

(Translation)

**Minutes of the Annual General Meeting of 2009  
Of  
Bangkok Aviation Fuel Services Public Company Limited**

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**Time and Place**

Held on 8 April 2009 at approximately 14.00 hrs. at Meeting Room 3, and 4, Queen Sirikit National Convention Center, No. 60, New Rachadapisek Road, Klongtoey, Bangkok Metropolis 10110.

**List of Directors in attendant**

- |  |  |
|--|--|
| 1. Mr. Palakorn Suwanrath                | Chairman and Independent Director  |
| 2. Air Chief Marshal Narongsak Sangapong | Vice Chairman  |
| 3. Mr. Serirat Prasutanond               | Director   |
| 4. Mr. Vinai Chamlongrasdr               | Director   |
| 5. Mr. Navee Lertphanichkul              | Director   |
| 6. Mr. Tanachai Vienravee                | Director   |
| 7. Mr. Ath Hemvijitraphan                | Director   |
| 8. Flight Lieutenant Udom Krisnampok     | Independent Director and Chairman of Audit Committee   |
| 9. Mr. Aswin Kongsiri                    | Independent Director, Chairman of Nominating Committee and Chairman of Risk Management Committee |
| 10. Mr. Visut Montriwat                  | Independent Director, Audit Committee Director and Chairman of Remuneration Committee            |
| 11. Mr. Sumon Surathin                   | Independent Director   |
| 12. M.R. Supadis Diskul                  | Managing Director  |

**List of Directors who were absent**

- |   |          |
|---|----------|
| 1. Mr. Chanchai Singtoroj                 | Director |
| 2. Mr. Nattachak Pattamasingh Na Ayuthaya | Director |
| 3. Mr. Tummasak Chutiwong                 | Director |

**Preliminaries**

Mr. Palakorn Suwanrath, Chairman, presided over the Meeting. The Chairman informed the Meeting that 220 shareholders were present, of which 127 shareholders attended the Meeting in person and 93 shareholders attended the Meeting by proxy, holding altogether 362,709,226 shares, representing 71.12% of the Company's total outstanding 509,997,325 shares. The quorum was thus formed in accordance with the Articles of Association. The Chairman declared the Meeting opened.

The Chairman introduced the Board of Directors, executives, legal advisor and auditor of the Company to the Meeting and then made a statement to the Meeting regarding the opportunity provided for the shareholders to propose the agenda and to nominate the directors via website. Upon the fixed period of time, there was no shareholder proposing the agenda and nominating the directors. For the procedures for casting votes at each item of agenda, he requested that the shareholders, who wished to vote in objection to the proposal or to abstain to vote, identify themselves for the sake of convenience and quickness of the votes counting. If no one identifies himself/herself to vote in objection or to abstain to vote, it would be deemed that the Meeting concurred to the proposal in each respective agenda unless the shareholder who votes in objection to such proposal or abstain to vote in the proxy. With regard to the appointment of proxy, every shareholder was unable to split his/her vote in respective agenda unless the foreign shareholder appointing custodian in Thailand to be his/her securities custodian was able to split his/her vote for respective agenda. In case where the shareholder authorized his proxy in writing to attend the meeting and such proxy voted according to the shareholder's intention in advance, in such case, the Company would record and add such vote (whether affirmative, negative vote or abstaining to vote) with the vote result of respective agenda.

In addition, for the sake of transparency of vote counting, the Company invited Miss Boonyaorn Phopoonsak, Legal Advisor of HNP Counsellors Limited, and also invited another shareholder to be the witness of vote counting.

Mr. Nattapong Chumsong, a shareholder's proxy, volunteered to be the witness for vote counting, thus, he was invited to the vote counting desk.

The Meeting agreed with the Chairman's proposal. The Chairman then conducted the Meeting in accordance with the following agendas.

#### **Agenda 1 To Approve the Minutes of Annual General Meeting of 2008**

The Chairman asked the Meeting to consider, page by page, the Minutes of the Annual General Meeting of year 2008 which had been sent to the shareholders together with the Meeting Invitation Notice and informed the Meeting about the method of vote casting in this agenda.

The Chairman asked the Meeting whether there was any shareholder requesting for any amendment. Then, as there was no other shareholder proposing the amendment, the Chairman asked the Meeting to resolve such matter.

The Meeting considered the matter and casted 371,344,187 affirmative votes representing 100%, and 0 negative vote representing 0.00%, and abstained to vote for 0 vote representing 0.00% votes, and

**RESOLVED THAT** the minutes of the Annual General Meeting of year 2008 be approved.

## **Agenda 2 To Acknowledge the Report of the Board of Directors regarding the Performance of the Company in the Year 2008 and Future Operation**

The Chairman reported the details of Report of the Board of Directors regarding the Performance of the Company in the year 2008 and Future Operation as appeared in the Annual Report of the year 2008 which had been sent to the shareholders together with the Meeting Invitation Notice and asked the Managing Director to report it to the Meeting.

