

(Translation)

**Minutes of the Annual General Meeting of 2006  
Of  
Bangkok Aviation Fuel Services Public Company Limited**

---

**Time and Date**

Held on the 21st April 2006 at approximately 10:00 hrs. at Magic Room 3, Miracle Grand Convention Hotel, No. 99, Vibhavadee Rangsit Road, Moo 4, Lak Si, Don Muang, Bangkok Metropolis.

**Name List of Directors who attended the Meeting**

1. Mr. Srisook Chandransu	Chairman of the Board of Directors
2. Air Chief Marshal Narongsak Sangapong	Vice Chairman
3. Mr. Bancha Pattanaporn	Director
4. Mr. Navee Lertpatnichkul	Director
5. Mr. Vinai Chamlongrasdr	Director
6. Mr. Nattachak Pattamasingh Na Ayuthaya	Director
7. Mr. Danai Nanasombat	Director
8. Mr. Asada Harinsuit	Director
9. Mr. Manas Leeviraphan	Independent Director, Chairman of Audit Committee and Chairman of Remuneration Committee
10. Flight Lieutenant Udom Krisnampok	Independent Director and Member of Audit Committee
11. Mr. Piyasvasti Amranand	Independent Director and Member of Audit Committee
12. Mr. Aswin Kongsiri	Independent Director, Chairman of Nominating Committee and Chairman of Risk Management Committee
13. M.R. Supadis Diskul	Managing Director

**Name List of Directors who were absent from the Meeting**

1. Mr. Kobchai Srivilas	Engaged in Business Affair
2. Flight Lieutenant Pisal Chayakula	Engaged in Business Affair

**Preliminaries**

Mr. Srisook Chandransu, the Chairman of the Board, presided over the Meeting. The Chairman informed the Meeting that 73 shareholders were present holding altogether 302,730,040 shares, represented 71.23% of the Company's existing shares. The quorum was thus formed in accordance with the Articles of Association. The Chairman announced the Meeting opened.

The Chairman then made a statement to the Meeting regarding the procedures for casting votes. He requested that the shareholders, who wished to vote in objection to the proposal or in variance from the proxy form, to identify themselves for the sake of convenience and quickness of the votes counting. If there is no objection or votes in variance from the proxy form, it would be deemed that, apart from those who voted in objection or abstained in the proxy form, the Meeting concurred to the proposal in each respective agenda.

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

## **Agenda 1 To Approve the Minutes of Annual General Meeting of 2005**

The Chairman asked the Meeting to consider the Minutes of the Annual General Meeting of year 2005 page by page and such Minutes has been sent to the shareholders together with the Meeting Invitation Letter.

The Meeting considered the matter and casted the vote with 302,782,923<sup>1</sup> votes represented 100 %

**RESOLVED** THAT minutes of the Annual General Meeting of year 2005 be approved.

## **Agenda 2 To Consider the Report of the Board of Directors regarding the Performance of the Company in the Year 2005 and Future Operation**

The Chairman made a statement to the Meeting that the Company has made the report of the Board of Directors regarding the performance of the Company in the year 2005 and future operation as approved by the Meeting of the Board of Directors, No.1/2006 as stipulated in the Annual Report and asked the Managing Director to report to the Meeting.

The Managing Director reported the performance of the Company to the Meeting about the volume of into-plane service in the year 2005 amounting to 4,070 million litres, an increase of 111 million litres or represented 2.8% from the year 2004 and also demonstrate the graph comparison of the volume of into-plane service of the past four-years as from the years 2002 to 2005 which showed that the into-plane service volume likely to increase continuously except in the year 2003 which decreased in the mid-year resulting from SARS outbreak. The volume of into-plane service which increases continuously was resulting from the growth of Thailand's major's businesses which are the aviation and tourism, therefore, the Governmental promotion on the tourism industry and the opening of Suvarnabhumi which is able to support more flights and 45 Million tourists onwards per year are the supportive factors the Company's future performance.

In regard to the number of flights service in the year 2005, the number of flights highly increased from 124,541 flights in 2004 to be 134,470 flights in 2005, increased 9,929 flights or represented 8% increase. Other than the factors from the aviation business growth, the increase was due to the opening of many low-cost airlines as from 2004 as shown in the graph showing the volume of into-plane service of the low-cost airline in 2005 amounting 145.09 million litres or increase 42.4% from the previous year and represented 3.6% of the whole volume of into-plane service. In addition, there were 17,776 flight received the service or increased 69.6% from 2004 which represented 13.2% of the Company's whole service flights and it was the high rate of growth in term of into-plane service volume and number of flights. It was also expected that the volume of service would be likely at the high rate in 2006.

