



บริษัท อีโนเว รับเบอร์ (ประเทศไทย) จำกัด (มหาชน)

INOUE RUBBER (THAILAND) PUBLIC COMPANY LIMITED

ทะเบียนเลขที่ บมจ.247 โรงงานรังสิต : 258 ซอย รังสิต-นครนายก 49 ต.ประจักษ์ศิลปาคม อ.ธัญบุรี จ.ปทุมธานี 12130 โทร.(66 2) 996 0890 (อัตโนมัติ 23 สาย) แฟกซ์ (66 2) 996 1439
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**Minutes of the Annual General Meeting of Shareholders for the year 2011
Inoue Rubber (Thailand) Public Company Limited
Held on Friday 28th January 2011
At Vitya Memorial Hall 2nd Floor
157 Moo. 5 Phaholyothin Rd., Lamsai, Wangnoi, Ayutthaya 13170**

The meeting commenced at 14.00 hours

Mrs. Pimjai Laochinda, President, informed the meeting that the Company has not elected any person to fill the vacant position of Chairman after Mr. Vitya Leeissaranukul passed away. The President therefore proposed the meeting to elect Mr. Masayuki Inoue to be the Chairman of the meeting.

As no shareholders raised any objection, the meeting approved to elect Mr. Masayuki Inoue as the Chairman of the meeting.

Mr. Masayuki Inoue presided as the Chairman of the meeting. The Chairman welcomed and thanked all shareholders and employees for their continued support over the past 40 years. He then requested the President to conduct the meeting on his behalf.

Before the meeting proceeded with the order of business, the President introduced directors who attended the meeting to the shareholders as follow;

1.Mr. Koji	Matsuda	Vice-Chairman
2.Mr. Masayuki	Inoue	Director
3.Mrs. Pimjai	Laochinda	President
4.Mr. Takeshi	Arakawa	Managing Director
5.Mr. Thanong	Leeissaranukul	Director
6.Mr. Apichart	Leeissaranukul	Director
7.Mrs.Porntip	Sethiwan	Director
8.Assoc.Prof.Dr.Chesada	Loha-unchit	Independent Director/ Chairman of Audit Committee
9.Mr. Vichit	Vuthisombat	Independent Director/Audit Committee
10.Ms. Chaovana	Vivatpanachati	Independent Director/Audit Committee

The President additionally introduced Mrs. Nattaporn Phan-udom, Auditor from PricewaterhouseCoopers ABAS Ltd., Mrs. Praewphan Songhong, Accounting Manager, and Mrs. Avika Powintara, Secretary of the meeting.

Prior to the meeting, the Secretary of the meeting informed to the meeting that there 40 shareholders who were present in person and were represented by proxy, holding altogether 143,906,951 shares equivalent to 71.95 percent of the total amount of 200,000,000 issued shares, thus constituting a quorum as required by the Articles of Association of the Company. The President therefore declared the meeting open and assigned the Secretary of the meeting to explain the voting procedures and counting procedures.



The Secretary of the meeting explained the voting procedures to the meeting that the shareholders shall have voting rights equal to the amount of shares held by them. One share shall be equal one vote. The shareholders could vote for, vote against, or abstain on the ballot papers which were distributed at the registered desk. In agenda 2, the shareholders were not required to vote as this agenda was for information to the shareholders. In agenda 5, the shareholders were able to vote on individual nominees. Before adopting a resolution, the shareholders would have an opportunity to ask questions, express opinions, and make suggestions. Any shareholder wishing to ask a question should first introduce himself or herself to the Meeting. Only objection and abstention votes would be counted by barcode system. The said votes would be deducted from the total number of votes cast by the shareholders present at the Meeting. The balance would be treated as the number of votes in favor of the relevant matter. Except in agenda 5, the shareholders shall hand their ballot papers including vote for, vote against, or abstention, to the Company's staff for vote counting.

Then, the President proposed that the Meeting consider the following agenda items.

Agenda 1 To consider and approve the minutes of Annual General Shareholders' Meeting No.1/2010 held on January 29, 2010

The President requested the meeting to consider and approve the minutes of the Annual General Meeting of shareholders No. 1/2010 held on January 29, 2010, which had already been distributed to shareholders together with the notice of this meeting, as well as the minutes had been posted on the Company's website (www.ircthailand.com).

