

June 14, 2011

Subj: Notification of additional information for investment in Sweden

To: President  
The Stock Exchange of Thailand

Reference: 1. Information Memorandum on Acquisition of Assets in Sweden (Schedule 1) submitted on April 19, 2011  
2. Circulated information to Shareholders (Schedule 2) submitted on May 6, 2011

Thai Rayon Public Company Limited (“the Company”) has informed about its decision on 18<sup>th</sup> April 2011 to invest in Domsjo Fabriker Holding AB, Sweden for acquiring 50% stake through one or more special purpose vehicles (SPV) and further submitted Information Memorandum to shareholders on 6<sup>th</sup> May 2011.

As informed about a possibility in Article 1.3 of Information Memorandum, M/S Aditya Holding AB (old name: Goldcup 6490 AB), our special purpose vehicle decided to increase its share capital from SEK 760 Million (or 76,050 shares) to SEK 1,140 Million (or 114,075 shares) for subscription value of SEK 380.025 Million. The Company declined to subscribe to additional shares to minimize its equity exposure. Subsequently, M/S Aditya Holding AB decided to approach Grasim Industries Limited, India for subscription of additional shares. The Company would like to inform that Grasim Industries Limited, India has accepted to subscribe the additional shares for a consideration of SEK 380.025 Million and Aditya Holding AB has issued the additional 38,025 shares to Grasim Industries Limited, India on 13<sup>th</sup> June 2011. The above action has resulted in reduction of the Company’s shareholding from 50% to 33.33%. The transaction will still provide the expected benefits envisaged.

The Company would like to further inform that Aditya Holding AB has decided to utilize the proceeds of the fund received on increasing its share capital to repay the Company’s loan of SEK 190 Million along with similar loan from PT. Indo Bharat Rayon (IBR), another shareholder of Aditya Holding AB.

The total value of the above disposal is approximately Baht 931 Million, equals to 10.91% of the net income criteria. The size of transaction by each basis is calculated from the Company’s financial statement as of 31<sup>st</sup> March 2011 as follows:

$$\begin{aligned} 1. \text{ Net tangible assets criteria} &= \frac{\text{Target's NTA} * \text{Proportion of Disposal}}{\text{The Company's NTA}} \\ &= \frac{3,130 * 16.67\%}{19,655} \\ &= 2.65\% \end{aligned}$$

2. Net income criteria =  $\frac{\text{Target's Net Profit} * \text{Proportion of Disposal}}{\text{The Company's Net Profit}}$   
=  $\frac{1,904 * 16.67\%}{2,910}$   
= 10.91%
3. Total value of consideration =  $\frac{\text{Total Value of Consideration Received} * 100}{\text{The Company's Total Assets}}$   
Total consideration is SEK 190 Million at 1 SEK = 4.90 Baht  
=  $\frac{931}{21,225} * 100$   
= 4.39%
4. Value of securities issued as consideration for asset acquisition =  $\frac{\text{Value of Securities Issued by the Company}}{\text{Value of Securities Sold by the Company}}$   
-None-

As per above calculation, the basis with the highest size of transaction is net income criteria, thereby the size of transaction is 10.91%.

Grasim Industry Limited, India is new shareholder and is part of Aditya Birla Group. This transaction is not the connected transaction and the size of the transaction is exempted from being disclosed under the rule, procedures and disclosure on information concerning the acquisition and disposition of assets of listed companies but is in accordance to the disclosure of an investment of more than 10 percent in the joint venture company's paid-up capital.

Please be informed accordingly and consider further dissemination to investors.

Yours faithfully,

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