

(Translation)

**Minutes of the Annual General Meeting of Shareholders No. 17**

**CIMB Thai Bank Public Company Limited**

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The meeting was convened on Wednesday, 20 April 2011, at 2:00 p.m., at Srisuriwongse Ballroom, 11<sup>th</sup> Floor, Tawana Bangkok Hotel, No. 80 Surawongse Road, Siphaya, Bangrak, Bangkok.

**Directors in attendance**

- |    |                             |                                       |
|----|-----------------------------|---------------------------------------|
| 1. | Mr. Chakramon Phasukavanich | Chairman of the Board                 |
| 2. | Dato' Robert Cheim Dau Meng | Vice Chairman                         |
| 3. | Mr. Sukont Kanjana-Huttakit | Independent Director                  |
| 4. | Dato' Shaarani Bin Ibrahim  | Independent Director                  |
| 5. | Mr. Preecha Unchitti        | Director                              |
| 6. | Mr. Kenny Kim               | Director                              |
| 7. | Mr. Subhak Siwaraksa        | President and Chief Executive Officer |

**Director absent**

- |                       |                      |
|-----------------------|----------------------|
| Mrs. Watanan Petersik | Independent Director |
|-----------------------|----------------------|

**Executive officers in attendance**

- |     |                                 |  |
|-----|---------------------------------|--|
| 1.  | Mrs. Duangphorn Sucharittanuwat | Senior Executive Vice President<br>Corporate Banking Group                   |
| 2.  | Mr. Surachai Chitratsenee       | Senior Executive Vice President<br>SME Banking Group                         |
| 3.  | Mr. Thanachai Thanachaiary      | Senior Executive Vice President<br>Consumer Sales and Distribution Division  |
| 4.  | Mr. Ekajai Tivutanond           | Senior Executive Vice President<br>Business Support Group                    |
| 5.  | Mr. Narongchai Wongthanavimok   | Senior Executive Vice President<br>Strategy & Finance Group                  |
| 6.  | Mr. Wee Kim Peng                | Senior Executive Vice President<br>Group Information and Operations Division |
| 7.  | M.L. Nathchanya Davivongse      | Senior Executive Vice President<br>Transaction Banking Group                 |
| 8.  | Mrs. Panute Na Chiangmai        | Executive Vice President<br>Risk Management Group                            |
| 9.  | Mr. Sutee Losoponkul            | Executive Vice President<br>Treasury Group                                   |
| 10. | Mr. Kongpob Watanasin           | Executive Vice President<br>Human Resources Management Division              |
| 11. | Ms. Dusanee Kiewpatinontha      | Executive Vice President<br>Retail Banking Group                             |
| 12. | Mr. Prapas Thongsuk             | Executive Vice President<br>Corporate Communications Office                  |

13. Ms. Siriporn Sanunpairaue

Executive Vice President  
Internal Audit Division

**Auditor in attendance**

PriceWaterhouseCoopers ABAS Limited, represented by:

1. Mrs. Anothai Leekijtwattana
2. Ms. Bussaba Kulsiritham

**Independent Financial Adviser (“IFA”) in attendance**

Jaydee Partner Company Limited, represented by:

1. Mr. Pokin Prasitsutti
2. Ms. Jirayong Anuman-Rajadhon

**Legal Advisors in attendance**

Baker & Mckenzie Limited, represented by:  
Mr. Kobkiat Padungkittimal

Linklaters (Thailand) Limited, represented by:  
Mr. Jirapong Sriwat

Mr. Chakramon Phasukavanich, Chairman of the Board performing duty as Chairman of the meeting, cordially welcomed the shareholders who attended the meeting, and informed the meeting that 69 shareholders and 18 proxies had attended the meeting, representing 15,928,567,175 shares and 3,651,007 shares respectively. The number of attending shareholders and proxies totaled 87 and the amount of aggregate shares 15,932,218,182, equivalent to 97.6489% of the Bank's total shares sold, which constituted a quorum according to the Bank's Articles of Association. The Chairman then declared the Annual General Meeting of Shareholders (AGM) No.17 open.

**The meeting started at 2.00 p.m.**

The Chairman informed the meeting that the Bank's Board members, management, legal advisor, financial advisor, and auditor as mentioned above also attended the meeting. He asked Mr. Thaphop Kleesuan, Company Secretary, to clarify the mechanism for voting at the meeting. Mr. Thaphop summarized the mechanism as follows:

To vote at the shareholders' meeting, one share is entitled to one vote. For each agenda item, the Chairman will ask the shareholders whether there is any objection, disagreement or abstention from voting. If there is no objection, disagreement or abstention, the Chairman will conclude that the shareholders have approved or agreed with the agenda item as presented.

The shareholders who object, disagree or abstain from voting may make a mark (✓) in the square bracket in the voting form and raise their hands. The Bank staff will collect the voting form and tally the results, except for some agenda items, for which the Chairman may otherwise determine the voting method as appropriate. The votes of the shareholders attending the meeting by proxy will be counted as per the votes indicated in the proxy form.

Only the dissenting and abstention votes will be calculated and deducted from the total number of the votes of all the shareholders who attend the meeting both in person and by proxy. The remaining votes after deduction will be deemed as having approved/agreed with the agenda item proposed.

Registration will be kept open until the end of the meeting. Therefore, the number of shareholders and the number of shares for each agenda item may change according to the number of shareholders who have registered.

The Chairman proceeded with the businesses on the agenda as follows:

**Agenda item 1 To certify the minutes of Annual General Meeting of Shareholders No. 16 held on 29 April 2010**

The Chairman requested the shareholders to consider and approve the minutes of the Annual General Meeting of Shareholders (AGM) No. 16 held on 29 April 2010, a copy of which had duly been sent to all shareholders together with the invitation notice to attend the meeting.

Questions and comments from the shareholders were invited.

As there were no questions, the Chairman requested the meeting to vote.

The Chairman declared to the meeting that 100.0000% of the shareholders who were present at the meeting and with the right to vote agreed (equal to 15,932,260,886 votes), while 0.0000% of the shareholders disagreed (equal to 0 votes) and 0.0000% abstained from voting (equal to 0 votes). There were no shareholders with no right to vote.

The voting result was displayed on the monitor in the Conference Room.

**Resolution**

The meeting unanimously resolved to adopt the minutes of the Annual General Meeting of Shareholders No. 16 held on 29 April 2010 by total votes of the shareholders present and with the right to vote.

**Agenda item 2 To acknowledge the Bank's operating results for the year 2010**

The Chairman informed the meeting that the Bank's operating results for 2010 were as presented in the Annual Report 2010 duly sent to the shareholders. He asked the President and CEO to report details of this agenda item to the meeting.

The President and CEO reported to the meeting as below:

In 2010, the Bank and subsidiaries ("CIMB Thai Group") recorded a net profit of THB 828.8 million, up from a net profit of THB 1.7 million in 2009. Outstanding loans accounted for THB 93.8 billion, up THB 7.8 billion or 9.1% from the previous year due to sales of NPL and shares held in Sathorn Asset Management Co., Ltd. as approved at the previous Annual General Meeting of Shareholders generating a total of THB 5 billion. Excluding such items, the Bank's loans would be THB 98.0 billion, hence a loan growth of about 14-15%.

The Bank was able to maintain net interest margin (NIM) for the year 2010 at around 3.6%-4% due to rightsizing of deposit cost structure and effective control of NPL. Owing to the sale of NPL at the end of 2010, the Bank's NPL ratio decreased to 3% from around 8%-10% earlier. In addition, to further strengthen its status, the Bank increased NPL coverage ratio from 50% to 90%. Currently, the Bank's NPL ratio is lower than those of its peers, while its NPL coverage ratio is among the highest in the industry.

In quarter 4, the Bank increased its capital by about THB 3 billion as approved at the AGM on 29 April 2010. Such capital increase has helped improve the Bank's BIS ratio and hence strengthen its financial status.

The information presented by the President and CEO was displayed on the monitor in the Conference Room.

The Chairman invited the shareholders to raise questions and comments.

