



(Translation)

**Minutes of the General Meeting of Shareholders
of
Thai Farmers Bank Public Company Limited No. 88
Tuesday, 4 April 2000
at
“Samarnchan” Auditorium, 3rd Floor,
Thai Farmers Bank Public Company Limited’s Head Office,
1, Thai Farmers Lane, Ratburana Road, Khwaeng Ratburana,
Khet Ratburana, Bangkok Metropolis**

Mr. Banyong Lamsam, the Chairman of the Board of Directors, was the Chairman of the Meeting.

The Chairman thanked the shareholders who attended the Bank’s General Meeting of Shareholders No. 88 and informed the Meeting that there were 149 shareholders present in person and by proxy, holding altogether 908,145,219 shares which exceeded one-third of the Bank’s total shares sold. The quorum was thus formed in accordance with the Articles of Association of the Bank. The Chairman therefore declared the General Meeting of Shareholders No. 88 opened.

The Meeting started at 14.00 hours.

The Chairman informed the Meeting of the voting methods and then proposed that the Meeting consider the following agendas:

1. To consider adopting the Minutes of the Extraordinary Meeting of Shareholders No. 1/2542

The Chairman asked the Meeting to consider adopting the Minutes of the Extraordinary Meeting of Shareholders No. 1/2542 held on 11 August 1999, the copy of which had been delivered to the shareholders together with the Notice of this meeting.

No shareholder opposed or requested that the Minutes be amended otherwise.

The Meeting considered the matter and resolved by the majority votes of shareholders who attended the meeting and casted their votes, to adopt the Minutes of the Extraordinary Meeting of Shareholders No. 1/2542.

2. The Board of Directors' report on 1999 operation

The Chairman asked the Meeting to consider the report on 1999 operation according to the details in the Board of Directors’ Report and the Balance Sheet as of 31 December 1999 which were delivered to the shareholders prior to the meeting.

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A shareholder observed that the Board of Director's Report sent to the shareholders this year contained the Chairman's message only. There was not much information on the operation. The shareholder would like to know the reason behind the Bank's purchase of Phatra Thanakit Public Company Limited in the past year and to what extent the Bank suffered from the damage.

The President explained that regarding Phatra Thanakit Public Company Limited, it was a cooperation with the authorities via the Financial Institution Development Fund in order to solve the problem of Phatra Thanakit Public Company Limited effectively and to benefit the financial sector of the country in general. The Bank purchased good assets at book value and transferred them into the Bank's performing assets. The Bank also set up an asset management company held 100 per cent thereby to purchase substandard assets at book value after deducting the provision for doubtful debts according to the Bank of Thailand's criteria. In addition, the Financial Institution Development Fund approved Baht 4.4 billion assistance fund. Generally speaking, this was done after taking into consideration the business fundamentals and it did not cause much damage. Likewise, the Bank was still able to maintain its shareholding ratio in Merrill Lynch Phatra Securities Company Limited which has good management and promising business prospects.

No shareholder asked for more information.

The Meeting acknowledged the report on the Bank's operation in 1999.

3. To consider and approve the Balance Sheet and the Statement of Income for the year ending 31 December 1999 and to acknowledge the omission of dividend payment

The Chairman asked the Meeting to consider and approve the Balance Sheet and the Statement of Income for the year ending 31 December 1999 according to the details in the Board of Directors' Report and the Balance Sheet and Statement of Income delivered to the shareholders prior to the meeting. The Chairman also asked the President to explain the matter.

The President explained the Balance Sheet and the Statement of Income to the Meeting and requested the shareholder to ask if there was any question.

A shareholder asked that as the Bank suffered as much as Baht 52,632 million operating loss in 1999, which accounted for Baht 86,321 million accumulated loss, when the Bank would be able to make profit again?

The President explained that the Bank had already set aside full provision for doubtful debts as required by the Bank of Thailand. Therefore, it was expected that from this moment on, the Bank would be able to make profit. However, this depended substantially on the country's economy recovery. The financial sector would recuperate only when the economy became better on a larger scale. It was expected that the Thai economy would revive in the next 3-4 years. However, all of these depend on economic and political factors.