The Managing Director reported to the Meeting the performance of the Company in brief that the major factors affecting the Company's performance in the year 2008 were as follows. Firstly, it was the fluctuation of the world market's fuel price, because although the fuel price decreased during the year-end but the airlines had insured the fuel price in advance (hedging). Accordingly, the fuel price had not much decreased as it is deemed to be, therefore, the airlines all over the world then faced their great financial problem. Secondly, they were the world economic crisis and the domestic political turmoil seen from the total number of passengers at Suvarnabhumi Airport and Don Mueang Airport in the year 2008 in the number of 43.6 millions passengers, decreased by 5.2% compared with those of the year 2007 i.e. 46 million passengers. However, during the first quarter and the second quarter in the year 2008, the number of passengers was likely to increase. But during the third quarter and the fourth quarter, the number of passengers decreased resulting from the world economic downturn including the domestic political problem due to the rally during 25 November up to 4 December of the year 2008 at both Suvarnabhumi Airport and Don Mueang Airport. The number of flights serviced at Suvarnabhumi Airport and Don Mueang Airport of the year 2008 decreased by 5.6% (there were 146,047 flights) compared with those in the year 2007 (there were 154,719 flights).

The volume of aviation fuel serviced by the Company at both Suvarnabhumi Airport and Don Mueang Airport decreased by 6%, the total volume of such aviation fuel was 4,313 million litres. It decreased from those of the year 2007 which was approximately 4,588 million litres, approximately 97% was aviation fuel serviced at Suvarnabhumi Airport, and approximately 91% was aviation fuel for international travel. With regard to Company's market share of aviation refuelling service of the year 2008 compared with those of its competitors at Suvarnabhumi Airport, Company's market share considered from the flights number was 94.0%-to-6.0%. Additionally, after considering from the volume of aviation refueling service, Company's market share was 89.5%-to-10.5%.

In term of the Company's performance, the Company had the net profit amounting 437.7 Million Baht, a decrease by 19.4% from those of the year 2007 which was 543.3 Million Baht and its earning per share was 0.86 Baht. The Company's total revenue was 2,127 Million Baht, decreased from those of the year 2007 by 5.8%, the total service expense was in the amount of 941.3 Million Baht, increased by 2.8% from those of the year 2007. The administration cost was in the amount of 314.5 Million Baht, increased by 5.1%. In the balance sheets as of the end of the year 2008 compared with those of the year 2007, there were the changed major items. In summary, as of 31 December 2008, the Company Group's total assets were in the amount of 7,060.6 Million Baht, a decrease of 5.9% compared with those of the year 2007. The long-term loan was in the amount of 3,102.4 Million Baht, a decrease of 8.9%. The total debt was

in the amount of 4,069.8 Million Baht, a decrease of 8.8%. The Debt to Equity Ratio (D/E Ratio) improved from that of the year 2007 i.e. 1.47 times to be 1.36-to-1. The shareholder's equity as of the end of the year 2008 in the amount of 2,990.9 Million Baht, decreased by 1.6% from those of the previous year.

With regard to the forecast of fuel volume of the year 2009, after having considered from the total volume of fuel service in the year 2008 whose its volume increased in the first and the second quarters, but decreased in the third and the fourth quarter. The Company forecasted that in the year 2009, the average fuel service would be approximately 11.59 million litres per day. In this regard, the growth rate of fuel volume compared with those of the year 2008, would decrease by 2%. If compared with the growth rate of the fuel volume based on monthly basis during the year 2008 and the forecast of the year 2009, during the first quarter of the year 2009, the growth rate of fuel volume was very near with those of the Company's forecast. In January, the Company forecasted that the growth rate would decrease by 14%, the actual growth rate would decrease by 14.4%. In February, the Company forecasted that the growth rate would decrease by 18%, the actual growth rate decreased by 17.6% and in March, growth rate would decrease by 14%, the actual growth rate would decrease by 12.8%. In this connection, the Company forecasted that the fuel service would increase during the second half of the year 2009 and the growth rate would progressively increase during the year-end period of time. In November, the Company forecasted that the growth rate would increase by 24% and in December, the Company forecasted that the growth rate would increase by 31% compared with those of the year 2008. If it was retrospectively compared with the total fuel service at Suvarnabhumi Airport and Don Mueang Airport of Thailand with those of other countries in this region as from the year 1990 to the year 2008, Check Lap Kok Airport in Hongkong had average growth rate of fuel volume 6.2% per year, Changi Airport in Singapore had average growth rate of fuel volume 5.1% per year, Suvarnabhumi Airport and Don Mueang Airport had average growth rate of fuel volume 4.2% per year. In the year 2003, Check Lap Kok Airport had higher growth rate due to the increase of flight number to China. In addition, during the year-end period of time of the year 2006, when Suvarnabhumi Airport commenced to render its service upto the first quarter of the year 2008, Thailand had growth rate of fuel volume higher than those of Singapore. However, due to domestic political problem and the world's economic downturn, consequently, Thailand's fuel volume decreased as from April to the end of the year 2008, the total fuel service volume of the year 2008 was in the amount of 4,313 million litres while Check Lap Kok Airport in Hongkong had the total fuel service volume in the amount of 6,168 million litres and Changi Airport in Singapore had the fuel service volume in the amount of 4,738 million litres. However, during the first two months of the year 2009, Suvarnabhumi Airport and Don Mueang Airport had the average growth rate of fuel volume in February (compared with those of January) decreased by 9.4% which was less than the decrease rate of aviation fuel volume at Check Lap Kok Airport and Changi Airport which decreased by 13.8% and 13.1% respectively.

The Company well realized the effect to the revenue from service charge and the Company's profitability, accordingly, in the year 2009, the Company had the strict expense control measures by mean of decreasing the investment money in the amount of 20 Million Baht to be 15 Million Baht. The Company asked the executives to voluntarily reduce their salaries at the rate of 5% to 20%. In this connection, the Managing Director volunteered to reduce his salary at the rate of 20%, the Company cancelled the payment

of monthly cost of living, decreased the overtime pay for working and reduced the executives' fringe benefits, for instance, fuel expense, office car, golf membership, etc.