**Question** Mr. Sathaporn Phangniran, a shareholder, expressed his appreciation of the management's performance which helped improve the Bank's operating results with low NPL ratio and loan impairment charge. He proposed that, in the annual report, there should be data comparison between the Bank and its peers to exhibit the Bank's ranking in the industry in respect of deposits and loans, for example, and its status

compared with its competitors. This will help support the shareholders' consideration in the following years as to whether the Bank's operating results have improved.

The Chairman informed the meeting that this agenda item was to report the shareholders of the Bank's 2010 operating results for acknowledgement, so no voting was required. As no other questions were raised by the shareholders, the Chairman asked the meeting to acknowledge the report as proposed. The meeting accordingly acknowledged the report of the Bank's operations for 2010.

**Agenda item 3 To consider and approve the balance sheet and the profit and loss statement for the fiscal year ended 31 December 2010**

The balance sheet and the profit and loss statement for the fiscal year ended 31 December 2010 had duly been sent to the shareholders in advance together with the invitation notice. The Chairman asked the President and CEO to present this agenda item to the meeting.

The President and CEO informed the meeting that the financial statements of the Bank and its subsidiaries ("CIMB Thai Group") to be presented had duly been audited by PriceWaterhouseCoopers ABAS Ltd., the auditor of the Bank, as summarized below:

- CIMB Thai Group's total assets accounted for THB 140.5 billion representing an increase of 10.6 % from 2009.
- CIMB Thai Group's total liabilities accounted for THB 128.5 billion representing an increase of 7.9% from 2009.
- CIMB Thai Group's shareholders' equity amounted to THB 11.9 billion representing an increase of 50.2% from 2009 due to the capital increase.
- CIMB Thai Group's total income amounted to THB 6.8 billion representing an increase of 8.3% from 2009.
- CIMB Thai Group's operating expenses and bad debts and doubtful accounts amounted to THB 6.1 billion representing a decrease of 4.9% from 2009.
- CIMB Thai Group's net profit for 2010 was THB 828.85 million representing an increase from 2009 net profit of THB 1.7 million

The information presented by the President and CEO was displayed on the monitor in the Conference Room.

The Chairman welcomed questions and comments from the shareholders.

Question Mr. Sathaporn Phangniran, a shareholder, inquired about note no. 26 to financial statements in page 154 of the 2010 Annual Report. The Bank had gains (losses) on investments of THB 213 million in 2010, which were lower than gains of THB 640 million in 2009. He asked why available-for-sale securities dropped sharply from THB 404 million to THB 10 million, and why gains on sales of investments in a subsidiary and an associated company were recorded at THB 177 million in 2010 but no figure was exhibited in 2009.

Answer Senior Executive Vice President of Strategy and Finance Group clarified that gains (losses) on investments in 2010 were mainly gains on sales of investments in a subsidiary and an associated company of THB 177 million, i.e. sales of shares in BT Asset Management Co., Ltd., Worldclass Rent A Car Co., Ltd., BT Insurance Co., Ltd., and Sathorn Asset Management Co., Ltd. during June-December 2010. Available-for-sale securities substantially decreased as the Bank had gradually sold available-for-sales securities since early 2009 in accordance with CIMB Group's policy which does not focus on investment transactions.

Question Mr. Sathaporn asked why allowance for impairment of investments in 2010 still increased from the previous year, considering the Bank had sold out such investments.

Answer Senior Executive Vice President of Strategy and Finance Group clarified that this portion came mainly from provisioning for devaluation of outstanding investments in debtors of the Bank, depending on the present value of such investments in any given period. In addition, there were some other investment portions which the Bank had not yet sold out.

Answer The President and CEO added that the Bank had put in place a policy and procedure on investments in various types of instruments with portfolio size and loss limits set forth, based on which the Bank would sell such investments to stop losses.

No further questions and comments were raised. The Chairman requested the meeting to vote.

The Chairman declared that 100.0000% of the shareholders present at the meeting and with the right to vote agreed (equal to 15,934,065,812 votes), 0.0000% disagreed (equal to 0 votes) and 0.0000% abstained from voting (equal to 5,288 votes). There were no shareholders with no right to vote.

The voting result was displayed on the monitor in the Conference Room.

#### Resolution

The meeting resolved by majority votes of the shareholders present and with the right to vote to approve the balance sheet and the profit and loss statement for the year ended 31 December 2010\_as proposed.

#### **Agenda item 4      To consider the appropriation of profit for the year 2010 and suspension of dividend payment**

The Chairman asked the President and CEO to present details of this agenda item to the meeting. The President and CEO informed the meeting as below:

For the year ended 31 December 2010, the Bank reported audited financial statements as at 31 December 2010 showing a net profit of THB 1,002,480,191. The Board of Directors has considered it proper for the AGM to approve the appropriation of profit from year 2010 to the statutory reserve of THB 100,000,000 and the remaining net profit after appropriation of THB 902,480,191 as retained earnings. After the appropriation of profit, the Bank has cumulative retained earnings of THB 1,241,862,196.

Despite profit recorded in 2010, in order to preserve and be prudent in managing the Bank's capital for business operations further on, it was considered appropriate not to make dividend payment for the fiscal year ended 31 December 2010.

The information presented by the President and CEO was displayed on the monitor in the Conference Room.

The Chairman invited shareholders to raise questions and comments.

Question Mr. Sathaporn Phangniran, a shareholder, said now that the Bank has operated at profit, most shareholders who normally expect dividends as returns for their investments expect the Bank to pay some dividend. Despite no dividend payment for the past year as intended by CIMB Bank, the major shareholder, in order to strengthen the Bank status, Mr. Sathaporn suggested that the management should consider paying interim dividend for 2011 if the Bank's operating results have improved.

Question Mr. Sitthichok Boonwanich, a shareholder, viewed that the Bank has not paid dividend for a long time, and suggested that, if no monetary dividend payment is to be made, the Bank may instead pay dividend in form of warrants or dividend shares which can be sold by the shareholders and boost the share liquidity on the stock market.

No further questions were raised. The Chairman requested the meeting to vote.

The Chairman declared that 95.9264% of the shareholders present at the meeting and with the right to vote agreed (equal to 15,287,737,058 votes), while 4.0646% disagreed (equal to 647,772,334 votes), and 0.0090% abstained from voting (equal to 1,431,388 votes). There were no shareholders with no right to vote.

The voting result was displayed on the monitor in the Conference Room.

**Resolution**

The meeting resolved by majority votes of the shareholders present and with the right to vote to approve the appropriation of profit for the year 2010 and suspension of dividend payment.

**Agenda item 5 To consider and approve the directors' remuneration for the year 2011**

The Chairman stated that the Board of Directors has a policy and criteria in place to determine remuneration for the Board and Board Committee members under the recommendation of the Nomination and Remuneration Committee to ensure that the remuneration is at appropriate rate commensurate with the duties and responsibilities of the Board and Board Committee members, and comparable to those of its peers in the industry.

To comply with corporate governance principles, it is considered appropriate for the AGM to consider and approve remuneration for the Board and Board Committee members for the year 2011, as detailed in the invitation notice document:

**Meeting and entertainment allowances for Board members:**

• Monthly meeting allowance	
- Chairman	130,000 THB/person
- Vice Chairman	88,000 THB/person
- Director	44,000 THB/person
• Monthly entertainment allowance	
- Chairman	70,000 THB/person

**Remuneration for Board Committee members:** Directors who serve on other committees are entitled to receive additional monthly meeting allowances. Such other Board Committees comprise Audit Committee, Nomination and Remuneration Committee, Management Committee, Risk Management Committee, Credit Risk Committee, Credit Committee Level 2, Retail Business Committee, Assets and Liabilities Management Committee, IT Strategic Planning Committee, Market Risk Committee Thailand, Marketing and Communications Committee, and Basel II Steering Committee.

• Chairman	52,000 THB/person
• Committee Member	40,000 THB/person

**Note:** Most of the committees are chaired by the President or have the President as member. Nevertheless, the President has declared his intention not to receive the meeting allowances in those committees. In addition, Dato' Robert Cheim Dau Meng and Mr. Kenny Kim have declared their intention not to receive the meeting allowance in the Board and those committees.