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A shareholder asked whether the Bank assigned its executives to manage Thonburi Asset Management Company Limited and Chanthaburi Asset Management Company Limited or hired outsider to do so and which criteria the Bank used to determine the price of assets when selling them to Thonburi Asset Management Company Limited at a price of less than 50 per cent of the book value of the outstanding liabilities.

The President explained that the principle for setting up an asset management company was to separate bad debts from normal debts. This was to help managing and solving the problem independently and in a concrete way. The reason the Bank did not manage the asset management company because of its limited resources. The Bank hired a company with expertise and efficient working system to do the job. The monitoring and collecting teams of non-performing loans of these two companies were separated. The fact that the price of assets sold to Thonburi Asset Management Company Limited was around 50 per cent of its book value because the asset quality was quite low. Although the determined price may be a little low, if the debts could be collected, all would go to the Bank as its assets. More importantly, the asset management company did not depend on that price as a basis of debt collection. Rather, it depended on the negotiation and an ability of repayment on a case by case basis. An asset management company's priority was to collect as much debt as possible since the company's return was based on its performance and its debt-collecting ability.

A shareholder observed that in the Balance Sheet of the Bank regarding classified assets, the Bank did not show a figure of accrued interest loan after deducting the guarantee. The Bank was requested to add that figure.

The Chairman acknowledged and would consider the matter.

A shareholder asked that from the auditor's report, the auditor released the report with conditions when mentioning two subsidiary companies, of which there were no financial statements audited by the auditors. Still, the auditor prepared a consolidated statement based on the information gathered from the executives. The shareholder would like to know why. Based on the report of the Audit Committee, no comment was given either. The Chairman of the Audit Committee was asked to clarify the matter.

The Chairman asked the auditor to explain the financial statements of the subsidiary companies.

The auditor explained that the paragraph concerning the conditions of the two subsidiary companies referred to the financial statements in 1998. It was the first year that the Stock Exchange of Thailand required that companies issued consolidated financial statements. As the announcement was made in such a short time, several companies could not gather all the information. However, in 1999, these two subsidiary companies complied with all the rules and regulations and therefore no condition regarding this matter was mentioned again.



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The Chairman of the Audit Committee added that the Audit Committee's duty was to review the significance, accuracy and fair presentation of the financial statement with the Bank's auditor. Its tasks were to also monitor the appropriateness, adequacy and the scope of internal audit and legal compliance. In practice, the working criteria have been revised all the time, if anything was found inappropriate, the Committee would recommend changes. These details were not elaborated in the report. What was written was to what extent these duties had been performed during a year.

The Chairman proposed that in case of no further question, the Meeting was requested to consider and approve the Balance Sheet and the Statement of Income for the year ending 31 December 1999.

The Meeting considered and resolved by the majority votes of shareholders who attended the meeting and casted their votes, to approve the Balance Sheet and the Statement of Income for the year ending 31 December 1999.

The Chairman asked the President to propose the 1999 operating result for the Meeting to acknowledge the omission of dividend payment for a one-year period of 1999.

The President proposed the operating result as follows.

Loss brought forward from 31 December 1998's period	Baht (33,689,064,442.84)
Net loss for the year 1999	Baht (52,631,656,579.65)
Retained loss carried forward	Baht (86,320,721,022.49)

The dividend for a one-year period of 1999 will not be paid

The Meeting acknowledged the omission of dividend payment for a one-year period of 1999.

4. To consider and approve the amendment to the Bank's Articles of Association

The Chairman asked the Meeting to consider and approve the amendment to the Bank's Articles of Association as follows.

- 4.1 Repeal Clauses 9, 11, 19 and 19 bis and replace them with the new content as per details in Annex 1.
- 4.2 Repeal Clause 19 ter.
- 4.3 Add Clauses 9 bis, 9 ter and 10 quarter with the content as per details in Annex 1.

In addition, the Chairman asked the Meeting to consider authorizing the Board of Directors, the President or any person entrusted by either of the former to have a power to amend the content or wording in the said amended Articles of Association in accordance with the instruction, recommendation or comment of the Registrar of the Ministry of Commerce and officers of any other government authorities.



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The Meeting considered and resolved with more than three-fourths of all votes of the shareholders who attended the meeting and were entitled to vote, to approve that the Bank's Articles of Association be amended, and approve the granting of power, as per the details proposed in all respects.