In term of the risk management strategies, there were 2 major issues, firstly, the world's economic downturn which affected the Company revenue from the service fee. The Company managed the risk by maintaining cash flow amounting at least 110 Million Baht and the Company determined such cash flow to be the major indicator of risk to be closely observed by the executives. Moreover, the Company had contacted the financial institution to grant the emergency loan in advance in the amount of 280 Million Baht. Secondly, there was the government's policy to use only single airport. As a consequence, the Company had relocated its equipment and the dispenser and to provide the operating officer to Suvarnabhumi Airport and other airports where the Company had already rendered the services.

Then, the Chairman asked the Meeting whether there was any shareholders' inquiry.

Mr. Sathaporn Phangnirand said that from the summary of financial data as appeared in the Annual Report of the year 2008, the dividend, book value and the net profit ratio as from the year 2006 to 2008, had decreased every year which did not reflect Company's good performance as explained in the Managing Director's Statement. Thus, he asked the executive to clarify such figure and the performance inclination of the year 2009.

The Managing Director expressed his thanks to the shareholder for the comment and explained on the performance of the Company that, due to the long-term investment at Suvarnabhumi Airport including the interest burden and the depreciation, consequently, the Company's profit decreased. However, the efficiency of operation and service of the Company were at good level and satisfactory to its customers and had evaluated its performance by the system of Key Performance Indicators (KPIs). Additionally, during the first quarter to the third quarter, if there was no serious effect from external factors, the Company's performance would meet the target. Besides, the employees and the executive had worked with their full capacity and there were risk management measures and the performance in certain cases did not incur from any mismanagement or the customers' discontent in regard to the Company's service but from the external factor i.e. the world's economic crisis which widely affected the region and domestic political problem.

Mr. Anek Chatsathien said whether the Company can amortize the concession fee of the subsidiary companies in the amount of 26 Million Baht per year because the goodwill should have its increased value not the decreased value upto its expiration of 30-year concession period. He proposed that the Company should record the goodwill as the Company's asset in order to reflect the Company's capability of revenue earning, and when there was no concession, it should be deleted from the account.

The Managing Director expressed his thanks to the shareholder for the comment and asked the Senior Finance and Accounting Manager to reply Mr.Anek Chatsathien's inquiry.

The Senior Finance and Accounting Manager explained that the Company formerly recorded the account as the goodwill account and then amortize it which was in compliance with the accounting standard. But later, the Company's auditor (A.M.T. and Associates) considered that the item was not the goodwill but it was the concession right of operation which the affiliated companies had been granted from the public sectors and could be amortized according to the period of time of such granted concession right. Therefore, the Company called it as the concession of the subsidiary companies and it was deemed to be the asset in the financial statements according to the accounting standard.

The Chairman stated that the Board of Directors and the executives were pleased to accept such comment and suggestion of the shareholders and would take it into consideration and to further improve the Company's management.

The Meeting acknowledged the Report of the Board of Directors regarding the Performance of the Company in the Year 2008 and Future Operation.

### **Agenda 3 To Consider Approving the Balance Sheets and Profit and Loss Account of the Year 2008**

The Chairman stated to the Meeting that the Meeting of the Board of Directors No.1/2009 had resolved to approve the balance sheets including the profit and loss account of the year 2008 which was audited by the auditor according to the details as included in the Annual Report distributed to the shareholders together with the Meeting Invitation Notice. Therefore, the Chairman asked the Meeting to consider the matter for approval. Then, the Chairman asked the Meeting whether the shareholders had any inquiry.

Mr. Sathaporn Phangnirand inquired whether the Company had the policy to decrease the Debt to Equity Ratio (D/E Ratio) because he had the opinion that if the D/E Ratio was too high, accordingly, the Company would have the high financial cost. Therefore, D/E Ratio should decrease by increasing the equity ratio from the Company's revenue increase because the decrease of book value per share did not result only from the Company's dividend payment in form of share.

The Senior Finance and Accounting Manager explained that the Company had the policy to maintain its D/E Ratio not exceeding 2 to 1, and the loan in the approximate amount of 4,000 Million Baht for investment in the project at Suvarnabhumi Airport of the Company and its subsidiary companies did not exceed such Ratio. Additionally, at present, the Company starts the repayment for such loan, accordingly, the D/E Ratio will continuously decrease. In term of the effect to book value per share from the payment of dividend share, the Company must take quite some time for gaining profit to be adequate for the number of share increasing from the share dividend payment because the Company paid the share dividend at the rate which caused the dilution effect 20 to 25%.

The Managing Director replied the inquiry of Mr. Anupoj Panapornsirikul, the proxy of Thai Investors Association, in regard to the performance of JP-One Asset Co., Ltd. ("JP-One") which the Company invested in JP-One in the approximate amount of 300 Million Baht that JP-One was the company rendering the fuel transport through hydrant pipeline from Makkasan to Suvarnabhumi Airport, which was 1 out of 2

pipelines transporting the fuel to Suvarnabhumi Airport, such 2 pipelines were the reserve system for each others in case that either of them was unable to transport the fuel. In this regard, at the commencement of establishment of JP-One, there was Siam Investment Fund jointly invested in JP-One. Subsequently, the Company foresaw its potential, accordingly, the Company purchased the shares from Siam Investment Fund. Moreover, JP-One would be able to repay the loan in full within the next 3 years, thus, there was the outstanding cash flow and D/E ratio was very low, the financial cost was low. From the past period of time, JP-One had its profit and being able to pay dividend to the Company every year at the rate 90% of net profit, accordingly, JP-One likely to give the yield for the Company's investment.

