

- Translation -

**Minutes of Annual General Meeting No. 178
The Siam Commercial Bank Public Company Limited
Monday April 9, 2000
At Mahisorn Auditorium
Head Office, 9 Rutchadapisek Road, Chatuchak, Bangkok**

Mr. Chirayu Isarangkun Na Ayuthaya, the Chairman of the Board of Directors, acted as Chairman of the Meeting.

The Chairman informed the Meeting that there were 249 shareholders attending in person and by proxy, altogether holding 1,882,991,866 shares equivalent to 60.2% of the total issued shares, therefore constituting a quorum of the Meeting according to the Articles of Association of the Bank. The Chairman declared the Annual General Meeting of the Shareholders No. 178 opened at 10.15 a.m.

The Chairman also informed the Meeting that during Year 2000, the Board of Directors appointed 2 new directors: Mr. Verachai Tantikul, Representative Director from Ministry of Finance, his current position is Deputy Permanent Secretary, Ministry of Finance and Mr. Shunsaku Yahata, Representative Director from Sanwa Bank, his current position is Senior Executive Officer, Global Financial & Investment Banking Division, The Sanwa Bank Limited.

The Chairman then proceeded with the Meeting according to the following agenda:

Agenda No. 1 To consider and approve the Minutes of the Annual General Meeting of the Shareholders No. 177 held on April 3, 2000.

The Chairman requested the Meeting to consider and approve the Minutes of the Annual General Meeting of the Shareholders No.177, held on April 3, 2000 as per details in the copy of the Minutes of the Meeting sent to all shareholders together with the notice of this Meeting.

No shareholder raised any objection or moved to amend the Minutes.

After consideration, the Meeting passed a resolution to adopt the Minutes of the Annual General Meeting of the Shareholders No.177, held on April 3, 2000 by a majority vote of 1,880,335,566 shares (Shareholders holding 2,656,300 shares abstained).

Agenda No. 2 To acknowledge the Directors' Report for Year 2000

The Chairman requested the Meeting to consider the Directors' Report for Year 2000 which was published in the Annual Report and sent to the shareholders. Before inviting the President & Chief Executive Officer to present additional details, the Chairman informed the Meeting that in 2000 neither the directors nor the Bank's management executives were offered stock options or remuneration other than their regular remuneration, and no bonus was awarded to the directors.

The Chairman then invited the President & Chief Executive Officer to present additional details.

Khunying Jada Wattanasiritham, the President & Chief Executive Officer presented additional details, summarised below.

1. Comparative performance over the past 5 years (1996-2000). Bank-only financial statements showed continuing improvement after a sharp deterioration in 1998-1999. At yearend 2000, net loans, after writing off bad debts in the amount of Baht 56,000 MM during 1999-2000, stood at Baht 463,043 MM Deposits increased to Baht 593,107 MM Since 1997, the Bank's deposit growth had outpaced loan growth, reflecting excess liquidity in the banking system. Shareholders' equity totalled Baht 60,175 MM and bad debt reserves totalled Baht 6,256 MM After recapitalisation in 1999, the Bank incurred a net loss as a result of setting large bad debt reserves. In 2000, the Bank had returned to profitability.

2. Summary of 2000 operating results

2.1 Net interest and dividend income. Interest rates declined by 0.75% in 2000. These were positive for cost of fund management and, combined with appropriate deposit ratio, contributed to increasing the Bank's interest spread from 1.75% in 1999 to 2.24% at yearend 2000.

2.2 Non-interest income included fee income from new businesses such as debenture underwriting, electronic banking and cash management services. Regarding non-interest expenses, operating expenses for the Bank alone fell 9% as a result of a decrease in personnel and premise and equipment expenses. Special expenses in 2000 consisted of FIDF contribution in the amount of Baht 2,344 MM and reserve for impairment of asset value in the amount of Baht 1,302 MM

The Bank recorded profit before loan loss provision of Baht 10,137 MM and net profit of Baht 3,560 MM for 2000.

2.3 With respect to the balance sheet, the Bank ranked as the 4th largest bank in terms of total assets and deposits and the 2nd largest bank in terms of loans.

