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Kiatnakin Finance Public Company Limited
Minutes of the Extraordinary Meeting of Shareholders No.1/2005
Friday, September 2, 2005

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The meeting was held on Friday, September 2, 2005 at 10.05 hours at Amarin Room, Grand Hyatt Erawan Hotel, Bangkok. Kiatnakin Finance Public Company Limited registered capital is Baht 7,154,600,300 of which Baht 4,943,421,280 are fully paid-up. At the par value of Baht 10 per share, this is equivalent to a total of 715,460,030 ordinary shares and 494,342,128 paid-up shares.

Mr Supol Wattanavekin, Chairman of the Board of Directors, chaired the meeting and declared the meeting open. There were 73 shareholders who attended the meeting in person and by proxies, holding altogether 305,404,353 shares or 61.78% of the fully paid-up shares. This was sufficient to constitute a quorum as per the Company's Articles of Association. The meeting began and followed the agenda as described below:

Agenda 1 To certify the Minutes of the General Meeting of Shareholders for 2005.

The Chairman proposed that the shareholders certify the Minutes of the General Meeting of Shareholders for 2005, which was held on April 7, 2005. The details can be found in the meeting minutes that was sent to all the shareholders along with the invitation for this meeting.

There was no objection or request to amend the meeting minutes.

The Chairman requested the shareholders to consider this matter.

The Chairman announced the vote results. There were 3,000,000 abstained votes and no objections.

Resolution : The Meeting certified, by the majority votes of the shareholders who attended the meeting and casted their votes, the Minutes of the General Meeting of Shareholders for 2005 held on April 7, 2005.

Agenda 2 To acknowledge the Interim Dividend payment during 2005.

The Chairman proposed that the shareholders acknowledge and certify the Interim Dividend payment during 2005 as per the Board's Meeting No.7/2005 on July 28, 2005. The amount of dividend paid was Baht 1.00 per share for the Company's performance during January 1, 2005 to June 30, 2005. The dividend was paid out by August 25, 2005 to the shareholders listed in the common share registrar at 12.00 hours on the closing date of August 15, 2005.

Resolution : The Meeting acknowledged and certified the Interim Dividend payment during 2005.

Agenda 3 To approve the amendment of Clause 1 and 3 of the Memorandum of Association to facilitate the company to operate as a commercial bank.

The Chairman proposed that the shareholders approve the amendment of Clause 1 and 3 of the Memorandum of Association to facilitate the Company to operate as a commercial bank. Kiatnakin Finance Public Company Limited is currently in the process of transforming into a commercial bank according to the approval granted by the Ministry of Finance. After obtaining the commercial banking license, the Company's Memorandum of Association must be amended to facilitate the company to operate as a commercial bank. The name and business objectives of the Company are changed as follows:

Clause 1: The name of the Company is "BORISAT THANAKARN KIATNAKIN CHAMKAT (MAHACHON)" and in English as "Kiatnakin Bank Public Company Limited".

Clause 3: The Company has 37 objectives as detailed in Form BorMorJor.002 (Attachment 1).

During the meeting the Chairman requested Mr. Tarnin Chirasoontorn, an Independent Director, to explain the amendment of the Memorandum of Association, in which the detail was sent to all the shareholders along with the invitation for this meeting.

In addition, the Chairman proposed that the shareholders approve the authorization of the Company's Directors or individuals that have been authorized by the Directors to amend or change information or wordings in the amended objectives. These changes shall be in accordance with the recommendations, opinions and the instructions of the Registrar of Public Company Limited who is operating under the Ministry of Commerce or other related government offices.

The Chairman requested the shareholders to consider these matters.

The Chairman announced the vote results. There were 3,000,000 abstained votes and no objections.

Resolution : The Meeting approved, by the votes of not less than three quarters of all shareholders who were present and entitled to vote, the amendment of the Company's Memorandum of Association (Clause 1 regarding the Company's name and Clause 3 regarding the Company's objectives) as per Attachment 1 and the authorization of the Company's Directors or individuals that have been authorized by the Directors to amend or change information or wordings in the amended objectives. These changes shall be in accordance with the recommendations, opinions and the instructions of the Registrar of Public Company Limited who is operating under the Ministry of Commerce or other related government offices. The changes will take effect after the Company received its commercial banking license.

