

Thai Reinsurance Public Company Limited  
Minutes of Annual General Shareholders Meeting

No. 17

On 23<sup>rd</sup> April 2010

At New York Room, Conrad Hotel

No. 87 Wireless Road, Bangkok

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Meeting begins at 10.10 hours.

Names of attending directors:

1. Mr. Suchin Wanglee Independent Chairman, Investment Committee Member.
2. Mr. Chai Sophonpanich Vice Chairman, Chairman of Remuneration and Nominating Committee, Investment Committee member
3. Mr. Charuek Kungwanphanich Director
4. Mr. Jiraphant Asvatanakul Director
5. Mr. Chanin Roonsamram Independent Director, Member of Audit Committee, Remuneration and Nominating Committee.
6. Miss Potjanee Thanavaranit Independent Director
7. Mr. Sara Lamsam Director
8. Mr. Arnop Porndhiti Director, Member of Remuneration and Nominating Committee
9. Mr. Udom Vichayabhai Independent Director, Chairman of Audit Committee, Member of Remuneration and Nominating Committee
10. Mr. Aswin Kongsiri Independent Director, Member of Audit Committee, Remuneration and Nominating Committee.
11. Mr. Surachai Sirivallop Director and Chief Executive Officer

Names of attending company executives:

1. Mr. Surachai Sirivallop Director and Chief Executive Officer
2. Mrs. Thitaporn Tarakit Executive Vice President – Accounting, Finance and Operation

Name of attending auditor:

1. Mrs. Nongluck Phumnoi Auditor,  
Ernst and Young Office Co., Ltd.

Mr. Suchin Wanglee, Chairman of the Board chaired the meeting.

The Chairman informed the meeting that 48 shareholders and 70 proxy holders holding total of 612,793,025 shares, equivalent to 51.62% of all sold shares of the company attended the meeting, which could form the quorum according to the law and company's articles of association and, therefore, declared opening of the 17<sup>th</sup> Annual General Shareholder's Meeting. Before proceeding on the meeting agendas, the Chairman introduced attending directors to the meeting, Then Mr. Surachai Sirivallop, Director & CEO, explained to the meeting the method of voting for resolution as follow:

1. According to company's articles of association concerning voting, a shareholder will have votes according to number of shares being held by having one vote for one share.
2. For convenience and speeding in voting, the company had distributed 2 types of voting slips. First type will be used for election of directors in agenda 7 and another type will be used in case shareholder wanted to vote for opposition or to abstain in any other agenda. If the shareholder did not agree or wanted to abstain in any agenda, he/she would mark in this voting slip and then would raise his/her hand so that an official could collect the voting slips for counting.
3. In voting in each agenda, if there was not any person opposing or having opinion other than what was proposed by the Chairman or the Board of Directors, it would be deemed that shareholders approved or granted.
4. For proxy holder , who received proxy to attend meeting and person, who already gave specified his vote in the proxy, did not have to make any vote. The company would count the vote as specified in the proxy.

In addition, Director and CEO also informed the meeting that the Company appointed Mr. Decha Maraprueksawan, legal advisor from C.B. Law Office, to serve as the Meeting Inspector.

After that the Chairman requested the meeting to consider the matters according to the meeting agendas, which were sent to all attendants in advance.

**Agenda 1. To adopt of minutes of the Annual General Shareholder's Meeting no 16.**

The Chairman requested the meeting to consider for approval of the minutes of the Annual General Shareholder's Meeting no. 16 held on 16<sup>th</sup> April 2009, which has been sent to shareholders together with invitation letter and asked the meeting whether any shareholder would like to propose an amendment in the minutes of the meeting or not.

No amendment proposed by shareholders. The meeting considered and resolved in approval of the minutes of the Annual General Shareholder's Meeting no. 16 held on 16<sup>th</sup> April 2009 by majority with the following votes.

Approved	705,425,022	votes equivalent to 99.99%
Disapproved	- None -	
Abstained	40,000	vote equivalent to 0.01%

**Agenda 2. To acknowledge the Board of Directors' report on the Company's business in 2009**

The Chairman assigned the Director and CEO to report on activities in the year 2009 on behalf of the Board of Directors.

