

## **A copy of the Minutes of the Annual General Meeting of Shareholders No. 1/2553**

### **Land & Houses Public Co., Ltd.**

The Annual General Meeting of Shareholders No. 1/2553 (the Meeting) was held at 1.38 p.m. on April 28, 2010 on the fourth floor of Q House Building, Lumpini, No. 1 South Satorn Road, Thung Mahamek, Satorn, Bangkok. It was attended by 639 shareholders and proxies, representing 6,509,866,327 shares (64.93%), more than one third of all 10,025,921,523 shares, and constituting a quorum. Mr. Anant Asavabhokhin, the chairman and president of the Company, was the chairman of the meeting (the Chairman) and Mr. Nantawat Pipatwongkasem, the secretary of the Company, acted as the secretary of the meeting (the Secretary).

The Secretary introduced the seven directors present at the Meeting. They were:

- |                                   |  |
|-----------------------------------|--|
| 1. Mr. Anant Asavabhokhin         | Chairman and President                                   |
| 2. Mr. Pratip Wongnirund          | Chairman of the Audit Committee and Independent Director |
| 3. Mr. Pakhawat Kovithathanaphong | Member of the Audit Committee and Independent Director   |
| 4. Mr. Chadchart Sittipunt        | Member of the Audit Committee and Independent Director   |
| 5. Mr. Adisorn Thananun-narapool  | Director and Senior Executive Vice President             |
| 6. Mr. Naporn Sunthornchitcharoen | Director and Senior Executive Vice President             |
| 7. Mr. Nantawat Pipatwongkasem    | Director and Board Secretary                             |

The directors not present at the Meeting were Mr. Lim Swe Guan and Mr. Soong Hee Sang. The Company's auditor was present at the Meeting.

Before the Meeting, the Secretary informed the Meeting of the regulations and the agenda of the Meeting in line with related laws and the Company's Articles of Association, the details of which were on pages 32-35 of the Notice of the Annual General Meeting of Shareholders:

#### **Proxy**

The Company sent to its shareholders all three Proxy Forms—Form A, B and C—as prepared by the Department of Business Development, the Commerce Ministry. Shareholders can be downloaded from [www.lh.co.th](http://www.lh.co.th).

- Form A was a general, simple authorization form.
- Form B was the form that specified a list of transactions to be authorized in a fixed, comprehensive format.
- Form C was used specifically by foreign shareholders who appointed custodians in Thailand for their shares.

#### **Guidelines on voting on each agenda item, vote-counting and reporting of voting results**

1. A barcode system was used to count votes for each agenda item, scanning from the voting tickets marked by the voting rights present. The voting tickets will be distributed to;
  - 1.1 the shareholders who represented at the Meeting
  - 1.2 the Proxies form A
  - 1.3 the Proxies form B or C that were not marked by the voting rights
2. The Chairman asked the shareholders to consider each agenda item and to vote whether they approved, disapproved or abstained.
3. On each agenda item, if no shareholder objected, disapproved or abstained, it would be assumed that the shareholders approved it. A shareholder who objected, disapproved or abstained would mark the voting ticket provided by the Company accordingly. In counting the votes, only objection and abstention votes were counted and deducted from the total voting rights present.

4. After each agenda item had been voted, the Chairman pronounced the result of the vote counting to the Meeting before the Meeting ended.

### **Meeting resolutions**

1. The Secretary informed the Meeting of the number of votes required to pass a resolution on each agenda item before the voting began.
2. If the votes were tied, the Chairman held the casting vote.
3. The shareholders or proxies with conflicts of interest on the agenda items being voted on would not be allowed to cast their votes and the Chairman might invite them to temporarily leave the meeting room, except in the voting to elect directors.

The Secretary also informed the Meeting that in compliance with good corporate governance principles, the Company had given an opportunity to the shareholders to propose in advance the following;

1. Agenda of the Annual General Meeting of Shareholders for year 2010 in advance
2. Proposal of candidates who have qualification and knowledge suitable for the vacant directorships
3. Questions about the agenda of the Annual General Meeting of Shareholders no. 1/2010

but there was no candidate or meeting agenda or questions in advance proposed by shareholders.

