

(Translation)

Registration No 0107535000265

(Formerly Bor Mor Jor 59)

24 February 2012

**Subject** Invitation to the 2012 Annual General Meeting of Shareholders (the Meeting)

**To** All Shareholders of Advanced Info Service Public Company Limited

**Attachments:**

1. A copy of Minutes of the Annual General Meeting of Shareholders held on 31 March 2011
2. Annual report in which Balance Sheet (Statements of financial position) and Statements of Income for fiscal year ended 31 December 2011 as well as dividend policy and details of dividend payment are also attached
3. Preliminary information on the retiring directors being proposed for re-appointment
4. Preliminary information on the new director being proposed for appointment
5. Proxy Form B (which particulars of delegations are clearly determined)  
Proxy Form A (general) and Form C (for foreign investors in which custodians in Thailand have been appointed) can be downloaded from the Company's website <http://investor.ais.co.th>
6. Definition and information of the independent directors
7. The Company's Articles of Association in relation to the General Meeting of Shareholders
8. Notes on documents and evidence identifying shareholders or proxies eligible to register, attend and vote at the Meeting
9. Procedures for attending the Annual General Meeting of Shareholders
10. Procedures for sending any query in advance
11. Map of the Meeting venue

Notice is hereby given by the Board of Directors (the Board) of Advanced Info Service Public Company Limited (the Company) that the 2012 Annual General Meeting of Shareholders shall be held on Wednesday of 28 March 2012 at 14.00 hours (*registration opens at 12.00 hours*) at Vibhavadee Ballroom, lobby level, Centara Grand at Central Plaza Ladprao Bangkok, No.1695 Phaholyothin Road, Chatuchak, Bangkok (*Venue*). The items for discussion are as follows:

**Item No. 1 Matters to be informed**

**Purpose and Rationale:** This item is designated for the Board to report any significant update or progress (if any) of the Company to the Meeting. There will be neither proposal for the Meeting to consider and approve, nor be any voting on the item.

**Item No. 2 To consider and adopt the Minutes of the Annual General Meeting of Shareholders for 2011, held on 31 March 2011**

**Purposes and Rationale:** The Annual General Meeting of Shareholders for 2011 was held on 31 March 2011 and the minutes were prepared and filed with the Stock Exchange of Thailand within 14 days of the meeting. The details were publicly disclosed on the Company's website (<http://investor.ais.co.th>) and submitted to the Ministry of Commerce within the period required by law.

**The Board's Opinion:** The Board has recommended that the minutes of the Annual General Meeting of Shareholders for 2011, held on 31 March 2011 be adopted because they were accurately recorded as shown in *Attachment 1*.

**Voting:** To approve this matter, a resolution must be passed by a majority of the shareholders who attend the Meeting and cast their votes.

**Item No. 3 To acknowledge the Board of Directors' report on the Company's operating results for 2011**

**Purposes and Rationale:** The Company has summarized the operating results for 2011 along with the significant changes that occurred during the year in the Annual Report for 2011.

**The Board's Opinion:** The Board has recommended the report on the Company's operating results for 2011 along with the significant changes that occurred during the year, as shown in *Attachment 2* (Company's Annual Report for 2011) be presented to the Meeting.

**Voting:** As this item is for information to shareholders; therefore, a vote is not required.

**Item No. 4 To consider and approve the Balance Sheet (Statements of financial position) and Statements of Income for the year ended 31 December 2011**

**Purposes and Rationale:** According to the *Public Limited Companies Act, B.E 2535*, the Company must prepare a balance sheet and statements of income at the end of each fiscal year, which have been audited by an external auditor, and submit these to the shareholders' meeting for approval.

**The Audit Committee's Opinion:** The Audit Committee has reviewed the Company's financial statements for the year ended 31 December 2011, which have been audited and signed by Mr. Winid Silamongkol, a certified public accountant (registration No. 3378) of KPMG Phoomchai Audit Ltd., and recommended that the Board submit the Company's financial statements for the year ended 31 December 2011 to the Meeting for approval.

**The Board's Opinion:** The Board has recommended the Company's audited financial statements for the year ended 31 December 2011, which have been reviewed and accepted by the Audit Committee, be presented to the Meeting for approval. A summary of the Company's significant financial status and operating results is shown in the table below.

## Selected Information from the Company's Financial Statements

Unit: Baht million

Description	2011	2010	Variance	Percentage
Total assets	86,672	97,348	(10,675)	(10.97)
Total liabilities	47,209	56,157	(8,948)	(15.93)
Total revenue	126,437	111,339	15,098	13.56
Net profit	22,218	20,514	1,714	8.30
Earnings per share (baht / share)	7.48	6.91	0.57	8.25

The Company's financial statements are shown on Page 136-215 of the Annual Report for 2011 included with the invitation to the Meeting and shown in Attachment 2 (Statements of Financial Position).

**Voting:** To approve this matter, a resolution must be passed by a majority of the shareholders who attend the Meeting and cast their votes.

**Item No. 5      To consider and approve the appropriation of the net profit for the dividend payments**

**Purposes and Rationale:** The Company has adopted a policy to pay dividend to shareholders not less than 100% of net profit after tax as reported in the consolidated financial statement. Dividend payment will depend on the Company's operating performance, financial status, cash flow and investment obligation of the Company and subsidiaries including any necessity and suitability in future. In 2011, the Company has a net profit on its consolidated financial statement of Baht 22,218 million. Therefore, the Company considered appropriate to declare a dividend payment at the rate of Baht 8.43 per share, of which Baht 4.17 per share was paid as an interim dividend on 2 September 2011. The dividend for 2011 remains at Baht 4.26 per share. Therefore, total dividend payment is approximately Baht 12,665.39 million. In compliance with the Public Companies Act, B.E. 2535, the dividend payment is subject to shareholders approval.

**Dividend Tax Credit**

The Company pays an annual dividend at a rate of Baht 8.43 per share of which Baht 4.17 was paid as an interim dividend on 2 September 2011, while the remaining amount of Baht 4.26 per share will be paid out of retaining earnings taxed at a rate of 30%.

**The Book Closing and Dividend Payment Dates**

The share registration on book closing date to determine the right to receive dividend will be on 5 April 2012 and the dividend payment will be 23 April 2012. For more details of dividend policy, please refer to Attachment 2.

**Details of Dividend Payment**

According to the Public Companies Act, B.E. 2535, the Company shall allocate not less than five per cent of its annual net profit less the accumulated losses brought forward (if any) to legal reserve until this reserve

attains an amount not less than ten per cent of the registered capital. This has been already performed by the Company.

Details of Dividend Payment	2011 (Proposed year)	2010
1. Net Profit (Baht)	22,217,710,638	20,513,501,542
2. Share Amount		
2.1 Amount of Share for Interim Dividend	2,973,095,330 Shares	2,967,388,159 Shares
2.2 Amount of Share for Annual Dividend	2,973,095,330 Shares*	2,970,305,966 Shares
2.3 Amount of Share for Special Dividend	-	2,969,569,173 Shares
3. Total Dividend Payment (Baht per Share)	<b>8.43</b>	<b>12.92</b>
3.1 Interim Dividend (Baht per Share)	4.17	3.00
3.2 Annual Dividend (Baht per Share)	4.26	3.92
3.3 Special Dividend (Baht per Share)	-	6.00
4. Total Dividend Amount (Baht)	25,063,193,631.90	38,363,178,901.72
5. Dividend Payout Ratio	113%	187%

\* Total shares as of 8 February 2012. The actual numbers shall be confirmed on the book closing date to determine the right to receive dividend on 5 April 2012.

**The Board's Opinion:** The Board recommends the Meeting to consider and approve the appropriation of the net profit for the dividend payment for the fiscal year 2011 at the rate of 8.43 per share, according to the Company's dividend policy on payments of dividend of not less than 100% of its net profit. The Company paid an interim dividend at the rate of Baht 4.17 per share, thus the dividend for the fiscal year 2011 remains at Baht 4.26

**Voting:** To approve this matter, a resolution must be passed by a majority of the shareholders who attend the Meeting and cast their votes.

**Item No. 6 To consider and approve the appointment of the Company's external auditors and fix their remuneration for 2012**

**Purposes and Rationale:** According to Section 120 of the *Public Limited Companies Act, B.E. 2535*, the appointment of the Company's external auditors and the audit fees must be approved at the annual general meeting of shareholders. In addition, a notification from the Securities and Exchange Commission limits the appointment of individual external auditors (but not the audit firm) at listed companies to no more than five consecutive one-year terms. After five years, the auditors must be rotated although they can be reappointed after a two-year break.

**The Audit Committee's Opinion:** The Audit Committee recommended the reappointment of KPMG Phoomchai Audit Ltd. (KPMG) as the Company's external audit firm and selected the following auditors from KPMG as the Company's external auditors for the fifth one-year term 2008-2012. KPMG is one of the four leading international audit firms and has high standards and considerable expertise. KPMG's performance in the past year was satisfactory and the firm has agreed to charge fees of Baht 3,912,000 million for 2012, the same as previous year. The Audit Committee then

recommended the Board propose this matter to the Annual General Meeting of Shareholder for approval.

In addition, KPMG and the proposed auditors are independent and have no conflict of interest with the Company, the management, the major shareholders or any related person.

**The Board's Opinion:** The Board has agreed with the Audit Committee and proposed that the Meeting approve the reappointment of the auditors from KPMG Phoomchai Audit Ltd. as the Company's external auditors, and fix the audit fees for the year 2012. Details are as follows:

- |                              |  |
|------------------------------|--|
| 1. Mr. Supot Singsaneh       | CPA (Thailand) No. 2826<br>(never signed the Company's audited financial statements)                                     |
| 2. Mr. Winid Silamongkol     | CPA (Thailand) No. 3378<br>(has signed as the Company's audited financial statements for 4 consecutive years since 2008) |
| 3. Ms. Somboon Supasiripinyo | CPA (Thailand) No. 3731<br>(never signed the Company's audited financial statements)                                     |
| 4. Mr. Charoen Phosamritlert | CPA (Thailand) No. 4068<br>(never signed the Company's audited financial statements)                                     |

Any of the above auditors can conduct the audit and express an opinion on the Company's financial statements. In the event that none of these auditors is available, KPMG is authorized to delegate another one of its certified public accountants to conduct the audit. The audit fee and the quarterly review fee of the Company in 2012 is recommended at Baht 3,912,000. This amount excludes the non-audit fee, which the Company will pay based on the actual amount, and excludes the audit fee and the quarterly review fee of subsidiaries in 2012 in the budget approximately Baht 4,895,000, an increase of Baht 10,000 due to a new subsidiary being set up.

	<b>2012 (Proposed year)</b>	<b>2011</b>
Audit fee and quarterly review fee of the Company	Baht 3,912,000	Baht 3,912,000

- In 2011, the Company incurred non-audit fee of Baht 25,000.

**Voting:** To approve this matter, a resolution must be passed by a majority of the shareholders who attend the Meeting and cast their votes.

**Item No. 7 To consider and approve the appointment of directors to replace those who will retire by rotation in 2012**

**Purposes and Rationale:** According to the *Public Limited Companies Act, B.E. 2535* and Clause 18 of the Company's Articles of Association, one-third of all directors must retire by rotation on the date of each Annual General

Meeting of Shareholders. The three directors listed below are due to retire by rotation in 2012:

<u>Name of Director</u>	<u>Positions held</u>
1. Mr. Somprasong Boonyachai	- Vice-Chairman of the Board
2. Mr. Aviruth Wongbuddhapitak	- Chairman of the Audit Committee - Member of the Remuneration Committee Independent director
3. Mrs. Tasanee Manorot	- Member of the Audit Committee - Independent director
4. Mr. Allen Lew Yong Keong	- Director

The Company would like to inform that during October – December 2011, in accordance with the principle of good corporate policy relating to the promoting of shareholders' right, the Company invited its shareholders to nominate qualified persons to be elected as the Company's director in advance. However, there were no shareholders who had proposed a qualified nominee to be elected as the Company's director.

**The Nomination and Corporate Governance Committee's Opinion:** The Nomination and Corporate Governance Committee, with the exception of the directors with special interests on this item, has considered the qualifications, knowledge, competency, experience and performance of each director due to retire by rotation and recommended that:

1. Mr. Somprasong Boonyachai;
2. Mr. Aviruth Wongbuddhapirak;
3. Mrs. Tasanee Manorot; and
4. Mr. Allen Lew Yong Keong

be reappointed for another term of office. Details of each director's age, percentage of shareholdings, educational background, work experience, and board-meeting attendance are provided in Attachment 3.

**The Board's Opinion:** The Board, with the exception of the directors with special interests on this item, has agreed with the Nomination and Corporate Governance Committee and proposed that the Meeting approve the reappointment of:

1. Mr. Somprasong Boonyachai;
2. Mr. Aviruth Wongbuddhapitak;
3. Mrs. Tasanee Manorot; and
4. Mr. Allen Lew Yong Keong

for another term of office. The directors proposed for reappointment meet all the requirements stipulated in the *Public Limited Companies Act, B.E. 2535* and relevant regulations of the Capital Market Supervisory Board.

**Voting:** To approve this matter, a resolution must be passed by a majority of the shareholders who attend the Meeting and cast their votes.

**Item No. 8 To consider and approve appointment of new director**

**Purposes and Rationale:** Prior to the Annual General Meeting of Shareholders for 2011, Dr Arnon Tubtiang, had tendered his resignation as a director, and there was no replacement appointed in that meeting. By operation of law, the number of the Board has decreased by 1 seat. However, the Board has carefully considered and proposed that a new director should be appointed to suit the Company operation in anticipation of the upcoming 3G auction whereby a candidate of suitable qualifications be required.

**The Nomination and Corporate Governance Committee's Opinion:** The Nomination and Corporate Governance Commission has carefully considered qualifications, competency and experience in various areas of Dr. Montchai Noosong and concluded that he be proposed by the Board to the Meeting for appointment as a new director.