In term of the performance of the Company in 2005, the Company had the net profit amounting 417.6 Million Baht, 14.9% increased from the previous year due to the main factor which was the 2.8% increase of the volume of into-plane service as a result of the increase of the flights of the low-cost airline and the growth of the airline business including the increase of service fee at 10% as from November 2004.

After comparing the balance sheets between the year-end of 2005 and the year-end 2004, there was the change of the important of the items which can be summarized as follows:-

---

<sup>1</sup> Remark: Because there were additional attendants after the commencement of Meeting in the Agenda 1

- The net land and leasehold improvement and equipment increased approximately 2,293 Million Baht which was the increase of value of construction work in the depot and the project of aviation refueling amounting 989.3 Million Baht, the Project of the Hydrant System amounting 531 Million Baht and the Project of Aviation Fuel Pipeline Routing from Makkasan - Suvarnabhumi Airport operated by JP-One Asset Co., Ltd. amounting 387.5 Million Baht;

- the Long-term Loan increased 1,512.7 Million Baht which was the Company's Loan from Bangkok Bank PCL amounting 926 Million Baht, the loan from TARCO to be used for the construction work amounting 516.7 Million Baht, comprising of the loan in USD amounting 3.7 Million USD. and the loan in Thai Baht amounting 358 Million Baht and the loan from JP-One amounting 70 Million Baht;

- The Company's shareholders' equity increased 394.2 Million Baht to be 2,436.2 Million Baht due to the profit from Company's operation of the year 2005 amounting 417.6 Million Baht and the minor shareholder's equity in the subsidiary company increased 116.8 Million Baht and there was the payment of dividend for the performance of the second-half of 2004 and the first half of 2005 totaling 140.3 Million Baht.

With regard to the Company's future operation, at present, the Company have already completed the Company's construction work at Suvarnabhumi Airport, it is under the commissioning process starting from the receipt of aviation fuel by the pipeline from Thapline Co.,Ltd. and JP-One Asset Co.,Ltd. to be stored at the Aviation Fuel Depot as from March 2006 onwards in order to test the system of control of fuel's receipt-distribution, storage and quality. Then, there would be the test of aviation fuel delivery via the hydrant to the airport, and the second test of aviation refuelling which was the last step approximately in May. The whole systems test would be completed within the mid-June and it would be in time for rendering the service during the grand opening of Suvarnabhumi Airport as fixed by the Government.

The Meeting, with 303,917,298<sup>2</sup> votes represented 100%, considered the matter and

**RESOLVED** TO approve the Report of the Board of Directors regarding the Performance of the Company in the Year 2005 and Future Operation.

### **Agenda 3 To Consider Approving the Balance Sheets and Profit and Loss Account of the Year 2005**

The Chairman made the statement to the Meeting that, in accordance with the Meeting of the Board of Directors, No.1/2006, there was the resolution to approve the balance sheets including the profit and loss account of 2005 which was audited by the auditor and considered by the Audit Committee which was sent to the shareholders together with the Meeting Invitation Letter, therefore, the Chairman asked the Meeting to consider for approval.

Mr. Pramoj Librattanasakul asked about the reason why the book value was lower than that of the previous year, in this regard, Mr. Chatthaya Bandhaya, the Finance and Account Manager, explained that during the previous year, the Company had paid the stock dividend to the shareholders at the rate of 4 existing shares per 1 new share, as a result, there was the dilution effect which caused the book value of share decreased. The Managing Director added that when considering the paid dividend, it can be seen that the dividend paid in this year was in greater amount than that of the previous year.

---

<sup>2</sup> Remark: Because there were additional shareholders attended the Meeting after the commencement of Meeting in the Agenda 2

Mr. Kongpat Thana-Udomsuk asked about the cost and criteria of the goodwill's write-off. In this connection, the Finance and Account Manager, explained that such goodwill was the Company invested amount which the Company bought the shares of Thai Aviation Refueling Co.,Ltd. (TARCO) because the Company considered that it was important for the Company's operation at Suvarnabhumi Airport, for the investment, the Company bought the share at the price which was higher than the share value, therefore, the Company must record the difference of share price as the goodwill and deducted the depreciation for 30 years according to the term of concession of the Hydrant System operated by TARCO at Suvarnabhumi Airport. Additionally, the Company hired the Financial Advisor to consider the fair share price also.

