

(Translation)

Minutes of the Annual General Meeting of Shareholders for the year 2009

Kang Yong Electric Public Company Limited

Thursday 23 July 2009 at 14.00 hrs.

At Parichart Room, Radisson Hotel Bangkok

92 Soi Saengcham, Rama 9, Huay Kwang, Bangkok

Time of the meeting 14.00 hrs.

Mr.Kritsana Chatchaivorawong, the Board of Directors' Secretary who acts as the secretary of the meeting informed that according to the company has scheduled the record date as of 2 July 2009. The closing date of the company's share register book for reserving the rights of shareholders to attend the Annual General Meeting of Shareholders for the year 2009 is as of 3 July 2009, there were 1,622 persons in total. There were 58 shareholders attending in person and 45 shareholders attending by proxy, totally 103 shareholders representing 13,213,167 shares equivalent to 60.06% of total shares which exceeds one-third of the total 22,000,000 issued. A quorum was thus constituted in accordance with company's Articles of Association and Public Limited Companies Act

Before the meeting began, the secretary introduced the directors, managements, representatives of auditor, and independent financial advisor who joined the meeting.

The directors who attended the meeting constituted of

1. Mr.Praphad Phodhivorakhun Chairman of the Board of Directors/Chairman of the Board of Executive Directors
 2. Mr.Sadahiro Tomita Vice Chairman of the Board of Directors / President
 3. Mr.Komol Vongsthongsri Independent Director/Chairman of Audit Committee/
Member of Product Pricing Committee/
Member of Nomination and Remuneration Committee
 4. Mr.Chackchai Panichapat Independent Director/Chairman of Nomination and Remuneration Committee/ Member of Audit Committee
 5. Mr.Arthakrit Visudhibhan Independent Director/ Chairman of Product Pricing Committee/ Member of Audit Committee
 6. Mr.Akira Kurishima Director/Executive Vice President/Member of Product Pricing Committee
 7. Mr.Supachai Setasathira Director/Executive Vice President
 8. Sub Pol.Lt Kriengsak Lohachala Director/member of Product Pricing Committee
 9. Mr.Yoshifumi Beppu Director
 10. Mr.Taketoshi Arikawa Director
 11. Mrs.Tipvimol Saengsuphan Director
 12. Mr.Akira Nakamichi Director/General Manager
- Managements
1. Mr.Takeo Shikata Finance Co-Operative Manager

2. Ms.Pojana Tinnaworn Finance Department Manager
Advisor of Audit Committee
1. Mr.Boonsin Surawatsathien
Independent financial advisor of Sicco Advisory Co.,Ltd
1. Ms.Domnapa JongJarunan Vice President
2. Mr.Montri Sithichaiwiset Investment Banking Officer
3. Mr.Nattawit Tantatherdtham Investment Banking Officer

The secretary informed that the company gave the opportunity of proposing the agenda or nominating candidates for being selected as company's directors to the Annual General Meeting of Shareholder of year 2009 in advance via the company's website from 7 to 22 April 2009. There were no agendas proposed or candidate nominated.

The secretary informed that the Chairman of the Board of Directors would act as the Chairman of the meeting following with the agendas which have been sent with Annual Report to the shareholders. The vote counting is that each shareholder is entitled to cast votes equal to the number of his/her shares. The Chairman would ask casting the vote on each agenda item. In normal case, the majority vote casting is votes of approval. In case of an equality of vote, the Chairman of the meeting shall be entitled to a casting vote. Any others case shall follow the company's Articles of Association and the Securities and Exchange Act and Public Limited Companies Act.

Then, the secretary invited Mr.Praphad Phodhivorakhun, the Chairman, to open the Annual General Meeting of Shareholders.

The Chairman welcomed all shareholders to the Annual General Meeting of Shareholders of year 2009 and conducted the following agendas;-

Agenda 1 To approve the minutes of the Annual General Meeting of Shareholders for the year 2008 held on Wednesday July 23, 2008

The Chairman proposed to the minutes of the Annual General Meeting of Shareholders for the year 2008 held on July 23, 2008 appeared on the invitation letter page 4 to 9, which has been certified by the Board. The Chairman, then, asked the meeting to approve the minutes.

