

Thai Reinsurance Public Company Limited  
Minutes of Annual General Shareholders Meeting

No. 18

On 22<sup>nd</sup> April 2011

At Library Room, the AETAS Bangkok Hotel

No. 49 Soi Ruamrudee, Ploenchit Road, Khet Pratumwan, Bangkok

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Meeting begins at 10.05 hours.

Names of attending directors:

1. Mr. Suchin Wanglee Independent Chairman, member of the Investment Committee.
2. Mr. Chai Sophonpanich Vice Chairman, Chairman of the Remuneration and Nominating Committee, member of the Investment Committee.
3. Dr. Kopr Kritayakirana Independent Director
4. Mr. Kerati Panichewa Director
5. Mr. Charuek Kungwanphanich Director
6. Mr. Chanin Roonsamrarn Independent Director, member of the Audit Committee, member of the Remuneration and Nominating Committee.
7. Ms. Potjanee Thanavaranit Independent Director
8. Mr. Arnop Porndhiti Director, member of the Remuneration and Nominating Committee
9. Mr. Apirak Thaipatanagul Independent Director
10. Mr. Udom Vichayabhai Independent Director, Chairman of the Audit Committee, member of the 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

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| 2. | Ms. Thitaporn Tarakit    | Executive Vice President – Accounting, Finance and Operation |
| 3. | Mr. Chuanchai Cheausamut | Company Secretary  |

Name of attending auditor:

- |    |                           |  |
|----|---------------------------|--|
| 1. | Ms. Nongluck Phumnoi      | Auditor,<br>Ernst and Young Office Co., Ltd.     |
| 2. | Ms. Jaruwan Limkhunthammo | Audit Manager<br>Ernst and Young Office Co., Ltd |

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

The Chairman informed the meeting that 64 shareholders and 68 proxy holders holding total of 594,460,175 shares, equivalent to 50.07% 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 18<sup>th</sup> Annual General Shareholder's Meeting. Before proceeding on the meeting agendas, the Chairman introduced attending directors, auditors and legal advisor to the meeting, Then Mr. Surachai Sirivallop, Director & Chief Executive Officer, 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 one set of voting slips. 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, 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 17.**

The Chairman requested the meeting to consider for approval of the minutes of the Annual General Shareholder's Meeting no. 17 held on 23<sup>rd</sup> April 2010, 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 unanimously resolved in approval of the minutes of the Annual General Shareholder's Meeting no. 17 held on 23<sup>rd</sup> April 2010 with the following votes.

Approved	611,048,603	votes equivalent to 100.00%
Disapproved	- None	-
Abstained	- None	-

**Agenda 2. To acknowledge the Board of Directors' report on the Company's business in 2010**

The Chairman assigned the Director and CEO to report on activities in the year 2010 on behalf of the Board of Directors.

Director and CEO reported to the meeting that the company's business performance in 2010 that the profit from non-life reinsurance dropped as the amount of loss increased while the profit from life reinsurance increased. Income from investment also increased a lot, mainly from dividend and profit from securities investment. These factors attributed to a good overall business performance. The pre-tax profit, according to the consolidated financial statement was 681 million Baht and the after-tax net profit was 589 million Baht and the net profit after deducting portion of the profit for minor shareholders in subsidiary companies was 587 million Baht, an increase of 12.8% over the same period of last year or a profit of 0.50 Baht per share. The Return on Equity or ROE was 23%. Followings are the detail of business performance classified by income sources.

In reinsurance business, the gross reinsurance premium both from non-life and life reinsurance businesses was 5,168 million Baht, an increase of 1.0% over the same period of last year. The overall underwriting performance or combined ratio was at 92% or an increase of 9.0%. Followings are performance of each business.

The gross reinsurance premium from non-life business was 4,561 million Baht which was very similar to the previous year's income. The net reinsurance premium was 3,112 million Baht or an increase of 3.4% while the net reinsurance profit was 131 million Baht, a drop of 74% over the previous year. The Combined

ratio was at 95.8% or an increase of 12.7 points as a result of 2 flood disasters in October and November whose combined value of losses were 159 million Baht.

The gross reinsurance premium from life reinsurance business was 607 million Baht and the net reinsurance premium was 588 million Baht, an increase of 9.6% and 9.5% respectively from the same period of the previous years. The result of insurance underwriting in this year was very good. The combined ratio was at 74.2%, a decrease of 12.3 points. The profit from life reinsurance amounted 110 million Baht or two times of that in the previous year.

The net income from investment in 2010 was 440 million Baht, or two times more than that of the previous year and the net return on investment (including tax benefits) was 9.3% higher than that of 5.5 points in the year before. The increased investment income was attributed by the dividend receivable of 219 million Baht and the profit of 180 million Baht from investment in securities.