As no shareholders raised any objections or asked that the minutes be amended or added, the President then requested the resolution from the meeting.

Resolution: The meeting unanimously resolved that the minutes of the Annual General Meeting of Shareholders No. 1/2010, held on January 29, 2010, be adopted by the following votes:

Vote	Number of Votes (1 vote = 1 share)	% of the number of the total votes attending the meeting	Remark
1. For	143,906,951	100.00%	-
2. Against	-	-	-
3. Abstentions	-	-	-

Agenda 2 To acknowledge the Company's performance for the previous year

The President informed the meeting that the Company had reported its performance for the year 2010 ended September 30, 2010 in the Annual Report 2010. The Annual Report in form of CD-Rom had already been distributed to shareholders together with the notice of this meeting, and had been posted on the Company's website. The President requested Mr. Takeshi Arakawa, Managing Director, to report the meeting on summary of the Company's performance for the year 2010.

The Managing Director reported the Thailand's economic situation and the operating performance of the Company for the year ended September 30, 2010 as compared to those of 2009, the details of which were summarized as follows:



The overall economic situation of Thailand in the past year played an outstanding performance. The positive factors were attributed to the improvement in export supported by the economic recovery of major trading partners. Meanwhile, the domestic consumption showed a strong rebound from higher farm income following higher agriculture prices. As a result of the recovery in both domestic and international demand, the auto production in 2010 reached a historic high with the production of 1.64 million units, an increase of 64 percent from the preceding year. The motorcycle production in 2010 reached 2.02 million units, an increase of 23 percent from the preceding year.

The price index of natural rubber in 2010 had increased continuously and had doubled up from 2009. The impact of climate change, which had adversely affected to the fall in productivity of natural rubber, and the recovery demand in global market were the significant factors boosting the natural rubber price throughout the year 2010. The price index of synthetic rubber had moved stably throughout the year 2010 due to the foreign exchange factors.

The Company had total sales in 2010 at Baht 5,354 million, which the core revenue was derived from the sale of industrial elastomer parts accounted for 47 percent of total sales. The remaining revenues were derived from the sales of motorcycle tires for 34 percent, from the sales of motorcycle tubes for 11 percent, and from the sale of motorcycle wheel sets for 9 percent. The total investment in 2010 was equivalent to Baht 287 million and total assets stood at Baht 3,136 million. The total loan as of September 30, 2010 was Baht 115 million. The debt-to-equity ratio declined to 0.57. The return on asset, return on equity, net profit per share, and book value were equal to 10.31 percent, 16.36 percent, 1.55 Baht, and 9.99 Baht, respectively.

When compared the operating performance between 2010 and 2009, the Company had the total sales of Baht 5,354 million, an increase of 19 percent. The cost of sales rose by 21 percent due to the rising in natural rubber price. The gross profit was Baht 583 million, an increase of 5 percent. The selling and administrative expenses declined by 3 percent. The financial costs also dropped by 48 percent due to repayment of long-term loans. The corporate income tax for the year increased slightly by 0.41 percent. Net profit for the year 2010 increased by 18 percent.

When the Managing Director ended his speech, the President opened for questions. There were questions from the shareholders as follows:

Mr.Vichai Jirachoenkitkul:

- 1) According to the Annual Report, the Company has refrained from using materials containing Polycyclic Aromatic Hydrocarbons (PAH). What kinds of materials contain such substance?
- 2) What is the current capacity utilization rate?
- 3) The Company has jointly invested in Vietnam. How about its market situation? And has the Company received any return on the investment?

The President:

- 1) This substance can be found in some types of the polymers and processing oils used as compounding components of tire manufacturing. The abrasion of automobile tires and motorcycle tires can contribute a certain amount of PAH to road dust. Inhaling dust over a long period of time can cause cancer. The Company therefore developed a new formula which does not contain the PAH substance.
- 2) Since April 2010, the Company has run utilization rate at approximately 95 percent.
- 3) The motorcycle market in Vietnam has continued to grow. There has been very good response from the market for IRC's products. The joint venture company in Vietnam ever paid the dividend to the Company in 2008.