The Senior Finance and Accounting Manager explained to Mr. Sathaporn Phangnirand's inquiry regarding the increased employees' expense that the major figures of the increased employees' expense resulting from the increase of the employees' salary according to ordinary criteria at the beginning of the year 2008. During the first quarter of such year, the whole economic condition was good. However, after the world's economic downturn inclusive of the political turmoil, thus, the Company had accelerated the issuance of measure for reducing the expenses as from the midyear of 2008 onwards. But from the incident of airport closure during the end of November to the beginning of December, the only expense (in regard to the employees which can be reduced by the Company) was the employees' bonus, therefore, the Company reduced the payment of employees' bonus of the year 2008 compared with those of the previous year. Besides, it was the reserve for the employees' retirement which was the item not having been actually paid.

There was no shareholder's inquiry, therefore, the Chairman informed the method of vote casting for this agenda and asked the Meeting to consider for resolving the matter.

The Meeting considered the matter and casted 371,604,056 affirmative votes representing 100%, and 0 negative vote representing 0.00%, and abstained to vote for 0 vote representing 0.00%, and

**RESOLVED THAT** the Balance Sheets and Profit and Loss Account of the Year 2008 be approved as proposed.

#### **Agenda 4 To Consider Allocation of Profits and Reserve Fund**

The Chairman explained to the Meeting that the Meeting of the Board of Directors No.1/2009 had resolved to approve the allocation of profits and reserve fund as follows:

(Unit : Thousand Baht)

Dividends for year 2008	203,999
Reserve for Investment Expansion	35,619
General Reserve	35,619
Retained Earnings Carried Forward to 2009	652,524

Additionally, due to the fact that there was the interim dividend payment at the rate of 0.15 Baht per share, the dividend this time was proposed to be declared at the rate of 0.25 Baht per share. The Board of Directors resolved to fix the name list of the shareholders entitled to receive the dividend on 21 April 2009 and to collect the names list in accordance with Section 225 of Securities and Stock Exchange Act B.E.2535 by closing the share register on 22 April 2009, and the dividend would be paid on 4 May 2009.

Then, the Chairman asked the Meeting whether the shareholders had any inquiry. Therefore, the Chairman informed the method of vote casting for this agenda and asked the Meeting to resolve the matter.

The Meeting considered the matter and casted 371,616,958 affirmative votes representing 100%, and 0 negative vote representing 0.00%, and abstained to vote for 0 vote representing 0.00%, and

**RESOLVED** TO approve the allocation of the profits and reserve funds plan as proposed.

**Agenda 5 To Consider the Appointment of Directors to Replace the Directors Who Are Retired by Rotation**

The Chairman asked the Managing Director to report to the Meeting.

The Managing Director explained to the Meeting that in pursuant to the Public Limited Company Act and Article 14 of the Company's Articles of Association, at every annual general meeting, one third of the directors will have to be retired by rotation and the directors who have been in the office the longest must be retired. The retiring directors are eligible to be re-elected. At this Meeting, 5 directors who will be retired by rotation are as follows:

- |    |  |                      |
|----|--|----------------------|
| 1. | Air Chief Marshal Narongsak Sangapong  | Director             |
| 2. | Mr. Chanchai Singtoroj                 | Director             |
| 3. | Mr. Nattachak Pattamasingh Na Ayuthaya | Director             |
| 4. | Mr. Navee Lertphanichkul               | Director             |
| 5. | Flight Lieutenant Udom Krisnampok      | Independent Director |

The Meeting of the Board of Directors No.1/2009 and No.2/2009 had resolved and agreed with the Nominating Committee to nominate the following persons to be the directors in place of those who are retired by rotation:-

- |    |                                       |                            |
|----|---------------------------------------|----------------------------|
| 1. | Air Chief Marshal Narongsak Sangapong | re-elected to be Director  |
| 2. | Mr. Tevin Vongvanich                  | to be Director             |
| 3. | Flying Officer Norahuch Ployyai       | to be Director             |
| 4. | Mr. Navee Lertphanichkul              | re-elected to be Director  |
| 5. | Mr. Pachara Yutidhammadamrong         | to be Independent Director |

The detail of each Director's profile appeared in the supplementary documents for the Meeting which was already sent to the shareholders. The Company invited the



shareholders to nominate the name of person to be elected as the directors via the website in advance but there was no shareholder nominating the name of directors.

In addition, the Chairman informed the Meeting that Mr. Navee Lertphanichkul's spouse (who held 281,000 Company's shares was the stakeholder in this agenda) informed in advance that she would like to abstain to vote for Mr. Navee Lertphanichkul to be re-elected as a director.

Mr. Thiti Kummerdee, the Legal Advisor, explained to Mr. Sathaporn Phangnirand's inquiry regarding the casting of vote in this agenda that due to the fact that in this agenda, the Meeting was proposed to consider on the appointment of new Company's directors to be in place of the directors who must be retired by rotation, accordingly, there would be 2 steps of consideration. Firstly, there would be the consideration to resolve the appointment of directors. After appointment of such directors, there would be the proposal to consider and resolve to fix the names and number of directors who would be authorized to sign to bind the Company later.