Director and CEO reported to the meeting that he year 2009, was one of the most challenging times for operating the company's business. As a result of global economic and financial crisis and domestic political tension, all sectors including the insurance business have been severely affected. The year 2009 saw an overall slowdown in insurance business. The general insurance business grew by a mere 3% while life insurance performed well with an impressive growth of 16%. Most of company's performance went well as evident by an increasing profit. The successful performance was the result of the company's adherence to strict business disciplines, flexible and suitable strategies, development of products and services that are responsive to the needs of customers, maintaining of high quality and devoted staff force, strict corporate good-governance and good support from all groups of stakeholders. Last year, S&P rated axAA (ASEAN Regional Scale Rating) in terms of solvency and an ability in claim payments. This is a very high rating for a Thai financial institution. The Board of Thai Reinsurance Plc., also received the "Outstanding Board of the

Year 2008/2009” Awards for 2 consecutive years from the Thai Institute of Directors (IOD) incorporation with The Stock Exchange of Thailand and other business agencies.

In 2009, profit from general reinsurance increased quite well, compared with the previous year and has offset a decrease of profit in life insurance segment, investment return and profit from service business, which attribute a satisfactory performance of the company.

The gross written premium of all types of reinsurance business was 5,116 million Baht, an increase of 1% while the net written premium was 3,546 million Baht, an increase of 3%, the net profit was 554 million Baht, an increase of 15% and the combined ratio at 83.3%, a decrease of 1 percentage point.

The net written premium of general reinsurance was 3,009 million Baht, a decrease of 0.3% while the combined ratio of the entire year at 83.1% and the profit from reinsurance was 507 million Baht, an increase of 32%. Factors attributed to the successful operation in 2009 included high disciplines in management, a focus on responding to the needs of customers, improvement of customer services, new product development and suitable distribution channels.

For life reinsurance segment, the gross written premium was 554 million Baht and the net written premium was 537 million Baht, an increase of 23% while the total profit was 53 million Baht, a decrease of 51%. Two factors that caused a decrease were one major claim payment and media expenses incurred from a tele-marketing project, jointly cooperated with life insurance company. According to current accounting standard, the expense could not be entered as deferred expenses.

The total investment fund of the company was 4,056 million Baht, an increase of 15% over the previous year while the net investment return was 146 million Baht, a drop of 13%, compared with that in the previous year. The investment return plus tax benefits was at 4.6%. a decrease of 0.6 percentage point against the previous year due to a slowdown in financial and capital market and an interest rate that remained low throughout the year.

The total revenue, derived from the service business, provided by the company’s 3 associate companies, i.e. EMCS, Third Party Administration and TR Training in 2009 was 105 million Baht, an increase

of 40% while the profit was 31.3 million Baht or an increase of 46%. Meanwhile, the operation of the Firstech Solutions, a joint-venture between Thai Re Services and the Tata Consulting Services (85%:15% shareholding) to engage in business process outsourcing business in 2009 ended with a 10 million Baht operational loss and 10 million Baht loss from the depreciation of software. Investments were concentrated in the installation of software which have been completed. So far, the company has not yet had any client but it was expected that, in the future, the company would perform well like the other 3 companies.

In conclusion, the company earned a pre-tax profit of 702 million Baht or an increase of 5% while the net profit which is the company's equity was 520 million Baht, an increase of 10% or 44 Satang per share and the return on equity (ROE) was 23.2%, an increase of 2.3 percentage points more than that of the previous year.

The Chairman asked if any shareholder had any suspicion and would like to ask any question to the Board of Directors. There was no shareholder asking question or expressing otherwise opinion.

The meeting acknowledged the Board of Directors' report of activities in the year 2009.

**Agenda 3. To acknowledge the balance sheet and profit and loss statement for the year ended 31<sup>st</sup> December 2009**

The Chairman requested the meeting to approve the audited Balance Sheet and Profit / Loss Statement ending 31<sup>st</sup> December 2009 as shown in the annual report sent to shareholders together with the invitation letter. The said Balance Sheet and Profit/Loss Statement were also approved by Audit Committee and Board of Directors.

The Chairman asked the meeting whether there would be any shareholder having question and inquiring in this agenda or not. There was no shareholder inquiring or stating his opinion in otherwise.

The Chairman requested the meeting to make resolution by asking if any shareholder would like to vote for opposition or abstain from voting in this agenda or not.