Agenda 4 To approve the amendment of Articles of Association to facilitate the company to operate as a commercial bank.

The Chairman proposed that the shareholders approve the amendment of the Articles of Association in order to facilitate the company to operate as a commercial bank. Similar to Agenda 3 above, the Company must amend its existing Articles of Association after receiving a commercial banking licence. The amendment include changes in the Company's name, issuance and transfer of shares, directors, directors' power, and the Company's seal as specified in the current Articles of Association.

During the meeting the Chairman requested Mr. Tarnin Chirasoonorn, an Independent Director, to explain the amendment of the Articles of Association, in which the detail was sent to all the shareholders along with the invitation for this meeting (Attachment 2).

In addition, the Chairman proposed that the shareholders approve the authorization of the Company's Directors or individuals that have been authorized by the Directors to amend or change information or wordings in the Articles of Association. These changes shall be in accordance with the recommendations, opinions and the instructions of the Registrar of Public Company Limited who is operating under the Ministry of Commerce or other related government offices.

The Chairman requested the shareholders to consider these matters.

The Chairman announced the vote results. There were 3,000,000 abstained votes and no objections.

Resolution : The Meeting approved, by the votes not less than three quarters of all shareholders who were present and entitled to vote, the amendment of the Company's Articles of Association as per Attachment 2 and the authorization of the Company's Directors or individuals that have been authorized by the Directors to amend or change information or wordings in the Articles of Association. These changes shall be in accordance with the recommendations, opinions and the instructions of the Registrar of Public Company Limited who is operating under the Ministry of Commerce or other related government offices. The changes will take effect after the Company received its commercial banking license.

Agenda 5 To approve the company to operate as a commercial bank and to return the Finance Business License of Kiatnakin Finance Public Company Limited to the Ministry of Finance.

The Chairman proposed that the shareholders approve the company to operate as a commercial bank and to return the finance business license of Kiatnakin Finance Public Company Limited to the Ministry of Finance after receiving the commercial banking license. It was further explained that when the Ministry of Finance approved the transformation of Kiatnakin Finance Public Company Limited into a commercial bank on December 15, 2004, the Ministry stipulated that banking operation must commence within one year after the approval date. Prior to commencing the banking operation, the commercial banking license must be obtained from the Ministry of

Finance and the finance business license of Kiatnakin Finance Public Company Limited must be returned to the Ministry.

During the meeting the Chairman requested Mr. Pravit Varutbangkul, Director and Head of Central Support, to explain the steps and timeline involved in the commercial bank upgrade process, which are as follows:

- January 30, 2004: Bank of Thailand and the Ministry of Finance jointly announced the principle guideline on how to upgrade financial institution to a commercial bank.
- July 2, 2004: The Company submitted the plan to upgrade to a commercial bank.
- December 15, 2004: The Company received approval from the Ministry of Finance to proceed with the upgrade to a commercial bank.
- July 2005: Bank of Thailand performed an audit on the Company and reported the findings to the Finance Minister in order to consider granting a commercial banking license to the Company.
- August to September 2005: The Finance Minister reviewed and granted a commercial banking license to the Company.
- October 3, 2005: The date which the Company had informed the Bank of Thailand that they will commence commercial banking operation and return the finance business license.

The Chairman requested the shareholders to consider these matters.

The Chairman announced the vote results. There were 3,000,000 abstained votes and no objections.

Resolution : The Meeting approved, by the majority votes of the shareholders who attended the meeting and casted their votes, the company to operate as a commercial bank and to return the Finance Business License of Kiatnakin Finance Public Company Limited to the Ministry of Finance.