After the Secretary informed the Meeting of the aforementioned regulations, the Chairman was invited to convene the Meeting.

The Chairman made the opening speech and started the Meeting by the following agenda.

### **1. To consider and approve the Minutes of the Annual General Meeting of Shareholders No. 1/2552**

The Chairman informed the Meeting that in pursuant to the regulations of the Stock Exchange of Thailand and the Public Limited Companies Act B.E. 2535, a public company had to prepare the minutes of its annual general meeting of shareholders and submit them to the Stock Exchange of Thailand and the Commerce Ministry within the period stipulated by law. The minutes were also required to be proposed at the subsequent shareholders' meeting for approval. The Company had prepared and submitted the minutes within the period required by law and published them at the Company's website at [www.lh.co.th](http://www.lh.co.th).

The Chairman allowed the shareholders to consider, express opinions and vote on this agenda item. The Chairman also explained that the shareholders who objected, disapproved or abstained on this Agenda Item should marked the voting ticket and raise their hands so that the staff could collect their voting tickets for the calculation of the voting result.

When there were no opinions from the Meeting, the Chairman asked the Meeting to vote on the agenda item.

The Secretary informed the Meeting that the number of votes required to approve the agenda item was the majority of the voting rights present.

The Meeting considered and resolved to approve the Minutes of the Annual General Meeting of Shareholders No. 1/2552 (with 6,602,716,086 approving votes, - disapproving vote and 346,000 abstention votes) (Of the total 6,603,062,686 shares registered at the Meeting, - non-voting shares).

### **2. To acknowledge the report on the Company's operating result for the year ended 31<sup>st</sup> December 2009**

The Chairman assigned Mr. Naporn Sunthornchitcharoen to explain the details of this agenda item.

Mr. Naporn told the Meeting that the performance of the Company over the past year could be summarized as follows:

### 1. The company's operating result for the year ended 31/12/2009

Details	2009	2008	% change
Total revenue	17,912	16,008	11.89 %
Total revenue from sales of residential units	17,273	15,410	12.09 %
Ratio of revenue from sales of residential units	96 %	96 %	
(Profit from core operation)	3,687	3,156	16.83 %
Net profit	3,908	3,428	14.03 %
Total of transfer (unit)	3,713	3,114	19.24 %
No. of active projects	52	45	

### 2. The increase of the registered houses in Bkk. and its perimeter compare with the company handed over to customers

Details	2009	2008	% change
Total housing registered	69,938	59,048	18.4 %
Detached houses	10,309	13,437	-23.3 %
Handed over to customers	2,217	2,300	-3.6 %
(Market Share)	21.5 %	17.1 %	
Townhouses	12,178	11,943	2.0 %
Handed over to customers	394	287	37.3 %
(Market Share)	3.2 %	2.4 %	
Condominiums	46,452	31,535	47.3 %
Handed over to customers	835	215	288.4 %
(Market Share)	1.8 %	0.7 %	

### 3. investment in subsidiaries and associates

Company	Paid up (mil bht.)	Holding shares	PAR	% Hold	Cost (mil bht.)	Market value on 7/4/2553	Market value (mil bht.)
Listed							
QH	8,477	2,107,539,377	1	24.86%	3,962	2.38	5,016
HMPRO	3,704	1,110,728,875	1	29.99%	1,845	6.25	6,942
KH	1,662	477,586,025	1	28.73%	924	5.45	2,603
Q-CON	400	84,627,680	1	21.16%	271	3.96	335
POLAR	4,892	1,223,102,790	1	25.00%	977	3.06	3,743
					<b>7,978</b>	<b>Total listed</b>	<b>18,639</b>
non-listed							
LHPF 2	3,021	150,995,059	10	49.99%	1,328		1,328
LHPF 1	40	2,013,462	10	49.90%	32		32
LH BANK	2,758	11,291,800	100	40.95%	1,266		1,266
AAA	5	199,994	10	40.00%	10		10
					<b>2,635</b>	<b>Total non- listed</b>	<b>2,635</b>
					<b>10,613</b>	<b>Grand Total</b>	<b>21,274</b>

#### 4. Land acquisition

The Company and its subsidiaries has acquired 13 plots of land located in Bangkok and its vicinity, totaling 3,914 million baht and deposit purchase of 8 plots of land totaling 212 million, equivalent to total amount of 4,126 million baht.