There was no shareholder's inquiry, accordingly, the Chairman informed the method of vote casting for appointing the directors to replace those who are retired by rotation and asked the Meeting to resolve the matter.

The Meeting considered the matter and casted the votes for each director as follows:-

1. Air Chief Marshal Narongsak Sangapong re-elected to be Director with 371,567,040 affirmative votes representing 99.99%, and 51,020 negative votes representing 0.01%, and 0 vote in abstain representing 0.00%;

2. Mr. Tevin Vongvanich to be Director with 371,576,140 affirmative votes representing 99.99%, and 41,920 negative votes representing 0.01%, and 0 vote in abstain representing 0.00%;

3. Flying Officer Norahuch Ployyai to be Director with 371,561,140 affirmative votes representing 99.98%, and 56,920 negative votes representing 0.02%, and 0 vote in abstain representing 0.00%;

4. Mr. Navee Lertphanichkul re-elected to be Director with 371,280,140 affirmative votes representing 99.91%, and 41,920 negative votes representing 0.01%, and 296,000 votes in abstain representing 0.08%;

5. Mr. Pachara Yutidhammadamrong to be Independent Director with 371,561,140 affirmative votes representing 99.98%, and 41,920 negative votes representing 0.01%, and 15,000 votes in abstain representing 0.00%;

Then, the Chairman asked the Meeting to fix the names and number of directors who would be authorized to sign to bind the Company as follows:-

“Air Chief Marshal Narongsak Sangapong, M.R. Supadis Diskul, Mr. Tummasak Chutiwong, Mr. Vinai Chamlongrasdr, Mr. Navee Lertphanichkul, Mr. Serirat Prasutanond, Mr. Tanachai Vienravee, Mr. Ath Hemvijitraphan, Mr. Tevin Vongvanich,

Flying Officer Norahuch Ployyai, any two of the above ten directors jointly sign together with Company's seal affixed"

The Chairman asked the Meeting whether the shareholders had any inquiry. Therefore, the Chairman informed the method of vote casting for this agenda and asked the Meeting to resolve the matter.

The Meeting considered the matter and casted 371,618,060 affirmative votes representing 100%, and 0 negative vote representing 0.00%, and abstained to vote for 0 vote representing 0.00%, and

**RESOLVED** 1. To appoint the following persons as the Company's directors as proposed:-

Air Chief Marshal Narongsak Sangapong	to be Director
Mr. Tevin Vongvanich	to be Director
Flying Officer Norahuch Ployyai	to be Director
Mr. Navee Lertphanichkul	to be Director
Mr. Pachara Yutidhammadamrong	to be Independent Director

2. To fix the names and number of directors who would be authorized to sign to bind the Company as follows:-

"Air Chief Marshal Narongsak Sangapong, M.R. Supadis Diskul, Mr. Tummasak Chutiwong, Mr. Vinai Chamlongradsr, Mr. Navee Lertphanichkul, Mr.Serirat Prasutanond, Mr. Tanachai Vienravee, Mr. Ath Hemvijitraphan, Mr. Tevin Vongvanich, Flying Officer Norahuch Ployyai, any two of the above ten directors jointly sign together with Company's seal affixed"

## **Agenda 6 To Consider Appointing the External Auditor and Audit Fee**

The Chairman asked Flight Lieutenant Udom Krisnampok, Chairman of Audit Committee, to report the matter to the Meeting.

Flight Lieutenant Udom Krisnampok, Chairman of Audit Committee, reported the matter to the Meeting in brief that the past external auditor had performed its duty as the Company's auditor as from the year 2006 to 2008 totaling 3 years. Therefore, the Audit Committee had recruited the auditors by comparing the past external auditor with another 2 auditors and applied the criteria of consideration in terms of finance and technique. The criteria in term of technique considered by the Company were the working plan, scope, duty and responsibility, independency, audit team, image and reputation in providing audit service. In addition, the Audit Committee also listened to the explanation in detail of the audit service from each auditor. After consideration on criteria in terms of technique and finance, Dharmniti Auditing Co., Ltd. had received the highest score and its proposed audit fee was the appropriate rate. The proposed audit fee decreased from those of the previous year of the past external auditor, from the amount of 820,000 Baht to be 750,000 Baht, or decrease by 8.5% of the audit fee of the year 2008. In addition, the auditor had the independency without relationship

with the Company and its subsidiary companies. Further, in order that the practice would be in compliance with the regulations of the SEC which determined the listed companies to rotate the auditor who signed to certify the financial statements for every 5 accounting years and the Company had used the service of the past external auditor for 3 consecutive years. Therefore, there was the proposal to appoint Mr.Pichai Dachanapirom, Certified Public Accountant, Registration number 2421 or Mr.Pojana Asavasontichai, Certified Public Accountant, Registration number 4891 or Miss Chantra Wongsri-Udomporn, Certified Public Accountant, Registration number 4996 or Miss Wannisa Ngambuatong, Certified Public Accountant, Registration number 6838 of Dharmniti Auditing Co., Ltd. to serve as the Company's external auditors of the year 2009. In this connection, either of them may be the auditor and to give the Note to Statements of the Company's financial statements with the audit fee (excluding Out of Pocket Expenses, for instance, the expense of additional financial statements preparation, traveling expense and overtime pay) as follows:-

Reviewing Fee of interim financial statements for the quarter ending on 31 March 2009	Baht 130,000
Reviewing Fee of interim financial statements for the quarter ending on 30 June 2009	Baht 130,000
Reviewing Fee of interim financial statements for the quarter ending on 30 September 2009	Baht 130,000
Auditing Fee of the Financial Statements for the year ending on 31 December 2009	<u>Bht 360,000</u>
Total	<u>Bht 750,000</u>

In the year 2009, the Company's subsidiaries will propose the aforesaid person to be the external auditors, who audit and make any comments.

