of Business Administration (Accounting) Thammasat University Capital Market Academy 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 Audit Committee Program Role of Chairman Program Monitoring the System of Internal Control and Risk Management Monitoring the Internal Audit Function Monitoring Fraud Risk Management Thai Institute of Directors Association	
Shareholding	: TISCO Financial Group Public Co., Ltd.	
(As of January 31, 2013)	None	
	: TISCO Bank Public Co., Ltd.	
	None	
Meeting attendance in 2012	: TISCO Financial Group 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.	5 years
	: TISCO Bank Public Co., Ltd.	7 years

Current Position

TISCO Group		
2011-Present	Advisor to the Audit Committee	TISCO Financial Group Public Co., Ltd.
2008-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</u>		
-None-		
<u>Other organization (8 organizations)</u>		
2012-Present	Advisor to the Audit Committee	Government Pension Fund
2012-Present	Member of the Audit Committee	Thai Public Broadcasting Service
2011-Present	Advisor to the Audit Committee	State Railway of Thailand
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
2002-Present	Government Accounting Standards Committee	The Comptroller General's Department, Ministry of Finance
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		
2008-2011	Chairperson of the Audit Committee	TISCO Financial Group Public Co., Ltd.
2007-2011	Chairperson of the Audit Committee	TISCO Bank Public Co., Ltd.
2005-2011	Independent Director	
2005-2007	Member of the Audit Committee	
Other (within 5 years)		
2004-2012	Independent Director (Accounting Specialist)	Association of Investment Management Companies
2002-2012	Advisor to the Audit Committee	TOT Corporation Public Co., Ltd.
2004-2009	Member of the Consultative Subcommittee on Cost Accounting Development Project	Office of the Higher Education Commission
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		✓ ✓ ✓

Candidate's profile

8. Name	: Mr. Hirohiko Nomura	
Proposed Position	: Director	
Age	: 48	
Nationality	: Japanese	
Education	: Bachelor of Economics The University of Tokyo, Japan	
Director Training	: None	
Shareholding (As of January 31, 2013)	: TISCO Financial Group Public Co., Ltd. None	
	: TISCO Bank Public Co., Ltd. None	
Meeting attendance in 2012	: TISCO Financial Group Public Co., Ltd. Board of Directors 6 out of 6 meetings Executive Board 12 out of 12 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 12 out of 12 meetings	
Years in director position	: TISCO Financial Group Public Co., Ltd. 5 years	
	: TISCO Bank Public Co., Ltd. 5 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.

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

9. Name	: Mr. Chi-Hao Sun (Mr. Howard Sun)	
Proposed position	: Director	
Age	: 35	
Nationality	: Taiwanese, Republic of China	
Education	: Master of Science (Finance) Bentley University, USA Master of Business Administration Boston University, USA Bachelor of Arts (Economics) Taipei University, Taiwan	
Director Training	: None	
Shareholding (As of January 31, 2013)	: TISCO Financial Group Public Co., Ltd. None : TISCO Bank Public Co., Ltd. None	
Meeting attendance in 2012	: TISCO Financial Group Public Co., Ltd. Board of Director 6 out of 6 meeting Executive Board 4 out of 4 meeting* : TISCO Bank Public Company Limited Executive Board 4 out of 4 meeting*	
Years in director position	: TISCO Financial Group Public Co., Ltd. 2 year : TISCO Bank Public Co., Ltd. -	

Current Position

TISCO Group		
Sept2012-Present	Member of Executive Board	TISCO Financial Group Public Co., Ltd.
2011-Present	Director	
Sept2012-Present	Member of Executive Board	TISCO Bank Public Co., Ltd.

OtherCompany with conflict of interest

-None-

Other listed company

-None-

Other company (1 company)

2012-Present	Assistant Vice President	CDIB & Partners Investment Holding Corporation
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Other organization

-None-

Work Experience**TISCO Group**

-None-

Other (within 5 years)

2010-2012	Senior Manager	CDIB & Partners Investment Holding Corporation
2006-2010	Senior Consultant	KPMG Corporate Finance (Taiwan)

Candidate's profile

10. Name	: Mr. Suthas Ruangmanamongkol	
Proposed Position	: Director	
Age	: 51	
Nationality	: Thai	
Education	: Master of Science (Business) University of Wisconsin-Madison, USA Master of Business Administration (Finance) Western Illinois University, USA Bachelor of Engineer (Computer Engineering) Chulalongkorn University	
Director Training	: Directors Certification Program Thai Institute of Directors Association	
Shareholding	: TISCO Financial Group Public Co., Ltd.	
(As of January 31, 2013)	3,000,000 shares or 0.41% of total issued shares	
	: TISCO Bank Public Co., Ltd.	
	None	
Meeting attendance in 2012	: TISCO Financial Group Public Co., Ltd.	
	Board of Directors 6 out of 6 meetings	
	Executive Board 12 out of 12 meetings	
	: TISCO Bank Public Co., Ltd.	
	Board of Directors 6 out of 6 meetings	
	Executive Board 12 out of 12 meetings	
Years in director position	: TISCO Financial Group Public Co., Ltd. 5 years	
	: TISCO Bank Public Co., Ltd. 4 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.

OtherCompany with conflict of interest

-None-

Other listed company

-None-

Other company (2 companies)

2010-Present	Director	PDTL Trading Co., Ltd.
2010-Present	Director	Phelps Dodge International (Thailand) Co., Ltd.