#### 5. Offering for sale of Debentures

The Company has issued debentures in an amount of 2,000 million baht in December 2009 at fix interest rate of 4.5% , with maturity of 5.5 years.

The Secretary told the Meeting that no vote was required for this agenda item, as it aimed to keep the shareholders up to date with the latest developments.

The Meeting acknowledged the Company's operating results for last year as reported by Mr Naporn.

### 3. To consider and approve the annual balance sheet and profit and loss statements for the year ended 31<sup>st</sup> December 2009

The Chairman assigned Mr. Adisorn Thananan-narapool to explain the details of this agenda item.

Mr. Adisorn summarized the details of the balance sheet and the profit and loss statements to the Meeting as follows:

#### Balance sheets for the year end 31/12/2009

Consolidated financial statements	2009	2008	Difference	
			(mil bht.)	%
<b>Total assets</b>	<b>46,920</b>	<b>46,102</b>	<b>818</b>	<b>1.8</b>
Current assets				
Cash	2,168	1,233	935	75.8
Inventories-net	22,999	24,303	-1,304	5.4
Others	727	394	333	84.5
<b>Total current assets</b>	<b>25,894</b>	<b>25,931</b>	<b>-36</b>	<b>-0.1</b>
Non current assets				
Investments in associates	11,814	11,281	533	4.7
Land held for development	4,419	4,159	260	6.3
Others	4,793	4,732	61	1.3
<b>Total non-current assets</b>	<b>21,026</b>	<b>20,172</b>	<b>854</b>	<b>4.2</b>

#### Balance sheets for the year end 31/12/2009

Consolidated financial statements	2009	2008	Different	
			(mil bht.)	%
<b>Total liabilities</b>	<b>19,577</b>	<b>19,017</b>	<b>560</b>	<b>2.9</b>
Barrier debts				
Short-term loans	767	2,179	-1,412	-64.8
Long term loans + Current Portion	7,018	5,463	1,555	28.5
Debentures + Current Portion	9,000	8,500	500	5.9
<b>Total barrier debts</b>	<b>16,785</b>	<b>16,142</b>	<b>643</b>	<b>4.0</b>
<b>Total non-barrier debts</b>	<b>2,792</b>	<b>2,875</b>	<b>-83</b>	<b>2.9</b>
Shareholder' equity	27,343	27,086	257	0.9
Issued and paid-up	10,026	10,026	-	-
Retained earnings	5,255	4,941	314	6.4
Others	12,062	12,120	-58	0.5

#### Income statements for the year end 31/12/2009

Consolidated financial statements	2009	2008	Different	
			(mil bht.)	%
<b>Total revenues</b>	<b>17,912</b>	<b>16,008</b>	<b>1,904</b>	<b>11.9</b>
Total revenue from detached houses	17,273	15,410	1,864	12.1
<b>Rental income</b>	<b>382</b>	<b>361</b>	<b>22</b>	<b>6.1</b>
<b>Others</b>	<b>256</b>	<b>238</b>	<b>19</b>	<b>7.8</b>
<b>Shares of income from investment in associates</b>	<b>1,174</b>	<b>1,024</b>	<b>151</b>	<b>14.7</b>
<b>Cost and expences</b>	<b>13,732</b>	<b>12,542</b>	<b>1,190</b>	<b>9.5</b>
<b>Income before corporate income tax</b>	<b>5,087</b>	<b>4,287</b>	<b>800</b>	<b>18.7</b>
<b>Corporate income tax</b>	<b>1,219</b>	<b>927</b>	<b>291</b>	<b>31.4</b>
<b>Net income</b>	<b>3,908</b>	<b>3,428</b>	<b>481</b>	<b>14.0</b>

The Chairman allowed the shareholders to consider, express opinions and vote on this agenda item. The Chairman also explained that the shareholders who objected, disapproved or abstained on this Agenda Item should marked the voting ticket and raise their hands so that the staff could collect their voting tickets for the calculation of the voting result.