2.4 Financial ratio highlights. On a consolidated basis, ROA for 2000 was 0.5% and ROE 6.1%. Earnings per share and book value per share were Baht 1.14 and Baht 19.50 respectively.

2.5 Asset quality. NPLs as at yearend 2000 totalled Baht 94,261 MM or 19.3% of total loans. Problem classified loans amounted to Baht 110,059 MM or 22.4% of total classified loans. Allowance for bad debts was Baht 22,808 MM, representing 159.4% of reserves required by the Bank of Thailand. Cumulative restructured debts at yearend 2000 totalled Baht 170,504 MM

2.6 Legal capital funds at yearend 2000 amounted to Baht 78,377 MM, representing 16.1% of total risk assets. Compared to other banks, the Bank had the largest capital funds in terms of absolute amount and capital ratio.

3. Achievements in 2000. The Bank received many awards: Bank of the Year Award (Money and Banking Magazine), Thailand's Best Bank Award (The Asset Magazine, Hong Kong), IFR Award for Best Project Loan category and Thai Capital Market project.

4. Strategies for 2001. The Bank would focus on 4 main strategies: income recognition by carefully expending credit line and continuously earning more fees; solving of non performing loans; management of cost efficiency / productivity improvement and capability enhancement

The shareholders' comments and requests for the Board's clarification are summarised below.

1. A shareholder suggested a cut in the Bank's advertising expense to help reduce costs and that Bank employees should wear suitable uniforms for the climatic conditions. It was also suggested that tickets for service queues and/or chairs be provided to the customers, particularly the elderly.

The Chairman said the Bank would consider the suggestions and that, given business consideration, the Bank's policy was to economise as much as possible.

2. A shareholder asked about of the sale of the Bank's stake in Siam Sindthorn Co.,Ltd. to Mai Plat Bai Co.,Ltd. He wanted to know the reason for fixing the selling price at Baht 0.001 per share.

The Chairman explained that the Bank's stake in Siam Sindthorn Co.,Ltd., a property development company, was almost 25%. The economic slump and foreign debts had put the company in financial trouble. Appraisals including independent ones showed that the company's had greater liabilities than assets. The Bank had come to a conclusion that there was a conflict of interest in it being the company's creditor and at the same time its shareholder. Therefore the company shares were sold so that the Bank could take action as the company's creditor. The company's shares were also worthless as its liabilities were greater than its assets.

After due consideration, the Meeting acknowledged the Directors' Report for year 2000.

Agenda No. 3 To consider and approve the financial statements for the year ended December 31, 2000 and to acknowledge the non-payment of dividend.

The Chairman proposed to the Meeting to consider and approve the financial statements for the year ended December 31, 2000 and to acknowledge the non-payment of dividend. Due to the Bank's retained losses of Baht 62,467 MM, it was barred by law from paying dividends although it achieved a net profit of Baht 3,560 MM in 2000. The financial statements had been certified by the auditor and sent to the shareholders.

The shareholders' comments and questions and the Chairman and the President's replies are summarised below.

1. Problem loan resolution. In 2000, the Bank's debt restructuring amounted to Baht 72,000 MM, of which troubled debt restructuring (TDR) equaled Baht 47,000 MM and proactive debt restructuring (PDR) equaled Baht 25,000 MM. So far, the Bank had restructured Baht 230,000 MM worth of debts and experienced about 9-10% NPL re-entry rate. The Bank also had some new NPLs given that the economy remained fragile. This year, the Bank aimed to restructure about Baht 40,000 MM worth of debts into performing debts and, for the remaining NPLs, to enforce collateral to speed up debt repayment. At yearend 2000, allowance for bad debts amounted to Baht 23,000 MM, comprising full regulatory reserves and extra reserves against future asset deterioration.

2. A substantial increase in the collateral value of normal loans in 2000 over 1999 level was due to the completion of appraisal of normal loans' collateral under the Bank of Thailand's new collateral calculation rules announced in 1999. In addition, most of new lending in 2000 was mortgage loans which characteristically had high collateral coverage.

