

(Translation)

No. BorThorGor. 151/L 107.012/50

August 27, 2007

Re: Engagement of CH. Karnchang Public Company Limited for Inspection and Repair of the Si Rat Expressway (Sector A)  
Attn. The President of the Stock Exchange of Thailand  
Enclosures: Information Memorandum on Connected Transaction of Bangkok Expressway Public Company Limited

Bangkok Expressway Public Company Limited hereby notifies the resolution passed by the Board of Directors Meeting No. 3/2007 on August 27, 2007, granting approval for Bangkok Expressway Public Company Limited to carry out inspection and repair of the Si Rat Expressway (Sector A), in the amount of Baht 127,620,707.78 (excluding VAT). The respective transactions of the Company and of the Subsidiary represent 0.81% of the net tangible asset value in the consolidated financial statements of the Company and the Subsidiary as at June 30, 2007. In this regard, CH. Karnchang Public Company Limited, as a major shareholder in Bangkok Expressway Public Company Limited, will be engaged to carry out such inspections and repairs constituting connected transactions under the Stock Exchange of Thailand Notification. These transactions are considered normal business transactions of the Company without any general trading conditions pursuant to the Stock Exchange of Thailand Notification, Re: Disclosure of Information and Act of Listed Companies Concerning the Connected Transactions B.E. 2546 (2003), as detailed in the Enclosures.

Please be informed accordingly.

Very truly yours,

- Signature -

(Mrs. Payao Marittanaporn)  
Managing Director

Managing Director Office  
Tel.: 0-2641-4611 Ext. 610, 613

## **Inspection and Repair of the Si Rat Expressway (Sector A)**

### **1. Transaction Date and Related Party**

#### 1.1 Transaction Date

By the month of September 2007

#### 1.2 Related Party

Employer : Bangkok Expressway Public Company Limited

Contractor : CH. Karnchang Public Company Limited

### **2. General Description and Details of Connected Transaction**

Bangkok Expressway Public Company Limited, as operator of the Si Rat Expressway, will engage CH. Karnchang Public Company Limited to carry out the inspection and repair of the Si Rat Expressway (Sector A), in the amount of Baht 127,620,707.78 (excluding VAT), the transaction represents 0.81% of the net tangible asset value in the consolidated financial statements of the Company and the Subsidiary as at June 30, 2007.

The fact that the company would engage CH. Karnchang Public Company Limited, as a major shareholder of Bangkok Expressway Public Company Limited, shall carry out the foregoing work, constitutes a connected transaction, which is a normal business transaction of the Company without any general trading conditions, pursuant to the Stock Exchange of Thailand Notification, Re: Disclosure of Information and Act of Listed Companies Concerning the Connected Transactions B.E. 2546 (2003).

### **3. Total Value and Basis of Calculation of the Total Value of Transaction**

3.1 Total Value of Consideration : Baht 127,620,707.78 (excluding VAT)

3.2 Payment Method : By cheques in installments of work

3.3 Basis of Calculation of the Value

The Company has complied with the policy of the Board of Directors relating to the inspection, repair and improvement of the Second Stage Expressway, which is considered a normal business transaction without any general trading conditions, as follows:

- 1) Inspection shall be conducted as necessary for the repair and improvement.
- 2) Independent consulting engineer shall be provided for inspection and evaluation of the value of work;
- 3) The Audit Committee grants approval for the following matters:
  - (1) The transaction is justified and results in the optimum benefit to the Company, taking into consideration the expertise, experience and price;

- (2) The Company's disclosure of information is accurate and complete pursuant to the Stock Exchange of Thailand Notification, Re: Disclosure of Information and Act of Listed Companies Concerning the Connected Transactions.

In the selection of the contractor for inspection and repair of the Si Rat Expressway (Sector A), the Company has considered those companies, which jointly established Joint Venture BBCT to carry out the construction of the Si Rat Expressway, due to their expressway construction expertise, for the inspection and repair on this occasion. Such companies are Bilfinger Berger Construction Co., Ltd. from Germany, CH. Karnchang Public Company Limited, and Tokyu Construction Co., Ltd. from Japan. Having considered the capability, know-how, ability and readiness of engineers, experts and their team, the availability of machinery and equipment to be used in the inspection, repair and improvement, and the rate of fees and costs of engineers, experts and their team, as well as other matters, CH. Karnchang Public Company Limited is considered well capable of carrying out this work due to the availability of the existing engineers and skilled workers with experience in the construction of the Si Rat Expressway and the Udon Ratthaya Expressway. In this regard, CH. Karnchang Public Company Limited is well prepared to immediately commence the work, and also possesses know-how comparable to international construction companies, and machinery and equipment for inspection and repair of the Si Rat Expressway (Sector D) to ensure the rapidity of the work, not to mention the fact that CH. Karnchang Public Company Limited is currently providing services of inspection, repair and improvement of the Si Rat Expressway, Phase I - VI. In respect of the fee for engagement of CH. Karnchang Public Company Limited, the Company has negotiated in the ordinary course of business, and comparing to the price estimated by the independent consulting engineer company, such fee is lower than the estimated price.

#### **4. Details of Connected Persons**

- 4.1 CH. Karnchang Public Company Limited holds 113,267,750 shares, representing 14.71 percent of the registered capital, in Bangkok Expressway Public Company Limited as at March 15, 2007;
- 4.2 Mr. Plew Trivisvavet holds the position of Chairman of the Executive Board of Bangkok Expressway Public Company Limited and Chairman of the Executive Board and Chief Executive Officer of CH. Karnchang Public Company Limited;
- 4.3 Mr. Prasert Marittanaporn, Director and Executive Vice President of CH. Karnchang Public Company Limited, is the spouse of Mrs. Payao Marittanaporn, Managing Director of Bangkok Expressway Public Company Limited.

**5. Nature and Scope of Interest of Connected Persons**

CH. Karnchang Public Company Limited holds 113,267,750 shares, representing 14.71 percent of the registered capital, in Bangkok Expressway Public Company Limited as at March 15, 2007.

**6. Fund Source** : Cash flow from the Company's operation.

**7. Director Having Interest and Being Connected Person** is Mr. Plew Trivisvavet and Mrs. Payao Marittanaporn, who neither participated nor voted in the Meeting.

**8. Opinion of the Board**

Having considered the matter, the Board of Directors was of the opinion that this transaction was justified because:

8.1 The construction cost is appropriate and lower than that was estimated by the independent consulting company;

8.2 The Company would obtain optimum benefit due to the fact that the contractor has expertise and experience in construction of the Second Stage services for inspection and repair of the Si Rat Expressway, Phases I - VI, hence it being well prepared to carry out the work and ready to immediately commence the work.

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

- None -