The gross income from insurance-related service businesses, operated by affiliated companies in 2010 was 138 million Baht, an increase of 22.3% from the same period of the previous year but saw a net loss of 7 million Baht. Six business operations made the gross profit of 27 million Baht while 4 business operations were in the red by 34 million Baht. Most of the losses were the result of the allocation of 34.3 million Baht as the reserve for impairment of computer programs of Firstech Solutions Co. Ltd, a subsidiary company. As a result, the overall loss incurred in 2010 was 7 million Baht.

In conclusion, the pre-tax profit of the company in the financial statement was 679 million Baht, a decrease of 2.7% and the net profit after tax of the company was 587 million Baht, an increase of 12.9% or a profit of 50 Satang per share while the ROE was at 23%.

As of December 31, 2010, the total assets of the company shown in the financial statement was 6,717 million Baht, an increase of 25.5% while the shareholders equity was 2,664 million Baht, an increase of 10%. The share value according to the shareholder registration was 2.24 Baht per share, an increase of 20 Satang per share compared with that in the year before.

Last year, the company was rated by the Standard and Poor's at axAA (Asean Regional Scale Rating) which was a rather high credit rating for Thai financial institution.

The Director and CEO were confident that with the quality of staff and the model of business whose operation is based on financial strength, understanding and the ability to manage business risks, to develop new products and services on a continuous basis. With these factors, the company is confident that it is ready to face any changes that may occur in the future. The Director and CEO also thanked the staff on behalf of the Board and the management for their great effort and determination in the past year. They also thanked all life and non-life insurance companies and all of the shareholders for their support.

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 2010.

**Agenda 3. To acknowledge the balance sheet and profit and loss statement for the year ended 31<sup>st</sup> December 2010**

The Chairman requested the meeting to approve the audited Balance Sheet and Profit / Loss Statement ending 31<sup>st</sup> December 2010 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 shareholder inquired about the incorporation of TR Actuarial and Consulting Services Co., Ltd. The Director and CEO clarified that this company was established in response to the increasing needs for actuary's professionals in Thailand and in the next 4 years the Office of Insurance Commission shall begin to require that the insurance reserve calculation completed by insurance companies must be certified by actuary with fellowship certification. Moreover, to meet the new accounting standard which will be enforced next year, many companies in general shall also need the actuary helping in the employee benefit calculation. So far, the company has more than 100 clients. The company also has a plan to develop more actuaries with fellowship to meet the requirement of the OIC. Last year, the company had enrolled a group of talent staff who were engineering graduates to study in a fellowship level actuarial course.

The meeting had, therefore, unanimously resolved in approval of the Balance Sheet and Profit / Loss Statement for the year 2010 with the following votes:

Approval	612,765,444	votes equivalent to 100.00%
Disapproved	None	
Abstained	None	

**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 2010, the company had net profit after tax in amount of 513,462,628 Baht, when combined with inappropriate profit remained from previous period in amount of 557,928,046 Baht, the profit for appropriation will be 1,071,390,674 Baht.

The Board of Directors proposed to appropriate the profit by paying final dividend of 0.23 Baht per share. When it was combined with interim dividend paid in September 2010 of 0.18 Baht, the total dividend paid from 2010 operating profit would be 0.41 Baht per share, which was 0.01 Baht higher than the rate paid in the year 2009, thus would be total paid dividend of 486,815,525 Baht, Payout ratio was 95% of separate financial statement and 83% 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 584,575,149 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 meeting had considered and unanimously resolved in profit appropriation as proposed by the Board of Directors in all aspects with the following votes:

Approval	612,765,444	votes equivalent to 100.00%
Disapproved	None	
Abstained	None	

**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 Public 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 2011 in amount of not over 11.9 million Baht, increasing from previous year by 1.5 million 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 9.8 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 meeting had considered and approved the payment of director's remuneration as proposed by the Board of Directors by majority with following votes:

Approval	611,989,844	votes equivalent to 99.87%
Disapproved	780,700	vote equivalent to 0.13%
Abstained	None	

**Agenda 6. To approve plan to reduce the number of directors from 14 to 13**

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

The Director and CEO informed that, as it was agreed upon in principle in the last AGM that the number of the company's board members should be decreased to 12 by reducing the number of board members by 1 per year for 3 consecutive years. He, accordingly, proposed the meeting to approve a plan to decrease the number of the board members from 14 to 13 persons this year.

The Chairman asked if any shareholders had any question or would like to express different views and opinions.

In response to the inquiries of the shareholders why the number of Board members was decreased, the Director and CEO said that the existing 15 member Board was too big in comparison to the size and type of the company's business. The number of Board members is also more than the average number of listed company and insurance companies in the SET. The Board, therefore, aims to reduce the number of Board members to 12 directors, in pursuance to the recommendation of the Remuneration and Nominating Committee.