The chairman invited shareholders to ask questions but no question was raised. Then, the Chairman proposed the meeting to cast a vote on each agenda by raising hand for approving and showing no hand for objecting. Then, the Chairman asked for resolution.

The meeting passed a resolution to approve the minutes of the Annual General Meeting of Shareholders for the year 2008 by the voting as follows:

Approved	16,017,807 shares or 100.00%
Objected	- none -
Abstained	- none -

Remarks There were more shareholders presented at the meeting, representing 16,017,807 shares in total.

Agenda 2 To acknowledge the Board of Directors' report on the company performance for the fiscal year 2008

The Chairman requested Mr.Sadahiro Tomita, President, to explain the company performance of the fiscal year 2008.

The President, thanked the shareholders for attending the meeting, then, explained the performance of FY 2008. Total sales decreased by 7.4% comparing to the last year. The cost of sale decreased by 13% making the gross profit grew to 47.8%. Selling and administrative expenses was recorded higher than the last year 5.1% and net profit increased by 516.2% comparing to the last year.

The advantage factors which influenced to the performance of FY 2008 were; (1) Value Analysis Activity (VA), (2) Fixed cost, (3) Exchange rate, (4) Sale price increasing, and (5) dividend received.

The disadvantage factors were; (1) the decrease of sale quantity and (2) material price up.

Thus, the company's performance result of FY 2008 gained the net profit at the amount of 426.4MB.

The Chairman invited the shareholders to ask the questions.

Question- What is the meaning of VA?

Answer- The President explained that VA is the abbreviation for "Value Analysis". It is the activity of production cost reduction.

The meeting acknowledged the Board of Directors' report on the company performance for FY 2008.

Agenda 3 To approve annual financial statement and audit report of certified public accountant for the year ended 31 March 2009 (April 2008 – March 2009)

The Chairman informed the meeting that the annual financial statement for the year ended 31 March 2009 has been duly audited by the accountant auditors and approved by the Audit Committee. The Chairman requested Mr.Sadahiro Tomita, the President, to explain it.

The President reported balance sheet of FY 2008. Cash and cash equivalent, a part of current asset increase by 81.8% resulting from the improving of inventory that decreased by 16.7% comparing to the last year.

The property, plant and equipment, a part of non current assets, was less than last year by 15.1% due to the depreciation deduction of machine amounted to 104 MB. Trade account payables decreased by 20.9% according to purchase amount of part and material was less than last year 8%. Total shareholders' equity was higher than last year 18% due to the increase of profit 426.4MB as reported.

The financial statement was reported in agenda 2. Some part will be reported in this agenda. The revenue from sale of goods and rendering of service of FY 2008 was less than last year by 400MB as well as expenses decreased by 757MB resulting to net profit of FY 2008 amounted to 426.4MB higher than last year 357MB. The dividend received 335MB was a main factor of this result. The cash flow from financing activities minus 36MB because of the dividend payment. The net increase in cash and cash equivalents was 614MB. Cash and cash equivalents at end of the year was 1,363.7MB when included cash and cash equivalents at beginning of the year.

The Chairman invited shareholders to ask questions involving agenda 3. There were shareholders asking the questions as follows:

Question- The company has been getting loss over 42MB after deduced dividend received from other companies 338MB and other income. Is it possible that the company will be able to gain profit by itself and dividend received which will result in share value being higher? Moreover, which quarter does KYE acknowledge dividend received from Mitsubishi Electric Consumer Products (Thailand)

Co.,Ltd?

Answer- The President requested Ms.Pojana Trinnaworn, Finance Department Manger to explain it. Finance Department Manager explained that the company acknowledges the dividend received from Mitsubishi Electric Consumer Products (Thailand) Co.,Ltd at 2nd and 4th quarter or September and March and get the money in September.

Question- How much money did the company invest in Mitsubishi Electric Consumer Products (Thailand) Co.,Ltd and how much dividend did the company get?

Answer- The company has invested totally 10% at the amount of 120MB. The dividend received only from Mitsubishi Electric Consumer Products (Thailand) Co.,Ltd amounted to 315MB. Please see the details appear on annual report page 32.

Question- The company derives benefit from Mitsubishi Electric Consumer Products (Thailand) Co.,Ltd.