When there were no more questions and opinions from the Meeting, the Secretary informed the Meeting that the number of votes required to approve this agenda item was the majority of the voting rights present.

The Meeting considered and resolved to approve the annual balance sheet and profit and loss statements ended December 31, 2009 (with 6,520,834,566 approving votes, 26,289,510 disapproving vote and 19,342,114 abstention votes) (Of the total 6,566,466,190 shares registered at the Meeting, - non-voting shares).

#### **4 To consider and approve the appropriation of profit, the distribution of dividends and legal reserve for 2009**

The Chairman assigned Mr. Adisorn Thananan-narapool to explain the details of this agenda item.

Mr. Adisorn informed the Meeting that according to the Company's operating result for year 2009 as presented in previous agenda, the Board of Directors approved the distribution of dividend payment for year 2009 from net profit and retain earnings, at the rate of 0.34 baht per share. But since an interim dividend payment of 0.24 baht per share had already been paid during the year, an additional dividend of 0.10 baht per share would be paid. The record date to determine shareholders' names for the right to receive the dividend shall be on 10 May 2010 and according to Clause 225 of Security and Exchange Act, the closing date of the share register book shall be on 11 May 2010, and the dividends will be paid on 25 May 2010.

Since the Company's reserve fund has already reached 10% of the Company's registered capital, so there was no need to set aside more legal reserves.

The Chairman allowed the shareholders to consider, express opinions and vote on this agenda item. The Chairman also explained that the shareholders who objected, disapproved or abstained on this Agenda Item should marked the voting ticket and raise their hands so that the staff could collect their voting tickets for the calculation of the voting result.

When there were no questions and opinions from the Meeting, the Secretary informed the Meeting that the number of votes required to pass a resolution on this agenda item was the majority of the voting rights present.

The Meeting considered and approved the distribution of profit, dividends and legal reserves for 2009 (with 6,680,912,657 approving votes, - disapproving vote and 2,000 abstention votes) (Of the total 6,680,914,657 shares registered at the Meeting, - non-voting shares).

#### **5. To consider and approve the election of directors in replacement of those retiring by rotation**

The Chairman assigned Mr. Nantawat Pipatwongkasem to explain the details of this agenda item.

Mr. Nantawat proposed to the Meeting that to adhere to good corporate governance principles, to allow the Meeting to express its opinions freely, and to ensure free and fair voting, the three directors who

retire by rotation had given up their rights to vote on themselves only in this agenda item. They had asked to leave the meeting room. The two directors to attend this meeting and retire by rotation were:

1. Mr. Anant Asavabhokhin (holding 2,382,639,623 shares)
2. Mr. Nantawat Pipatwongkasem (holding 10,099 shares)

The Chairman assigned Mr. Pakhawat Kovithathanaphong to explain, Mr. Pakhawat explained to the Meeting that in compliance with the Public Limited Companies Act and the Company's Articles of Association, at each annual general meeting of shareholders, one third of the Directors must retire by rotation. At present, there were 9 directors of the Company, so three directors would retire by rotation this year. They were:

- 1 Mr. Anant Asavabhokhin
- 2 Mr. Nantawat Pipatwongkasem
- 3 Mr. Lim Swe Guan

In compliance with good corporate governance principles, the Company had given an opportunity to the shareholders to propose candidates for the vacant directorships but no candidate was proposed. According to the Nomination and Compensation Committee's recommendation, the directors who would retire by rotation this year had the qualifications to fulfil the requirements under the Public Limited Companies Act. They also had the knowledge, capabilities and experiences in business related to the Company's operations, as well as transparent, impeccable working records, which should enable them to help the Company develop. The Board of Directors therefore agreed with the Nomination and Compensation's recommendation and proposed the re-election of all of them for another term.