The Chairman added that as the Meeting approved to amend the Bank's Articles of Association, as a result, the Executive Board must be changed into the Advisory Board instead. Therefore, the remuneration which the Shareholders' Meeting resolved on 25 March 1999 for the Executive Board shall instead be the remuneration for the Advisory Board.

The Meeting acknowledged the matter.

5. **To consider the election of directors to replace those retiring by rotation or those whose offices are vacated and to consider approval of the change of directors who are authorized signatories**

The Chairman informed the Meeting that pursuant to the Bank's Articles of Association, one-third of all directors had to retire by rotation at every General Meeting of Shareholders. The directors who had to retire by rotation at this General Meeting of Shareholders were as follows.

1. Mr. Somchai Bulsook
2. Ms. Sujitpan Lamsam
3. Mr. Narong Sri Sa-an
4. Mr. Samran Kalayanarooj
5. Mr. Sumet Tantivejkul

Of the directors who had to retire by rotation, Mr. Narong Sri Sa-an, Mr. Samran Kalayanarooj and Mr. Sumet Tantivejkul had already resigned from the Board of Directors of the Bank prior to this meeting. As a result, from the current Board of Directors, there were two directors who had to retire by rotation in this meeting, namely, Mr. Somchai Bulsook and Ms. Sujitpan Lamsam.

The Board of Directors of the Bank deemed that the Shareholders' Meeting should consider re-electing the directors who had to retire by rotation as the Bank's directors for another term.

The Meeting considered and resolved by the majority votes of shareholders who attended the meeting and casted their votes, to approve the re-election of Mr. Somchai Bulsook and Ms. Sujitpan Lamsam as the Bank's directors for another term.

The Chairman informed the Meeting that aside from the three directors mentioned above who had to retired by rotation but had already resigned before this meeting, there were the other two directors who also resigned. They were Mr. Chana Rungsang and Mr. Kaorop Nuchanart. As a result, five directorship were vacant. The Board of Directors deemed that as there had been change in current situation, Thailand was to enter into an international financial market and



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the Bank's operation must be conducted with transparency and good governance. At the same time, the Stock Exchange of Thailand had issued the good governance guideline for listed companies to comply with. The Bank's Board of Directors therefore appointed a Nomination Committee which consisted of six experts as follows.

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| 1. Mr. Paron | Israsena |
| 2. Dr. Panas | Simasathien |
| 3. Dr. Aran | Thammano |
| 4. Professor Dr. Sippanondha | Ketudat |
| 5. Professor Toemsakdi | Krishnamra |
| 6. Mr. Hiran | Radeesri |

The Nomination Committee shall consider, screen and select candidates with the appropriate qualifications, and propose their names to the Board of Directors for proposing to the General Meeting of Shareholders as candidates for election as the Bank's directors. The Nomination Committee had selected two candidates and the Board of Directors had considered selecting another three qualified candidates. The Meeting was therefore requested to consider election of the following persons as directors to replace the five resigning directors.

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| 1. Mrs. Suchada Kiranandana as the director replacing Mr. Narong Sri Sa-an | |
| 2. Mr. Abhijai Chandrasen as the director and legal advisor replacing Mr. Samran Kalayanaroj | |
| 3. Mr. Charles L. Coltman, III as the director replacing | Mr. Sumet Tantivejkul |
| 4. Mr. Yongyuth Yuthavong as the director replacing | Mr. Chana Rungsang |
| 5. Mr. William Mark Evans as the director replacing | Mr. Kaorop Nuchanart |

A shareholder asked which nationalities of the two foreigners the Board of Directors proposed for the Meeting to consider election as the directors of the Bank and why foreigners were invited to be the directors.

The Chairman explained that at present, the Bank has an international characteristic and the election of foreign directors would help enhance such international characteristic and facilitate the foreign business transactions. The Chairman then asked the President to provide more explanation.

