

12. Financial Status and Operational Results

Summary of the Report of the Audit Committee

The Audit Committee is of the view that the financial statements of Bangkok Expressway Public Company Limited were prepared in accordance with generally accepted accounting principles. The disclosure of information in the financial report is accurate and reliable. The Company's internal control system was adequate and proper to the nature of its business without substantial fault.

Summary of the Report on Responsibilities of the Board of Directors towards the Financial Report

The Board of Directors of Bangkok Expressway Public Company Limited is of the opinion that the financial statements for the year 2006 of the Company and the Subsidiary, which have been reviewed by the Audit Committee in conjunction with the management, and audited by the Company's auditor, present fairly, in all material aspects, the financial status and operational results in accordance with generally accepted accounting principles.

Summary of the Report of the Auditor

Ernst & Young Office Limited, as the auditor for the Company and the Subsidiary, has audited the consolidated balance sheets of Bangkok Expressway Public Company Limited and the Subsidiary as at 31 December 2006 and 2005, and the related consolidated statements of income, changes in shareholders' equity, and cash flows for the years then ended, and the individual financial statements of Bangkok Expressway Public Company Limited for the same years, and is of the opinion that the financial statements and the consolidated financial statements as referred to above present fairly, in all material aspects, the financial status of Bangkok Expressway Public Company Limited and the Subsidiary, and of Bangkok Expressway Public Company Limited, as at 31 December 2006 and 2005, their operational results and cash flows for the years then ended in accordance with generally accepted accounting principles.



12.1 Financial Statements of Bangkok Expressway Public Company Limited and the Subsidiary

Bangkok Expressway Public Company Limited and the Subsidiary

Balance Sheets

As at 31 December 2006, 2005 and 2004

(Unit: Baht)

	2006		2005		2004	
	Amount	Percent	Amount	Percent	Amount	Percent
Assets						
Current assets						
Cash and cash equivalents	236,233,362	0.52	214,207,371	0.46	165,212,982	0.34
Current investments	312,515,124	0.68	63,250,951	0.14	652,857,032	1.35
Other current assets						
Advance payments under service contract	6,528,944	0.01	1,381,613	0.00	12,111,453	0.03
Prepaid expenses	3,760,287	0.01	6,294,167	0.01	2,708,685	0.01
Withholding tax deducted at sources	541,730	0.00	18,050	0.00	1,013	0.00
Others	6,076,566	0.01	7,510,272	0.02	5,817,837	0.01
Total current assets	565,656,013	1.24	292,662,424	0.63	838,709,002	1.73
Non-current assets						
Long-term investments -net	3,025,817,347	6.62	2,230,452,821	4.77	1,295,121,315	2.68
Property, plant and equipment - net	249,247,973	0.54	257,134,417	0.55	274,612,907	0.57
Construction in progress	-	-	-	-	22,109,138	0.05
Right to operate completed expressway sectors - net	41,877,901,172	91.56	43,984,810,790	94.02	45,908,191,098	94.94
Intangible assets - net	3,890,788	0.01	2,131,093	0.00	1,269,716	0.00
Other non-current assets						
Deposits	16,088,123	0.04	16,098,078	0.03	16,071,918	0.03
Others	382,074	0.00	527,527	0.00	496,653	0.00
Total non-current assets	45,173,327,477	98.76	46,491,154,726	99.37	47,517,872,745	98.27
Total assets	45,738,983,490	100.00	46,783,817,150	100.00	48,356,581,747	100.00



**Bangkok Expressway Public Company Limited and the Subsidiary
Balance Sheets (Continued)**

As at 31 December 2006, 2005 and 2004

(Unit: Baht)