Details of his age, percentage of shareholders educational background, work experience are provided in *Attachment 4*.

**The Board's Opinion:** The Board has agreed with the recommendation by the Nomination and Corporate Governance Committee that Dr. Montchai Noosong be proposed to the Meeting for appointment as a new director.

**Voting:** To approve this matter, a resolution must be passed by a majority of the shareholders who attend the Meeting and cast their votes.

**Item No. 9 To consider and approve the remuneration of the Company's Board of Directors for 2012**

**Purposes and Rationale:** According to Clause 18 of the Company's Articles of Association, the Company's directors are eligible to receive remuneration in the form of a monthly retainer, meeting fee, expense allowance and annual remuneration.

**The Remuneration Committee's opinion:** The Remuneration Committee has carefully considered the directors' remuneration and concluded it is equitable with the market and industry standards, and commensurate with each member's responsibility and performance. The Committee recommended that the remuneration budget for the Board and its committees in 2012 be set at not more than Baht 20,000,000 (Baht Twenty Million), an increase from Baht 13,500,000 from the previous year, taking into consideration of the upcoming 3G auction whereby more board meetings could be anticipated and of appointment of a new director as considered in the previous item. However, the Committee recommended that the remuneration policy remain unchanged.

**Policy on Directors Remuneration for the Year 2012**

Director	Monetary Remuneration for 2012 (Baht)		
	Monthly Retainer	Meeting Allowance	Annual Remuneration
<b>Board</b>			
Chairman	200,000	x	√
Member	50,000	25,000	√

<b>Audit Committee</b>			
Chairman	25,000	25,000	√
Member	x	25,000	√
<b>Nomination and Corporate Governance Committee</b>			
Chairman	10,000	25,000	√
Member	x	25,000	√
<b>Remuneration Committee</b>			
Chairman	10,000	25,000	√
Member	x	25,000	
<b>Executive Committee</b>			
Chairman	10,000	25,000	√
Member	x	25,000	√

**Notes:**

- 1) Directors who are executives / employees of the Company/shareholders shall not be entitled to receive such remuneration.
- 2) Chairman of the Board is not entitled to an additional monthly retainer or meeting allowance if he or she chairs any of the sub-committees.

**The Board's Opinion:** The Board has agreed with the Remuneration Committee's recommendation and proposed that the Meeting approve the Board of Directors' remuneration for 2012 as stated.

**Voting:** To approve this matter, a resolution must be passed by not less than two-thirds of the shareholders who attend the Meeting.

**Item No. 10 Others business (if any)**

**The Board's Opinion:** This item is designated so that shareholders can raise query and/or give comments to the Board and/or request the Board to give explanation. There will be neither proposal for the Meeting to consider and approve, nor be any voting on the item.

The Record Date (to collect the names of shareholders who have the right to attend the shareholders' meeting as stipulated in Section 225 of the *Securities and Exchange Act, B.E. 2535*) will be 24 February 2012. The Company's share registration book will be closed on 27 February 2012. All shareholders are invited to attend the Annual General Meeting of Shareholders for 2012 on 28 March 2012 at 14.00 hours. at Vibhavadee Ballroom, Lobby Level, Centara Grand at Central Plaza Ladprao Bangkok, No.1695 Phaholyothin Road, Chatuchak, Bangkok. Registration will open at 12.00 hours.

Any shareholder who wishes to appoint a proxy to attend the Meeting and vote on his or her behalf must complete either Proxy Form B (in which particulars of delegation are determined) which can be found in Attachment 5; or

Form A (general) or Form C (for foreign investors in which custodians in Thailand have been appointed) can be downloaded from the Company's website <http://investor.ais.co.th>. Only one form shall be used.

Any shareholder who is unable to attend the shareholders' meeting can authorize one of the Company's independent directors to attend and vote on his or her behalf. Details of independent directors can be found in Attachment 6. The Company requests the shareholders' proxy be mailed to the address below and be received by the Company by 23 March 2012:



Company Secretary Office,  
414 Intouch Tower 1,  
1<sup>st</sup> Floor, Phaholyothin Road,  
Samsen-nai, Phyathai, Bangkok 10400

Yours sincerely,  
By order of the Board of Directors

*(Signature)*

Mr. Vikrom Sriprataks  
Director  
Advanced Info Service Public Company Limited

(Translation)

**Minutes of the Annual General Meeting of Shareholders for the Year 2011  
of  
Advanced Info Service Public Company Limited  
Held on Thursday, 31 March 2011 at 10.00 Hrs.  
At the World Ballroom, 23<sup>rd</sup> Floor Centara Grand & Bangkok Convention Centre  
At Centralworld  
999/99 Rama 1 Rd. Pathumwan Bangkok 10330**

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There were 1,265 shareholders present in person and by proxy altogether holding 2,443,549,036 shares from the total of 2,970,305,966 shares equivalent to 82.27 percent of the total number of shares sold.

Prior to the Meeting, an officer of the Company explained the procedure for casting votes as follows:

1. To cast vote in each agenda, one share shall have one vote;
2. To sum up the number of votes in each agenda, only the votes disagreeing or abstaining (from which ballots of the respective purposes have been previously collected from those shareholders) shall be extracted from the total votes attending the Meeting whereas the remaining votes shall be regarded to have agreed with each agenda; a vote shall be cast by shareholder or proxy on one opinion only (except in case of custodian by which proxy allows). In ordinary agenda, a resolution shall require the majority vote of shareholders who attend the Meeting and cast their votes, in case of a tie vote, Chairman of the Meeting shall have a casting vote.
3. As regards Agenda 7 re-election of retired directors, all votes shall be cast by every shareholder by using ballots specifying name of shareholder / proxy, number of shares held regardless whether each shareholder agrees, disagrees or abstains the vote; therefore, there will be 3 separate casts of votes for each director.

Dr. Paiboon Limpaphayom, Chairman of the Board of Directors, presided over the Meeting.

He then requested Mr. Somprasong Boonyachai, Vice-Chairman of the Board of Directors to preside over the Meeting in his behalf.

Chairman of the Meeting first introduced directors, executives, auditor and legal counsel examining the procedure for casting votes, respectively as follows:

Directors:

- |                                |   |
|--------------------------------|---|
| 1. Dr. Paiboon Limpaphayom     | Chairman of the Board of Directors and Independent Director                             |
| 2. Mr. Somprasong Boonyachai   | Vice-Chairman of the Board of Directors   |
| 3. Mr. Aviruth Wongbuddhapitak | Chairman of Audit Committee, Member of Remuneration Committee, and Independent Director |
| 4. Mrs. Tasanee Manorot        | Member of Audit Committee, and Independent Director                                     |

5. Mr. Surasak Vajasit	Member of Audit Committee, Member of Nomination and Corporate Governance Committee, and Independent Director
6. Mr. Dusit Nontanakorn	Director
7. Mr. Ng Ching-Wah	Director
8. Mr. Yeo Eng Choon	Director
9. Mr. Vikrom Sriprataks	Director and Vice-Chairman of the Executive Committee

Director Apology:

1. Mr. Allen Lew Yoong Keong	Director and Chairman of the Executive Committee
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Executives:

1. Mr. Wichian Mektrakarn	Chief Executive Officer (CEO)
2. Mr. Pong-amorn Nimpoonsawat	Chief Finance Officer (CFO)

Auditor:

Mr. Winid Silamongkol	KPMG Phoomchai Audit Ltd., nominated as auditor for the year 2011
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Legal Counsel:

Ms. Yaowarote Klinboon	Weerawong, Chinnavat & Peangpanor Ltd.
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Mr. Somprasong Boonyachai informed the Meeting that this 2011 Annual General Meeting of Shareholders was convened pursuant to the resolution of the Board of Directors' Meeting No. 2/2011 held on 11 February 2011 to consider the matters as specified in the Notice of Invitation Letter to Shareholders. The Record Date on which shareholders have rights to attend and vote in the Annual General Meeting of Shareholders was on 25 February 2011 and the share registration book for gathering shareholders' names under the Section 225 of the Securities and Exchange Act. (No.4) B.E. 2551 was on 28 February 2011.

Since the number of shareholders present in person and by proxy was sufficient to constitute the quorum as required by the Public Company Act B.E. 2535 Section 103 and the Company's Articles of Association Clause 32 i.e. shareholders and proxies amounting to not less than 25 or not less than one half of the total number of shareholders holding not less than one-third of the total number of shares sold of the Company, he thus requested the Meeting to consider the matters in accordance with the following agenda.

**1. Matters to be Informed.**

- None -

**2. To certify the Minutes of the 2010 Annual General Meeting of Shareholders, held on 8 April 2010.**

Chairman requested the Meeting to consider and certify the Minutes of the 2010 Annual General Meeting of Shareholders, held on 8 April 2010 as per details in a copy, which had already been distributed to shareholders together with the Notice of Invitation Letter to Shareholders.

Since there was no shareholder raising any question, the Chairman, then, proposed the Meeting to cast their votes. This agenda required a majority vote of shareholders attending and cast their votes.

After due consideration, the Meeting

**RESOLVED THAT** The Minutes of the 2010 Annual General Meeting of Shareholders, held on 8 April 2010 be and hereby was certified with the following votes:

Resolution	Votes (1 Share = 1 vote )	% of the total shares held by shareholders attending and cast their votes
1. Agreed	2,476,779,572	100.00
2. Disagreed	0	0.00
3. Abstained	13,451,900	

### 3. To acknowledge the results of operation for 2010.

Chairman requested Mr. Vikrom Sriprataks, Director and Vice-Chairman of the Executive Committee, to report the Meeting on summary of operations for the year 2010 as follows:

- The Company is Thailand's largest mobile phone service provider in terms of revenue i.e. 53.6% , an increase from 52.5% in 2009.

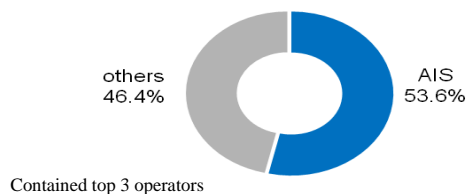
In terms of market share, the Company manages to have 45% market share with 31.2 million numbers at end of 2010, an increase of 700,000 numbers, even nearly saturated market due to subscribers using as second number and net SIM. A number of service packages have also be offered to the market.

### AIS continued to lead the market with solid revenue growth

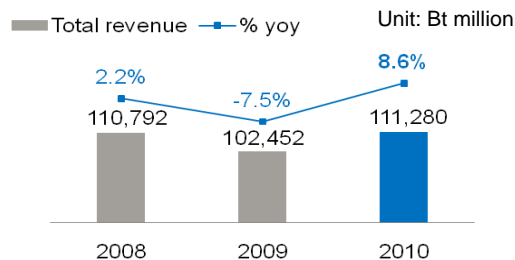
- In 2010, the overall economy improved resulting in growth in GDP by 8% and in growth of voice service and international calls although there was a political implication in Q2/2010 as well as flood at the year end. In addition, international roaming improved by 15% due to more visitors.

- Social media and use of more smart phones have attributed to growth of data service by more than 31% in addition to sale of devices which saw an increase by 35% Data service has now accounted 17% of overall revenue, from 14% in 2009.

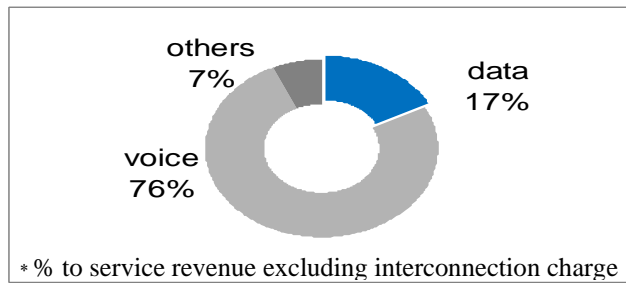
#### Largest revenue market share



#### Total revenue +8.6%



### Higher portion of data revenue

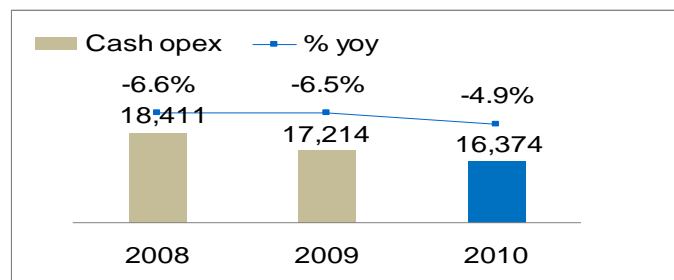


### Improved network quality to support growing data demand

- The Company has service coverage of 97% of area and also developed network to EDGE Plus to support data service i.e. 1) upload at maximum 236 kbps; 2) increase maximum upload speed by 30% to 296 kbps; and 3) Dual transfer mode technology is now available.
- The Company has introduced Quality DNAs (Devices, Network Applications services) by launching promotion together with contents providers to respond to various needs of subscribers.

### Effective cost control strengthen free cash flow generation

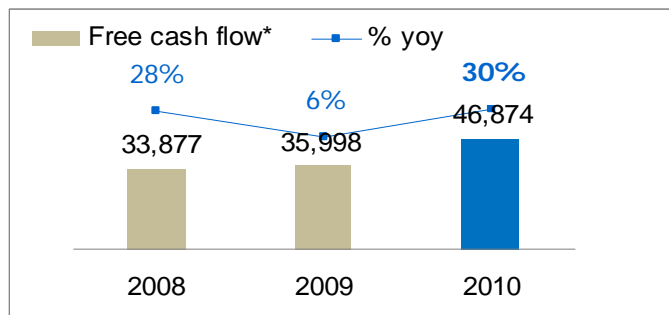
#### Cash opex\*\* declined 4.9%



- Operating expenses have been reduced by 6.5% due to less marketing expenses as a result of stable competition of telecommunication industry; Refill on Mobile has now accounted for 75% of all refills thereby refill cards cost have reduced by over 70%

#### Free cash flow +30%

Unit: Bt million



- Cash flow increased by 30% from 2009 to THB 46,874 million

### **Corporate Social Responsibility (CSR)**

One of the most important AIS's policies is to create happiness for the people in society, higher living quality, sustainable growth for the Thai society. We recognizes the responsibility to all stakeholders, society, and environment.