3. Chatuchak Asset Management Co.,Ltd. The company was set up to take advantage of the official regulations for problem loan management. However, subsequent rules and changes in the accounting standards-management must not be related and the transfer must be at full-market value, reduced expected transfer benefits. So far, only problem assets of Book Club Co.,Ltd., a company over 90% owned by the Bank, had been transferred to Chatuchak AMC to facilitate their management since many borrowers were also indebted to the Bank. Chatuchak AMC had Baht 6,000 MM paid-up capital and Baht 2,929 MM outstanding transferred assets on book-value basis.

4. The Bank's high 49.4% profit ratio in 2000 was primarily attributable to cost management and partly to changes in the accounting standards. Management's aims were to achieve maximum and stable profits so that the Bank could pay dividends to its shareholders. However, the economic situation had to be taken into account.

5. The decrease in foreign exchange gain was due to more stable exchange rates and clients' much lower foreign borrowings. Another factor was the Bank's liquidity management; by placing excess liquidity in foreign assets, the Bank derived interest income instead of foreign exchange gains. A large increase in other income in the consolidated statement stemmed from the reversal of Mahisorn Co.,Ltd.'s reserve for asset value deterioration as the its business situation had improved.

6. Concerning a significant increase in directors' remuneration in 2000 in the Bank-only statement from Baht 12 MM to Baht 29 MM, directors' remuneration accounted for Baht 16 MM and was in accordance with the shareholders' resolution passed in 1999. The remainder was remuneration, also approved by the shareholders, for the executive directors, the audit directors and the compensation directors, paid according to the workload of the individual directors.

7. Reserve for asset value deterioration was in the amount of Baht 1,302 MM and consisted of about Baht 700 MM reserve for the Bank's land and buildings, and Baht 600 MM reserve for deterioration in the value of transferred assets.

8. Investment policy. The Bank disposed of investments in non-core businesses in 2000. This policy would continue.

A shareholder questioned the audit directors about their role in auditing the Bank's damages.

Mr.Viroj Phutrakul, Audit Committee Chairman, explained that the Audit Committee had 3 principal supervisory roles:

(1) To oversee compliance with SET regulations.

(2) To ensure the appropriateness of the Bank management via upgrading its internal control practices to international standards. Last year, a consulting firm was hired to review the Bank's practices and future improvement plans.

(3) Collaboration with the Executive Committee to enhance the Bank's management efficiency.

There being no other question, the Chairman proposed that the Meeting approve the financial statements and acknowledge the non-payment of dividend.

After due consideration, the Meeting approved by a unanimous vote the financial statements for the year ended December 31, 2000 and acknowledged the non-payment of dividend.

Agenda No. 4 To consider and elect directors in place of directors retired by rotation

The Chairman informed the Meeting that four directors namely Mr. Anand Panyarachun, Mr. Shunsaku Yahata, Mr. Peter Seah Lim Huat and Khunying Jada Wattanasiritham were due to retire by rotation in accordance with the Bank's Memorandum of Association, and that they could be re-elected as directors. The Board recommended that the 4 retired directors be re-elected for another term.

After due consideration, the Meeting resolved by a majority vote to re-elect Mr. Anand Panyarachun, Mr. Shunsaku Yahata, Mr. Peter Seah Lim Huat and Khunying Jada Wattanasiritham as directors of the Bank by a majority vote of 2,094,791,157 shares. (Shareholders holding 174,600 shares abstained).

Agenda No. 5 To consider and elect directors qualified to be independent directors.

The Chairman informed the Meeting that according to the Bank of Thailand Notification Re: Company Directorships of Bank Directors and Senior Executives dated September 17, 1999, a bank director was not allowed to hold more than 3 company directorships. The Bank had applied for the Bank of Thailand's waiver to allow its directors to retain their directorships since they did not work for the Bank full-time and such provision could hinder future appointments. The Bank of Thailand's response was that it might grant a waiver to a director qualified to be independent director under SET rule dated October 28, 1993 and provided that he was elected by the shareholders with the major shareholders holding more than 1% of the issued shares at the time of the vote abstaining.

The Board proposed to the shareholders to elect the 4 directors who had the stipulated qualification, namely Mr. Anand Panyarachun, Mr. Peter Seah Lim Huat, Mr. Viroj Phutrakul and M.R. Disnadda Diskul under the Bank of Thailand's stipulation, the shareholders holding more than 1% of the Bank's registered share capital must abstain.