The meeting had, therefore, resolved in approval of the Balance Sheet and Profit / Loss Statement for the year 2009 by majority with the following votes:

Approval	687,710,062	votes equivalent to 97.48%
Disapproved	None	
Abstained	17,754,960	Votes equivalent to 2.52%

**Agenda 4. To consider the profit allocation**

The Chairman assigned Mr. Surachai Sirivallop, Director and CEO to explain to the meeting.

The Director and CEO explained to the meeting that in the year 2009, the company had net profit after tax in amount of 566,095,634 Baht, when combined with inappropriate profit remained from previous period in amount of 457,194,205 Baht, the profit for appropriation will be 1,023,289,839 Baht.

The Board of Directors proposed to appropriate the profit by paying final dividend of 0.22 Baht per share. When it was combined with interim dividend paid in September 2009 of 0.18 Baht, the total dividend paid from 2009 operating profit would be 0.40 Baht per share, which was 0.04 Baht higher than the rate paid in the year 2008, thus would be total paid dividend of 474,941,976 Baht, Payout ratio was 84% of separate financial statement and 91% of consolidated financial statement 's net profit which was in line with our "not lower than 40%" dividend pay-out ratio policy. The remained profit from this appropriation in the amount of 548,347,863 Baht would be carried on to the next period.

The Chairman asked the meeting whether there would be any shareholder having question , inquiring or stating otherwise opinion or not. There was no shareholder inquiring or stating the opinion in otherwise.

The Chairman requested the meeting to make resolution by asking if any shareholder would like to vote for opposition or abstain from voting in this agenda or not.

The meeting had considered and resolved in profit appropriation as proposed by the Board of Directors in all aspects by majority with the following votes:

Approval	705,425,022	votes equivalent to 99.99%
Disapproved	None	
Abstained	40,000	Votes equivalent to 0.01%

**Agenda 5. To fix the directors' remuneration**

The Chairman assigned Mr. Surachai Sirivallop, Director and CEO to propose to the meeting.

The Director and CEO cited the Pubic Company Act that authorized a meeting to determine the remuneration of the directors. The Board of Directors, under guidance of the Remuneration and Nominating Committee, would like to propose to shareholders' meeting to approve director's remuneration, which would be charged as operational expenses in the year 2010 in amount of not over 10.4 million Baht, increasing from previous year by 500,000 Baht, according to details shown in the invitation letter sent to shareholders for consideration in advance as follow:

	Meeting Allowance	Bonus
1. Board of Director	25,000 Baht per time per person for attending directors only	Not more than 8.3 million Baht appropriate 2 portions for Chairman, 1.5 portion for Vice Chairman and 1 portion each for CEO and other Directors

2. Audit Committee	50,000 Baht per time for chairman and 35,000 Baht per time for each director and payable to attending directors only	None
3. Remuneration and Nominating Committee	25,000 Baht per person per time payable to attending director only	None
4. Investment Committee	25,000 Baht per person per time payable to attending director only	None

The Chairman asked the meeting whether there would be any shareholder inquiring or stating otherwise opinion or not. There was no shareholder having other opinion

The Chairman requested the meeting to make resolution by asking if any shareholder would like to vote for opposition or to abstain from voting in this agenda or not.

The meeting had considered and approved the payment of director's remuneration as proposed by the Board of Directors by majority with following votes:

Approval	705,425,022	votes equivalent to 99.99%
Disapproved	- None -	
Abstained	40,000	vote equivalent to 0.01%

**Agenda 6. To approve plan to reduce the number of directors from 15 to 14**

The Chairman assigned Mr. Surachai Sirivallop, Director and CEO, to propose to the meeting.

The Director and CEO proposed that, according to the articles of association of the company, the number of Board members must not be less than 9 persons and must not exceed 15 persons. In the last Board of Directors' meeting, the Board agreed with the views and recommendations made by the Remuneration and Nominating Committee that the current 15-member Board was too large in proportion to the size and type of the company's operation and the number was higher than the average number of Board members of SET listed companies in general and in particular, the insurance companies segment whose average number of board members is 12. Although, the Committee preferred that the number of the company's board members should be decreased to 12 but in order to avoid causing too many board members shall have to end their terms in one year, the Committee proposed to decrease the number of board members by 1 per year for 3 consecutive years, starting from the Annual General Shareholders Meeting in 2010 henceforth. The number of board members shall, then, be decreased from 15 to 14 in 2010,

from 14 to 13 in 2011 and from 13 to 12 in 2012, respectively. He proposed the meeting to approve a plan to decrease the number of the board members from 15 to 14 persons this year.

