

## Report of the Audit Committee

The Audit Committee, as appointed by the Company's Board of Directors, comprises three independent directors, namely, Professor Suphachai Phisitvanich, as the Audit Committee Chairman, General Sampao Choosri and Professor Dr. Kanok Wongtrangan, as Audit Committee Members, with the General Manager of Internal Audit Office as secretary to the Audit Committee.

The Audit Committee thoroughly performed the duties under the scope of duties and responsibilities assigned by the Company's Board of Directors based on its knowledge, ability and independence without any restriction on access to information, in line with the requirements of the Stock Exchange of Thailand, as well as provided advice on various relevant matters, with good cooperation from the Company's management, internal auditors and the Company's auditor. In 2009, the Audit Committee held 4 meetings,

with all of its members attending each and every meeting, in association with the management, internal auditors and the auditor, including convening a joint meeting with the auditor without the management, starting from the consideration of the financial statements for 2009, whereby the Audit Committee has performed work in 2009, the essence of the meeting may be summarized as follows:

**1. Review of the 2009 annual and quarterly financial statements:** The Audit Committee makes inquiries and takes into account clarifications from the management and the auditor as to the accuracy and completeness of the financial statements and the sufficient disclosure of information. The Audit Committee is of the opinion in agreement with the auditor that the Company's financial report fairly presents accurate and reliable information in material aspects in compliance with generally accepted accounting principles.

**2. Review of the internal audit:** The Audit Committee takes into account mission, scope of work, duties and responsibilities, budget and independence of the Internal Audit Office in accordance with the internal auditing guidelines of the Stock Exchange of Thailand. The Audit Committee is of the view that the Company's internal audit system is sufficient, proper and efficient in accordance with international standards, and the Internal Audit Office is independent in the performance of duties and will report the audit results to the Audit Committee.

**3. Review of the operations and internal control system:** In respect of assessment of the adequacy, suitability and effectiveness of the internal control system to ensure the fulfillment of the specified objectives, it needs to take into account the internal audit report in comparison with the approved plan which covers the Company's significant work systems and does not have any material faults. The Audit Committee is of the view that the Company properly managed its assets and complied with the laws on securities and exchange, requirements of the Stock Exchange, laws and regulations pertaining to the Company's business. Authorization and approval were granted in accordance with the specified procedures and criteria in line with the proper internal control system, subject to transparent corporate governance. Moreover, the system was efficiently adjusted in compliance with the changing circumstances.

**4. Review of and opinions on connected transactions or transactions which might give rise to conflict of interest:** The Audit Committee is of the view that the transactions were justifiably executed for the optimum benefit of the Company's business, subject to transparency, complete and accurate disclosure of information as well as compliance with the laws and requirements of the Stock Exchange.

**5. Consideration and appointment of the auditor:** The Audit Committee considers the auditor's performance in the previous year, taking into account the reliability, ability to provide service and advice on accounting standards, audit and certification of financial statements in a timely manner, and then provides its opinion to the Company's Board of Directors to seek approval of the meeting of shareholders to appoint either Miss Rungnapa Lertsuwankul or Mr. Sophon Permsiriwallop or Miss Sumalee Reewarabandith or Miss Vissuta Jariyathanakorn or Mrs. Nonglak Pumnoi of Ernst & Young Office Limited as the Company's auditor for 2010, with the auditing fee in the amount of not exceeding Baht 929,000.

Overall, the Audit Committee has performed the duties specified in the new Notification of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission, and is of the opinion that the Company's financial report and work performance are correct, with the internal control system, internal audit and compliance with the applicable laws, relevant requirements and regulations, as well as complete disclosure of connected transactions and sufficient compliance with the good corporate governance, with transparency and reliability, including continued improvement of its operation systems to ensure the quality and appropriateness with the business circumstances.



**(Professor Suphachai Phisitvanich)**

Chairman of the Audit Committee