The Bank has disclosed information on the roles and responsibilities as well as remuneration rate of the Board and Board Committee members in the 2010 Annual Report, pages 66-79 and page 82, to support the meeting's consideration

The information presented by the President and CEO was displayed on the monitor in the Conference Room.

The Chairman invited questions and comments from the shareholders.

Question Mr. Sathaporn Phangniran, a shareholder, opined that the Bank has set remuneration for directors solely in form of monthly meeting allowances. In his view, the remuneration should be separated into director fee and meeting allowances. Director fee is payable to directors regardless of whether they attend the meetings. However, if the Bank will still pay only meeting allowances, payment criteria should be clearly established, for example, whether the remuneration as set forth is to be multiplied by the number of attendance if several meetings are held in one month.

Answer The Company Secretary explained that the remuneration for directors and subcommittees remains unchanged as approved at the 2000 AGM. No matter how many meetings are held in one month, the Bank will pay such rate of remuneration to directors.

Question Mr. Sathaporn viewed that due to the change of shareholder structure every year, shareholders who attend each AGM may not be the same. Hence, information presented to the AGM in the previous year should not be referred to for the consideration of the shareholders at the current AGM, but instead additional details should be provided to the shareholders. For example, it should be clear whether a director who cannot attend the meeting in a certain month is entitled to such remuneration, or whether the remuneration should be paid at a pro-rate if the director attends only one out of the three meetings held in that month.

Answer The Chairman clarified that the Bank has made payment of remuneration at the lump-sum rate to the directors, which is the practice also adopted by several companies. Some companies may pay the remuneration by the number of attendance as deemed appropriate by each individual company. The Bank's lump-sum payment of remuneration is set and made to the directors in form of monthly meeting allowances, to which all directors are entitled whether they attend the meetings or not. All the directors invited to sit on the Board of Directors of the Bank are recognized persons who have fully performed their duties with awareness of the importance of meeting attendance, as evident in the meeting attendance records in the Annual Report. The Bank has maintained the rate of remuneration for directors over the past 10 years, viewing that the Bank's financial position has not been so strong. Despite the improvement in the previous year, the Board of Directors has deemed that the rate should be maintained the same. If the Bank's operating results get better in the following year, review and proposal of the new rate may be made to the shareholders' meeting for consideration.

Question Mr. Sathaporn enquired about the total amount of remuneration projected for 2011.

Answer The Chairman explained that the Bank has shown details on the total remuneration of 2010 in page 82 of the Annual Report. The total remuneration paid in each year is not so much different and not in a large amount as two directors who are representatives from CIMB Bank, namely Dato' Robert and Mr. Kenny Kim, have declined to receive any remuneration from the Bank. Other expenses are payable according to the Bank's criteria.

No further questions were raised. The Chairman requested the meeting to vote.

The Chairman declared that 99.9984% of the shareholders present at the meeting and with the right to vote agreed (equal to 15,937,008,360 votes), while 0.0006% disagreed (equal to 96,399 votes) and 0.0010% abstained from voting (equal to 163,969 votes). There were no shareholders with no right to vote.

The voting result was displayed on the monitor in the Conference Room.

### Resolution

The meeting resolved by the affirmative votes of more than two-thirds of the total votes of the shareholders who attended the meeting and had the right to vote approving the directors' remuneration for the year 2011 as proposed.

## Agenda item 6 To appoint the auditor and determine the auditor's remuneration for the year 2011

The Chairman informed the meeting that, according to the Public Limited Companies Act, the AGM shall appoint an auditor and determine the auditing fee of the Bank annually, whereby the former auditor may be reappointed, under recommendation by the Audit Committee. In the selection process, three Securities and Exchange Commission ("SEC") registered audit firms presented their proposed auditing services and fees for the year 2011 to the Audit Committee who in turn selected and presented to the Board of Directors to seek further approval from the AGM for the appointment of PricewaterhouseCoopers ABAS Ltd. as the Bank's auditor for the year 2011. Any of the following three CPA holders shall be empowered to audit, perform and sign off the auditor's report .

1. Mr. Boonlert Kamolchanokkul CPA license no. 5339
2. Mrs. Unakorn Phruithithada CPA license no. 3257
3. Mrs. Anothai Leekijwattana CPA license no. 3442

PricewaterhouseCoopers ABAS ("PWC") is a well-known and independent audit firm with expertise in the banking sector by providing good project management support to CIMB Thai finance function in improving initiatives and managing other projects of the Bank. The above CPA license holders and PWC have no relationships or any interests or any transactions which may bring about conflict of interests with the Bank, subsidiary companies, executives, major shareholders or other related persons. The appointment of PWC has also been approved by the Bank of Thailand ("BOT").

The Board of Directors also proposes an audit fee and other fees of THB 10,325,500 consisting of:

1. Review of financial statements for quarter 1 and quarter 3 of THB 2,200,000, up 10% from THB 2,000,000 in 2010
2. Audit the Bank's financial statements for periods ending June & December of THB 5,878,000, up 11% from THB 5,300,000 in 2010
3. Special audit for the Bank of Thailand of THB 520,000, up 4% from THB 500,000 in 2010
4. Group reporting fee of THB 1,127,500
5. BOT IT audit of THB 600,000

Moreover, PWC is the auditor of the four subsidiary companies of the Bank, namely:

1. CIMB Securities (Thailand) Co., Ltd.
2. Center Auto Lease Co., Ltd. (formerly BT Leasing Co., Ltd.)
3. CT COLL Co., Ltd. (formerly BT Business Consulting Co., Ltd.)
4. Worldlease Co., Ltd. (formerly BT World Lease Co., Ltd.)

Annual audit fees of four subsidiaries by PWC for the year 2011 totaled THB 2,208,500, up from THB 1,900,000 in the year 2010 by THB 308,500 or 16%. Group reporting fees for subsidiaries will be THB 90,000. For the previous fiscal period, subsidiaries did not have any services from the audit firm for which the auditors were working as well as persons or businesses related to the auditors and the audit firm for which the auditors were working.

The information presented by the President and CEO was displayed on the monitor in the Conference Room.

The Chairman welcomed questions and comments from the shareholders.

Question Mr. Sathaporn Phangniran, a shareholder, enquired why audit fees in 2011 increased to approximately THB 10.3 million from THB 7.8 million in 2010. He remarked that with professionalism and transparency of the Audit Committee and the established internal control of the Bank, man-hours of the external auditor should have been cut down, hence decrease in audit fees. He asked whether audit fee



increase was due to internal shortcomings and inefficiency. He suggested that if it is such a case, the Bank should set KPI for relevant internal units to control the audit fees.

Answer The Audit Committee Chairman clarified that after thoroughly considering the proposed audit fees, the Audit Committee deems that the fee increase is reasonable as there have been additional audit tasks to be carried out in line with the Bank's business growth and investments in various work systems. Meanwhile, the Bank has improved its internal audit work units and staff to ensure more comprehensive audit work and better internal control.

Question Mr. Sathaporn enquired how many man-hours the external auditor spent in 2010 and how many additional man-hours have brought about the proposed 10% audit fee increase for 2011.

Answer PWC by Ms. Bussaba Kulsiritham responded that, as the past year has been the first year of PWC's audit of the Bank's financial statements, it is normal for the audit company to spend high volume of man-hours to get to understand the Bank's business. However, PWC has not accordingly charged the Bank high audit fee rate. It has not used last year's figure as the base of man-hour calculation for 2011 either. In this regard, the man-hour figure cannot be disclosed publicly.

Question Mr. Sathaporn remarked that the audit fees PWC has charged other companies have dropped from the previous year.

Answer Ms. Bussaba explained that, to propose audit fees, nature or type of business of each company and expected audit period will be taken into consideration. In case of the Bank, it is different from other types of business as regards relevant regulations to be considered, as the Bank is under supervision of the BOT which has adjusted the financial statement presentation and formats, and may change regulations on accounting record standards.

Question Mr. Sathaporn suggested that, if the Bank has put in place good internal control system and taken some actions to facilitate the external auditors' operations, man-hours and hence audit fees would drop. Therefore, it is deemed fit to set audit fee decrease in the following year as KPI of relevant internal work units.