After reviewing the recommendations, the Company's Board of Directors approved the nominations and the submission of these nominations at the Annual General Meeting of the Shareholders No. 1/2553 by seeking the Meeting's approval for the re-election of the following directors in replacement of those retiring by rotation:

- 1 Mr. Anant Asavabhokhin
- 2 Mr. Nantawat Pipatwongkasem
- 3 Mr. Lim Swe Guan

The curricula vitae of all three candidates appeared on page 25-30 of the Notice of the Annual General Meeting of Shareholders.

The Chairman allowed the shareholders to consider, express opinions and vote on this agenda item. The Chairman also explained that the shareholders who objected, disapproved or abstained on this Agenda Item should mark the voting ticket and raise their hands so that the staff could collect their voting tickets for the calculation of the voting result.

When there were no questions and opinions from the Meeting, the Chairman asked it to vote on this agenda item.

Mr. Pakhawat informed the Meeting that the number of votes required to pass a resolution on this agenda item was the majority of the voting rights present and that each candidate would be voted individually.

The Meeting considered and approved the nominations of the directors who would retire by rotation this year as follows:

1) Mr. Anant Asavabhokhin (with 4,276,876,115 approving votes, 21,428,879 disapproving votes and 2,000 abstention votes) (Of the total 4,298,306,994 shares registered at the Meeting, 2,382,639,623 were non-voting shares)

2) Mr. Nantawat Pipatwongkasem (with 6,659,495,639 approving votes, 21,418,879 disapproving votes and 22,000 abstention votes) (Of the total 6,680,936,518 shares registered at the Meeting, 10,099 were non-voting shares)

3) Mr. Lim Swe Guan (with 6,641,785,228 approving votes, 39,139,389 disapproving votes and 22,000 abstention votes) (Of the total 6,680,946,617 shares registered at the Meeting, - were non-voting shares)

**6. To consider and approve the remuneration to directors**

The Chairman proposed to the Meeting that to adhere to good corporate governance principles, to allow the Meeting to express its opinions freely, and to ensure free and fair voting, the three directors who were considered having conflict of interest in this agenda item had given up their rights to vote only in this agenda item. They had asked to leave the meeting room. Those directors were:

1. Mr. Prathip Wongnirund (holding 300,000 shares)
2. Mr. Pakhawat Kovithvathanaphong (holding 52,998 shares)
3. Mr. Chadchart Sittipunt

Mr. Nantawat informed the Meeting that in compliance with the Public Limited Companies Act and the Company's Articles of Association, the shareholders' meeting would consider and approve the directors' remuneration. The Board of Directors agreed with the recommendation on the directors' remuneration by the Nomination and Compensation Committee, which had carefully considered the appropriate remuneration based on the size and growth rate of the Company's business. The Board of Directors approved the proposed remuneration for non-employee directors who also act as Independent directors for year 2010 at totaling not exceeding 6,000,000 baht, shall be proposed the Annual General Meeting of Shareholders No. 1/2553 and authorized the Board of Directors to determine the amount of remuneration to be paid to each director.

In 2009, the Annual General Meeting of Shareholders No. 1/2552 approved the remuneration to the directors in an amount of up to 6,000,000 baht but only 3,470,000 baht in total was actually paid as the directors' remuneration, detail of directors' remuneration was shown in page 5 of the Notice of the Shareholders Meeting.

The Chairman allowed the shareholders to consider, express opinions and vote on this agenda item. The Chairman also explained that the shareholders who objected, disapproved or abstained on this Agenda Item should marked the voting ticket and raise their hands so that the staff could collect their voting tickets for the calculation of the voting result.

When there were no questions and opinions from the Meeting, the Chairman asked it to vote on this agenda item.