#### **1. Employees :**

- managing salary and compensation
- safety at work
- human resources development

#### **2. Customers :**

- quality network
- nationwide coverage
- quality service
- up-to-date technology
- reasonable price

#### **3. Environment :**

- environmentally friendly network
- managing energy consumption
- disposal of mobile phone battery

#### **4. Social :**

- promote family relations
- social role model
- opportunity provider
- employee awareness on social contribution

### **Corporate Social Responsibility (CSR)**

“Sarn Rak Project : enhance family relations”

- “Once a week advertising” to promote family relations
- Activities organized under the project including:
  - **AIS Family Rally** for Sai Jai Tai Foundation to win the trophy of HRH princess Maha Chakri Sirindhorn
  - **AIS Family Walk Rally** for Ananda Mahidol Foundation to win the trophy of HRH Princess Maha Chakri Sirindhorn

### **Corporate Social Responsibility (CSR)**

“Sarn Rak Kon Geng Huajai Grang”

Documentary television program organized under Sarn Rak project. Create role model among Thai youth and commend those who do good things and help their families. Also, AIS gave the educational scholarship to those youth until they graduated. With more than 10 years, 465 youth joined the project and 51 persons graduated. More than 260,000 CD to promote ethics have been prepared and distributed to schools nationwide.

### **Corporate Social Responsibility (CSR)**

“Opportunity provider”

- AIS contributes Bt5 million annually to the Rajaprajanukroh Foundation on the elderly day.
- AIS offered job opportunity as Call Center for hearing impaired and sight impaired.
- AIS Conservations for water sources
- AIS Help those affected by floods and cold weather

### **Corporate Social Responsibility (CSR)**

“Employee awareness on social contribution”

- AIS employees volunteers to contribute social growth and development e.g. reforestation, development camp for school in distant area, voluntary teacher, reading for the sight impaired.

#### Awards

##### “Performance”

- The Wall Street Journal - 9<sup>th</sup> ranking for Thai company that maintains its image through challenging environment
- Brand Age – Brand Age Magazine GSM Advance and one-2-Call received 1<sup>st</sup> and 2<sup>nd</sup> ranking for being the most reliable mobile phone system in 2010
- Finance & Banking Magazine – Best Performance listed company of the year 2010
- Securities Analysts Association – “Best CEO”, “Best CFO”, and “Best Investor Relations” for listed company in Technology sector

##### “Social Responsibility”

- Ministry of Social Development and Human Security – Sarn-Rak project activities for the benefit of the poor.
- NTC – Promote better living quality for blind and underprivileged people.

Other Details appear in the Attachment 2 distributed to shareholders.

As this agenda was for information to shareholders; therefore, there was no cast of votes.

#### **4. To approve the Balance Sheet, Statement of Income and statement of Cash Flow for fiscal year ended 31 December 2010.**

Chairman requested Mr. Vikrom Sriprataks, Director and Vice-Chairman of the Executive Committee, to report the Meeting.

Mr. Vikrom Sriprataks proposed the Meeting to consider and approve the balance sheets, Statement of income and statement of cash flow for fiscal year ended 31 December 2010 with auditor’s report which had been reviewed by the Audit Committee and approved by the Board of Directors, respectively the copies of which were attached to the Notice letter.

<b>Balance sheet as at 31 December (Baht million)</b>	<b>2009</b>	<b>2010</b>
Current assets	33,725	25,903
Property, plant and equipment and assets under the Agreements for operation	69,715	55,544
<b>Total assets</b>	<b>125,026</b>	<b>97,458</b>
Long-term borrowings	36,620	20,478
Total liabilities	53,215	55,978
Shareholders’ equity	71,811	41,480
<b>Total liabilities and shareholders’ equity</b>	<b>125,026</b>	<b>97,458</b>

<b>Statement of Income (Baht million)</b>	<b>2009</b>	<b>2010</b>	<b>Variance (%)</b>
Total revenues	102,452	111,280	(8.6)
Total cost	(66,316)	(68,703)	(3.5)
Gross Profit	36,049	42,577	(18.1)
Selling & Administrative expenses	(10,047)	(9,812)	(2.3)
Operating profit	26,002	32,765	(26.0)
Other revenue	687	679	(1.1)
Income tax	(7,419)	(9,367)	(26.3)
Net profit	16,523	20,547	24.4

<b>Statement of Cash Flow (Baht Million)</b>	<b>2009</b>	<b>2010</b>
Net cash provided by operating activities	40,913	45,224
Net cash used in investment activities	(12,592)	(5,799)
Net proceeds from loans from financial institutions	1,363	(486)
Dividend payment	(18,709)	(51,351)
Net cash used in other financing	(1,715)	(1,397)
<b>Net increase (decrease) in cash</b>	<b>9,260</b>	<b>(13,810)</b>
Cash and cash equivalents, beginning of the year	15,009	24,261
Effect of exchange rate on foreign currencies	(9)	(0)
<b>Cash and cash equivalents at the end of the year</b>	<b>24,261</b>	<b>10,451</b>

Shareholders raised the following queries:

**1. Would decreased assets be material?**

Mr. Pong-amorn Nimpoonsawat                      Decreased assets were as a result of less investment in 2010 whereas depreciation was accelerating. These resulted in better return on investment.

**2. Would huge amount of dividend affect investment in 3G in future, and how about risk management of the Company?**

Mr. Pong-amorn Nimpoonsawat                      Management must be prepared and ready to answer this same query when dividend has been proposed to the Board of Directors, by preparing balance sheet and cash flow in advance to ensure the Company has cash at all time.

Mr.Somprasong Boonyachai                              In the past years, the Company has set target to pay dividend at substantial rate in return for investment together with creating confidence and creditworthiness in complying with principles of corporate governance. In respect of investment, related sources are from equity financing and debt financing while the latter is generally cheaper in terms of cost. The Company has established Risk Management Committee that carries on process and reports on a regular basis.

Mr. Wichian Mektrakarn                                Added the Risk Management Committee shall report directly to the Audit Committee routinely, in which risks and responsible persons shall be identified, this is reported to the Executive Committee as well.

Since there was no shareholder raising further question, Chairman, then, proposed the Meeting to cast their votes. This agenda required a majority vote of shareholders attending and cast their votes.

After due consideration, the Meeting



**RESOLVED THAT** The Balance Sheets, Statement of Income, and Statement of Cash Flow for fiscal year ended 31 December 2010 be and hereby were approved with the following votes:

<b>Resolution</b>	<b>Votes (1 Share = 1 vote )</b>	<b>% of the total shares held by shareholders attending and cast their votes</b>
<b>1. Agreed</b>	2,479,709,556	100.00
<b>2. Disagreed</b>	0	0.00
<b>3. Abstained</b>	13,451,900	

**5. To approve dividend payment for the fiscal year 2010.**

Chairman requested Mr. Vikrom Sriprataks, Director and Vice-Chairman of Executive Committee, to report the Meeting.

Mr. Vikrom Sriprataks presented to the Meeting as follows:

- In 2010, net profit was Baht 20,547 million.
- In 2010, net cash provided by operating activities was Baht 45,224 million
- Total equity as at end of 2010 was Baht 15,358 million (after paying interim dividend of Baht 3.00 per share and special dividend of Baht 6.00 per share)
- Total cash and cash equivalent as at end of 2010 was Baht 10,451 million

Therefore, the Company considered appropriate to declare a dividend payment for the year 2010 at the rate of Baht 6.92 per share, of which Baht 3.00 per share was paid as an interim dividend on 3 September 2010. The dividend for the second half operating result of 2010 remains Baht 3.92 per share.

However, the said dividend does not include a special dividend of Baht 6.00 per share payable on 3 December 2010.

The share registration book closing date to determine the right to receive dividends will be on 8 April 2011 and the dividend payment date will be on 26 April 2011.

Since there was no shareholder raising further question, Chairman, then, proposed the Meeting to cast their votes. This agenda required a majority vote of shareholders attending and cast their votes.

After due consideration, the Meeting

**RESOLVED THAT** Payment of dividend for fiscal year 2010 be and hereby was approved with the following votes:

<b>Resolution</b>	<b>Votes (1 Share = 1 vote )</b>	<b>% of the total shares held by shareholders attending and voting</b>
<b>1. Agreed</b>	2,480,466,010	100.00
<b>2. Disagreed</b>	0	0.00
<b>3. Abstained</b>	13,373,100	

**6. To approve the revolving line for issuing and offering debentures of not more than THB 20,000,000,000 (Baht Twenty Billion).**

Chairman requested Mr. Vikrom Sriprataks, Director and Vice-Chairman of Executive Committee, to report the Meeting.

Mr. Vikrom Sriprataks reported the Meeting as follows :

**Objective and Rationale**

- Prepare a financing source for company's working capital
- Repay the matured debts
- Network investment

▪ **Total amount**

Not exceeding THB20,000,000,000 or equivalent in other currencies (excluding the outstanding debentures as of 31 December 2010 of THB19,500,000,000).

▪ **Offering**

The debentures may be offered in Thailand and/or outside Thailand to public and/or institutional investors and/or specific investors and/or Company employees (either in whole or in part). The amount of debentures may be allotted as appropriate, in the same set or several sets, at the same time or several times in accordance with the relevant notifications of the Office of the Securities and Exchange Commission.

▪ **Revolving Basis**

In case the debentures that were issued under this revolving line have been redeemed or repurchased, the Company could issue additional debentures to replace them.

▪ **Authority**

To empower the Board of Directors ("Attorney") to be the authorized person to proceed with the issuing and offering debentures and to perform other acts relating to the issuing and offering of debentures including (without limitation) to structure, determine and specify the type and any details of the debentures, allotment mechanism, coupon setting, appointment of arranger/underwriter, registrar and/or representative of the debenture holders (if any) and the arrangement for the listing of debentures on the secondary market, to negotiate, prepare, agree, execute and deliver any agreement and other documents with respect to the issuing and offering of the debentures that the Attorney deems necessary or desirable for the purpose of facilitating or implementing the issuing and offering of the debentures (including but not limited to making decisions and carrying out other acts relating to hedging transactions (whether in whole or in part) in order to protect any risk arising from fluctuation of interest rate and/or currency exchange rate).

Shareholders raised the following queries:

**1. What is the reason for the Company to issue and offer debenture as high as THB 20,000 million given that the Company paid a dividend of THB 51,351 million in 2010?**

Mr. Somprasong Boonyachai                      The Company shall manage and balance capital which derived from 2 sources : one from debt and the other from equity.

Mr. Pong-amorn Nimpoonsawat                As at 31 December 2010, the Company incurred debt of THB 55,978 million including long-term debt which shall be due in 1 year of THB 15,883 million, whereas we saw shareholders' equity of THB 41,480, its is necessary for the Company to manage and balance liabilities and shareholders equity so as to incur appropriate cost of capital

**2. What will be the purposes of issuing and offering debentures?**

Mr. Pong-amorn Nimpoonsawat                As at 31 December 2010, the Company had outstanding debentures of THB 19,500 million in which part thereof shall be matured in 2011, the Company then plans to issue and offer new debentures to replace the existing ones and to be ready for investment plan in future.

Since there was no shareholder raising further question, Chairman, then proposed the Meeting to cast their votes. This agenda requires vote of not less than three-fourths of the total number of shareholders present and eligible to vote according to the Company's Articles of Association, Clause 34 (2) e.

After due consideration, the Meeting

**RESOLVED THAT**                      Revolving line for issuing and offering debentures of not more than Baht 20,000,000,000 (Baht Twenty Billion) be and hereby was approved with the following votes:

<b>Resolution</b>	<b>Votes (1 Share = 1 vote )</b>	<b>% of the total shares held by shareholders attending and voting</b>
1. Agreed	2,486,986,643	99.15
2. Disagreed	7,907,500	0.32
3. Abstained	13,464,200	0.54

The votes ware of not less than three-fourths of the total number of shareholders present and eligible to vote.

**7. To approve the re-appointments of retiring directors.**

Chairman stated to the Meeting that, in compliance with the Public Company Act B.E. 2535 and Clause 18 of the Company's Articles of Association, at the Annual General Meeting of Shareholders, one-thirds of directors shall be retired by rotation but they can be re-appointed.

In the Company's 2011 Annual General Meeting of Shareholders, 4 directors who will be retired by rotation and are recommended to be re-appointed are:

- |                            |   |
|----------------------------|---|
| 1. Dr. Paiboon Limpaphayom | Chairman of the Board of Directors and Director       |
| 2. Mr. Vikorm Sriprataks   | Director and Vice Chairman of the Executive Committee |
| 3. Mr. Ng Ching-Wah        | Director and Member of Executive Committee            |
| 4. Dr. Arnon Tubtiang      | Director  |

The Board of Directors, excluding those having conflicts of interest, considered the qualifications of retiring directors and agreed with the recommendation by the Nomination and Corporate Governance Committee that all 3 retiring directors had the qualifications pursuant to the Public Company Act B.E. 2535 and their respective expertise and experience related to the Company operation. Therefore, the said 3 directors who are retired by rotation should be re-appointed for another term. Details of age, shares held, and educational qualifications, working experience, attendance record of the Board of Directors and Committees as well as contribution by each of directors are as attached to the Meeting documents delivered to shareholders.

However, on 11 February 2011, Dr. Arnon Tubtiang tendered his resignation as a director. In this regard, the Company shall nominate and approve appointment of a qualified and experienced person to fill the vacancy accordingly.

Since there was no shareholder raising any question, Chairman, then, proposed the Meeting to cast their votes, and requested each shareholder to use ballot no matter whether shareholder agrees, disagrees or abstains the vote, for each director. This agenda required a majority vote of shareholders attending and cast their votes.