Answer The President and CEO added that as the past year was the first year of PWC's audit of the Bank's book, it thus took time for the company to study and understand our business, unlike the former auditor which had audited the Bank since the beginning. However, the Bank will bring the shareholder's suggestion for further consideration.

Question Mr. Basant Kumar Dugar, a shareholder, enquired about details of the BOT IT audit item in the remark below the table showing PWC audit fees in page 4 of the Notice of AGM, thereby the Bank saved expense by THB 143,000 in 2011 compared with 2010.

Answer The President and CEO clarified that the BOT has issued criteria on IT system audit by prescribing that IT audit must be undertaken by an external auditor. In 2010, the Bank had an external company to deal with the task, and expense on which was separately recorded. For 2011, PWC is to perform this duty and it has charged the Bank the audit fee on this part at a rate lower than that charged by such external company in the previous year by THB 143,000.

No further questions were raised. The Chairman requested the meeting to vote.

The Chairman declared that 99.9846% of the shareholders present at the meeting and with the right to vote agreed (equal to 15,934,809,518 votes), while 0.0133% disagreed (equal to 2,116,081 votes) and 0.0022% abstained from voting (equal to 343,129 votes). There were no shareholders with no right to vote.

The voting result was displayed on the monitor in the Conference Room.

### Resolution

The meeting resolved by majority votes of the shareholders present and with the right to vote to appoint PriceWaterhouseCoopers ABAS Ltd. by Mr. Boonlert Kamolchanokkul (CPA license no. 5339), Mrs. Anothai Leekijwattana (CPA license no. 3442), and Mrs. Unakorn Phruithithada (CPA license no. 3257) as the auditor of the Bank for the year 2011 and to determine the auditing and other fees for 2011 of THB 10,325,500,

as well as to acknowledge the auditing fee of THB 2,298,500 for the subsidiaries, making up the total auditing and other fees of the CIMB Thai Group for the year 2011 of THB 12,624,000.

**Agenda item 7 To consider the election of directors to replace those retiring by rotation**

The Chairman informed the meeting that to comply with the Public Limited Companies Act and the Articles of Association of the Bank No.18, which state that at every annual general meeting, one-third of the directors shall vacate. The director who has held office longest shall vacate. Moreover, a retiring director is eligible for re-election. At this AGM, three directors who shall retire by rotation are as follows:

- |    |                       |  |
|----|-----------------------|--|
| 1. | Mrs. Watanan Petersik | Independent Director / Member of Audit Committee |
| 2. | Mr. Preecha Oonchitti | Director   |
| 3. | Mr. Kenny Kim         | Director   |

Pursuant to the good corporate governance, the Bank has allowed shareholders to propose qualified persons without any prohibited characteristics for election of directors according to the nomination criteria and process via the Stock Exchange of Thailand and the Bank's website. It has turned out that no shareholder has proposed any names to the Bank.

The Board considered it appropriate for the AGM to re-elect the three members of the Board of Directors due to retire by rotation as the Bank's Directors for another term. The Nomination and Remuneration Committee has considered the matter based on the nomination criteria and is of the view that the three members of the Board of Directors, as proposed, are fully qualified under the regulatory criteria and relevant laws. In addition, they possess the required qualifications, skills, knowledge, capabilities and experience, with dedication to the Bank's operations and adherence to code of ethics, transparency and independence in expression of viewpoints. The appointment of the three directors has duly been approved by the BOT. Therefore, the AGM is requested to elect the three members of the Board, namely (1) Mrs. Watanan Petersik, (2) Mr. Preecha Oonchitti, and (3) Mr. Kenny Kim, as directors for another term. Profiles of directors had duly been sent to all shareholders.

Names, photos and profiles of the three directors proposed for election were displayed on the monitor in the Conference Room.

The Chairman welcomed questions and comments from the shareholders.

**Question** Mr. Sathaporn Phangniran, a shareholder, asked why this year the cumulative voting method had not been used for the election of directors to replace those retiring by rotation. The cumulative voting is the voting method whereby the total number of votes held by each shareholder is equal to the number of shares held multiplied by the number of directors, and the shareholder may cast all the votes for any one director or allocate the votes to several or all directors.

**Answer** The Company Secretary clarified that the AGM in the previous year approved for the Bank to amend the Articles of Association regarding the voting method for the election of directors by changing from the cumulative voting method aforementioned to the method whereby one-third of all the directors are required to resign at each annual general meeting of shareholders. This method, which is also adopted by several other companies, is not in breach of the Bank's Articles of Association and the Public Limited Companies Act.

No further questions were raised. The Chairman requested the meeting to vote.

The voting results were declared by the Chairman as follows:

1. Mrs. Watanan Petersik Independent Director/Member of Audit Committee

Agreed	15,937,218,646	votes	equivalent to	99.9991	%
Disagreed	122,222	votes	equivalent to	0.0008	%
Abstention	19,482	votes	equivalent to	0.0001	%

2. Mr. Preecha Oonchitti Director

Agreed	15,937,214,868	votes	equivalent to	99.9997	%
Disagreed	3,666	votes	equivalent to	0.0000	%
Abstention	50,194	votes	equivalent to	0.0003	%

3. Mr. Kenny Kim Director

Agreed	15,937,218,534	votes	equivalent to	99.9997	%
Disagreed	0	votes	equivalent to	0.0000	%
Abstention	50,194	votes	equivalent to	0.0003	%

All the votes of the shareholders were displayed on the monitor in the Conference Room.

**Resolution**

The meeting by majority votes of the shareholders attending the meeting and with the right to vote agreed to re-elect the three Directors due to retire by rotation, namely Mrs. Watanan Petersik, Mr. Preecha Oonchitti and Mr. Kenny Kim, as the Bank's Directors for another term.

**Agenda item 8 To consider and approve an amendment of the Resolution of Annual General Meeting of Shareholders No. 16 held on 29 April 2010 regarding the issuance and offering of debentures of the Bank (Agenda item no. 13)**

The Chairman asked the President and CEO to present this agenda item to the meeting. The President and CEO summarized as follows:

In agenda item no. 13 of the Annual General Meeting of Shareholders No. 16 held on 29 April 2010, the meeting approved the Bank's mobilization of funds for use in its business by way of issuing and offering for sale the hybrid subordinated debt capital instrument that can be counted as tier I capital and/ or tier II capital within a limit of THB 6 billion (the "Old Resolution").

In order to enhance flexibility in managing the Bank's funding structure, to serve the Bank's business strategy more efficiently, and to meet customer demand, as well as to develop Thai capital markets, it is considered proper to propose an amendment to the Old Resolution to the shareholders for approval.

The key amendments are regarding the total issue size of the debentures, from not exceeding THB 6 billion to not exceeding THB 30 billion and the type of instrument from hybrid subordinated debt capital instruments that can be counted as tier I capital and/ or tier II capital to all types and forms of debentures. It is requested that such resolution be amended to read as follows:

"Approval is granted for the Bank to mobilize funds for use in the business of the Bank, by way of the Bank and/or its branches issuing and offering for sale debentures of all types and all forms, within the limit of THB 30 billion, including debentures issued but not yet redeemed at any time. This shall be at the Bank's discretion and subject to the need to use any such funds, as well as the following conditions:

Types	:	All types and forms of debentures (including but not limited to subordinated debentures, unsubordinated debentures, hybrid capital debentures, convertible debentures, securitized debentures, secured debentures, unsecured debentures and/or derivatives debentures) depending on market condition at such time the debentures are to be offered.
Amount and Currency	:	Principal amount of debentures, including debentures issued but not redeemed, at any time shall not exceed THB 30 billion. Debentures may be issued in THB or other currency in equivalent amount as applied by exchange rate prevailing at such time the debentures are issued and offered.
Offer for Sale	:	The debentures shall be offered to sell to the public and/or on a limited offering or private placement basis, and/or to institutional investors/high net-worth investors in Thailand and overseas according to notifications of Capital Market Supervisory Board ("CMSB"), the BOT, the Securities and Exchange Commission ("SEC") and/or the Office of the SEC and/or other related notifications, rules and regulations in force at the time the debentures are offered. Debentures may be offered to investors in all types and also be offered in whole or in part, and/or as a program, and/or in revolving nature. The debentures may be issued and offered separately from, in combination of, or together with other securities.
Interest Rate or Yield	:	Interest and yield shall depend on market condition at such time the debentures are issued and offered or under terms and conditions of the debentures issued at such time. This shall be subject to notifications of CMSB, BOT, SEC and/or the Office of the SEC and/or other related notifications, rules and regulations in force at such time the debentures are issued and offered.
Redemption Period	:	Redemption period shall depend on market condition at such time the debentures are issued and offered.
Early Redemption	:	Debenture holders may or may not have the right to request the Bank to redeem any debentures issued prior to the redemption period. The Bank may or may not have the right to make early redemption. This shall be subject to terms and conditions of the debentures issued at such time.