Agenda 6 Other issues (if any)

The Chairman announced that all the agenda items have been considered and therefore, requested the shareholders to raise any other matters for consideration, to provide comments or to ask any questions. The shareholders posed the following queries:

Shareholder: In changing the status to a commercial bank, will the Company continue to operate its securities business? What are some of the advantages and limitations of changing to a commercial bank?

Chairman: The securities business has been operating under the Kiatnakin Securities Company Limited, which is a subsidiary of the Company. Prior to the upgrade, the Company owned 99.99% of Kiatnakin Securities Company Limited and can continue to do so after the upgrade because Bank of Thailand's policy allows a commercial bank to have a securities company as its subsidiary.

Advantages and limitations of the Company in changing to a commercial bank

- A commercial bank is able to operate a wider scope of businesses than a finance company, primarily in the areas of foreign exchange, international trade, savings and current accounts. In the past, leasing (hire purchase) was the only business which a commercial bank could not undertake while a finance company could. At present, all commercial banks have been granted permission by the Bank of Thailand to operate a leasing business.
- The Company will emphasize on businesses with good risk management and businesses, which the Company has expertise in, which are leasing and residential project lending and corporate lending.
- The Company has not yet changed its policy on deposit rates.

Shareholder: What is the impact on the Company's second-hand vehicles leasing business when the Chiangmai Lending Office was flooded? How do the fuel price and its rising trend and the Company's emphasis on auto hire purchase business impact the Company's performance?

Director: The flood in Chiangmai happened very rapidly. At the time, the Chiangmai Office was preparing to auction repossessed vehicles, which was estimated to be Baht 18 million in outstanding debts. Damages from the flood have been assessed to be about 10% to 15% of the outstanding debts.

The rising fuel price is expected to adversely affect operators of auto leasing business. However, over 70% of our auto leasing business involves the one-ton pick-up trucks, which are used for commercial purposes. The rise in fuel price does not affect this section of the business because our customers can pass on the additional costs to the consumers. The rest of the Company's leasing portfolio is consumer vehicle leasing which may be affected by the increase in fuel price.

The Chairman further clarified that the overall impact the flood in Chiangmai caused to the second-hand vehicles leasing business were about Baht 2 to 3 million. In addition, the global fuel prices are likely to rise, which will cause the vehicle leasing business to slow down, although some growth are still expected.

Shareholder: Does the Company have any scheme for treasury stock ?

Chairman: The Board has not yet considered this matter. However, in accordance with the Regulations on Treasury stock, the Company is able to set up such a scheme again one year after the last date of the previous Treasury stock, which was March 8, 2005. In the event that the Company set up such a scheme again, there are two major factors for our consideration as described below:

1. The Company has excess liquidity.
2. Market price of the Company's share is comparatively lower than the fundamental value.

Shareholder: Following the Bank of Thailand's guideline that all commercial banks must maintain its share capital in accordance with the Basel II standard within the next two to three years, how has the Company prepared for this?

Chairman: Due to the Company's relatively small business size, we have been able to operate the business with extreme care and caution. At present, the Company has maintained a capital adequacy level, which is higher than the Bank of Thailand's mandatory level. If the capital adequacy level is to be changed according to the Basel II standard, the Company is confident that we will be able to satisfactorily fulfil the requirement.

The Chairman notified the shareholders that on 3 October 2005, the Company will officially commence its commercial banking operation. He requested Miss Thitinan Wattanavekin, Head of Treasury and Funding, to explain the details related to the public relations activities of the Bank.

Miss Thitinan Wattanavekin thanked all the shareholders and provided details regarding public relations activities the Bank plans to have during 3 to 7 October, 2005 under the theme "Customer Week". The Company announced that depositors who hold promissory notes certificates do not need to change any documents; once the Company's status has changed to a commercial bank, the Bank will issue savings book for all depositors.

At this time, no one raised additional matters for the shareholders to consider; Thus, the Chairman thanked all the shareholders for attending the meeting and declared the meeting closed at 11.20 hours.

(Signed) Supol Wattanavekin
(Mr Supol Wattanavekin)
Chairman

(Signed) Porntip Chuprakun
(Miss Porntip Chuprakun)
Secretary