After due consideration, the Meeting

**RESOLVED THAT** Dr. Paiboon Limpaphayom, a director retired by rotation, be and hereby was re-elected with the following votes:

<b>Resolution</b>	<b>Votes (1 Share = 1 vote )</b>	<b>% of the total shares held by shareholders attending and cast their votes</b>
<b>1. Agreed</b>	2,471,402,794	99.06
<b>2. Disagreed</b>	23,456,850	0.94
<b>3. Abstained</b>	13,625,700	

After due consideration, the Meeting

**RESOLVED THAT** Mr. Vikorm Sriprataks, a director retired by rotation, be and hereby was re-elected with the following votes:

<b>Resolution</b>	<b>Votes (1 Share = 1 vote )</b>	<b>% of the total shares held by shareholders attending and cast their votes</b>
<b>1. Agreed</b>	2,484,627,307	99.49
<b>2. Disagreed</b>	12,840,437	0.51
<b>3. Abstained</b>	11,017,600	

After due consideration, the Meeting

**RESOLVED THAT** Mr. Ng Ching-Wah, a director retired by rotation, be and hereby was re-elected with the following votes:

<b>Resolution</b>	<b>Votes (1 Share = 1 vote )</b>	<b>% of the total shares held by shareholders attending and cast their votes</b>
<b>1. Agreed</b>	2,469,301,807	98.90
<b>2. Disagreed</b>	27,354,637	1.10
<b>3. Abstained</b>	11,824,100	

**8. To approve the directors' remuneration for 2011.**

Chairman requested Mr. Vikrom Sriprataks, Director and Vice-Chairman of the Executive Committee, to report the Meeting.

Mr. Vikrom Sriprataks stated that by recommendation of the Remuneration Committee, deliberately taking into consideration of appropriateness by a number of factors compared within the same industry together with business expansion and growth of profit of the Company, in 2011 the total budget for the directors' remuneration shall not exceed Baht 13,500,000 (Baht Thirteen Million and Five Hundred Thousand) inclusive of monetary remuneration i.e. monthly retainer fee, attendance fee and annual remuneration should be allocated. This amount is the same amount as proposed in 2010.

**Policy on Remuneration for Directors for the Year 2011**

<b>Director</b>	<b>Monetary Remuneration for 2011 (Baht)</b>		
	<b>Monthly Retainer Fee</b>	<b>Attendance Fee</b>	<b>Annual Remuneration</b>
<b>Board of Directors</b>			
Chairman	200,000	x	✓
Member	50,000	25,000	✓
<b>Audit Committee</b>			
Chairman	25,000	25,000	✓
Member	x	25,000	✓
<b>Nomination and Corporate Governance Committee</b>			
Chairman	10,000	25,000	✓
Member	x	25,000	✓
<b>Remuneration Committee</b>			
Chairman	10,000	25,000	✓

Member	x	25,000	✓
<b>Executive Committee</b>			
Chairman	10,000	25,000	✓
Member	x	25,000	✓

- Notes:**
- 1) Directors who are executives / employees of the Company / shareholders shall not be entitled to receive such remuneration.
  - 2) Chairman of the Board is not entitled to an additional monthly retainer or attendance fee if he or she chairs any of the sub-committees.

Shareholders raised the following queries:

**1. Would remuneration be duplicate with Chairman and director?**

Mr. Somprasong Boonyachai Confirms that there is no duplication, Chairman shall receive remuneration as Chairman only.

Since there was no shareholder raising further question, the Chairman, then, proposed the Meeting to cast their votes. In addition, shareholders were advised a resolution shall require an affirmative vote of not less than two-thirds of the total number of shareholders attending the Meeting.

After due consideration, the Meeting

**RESOLVED THAT** Directors' remuneration for the year 2011 be and hereby was approved with the following votes:

<b>Resolution</b>	<b>Votes (1 Share = 1 vote )</b>	<b>% of the total shares held by shareholders attending the Meeting</b>
<b>1. Agreed</b>	2,495,032,945	99.46
<b>2. Disagreed</b>	23,400	0.00
<b>3. Abstained</b>	13,527,600	0.54

The votes were of not less than two-thirds of the total number of shareholders attending the Meeting.

**9. To approve the appointment of the Company's auditors and determine the auditors' remuneration for the year 2011.**

Chairman requested Mr. Vikrom Sriprataks, Director and Vice-Chairman of the Executive Committee, to report the Meeting.

Mr. Vikrom Sriprataks stated to the Meeting that in compliance with the Company's Articles of Association, the Annual General Meeting of Shareholders shall determine to appoint the Company's auditors and to designate auditing fee of the year 2010, thus proposed the Meeting to consider appointing the Company's auditors from KPMG Phoomchai Audit Ltd (the fourth year) namely:

Mr. Supot Singhasaneh  
Mr. Winid Silamongkol

Registration No. 2826  
Registration No. 3378

Ms. Somboon Suprsiripinyo  
Mr. Charoen Phosamritlert

Registration No. 3731  
Registration No. 4068

Any of the above auditors can conduct the audit and express an opinion on the Company's financial statements. In the event that none of these auditors is available, KPMG Phoomchai Audit Ltd. is authorized to delegate another one of KPMG Phoomchai Audit Ltd. to conduct the audit. The audit fee and the quarterly review fee of the Company in 2011 is recommended at Baht 3,912,000 (a decrease of Baht 20,000 or 0.51% from last year). This amount excludes the non-audit fee, which the Company will pay based on the actual amount, and the audit fee and the quarterly review fee of subsidiaries in 2011 in the budget approximately Baht 4,885,000.

KPMG Phoomchai Audit Ltd. and the four auditors mentioned above are completely independent from the Company and have no relation / interest with the Company / subsidiaries / executives / major shareholders or connected persons; as evidenced by their report on securities holding submitted to the Company.

Shareholders raised the following queries:

**1. Would decreased auditor fee affect performance of auditor, how about percentage of random check?**

Mr. Winid Silamongkol

Decreased auditor fees are as a result of downsizing of businesses of some subsidiaries. Random check shall depend on a number of factors in which internal control and risk factors are attributing in determining appropriateness which could not be fixed. In all cases, the proposed decreased auditor fees shall not affect performance or reduce standard of auditor.

Since there was no shareholder raising further question, the Chairman, then proposed the meeting to cast their votes.

This agenda required a majority vote of shareholders attending and cast their votes.

After due consideration, the Meeting

**RESOLVED THAT** The appointment of the Company's auditors and determination of fees be and hereby were approved with the following votes:

Resolution	Votes (1 Share = 1 vote )	% of the total shares held by shareholders attending and cast their votes
1. Agreed	2,495,187,545	100.00
2. Disagreed	2,900	0.00
3. Abstained	13,393,600	

10. **To acknowledge reports on the disputes which have arisen and actions which have been taken by the Board of Directors and management with respect to amendments to the Contract permitting Mobile Phone Services (the “Concession Contract”) between the Company and TOT Public Company Limited; including to concur with such actions and to approve authorization for the Company to initiate, or defend legal actions and/or negotiate, make a compromise with respect to this matter for the benefits of the Company as the Board of Directors deems appropriate.**

Chairman gave summary of the Contract permitting Mobile Phone Services and Supplemental Agreement, material disputes and cabinet’s decision on the amendment to the Contract, as follows:

**Agreements Entered into between AIS and TOT**

On 27 March 1990, AIS and TOT entered into a concession agreement on cellular mobile telephone services (“Mobile Phone Agreement”). The main elements of this Agreement are as follows:

- AIS will be the investor and will be responsible for procuring location, tools and equipment necessary for the provision of cellular mobile phone services in both NMT 900 and GSM systems throughout the country, and transfer the ownership of the mentioned space and equipment of TOT.
- TOT allowed AIS to operate cellular mobile phone services by using the space, tools, and equipment which were delivered to TOT for 20 years from 1 October 1990 to 30 September 2010.
- Each year, AIS must make an annual payment to TOT either in an agreed minimum payment amount or in an amount of the percentage of income and other benefits earned by AIS in one year prior to expenses and tax deduction in accordance with Clause 30 of the Mobile Phone Agreement, whichever amount is higher. The percentages are as follows:
  - Year 1 – Year 5 payment is at 15 % - Year 6 – Year 10 payment is at 20%
  - Year 10 – Year 15 payment is at 25 % - Year 15 -Year 20 payment is at 30%

**Reason for Entering into the Agreement**

TOT may not be flexible in terms of capital expenditure / investment, then allowed private participation by means of BTO (Build – Transfer – Operate)

**Actions Taken by the Board of Directors and the Management Regarding the Amendment of the Mobile Phone Agreement**

**1. The First Supplemental Agreement under the Mobile Phone Agreement (Signed on 11 December 1991) Essential element:**

Amend the site lease terms for 22 years continuously to: “if such site is not owned by AIS, AIS has the duty to contact the owner of such site to lease it on behalf of TOT. Each lease term shall be no less than three years and shall be extended continually for 22 years according to the Agreement”.

**Reason for Entering into the Agreement**

Limitation on the fact that lessor is unable to enter into the lease agreement for whole 22-year period.



**2. The Second Supplemental Agreement under the Mobile Phone Agreement (Signed on 16 April 1993) Essential element:**

Changed the name from Advanced Info Service Co., Ltd. to Advanced Info Service Public Co., Ltd.

**Reason for Entering into the Agreement**

The Company was listed on the Stock Exchange of Thailand and registered as a public company.

**3. The Third Supplemental Agreement under the Mobile Phone Agreement (Signed on 28 May 1994) Essential elements:**

- Change of the Company's address
- Agreed on the collection of and benefit sharing from revenue from international calls service The service charge for making international calls to mobile phone numbers exclusively belonged to TOT. The calculations of benefit sharing on calls made from mobile phones are as follows:
  - International calls to countries that do not have borders connected to Thailand, Each month, TOT will summarize the number of calls and give benefit sharing to AIS at the same rate as for the mobile phone to mobile phone calls within the same zone. (3 Baht/Minute)
  - International calls to countries that have borders connected with Thailand, AIS will make a collection and inform the number of calls monthly. AIS will receive benefit sharing at the rate similar to the rate of mobile phone to mobile phone calls within the same zone.
  - The above-mentioned revenue sharing methods will be added to the revenue of AIS for the calculation of revenue sharing for TOT according to the Agreement.

**Reason for Entering into the Agreement**

To agree on the benefit sharing on the revenue generated from service for providing the calls made to the countries having and not having borders with Thailand.

**4. The Fourth Supplemental Agreement under the Mobile Phone Agreement (Signed on 20 September 1996) Essential elements:**

- AIS is allowed to invest in media signals networking systems and will transfer the ownership of these systems to TOT. In this regard, AIS has the right to seek benefit from the media networking systems and the use of remaining assets from the operation of AIS.
- TOT has the right to allow or enter into an agreement with other operators regarding the provision of mobile phone services, as previously not allowed to TOT to do so.
- Change the international calls service. AIS will directly connect with the international telephone center of CAT Telecom Public Company Limited (CAT PCL) and will obtain revenue sharing at the rate of 6 baht per minute on all outgoing calls provided that the total revenue that TOT will receive must not be less than the revenue that TOT would have received under the previous agreement (during that time). Remuneration shall be made by AIS to TOT if TOT has obtained an amount less than it used to get under the previous Agreement terms. The calculation of the revenue and the remuneration of the revenue shall be prescribed at a later date
- Concession period was extended from 20 to 25 years.
- AIS shall make a revenue sharing payment by calculating from the revenue obtained from the service which has the sales promotion activities.

**Reasons for Entering into the Agreement**

- In exchange for the cancellation of AIS's protection (cancellation of Clause 18 regarding AIS's exclusive right to provide mobile phone service) so that TOT is entitled to grant concession to other private parties for providing mobile phone service.

- To resolve the problem arising from TOT inability to provide AIS with media signals network systems in a timely manner. In this regard, TOT does not have to make investment on its own but TOT can seek benefit from using the systems.
- To provide the people (consumers) with more flexibility in making international calls out.

**5. The Fifth Supplemental Agreement under the Mobile Phone Agreement (Signed on 25 December 2000) Essential elements:**

- AIS was allowed to be the co-manager of the benefit obtained from media signals network systems and other remaining properties from the use of AIS as prescribed in the fourth Supplemental Agreement under the Mobile Phone Agreement which allowed AIS to build its own media signal network systems for its own use. The service fee will be the same rate as the fee that TOT offered to its customers. The benefit sharing is as follows:
  - In the case of “TOT Customers”, TOT will receive 25%.
  - In the case of “AIS Customers”, TOT will receive 22%.

**Reason for Entering into the Agreement**

To seek benefit from media signals networks and other remaining properties from the use, invested by AIS as prescribed in the fourth Supplemental Agreement.

**6. The Sixth Supplemental Agreement under the Mobile Phone Agreement (Signed on 15 May 2001) Essential elements:**

- Amendment on the revenue sharing of the mobile phone service on the Prepaid Card payment to be at the rate of 20 % throughout the term of the Agreement. The revenue will be delivered monthly. This was amended from the previous agreement on the payment of revenue at the rate of 25 % in the year 11-15 and 30% in the year 16 – 25 for providing service under the Agreement.

**Reason for Entering into the Agreement**

It was considered a new service which increased the cost. And as other service providers were allowed to reduce access charge (AC) fee, AIS was also allowed to reduce the revenue sharing in order to be fair and to be able to compete with other service providers. The AC fee, AIS requested the reduction in revenue sharing for the benefit of fairness and in order to be able to compete with other mobile phone operators.

**7. The Seventh Supplemental Agreement under the Mobile Phone Agreement (Signed on 20 September 2002) Essential elements:**

- TOT allowed AIS to allow other service providers to use AIS’s mobile phone network under the agreement (Roaming) and allowed AIS to roam the networks of other service providers. The benefits sharing of the roaming are as follows:
  - In the case that other service providers roam the network of AIS, TOT will receive the benefit sharing at the rate specified in the agreement.
  - In the case that AIS roams the networks of other service providers, TOT will receive the benefit sharing at the rate specified in the agreement calculated on the revenue from any services collected from the customers less the fee for using the roaming service that AIS has to pay to other service providers.