In addition, the AGM is requested to entrust the President, the Board of Directors or a person or persons authorized by the President, or the Board of Directors, the power and authority to undertake all actions required in connection with the debentures as per the details and conditions above.

The President and CEO added that the Bank's issuance of debentures as approved at the previous AGM was limited to only issuance of subordinated debentures and clarified objectives of the issuance and offering of debentures as follows:

1. To strengthen the Bank's capital fund
2. To raise funds apart from deposits for loan expansion

3. To accommodate launch of products regarded by regulatory criteria as equity instruments requiring approval from the AGM totaling approximately THB 30 billion. Other banks have also sought approval from their AGM for the issuance of debentures of similar nature, with some larger ones involving total amount of up to THB 150 billion.

The Chairman invited the shareholders to raise questions and comments. As there were no questions, the Chairman requested the meeting to vote.

This agenda item required the affirmative votes of at least three-fourths of the total votes of the shareholders who attended the meeting and had the right to vote.

The Chairman declared that 95.9285% of the shareholders present at the meeting and having the right to vote agreed (equal to 15,288,378,922 votes), while 4.0625% disagreed (equal to 647,452,040 votes) and 0.0090% abstained from voting (equal to 1,437,766 votes). There were no shareholders with no right to vote.

All the votes of the shareholders were displayed on the monitor in the Conference Room.

#### **Resolution**

The meeting resolved by the affirmative votes of more than three-fourths of the shareholders who were present at the meeting and having the right to vote, approving the amendment of the Resolution of Annual General Meeting of Shareholders No. 16, held on 29 April 2010, regarding the Issuance and Sale of Debentures of the Bank (Agenda No. 13) as proposed.

**Agenda Item 9** To consider and approve sale of 49,999,993 ordinary shares held by the Bank in CIMB Securities (Thailand) Co., Ltd. ("CIMBS") at a par value of THB 10 each, representing 99.99% of the registered capital of CIMBS, for a total cash consideration of THB 510,337,881.85 to CIMB Securities International Pte Ltd. ("CIMBSI"), a wholly owned subsidiary of CIMB Group Sdn Bhd ("CIMB Group") ("Sale of CIMBS")

The Chairman asked the President and CEO to present this agenda item to the meeting. The President and CEO summarized as follows:

The Board deems it appropriate for the AGM to approve the sale of 49,999,993 ordinary shares held by CIMB Thai in CIMBS, at a par value of THB 10 each, representing 99.99% of the registered capital of CIMBS, for a total cash consideration of THB 510,337,881.85 to CIMBSI. (Details of the Sale of CIMBS were as shown in Enclosure no. 4 - Information Memorandum in respect of the Connected Transactions and Disposition of Assets of the Bank)

The aforementioned transaction is considered as a connected transaction as prescribed in the Notification of the Capital Market Supervisory Board no. TorJor. 21/2551 re: Related Party Transactions and the Notification of the Board of Governors of the Stock Exchange of Thailand re: Disclosure of Information and Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 (2003) as well as the amendments thereof ("Notification of Connected Transactions"), since the size of the transaction of the Sale of CIMBS is 4.48%, which is more than 3% of net tangible assets ("NTA") of the Bank and its subsidiaries, based on the audited consolidated financial statements as at 31 December 2010, which amounts to THB 11,401.89 million.

There are also other connected transactions previously approved by the Board that have taken place in the past six months, including (1) the provision of Insourcing Services to Sathorn Asset Management Co., Ltd. ("STAMC") valued at THB 7 million; and (2) the provision of Insourcing Services to CIMB-Principal Asset Management Co., Ltd. at THB 1.65 million. The aggregate size of these connected transactions computed according to the Notification of Connected Transactions is 4.55% of the NTA of the Bank and its subsidiaries, based on the audited consolidated financial statements as at 31 December 2010 (inclusive of the Sale of CIMBS and the transactions (1) and (2) above).

As such, the Sale of CIMBS shall be proposed for approval of the Bank's shareholders at a shareholders' meeting by a vote of not less than three quarters of the votes of all shareholders who are present at the meeting and are entitled to vote. As CIMB Bank Berhad ("CIMB Bank") is an interested shareholder, CIMB Bank shall abstain from voting on this agenda item.

In addition, the aforementioned transaction is considered a disposition of the Bank's assets in accordance with the Notification of the Capital Market Supervisory Board no. TorJor. 20/2551 re: Rules for Significant Transactions Constituting an Acquisition or Disposal of Assets and the Notification of the Board of Governors of the Stock Exchange of Thailand re: Disclosure and Procedures of Acquisition and Disposition of Assets of Listed Companies B.E. 2547 (2004) ("Notification of Acquisition and Disposal Transactions"); and based on the maximum criteria of net asset value, the value of the transaction is 4.21%, which is lower than 15%. As such, disclosure of the transaction and the approval from a shareholders' meeting are not required pursuant to the Notification of Acquisition and Disposal Transactions.

The Bank has appointed Jaydee Partner Limited as the Independent Financial Adviser ("IFA") to opine on the Sale of CIMBS for the AGM's consideration as prescribed in the aforementioned Notification of Connected Transactions. (Opinion of the IFA was as shown in Enclosure no. 5.)

The President and CEO provided additional reasons for the management's request for approval of the sale of shares of CIMBS as follows:

1. CIMBS has had a very small market share ranking at no. 25-30 of the industry.
2. For the previous year, the Stock Exchange of Thailand has changed regulations on calculation of brokerage commission. As such, to increase CIMBS's market share as planned by the management requires additional capital for investment in and development of the relevant systems. Also, pursuant to the criteria of Securities and Exchange Commission, if the trading volume increases, the company must maintain the capital level against such trading volume.
3. As additional capital for CIMBS is projected to be high, while the Bank has also planned for its own business expansion, in order to relieve the Bank's burden, the management has thus proposed the sale of CIMBS.

The Chairman invited questions and comments from the shareholders.

The Chairman informed the meeting that for this agenda item, the Bank had received a proxy form of a shareholder with shares deposited with a financial institution (as custodian), indicating dissenting vote of approximately 648 million shares on this agenda item, accounting for over 25% (one-fourth) of the total shares of the shareholders present at the meeting and having the right to vote for this agenda item. As such, the Sale of CIMBS had not received approval from the AGM. However, the Bank still had to proceed with the voting procedure of the meeting.

Question A shareholder enquired about this shareholder's reason for not voting for the Sale of CIMBS and whether the Bank would focus on any other businesses.

Answer The President and CEO clarified that this shareholder is a foreign shareholder with shares deposited with a financial institution or the custodian. The Bank did not know why the shareholder had voted against the Sale of CIMBS. The document only indicated disagreement for which no reason had been given. However, the Bank tried to contact the shareholder to clarify the issue but could not directly meet with the shareholder. CIMBS is a securities company which conducts a brokerage business. At present, it has a small market share so the management of CIMBS has planned to increase the market share or the trading volume in the Stock Exchange of Thailand ("SET") via the company. To implement such plan, a capital increase is required to fund the investment in the stock trading system and increase in manpower. In addition, pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC"), securities companies which conduct brokerage business are required to maintain the net liquid capital (NC) for each day's trading volume. In view of this, if CIMBS still plans to continue its business expansion, the capital increase burden would have to be borne by the Bank which has to concurrently pursue its plan to grow loan business. Therefore, the management has deemed it appropriate to sell out CIMBS.