The President explained that the two candidates had capability and experience in various fields. Banking business needs a variety of experience and knowledge as the Bank is in both Thai and international markets. From the two foreigners proposed to the Meeting for election as the directors, Mr. Charles L. Coltman, III. is American. At present, he is a chairman of the board of a US bank. He lived in Thailand once and therefore has bond with Thailand. Moreover, Mr. Coltman has knowledge and capability in the commercial banking business. Mr. William Mark Evans is Canadian who works in the US and has life-long experience in investment banking from his work with Goldman Sachs. He has currently resigned from Goldman Sachs and has set up his own internet business. The knowledge and experience of both men would immensely benefit the Bank.



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A shareholder asked that based on the work experience of the candidates proposed by the Board of Directors for election as the Bank's directors, one had experience in risk management during the Latin American and Asian Region debt crisis. The shareholder would like to know the result of the resolution of the crisis.

The President explained that during 1980's, the US banks faced huge problem resulted from their lending to various countries, particularly the countries in Latin America. As a result, the US banks who survived through that period are very experienced in tackling the debt problem in those countries. Generally, the resolution of debt problem was successful and such candidate had an extensive experience in the area.

No shareholder asked further question.

The Meeting considered and resolved by the majority votes of shareholders who attended the meeting and casted their votes, to approve the election of all the five candidates as proposed by the Board of Directors as directors to replace the resigning directors.

The Chairman informed the Meeting that as this Meeting resolved to elect new directors, for work flexibility, he proposed that the Meeting consider approval of the change of the directors who are authorized signatories as follows.

"Mr. Banyong Lamsam, Chairman, or Mr. Banthoon Lamsam, President, signs with the Company's seal affixed; or any two of the following six directors: Police General Pow Sarasin, Mr. Sukri Kaocharern, M.R. Sarisdiguna Kitiyakara, M.R. Yongswasdi Kridakon, Mr. Somchai Bulsook or Mr. Tawee Butsunton sign with the Company's seal affixed."

The Meeting considered and resolved by the majority votes of shareholders who attended the meeting and casted their votes, to approve the change of the directors who are authorized signatories as proposed.

6. To consider fixing the remuneration of the legal advisor

The Chairman informed the Meeting that as this Meeting approved the election of the Bank's legal advisor, it was deemed appropriate to request the Meeting to also consider fixing the remuneration of the legal advisor. The Chairman proposed that the remuneration be fixed at Baht 100,000 per month.

The Meeting considered and resolved by the majority votes of shareholders who attended the meeting and casted their votes, to approve the fixing of the remuneration of the legal advisor as proposed.



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7. To consider appointing and fixing the remuneration of the auditors

The Chairman informed the Meeting that the Board of Directors would like to propose the appointment of the auditors and fixing their remuneration as follows.

The Bank's auditor would be the auditors from KPMG Audit (Thailand) Limited, namely:

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| 1. | Mr. Nirand Lilamethwat | Certified Public Accountant No. 2316 |
| 2. | Mr. Supoj Singhasaneh | Certified Public Accountant No. 2826 |
| 3. | Mr. Thiridthong Thepmangkorn | Certified Public Accountant No. 3787 |
| 4. | Mrs. Wilai Buranakittisophon | Certified Public Accountant No. 3920 |

Any one of them shall be authorized to audit, prepare and sign in the audit report.

The Bank of Thailand has approved all four auditors in its letter Ref. No. Sor Gor Sor. (03) 48/2543 dated 24 March 2000 as the Bank's auditors. Regarding the auditing fee, under the current circumstance, an auditor has huge task and responsibility. He needs to audit various information which must be increasing disclosed in a financial statement as well as review credit. It also requires an auditor from the company's overseas head office to do the job to achieve international standards. In addition, this year, the auditor has to prepare a consolidated financial statement of companies which the Bank additionally invests in. As a result, KPMG Audit (Thailand) Limited proposed that the auditing fee in relation to the Bank for a particular period and for an annual period increased from Baht 1,750,000 to Baht 2,200,000. The payment will be made in two installments as usual. In addition, there are other auditing fees which consist of reviewing fee of financial statement in relation to the Bank on a quarterly basis, auditing fee of consolidated financial statement for a particular period and for an annual period, reviewing fee of consolidated financial statement on a quarterly basis, and a special auditing fee in accordance with the Bank of Thailand's order. Other auditing fees total Baht 3,550,000. For other auditing activities which may occur aside from what are mentioned above, it was requested to be under the Management Board's discretion to consider the payment of the auditing fees as deemed appropriate. The Meeting was asked to consider the matter.