Answer- The Chairman explained that all electric home appliance manufacturers confront the same problem of high raw material price and price competition effecting to the company could not raise the sale price as intention. Moreover, the export ratio of all companies is over 70% of total production quantity influencing the high competition in export market as well. In the previous, the company faces the problems

1. competition with product produced in China in the global market affected to be unable to raise the price
2. higher raw material price because of high gasoline price
3. exchange rate

However, the company has been conducting cost reduction activity continuously such as VA – using engineering principle to improve production process aiming at the lowest cost. The outcome in FY 2008 amounted to 149MB resulting from fixed cost reduction, exchange rate, and sale price up being good to the whole business. It can be anticipated that the company can gain better result in FY 2009. On behalf of the Chairman, I could confirm that the company will try the best for gaining confidence from the customer in every year.

Mr.Chackchai Panichapat as independent director and member of the Audit Committee explained to the meeting that as for the question asked, the Board has concentrated for many years because the performance of refrigerator business was not good. However, it has been resolved better until could gain the profit by itself. Thus, it is confident that the company will be able to improve its performance being better continuously.

Question- According to the report said that cost of sale and rendering service expense decrease. If I looked at financial statement found that these expenses had increased over than the last 2 years. Why did it increase?

Answer- Finance Department Manager explained that it increased over the last year only 3MB because of product development and product assurance expenses. A part of decreased cost of sale and rendering service expenses was fixed cost because the company has improved product cost better.

The Chairman added that there was development expenses in the last year for example the improvement of production line, equipment etc. It can be anticipated that those expenses might be not high as this year because it can be used continuously. The higher assurance expenses is for product

exported to overseas due to the enhancement of export market.

Question- Was the assurance expenses paid to oversea sale company?

Answer- The President explained that the assurance expenses involve product quality. It is mostly the expenses for product exported to Japan market. It is higher due to the influence of exchange rate –Japanese Yen, was strength. The company uses this currency for trading. However, the company has resolved some problems resulting to lower assurance fee. Furthermore, the concentration on quality improvement is the first priority of the management by pushing forward the better quality products to the market.

Question- How actual payment did the company pay for assurance expenses of FY 2008 and which type of income tax was?

Answer- Finance Department Manager explained that the actual payment was 205MB. It was paid as withholding tax that would be refunded later.

Question- Why did the labor cost decrease whereas the provident fund higher?

Answer- Finance Department Manager explained that its expenses vary in production quantity. It decreased due to the decrease of production quantity and overtime controlling. The former provident fund can be not referred to employee salary and be unable to transfer to outsider to manage it as explanation every year. The amount change depends on the number of retirement of old employee. The contribution has been made by the employee. It would increase according to the raising of salary. The number of employee shown on annual report is including indirect employee.

Question- I would like to appreciate that the company could run its business until gaining the profit and paying a much higher dividend than last previous years. Anyway, there is concern about the main income – total sale -. I would like to know what is the factor resulting to the decrease of total expenses.

Answer- Finance Department Manager explained that it is because of cost reduction activity, moreover, exchange rate and the decrease of fixed cost.

The President added that the important factor influenced to the decrease of total expenses is cost reduction activity. The project was set up to conduct its activity especially by cooperating of each division. Furthermore, the company has determined the reduction target of management expenses by following the progress at every 6 months resulting to the fixed cost decreased.

The company emphasizes product development that could be competitive and reduce production cost. In the last year, our refrigerator could reach the top market share, no.1, in domestic market.

Question- How the company responds the fluctuation in economic?

Answer- The President explained that the company aims to push the product to be number one in capability, market enhancement, and production cost reduction that has been doing now by cooperating with head Quarter Company in Japan in supporting technology to be able to achieve its intended goal.

Question- What proportion of tax will be paid for dividend received. Is it supported by BOI the whole or a part?

Answer- Finance Department Manager explained that the company did not pay tax according to the deduction of accumulative loss. There is no relation to BOI privilege, thus, no tax credit.

Question- Does the company has a plan to invest with net increase in cash and cash equivalents? How does the company manage non-distribution profit?

Answer- The Chairman explained that there is no investment plan at present, however, it will be used

for improving our effectiveness.

Shareholders require quality improvement measurement to reduce assurance expenses.