Other organization (1 organization)

2010-Present	Director	The Thai Bankers' Association
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Work Experience**TISCO Group**

2009-2011	Director	TISCO Information Technology Co., Ltd.
2005-2011	Director	TISCO Asset Management Co., Ltd.
2005-2008	Managing Director	
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-

9. To approve the directors' remuneration and acknowledge current directors' remuneration.

Objective and Reason:

On April 26, 2012, the Company's Shareholder Ordinary General Meeting for the year 2012 approved the annual directors' remuneration in the form of reward, monthly fee, meeting fee and bonus at the amount of not greater than Baht 2,400,000 for the Chairman of the Board and not greater than Baht 500,000 for each Board member, provided that the amount of such remuneration so determined shall be valid until amended. The Board of Directors, under the authority delegated by the shareholders, will determine appropriate amount and the exact amount to be paid each time. Besides, the directors are entitled to receive other remuneration or benefits paid for other appointments or special assignments from the Board of Directors.

According to the Company's Articles of Association, the Board of Directors may assign directors to conduct the businesses on behalf of the Board of Directors. In this connection, the remuneration to be paid to such directors for other appointments or special assignments shall be determined by the Board of Directors. Duties and responsibilities of board members who are assigned to other committee are detailed under Part 1, Section 8 Management in the Annual Report.

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

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

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

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

Details of current director remuneration are as follows:

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

Board of Directors' opinion:

The Board recommends the shareholders to approve annual directors' remuneration in the form of reward, monthly fee, meeting fee and bonus at the amount of not greater than Baht 2,400,000 for the Chairman of the Board and not greater than Baht 500,000 for each Board member, to be valid until amended. The Board also recommends the shareholders to acknowledge current directors' remuneration as proposed.

Required votes for resolution:

The payment of such remuneration required the votes of not less than two-thirds of the total number of votes of shareholders who attend the meeting.

10. To approve the appointment of the auditors and their remuneration for the year 2013

Objective and Reason:

The Company's Articles of Association required that the shareholders approve the appointment of auditor and their remuneration. The Audit Committee, in accordance with the Company's External Auditor Selection Guideline, had considered proposals for the appointment of the Company's auditors for the year 2013. It is recommended to the Board of Directors that auditors of Ernst & Young Office Limited be appointed as the Company's auditors. Total audit fees for the Company and subsidiaries in TISCO Group will not be exceeding Baht 7,400,000 including not exceeding Baht 520,000 for the Company and not exceeding Baht 6,880,000 for 10 subsidiaries.

With respect to the proposed audit fee for year 2013 quoted by Ernst & Young Office Limited, the following table exhibits details of audit fee;

Remuneration for the auditors	(Unit: Baht)		
	<u>Y2013</u>	<u>Y2012</u>	<u>Change (%)</u>
<u>Audit Fee</u>			
TISCO Financial Group Plc.	520,000	520,000	-
TISCO Bank Plc.	3,360,000	3,280,000	2.4%
TISCO Securities Co.,Ltd.	1,000,000	1,000,000	-
TISCO Asset Management Co.,Ltd.	400,000	380,000	5.3%
Hi-Way Co.,Ltd.	890,000	870,000	2.3%
TISCO Information Technology Co.,Ltd.	135,000	135,000	-
TISCO Leasing Co.,Ltd.	190,000	185,000	2.7%
TISCO Learning Center Co.,Ltd.	85,000	80,000	6.3%
Deutsche TISCO Investment Advisory Co.,Ltd.	110,000	100,000	10.0%
TISCO Tokyo Leasing Co.,Ltd.	420,000	420,000	-
T Troop Co.,Ltd.	50,000	-	100.0%
<u>Non-Audit Fee</u>	<u>240,000</u>	<u>230,000</u>	<u>4.3%</u>
Total for TISCO Group	<u>7,400,000</u>	<u>7,200,000</u>	<u>2.8%</u>

The professional audit fee quoted for the year 2013 for all companies in TISCO group totals Baht 7,400,000 increased by 2.8% or Baht 200,000 from the previous year. The reasons for increased audit fee are based on normal increasing rate of business volume and higher workload due to increase in business activities, and additional implementation of new accounting standards and related laws and regulations. The fee increase was in line with additional scope of work of subsidiaries.

Auditors' Profile

1. Ms. Ratana Jala

Age	48 years
Education	Master Degree in Accounting Thammasat University Bachelor Degree in Accounting Chiangmai University
CPA No.	3734
Date of Registration	October 1, 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 Group 2 year

Direct or indirect benefit or interest in the Company, its subsidiaries, management, the Company's major shareholders or related persons

-None-

Auditors' Profile

2. Ms. Rungnapa Lertsuwankul

Age	53 years
Education	Master Degree in Business Administration Thammasat University Bachelor Degree in Accounting Chulalongkorn University
CPA No.	3516
Date of Registration	April 8, 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 Group 1 year

Direct or indirect benefit or interest in the Company, its subsidiaries, management, the Company's major shareholders or related persons

-None-

Auditors' Profile

3. Ms. Somjai Khunapasut

Age	42 years
Education	Master degree in Accounting Thammasat University Bachelor Degree in Accounting Chulalongkorn University
CPA No.	4499
Date of Registration	April 1, 1995
Current Position	
Present	Audit Partner Ernst & Young Office Limited
Other Position	-
Work Experiences	
1992 – Present	Ernst & Young Office Limited

Number of working year with TISCO Group -

Direct or indirect benefit or interest in the Company, its subsidiaries, management, the Company's major shareholders or related persons

-None-

11. Others, if any
