

April 18, 2011

Subj : Resolution of the Board of Directors' Meeting no.83 relating to investment

To : President
The Stock Exchange of Thailand

Thai Rayon Public Company Limited ("the Company") would like to inform the Stock Exchange of Thailand (the "SET") that the Board of Directors' Meeting no.83 held on 31st March 2011 passed the resolutions relating to investment conditional upon signing of Share Purchase/transfer Agreement. The summary of the resolutions and relevant information are as follow:-

- The Board approved that the Company invest not more than SEK 1,149.50 Million (approximately USD 183 Million or approximately Thai Baht 5,633 Million) in the form of equity and/or debt for acquiring 50% stake in Domsjo Fabriker Holding AB, Sweden including its interest in direct or indirect subsidiaries through one or more Special Purpose Vehicle.
- The Board approved that the Company negotiate and execute appropriate security in the form of but not limited to pledge of its shares in the special purpose vehicle (SPV) or subordination of the Company's loan to such SPV, if needed, in favor of lenders Standard Chartered Bank and/or other financial institution for a principal amount of not more than USD 165 Million loan to the special purpose vehicle in Sweden for the purpose of funding the acquisition of Domsjo Fabriker Holding AB, Sweden.
- The Board approved the Company take necessary steps and actions to establish one or more associated companies in Sweden which may be registered with the Swedish Companies Registration Office, with a view to enable acquisition of existing Pulp company, initially with a registered share capital of SEK 50,000.00 (approximately Thai Baht 242,000.00) each.

The Share Transfer Agreement relating to such investment has been signed by the relevant parties on 18th April 2011.

For additional relevant details of the investment, please refer to information memorandum (attached).

Please be informed accordingly and consider further dissemination to investors.

Yours faithfully,

P.K. Sipani
Joint President (Finance & Commercial)