The Chairman gave thanks for suggestions. The company will consider all the suggestions. Then, the Chairman asked for resolution. The meeting passed a resolution to approve annual financial statement and audit report of certified public accountant for the year ended 31 March 2009 (April 2008 – March 2009) by the voting as follows:

Approved	16,041,607 shares or 100.00%
Objected	- none -
Abstained	- none –

Remarks There were more shareholders presented at the meeting, representing 16,041,607 shares in total.

Agenda 4 To approve the allocation of annual profit and the distribution of dividend

The Chairman informed the meeting that the company earned a net profit at 426.4MB including retained earning 729.2MB being equivalent to 1,155.7MB. According to the dividend payment policy of company, the company will pay the dividend at a rate of 50 percentage of the net profit after tax shown on financial statement. The dividend payment will be subject to company performance and economic situation. Shareholders whose names are registered on the register book of the company on Tuesday 4 August 2009 as the record date of Monday 3 August 2009 have the right to receive dividend. The dividend will be payable on Friday 21 August 2009 as details below.

Details	Amount
Dividend per share	9.70 Baht
Number of shares	22 Million shares
Total amount	213.4 MB

The Board would like to propose the meeting considering this agenda for approval.

The Chairman invited shareholders to ask question and comment.

The meeting passed a resolution to approve the distribution of dividend of FY 2008 by the voting as follows:

Approved	16,041,607 shares or 100.00%
Objected	- none -
Abstained	- none –

Agenda 5 To elect new directors in place of those retiring by rotation

The Chairman informed that in accordance with the company's Articles of Association, one-third of the total number of directors shall be required to retire by rotation at every Annual General Meeting of Shareholders. In this year, there are five (5) directors who will retire by rotation namely; (1) Mr.Praphad Phodhivorakhun, (2) Mr.Komol Vongsthongsri, (3) Mr.Staporn Kavitanon, (4) Pol.Sub.LT Kriengsak Lohachala, and (5) Mr.Chackchai Panichapat. According to the Chairman is one of retired director, thus, he assigned Mr.Sahahiro Tomita, Vice Chairman, to conduct this agenda.

The Vice Chairman informed the meeting that the Board has considered that those five (5) persons have beneficial knowledge and experiences which can be applied to company's management. Thus, the

bboard would like to propose the meeting to re-elect those five (5) directors for another term in once voting.

Shareholders proposed that the election should be conducted by each nomination since the next year. The independent director should retire same as the condition of dependent director. The Vice Chairman gave thanks for the suggestion. The company will consider this for the further meeting.

The meeting passed a resolution to re-elect those five (5) directors for another term by the voting as follows:

Approved	16,041,607 shares or 100.00%
Objected	- none -
Abstained	- none –

Agenda 6 To appoint the company auditor and fix audit fee for the FY 2009

The Chairman informed that the Audit Committee and the Board has considered and agreed to appoint the same auditors of the audit company “KPMG Phoomchai Audit Ltd” namely (1) Ms.Bongkot Amsageam (Certified Public Accountant Registration No.3684) and/or (2) Ms.Orawan Sirirattanawong (Certified Public Accountant Registration No.3757) and/or (3) Ms.Nittaya Chetchotiros (Certified Public Accountant Registration No.4439). KPMG Phoomchai Audit Ltd proposed audit fee such as Annual fees, Quarterly review, Review pricing (KYE & MKY), at the total amount of Baht 970000. Extra fee; per-diem 80Baht per head per day and transportation fee will be paid as actual payment.

The meeting passed a resolution to appoint the company auditor and fix annual fee for FY 2009 by the following voting:

Approved	16,041,607 shares or 100.00%
Objected	- none -
Abstained	- none –

Agenda 7 To approve the directors’ remuneration of FY 2009 (April 2009 – March 2010)

The Board approved the remuneration to company’s directors for FY 2009 as monthly allowance and meeting allowance by not exceed Baht 6,000,000. It is paid to the board and committees at the same rate of FY 2008.

The Chairman informed that this agenda has to be voted for approval by casting votes equal to 2 of 3 of the number of shares presenting in the meeting.

The Chairman invited shareholders to ask the questions. No questions were raised, then, the Chairman requested the meeting to cast a vote of approving the directors’ remuneration of FY 2009.