Then, the Chairman asked the Meeting whether the shareholders had any inquiry. There was no shareholder's inquiry, accordingly, the Chairman informed the method of vote casting for this agenda and asked the Meeting to consider and resolve the matter.

The Meeting considered the matter and casted 371,618,060 affirmative votes representing 100%, and 0 negative vote representing 0.00%, and abstained to vote for 0 vote representing 0.00%, and

**RESOLVED TO** appoint Mr.Pichai Dachanapirom, Certified Public Accountant, Registration number 2421 or Mr.Pojana Asavasontichai, Certified Public Accountant, Registration number 4891 or Miss Chantra Wongsri-Udomporn, Certified Public Accountant, Registration number 4996 or Miss Wannisa Ngambuatong, Certified Public Accountant, Registration number 6838 of Dharmniti Auditing Co., Ltd. to serve as the Company's external auditors of the year 2009. In this connection, either of them may be the auditor and to give the Note to Statements of the Company's financial statements with

the audit fee (excluding Out of Pocket Expenses, for instance, the expense of additional financial statements preparation, traveling expense and overtime) as follows:-

Reviewing Fee of interim financial statements for the quarter ending on 31 March 2009	Baht 130,000
Reviewing Fee of interim financial statements for the quarter ending on 30 June 2009	Baht 130,000
Reviewing Fee of interim financial statements for the quarter ending on 30 September 2009	Baht 130,000
Auditing Fee of the Financial Statements for the year ending on 31 December 2009	<u>Bht 360,000</u>
Total	<u>Bht 750,000</u>

**Agenda 7 To Consider the Directors' Remuneration for the Year 2008, Monthly Remuneration and Meeting Allowance**

The Chairman asked the Managing Director to report this matter to the Meeting.

The Managing Director explained to the Meeting in brief that the Board of Directors Meeting No.1/2009 agreed with the proposal of the Remuneration Committee which proposed to pay the annual remuneration of 2008 to the Directors in the total amount of 7,600,000 Baht (less than those of the previous year which was in the amount of 7,800,000 Baht) according to the criteria for consideration based upon the Directors' performance (Performance Base) in respect of both the Company's annual net profit and declaration of dividend. For the monthly remuneration and the meeting allowance must be at the same rate.

The Chairman informed the Meeting that Flight Lieutenant Udom Krisnampok, M.R. Supadis Diskul and his spouse including the spouse of Mr. Vinai Chamlongrasdr and the spouse of Mr. Navee Lertphanichkul who held the Company's shares, which was deemed as the stakeholders for this agenda, thus, they would like to abstain to vote. With regard to the vote casting for this agenda, in accordance with the Public Limited Company Act, Section 90 and the Company's Articles of Association, Clause 15, such resolution requires the affirmative votes from the shareholders of not less than 2/3 of all shareholders who attend the Meeting and being entitled to cast the vote.

Then, the Chairman asked the Meeting whether the shareholders had any inquiry.

Dr. Sunis Julkarat proposed that in the next opportunity the Company was requested to specify the percentage of directors' remuneration of the net profit in the Notice of Invitation of Shareholders' Meeting to be the same as the Company's dividend payment.

No other shareholder's inquiry. Thus, the Chairman asked the Meeting to consider and issue the resolution.

The Meeting considered the matter and casted 371,618,060 affirmative votes representing 99.08% and 41,920 negative votes representing 0.01%, and abstained to vote for 3,391,000 votes representing 0.91%, and

**RESOLVED** TO approve the Company directors' annual remuneration of the year 2008 in the total amount of 7,600,000 Baht, for the monthly remuneration and the meeting allowance, they must be at the same rate.

## **Agenda 8      Other Businesses**

The Chairman stated that he had gained the working experience in state enterprise, state agencies and private sector. After he was invited to be the Chairman of the Board of Directors of the Company, he had inspected the Company's operation information in many aspects, especially in its good corporate governance. He has the opinion that the Company was a good company, it was trustworthy and had the management in compliance with the good corporate governance. Therefore, he agreed to be the Chairman. Accordingly, in order to be transparent in the Company's operation inspection, he would like to take this opportunity to ask the shareholders to inquire the Board of Directors and the executive in regard to the Company's operation.

The Chairman asked the Meeting whether the shareholders had any inquiry or proposal on any other matters.

Mr. Sathaporn Phangnirand inquired in regard to the legal action or the action about the Company's insurance in case of the effect from the airport closure which resulting in the loss of Company's revenue in the amount approximately 70 Million Baht. Moreover, he asked about the measure for increasing the revenue, the reduction of expense and the management of assets. In regard to the reduction of meeting expense, he asked about the category of such meeting and he said that if it was annual general meeting, he disagreed with such expense reduction. Additionally, the Company should also focus on the expense generating revenue, the Company should not consider only the reduction of expense. With regard to the remuneration of the Board of Directors, although the amount decreased from those of the previous year, but it decreased at the ratio which was less than the shareholder's remuneration which decreased. Moreover, the remuneration for some directors who had already been retired was still at high rate although such directors did not attend the meeting, thus, he asked the Board of Directors to explain on the meeting allowance.