**Reason for Entering into the Agreement**

Allowing other service providers to roam the network of AIS is for seeking additional revenue and maximizing the benefit in using the network in that revenue derived belong to both owner of network and service providers. AIS’s roaming in the network and service providers.

### **Material Disputes**

1. TOT claims additional revenue sharing in the case where the paid excise tax was deducted from the revenues sharing in the amount of Baht 36,816 million and in the case of the amendments of the Sixth and Seventh Supplemental Agreements in the amount of Baht 36,995 million.
2. TOT claims additional revenue sharing for the interconnection charges in the amount of Baht 17,803 million.

### **Material Issues of the Disputes**

#### **(Excise Department, Pre-paid and Roaming)**

1. **On 26 February 2010**, the Supreme Court's Criminal Division for Holders of Political Positions gave a verdict in the Red Case No. Or Mor. 1/2010, between the Plaintiff, the Attorney General and the Defendant, Pol. Lt. Col. Thaksin Shinawatra (the "verdict on the seizure of property"). Some contents of the verdict on the seizure of property are related to AIS as follows:

The Supreme Court, through a majority vote, ruled that the former Prime Minister abused his power to benefit AIS as follows:

- (a) Issuance of the Royal Decree to amend the Excise Tariff Act and the Excise Act so that the telecommunication business must pay excise tax, as well as the Cabinet Resolution dated 11 February 2003 which approved private parties of the concession agreement to provide the services of fixed phone or mobile phone, who have to pay concession fees to government agencies, to deduct the amount of paid excise tax from concession fees to be paid to government agencies.
- (b) TOT amended the Concession Agreement by the Sixth Supplemental Agreement dated 15 May 2001 to reduce the revenue that AIS had to share with TOT for providing prepaid phone card services.
- (c) TOT amended the Concession Agreement by the Seventh Supplemental Agreement dated 20 September 2002 allowing AIS to use roaming services and allowing AIS to deduct all expenses from the revenue before revenue sharing payment is made.

2. **On 8 April 2010**, the Board of Directors of AIS informed the shareholders at the Annual General Meeting of Shareholders for the year 2010 regarding the verdict on the seizure of property of the Supreme Court's Criminal Division on Holders of Political Position in the Red Case No. Or Mor. 1/2010 between the Plaintiff, the Attorney General and the Defendant, Pol. Lt. Col. Thaksin Shinawatra, including the comments of AIS legal advisor. The AIS legal advisor gave the following comments:

- Although many parts in the Verdict on the Seizure of Property were related to AIS, each of such related parts in the judgment were limited to the issue that some assets of Pol. Lt. Col. Thaksin Shinawatra (former prime minister), the holder of political position, had been assets improperly obtained during the course of duty or from the abuse of the power; and AIS was not a party to the case. The Verdict on the Seizure of Property did not contain the ruling on the outcome or the validity or invalidity of the laws, the cabinet's resolutions or the implemented agreements, nor did it contain the order that AIS or the related government agencies proceed with any action. Accordingly, such Verdict on the Seizure of Property will not affect AIS.

3. **On 2 February 2011**, AIS received a letter from TOT dated 31 January 2011 demanding AIS to make an additional revenue sharing payment as follows:

- In the case where the paid excise tax was deducted from the revenue sharing including the VAT, fine, and additional tax payment in which the Excise

Department made an assessment for TOT to pay at the amount of 36,816 million Baht.

- The Amendment of revenue sharing rate of the pre-paid and roaming service totaling 36,995 million baht.

The above-mentioned demand made by TOT refers to the Verdict on the Seizure of Property dated 26 February 2010 which ruled that the Cabinet Resolution which allows the deduction of excise tax from the revenue sharing payment is against the law and the amendment of the agreement was made for the benefit of AIS and caused damage to TOT. TOT demanded AIS make a payment by 15 February 2011, otherwise TOT will take legal action against AIS.

(Remark: With regard to the deduction of excise tax, on 22 January 2008, TOT filed the request for arbitration demanding AIS to pay additional revenue sharing in the amount of 31,462 Baht as the case No. 9/2551 which is now under the consideration of the arbitral tribunal.)

**Actions Taken by the Board of Directors and the Management Regarding the Submission of Disputes to Arbitration Process**

- **3 February 2011**, AIS sent a letter to TOT in response to the letter issued by TOT demanding that AIS make an additional revenue sharing payment. The main issue is that the Verdict on the Seizure of Property dated 26 February 2010 has no binding force upon AIS whatsoever, because neither TOT nor AIS is a party to the case.
- **4 February 2011**, AIS sent a letter rejecting TOT's demand letter and requesting TOT to withdraw the demand letter by 9 February 2011, otherwise AIS will institute both civil and criminal actions against TOT and other related parties (in the case of Excise Tax) and will submit the dispute to Arbitration (in the case of Prepaid and Roaming).

**Actions Taken by the Board of Directors and the Management Regarding the Submission of Disputes to Arbitration Process**

- **On 9 February 2011**, A special meeting of the Board of Directors No. 2/2011 was held to consider the request of TOT and the steps to be taken. At this meeting, a legal advisor from Weerawong, Chinnavat, & Peangpanor Ltd. attended the meeting and gave comments. The meeting agreed that the Company should submit the dispute to Arbitration before 15 February 2011, which was the last date of payment demanded by TOT.
- **On 11 February 2011**, AIS submitted the dispute to the Thai Arbitration Institute in the Black Case No. 8/2011 requesting the arbitrators to render an arbitral award ruling that AIS and TOT shall comply with the Sixth Supplemental Agreement (Prepaid) and the seventh Supplemental Agreement (Roaming), and that the demands of TOT are against the law and in breach of the Agreement. AIS sent a letter to TOT and the Board of Directors of TOT informing them that AIS submitted the matter to the Thai Arbitration Institute. Currently the dispute is under the consideration of the Thai Arbitration Institute

**Material issues of the Disputes (With regard to IC)**

**AIS has entered into interconnection agreements under the Notification of National Telecommunication Commission (NTC) on the use and interconnection of telecommunications networks B.E. 2549 with the following providers:**

- With DTAC on 30 November 2006;
  - With True Move on 16 January 2007;
  - With DPC on 1 June 2009; and
  - With CAT on 6 July 2010.
- **On 30 December 2008**, AIS allocated the revenue derived from the Net IC in the amount of Baht 760 million to TOT. Subsequently, TOT informed AIS that the allocated revenue derived from IC which was provided to TOT shall not have the IC payment allocated to other

providers deducted. TOT and AIS then set up a working group to settle this matter but the conclusion has not been reached.

- **On 26 January 2011**, TOT demanded that AIS allocate the revenue derived from the IC, for the 17th – 20th service years, in the amount of Baht 17,803 million, otherwise TOT would enforce the payment from the Bank issuing the letter of guarantee.

#### **Action taken by the Board and the Management in referring the Dispute to the Arbitral Proceedings**

- **On 9 February 2011**, AIS gave notice to the Bank issuing the letter of guarantee, requesting the restraint of payment made to TOT in the case that TOT serves a notice to the Bank, as AIS did not breach the contract and the dispute must be settled by arbitration as prescribed in the Arbitration Agreement.
- **On 21 February 2011**, AIS sent a letter refusing TOT's demand since the allocated revenue derived from IC had been made under the law and the Notification of NTC, and the IC collected between the providers is based on the cost rate. It was therefore illegal for TOT to demand the allocated revenue derived from the IC without having the paid-out IC deducted.
- **On 9 March 2011**, AIS referred the dispute to the Thai Arbitration Institution (TAI) and requested the TAI to render the decision that TOT has no right to demand for the allocated revenue derived from the IC, as detailed in the Black Case No. 19/2554. The case is under arbitration proceedings.
- **On 17 March 2011**, AIS gave notice to the Bank issuing the letter of guarantee, informing the Bank that AIS had referred the dispute to the TAI.

#### **The Cabinet's Decision on the Amendment to the Concession Agreement**

- **On 1 February 2011**, the ICT Ministry proposed an amendment to the Concession Agreement, in order to be in line with the Private Participation in State Undertakings Act B.E.2535, to the Cabinet. The Cabinet then acknowledged the proposal of the ICT Ministry in setting up negotiations between TOT/CAT and the private company parties and instructed that the result and opinion of the negotiation shall be reported to the Cabinet within 15 days.
- **On 7 February 2011**, the ICT Minister issued an order of the establishment of a Negotiation Committee, chaired by the Permanent Secretary of the ICT Ministry.
- **On 14 February 2011**, the Negotiation Committee invited DPC and AIS to attend meetings on 16 February and 17 February 2011, respectively, in order to make a framework for negotiation.
- **On 16 February 2011**, DPC attended the meeting with the Negotiation Committee.
- **On 17 February 2011**, AIS attended the meeting with the Negotiation Committee.
- **On 25 February 2011**, AIS and DPC separately submitted letters to the Negotiation Committee, explaining that the amendment to the agreements will not cause any damage to the State, on the contrary, it will benefit the parties and the customers. They requested the Negotiation Committee to approve the continual operation under the agreements.
- **On 8 March 2011**, the Cabinet approved the extension of negotiation period for another one month from the date of the Cabinet's approval.
- **On 23 March 2011**, AIS and DPC attended a meeting with the Negotiation Committee, as per the invitation dated March 21, 2011, in order to receive the proposal of TOT and CAT and further propose it to their Boards of Directors. The result will be submitted to the Negotiation Committee within March 29, 2011 (for DPC) and April 1, 2011 (for AIS).
- **On 24 March 2011**, the Negotiation Committee sent the proposal of TOT and CAT, as requested by the representatives of AIS and DPC in the meeting.

#### **Updates on the Dispute and Action Taken**

- Up to now, TOT has not filed any lawsuit claiming damages from AIS. However, if TOT initiates a case in order to claim damages, the Company can argue that:

- The dispute on Excise Tax between TOT and AIS has been referred to the arbitral proceedings since 2008 and the case is pending issuance of award.
- With regard to the dispute on the reduction of allocated revenue derived from pre-paid service and the reduction of roaming costs, AIS referred this dispute to the arbitral proceedings on 11 February 2011.
- With regard to the dispute on Excise Tax between CAT and DPC, the Arbitral Tribunal decided, on 1 March 2011, that DPC had no duty to make any other payment to CAT.
- **The Board invited the legal counsels from Weerawong, Chinnavat and Peangpanor Ltd. (WCP) to give a presentation on the action previously taken and relevant legal procedures.**

Mr. Weerawong Chittmittrapap gave his opinion that when there is a contract between the parties i.e. AIS and TOT, the parties are obliged to perform their respective duties. Where either, or both, party is of opinion that the object does not correspond with its intent such as original one compared with the present day, then it can request amendment, and has accordingly resulted in 7 supplemental agreements as reported earlier.

A judgement in a particular case shall be binding upon the parties to such case only except a judgement given by the Constitution Court that shall bind all organizations. The judgement by the Supreme Court, Criminal Division for Political Office Holders on 26 February 2010 shall therefore be binding upon Police Colonel Thaksin Shinawatra, and did not rule on result, validity or invalidity of laws, or cabinet resolution etc. Such judgement shall not bind upon other persons.

In implementation or operation of a contract, if either party disagrees or interprets the contract differently, then there occurs a dispute which shall be referred to and finally settled by arbitration process as specified in the Concession Contract. Such Concession Contract and Supplemental Amendments are binding upon AIS and TOT in all respects.

Shareholders raised following queries:

**1. What would happen if the arbitration gave an award ordering AIS to make payment, and was it possible that TOT would not operate pursuant to the arbitral process?**

Mr. Weerawong Chittmittrapap                      In the Concession Contract, it is clearly stated a dispute shall be referred to and settled by the arbitration. TOT cannot therefore not enter the arbitral process. In the worst case scenario in which AIS was ordered to make payment, AIS has a lot of supporting facts to produce and that scenario should not happen.

**2. If it was not so bad, how would AIS do following such scenario; how long would it take for arbitral award; if AIS won the case, would AIS claim back?**

Mr. Weerawong Chittmittrapap                      It would take arbitration years to give an award although the parties might agree otherwise during arbitral procedures, then the case would be considered settled. How it would be settled could not be ascertained as it is now too early until a dispute shall be referred to arbitration. Whether or not AIS would claim back will depend on consideration and decision by management and the Board of Directors.

### **3. When will subscribers use 3G service?**

Mr. Somprasong Boonyachai

This matter has nothing to do with such dispute. When it is necessary, The Company shall develop 3G900. The frequency of 2.1 GHz shall be managed by National Broadcasting, Television and Telecommunications Commission (NBTC) which is now under selection process of commissioners, expected to be completed during July – August 2011 and auction for 3G licence should accordingly be commenced in early 2012.

### **4. When AIS and TOT face a dispute while the Concession Contract is near the expiry, what would be an impact?**

Mr. Somprasong Boonyachai

The current dispute carries specific characters and therefore the Company can carry on normal operation. Meanwhile, NBTC is now under selection process of commissioners for which even the Prime Minister has given support. We should expect normal operation and competition of network to serve customers. In addition, in licensing regime, there will be licence fee replacing revenue sharing, no transfer of equipment, financial status is currently sound, the business picture in general should improve. Extension of current concession may not be corresponding with the circumstance in that the country should move forward. The Company is ready in all respects to move forward as well.

### **5. Would 3G by competitors impact the Company, what does a co-operation with 3BB look like and what benefit we will have?**

Mr. Somprasong Boonyachai

It is an ordinary competition. Subscribers should be aware that bigger size of subscribers must correspond with expansion and quality of network for which effort shall be exerted. Subscribers can rest assured that the Company potential is no less inferior than that of competitors.

Mr. Wichian Mektrakarn

3G system shall take time both in terms of equipment and handset. 3BB is ready to have now 15,000 WiFi spots. The co-operation should facilitate subscribers greatly as an alternative. In the event the Company has been awarded a 3G licence, the Company can also enjoy 3BB. Further, 3BB frequency is the same as microwave where no licence is required.