The Secretary informed the Meeting that the number of votes required to pass a resolution on this agenda item was the majority of the voting rights present. As the independent directors who have shares in the Company were considered having conflicts of interest on this agenda item, they were not allowed to vote on it.

The Meeting considered and approved the remuneration for directors who also act as Independent directors for year 2010 in the amount of not more than 6,000,000 million baht and the authorization of the Board of Directors to determine the amount of remuneration to be paid to each director (with 6,676,236,172 approving votes, 2,029,547 disapproving vote and 2,326,900 abstention votes) (Of the total 6,680,592,619 shares registered at the Meeting, 352,998 non-voting shares).

**7. To consider and approve the appointment of auditors and their remuneration**

The Chairman assigned Mr. Adisorn Thananan-narapool to explain the details on this agenda item.

Mr. Adisorn informed the Meeting that in 2009, the shareholder meeting approve the appointment of the auditors from Ernst and Young Office Limited, whose name are listed below, to be the Company's auditor with the remuneration of 1,820,000 baht (review fee of 1,080,000 baht and audit fee of 740,000 baht)

1. Miss Rungnapa Lertsuwankul (Certified Public Accountant No. 3516)  
and/or
2. Mr. Sophon Permsirivallop (Certified Public Accountant No. 3182)  
and/or
3. Miss Sumalee Reewarabundith (Certified Public Accountant No. 3970)  
and/or
4. Mr. Chayapol Supasettanond (Certified Public Accountant No. 3972)

For year 2010, the Board of Directors, by the recommendation of the Audit Committee, considered the nomination of the following auditors from Ernst & Young Office Limited as the

Company's auditors with 1,273,000 baht of remuneration (review fee of 750,000 baht and audit fee of 523,000 baht)

1. Miss Rungnapa Lertsuwankul (Certified Public Accountant No. 3516) and/or
2. Mr. Sophon Permsirivallop (Certified Public Accountant No. 3182) and/or
3. Miss Sumalee Reewarabundith (Certified Public Accountant No. 3970) and/or
4. Miss Pimjai Manitkajohnkit (Certified Public Accountant No. 4521)

The auditors from Ernst & Young Office Limited has been the Company's auditor for 4 years (since 2006). They have performed immaculately in their capacity as the auditors and they have no benefit or relation with the Company, subsidiaries, the management member or majority shareholder of the Company and their remuneration is reasonable with their responsibilities and service.

The Chairman allowed the shareholders to consider, express opinions and vote on this agenda item. The Chairman also explained that the shareholders who objected, disapproved or abstained on this Agenda Item should marked the voting ticket and raise their hands so that the staff could collect their voting tickets for the calculation of the voting result.

When there were no questions and opinions from the Meeting, the Chairman asked it to vote on this agenda item.

The Secretary informed the Meeting that the number of votes required to pass a resolution on this agenda item was the majority of the voting rights present.

The Meeting considered and approved the appointment of the auditors and their remuneration as proposed by the Board of Directors (with 6,680,558,270 approving votes, 345,347 disapproving vote and 42,000 abstention votes) (Of the total 6,680,945,617 shares registered at the Meeting, - non-voting shares).

#### **8. Other Business (if any)**

The Chairman allowed the shareholders to make queries about other issues related to the Company.

A shareholder asked why the Company had not sold all of the shares it had held in Quality Construction Products Plc. (Q-CON).

The Chairman explained that the Company had not intended to invest in this business in the first place. It had to enter the business because conventional housing construction methods then called for a substantial use of bricks of which quality was not quite up to the standards and prices were volatile. The Company therefore teamed up with allies in its business group to form a venture to build a factory to produce autoclaved aerated concrete (AAC) for internal use. It did not anticipate that there would be interested parties entering the business, with up to 6-7 companies today including Siam Cement, which also has an AAC factory. The resulting competition has driven down selling prices gradually and by now, all manufacturers are suffering losses. However, the Company has since developed its construction methods to use more of the higher-quality wall and floor panels. This development eliminated the need for the Company to use as much AAC as before, prompting its decision to exit the business. However, as the largest user of the product, the Company had an agreement with Siam Cement that it would continue to use the product to ensure market stability in terms of prices, supply and production capacities. As a result, the Company sold only a portion of its shares in Q-CON. In any case, the Company is not obliged to hold the remaining shares forever. In the future, it might sell out the remaining shares depending on the situation as necessary and appropriate. It also projected that Siam Cement might be able to manage the operation better than it had done.