Question A shareholder enquired whether the shareholder who disagreed with the Sale of CIMBS to CIMB Group provided any reasons for the disagreement and how the Bank made the share valuation to reach the final price.

Answer The President and CEO clarified that the reason was not specified in the proxy form which indicated disagreement. For the offering price, the Bank had appointed an independent financial advisor to conduct price valuation to ensure the appropriateness of the price, using several valuation approaches as in the document accompanying the meeting notice for the shareholders' consideration. The Bank would gain about THB 50 million from the sale of CIMBS.

Question Mr. Sitthichok Boonwanich, a shareholder, opined as follows:

- Most banks have securities companies as their subsidiaries to help increase revenues. As the Bank has CIMB Bank (Malaysia) which is a leading bank in ASEAN as a major shareholder, the Bank can leverage on CIMB Group's reputation and recognition across ASEAN to help boost trading volume by encouraging foreign investors in Singapore, Malaysia, and Indonesia to trade in the Thai stock market via CIMBS. If the performance of CIMBS improves, it can be listed on the SET, which will add value to the Bank. As such, this business should not be sold.

- World Lease Co., Ltd. has changed its name but no sufficient public relations campaign has been made.

Answer The Chairman explained that the Bank needs to restructure its franchise of subsidiaries to suit the current situation. As CIMBS has planned to continue its business growth pace, a capital increase will be required, which has to be borne by the Bank. At the same time, the Bank requires a robust financial position to build and expand its core business. As a result, it is deemed appropriate to sell out CIMBS, which will be a more beneficial way to the Bank. Several banks have also taken action in this way. However, in the future, if the situation and the financial position of the Bank have improved, we may consider a change to this structure again as considered proper.

Answer The President and CEO clarified that CIMBS's core businesses include brokerage business, financial advisory service, and other investment banking businesses. In the Sale of CIMBS, the Bank will transfer only the brokerage business which requires high investments, but other investment banking businesses including the independent financial advisory service of CIMBS will be maintained with the Bank by transferring to the Investment Banking Group of the Bank.

Question A shareholder asked whether the Bank had planned to restructure its subsidiaries in leasing business and to grow this business area.

Answer The President and CEO clarified that car leasing and motorcycle leasing businesses are under the operations of two subsidiaries – BT Leasing Co., Ltd. and BT World Lease Co., Ltd. The Bank has registered the change of names of BT Leasing Co., Ltd. to Center Auto Lease Co., Ltd. and BT World Lease Co., Ltd. to World Lease Co., Ltd. to align with the name of the Bank. The two companies are major businesses of the Bank and this year the Bank has set a fairly high leasing loan target. If the Bank has a plan to change the structure of its subsidiaries, it will notify the change to the shareholders and investors via the SET.

Question A shareholder asked why the Bank's sales of CIMBS and other assets had all been made only to CIMB Group without any open bid to get the best price. In addition, the independent financial advisor has viewed that the offering price is reasonable and has been valued in comparison with those in the previous transactions of other securities companies, most prices of which did not exceed 1.4 times the book value, and that if the sale is not done during this period or prior to the liberalization of securities business in 2012, the Bank may not be able to sell the company. However, the shareholder opined that the offering price of the Bank is only slightly higher than the book value and the Bank should get a higher price as the operating results of CIMBS over the past three years have been constantly improving.

Answer The IFA by Ms. Jirayong Anuman-Rajadhon explained that according to the IFA opinion in page 34, price valuation has been made by way of comparison with prices of seven transactions of other securities companies since 2004. Before 2008, the offering prices were significantly higher than the respective book value as both sellers and buyers viewed that there were constraints in applying for license to conduct securities business. However, in 2008, premium amount on the book value of the transactions tended to

decline due to the enforcement of the ministerial regulation regarding application for license to conduct a securities business which will lead to the liberalization of securities business. Since 2008, there has been a transaction between KTB Securities Co., Ltd. and Seamico Securities PCL executed at the offering price of 1.4 times the book value, which can be deemed reasonable as Seamico has ranked no. 6 in the country's brokerage industry viewing its good operating results. Meantime, CIMBS has ranked no. 29 out of a total of over 30 securities companies and recorded a profit of approximately THB 1 million. In addition, a merger and acquisition transaction among ACL Securities Co., Ltd, Syrus Securities PCL, and Finansa Securities Co., Ltd was undertaken at the book value price. The independent financial advisor thus considered that the CIMBS price is reasonable.

Question Mr. Sathaporn Phangniran, a shareholder, opined that the fact that the Bank which has CIMB Group as its shareholder sold CIMBS in which the Bank held shares to CIMB Group can be regarded as a conflict of interest. He suggested that the management's decision to sell CIMBS should be based on the consideration that the management has taken into account maximum benefits to the Bank and not due to the management problem which has caused so substantial losses to the securities business that the Bank can no longer maintain the business. Also, he requested opinions of directors from CIMB Group on this matter.

Answer The Chairman explained that in relation to this agenda item, directors who are representatives of CIMB, namely Dato' Robert Cheim Dau Meng and Mr. Kenny Kim, have not taken part in consideration of this agenda item and have abstained from voting, as well as cannot express opinions on this matter as they are persons with beneficial interests. However, upon thorough consideration of all relevant details, the Bank has viewed that this transaction will bring maximum benefits to the Bank. In this relation, the Bank has also assigned an IFA who is a neutral party to give opinions in compliance with relevant rules, regulations and criteria.

Question Mr. Basant Kumar Dugar, a shareholder, expressed his opinions as follows:

- The offering price set at 1.4 times the book value is too low. The price should be higher given the Bank's good operating results and no urgency to sell the securities business at the moment. Viewing a similar case, Maybank (Malaysia) has recently acquired Kim Eng Securities (Thailand) PCL at a much higher price than the book value. In addition, Thailand has bright economic and business outlook. With the securities business maintained, the Bank would be able to leverage on its branch network and customer base to grow the securities business.

- As regards the issuance of debentures, the Bank should have a plan to gear up for Basel III which will come into effect in the next seven years. Issuance of convertible debentures will allow for tax benefit. When Basel III comes into force, the debentures can be converted into equity. However, there are still some concerns over the Bank's stock dilution.

Answer The President and CEO clarified the point raised by a shareholder about the management of the securities business by the Bank which may have been the cause of CIMBS's operations at loss. The business to be sold is the brokerage business, while the investment banking business, which provides financial advisory services, will be transferred to the Bank as it can generate fee income to the Bank without cost burden. The brokerage business requires high investments in work systems and manpower increase. Moreover, CIMBS has only a small market share of not over 1% and has ranked no. 29 in the brokering industry, hence competitive disadvantage and being exposed to market fluctuation risk. Despite an upward growth trend in the long run, CIMB Group is in a better position to make more investments to support the business. However, if the Bank needs to make additional equity investment in CIMBS, return on equity will be around 10%, which in the initial period is considered a better return than that from other types of investment. As for issuance of debentures, the Bank has a funding plan in place and has requested the shareholders' approval of a change in debenture issuance type to be on a broader scale and with more flexibility to be in line with the circumstances as proposed at this meeting.

As there were no other questions, the Chairman requested the meeting to vote.

The Chairman added that this agenda item required an affirmative vote of at least three-fourths of the total votes of the shareholders present at the meeting and having the right to vote, and on which CIMB Thai has no right to vote.



The Chairman declared that 12.2310% of the shareholders present at the meeting and having the right to vote agreed (equal to 90,397,755 votes), while 87.6233% disagreed (equal to 647,612,463 votes) and 0.1457% abstained from voting (equal to 1,076,937 votes). There was one shareholder that had no right to vote (equal to 15,198,418,595 votes).

All the votes of the shareholders were displayed on the monitor in the Conference Room.

### **Resolution**

The meeting resolved by the affirmative vote of less than three-fourths of the total votes of the shareholders present at the meeting and having the right to vote disapproving the proposed sale of 49,999,993 ordinary shares held by the Bank in CIMB Securities (Thailand) Co., Ltd. ("CIMBS") at a par value of THB 10 each, representing 99.99% of CIMBS's registered capital, to CIMB Securities International Pte Ltd., a wholly owned subsidiary of CIMB Group Sdn Bhd.