	2006		2005		2004	
	Amount	Percent	Amount	Percent	Amount	Percent
Liabilities and shareholders' equity						
Current liabilities						
Bank overdrafts	-	-	6,749,483	0.01	3,943,421	0.01
Trade accounts payable	30,871,546	0.07	27,468,027	0.06	26,942,753	0.06
Current portion of long-term loans	2,646,720,000	5.79	2,580,000,000	5.51	2,193,000,000	4.54
Value added tax payable	36,993,095	0.08	36,634,250	0.08	36,439,496	0.08
Other payables	8,529,974	0.02	3,503,737	0.01	10,655,982	0.02
Other current liabilities						
Corporate income tax payable	298,642,184	0.65	307,600,462	0.66	86,626,020	0.18
Retentions guarantees	19,130,331	0.04	24,396,258	0.05	15,466,436	0.03
Others	52,237,563	0.11	38,622,908	0.08	37,784,066	0.08
Total current liabilities	3,093,124,693	6.76	3,024,975,125	6.47	2,410,838,174	4.99
Non - Current liabilities						
Provision for compensation for site acquisition cost	1,382,090,000	3.02	1,460,870,000	3.12	1,401,070,000	2.90
Long-term loans -net	25,736,297,600	56.27	27,383,017,600	58.53	29,963,017,600	61.96
Total non-current liabilities	27,118,387,600	59.29	28,843,887,600	61.65	31,364,087,600	64.86
Total liabilities	30,211,512,293	66.05	31,868,862,725	68.12	33,774,925,774	69.85



**Bangkok Expressway Public Company Limited and the Subsidiary
Balance Sheets (Continued)**

As at 31 December 2006, 2005 and 2004

(Unit: Baht)

	2006		2005		2004	
	Amount	Percent	Amount	Percent	Amount	Percent
Shareholders' equity						
Share capital						
Registered 800,000,000 ordinary shares of Baht 10 each	8,000,000,000	17.49	8,000,000,000	17.10	8,000,000,000	16.54
Issued and paid up 770,000,000 ordinary shares of Baht 10 each	7,700,000,000	16.83	7,700,000,000	16.46	7,700,000,000	15.92
Premium on ordinary shares	4,848,492,969	10.60	4,848,492,969	10.36	4,848,492,969	10.03
Unrealised loss on changes in value of investment	(160,690,327)	(0.35)	-	-	-	-
Retained earnings						
Appropriated - statutory reserve	473,087,511	1.03	395,927,156	0.85	321,512,234	0.66
Unappropriated	2,666,581,044	5.83	1,970,534,300	4.21	1,711,650,770	3.54
Total shareholders' equity	15,527,471,197	33.95	14,914,954,425	31.88	14,581,655,973	30.15
Total liabilities and shareholders' equity	45,738,983,490	100.00	46,783,817,150	100.00	48,356,581,747	100.00



Bangkok Expressway Public Company Limited and the Subsidiary

**Income Statements
For the years ended 31 December 2006, 2005 and 2004**

(Unit: Baht)

	2006		2005		2004	
	Amount	Percent	Amount	Percent	Amount	Percent
Revenues						
Toll revenue	6,943,815,622	99.02	6,714,904,053	99.71	6,549,954,762	99.23
Other income						
Gain on sale of investment in a subsidiary company	-	-	-	-	27,144,000	0.41
Gain on sale of investment in other company	10,222,677	0.15	-	-	-	-
Interest income	16,472,439	0.23	8,987,076	0.13	9,699,633	0.15
Dividend income	24,880,000	0.35	-	-	-	-
Others	17,465,727	0.25	10,214,589	0.15	13,828,209	0.21
Total revenues	7,012,856,465	100.00	6,734,105,718	100.00	6,600,626,604	100.00
Expenses						
Amortisation of rights to operate completed expressway sectors	2,116,192,189	30.18	2,034,956,986	30.22	1,987,577,871	30.11
Provision for compensation for site acquisition cost	421,220,000	6.01	359,800,000	5.34	305,940,000	4.64
Operating and administration expenses	1,002,520,445	14.30	927,710,351	13.78	926,256,351	14.03
Loss on impairment of investment	13,282,309	0.19	-	-	-	-
Total expenses	3,553,214,943	50.67	3,322,467,337	49.34	3,219,774,222	48.78
Income before interest expenses and income tax	3,459,641,522	49.33	3,411,638,381	50.66	3,380,852,382	51.22
Interest expenses	1,243,361,179	17.73	1,239,746,197	18.41	1,325,593,781	20.08
Corporate income tax	673,073,244	9.60	683,593,732	10.15	207,913,583	3.15
Income before minority interest	1,543,207,099	22.01	1,488,298,452	22.10	1,847,345,018	27.99
Net loss in minority interest	-	-	-	-	68,539,868	1.04
Net income for the year	1,543,207,099	22.01	1,488,298,452	22.10	1,915,884,886	29.03