Mr. Chatchai Khun-ngarm:

- 1) Has the Company used the refraining from using materials contained PAH as a selling point?
- 2) How did the changing tire formula affect the Company's cost?

The President:

- 1) In the preceding year, the Company had promoted information regarding a carcinogen-free tire but it may not cover all target audiences. The marketing department will more concentrate on the marketing campaign on this matter.
- 2) As it is during the first phase of the change, the current suppliers producing the new formula are not plentifully. The formula changing thus had a partial effect on the Company's cost. However, the cost is expected to return to normal condition in a long-run.

Mr.Vichai Jirachoenkitkul:

- 1) The Company's current production capacity is considered almost at its maximum. How will the Company support the increase in auto manufacturing expected at the rate of 10 percent? And will the Company plan to expand the plant?
- 2) How was the competition among China, India and Taiwan over the last year? Will the Company penetrate into the China market?

The President:

- 1) The Company will spend Baht 330 million this year in acquiring new machines for coping with the demand from the customers in the automotive industry.
- 2) The Company's market share in the automotive sector was approximately 60%. The remaining of 40% were from the entrepreneurs from Taiwan and others operating in Thailand. The marketing plan for the current year will concentrate on the domestic market. However, if there is an opportunity in the China market, the Company would like to enter to the market as well.

As no one put forward any more question, the President then proceeded to the next agenda

Agenda 3 To consider and approve the Company's 2010 Balance Sheets and Profit and Loss Statements for the year ended September 30, 2010

The President informed the meeting that the Company had prepared the balance sheet and the profit and loss statements for the year 2010 ended September 30, 2010, which was duly audited, and that the Audit Committee and the Board of Directors considered it to be correct, complete, and adequate in accordance with the general accounting principles, which was illustrated in the Annual Report distributing to the shareholders together with the notice of this meeting and disclosing in the Company's website. The President therefore requested the Meeting to consider and approve the said balance sheet and the profit and loss statements.

The President invited shareholders to ask questions. There were questions from the shareholders as follows:



Mr.Vichai Jiracharoenkitkul:

- 1) Regarding the long-term loan of Baht 68 million, will the Company expect to paid-off within this year since the Company has enough cash available? As this will save the interest costs for the Company.
- 2) When compared other long-term investment in the Balance Sheet as at 30 September 2010 with that of the same period of 2009, the value of investment in Vietnam was recoded in the same amount of Baht 30 million. Did this amount record according to the share value or asset value? And what is the present value of this investment?

The President:

- 1) The Company has entered into the long-term loan contract during the economic crisis. The loan has been paid continuously, and this year the Company will continue to make installment payment every three months.
- 2) The President assigned Mrs. Praewphan Songhong, Accounting Manager to clarify this point.

The Accounting Manager explained that the investment was reported by using cost method recognizing actual cost at the date of initial investment.

As no one put forward any more question, the President then inquired for the resolution.

Resolution: The meeting unanimously approved the balance sheets and profit and loss statements by the following votes:

Vote	Number of Votes (1 vote = 1 share)	% of the number of the total votes attending the meeting	Remark
1. For	143,906,951	100.00%	-
2. Against	-	-	-
3. Abstentions	-	-	-

Agenda 4 To consider and approve the appropriation of profit and dividend payment

The President informed the Company's dividend payment policy to the meeting that the Company had a policy to pay out dividend not more than 65 percent of net profit in the consolidated financial statement after deducting corporate income tax and legal reserve. For the accounting period of October 1, 2009- September 30, 2010, the Board of Directors proposed the meeting to consider and approve the Company's earnings appropriation and dividend payment to shareholders of 200,000,000 shares at the rate of Baht 0.50 per share or Baht 100 million or 32.41% of net profit in the consolidated financial statement. The dividend payment was considered to be paid from the profit derived from the Non-BOI business at the rate of Baht 0.18 per share and from the profit derived from the BOI business at the rate of Baht 0.32 per share. The dividend was scheduled to be paid to the shareholders on February 22, 2011.

The President opened for questions. There were questions and suggestions from the shareholders as follows:



Mr.Vichai Jirachoenkitkul referred to the minutes of the Annual General Meeting No. 1/2010 which the shareholder made a request to the Company to increase the rate of dividend payment as close to the rate specified in the policy. Have the Company considered this matter as the inflation rate has risen as well as the prices of products? The shareholder therefore would like the Company to consider increasing the dividend or adjust at the higher rate near the rate specified in the policy.