### **Agenda Item 10 To acknowledge the connected transactions and disposition of assets of the Bank**

The Chairman asked the President and CEO to present this agenda item to the meeting. The President and CEO summarized this agenda item as follows:

The Board of Directors has considered and viewed it appropriate to propose for the AGM's acknowledgment of the undertaking of connected transactions and disposition of assets of the Bank as approved by the resolution of the AGM No. 16 held on 29 April 2010, as follows:

#### **1. Sathorn Asset Management Co., Ltd. ("STAMC")**

The Bank would like to inform the meeting that the restructuring of the Bank's non-performing asset division ("Restructuring") was completed on 28 December 2010 involving the following transactions:

(1) The Bank has sold its entire portion of ordinary shares held in STAMC totaling 2,499,993 shares, representing 99.99% of the registered capital of STAMC to Mutiara Makmur Ventures Sdn Bhd which is a subsidiary of CIMB Group Sdn Bhd, and has received a total cash consideration of THB 229,149,954.

(2) The sale of an identified non-performing loan ("NPL") portfolio of CIMB Thai encompassing Corporate, SME, and Retail secured NPLs with a net book value of THB 3,160,530,190.71 ("NPL Sale Portfolio") as of 31 December 2009 to STAMC. The NPL Sale Portfolio has become smaller as some of the accounts included therein have no longer classified as NPLs under the BOT guidelines. As such, consideration for the NPL Sale Portfolio has been reduced from THB 3,160,530,190.71 to THB 2,908,734,149.84 which was the net book value of the remaining NPL accounts as of 31 December 2009.

(3) STAMC did not borrow a loan from the Bank to finance its purchase of the NPL Sale Portfolio but has instead borrowed from a financial institution. Upon completion of the Restructuring, the Bank has no longer held any equity interest in STAMC and STAMC has no longer formed part of the CIMB Thai group, and the NPL Sale Portfolio has been fully deconsolidated from the Bank.

(4) The Bank has transferred its staff in the Legal and Recovery Group ("LRG") in charge of debt restructuring and follow-up tasks to STAMC since 1 February 2011.

(5) CIMB Thai has entered into a service agreement with STAMC ("Servicing Agreement") for STAMC to provide services in relation to the management of all remaining and future NPLs at LRG ("Outsourcing"), which has duly been approved by the BOT and covers a period of five years. The above transaction is considered a connected transaction pursuant to the Notification of Capital Market Supervisory Board No.

ThorJor. 21/2551 regarding Rules of Entering into Connected Transactions and the Notification of the Board of Governors of the Stock Exchange of Thailand regarding Disclosure of Information and Acts of Listed Companies concerning Connected Transactions, B.E. 2546 (2003) ("Notifications of Connected Transactions"). However, the Bank is exempted from requirements under the Notifications of Connected Transactions as the Servicing Agreement with STAMC is considered a transaction to support the business operations in the ordinary course of business and has already been approved by the CIMB Thai Board of Directors' meeting No. 12/2010 held on 2 November 2010. For this reason, the Bank is not required to seek the shareholders' approval at the AGM.

(6) The Bank provides insourcing services to STAMC with the approval of the BOT for a period of one year. This transaction is considered a connected transaction according to the Notifications of Connected Transactions whereby the Bank will receive a total cash consideration of THB 7 million. From the calculation, this transaction will not require approval from the shareholders and has already been approved by the CIMB Thai Board of Directors' meeting No. 13/2010 held on 24 November 2010. The Bank submitted the Information Memorandum of this transaction to the SET on 28 December 2010.

## 2. BT Asset Management Co., Ltd. ("BTAM")

With regards to the sale of the Bank's equity stake in BTAM, the Bank has performed as follows:

(1) The Bank has sold 24,999,993 ordinary shares it has held in BTAM, representing 99.99% of the issued and paid capital of BTAM to CIMB-Principal Asset Management Berhad on 30 June 2010 for the total cash consideration of THB 249,999,930; and

(2) The Bank has provided insourcing services to CIMB-Principal Asset Management Company Limited (formerly called "BTAM") with the approval of the BOT for a period of one year. This transaction is considered a connected transaction according to the Notifications of Connected Transactions whereby the Bank will receive a total cash consideration of THB 1.65 million. From the calculation of the size, this transaction will not require approval from the shareholders and has already been approved by CIMB Thai Board of Directors' meeting No. 13/2010 held on 24 November 2010. The Bank submitted Information Memorandum of this transaction to the SET on 24 November 2010.

## 3. Worldclass Rent a Car Co., Ltd. ("Worldclass")

After receiving approval from the shareholders meeting for the sale of the ordinary and preferred shares the Bank has held in Worldclass in an entire portion of 760,000 shares, at a par value of THB 100 each, representing 20% of Worldclass' registered capital, to CIMB Bank, the Bank has submitted a notification letter to the Board of Directors of Worldclass in order to inform the other shareholders of Worldclass of their first right of refusal to acquisition of the shares before the offering to CIMB Bank, which is the Bank's related party. I.C.C. International Public Company Limited has expressed interest to purchase 275,000 shares totaling THB 26,181,835.73 and I.D.F. Co., Ltd. has expressed interest to purchase 485,000 shares totaling THB 47,661,142.70, in a total cash consideration of THB 73,842,978.43 (book value based on audited financial statement from Worldclass). The Bank thus transferred 760,000 ordinary and preferred shares to the two companies on 23 July 2010 and received THB 73,842,978.43 in cash consideration. The Bank already informed this transaction to the SET on 27 July 2010.

The information presented by the President and CEO was displayed on the monitor in the Conference Room.

The Chairman invited the shareholders to raise questions and comments.

The Chairman informed the meeting that this agenda item was for the shareholders to acknowledge the undertaking of the connected transactions and disposition of assets of the Bank, so no voting was required. As no other questions were raised by the shareholders, the Chairman asked the meeting to acknowledge as proposed. The meeting accordingly acknowledged the undertaking of the connected transactions and disposition of assets of the Bank.

#### **Agenda Item 11 Other matters (if any)**

The Chairman opened the floor for further questions and comments from the shareholders.

Question A shareholder raised questions and gave suggestions as follows:

- Why would the Bank not pay dividends this year given the higher profits for the past year? The shareholder cited a case of another bank which could not pay dividends for the past few years but would be able to pay dividends to its shareholders this year. The Bank should accordingly pay dividends at the rate similar to that bank's.

- How were the write-off negative goodwills of THB 72,796,094 in page 103 of the Annual Report recorded?

- The shareholder asked for a change of the wording in clause C) in page 31 of the Thai-version Annual Report from "...หุ้นกู้เอกชนจำนวน 55 หุ้น" to "...หุ้นกู้เอกชนจำนวน 55 ราย" to be clearer.

Answer The President and CEO clarified that in 2010 the Bank recorded a profit of around THB 828 million, as the Bank has set a relatively high growth target compared with the previous year, with the business growth of around 15%. After the capital increase, the Bank has had a CAR of around 14.6% which is higher than the BOT criteria of 8.5% and close to the industry average of 15%. To render loans, the Bank has to maintain the CAR at 8.5% minimum as required by the BOT. Based on the Bank's profit in the previous year, if the Bank expands loans more than THB 9.6 billion, its CAR will drop. As such, maintaining of CAR is necessary while the Bank aims to expand loans more than THB 9.6 billion this year. If the Bank can record a higher profit than that in the previous year of around THB 800 million, its return on equity or ROE will go up to a satisfactory level. For these reasons, it is considered appropriate to propose the suspension of dividend payment to allow for continued business expansion of the Bank.

For the change of the wording in clause C) in page 31 of the Thai-version Annual Report, the management will change the wording as suggested by the shareholder.

As for the write-off negative goodwills, Senior Executive Vice President of Strategy and Finance Group clarified that the write-off negative goodwills of THB 72,796,094 resulted from the Bank's investments in subsidiaries in the past which were disposed in the previous fiscal year. The recording of goodwills in this case could be made in two ways – recorded in the retained earnings or recognized as income in the given fiscal period. As it is not a large transaction, it has not been recorded in the income statement.

