

(Translation)

No. BorThorGor. 151/L 107.001/49

February 27, 2006

Re: Purchase of Ordinary Shares in Thai Tap Water Supply Co., Ltd.

Attn.: The President of the Stock Exchange of Thailand

Reference is made to the fact that Bangkok Expressway Public Company Limited (BECL) holds 1,450,000 shares in Thai Tap Water Supply Co., Ltd. or 4.83 percent of the registered capital of Baht 3,000,000,000. Thereafter, the meeting of shareholders of Thai Tap Water Supply Co., Ltd. resolved to increase the registered capital from Baht 3,000,000,000 to Baht 3,250,000,000, by way of issuance of ordinary share for capital increase of 2,500,000 shares to the existing shareholders in which BECL exercised right to purchase ordinary shares as per proportion of 120,750 shares and another 3,100 shares of other shareholder who did not exercise the right, at the price of Baht 290 per share, a total of shares held by BECL is thus 1,573,850 shares or 4.84 percent of the registered capital of Baht 3,250,000,000.

The Board of Directors Meeting No. 1/2006 on February 27, 2006 resolved to approve for the Company to propose such matter to the 2006 Annual Ordinary Meeting of Shareholders for consideration of additional purchase of ordinary shares in TTW from CH. Karnchang Public Company Limited, in the amount of 1,676,150 shares or 5.16 percent of the registered capital, at the price of Baht 320 per share, amounted to Baht 536,368,000, representing 3.60 percent of the net tangible assets as at December 31, 2005. Therefore, BECL will hold a total of 3,250,000 shares in TTW, representing 10 percent of the registered capital.

In respect of the transaction with CH. Karnchang Public Company Limited which is a major shareholder of Bangkok Expressway Public Company Limited, this constitutes a connected transaction pursuant to the Stock Exchange of Thailand Notification, Re: Disclosure of Information and Act of Listed Companies Concerning Connected Transactions B.E. 2546 (2003), as follows:

1. Transaction Date and Related Parties

1.1 Transaction Date

After granted approval by the meeting of shareholders.

1.2 Related Parties

Purchaser : Bangkok Expressway Public Company Limited

Seller : CH. Karnchang Public Company Limited

2. General Description and Details of Connected Transaction

2.1 Thai Tap Water Supply Co., Ltd. operates the business of production and distribution of tap water to the Provincial Waterworks Authority in vicinity of Nakhon Pathom Province and Samut Sakhon Province, by way of the Agreement to Purchase and Sale of Tap Water with the Provincial Waterworks Authority (PWA), with a contract term of 30 years, which commences on July 21, 2004 and would expire on July 21, 2034.

2.2 Thai Tap Water Supply Co., Ltd. presently maintains the issued and paid-up registered capital of Baht 3,250,000,000, divided into 32,500,000 million shares, at the par value of Baht 100 per share, having CH. Karnchang Public Company Limited as major shareholder, holding 29,362,044 shares or representing 90.34 percent of the registered capital.

2.3 The summary of the financial position and the results of operation of Thai Tap Water Supply Co., Ltd. as at December 31, 2005 is as follows:

(Unit: Baht)

Balance Sheet

Total assets	Baht	10,360,963,962
Total liabilities	Baht	7,013,146,518
Shareholders' equity	Baht	3,347,817,444
Book value per share	Baht	103.01

Income Statement

Total revenue	Baht	1,360,243,480
Total expenses	Baht	1,025,206,105
Net income	Baht	335,037,375

3. Total Transaction Value and Payment Method

- 3.1 Total Transaction Value : Bangkok Expressway Public Company Limited shall purchase ordinary shares in Thai Tap Water Supply Co., Ltd., in the amount of 1,676,150 shares, at the price of Baht 320 per share, amounted to Baht 536,368,000 from CH. Karnchang Public Company Limited, the transaction value will thus represent 3.60 percent of the net tangible assets as at December 31, 2005.
- 3.2 Payment Method : A single payment in cash.

4. Details of Connected Persons

- 4.1 CH. Karnchang Public Company Limited is a major shareholder of Bangkok Expressway Public Company Limited. According to the share distribution report as at January 31, 2006, CH. Karnchang Public Company Limited holds 113,267,750 shares in the Company, representing 14.71 percent of the registered capital;
- 4.2 Mr. Plew Trivisvavet holds the position of Chairman of the Executive Board of Bangkok Expressway Public Company Limited and President and Chief Executive Officer of CH. Karnchang Public Company Limited;
- 4.3 Mr. Prasert Marittanaporn, Executive Vice President of CH. Karnchang Public Company Limited, is the spouse of Mrs. Payao Marittanaporn, Deputy Managing Director of Bangkok Expressway Public Company Limited.

5. Nature and Scope of Interest of Connected Persons

CH. Karnchang Public Company Limited is a major shareholder of Bangkok Expressway Public Company Limited. According to the share distribution report as at January 31, 2006, CH. Karnchang Public Company Limited holds 113,267,750 shares in the Company, representing 14.71 percent of the registered capital.

6. **Fund Source** : Long-term loan or issuance of debenture.
7. **Director who is an interested party and a connected person** is Mr. Plew Trivisvavet, who neither participated nor voted in the Meeting.

8. **Opinion of the Board**

Having considered the matter, the Board of Directors is of the opinion that the transaction to additionally purchase ordinary shares in TTW is the investment giving rise to return from dividend, as supplementary income from the main business of the Company. In addition, the transaction to purchase ordinary shares in Thai Tap Water Supply Co., Ltd. is a justifiable decision to invest in a project which tends to derive a good rate of return on investment on a long-term basis, with appropriate and acceptable risk management. This would bring the optimum benefit to the Company. Moreover, the agreed purchase price of Baht 320 per share is derived from the valuation of shares by the net present value method of cash flows, using the discount rates of 9 to 12 percent, which is a good return. It was thus considered fair and reasonable price.

9. **Opinion of the Audit Committee and/or the Company's Directors which is different from the Board of Directors' Opinion under Clause 8.**

- None -

Please be informed accordingly.

Very truly yours,

(Mr. Suvich Pungchareon)
Managing Director

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