The Managing Director replied Mr. Sathaporn Phangnirand's inquiry for the issue on the action against the effect from the airport closure that the Company had issued the letter to Airports of Thailand Public Company Limited ("AOT") to help reduce the effect from the revenue loss. Accordingly, AOT confirmed to give assistance by not charging for the rental of pipeline and had extended the concession period of time according to the period of time of airport closure. In term of the claim of insurance, although the Company had the insurance of Business Interruption, but according to the conditions of policy, the insurance company shall be held liable to the damage from the business interruption for the period of time exceeding 14 days. But the airport closure's period of

time did not exceed 14 days and the Company had no damage. In regard to the extension of policy, the Company would try to negotiate with the insurance company to accept the condition of coverage in case that the Company had no damage but had the loss of revenue. Regarding the reduction of meeting allowance, it meant the internal meeting, that is, the Company would hold the Video Conference in place of the traveling between the Company's office at Don Mueang Airport and Suvarnabhumi Airport. In term of the holding of annual general meeting at Queen Sirikit National Convention Centre, it was for the convenience of the shareholders' traveling and it was also responsive to the initiative of Thai Listed Companies Association, the Company did not intend to reduce the expense of the annual general meeting because the Company mainly took the good corporate governance and the benefit of shareholders into consideration. In aspect of the remuneration for some directors who had been retired in the previous annual general meeting in April of the year 2008 and had not been re-elected as the directors due to their retirement at the age of 72, the Company had paid the meeting allowance according to the number which they attend the meeting. Additionally, the Company had paid the bonus of the year 2007 according to the proportion of the period of time they were at the office and the directors' bonus was paid in the year 2008. For the case of Mr. Manas Leeviraphan, he ordinary attended the Board of Directors' Meeting and the Audit Committee Meeting, it was only the last Meeting which he was retired at that time, so, he did not attend the Meeting.

Mr. Kiat Sumongkolthanakul asked about the case that the director was retired but still received the bonus, for instance, in case of Mrs. Kulya Pakakrong, who was retired in January 2008 but still received the bonus in the total approximate amount of 300,000 Baht and he asked for the explanation in relation to the maintaining of Reserve for Investment Expansion and General Reserve and proposed for consideration whether the Reserves should be further maintained or they should be paid as the shareholders' dividend.

The Senior Finance and Accounting Manager explained on this matter that the bonus shown in the Annual Report was the figure of bonus of the year 2007 approved by the Annual General Meeting of the year 2008. Mrs. Kulya Pakakrong was a director nearly the whole year of 2007, therefore, she received the remuneration of the year 2007. For other directors, they received the remuneration allocated in accordance with the term that they had held the office and in the amount approved by the shareholders. With regard to the Reserve for Investment Expansion, it was in accordance with the Company's policy in regard to the reserve of future investment which was unchanged because the Company still had the investment at Suvarnabhumi Airport in the future. Accordingly, the Reserve for Investment Expansion was still necessary and it would be beneficial to the shareholders in the long term. However, the maintaining of such Reserve did not affect the dividend payment because the Company had the policy to pay dividend of not less than 50% of its net profit and had continuously paid the dividend according to such policy. But in the previous year, the dividend payment slightly decreased due to the world's economic. With regard to other reserves, if necessary, the Company may consider to bring them to be paid as the dividend to the shareholders as proposed, and the Company had already maintained the reserve as stipulated by law.

Mr. Jessada Kongtaweelert praised for the executive's attitude in reducing the Company's expenses because the Company was still required to invest at Suvarnabhumi

Airport and to face any crisis which was uncontrollable. But the Company had tried to alleviate the damage by reducing the expenses. Additionally, although the Company had not yet had the loss but the Managing Director had the good conscience by reducing his salary at the rate higher than those of other executives. If in the future, the situation would improve, he believed that the Company's status would also improve and the reduction of his salary showed that the Managing Director would like to be jointly responsible for the Company's unsatisfactory performance, this was the new concept of Thai society compared with those executives in USA who took the opportunity to take advantage of the shareholders while the Company faced the crisis. Then, he inquired about the case that the Company charged the service fee from the shareholders at the rate lower than the normal rate, he was of the opinion that if the Company charged the service fee at the normal rate, it would become the Company's revenue and would be beneficial to the shareholders.

The Managing Director replied Mr. Jessada Kongtaweelert's inquiry in regard to the charge of service fee from the users who are the shareholders that the Company had the 2-Tier Pricing Policy which was the Company shareholders' policy prior the Company was listed in the SET according to the principle that if the users not being the shareholders had no participation of the Company's investment from the beginning, accordingly, they must pay the service fee at the rate higher than those of the users being shareholders. However, he would accept this matter to be further discussed in the next Board of Directors' Meeting.

Dr. Sunis Julkarat inquired about the Single Airport Policy by using Suvarnabhumi Airport as the major airport whether there was any effect to the investment at Don Mueang Airport.

The Chairman asked Air Chief Marshal Narongsak Sangapong and Mr. Serirat Prasutanond to reply Dr. Sunis Julkarat's inquiry.