The President explained that the Company had considered every factor as well as the Company will spend a lot of investment this year; therefore, the Company deemed appropriate to propose the said dividend rate.

Mr. Chatchai Khun-ngarm suggested the Company to consider increasing the dividend rate approximate to the policy rate.

As no one put forward any more question, President then inquired for the resolution.

Resolution: The meeting unanimously approved the appropriation of profit and dividend payment by the following votes:

Vote	Number of Votes (1 vote = 1 share)	% of the number of the total votes attending the meeting	Remark
1. For	143,906,951	100.00%	-
2. Against	-	-	-
3. Abstentions	-	-	-

Agenda 5 To consider the re-election of the directors who are retired by rotation

The President informed to the meeting that, this year, there were four directors who had to retire by rotation, namely Assoc.Prof.Dr. Chesada Loha-unchit, Mr. Koji Matsuda, Mr. Thanong Leeissaranukul, and Mr. Yasumi Kawasaki. The Board of Directors had considered and been of the opinion that all four persons were knowledgeable and capable. The Board of Directors therefore deemed it appropriate to propose the shareholder meeting to appoint the four directors as the Company's Directors for another term.

As no one put forward any more question, the President then inquired the meeting to consider and approve on individual nominees.

Resolution: The Meeting approved the election of the Directors by the following votes:

Director	For		Against		Abstentions	
	Votes	%	Votes	%	Votes	%
1. Assoc.Prof.Dr. Chesada Loha-unchit	143,906,951	100.00%				
2. Mr. Koji Matsuda	143,906,951	100.00%				
3. Mr. Thanong Leeissaranukul	143,906,951	100.00%				
4. Mr. Yasumi Kawasaki	143,899,751	99.99%	-	-	7,200	0.01%



Agenda 6 To consider and approve the remuneration for the Board of Directors

The President proposed the Meeting to consider and approve the following directors' remunerations for the year 2011.

- (1) Annual remuneration (same rate as proposed of last year) The remuneration for Non-Executive Director, Executive Director, Chairman of Audit Committee, and Audit Committee will be paid at Baht 120,000, Baht 80,000, Baht 300,000, and Baht 220,000 per year, respectively.
- (2) Transportation allowance of Baht 2,000 per meeting (additional remuneration from last year). Only those present at the meeting will be entitled to this allowance.

As no one put forward any more question, President then inquired for the resolution.

Resolution: The meeting unanimously approved the remuneration for the Board of Directors by the following votes:

Vote	Number of Votes (1 vote = 1 share)	% of the number of the total votes attending the meeting	Remark
1. For	143,906,951	100.00%	-
2. Against	-	-	-
3. Abstentions	-	-	-

Agenda 7 To consider and appoint the auditor and fix the remuneration for the year 2011

The President referred to the opinion of the Audit Committee and the Board of Directors which considered selecting PricewaterhouseCoopers ABAS Ltd. (PwC) to be an Auditor of the Company and the subsidiary companies for the year 2011. The President proposed the meeting to fix the audit remuneration at Baht 1,637,000, and proposed the following auditor names to sign her name in the auditor report.

1. Mrs. Nattaporn Phan-Udom, Certified Public Accountant No. 3430, or
2. Mrs. Unakorn Phruithuthada, Certified Public Accountant No. 3257, or
3. Ms. Nangnoi Charoenthaveesub, Certified Public Accountant No. 3044

As no one put forward any more question, President then inquired for the resolution.

Resolution: The meeting unanimously approved the auditor's appointment and remuneration by the following votes:



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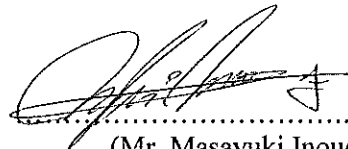
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1. For	143,906,951	100.00%	-
2. Against	-	-	-
3. Abstentions	-	-	-

Agenda 8 Other topics (if any)

As no any other issue proposed, Mr. Masayuki Inoue thanked all shareholders for their attendance and adjourned the meeting.

The meeting closed at 15.20 hours

Sign


 (Mr. Masayuki Inoue)
 Chairman of the Meeting