The meeting had considered and approved to reduce the number of directors from 14 to 13 by majority with following votes.

Approval	579,715,794	votes equivalent to 94.61%
Disapproved	None	
Abstained	33,057,750	vote equivalent to 5.39%

**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 meeting, there were 5 directors, who must retire due to term completion are

1. Mr. Arnop Pornthiti                      Director; member of the Remuneration and Nominating Committee
2. Mr. Apirak Thaipatanagul              Independent Director
3. Mr. Aswin Kongsiri                      Independent Director; member of the Audit Committee; member of the Remuneration and Nominating Committee
4. Mr. Udom Vichayabhai                  Independent Director; Chairman of the Audit Committee;

member of the Remuneration and Nominating Committee

5. Mr. Surachai Sirivallop Director and Chief Executive Officer

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 Mr. Arnop Porndhiti, Mr. Apirak Thaipatanagul, Mr. Aswin Kongsiri, Mr. Udom Vichayabhai, and Mr. Surachai Sirivallop, as company's directors for another term. Resumes of the 5 directors were sent to the shareholders for consideration together with the invitation letter. However, in previous agenda, the meeting had resolved to reduce the number of directors by 1 member, the Director and CEO then asked the meeting to elect only 4 candidates to continue their offices for another term.

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. Arnop Porndhiti	- President and Chief Executive Officer of MSIG Insurance (Thailand) Insurance Co., Ltd.
Mr. Apirak Thaipatanagul	- Director and Chief Executive Officer of Thai Life Assurance Co., Ltd.
Mr. Aswin Kongsiri	- Chairman of Krungthai-AXA Life Assurance Co., Ltd.

The Chairman then requested the meeting to vote for election by individual director. Vote counting resulted that persons, whose names were proposed, had received the following votes:

Mr. Arnop Porndhiti

Approval	495,033,640	votes equivalent to 89.97%
Disapproved	11,225,065	votes equivalent to 2.04%
Abstained	43,981,400	votes equivalent to 7.99%

Mr. Apirak Thaipatanagul

Approval	389,642,475	votes equivalent to 65.75%
Disapproved	44,376,430	votes equivalent to 7.49%
Abstained	158,614,700	votes equivalent to 26.76%

Mr. Aswin Kongsiri

Approval	520,844,325	votes equivalent to 94.46%
Disapproved	2,041,560	votes equivalent to 0.37%
Abstained	28,502,230	votes equivalent to 5.17%

Mr. Udom Vichayabhai

Approval	545,012,885	votes equivalent to 96.99%
Disapproved	15,288,320	votes equivalent to 2.72%
Abstained	1,628,140	vote equivalent to 0.29%

Mr. Surachai Sirivallop

Approval	584,976,185	votes equivalent to 98.59%
Disapproved	40,000	vote equivalent to 0.01%
Abstained	8,313,820	vote equivalent to 1.40%

Hence, the recipients of the 4 highest approval votes, namely, Mr. Surachai Sirivallop, Mr. Udom Vichayabhai, Mr. Aswin Kongsiri and Mr. Arnop Porndhiti were reelected as the directors of the company for another term.

**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 2011 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 1,297,000 Baht, increasing from previous year by 62,000 Baht or 5%.

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.

In response to the question on the increase of auditor's fee, The Director and CEO asked the company's secretary to answer the question. The secretary said that after the enforcement of the new

accounting standards and the increasing requirements in financial statement preparation, the auditors have more works to complete.

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 2011 and approved auditor's fee of 1,292,000 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	613,790,044	votes equivalent to 99.97%
Disapproved	157,000	votes equivalent to 0.03%
Abstained	None	

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

Followings were recommendations and inquiries of the shareholders:

- When asked by the shareholders about the effect of the recent disasters such as the Tsunami in Japan and policies implemented by the company in this matter. The Director and CEO explained that the company never has the policy to accept overseas business. The Tsunami disaster in Japan, thus, has had no impact on the company. But the 2 flooding disasters that occurred in the country at the end of the year 2010 has caused a loss of 159 million Baht to the company. It is expected that the flood that occurred in the south at the end of March 2011 shall pose only a minimal impact on the company for the company has managed this risk by taking the Excess of Loss Protection insurance to limit the maximum loss at not more than 90 million Baht per incident. The company also spread out its income base by not depending too much on non-life reinsurance and high-volatile investments by focusing more life reinsurance business whose business performances are more certain. Focus has also been placed by the company on insurance-related service business which has a lot of growth potential.

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.18

Meeting was closed at 11.25 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