A shareholder asked:

1. About the sales of The Room Ratchada condominium project
2. About the proportion of houses, condos and townhouses in its product mix
3. Whether the expiring tax breaks would affect the Company's net profit

The Chairman assigned Mr. Naporn Sunthornchitcharoen to answer the first two questions and Mr. Adisorn Thananun-narapool to explain about the third.

Mr. Naporn explained that:

1. The Room Ratchada condominium project, with about 800 units, has been sold out.
2. The product mix of the Company is: 70-80% houses, 12% condominiums and 8% townhouses. The proportion may vary at times but most of the time it remains at those levels.

To the third question, Mr. Adisorn explained that the government had extended by two months its measure to stimulate the property sector by lowering the ownership transfer fee. The reduction of the

special business tax, however, has already expired and developers have had to pay the original rate of 3.3% since April 2010, which could affect their net profits. Whether a developer could maintain its net profit margin depends on whether it could raise prices or cut down on its expenses. Those who can will be able to maintain their net profit margins. For this year, the Company projected 15% growth in its sales, while expenses would rise at a single-digit rate. In terms of prices, demand and supply would play a dominant role. If demand was good and supply was limited, the prices could be easily increased.

A shareholder asked about the future of Land and Houses Retail Bank Plc.

The Chairman explained that at present, Land and Houses Retail Bank had operated for three years, with a steadily improving performance. At present, the Bank has assets of 50 billion baht and generates a profit of around 30 million baht a month. The Bank also has plans to mobilize its registered capital to 10 billion to qualify for upgrading into a commercial bank and has plan to listing on the stock exchange this year.

A shareholder asked about the progress of the Cholada project at Suvarnabhumi.

Mr. Naporn explained that since the project was large, with around 200 rai and houses in the price range of 4-6 million baht, its sales had been going on for three years. However, the sales have progressed steadily and the project has constantly attracted interested customers.

A shareholder asked whether the expiring ownership transfer fee reduction measure would put pressure on the Company's sales in the latter half.

The Chairman answered that this should not be the case. Originally, the Company and homebuyers had shared an equal burden of the fee. After the measure took effect, the buyers benefited from a 1% reduction each of the ownership transfer fee and the registration fee, totaling a 2% cut in their expenses. Such a reduction did not substantially affect their home-buying decisions.

A shareholder asked whether the Company planned to cut back on its project launches earmarked for this year due to the political situation.

The Chairman said based on his business experiences, political uncertainty had affected a property business only marginally. The more direct factors were the proportion of the reproductive age group in the population structure, GDP growth and the employments rate.

A shareholder asked about the Company's policy on its shareholdings in Home Product Center Plc. and Bangkok Chain Hospital Plc.

The Chairman explained that the investments in the two companies had been made before the 1997 financial crisis and that today the Company had no policy to invest more in non-core businesses. However, the two companies have enjoyed strong growth over the years and the Company has not sold its shares in the two companies because the investments are long-term and have yielded satisfactory returns.

When there were no more questions and opinions, the Chairman adjourned the Meeting and thanked the shareholders for sacrificing their time to attend the Meeting.

When there were no more questions from the Meeting, the Chairman adjourned the meeting and thanked all shareholders for attending it.

The Meeting was adjourned at 3.20 p.m.

Signature -Anant Asavabhokhin- Chairman  
(Mr. Anant Asavabhokhin)

Signature -Nantawat Pipatwongkasem- Secretary to the Meeting  
(Mr. Nantawat Pipatwongkasem)