Air Chief Marshal Narongsak Sangapong explained to the Meeting that Thai Airways Public Company Limited was greatly affected by the airport closure, accordingly, there must be the measure for reducing the expenses of management from 2 airports to be only one airport, especially the expense for rotating the airplanes between 2 airports. For Don Mueang Airport, its service was not suspended, it still rendered the service for Nok Air Airline and One-Two-Go Airline. Additionally, there would be the service for the chartered flights, airplane maintenance centre and to be the reserved airport as well. Mr. Serirat Prasutanond further explained to the Meeting that, according to the previous Board of Directors' resolution, Suvarnabhumi Airport was determined to be used for the Scheduled Flight for both international flights and domestic flights, while Don Mueang Airport would be used for the Chartered Flight as well as the domestic flight without the passengers who had no need to further travel by other airplane. At present, there are Nok Air Airline and One-Two-Go Airline using the service of Don Mueang Airport. In this connection, AOT had the policy to promote the usage of Don Mueang Airport for chartered flights and to be maintenance center for small airplanes, spare-parts exchange center and aviation training center. In addition, there was the appointment of Joint Committee for studying the information in order to propose it to the Economic Cabinet in relation to the utilization of Don Mueang Airport in the future.

The Managing Director stated that the Company had the policy of dividend payment at the rate of not less than 50% of the net profit. From the past to present, the Company had paid the dividend at the rate higher than 50% of net profit every year. In this year, although the Company's growth was negative but the Company still had policy to pay the dividend at such rate as ever. If the economic situation would improve next year, the Company would likely pay the dividend at the higher rate. Moreover, in the year 2015, the Company would have repaid the loan debt in full, it was expected to have a lot of surplus of cash flow. Additionally, in the 5-year strategy plan, the Company had no policy to invest by itself but would invest through its affiliated companies.

Mr. Noppakun Jungpiriyapong inquired about the possibility that the Company would repurchase the shares from the shareholders and to be beneficial to them and further inquired about the risk of fuel price fluctuation.

The Managing Director replied Mr. Noppakun Jungpiriyapong's inquiry that, with regard to the repurchase of shares, the Company must consider on the liquidity, if there was no political stability, the Company must mainly take its liquidity into consideration. If the political situation was more stable, the Company might consider on the repurchase of shares because the Company's shares were the long-term investment, however, the executives accepted such matter for further consideration.

The Chairman asked Mr. Assawin Kongsiri, Chairman of Risk Management Committee, to explain on the risk of fuel price to the shareholders.

Mr. Assawin Kongsiri, Chairman of Risk Management Committee, explained on the risk of fuel price to the shareholders that the Company had no risk about the fuel price fluctuation because the Company's service fee was charged from the serviced fuel volume not calculating the service fee from the fuel price, although the Company previously had the exchange rate risk but the Company had already managed the risk by converting the service fee to be in Thai Baht.

Mr. Sathaporn Phangnirand proposed that there should be the consideration on Treasury Stock in the next Annual General Meeting and gave the comment that the repurchase required the study of its criteria to be beneficial to the shareholders and the Meeting should consider on the repurchase of stock more than the dividend payment.

The Managing Director replied the shareholder's inquiry in regard to the progress of the Company's accession to be shareholder of Bangchak Petroleum Public Company Limited ("Bangchak") that Bangchak had the project to expand its crude distillation unit in order that it can produce more fuel, therefore, it requested for being the user of service for directly selling its the aviation fuel to the airlines because, at present, it can render such service to Thai Airways PLC. and PTT only. The Company was of the opinion that it would be beneficial to the airlines because there would be more sellers of aviation fuel at Suvarnabhumi Airport and Don Mueang Airport. However, it must be subject to the Company's rule, if Bangchak was the Company's shareholder holding at least 2% of the whole outstanding shares and purchasing the shares in SET, accordingly, the service fee which the Company charged from Bangchak would be at the normal rate, but if Bangchak was not being the Company's shareholder, there must be the Premium Charge in addition to the normal rate. At present, Bangchak is not the Company's shareholder.



Dr. Sunis Julkarat inquired whether the Company had the rule in regard to the protection of Company executive directors' liability, the Chairman explained that he would accept such proposal for further consideration.

Mr. Somsak Sakburanapongsa inquired about the management expense of Don Mueang Airport in case that there would be fewer flights at the Airport. The Managing Director explained that the Company had asked AOT to reduce the rental of tools and equipments at Don Mueang Airport in order to reduce the costs and the request was under the AOT's consideration.

Mr. Kiat Sumongkolthanakul asked about the investment plan in case of expansion of Suvarnabhumi Airport's Phase 2, the Managing Director explained that AOT informed that the investment plan in case of expansion of Suvarnabhumi Airport's Phase 2 would be delayed, but the Company was ready for its aviation fuel depots and Thai Aviation Refuelling Co.,Ltd. ("TARCO") was ready to invest in construction of the underground hydrant fuelling system installed under the aircraft parking area in such Suvarnabhumi Airport's Phase 2. In such case, the Company may invest in construction of additional aviation fuel depots, and the Company may cause JP-One to be the investor and to lease out such aviation fuel depots to the Company but it was unnecessary for the time being and the Company would try not to additionally invest or to borrow money for more investment.

The Chairman expressed his thanks to the shareholders for attending the Meeting including for their comments.

There was no other business for the Meeting to consider or acknowledge. The Chairman therefore declared the Meeting adjourned at approximately 16.15 hrs.

(Signed) \_\_\_\_\_(signature)\_\_\_\_\_  
 (Mr. Palakorn Suwanrath)  
 Chairman of the Meeting

(Signed) \_\_\_\_\_(signature)\_\_\_\_\_  
 (Mr. Tarnthong Chandransu)  
 Secretary to the Company

(Signed) \_\_\_\_\_(signature)\_\_\_\_\_  
 (Mr. Thiti Kumnerdee)  
 Legal Advisor  
 The Person in-charge-of Minutes Preparation