The Meeting considered the matter, with 308,978,205<sup>3</sup> votes, and

**RESOLVED** TO approve the balance sheets and profit and loss account of the year 2005.

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

The Chairman made the statement to the Meeting that, in accordance with the Meeting of the Board of Directors, No.1/2006, there was the resolution to approve Allocation of Profits and Reserve Fund, as follows:-

	(Unit : Thousand Baht)
Dividends for the year 2005	263,499
Reserve for Investment Expansion	41,757
General Reserve	41,757
Retained Earnings Carried Forward to 2006	470,563

Additionally, due to the fact that there was the interim dividend payment at the rate of 0.25 Baht per share. Therefore, the dividend payment for this time shall be at the rate of 0.37 Baht per share. The dividend payment for the year shall be at the rate of 0.62 Baht per share.

The Board of Directors resolved to pay the dividend to the shareholders whose their names appeared in the share register, at 12.00 hrs. on 3 May 2006 in accordance with the method and practice of the Stock Exchange of Thailand and Thailand Securities Depository Co.,Ltd. and the due date of dividend payment was 19 May 2006.

The Finance and Account Manager explain on the enquiry of Mr. Wattanapong Karunyanich in regard to the decrease of amount of dividend paid per share that such decrease resulted from the increase 25% of shares number resulting from the dividend payment of previous year, however, the whole paid amount of dividend would be higher than that of the previous year.

The Meeting considered the matter, 308,978,205 votes represented 100%.

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

#### **Agenda 5 To Appoint New Directors to Replace the Directors Who Are Retired by Rotation**

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

---

<sup>3</sup> Remark: Because there were additional shareholders attended the Meeting after the commencement of Meeting in the Agenda 3

The Managing Director informed the Meeting that in pursuant to the Public 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 will 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. Mr. Kobchai Srivilas
2. Mr. Navee Lertphanichkul
3. Air Chief Marshal Narongsak Sangapong
4. Flight Lieutenant Udom Krisnampok
5. Mr. Nattachak Pattamasingh Na Ayuthaya

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

The Chairman explained that in this agenda, the Board of Directors' Meeting No.1/2006 had considered and approved to propose the Meeting to consider on election of all directors who must retire by rotation to be re-elected as the directors. All name list of directors was duly approved by the Nominating Committee because, at present, the Company has determined the criteria regarding the selection of directors by determining that all Company's directors must be considered and selected by the Nominating Committee and such name list must be proposed to the Company's Board of Directors before being proposed to the Shareholders' Meeting to be in compliance with the good corporate governance principle.

The Meeting considered the matter, 308,994,705<sup>4</sup> votes represented 100%.

**RESOLVED** TO approve the appointment of the following directors who must retire by rotation to be re-elected to be the directors:-

1. Mr. Kobchai Srivilas
2. Mr. Navee Lertphanichkul
3. Air Chief Marshal Narongsak Sangapong
4. Flight Lieutenant Udom Krisanampok
5. Mr. Nattachak Pattamasingh Na Ayuthaya

## **Agenda 6 To Consider Appointing Auditor and Fixing the Remuneration**

The Chairman asked the Chairman of the Audit Committee to explain the matter.

The Chairman of the Audit Committee reported to the Meeting in brief that the Audit Committee had invited the 3 audit firms to submit the proposal to be the Company's auditor in 2006 in order to be in compliance with the good corporate governance principle and the rule of the Office of SEC in regard to the rotation of auditor who signed the financial statements every 5 accounting years. In this connection, the Audit Committee had determined the criteria for consideration in term of technique, i.e. the working plan, duty scope and responsibility, independence, audit team and reputation of audit service provision and financial criteria. There was the result that A.M.T. & Associates had the highest score by proposing the remuneration in the amount of 676,000 Baht. The remuneration consisted of the audit fee of financial statements in the amount of 90,000 Baht per quarter and the annual audit fee of the financial statements in the amount of 406,000 Baht per year, increased 19.96% from the previous year which was appropriate when considering the workload which the audit firm must cope with, during its first year audit of the Company's financial statements. Therefore, the Meeting was asked to consider on this matter.

The Chairman of the Audit Committee explained to the shareholders' enquiry that the auditor would review the quarterly financial statements and audit the annual financial statements, and there would be the team to conduct the audit of documents and information in detail.