### **6. What is reason of TOT directors' resignation?**

Mr. Somprasong Boonyachai

We respect their judgement and shall not criticize.

**7. What would happen if we failed to comply with the Concessions Contract, who should be responsible?**

Mr. Weerawong Chittmittrapap                      The Concession Contract and Supplemental ones as reported earlier, are legitimate and binding upon the parties. In the event of any irregularity, it shall be raised and becomes a dispute for which it shall be referred and settled by arbitration. What have happened in TOT are internal matters for which we shall not criticize.

**8. Would the licence cover 4G if possible?**

Mr. Wichian Mektrakarn                              Frequency is considered one of carriers, compared with many ways to the Grand Field. If there is handset-supported, then we can move to 4G.

**9. Would the growth look like following investment co-operation with 3BB, would it look like in 5 years ahead, would such investment affect dividend payment?**

Mr. Wichian Mektrakarn                              We, in fact, have not made investment in this matter in that it is a normal operation by 3BB. We only have revenue sharing and may make investment in some loop hole areas.

Mr. Pong-amorn Nimpoonsawat                      We are ready to grow and maintain dividend payment.

Mr. Somprasong Boonyachai                        We shall create confidence and are ready to mobilize funds.

**10. Would dividend payment of this be better than in 2009 and 2010?**

Mr. Pong-amorn Nimpoonsawat                      According to the law, the Company may declare dividend payment not exceeding retained earning. In 2009 and 2010, the Company declared special dividend payment resulting in less retained earning. The Company is of opinion that in 2011 and in future, the Company has adopted a policy of 100% dividend pay out on performance.

**11. With regard to cases of excise-tax, roaming or pre-paid, why other operators not be claimed?**

Mr. Somprasong Boonyachai                        These matters are based on the same thinking. We do not know why other operators are not sued; but in our case it is because there is discrepancy in opinions.

**12. Would the Company set up a reserve for the amount claimed by TOT, do we have to protect our image?**

Mr. Weerawong Chittmittrapap                      A dispute shall be first settled by arbitration. In the event of court case, there might be a reserve. If the Company has less chance of loss, the Company should not set up a reserve. On the contrary, if the



Company foresaw a loss, it should be considered a case by case basis. In all cases, this has not happened although nothing can be certain.

Mr. Somprasong Boonyachai

We communicated with public in cases which likely impact the Company by means of public relations, investor relations, website and communications with our employees. All these require time, patience and continuity.

### 13. Would the arbitral process look like?

Mr. Weerawong Chittmittrapap

The arbitral process is similar to court case procedures i.e. arbitrator shall hear facts, argument, defences, documentary evidence, witnesses in all respects, It also depends on an agreement of number of arbitrators to be appointed, such as each party shall appoint one arbitrator and then the two arbitrator shall agree to appoint the third one. For example, in case of Digital Phone Co., Ltd. (DPC), 2 arbitrators will be appointed by each party, and the four will agree to appoint the fifth one.

The five arbitrators considered the case and unanimously gave an award that DPC had no duty to make payment to CAT.

Since there was no shareholder raising further question, Chairman, then, proposed the Meeting to cast their votes. This agenda required a majority vote of shareholders attending and cast their votes.

After due consideration, the Meeting

#### **RESOLVED THAT**

Reports on the disputes which have arisen and actions which have been taken by the Board of Directors and management with respect to amendments to the Contract permitting Mobile Phone Services (the “Concession Contract”) between the Company and TOT Public Company Limited be and hereby were acknowledged including to concur with such actions; and authorization for the Company to initiate, or defend legal actions and/or negotiate, make a compromise with respect to this matter for the benefits of the Company as the Board of Directors deems appropriate, be and hereby were approved with the following votes:

<b>Resolution</b>	<b>Votes (1 Share = 1 vote )</b>	<b>% of the total shares held by shareholders attending and cast their votes</b>
<b>1. Agreed</b>	1,228,296,435	100.00
<b>2. Disagreed</b>	700	0.00
<b>3. Abstained</b>	1,280,287,210	

**11. To consider other matters (if any).**

Shareholders raised following queries:

**1. What would happen upon expiry of the Concession Contract.**

Mr. Somprasong Boonyachai                      The Concession Contract shall expire in 2015. Prior to that expiry, the Company might request negotiation with the contract party. In the year 2012 – 2013, there should be an auction of 3G licence by NBTC for which there should be a clear sign as regard who should manage frequency. The Company hopes that NBTC will look forward to the long term of operation.

**2. What would be an impact following Temasek recent visit to the Prime Minister?**

Mr. Somprasong Boonyachai                      Requesentative of Temasek did not pay a visit to the Prime Minister, but representatives of SingTel and Shin did. It was indeed a good chance that representatives had given explanation and relevant procedures. Conflicts might occur in any business operation although they should be firm in principle.

**3. There are times of drop call, what would the causes be?**

Mr. Wichian Mektrakarn                              There are times of drop calls in some areas in which event subscribers are encouraged to advise the Company as regards locations or areas for further solutions.

**4. Would the Company plan for overseas investment in the next 5 years?**

Mr. Somprasong Boonyachai                      The Company has no plan to invest overseas.

**5. Would there be any impact by Mobile Number Portability?**

Mr. Wichian Mektrakarn                              In general, we gain new subscribers (port – in), but not many; it might be because the system can handle only 300 cases daily.

**6. What about the Company confidence in 3G auction; in worst case scenario, what would the Company do?**

Mr. Somprasong Boonyachai                      We have consistently assessed potential of each bidder and are confident in our arrangement and management. We have undertaken every development for subscribers, and we are not in a disadvantageous status.

Since there was no shareholder raising further question, Chairman then thanked all attendees and declared the Meeting adjourned.

The Meeting was adjourned at 13.30 Hrs.

After the Meeting commenced at 10.00 hours, there were additional shareholders registering in person and by proxy, thus the total number was 2,023 holding 2,508,629,658 shares or 84.46 percent of the total number of shares sold.

Signed \_\_\_\_\_-Signature-\_\_\_\_\_ Chairman of the Meeting  
(Paiboon Limpaphayom, Ph.D)

Signed \_\_\_\_\_-Signature-\_\_\_\_\_ Company Secretary  
(Ong-art Thongpitaksakul)

## *Dividend Policy and Details of Dividend Payment of Advanced Info Service Plc.*

### **Dividend Policy**

Company aims to pay dividend at least 100% of net profit. Historically, the Company has been paying over 100% during the past four years. In the near future, the industry is going through some structural changes, which will be clearer once the 3G license, if any, and the change in status of the present contracts with TOT/CAT gain more visibility. In the meantime, the company intends to maintain flexibility to preserve long-term growth potential.

Company aims to pay dividend to shareholders twice a year. The first dividend payment shall be paid as an interim dividend, which will be distributed from the operating results of the first half period of the year, subjected to the Board of Directors resolution and shall be reported to the shareholders at the next shareholders meeting. The second dividend payment shall be paid as an annual dividend, which will be distributed from the operating results of the second half period of the year, subjected to shareholders approval.

Each subsidiary shall consider its dividend payment based upon its operating results, financial conditions, and other factors.

The annual and interim dividend payments could be subjected to change, depending on cash flow and investment plan including any other future obligations of Company and subsidiaries. Such dividend payment shall not exceed the retained earnings in the Company Financial Statement nor adversely affect the Company and subsidiaries ongoing operations.


### **Details of Dividend Payment**

According to Public Limited Company Act, the Company shall allocate not less than five percent of its annual net profit less the accumulated losses brought forward (if any) to legal reserve until this reserve attains an amount not less than ten percent of the registered capital. This has been already performed by the Company.


Details of Dividend Payment	2011 (Proposed year)	2010
1. Net Profit (Baht)	22,217,710,638	20,513,501,542
2. Share Amount		
2.1 Amount of Share for Interim Dividend	2,973,095,330 Shares	2,967,388,159 Shares
2.2 Amount of Share for Annual Dividend	2,973,095,330 Shares*	2,970,305,966 Shares
2.3 Amount of Share for Special Dividend	-	2,969,569,173 Shares
3. Total Dividend Payment (Baht per Share)	<b>8.43</b>	<b>12.92</b>
3.1 Interim Dividend (Baht per Share)	4.17	3.00
3.2 Annual Dividend (Baht per Share)	4.26	3.92
3.3 Special Dividend (Baht per Share)	-	6.00
4. Total Dividend Amount (Baht)	25,063,193,631.90	38,363,178,901.72
5. Dividend Payout Ratio	113%	187%

\* Total shares as of 8 February 2012. The actual numbers shall be confirmed on the book closing date to determine the right to receive dividend on 5 April 2012.

### Preliminary information of the retired Directors being proposed for re-election

<b>Name</b>	<b>Mr. Somprasong Boonyachai</b>		
<b>Age (year)</b>	56		
<b>Position</b>	Vice-Chairman of the Board of Directors, Member of the Remuneration Committee, and Member of the Nomination and Corporate Governance Committee		
<b>Starting Date of Directorship</b>	28 March 1994		
<b>Tenure</b>	18 years		
<b>% Shareholding</b>	- None -		
<b>Highest Education</b>	Master Degree Engineering, Asian Institute of Technology		
<b>Governance Training of IOD</b>	DAP: Director Accreditation Program Class 30/2004 DCP: Director Certification Program Class 65/2005 RCP: Role of the Chairman Program Class 21/2009		
<b>Working Experiences</b>	2010 - Present Acting-President, Shin Corporation Plc. 2009 - Present Chairman of the Executive Committee, Thaicom Plc. 2008 - Present Vice-Chairman of the Board of Directors, Advanced Info Service Plc. Chairman of the Group Executive Committee, Shin Corporation Plc. 2007 - Present Director, Shin Corporation Plc. 2006 - Present Director, Thaicom Plc. 2004 - Present Director, Praram 9 Hospital Co., Ltd. 1997 - Present Member of the Audit Committee and Independent Director, Power Line Engineering Plc. 2009 – 2011 Chairman of the Executive Committee, Thaicom Plc. 2000 - 2008 Member of the Executive Committee, Shin Satellite Plc. 1999 - 2008 Chairman of the Executive Committee, Advanced Info Service Plc. 1994 - 2008 Director, Advanced Info Service Plc. 2004 - 2007 Member of the Executive Committee, CS LoxInfo Plc. Director and Member of the Executive Committee, ITV Plc. 2000 - 2007 Group Vice Chairman of the Group Executive Committee, Shin Corporation Plc.		
<b>Director/Management Position in other companies</b>	<ul style="list-style-type: none"> <li>▪ Listed Company</li> <li>▪ Non-listed company</li> <li>▪ Other company that compete with/relate to the company</li> </ul>	3 Companies - Shin Corporation Plc. - Thaicom Plc. - Power Line Engineering Plc.  14 Companies - None -	
<b>Attend of meeting in 2011</b>	<ul style="list-style-type: none"> <li>▪ The Board of Directors Meeting</li> <li>▪ The Remuneration Committee Meeting</li> <li>▪ The Nomination and Corporate Governance Committee Meeting</li> <li>▪ The 2011 Annual General Meeting of Shareholder</li> </ul>	11/11 times 4/4 times 5/5 times 1/1 time	
<b>Illegal Record in past 10 years</b>	- None -		
<b>Relationship with Management</b>	- None -		


## Preliminary information of the retired Directors being proposed for re-election

<b>Name</b>	<b>Mr. Aviruth Wongbuddhapitak</b>		
<b>Age (year)</b>	63		
<b>Position</b>	Director , Chairman of the Audit Committee, Member of the Remuneration Committee, and Independent Director		
<b>Starting Date of Directorship</b>	12 July 2006		
<b>Tenure</b>	5 years and 9 months		
<b>% Shareholding</b>	- None -		
<b>Highest Education</b>	Master Degree in Business Administration, New York University, USA		
<b>Governance Training of IOD</b>	The Board's Role in Setting Effective Compensation Policy, DCP: Director Certification Program Class 8/2001		
<b>Working Experiences</b>	2010 - Present Independent Director, S&P Syndicate Plc. 2008 - Present Advisor, Bureau of the Crown Property 2006 - Present Chairman of the Audit Committee and Independent Director, Advanced Info Service Plc. Advisor, Siam Cement Plc.  2003 - Present Director and Member of the Executive Director, Thai Plastic and Chemicals Plc. Director, CPB Equity Co., Ltd. Director, CPB Property Co., Ltd.  1995 - Present Director and Chairman of the Executive Director, Deves Insurance Plc. 2009 - 2011 Independent director and Member of the Audit Committee, Thai Military Bank Plc.  2007 - 2009 Chairman of the Board Of Directors, Marble Co., Ltd. 2006 - 2009 Expert Member of the Board of Directors, Government Pension Fund Expert Member of Investment Committee, Government Pension Fund  2007 - 2008 Director, Thai Airways International Plc. 2005 - 2008 Assistance of Director, Bureau of the Crown Property 2001 - 2008 Chairman of the Board of Director, IT One Co., Ltd.		
<b>Director/Management Position in other companies</b>	<ul style="list-style-type: none"> <li>▪ Listed Company</li> <li>▪ Non-listed company</li> <li>▪ Other company that compete with/relate to the company</li> </ul>	3 Companies - Deves Insurance Plc. - Thai Plastic and Chemicals Plc. - S&P Syndicate Plc.  3 Companies - None -	
<b>Attend of meeting in 2011</b>	<ul style="list-style-type: none"> <li>▪ The Board of Directors Meeting</li> <li>▪ The Audit Committee Meeting</li> <li>▪ The Remuneration Committee Meeting</li> <li>▪ The 2011 Annual General Meeting of Shareholder</li> </ul>	10/11 times 12/12 times 4/4 times 1/1 times	
<b>Illegal Record in past 10 years</b>	- None -		
<b>Relationship with Management</b>	- None -		

**Having the following interests in the Company, parent company, subsidiaries, affiliates or any legal entities that have conflicts, at present or in the past 2 years**