**Bangkok Expressway Public Company Limited and the Subsidiary
Statements of Cash Flows
For the years ended 31 December 2006, 2005 and 2004**

(Unit: Baht)

	2006	2005	2004
Cash flows from operating activities:-			
Net income for the year	1,543,207,099	1,488,298,452	1,915,884,886
Adjustments to reconcile net income to net cash provided by (paid from) operating activities:-			
Minority interest in loss of a subsidiary company	-	-	(68,539,868)
Gain on sale of investment in a subsidiary company	-	-	(27,144,000)
Gain on sale of investment in a subsidiary company	(10,222,677)	-	-
Depreciation and amortisation	2,148,534,011	2,065,326,429	2,015,183,066
Provision for withholding tax deducted at source	-	-	21,052,859
Gain on sale of equipment	(2,257,032)	(393,986)	(2,028,125)
Provision for compensation for site acquisition	421,220,000	359,800,000	305,940,000
Loss on impairment of investment	13,282,309	-	-
	4,113,763,710	3,913,030,895	4,160,348,818
Income from operating activities before changes in operating assets and liabilities			
Decrease (increase) in operating assets			
Other current assets	(1,721,475)	5,434,886	26,424,136
Other non-current assets	173,458	(57,034)	31,628
Increase (decrease) in operating liabilities			
Trade accounts payable	3,403,519	525,274	6,113,100
Value added tax payable	358,845	194,754	(1,685,153)
Other payables	5,026,237	(7,152,245)	(34,386,192)
Other current liabilities	(13,891,861)	230,763,106	104,961,131
Cash paid for compensation for site acquisition	(500,000,000)	(300,000,000)	(100,000,000)
Net cash flows from operating activities	3,607,112,433	3,842,739,636	4,161,807,468

Bangkok Expressway Public Company Limited and the Subsidiary
Statements of Cash Flows (Continued)
For the years ended 31 December 2006, 2005 and 2004

(Unit: Baht)

	2006	2005	2004
Cash flows from (used in) investing activities:-			
Decrease (increase) in current investments	(249,264,173)	589,606,081	(264,463,640)
Cash received from sale of investment in a subsidiary company	-	-	36,000,000
Cash received from sale of long-term investments	320,222,678	-	-
Increase in other long-term investments	(1,266,054,853)	(935,331,506)	(275,121,315)
Purchase of equipment	(27,285,236)	(13,211,454)	(37,744,534)
Cash received from sale of equipment	5,337,527	864,100	4,513,338
Construction in progress	-	-	(22,109,138)
Additional construction of Second Stage Expressway and Bang Pa-in - Pak Kret Expressway	(9,282,571)	(89,467,540)	(22,843,003)
Increase in intangible assets	(2,010,331)	(1,010,990)	(1,307,500)
Net cash flows used in investing activities	(1,228,336,959)	(448,551,309)	(583,075,792)
Cash flows from (used in) financing activities:-			
Increase (decrease) in bank overdraft	(6,749,483)	2,806,062	2,368,205
Cash payment for long-term loans	(2,580,000,000)	(2,193,000,000)	(2,579,000,000)
Cash received from long-term loans	1,000,000,000	-	1,000,000,000
Dividend paid	(770,000,000)	(1,155,000,000)	(1,925,000,000)
Net cash flows (used in) financing activities	(2,356,749,483)	(3,345,193,938)	(3,501,631,795)
Net increase in cash and cash equivalents	22,025,991	48,994,389	77,099,881
Cash and cash equivalents at beginning of year	214,207,371	165,212,982	88,113,101
Cash and cash equivalents at end of year	236,233,362	214,207,371	165,212,982

12.2 Financial Ratios of Consolidated Financial Statements
**Bangkok Expressway Public Company Limited and the Subsidiary
Significant Financial Ratios**