Question Mr. Basant Kumar Dugar, a shareholder, said he was confident in the management team of the Bank led by the Chairman, the President, and all Board members who have extensive experience and have all along been able to manage the Bank's business efficiently. The shareholder gave opinions and suggestions as follows:

- The AGM is a good opportunity for the shareholders to raise questions about the Bank and provide opinions to the Board of Directors and the management. The Bank should not hold the meeting on the same day as those of other listed companies so that the shareholders can attend all the meetings. In addition, the Bank should send the Annual Report and the meeting documents to the shareholders in hard copy or paper form because the documents in CD-Roms sent by the Bank for the past years may not be convenient to some shareholders.

- In view of payment of directors' remuneration, the Bank as the payer is duty-bound to deduct withholding tax before paying to the directors. The Bank should check and monitor this matter to ensure compliance with relevant laws.

- As for the sale of STAMC, after receiving approval from the previous AGM, CIMB Malaysia did not apply for a loan from the Bank but from another financial institution to pay for the NPL acquisition, which has caused the Bank to lose opportunity to receive interests. The Bank should ask CIMB Malaysia to use financial facility from the Bank so that the Bank can get additional benefits.

- With the upcoming Asian Economic Community in 2015, CIMB will benefit from its business expansion in Thailand. CIMB Thai was asked to convince the mother company of the good prospects of business operations in Thailand so that they would not withdraw investments in Thailand, and encourage them to make more investments in this country. In addition, the shareholder expressed confidence that the Bank management led by President and CEO Subhak Siwaraksa would be able to bring greater success to the Bank's business operations.

Mr. Sathaporn Phangniran, a shareholder, raised queries and provided suggestions as follows:

- What is the Bank's business plan for 2011?

- In selling mutual fund products such as RMF and LTF to customers, branch staffs still lack knowledge and understanding of the products as well as investment and tax benefits to ensure clear explanation to the customers. The Bank should hold training sessions to provide more knowledge to branch staffs.

- The Bank undertook its capital increase in October 2010. The shareholder requested explanation and clarification on the allocation of the remaining shares to share subscription in excess of the rights offering after the end of the subscription period.

Mr. Sitthichok Boonwanich, a shareholder, raised queries and gave suggestions as follows:

- According to CIMB's TV advertising, its ASEAN network covers 151 branches in Thailand and 615 branches in Indonesia. Why are there only two branches in Singapore? Is it because of Singapore's regulatory constraint on branch expansion?

- Does CIMB Group have any plan to create synergies or hold meeting sessions among SME customers of CIMB across ASEAN? Please give explanation on such plan.

- Is it true that CIMB Group will buy the portion of shares of TMB Bank Public Company Limited held by the Ministry of Finance?

- Please give comparative explanation of lending interest rates in Thailand and those in Malaysia.

Mr. Kitti Sanitwong Na-Ayutthaya, a shareholder, raised a query as follows:

- The Deposit Protection Agency will start cutting down deposit protection limit to the amount up to THB 50 million in 2011 and up to THB 1 million from 2012 onwards. In addition, the BOT has given a warning to investors that BE is not regarded as deposit and will not be protected by the Deposit Protection Agency. How has the Bank as a financial institution under this system prepared to cope with such circumstances?

A shareholder expressed opinions and provided suggestions as follows:

- The 2010 Annual Report shows that the Bank has total assets of THB 140.5 billion and a network of over 100 branches. Sales distribution channel and branch network are essential for operating commercial bank business in Thailand in order to generate more income for the banks. Has the Bank management had any plan to expand the Bank's sales distribution channel? Please give explanation thereon.

- What is the impact on such a small bank as CIMB Thai from the government's reduction of deposit protection limit to the amount up to THB 1 million from 2012 onwards, and what is the Bank's measure to cope with such situation?

Answer The Chairman thanked the shareholders for their questions and suggestions. For the 2011 business plan which includes the expansion of branch network and retention of deposit customer base in face of the reduction of deposit protection limit, the Bank has had certain plans and measures in place. The Chairman requested the President and CEO to give more explanation and clarification on this matter.

The President and CEO explained and clarified as follows:

- Viewing the Bank's business framework in 2011, the Bank has set loan growth target of 20% minimum, aimed at expanding retail, SME, and corporate customer bases.

To grow retail loans, the Bank will focus on secured loans, particularly mortgage loans for housing of medium price, on which the Bank has joined hands with several leading property developers.

For corporate business, the Bank will focus on trade finance and investment banking transactions which can generate fee income. From the video presentation to the shareholders before the start of the meeting, the Bank ranked no. 3 in the previous year in terms of number of bond selling deals. This year the Bank can maintain its good ranking. There have been issues of debentures and planned launches of property funds consistently since we have been successful in the launch of Dusit Thani Freehold and Leasehold Property Fund in the foregoing year.

As regards investment banking business, the Bank has been nominated by LH Bank (Land & Houses Retail Bank) to be co-advisor for its listing on the Stock Exchange of Thailand.

- CIMB has only two branches in Singapore due to the regulations of Singaporean central bank. CIMB has commercial banking business operations in Singapore for two years, and such small number of branches has posed no constraints to its operations viewing that Singapore is a small country. CIMB has even managed to grow loan and deposit bases in Singapore to total approximately THB 100,000 million in only two years of its presence there.

- The President and CEO thanked the shareholder for the suggestion on holding meetings of SME businesses across ASEAN and added that last year the Bank joined hands with Thai trade representatives to hold a meeting in Indonesia for the Agricultural Machinery Producers Association and Indonesian businessmen.

- Lending interest rates in Malaysia on average are lower than those in Thailand by 50-100 bps but their average funding (deposit) costs are higher than those in Thailand, attributable partly to the current circumstances of financial structure and inflation trends in Malaysia.

- The Bank has planned and taken actions gearing up for impacts of the government's reduction of deposit protection limit as follows:

1. The Bank has increased its capital, hence its CAR being on a par with those of other banks, i.e. around 14% at present.

2. The Bank's NPL was relatively high in the past years. In 2010, it decided to sell its NPL to CIMB Group for about THB 5 billion. After the NPL sale, the NPL ratio of the Bank dropped from around 8-10% to lower than 3%, which is relatively low compared with those of other banks. Meanwhile, the Bank has set aside higher loan loss provision from about 50% to 90%. The operating results of the Bank have improved constantly. Two years ago, the Bank's net profit was around THB 1 million but last year its net profit was recorded at around THB 800 million. Investors can analyze the Bank's position from these numbers. Also, with the support from its major shareholder through the capital increase and the purchase of the Bank's NPL, the Bank's position has been strengthened and hence its credit rating upgraded accordingly.

All banks have put in place certain measures to cope with such deposit crisis. The BOT has also viewed that, at present, each financial institution has strong financial position and low NPL. In Malaysia, deposit protection limit has long been cut down to THB 1 million and no impact has been posed on banks there.

3. For the expansion of distribution channels, the President and CEO thanked the shareholders for their suggestions. The Bank has entered into an agreement or contract for the receipt of payments or selling of products via other banks or such convenience stores as 7-Eleven, etc.


The Chairman requested the Company Secretary to clarify about the sending of the shareholders' meeting documents, the deduction of tax on directors' remuneration, and the allocation of excess rights shares.

The Company Secretary clarified that the Bank has sent the Annual Report in printed document, not in CD-Rom. Regarding tax on directors' remuneration, the Bank has deducted withholding tax according to the regulations of the Department of Revenue. For the allocation of excess rights shares, the Bank will accordingly issue a letter to Mr. Sathaporn by next week to give him more details on such allocation as the Bank has engaged CIMB Securities (Thailand) Co., Ltd. to arrange for such allocation.

No other questions and answers were raised and no other matters were proposed at the meeting. The Chairman thanked all the shareholders and proxies for their attendance and their comments and suggestions that are of great benefits to the Bank. He accordingly declared the meeting closed.

**The meeting adjourned at 5.00 p.m.**

Signed

  
(Mr. Chakramon Phasukavanich)

Chairman

Signed

  
(Mr. Thaphop Kleesuwan)

Company Secretary  
Minutes Taker