- |   |          |
|---|----------|
| 1. Being a director that take part in managing day-to-day operation, employee, or advisor who receive a regular salary or fee | - No -   |
| 2. Being a professional service provider (i.e., auditor, lawyer)  | - No -   |
| 3. Having the significant business relations that may affect the ability to perform independently                             | - None - |


## Preliminary information of the retired Directors being proposed for re-election

<b>Name</b>	<b>Mrs. Tasanee Manorot</b>		
<b>Age (year)</b>	63		
<b>Position</b>	Director, Member of the Audit Committee and Independent Director		
<b>Starting Date of Directorship</b>	24 April 2006		
<b>Tenure</b>	6 years		
<b>% Shareholding</b>	- None -		
<b>Highest Education</b>	Bachelor Degree in Commerce and Accountancy, Chulalongkorn University		
<b>Governance Training of IOD</b>	DCP: Director Certification Program Class 32/2003, Advanced Management Program, Harvard Business School, USA		
<b>Working Experiences</b>	2006 - Present	Member of the Audit Committee and Independent Director, Advanced Info Service Plc.	
	2002 - 2005	Senior Executive Vice President, TOT Corporation Plc.	
	2001 - 2005	Director, Advanced Info Service Plc.	
<b>Director/Management Position in other companies</b>	<ul style="list-style-type: none"> <li>▪ Listed Company - None -</li> <li>▪ Non-listed company - None -</li> <li>▪ Other company that compete with/relate to the company - None -</li> </ul>		
<b>Attend of meeting in 2011</b>	<ul style="list-style-type: none"> <li>▪ The Board of Directors Meeting 11/11 times</li> <li>▪ The Audit Committee Meeting 12/12 times</li> <li>▪ The 2011 Annual General Meeting of Shareholder 1/1 times</li> </ul>		
<b>Illegal Record in past 10 years</b>	- None -		
<b>Relationship with Management</b>	- None -		

**Having the following interests in the Company, parent company, subsidiaries, affiliates or any legal entities that have conflicts, at present or in the past 2 years**


1. Being a director that take part in managing day-to-day operation, employee, or advisor who receive a regular salary or fee - No -
2. Being a professional service provider (i.e., auditor, lawyer) - No -
3. Having the significant business relations that may affect the ability to perform independently - None -

## Preliminary information of the retired Directors being proposed for re-election

<b>Name</b>	<b>Mr. Allen Lew Yoong Keong</b>		
<b>Age (year)</b>	56		
<b>Position</b>	Director and Chairman of the Executive Committee		
<b>Starting Date of Directorship</b>	20 March 2006		
<b>Tenure</b>	6 years		
<b>% Shareholding</b>	- None -		
<b>Highest Education</b>	Master Degree in Science (Management), Massachusetts Institute of Technology, USA		
<b>Governance Training of IOD</b>	- None -		
<b>Working Experiences</b>	2008 - Present	Chairman of the Executive Committee, Advanced Info Service Plc.	
	2006 - Present	Director, Advanced Info Service Plc. Chief Executive Officer-Singapore, Singapore Telecommunications Ltd.	
	2006 - 2008	Member of the Executive Committee, Advanced Info Service Plc.	
	2005 - 2006	Managing Director - Consumer (Optus)	
	2001 - 2005	Managing Director - Mobile (Optus)	
<b>Director/Management Position in other companies</b>	<ul style="list-style-type: none"> <li>▪ Listed Company - None -</li> <li>▪ Non-listed company 3 Companies</li> <li>▪ Other company that compete with/relate to the company - None -</li> </ul>		
<b>Attend of meeting in 2011</b>	<ul style="list-style-type: none"> <li>▪ The Board of Directors Meeting 1/11 times</li> <li>▪ The Executive Committee Meeting 7/11 times</li> <li>▪ The 2011 Annual General Meeting of Shareholder 0/1 times</li> </ul>		
<b>Illegal Record in past 10 years</b>	- None -		
<b>Relationship with Management</b>	- None -		



<b>Preliminary info of the person being proposed to be director</b>
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<b>Name</b>	<b>Dr. Monchai Noosong</b>	
<b>Age (year)</b>	51	
<b>Type of director which proposing to be</b>	Director	
<b>% Shareholding</b>	- None -	
<b>Highest Education</b>	Doctor' degree in Computer & Network, Ecole Nationale Supérieur des Telecommunications (Telecom Paris), France	
<b>Governance Training of IOD</b>	DCP: Director Certification Program Class 2010, FSD: Financial Statement for Director Class 2010	
<b>Working Experiences</b>	2011 - Present    Senior Executive Vice President – Senior Advisory Committee, TOT Plc. 2010 – 2011       Director, Trade Siam Co., Ltd. 2009 – 2010       Senior Executive Vice President – Investment Management, TOT Plc. 1007 – 2009       Executive Vice President – Product Development, TOT Plc. 2005 – 2007       Executive Vice President – Corporate Sales & Services, TOT Plc.	
<b>Director/Management Position in other companies</b>	<ul style="list-style-type: none"> <li>▪ Listed Company                                 1 Company    - Senior Executive Vice President – Senior Advisory Committee, TOT Plc.</li>   <li>▪ Non-listed company                             - None -</li>   <li>▪ Other company that compete with/relate to the company    - Senior Executive Vice President – Senior Advisory Committee, TOT Plc.</li> </ul>	
<b>Illegal Record in past 10 years</b>	- None -	
<b>Relationship with Management</b>	- None -	

### ***Definition of Independent Director of Advanced Info Service Plc.***

An Independent Director is a qualified individual and possesses an independency according to the Company's Corporate Governance Policy established by the Board, and the criteria established by the Stock Exchange of Thailand, which have been defined more restrictively than the criteria established by the Stock Exchange of Thailand. An Independent Director must:


1. holding shares *not* exceeding 0.5 per cent of the total number of voting rights of the Company, its parent company, subsidiary, affiliate or juristic person which may have conflicts of interest, including the shares held by related persons of the independent director;
2. *neither* being *nor* having been an executive director, employee, staff, or advisor who receives salary, or a controlling person of the Company, its parent company, subsidiary, affiliate, same-level subsidiary or juristic person who may have conflicts of interest. Audit Committee Member who shall be appointed on or after 1 July 2010 shall have ended the foregoing relationship *not* less than two years prior to the date of appointment;
3. *not* having a business relationship with the Company, its parent company, subsidiary, affiliate or juristic person who may have conflicts of interest, in the manner which may interfere with his independent judgment, and *neither* being *nor* having been a major shareholder, non-independent director or executive of any person having business relationship with the Company, its parent company, subsidiary, affiliate or juristic person who may have conflicts of interest. Audit Committee Member who shall be appointed on or after 1 July 2010 shall have ended the foregoing relationship *not* less than two years prior to the date of appointment.

The term 'business relationship' aforementioned under paragraph one includes any normal business transaction, rental or lease of immovable property, transaction relating to assets or services or grant or receipt of financial assistance through receiving or extending loans, guarantee, providing assets as collateral, including any other similar actions, which result in the Company or its counterparty being subject to indebtedness payable to the other party in the amount of three percent or more of the net tangible assets of the Company or twenty million Baht or more, whichever is lower. The amount of such indebtedness shall be calculated according to the calculation method for value of connected transactions under the Notification of the Commission of the Stock Exchange of Thailand Re: Disclosure of Information and Act of Listed Companies Concerning the Connected Transactions *mutatis mutandis*. The consideration of such indebtedness shall include indebtedness taking place during the course of one year prior to the date on which the business relationship with the person commences;


4. *not* being a person related by blood or registration under laws, such as in the manner of father, mother, spouse, sibling, and child, including spouse of the children, executives, major shareholders, controlling persons, or persons to be nominated as executive or controlling persons of the Company or its subsidiary;
5. *not* being a director who has been appointed as a representative of the Company's director, major shareholder or shareholders who are related to the Company's major shareholder;
6. *neither* being *nor* having been an auditor of the Company, its parent company, subsidiary, affiliate or juristic person who may have conflicts of interest, and *not* being a major shareholder, non-independent director, executive or partner of an audit firm which employs auditors of the Company, its parent company, subsidiary, affiliate or juristic person who may have conflicts of interest. Audit Committee Member who shall be appointed on or after 1 July 2010 shall have ended the foregoing relationship *not* less than two years prior to the date of appointment.

7. *neither* being *nor* having been any professional advisor including legal advisor or financial advisor who receives an annual service fee exceeding two million Baht from the Company, its parent company, subsidiary, affiliate or juristic person who may have conflicts of interest, and *neither* being *nor* having been a major shareholder, non-independent director, executive or partner of the professional advisor. Audit Committee Member who shall be appointed on or after 1 July 2010 shall have ended the foregoing relationship *not* less than two years prior to the date of appointment.
8. *not* being a director assigned by the Board of Directors to take part in the business decision of the Company, its parent company, subsidiary, affiliate, same-level subsidiary or juristic person who may have conflicts of interest;
9. *not* being a director of other listed companies, which are the parent company, subsidiary or same-level subsidiary.
- 10 being able to perform duties, or express opinions or reports as assigned by the Board of Directors without any characteristics which render him incapable of expressing independent opinions with regard to the Company's business affairs.

**The Information of Independent Director  
Advanced Info Service Plc.**

<b>Name</b>	<b>Mr. Aviruth Wongbuddhapitak</b>	
<b>Age (year)</b>	63	
<b>Address</b>	414 Phahon Yothin Rd., Samsen Nai, Phayathai, Bangkok 10400	
<b>Position</b>	Director, Chairman of the Audit Committee, Independent Director, and Member of the Remuneration Committee	
<b>Highest Education</b>	Master Degree in Business Administration, New York University, USA	
<b>Governance Training of IOD</b>	DCP : Director Certification Program 8/2001 The Board's Role in Setting Effective Compensation Policy	
<b>Working Experiences</b>	2010 - Present Independent Director, S&P Syndicate Plc. 2008 - Present Advisor, Bureau of the Crown Property 2006 - Present Chairman of the Audit Committee and Independent Director, Advanced Info Service Plc. Advisor, Siam Cement Plc.  2003 - Present Director and Member of the Executive Director, Thai Plastic and Chemicals Plc. Director, CPB Equity Co., Ltd. Director, CPB Property Co., Ltd.  1995 - Present Director and Chairman of the Executive Director, Deves Insurance Plc. 2009 - 2011 Independent director and Member of the Audit Committee, Thai Military Bank Plc. 1995 - Present Director and Chairman of the Executive Director, Deves Insurance Plc. 2009 - 2011 Independent director and Member of the Audit Committee, Thai Military Bank Plc. 2007 - 2009 Chairman of the Board Of Directors, Marble Co., Ltd. 2006 - 2009 Expert Member of the Board of Directors, Government Pension Fund Expert Member of Investment Committee, Government Pension Fund  2007 - 2008 Director, Thai Airways International Plc. 2005 - 2008 Assistance of Director, Bureau of the Crown Property 2001 - 2008 Chairman of the Board of Director, IT One Co., Ltd.	
<b>Illegal Record in past 10 years</b>	- None -	
<b>Relationship with Management</b>	- None -	
<b>Conflict of Interest</b>	- Agenda 7: To consider and approve the appointment of directors to replace those who will retire by rotation in 2012. Because of being retiring director who is proposed for re-election.	

**The Information of Independent Director  
Advanced Info Service Plc.**

<b>Name</b>	<b>Mrs. Tasanee Manorot</b>		
<b>Age (year)</b>	66		
<b>Address</b>	414 Phahon Yothin Rd., Samsen Nai, Phayathai, Bangkok 10400		
<b>Position</b>	Director, Member of the Audit Committee and Independent Director		
<b>Highest Education</b>	Bachelor Degree in Commerce and Accountancy, Chulalongkorn University		
<b>Governance Training of IOD</b>	DCP : Director Certification Program 32/2003		
<b>Working Experiences</b>	2006 - Present	Member of the Audit Committee and Independent Director, Advanced Info Service Plc.	
	2002 - 2005	Senior Executive Vice President, TOT Corporation Plc.	
	2001 - 2005	Director, Advanced Info Service Plc.	
	2000 - 2002	Senior Executive Vice President, Telephone Organization of Thailand	
	1999 - 2000	Executive Vice President, Telephone Organization of Thailand	
	1996 - 1999	Vice President of Finance Department, Telephone Organization of Thailand	
<b>Illegal Record in past 10 years</b>	- None -		
<b>Relationship with Management</b>	- None -		
<b>Conflict of Interest</b>	- Agenda 7: To consider and approve the appointment of directors to replace those who will retire by rotation in 2012. Because of being retiring director who is proposed for re-election.		

## **Company's Articles of Association concerning the Shareholders Meeting**

### **1. Closing of Share Registration Book**

Article 15 In the course of 21 days prior to each meeting of the shareholders, the Company may suspend the registration of share and notify the shareholders in advance by placing the notice at the head office and its branch office not less than 14 days before the date commencing the suspension of share transfer.

### **2. Rule and procedure to elect the Board of Directors**

Article 17 The meeting of shareholders shall elect the Board of Directors in accordance with the rules and procedures as follows:

- (1) every shareholder shall have one vote for each share of which he is the holder;
- (2) each shareholder may exercise all the votes he has under the (1) above to elect one or several director(s). In the event of electing several directors, he may not allot his votes to each unequally.
- (3) the persons receiving the highest votes in their respective order of the votes shall be elected as directors at the number equal to the number of directors required at that time. In the event of an equality of votes among the persons elected in order of respective high numbers of votes, which number exceeds the required number of directors of the Company at that time, the chairman of the meeting shall be entitled to a second or casting vote.

### **3. Calling of Shareholders Meeting**

Article 30 The Board of Directors shall arrange for an Annual General Meeting of Shareholders within 4 months from the last day of the fiscal year of the Company.

The meeting of shareholders other than that in the first paragraph shall be called the Extraordinary General Meetings of Shareholders.

