

(Translation)

No. BorThorGor. 151/L 107.007/49

June 21, 2006

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

Attn.: The President of the Stock Exchange of Thailand

Bangkok Expressway Public Company Limited (BECL) currently holds 3.25 million shares in Thai Tap Water Supply Co., Ltd. (TTW), representing 10 percent of the registered capital of Baht 3,250 Million. The Board of Directors Meeting No. 2/2006 on June 21, 2006 resolved to grant approval for the Company to purchase additional 812,500 ordinary shares in TTW from CH. Karnchang Public Company Limited, at the price of Baht 320 per share, in the total transaction value of Baht 260 Million, representing 2.5 percent of the registered capital. This would render the Company to hold a total of 4,062,500 shares in TTW, representing 12.5 percent of the registered capital of Baht 3,250 Million.

The execution of such transaction with CH. Karnchang Public Company Limited, as a major shareholder of Bangkok Expressway Public Company Limited, 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 receipt of approval from the Board of Directors Meeting.

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 entering into 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 its issued and paid-up registered capital of Baht 3,250 Million, divided into 32.5 million shares, at the par value of Baht 100 per share, with the following major shareholders:

Shareholders	Number of Shares	Percentage of Registered Capital
CH. Karnchang Public Company Limited	16,310,894	50.19
Mitsui Water Holdings (Thailand) Limited	11,375,000	35.00
Bangkok Expressway Public Company Limited	3,250,000	10.00
Other shareholders	1,564,106	4.81
<b>Total</b>	<b>32,500,000</b>	<b>100.00</b>

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

(Unit: Thousand Baht)

	March 31, 2006	December 31, 2005	December 31, 2004
<u>Balance Sheet</u>			
Total assets	11,120,507	10,360,964	10,213,747
Total liabilities	7,011,906	7,013,147	7,095,967
Shareholders' equity	4,108,601	3,347,817	3,117,780
Book value per share	126.42	111.59	88.81
<u>Income Statement</u>			
Total revenue	386,300	1,360,248	889,910
Total expenses	158,294	1,025,211	457,337
Net earnings	130,284	335,037	432,573

### 3. Total Transaction Value and Payment Method

3.1 Total Transaction Value : Bangkok Expressway Public Company Limited shall purchase 812,500 ordinary shares in Thai Tap Water Supply Co., Ltd. from CH. Karnchang Public Company Limited, at the price of Baht 320 per share, in the total transaction value of Baht 260 Million, representing the transaction volume of 1.70 percent of the net tangible asset value as at March 31, 2006.

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 March 16, 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 March 16, 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** : Cash flow from the Company's operation.

**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 investment in Thai Tap Water Supply Co., Ltd. tends to derive a good rate of return on investment on a long-term basis, with good results of operation and an ability to pay dividend to shareholders. This would bring the optimum benefit to the Company. It is therefore considered appropriate to make additional investment by 2.5 percent from 10 percent as initially invested, so that the Company would hold shares of 12.5 percent of the registered capital, entitling the Company to participate in management. In addition, the agreed purchase price of Baht 320 per share, which is the same price as that proposed to the Meeting of Shareholders for approval of the previous purchase and is derived from the valuation of shares by the net present value method of cash flows, would allow the Company to derive a return on investment at the rate of 11.42 percent, which is considered a reasonable rate of return. It is thus deemed that the agreed purchase price is considered fair and reasonable.

**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,

- Signature -  
(Mr. Suvich Pungchareon)  
Managing Director

Managing Director Office  
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