The Chairman further clarified that the issue was originated by one of the shareholder who had submitted a written request to the Board/the Remuneration and Nominating Committee to consider the issue. The Chairman also asked if any shareholders had any question or would like to express different views and opinions.

There was no any question or opinion from shareholders. Then the Chairman requested the meeting to make resolution by asking if any shareholder would like to vote for opposition or abstain from voting in this agenda or not.

The meeting had considered and approved to reduce the number of directors from 15 to 14 by majority with following votes.

Approval	610,287,122	votes equivalent to 86.51%
Disapproved	32,787,510	votes equivalent to 4.65%
Abstained	62,390,390	vote equivalent to 8.84%

**Agenda 7. To elect new directors to succeed those completing their terms.**

The Chairman assigned Mr. Surachai Sirivallop, Director and CEO, to propose to the meeting.

The Director and CEO informed the meeting that the company's articles of associations prescribed that one-third of directors must retire from their position in every annual general meeting and those retired directors may be re-elected. In this meetin, there were 5 directors, who must retire due to term completion are

1. Dr. Kopr Kritayakirana Independent Director
2. Mr. Kerati Panichewa Director
3. Mr. Jiraphant Asvatanakul Director
4. Ms. Potjanee Thanavaranit Independent Director
5. Mr. Adisorn Tantianangul Independent Director

The Board of Directors, by advice of the Remuneration and Nominating Committee, had agreed to propose to the meeting to re-elect 5 directors, who retired due to term completion, those were Dr. Kopr Kritayakirana, Mr. Kerati Panichewa, Mr. Jiraphant Asvanatakul, Ms. Potjanee Thanavaranit, and Mr. Adisorn Tantianangul, as company's directors for another term. However, Mr. Adisorn Tantianangul sent a letter to the Chairman stating that he did not wish to re-elected in the next term so there would be only 4 directors to

be re-elected. Resumes of the 4 directors were sent to the shareholders for consideration together with the invitation letter.

The Chairman asked the meeting if there would be any shareholder proposing other person who was suitable for election as a director in addition to these candidates.

There was no shareholder proposing other person for election as the company's director.

Before voting, the Director and CEO stated that the Public Company Act prohibits a director to operate business, take partnership or hold share in another juristic person, which has the same status and is competition with the company's activities, unless the meeting has been notified before resolution is made for appointment. Because, persons, whose names are proposed, are directors or executives in insurance companies, which have license for operation of reinsurance business, the meeting is, therefore, informed the details of being directors or shareholders in other insurance companies of persons, whose names are proposed for election to be directors as follow:

Mr. Kerati Panichwewa	- Director and Chief Executive Officer of Krunthai Panich Insurance Co.,Ltd.
Mr. Jiraphant Asvatanakul	- President of Thaivivat Insurance PLC.
Ms. Potjanee Thanavaranit	- Independent Director and Member of Audit Committee of Bangkok Insurance PLC.

The Chairman then announced the names of 4 candidates and requested the meeting to vote for election by individual. Then the Chairman asked if any shareholder would like to vote for opposition or abstain from voting any candidates.

The meeting considered and approved by majority the re-election of Dr. Kopr Kritayakirana, Mr. Kerati Panichwewa, Mr. Jiraphant Asvatanakul and Ms. Potjanee Thanavaranit to be company's directors for another term with the following votes.

Dr. Kopr Kritayakirana

Approval	548,486,252	votes equivalent to 77.75%
Disapproved	None	
Abstained	156,978,770	votes equivalent to 22.25%

Mr. Kerati Panichwewa

Approval	640,175,212	votes equivalent to 90.75%
Disapproved	None	
Abstained	65,289,810	votes equivalent to 9.25%

Mr. Jiraphant Asvatanakul

Approval	678,817,082	votes equivalent to 96.22%
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Disapproved	None	
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Abstained	26,647,940	votes equivalent to 3.78%
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Ms. Potjane Thanavaranit

Approval	678,817,082	votes equivalent to 96.22%
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Disapproved	None	
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Abstained	26,647,940	vote equivalent to 3.78%
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**Agenda 8. To appoint an auditor and fix the auditing fee.**

The Chairman assigned Mr. Surachai Sirivallop, Director and CEO, to report on proposal to appoint auditor and fixing the remuneration to the meeting on behalf of the Board of Directors.