The Board of Directors may summon an Extraordinary General Meeting of Shareholders whenever the Board thinks appropriate. The shareholders holding shares altogether at not less than one-fifth of the total number of shares sold or not less than 25 shareholders holding shares altogether at not less than one-tenth of the total number of shares sold may submit their names in a letter requesting the Board of Directors to summon an Extraordinary General Meeting of Shareholders at any time but they shall give express reasons for such request in the said letter. In such case, the Board of Directors shall arrange for the meeting of shareholders to be held within one month from the date of receipt of such request from the shareholders.

Article 31 In summoning for any meeting of shareholders, the Board of Directors shall send notice of the meeting specifying the place, date, time, agenda of the meeting and the subject matter to be submitted to the meeting together with reasonable details and shall deliver the same to the shareholders and the Registrar for reference not less than 7 days prior to the meeting. Besides, the notice of the meeting shall also be announced in a newspaper for not less than three days before the meeting.

### **4. The Quorum**

Article 32 The meeting of shareholders must be attended by not less than 25 shareholders or proxy (if any) or not less than a half of total number of shareholders holding an aggregate number of shares not less than one-third of all shares sold in number to constitute a quorum.

In the event at any meeting of shareholders, after one hour from the time fixed for the meeting commencement, the number of shareholders present is still not enough to form a quorum as required, if such meeting of shareholders was requested for by the shareholders, such meeting shall be revoked. If such meeting of shareholders was not called for by the shareholders, the meeting shall be called for again and in the latter case notice of the meeting shall be delivered to shareholders not less than 7 days before the meeting. In the subsequent meeting no quorum is required.

## **5. Granting Proxy**

Article 33 At a meeting of shareholders, shareholders may appoint any other person who is sui juris as proxy present and voting on his behalf. The proxy form must be dated and signed by the principal and according to the form as prescribed by the Registrar.

The proxy form must submitted to the Chairman of the Board or other person designated by the Chairman of the Board at the meeting venue before the proxy attending the meeting.

## **6. Voting**

Article 34. The resolution of the meeting of shareholders shall be supported by the following votes:

(1) in a normal case, by the majority vote of the shareholders who attend the meeting and have the right to vote. In case of an equality of vote, the chairman of the meeting shall be entitled to a casting vote.

(2) in the following cases, by a vote of not less than three-fourths of the total number of shareholders present at the meeting and entitled to vote:

- a the sale or transfer of whole or essential parts of business of the Company to other persons.
- b the purchase or acceptance of transfer of businesses of other companies or private companies to the Company's own.
- c entering into, amending or terminating the contract relating to the leasing out of business of the Company in whole or in essential parts; the assignment to anyone else to manage the businesses of the Company or the amalgamation of the businesses with other persons with an objective to share profit and loss.
- d amendment of the Memorandum of Association or Articles of Association of the Company.
- e increase or decrease of the capital of the Company or the issuance of debentures.
- f the amalgamation or liquidation of the Company.

**Notes on documents and evidence identifying shareholders and proxies eligible to register, attend and vote at the Meeting**

The Company shall convene the 2012 Annual General Meeting of Shareholders on 28 March 2012 at 14.00 hours at Vibhavadee Ballroom, lobby level, Centara Grand at Central Plaza Ladprao Bangkok, No.1695 Phaholyothin Road, Chatuchak, Bangkok. In this connection, the Company shall proceed with a Barcode system so as to promote transparency, fairness and benefits for shareholders. The Company considers appropriate to impose procedures on review of documents and evidence identifying shareholders and proxies eligible to register, attend and vote at the Meeting as follows:

**1. Proxy Form**

The Department of Business Development, the Ministry of Commerce issued a notification re: Prescription of a Proxy Form (No. 5) B.E. 2550; the Company has therefore prepared a proxy form for shareholders who cannot attend the Meeting. A proxy may be any independent director.

- 1.1 The Company attaches to the Notice a Proxy Form B. which prescribes certain particulars.
- 1.2 In the event shareholders wish to apply a Proxy Form A. being a simple proxy form, or Proxy Form C. for foreign investors appointing custodians as depositary, both Forms can be downloaded from the Company Website <http://investor.ais.co.th>. In all cases, please produce the Registration Form or Proxy Form B. on which a Barcode is affixed on the date of Meeting.

Shareholders may apply either Form A or B while foreign investors appointing custodians as depositary in Thailand can select Form A, B or C.

**2. Documents to be produced prior to the Meeting**

Person

1. Personal attendance: ID Card, Civil Servant Card, or Driving License supported by any documents in case of change thereto; please produce the Registration Form as well.
2. Proxy:
  - Any Proxy Form duly filled in and signed by shareholder and proxy;
  - Copy of ID Card, Civil Servant or Driving License duly certified by shareholder and proxy;
  - Copy of ID Card, Civil Servant or Driving License duly certified by proxy at point of registration.

In the event shareholder wishes to apply Proxy Form A, please also produce the Registration Form or Proxy Form A on which a Barcode has been affixed on the date of the Meeting.

Juristic Entity

1. Personal attendance by director
  - Any Proxy Form duly filled in and signed by shareholder and proxy;
  - Copy of a company certificate duly certified by authorized director(s) containing particulars that director(s) attending the Meeting is(are) duly authorized;
  - Copy (ies) of ID Card or others issued by competent authorities duly certified by such director(s).

In the event shareholder wishes to apply Proxy Form A, please also produce the Registration Form or Proxy Form B on which a Barcode has been affixed on the date of the Meeting.



2. Proxy:
  - Any Proxy Form duly filled in and signed by authorized director(s) of shareholder and proxy;
  - copy of a company certificate duly certified by authorized director(s) containing particulars that director(s) affixing signature(s) on the Proxy Form is(are) duly authorized;
  - Copy (ies) of ID Card or others issued by competent authorities to director(s) who is(are) director(s) duly certified by him/her/them;
  - Copies of ID Card or others issued by competent authorities to proxy duly certified together with originals thereof at point of registration.

In the event shareholder wishes to apply Proxy Form A, please also produce the Registration Form or Proxy Form B on which a Barcode has been affixed on the date of the Meeting.

3. Custodian appointed as depositary by foreign investors
  - 3.1 documents as under juristic entity 1 and 2 shall be prepared;
  - 3.2 in the event custodian has been authorized to sign on proxy, the following documents shall be produced:
    - A power of attorney appointing such custodian to sign on proxy;
    - A confirmation letter that signatory has been licensed to engage in custodian business.

In the event shareholder wishes to apply Proxy A or C, please also produce the Registration Form or Proxy Form B on which a Barcode has been affixed on the date of the Meeting. If an original document is not made in English, please attach the English translation duly certified by director(s) of such juristic entity.

### **3. Registration**

The Company shall proceed with registration not less than two hours prior to the Meeting or from 12.00 hours, on 28 March 2012 at the venue with a map attached to the Notice.

### **4. Casting Votes Criteria**

#### General agenda

1. A vote in each agenda shall be one share one vote. Shareholders shall only vote for: agree, disagree or abstain while splitting of votes is not allowed, except in the case of custodian.
2. Proxy:
  - 2.1 Proxy shall cast a vote only as specified in the Proxy; non-compliance shall not constitute a valid vote by shareholders.
  - 2.2 In the event no instruction has been specified, or instruction is not clear on the Proxy on each agenda, or the Meeting considers or votes on any issue other than those specified on the Proxy, or there would be any amendment to or change in facts, then proxy shall have discretion to consider and vote as appropriate.

#### Director agenda

According to Article 17 of the Company's Articles of Association, the Meeting of shareholders shall elect directors in accordance with the rules and procedures as follows:

1. Every shareholder shall have one vote for each share of which he is the holder;
2. Each shareholder may exercise all the votes he has under 1. above to elect one or several director(s). In the event of electing several directors, he may not allot his votes to each unequally.

3. The persons receiving the highest votes in their respective order of the votes shall be elected as directors at the number equal to the number of directors required at that time. In the event of an equality of votes among the persons elected in order of respective high numbers of votes, which number exceeds the required number of directors of the Company at that time, the Chairman of the Meeting shall be entitled to a second or casting vote.

## **5. Procedures on Casting Votes**

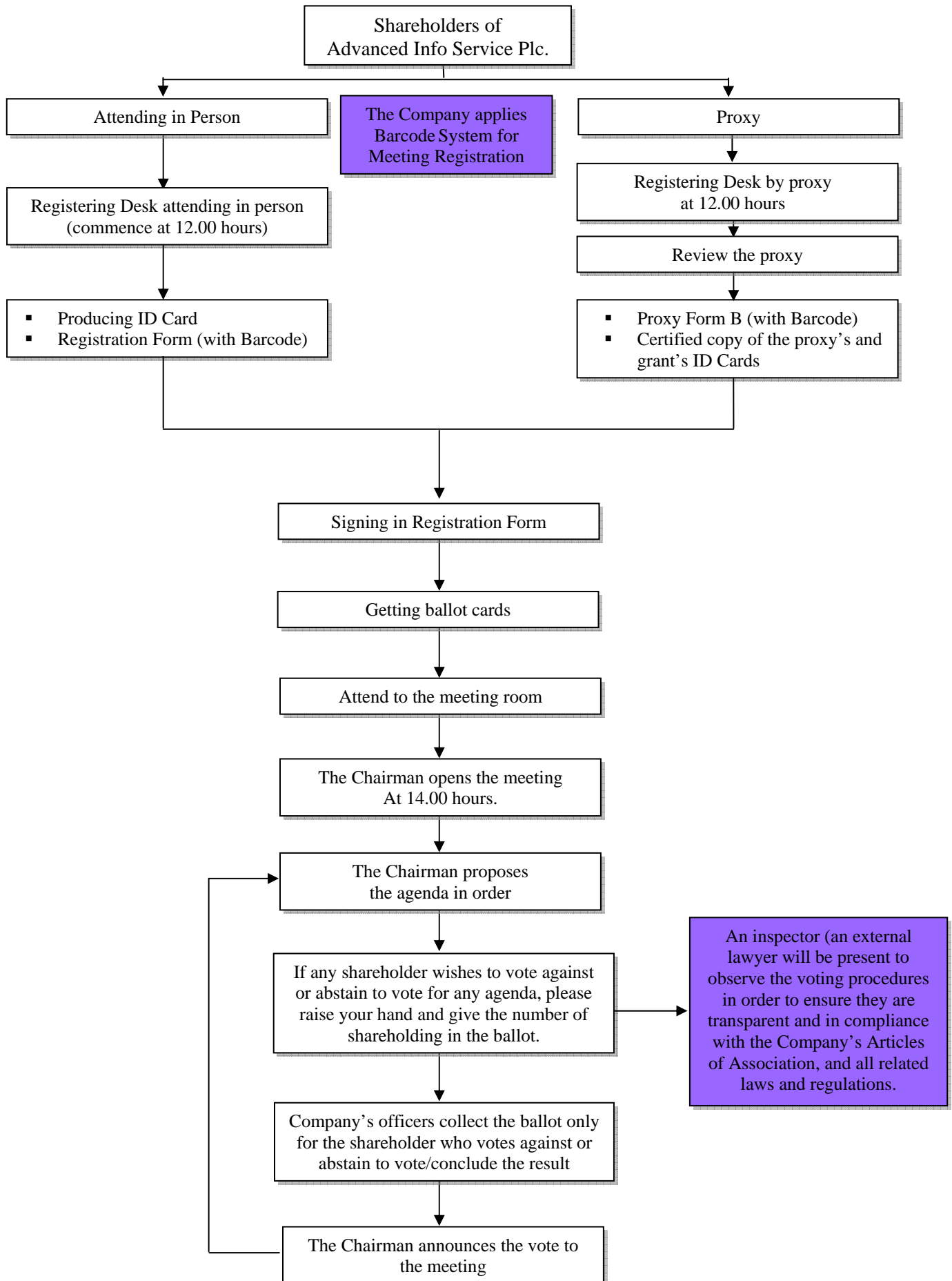
Chairman of the Meeting or officer shall explain casting vote: one share per one vote under the following procedures:

- 5.1 Chairman shall ask the Meeting to cast vote on each agenda as to agreement, disagreement or abstention. A vote shall be cast by shareholder or proxy on one opinion only (except in case of custodian by which Proxy allows).
- 5.2 Votes shall be counted only by shareholders who disagree or abstain from votes as specified in the ballots distributed by officers of the Company at time of registration so that such ballots shall be summed up and deducted from all votes by shareholders attending the Meeting, and that the remainder counted as agreement on such agenda.

## **6. Counting and Announcing the Votes**

Officers of the Company shall count and sum up votes on each agenda based on a Barcode duly affixed on the ballots received and marked with disagreement or abstention, as the case may be, then deduct same from all votes by shareholders attending the Meeting. Results shall be announced for each agenda.

**Procedures for attending of 2012 Annual General Meeting of Shareholders  
Advanced Info Service Public Company Limited  
On 28 March 2012**



*\* Please return to the Company's officers the ballot for every agenda when the meeting be completed.*

**Procedures for sending any query in advance**

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The Company has considered appropriate that any query or comment in relation to general meeting can be sent to the Board in advance via the following channels:

1. Shareholder who wishes to raise any query or comment should provide his/her information:
  - Name, address, telephone, facsimile or e-mail with which the Company can contact;
  - Query raised or comment proposed with documents or accompanying information (if any).
  
2. Channels:
  - Facsimile No. +66 2 299 5108
  - E-mail: [companysecretary@ais.co.th](mailto:companysecretary@ais.co.th)
  
3. Time to send query
  - The Company requests that any query and/comment may be sent now until 10 days prior to the Meeting i.e 19 March 2012
  
4. Company Secretary shall gather all query/comment for consideration by Chief Executive Officer and answer in the day of Meeting.

Map to Centara Grand at Central Plaza Ladprao Bangkok



**Vibhavadee Ballroom, Lobby Level, Centara Grand at Central Plaza Ladprao Bangkok**  
 No. 1695 Phaholyothin Road, Chatuchak, Bangkok 10900 Thailand  
 Tel: (66) 2541 1234 Fax: (66) 2541 1089