The Chairman added that the Bank was subsequently informed by the Bank of Thailand that the voting rule was going to be changed to 0.5%. However, as the rule had not issued in writing at the time of this Meeting, the 1% rule would be observed, but he sought permission from the shareholders holding 0.5% to 1% of the Bank's shares not to count their votes in anticipation of the new rule.

After due consideration, the Meeting, the shareholders holding more than 1% of the Bank's shares abstaining, passed a resolution by a majority vote to elect Mr. Anand Panyarachun, Mr. Peter Seah Lim Huat, Mr. Viroj Phutrakul and M.R. Disnadda Diskul as independent directors of the Bank by a majority vote of 151,775,688 shares. (Shareholders holding 1,400 shares voted against the motion, and shareholders holding 174,600 shares abstained).

Agenda No. 6 To consider and appointment the auditor and determine the auditing fee.

The Chairman informed the Meeting that the Audit Committee had selected the Bank's auditor for 2001 and recommended that the Board propose to the shareholders to appoint Deloitte, Touche, Tohmatsu, Jaiyos Co.,Ltd. by Miss Jongjit Leekpai or Mr. Niti Jeungnijirun as the external auditor for 2001 and to set the auditing fee and related auditing expenses at Baht 5,100,00 the same rate as in 2000.

After due consideration, the Meeting approved by a unanimous vote the appointment of Deloitte, Touche, Tohmatsu, Jaiyos Co.,Ltd. by Miss Jongjit Leekpai or Mr. Niti Jeungnijirun as the Bank's auditor for 2001 and the auditing fee and related auditing expenses of Baht 5,100,000

Agenda No. 7 To consider and approve amendment to Clause 4 of the Bank's Memorandum of Association.

The Chairman requested the President to explain details of the amendment.

The President informed the Meeting that the Bank had issued preferred shares in the amount of 6,191,139,927 shares and under the Articles of Association, the shareholders may exercise their rights to convert these preferred shares into ordinary shares. In 2000, the preferred shares were converted into 95,963,994 ordinary shares. For consistency and compliance with the Ministry of Commerce regulation, the amendment to Clause 4 of the Bank's Memorandum of Association was tabled for the shareholders' approval.

Afer due consideration, the Meeting approved by a majority vote the amendment to Clause 4 of the Bank's Memorandum of Association to make it consistent with the conversion of the preferred shares into ordinary shares. The current text was repealed and replaced by the text below.

“Clause 4	Registered capital	Baht 70,000,000,000	(Seventy Thousand Million Baht)
	No. shares	7,000,000,000 shares	(Seven Thousand Million Shares)
	Par value per share	Baht 10	(Ten Baht)
	Consisting of ordinary shares	921,005,268 shares	(Nine Hundred Twenty One Million Five Thousand Two Hundred and Sixty Eight Shares)
	Preferred shares	6,078,994,732 shares	(Six Thousand Seventy Eight Million Nine Hundred Ninety Four Thousand Seven Hundred and Thirty Two Shares)”

Holders of 2,092,309,457 shares voted in favour of the motion (not less than two-thirds of the total shares held by the attending shareholders having the voting rights) and holders of 2,656,300 voted against the motion.

Agenda No. 8 To consider other business

The Chairman informed the Meeting that as part of the plan for Bank improvement, the Bank had sent a questionnaire to the shareholders. Their views would be welcomed anytime. A shareholder made suggestions about dissemination of the Bank's research reports, opening hours on the day before pay-day, and electronic banking services.

A shareholder raised questions about the transfer of problem loans to the Thai Asset Management Company (TAMC) and new NPLs.

The Chairman explained that according to the Bank of Thailand, the Bank had about Baht 20,000 MM in problem classified loans with 2 or more creditors. At present, the Bank's NPL entry was about Baht 3,000 MM per month, of which two-thirds were re-entry NPLs and one-third was new NPLs.

There being no further question, the Chairman thanked the shareholders for attending the Meeting and for their views and suggestions.

The Meeting adjourned at 13.00 p.m.

(Mr. Chirayu Isarangkun Na Ayuthaya)

Chairman

(Mrs. Siribunchong Uthayophas) **Secretary to the Board of Directors**