---

<sup>4</sup> Remark: Because there were additional shareholders attended the Meeting after the commencement of Meeting in the Agenda 5

The Meeting considered the matter, with 309,088,330<sup>5</sup> votes, represented 100% and

**RESOLVED** TO appoint Mrs. Prof. Kesree Narongdej, Certified Public Accountant Registration number 76, or Mrs. Natsarak Sarochananchin, Certified Public Accountant Registration number 4563 of A.M.T. & Associates to serve as the Company's external auditor for the year 2006, either of whom may audit and make any comment on the Company's financial statements. In the event that the aforesaid auditors are unable to perform, A.M.T. & Associates may arrange its other auditors approved by the Securities and Exchange Commission to be the substitutions. The remuneration (excluding out of pocket expenses, such as traveling, facsimile and photocopy) was as follows:

Reviewing Fee of First Quarter Financial Statement ending 31 March 2006	Bht 90,000
Reviewing Fee of Second Quarter Financial Statement ending 30 June 2006	Bht 90,000
Reviewing Fee of Third Quarter Financial Statement ending 30 September 2006	Bht 90,000
Auditing Fee for the year-ended Financial Statements As of 31 December 2006	<u>Bht406,000</u>
Total	<u>Bht676,000</u>

**Agenda 7 To Consider the Directors' Remuneration for the Year 2005 and Meeting Fee**

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 No.5/2005 agreed with the proposal of the Remuneration Committee which proposed to pay the annual remuneration of 2005 to the Board of Directors in the total amount of 7,894,000 Baht according to the criteria of consideration based upon the Board of Directors performance (Performance Base) in terms of the Company's operating performance and the increase of paid dividend. For the monthly remuneration and the meeting fee must be at the same rate.

The Meeting considered the matter, with 309,088,330 votes, represented 100% and

**RESOLVED** TO approve to pay the annual remuneration of 2005 to the Board of Directors in the total amount of 7,894,000 Baht. For the monthly remuneration and the meeting fee must be at the same rate.

**Agenda 8 To Consider the Amendment of Memorandum of Association, regarding the Company's Objective, Article 8.**

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

The Managing Director explained to the Meeting that, due to the fact that the Meeting of Shareholders No.2/2006 has approved to propose the Shareholders' General Meeting to amend the Article 3. of the Company's Memorandum of Association in term of the objective of the guarantee (Article 8) for the clarity, as follows:-

"To guarantee or to guarantee the debt for the performance according to the contract of natural person or juristic person including to guarantee the natural person or any juristic person regarding the business or the Company's operation in accordance with the law of immigration, tax law, customs law, labor law and any other laws."

---

<sup>5</sup> Remark: Because there were additional shareholders attended the Meeting after the commencement of Meeting in the Agenda 6

The foregoing contents were amended from the previous contents as follows:-

“To guarantee the natural person or any juristic person in accordance with the law of immigration, tax law, customs law, labor law and any other laws, in this regard, the guarantee is for the case where it is necessary and relating to the Company’s business or any business operations.”

The Meeting was asked to consider on this matter.

The Meeting considered the matter, with 309,088,330 votes, represented 100% and

**RESOLVED** TO approve to amend the Company’s Memorandum of Association, the Objectives, Article 8. as proposed to have the contents as follows:-

“To guarantee or to guarantee the debt for the performance according to the contract of natural person or juristic person including to guarantee the natural person or any juristic person regarding the business or the Company’s operation in accordance with the law of immigration, tax law, customs law, labor law and any other laws.”

For the objective in other Articles must be unchanged.

## **Agenda 9 Other Businesses**

Mr. Pramoj Libratanasakul enquired about the Company’s policy in relation to the debt to equity ratio, in this regard, The Finance and Account Manager explained that the Company had the policy to maintain the debt to equity ratio to be not over 2:1 in order to hedge the risk of debt payment inability and to be in compliance with the loan agreement also.

Mr. Pramoj Libratanasakul enquired about the Company’s necessity for the future increase of capital, the Managing Director explained that the construction of Suvarnabhumi Airport was completed, there was accordingly no need to increase the Company’s capital.

Mr. Yarnsith Tangkitisuwan enquired about the measure for the risk management between the exchange rate and the delay of the Suvarnabhumi Airport opening, The Finance and Account Manager explained that, in the previous mid-year, the Company entered into the foreign currency exchange agreement with the financial institutions with 6-month contract term in order to manage the risk from the exchange rate, and after that, the situation where Baht currency had been appreciated continuously during the beginning of year likely to be depreciated continuously, as a consequence, there was the loss but it was only the accounting figure loss, thus, in order to reduce its effect, the Company had adjusted its strategy in regard to the entering into the foreign currency exchange agreement, by reducing the agreement term to be 3 months. Currently, the Company invited the Financial Advisor to submit its proposal to become the Company’s Advisor in order to implement such measure.

The Chairman also explained about the construction at Suvarnabhumi Airport that in July 2006, it was expected that the whole construction would be completed and ready to be opened and to be serviced, however, the opening for service depended on the Government’s determination. At present, the commission of all systems had commenced from the past October. With regard to the certificate of the Airport, the Department of Civil Aviation would be the issuer of such certificate under the suggestion of International Civil Aviation Organization (ICAO), and the Department sent its official to join the commission for every process.