The Director and CEO informed that the Audit Committee, with approval of the Board of Directors, has proposed the appointment of Ernst and Young Office Co., Ltd. (Ernst and Young) to be auditor of the company in the year 2010 for another one year. In this year, Ernst and Young has assigned Mrs. Nongluck Phumnoi, CPA no. 4172 and/or Mr. Sophon Permsirivallop, CPA no. 3182 and/or Miss Rungnapa Lertsuwankul, a CPA no. 3516, to be auditors, who sign for certification of financial statements. In case the above mentioned auditors cannot perform their duties, Ernst and Young will provide other certified auditors of its office to audit account and make opinion to the Financial Statement in place of the said auditors and requested the meeting to approve auditor's remuneration of 1,235,000 Baht, increasing from previous year by 155,000 Baht or 14% .

The Chairman asked the meeting whether the shareholder had any question or other opinion. There was no shareholder inquiring or stating his opinion in otherwise.

The Chairman requested the meeting to make resolution by asking if any shareholder would like to vote for opposition or abstain from voting in this agenda or not. No shareholder opposed or abstained from voting

The meeting considered and resolved the appointment of Mrs. Nongluck Phumnoi, a CPA no. 4172 and/or Mr. Sophon Permsirivallop, a CPA no. 3182 and/or Miss Rungnapa Lertsuwankul, a CPA no. 3516 of Ernst and Young Office Co., Ltd., to be auditors of the company in the year 2010 and approved auditor's fee of 1,235,000 Baht. In case the above mentioned auditors cannot perform their duties, Ernst and Young Office Co., Ltd., would provide other certified auditors of its office to perform auditing duty and to make opinions to the Financial Statements of the Company in substitution for the said auditors with majority votes as follow:

Approval	705,425,022	votes equivalent to 99.99%
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Disapproved	None
Abstained	40,000 votes equivalent to 0.01%

#### **Agenda 9. Consideration of other matters**

Followings were recommendations and inquiries of the shareholders:

- A shareholder asked why no meeting allowance for the Risk Management Committee has been proposed for an approval like it was last year and whether the Risk Management Committee still exists. The Director and CEO explained that so far, members of the Risk Management Committee have not been appointed. The meeting allowance was approved in advance last year for the independent committee members who may be appointed as members of the Risk Management Committee. However, at the beginning of the year, the Board approved the appointment of Risk Management Committee members, all of whom are the company's executives who directly report to the Audit Committee. It is, therefore, not necessary to propose the meeting allowance for independent members of the Risk Management Committee this year.
- A shareholder asked, in how many years, the operation of the Firstech Solutions Co., Ltd. will become profitable. The Director and CEO explained that Firstech Solutions engages in business process outsourcing business which is new to Thailand. Its establishment was based on a projection that in the future, insurance companies will be required to maintain high level of capital fund in compliance with the Risk-Based Capital regulatory framework. And amid the competition in the market, small and medium-sized companies would find that it is more difficult to increase the premium income than to decrease their cost which is higher than that of the large-sized company by 20%. Therefore in the light of stricter regulations and tougher competition, insurance companies must turn to outsourcing service. It is projected that by 2011, RBC regulation will be implemented and the Office of Insurance Commission (OIC) will gradually apply stricter regulations. It is expected that in about 2-3 years, the companies in this group will begin to understand and the need for this service will follow.
- The shareholder recommended that in the next election of board members, a name of the candidate should be written on the voting card instead of number. The Director and CEO agreed to make a change in the next meeting.

- The shareholder asked whether the company will increase its capital fund soon. The Director and CEO clarified that basing on the risk-based capital framework, Thaire currently does not have any capital fund problem. The increase in capital fund in the future would be based on the quantity and quality of works and an ability to create returns for the shareholders.

There was no one proposing any other matter for consideration. The Chairman expressed his thanks to all shareholders who have devoted their time for attending this meeting today and declared closing of the Annual General Shareholder's Meeting No.17

Meeting was closed at 11.00 hrs.

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- Signed -

(Mr. Suchin Wanglee)

Chairman of the Board of Directors

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-Signed-

(Mr. Surachai Sirivallop)

Director and Chief Executive Officer