The meeting passed a resolution to appoint the company auditor and fix annual fee for FY 2009 by the following voting:

Total shares presenting in the meeting	16,041,607 shares or 100.00%
Two(2) – third(3) of shares presenting in the meeting	10,694,405 shares or 66.67%
Approved	16,041,607 shares or 100.00%
Objected	- none -
Abstained	- none –

Agenda 8 To approve the connected transaction of products development fee

The Chairman informed that the Board has approved the connected transaction regarding to product development fee for a period of 1 April 2009 – 31 March 2014 paying to Mitsubishi Electric Corporation (Melco) - connected party. This transaction was classified as connection transaction category of supporting normal business transaction. The company has entered into the Technical Assistance Contract with Melco involving development of refrigerator, fan, ventilating fan, and water pump as the actual payment. The company has appointed SICCO Advisory Company Limited as independent financial advisor to provide an opinion on the connection transaction to independent director, Audit Committee, and shareholders.

The Chairman requested the representative of SICCO Advisory Company Limited to explain this agenda as follows;

Ms.Domnapa Jongjarunan, representative of independent financial advisor, explained the background of this connected transaction. The company needs to pay development fee to Mitsubishi Electric Corporation (Melco), a major shareholder of the company. The necessity of seeking a resolution from the shareholder is because the transaction size is above 3 percentages of net tangible assets of the company or above 20MB. There are two cases; (1) the entering into connected transaction for a period of 5 years starting from 1 April 2009 – 31 March 2014 and (2) the entering into connected transaction for a period of 5 years without seeking for a resolution of the board and the shareholders' meeting if the development fee dose not exceed 3 percentages of revenue from sale of goods and rendering of services.

The product development plays an important role in its business operation, maintaining market share, and motivating product sale. The target group of customer is middle class who mainly focuses on quality and technology that is different and cheaper than other competitors are.

The advantage of the entering into transaction is able to add value to the products and reduce development cost of new product because Melco has basic knowledge of product.

The disadvantage is that the company has to develop the product responding to the customers' need for maintaining the market. Nevertheless, the customer's preference may be changed, thus, its development may be not able to catch up with change in customer preference. Moreover, the development fee may increase because the company is obliged to pay the development fee as actually incurred cost that might change according to cost change. The company needs to control it by preparing annual budget in advance and closely monitor the customer's preference.

Moreover, the company pays its fee in Japanese Yen that may have risk associated with foreign exchange rate.

The necessity of entering into transaction with Melco is involving with confidential technology. Thus, the company cannot engage other companies to develop its product. The proportion of development fee comparing with other companies being in line with business is less or similar because the company needs not to pay research fee.

The main condition of entering transaction is because the company has entered the contract with Melco to produce fan, refrigerator, and water pump with his technical assistance that the development payment will be based on actual incurred cost.

The independent financial advisor considered and opined that this entering of connected transaction and the measurement of the next 5 years is reasonable. The meeting should approve the entering into this transaction.

The Chairman gave thanks for the independent financial advisor and invited shareholders to ask the questions.

Question- If there is quality problem causing from the product development, is this mistaken responded by who develop the product?

Answer- The President explained that damages caused by product development, then, that damage cost is the responsibility of the product development division.

Mr.Komol Vongsthongsri as the Chairman of Audit Committee added that Audit Committee pays attention to and emphasizes the audit of quality responsibility with the fact, reasonableness, and transparency.

No more questions were raised, then, the Chairman requested the meeting to cast a vote. The shareholder who is stake person dose not has the right to cast a vote.

The meeting passed a resolution to approve the connected transaction of products development fee by the following voting:

Total shares presenting in the meeting	16,041,607 shares or 100.00%
No voting right shareholders	9,048,020 shares or 56.40%
Three(3) – forth(4) of shares not included stake person	5,245,190 shares or 32.70%
Approved	6,993,587 shares or 43.60%
Objected	- none -
Abstained	- none –

Agenda 9 Other matters

The Chairman invited shareholders to ask and comment. There is not question raised, then, the Chairman gave thanks and closed the meeting.

The meeting was closed at 17.05 hrs.

Signature.....-signed-.....

(Mr.Praphad Phodhivorakhun)

Chairman of the Board of Directors

Chairman of the meeting