The Finance and Account Manager explained about the Company asset’s depreciation that the Company would start to register the asset after the final system test, subsequently, the Company would start to record the expense from the depreciation and the paid interest.

Mr. Yarnsith Tangkitisuwan enquired about the second operator of the Fuel Depot and the possibility for the increase of fuel pipeline. The Chairman explained that the Company had no information in regard to the second fuel depot. With regard to the fuel pipeline, the Company would receive the fuel from both current fuel pipeline systems, i.e. Thappline and JP-One. The Managing Director added that if there would be the construction of the second fuel depot, there would be the problem how the new fuel depot would receive the fuel because both present fuel transportation systems receiving all fuel from the refinery had been connected with the Company's fuel depot. In addition, the lay down of new pipeline required the study for environmental effect and the risk of investment, the receipt of fuel by car would effect both environment and traffic quite a lot.

The Managing Director further explained regarding the reason of FPT's usage of pipeline decrease that it was due to the fact that Thappline had completely constructed the Feeder Line from Sriracha to Rayong, consequently, the volume of fuel transported through Thappline increased because the cost of transportation was lower, however, such condition of pricing competition was beneficial to general service users.

The shareholder enquired about the service provided at Donmuang Airport after the opening of Suvarnabhumi Airport, in term of the profit, service fee and the risk management including the Company's competition ability comparing with other airport in the region.

The Chairman replied that the service usages at Donmuang Airports was likely to increase because there was the THAI's maintenance centre there and it was used for the aviation training, charter flight and the low cost airline without the connecting flight. The Managing Director further explained that after Suvarnabhumi Airport was opened for commercial purpose, the Company have to discuss with AOT in order to request for reduction of rental of underground pipeline because its usage volume decreased, in addition, the major cost at Donmuang Airport are the fixed costs. With regard to the unused asset, for instance, the fuel tank, and pump were already removed to Suvarnabhumi Airport for one tank and two tanks will be removed to Suvarnabhumi Airport after the its grand opening in order that there would be the maximum benefit from such asset usage. In term of the risk management, if Suvarnabhumi Airport was opened for providing the service in 2006 which was much likely to be opened, as a result, the Company would not have much risk. With regard to the fuel transported through the fuel depot and hydrant system, the Company had the measure to preserve the fuel quality by way of circulating the fuel and filling the additive for preserving its conductivity. With respect to the competition ability, the Company had the policy in carrying on the business to be able to compete with other airports in the region in term of the pricing, especially with Hong Kong and Singapore.

The shareholders praised for the Board of Directors' ability in increasing the Company's profit and the transparency of management, accordingly, all investors were satisfied as seen from the voting of shareholders who unanimously agreed with the Board of Directors' proposal with for every agenda. Further, they would like to notice whether the retained earnings of the Company can be used for reduction of the Company's debt.

The Finance and Account Manager explained that the Company's retained earnings were not wholly in the form of cash, its partial was in the forms of asset, machinery and equipments, as a result, they can not be repaid for the debt.

Mr. Yarnsith Tangkitisuwan enquired about the service rate and the remuneration at Samui and Chaingmai Airports. Mr. Charoen Pavarojkit, Deputy Managing Director-Operations, explained that at Chiangmai Airport, there was the fuel service in the approximate volume of 1 million litres per month with the remuneration over 100%. In case of Samui Airport, at present, the fuel service is in the approximate volume of 60,000 Litres per day which increased a lot. Such volume increase resulting from the increase of tourist number because the tourism condition in Andaman seashore decreased. If the tourism in Andaman seashore improved, it would affect the volume of fuel service in the future.

The Managing Director stated to assure the shareholders of the security measure at Suvarnabhumi Airport that the Company had applied the security measure to the employees



including the Company's machinery, equipment and had practiced with the Airport's official at all times. Additionally, the fuel company and airline had also sent their representatives to check the fuel quality and the security of service provision.

The Chairman thanked all shareholders for their suggestions and comments which will encourage the Board of Directors to further work for the benefit of the Company and the shareholders.

There was no other business for the Meeting to consider or acknowledge. The Chairman therefore declared the Meeting adjourned at approximately 11:25 hrs.

(Signed) Mr. Srisook Chandransu  
(Mr. Srisook Chandransu)  
Chairman of the Meeting

(Signed) Mr. Hatasakdi Na Pombejra  
(Mr. Hatasakdi Na Pombejra)  
Secretary to the Board of Directors  
Minutes Keeper