The Meeting considered and resolved by the majority votes of shareholders who attended the meeting and casted their votes, to approve the appointment of the following persons:

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| 1. | Mr. Nirand Lilamethwat | Certified Public Accountant No. 2316 |
| 2. | Mr. Supoj Singhasaneh | Certified Public Accountant No. 2826 |
| 3. | Mr. Thiridthong Thepmangkorn | Certified Public Accountant No. 3787 |
| 4. | Mrs. Wilai Buranakittisophon | Certified Public Accountant No. 3920 |

of KPMG Audit (Thailand) Limited as the Bank's auditors. Any one of them shall be authorized to audit, prepare and sign in the audit report. The auditing fee in relation to the Bank for a particular period and for an annual period is fixed at Baht 2,200,000 per annum. The payment will be made in



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two installments. The auditing fees in reviewing the financial statement in relation to the Bank on a quarterly basis, auditing the consolidated financial statement for a particular period and for an annual period, reviewing the consolidated financial statement on a quarterly basis, and a special auditing in accordance with the Bank of Thailand's order total Baht 3,550,000. The Management Board is approved the authority to consider paying the auditing fees for other auditing activities which may occur aside from the foregoing to the auditor as deemed appropriate.

8. Other businesses

The Chairman informed the Meeting that the Bank of Thailand had the requirement that the Bank informed the Shareholders' Meeting of the rights to buy or hold shares, and remuneration which the directors and executives from the Department Manager or equivalent level were entitled to pursuant to employment agreements, from Bank and the subsidiary companies which the Bank holds more than 10 per cent of the shares sold.

The Bank would like to inform the Meeting that the Bank and the subsidiary companies did not give any privilege for the directors and/or its executives from the Department Manager or equivalent level to buy shares in the Bank or in any subsidiary companies. Regarding the remuneration pursuant to the employment agreements, every executive was bound by the same condition pursuant to the employment agreements that when the agreements were terminated, the Bank would pay the compensation for an amount equal to the last-time salary or wage multiplied by the number of working years.

The Meeting acknowledged the matter.

Next, the Chairman invited the shareholders to express opinions or ask questions regarding the Bank's operation.

A shareholder observed that based on the list of the first 10 major shareholders, most of them were foreigners. There had been concern that although the present time is the internationalism time, yet, Thai Farmers Bank is an old Thai bank and the country's leading bank, one would not wish the administrative power to belong to foreigners. The shareholder asked for a comment on this matter.

The Chairman expressed appreciation and explained that following a series of capital increase, especially the capital raising in the recent past, foreigners bought the capital increase shares at a high ratio which resulted in the ratio of shareholding by Thai nationals changed. However, in the administration of the Bank's business, the management team of the Bank remained firmly focusing on transparency administration and constant supervision. As a result, he opined that its management team still received confidence and remained trusted by the shareholders.

A shareholder asked whether or not the Bank had a system to check the share register since the number of shares appeared in the registration was different from what it once was.



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The Chairman informed the Meeting that Thailand Securities Depository Co., Ltd., set up by the Stock Exchange of Thailand, was the registrar of the Bank's securities and anyone was welcomed to check the correctness.

A shareholder expressed his wish that the Bank would enjoy better operating results in the following years and asked all directors to manage the Bank as wished by the shareholders.

A shareholder observed that in the past, the Bank was able to make profits. However, there has been no profit for several years now. Yet, he asked the Bank to stick to its motto of "Dedicated to Banking Excellence". This was because the Bank's service has changed, not equipped with as many personnel as in the past.

The Chairman explained that today's service has changed quite a lot from the past as time changes. However, the Bank remained focusing on its motto in order to give the impressive service for the period and circumstance.

As no shareholder asked further question, the Chairman announced the meeting adjourned and thanked all the shareholders who contributed their time to attend the meeting and gave valuable comments to the Bank.

The meeting adjourned at 16.00 hours.

(Signed) Banyong Lamsam
(Mr. Banyong Lamsam)
Chairman of the Meeting

(Signed) Tida Samalapa
(Ms. Tida Samalapa)
Secretary to the Board of Directors