	Unit	2006	2005	2004
LIQUIDITY RATIO				
1. Liquidity Ratio	Times	0.18	0.10	0.35
2. Quick Ratio	Times	0.18	0.09	0.34
3. Cash Flow Ratio	Times	1.18	1.41	1.83
4. Accounts Payable Turnover	Times	N.A.	N.A.	N.A.
5. Average Debt Servicing Period	Day	N.A.	N.A.	N.A.
PROFITABILITY RATIO				
6. Gross Margin Ratio	%	69.52	69.69	69.66
7. Cash to Profitability Ratio	%	233.74	258.20	217.23
8. Net Profit Ratio	%	22.01	22.20	29.13
9. Return on Equity	%	10.14	10.15	13.20
EFFICIENCY RATIO				
10. Return on Assets	%	3.34	3.15	3.93
11. Return on Fixed Assets	%	8.52	7.86	8.35
12. Assets Turnover	Times	0.15	0.14	0.13
FINANCIAL POLICY RATIO				
13. Debt to Equity Ratio	Times	1.95	2.14	2.32
14. Interest Coverage	Times	4.44	4.65	4.30
15. Obligation Serviceability Ratio	Times	1.07	0.88	1.08
Per Share DATA				
16. Book Value per Share	Baht	20.17	19.37	18.94
17. Net Earnings per Share	Baht	2.00	1.93	2.49
18. Dividend per Share	Baht	N.A.	1.00	2.00

Remark:

- 1) Items 1 - 3: Toll revenue is received daily in cash while the loan would be repaid on a monthly basis out of the net cash receipts, therefore, the liquidity ratio would not affect the Company's debt serviceability.
- 2) Items 4 - 5: Most of accounts payable of the Company and the Subsidiary were incurred by the costs of repair and maintenance and the operation costs while the costs of goods sold represented the amortisation of the right to operate the complete Expressway sectors. Therefore, it is not possible to calculate the accounts payable turnover and the average debt servicing period which contain analytical connotation.

- 3) Payment of dividends in the year 2006 is at the discretion of the Ordinary General Meeting of Shareholders in April 2007. However, the Company made payment of interim dividends at the rate of Baht 0.50 per share in September 2006.

12.3 Description and Analysis of Financial Status and Operational Results

1. Operational Results

The operational results in the year 2006 of the Company and the Subsidiary showed the net earnings from operations in the amount of Baht 1,543 Million, as compared to the net earnings of Baht 1,488 Million in the previous year, representing an increase by Baht 55 Million or 3.70 percent. Such increase was due to an increase in the toll revenue resulting from continuous growth of the volume of vehicles using the Expressways, together with the opening of Suvarnabhumi Airport which increased in the number of motorists using the Expressway heading for the Airport throughout the day. Moreover, in the year 2006, the Company earned additional income from dividend received from investment in Thai Tap Water Supply Public Company Limited and gain on sale of investment in Bangkok Metro Public Company Limited.

Summary of Significant Operational Results

	2006	2005	(Unit: Million Baht)	
			Changes Amount	%
Toll revenue	6,944	6,715	229	3.41
Total revenue	7,012	6,734	278	4.13
EBITDA	5,608	5,477	131	2.40
Net earnings	1,543	1,488	55	3.70
Net earnings per share (Baht)	2.00	1.93	0.07	3.70

1.1 Revenue

In the year 2006, the Company and the Subsidiary had total revenue in the amount of Baht 7,012 Million, representing an increase by Baht 278 Million or 4.13 percent from that of the previous year, with material particulars as follows:

- (1) In respect of toll revenue, even though the economic slow down due to the fluctuation of the oil price and the political issues during the previous year, such factor slightly affected the toll revenue of the Company and the Subsidiary. The toll revenue in this year amounted to Baht 6,944 Million, representing an increase by Baht 229 Million or 3.41 percent, as compared to Baht 6,715 Million in the previous year, as per the details divided into routes as follows:



(Unit: Million Baht)

	2006	2005	Changes	
			Amount	%
Chalerm Mahanakorn Expressway	2,800	2,752	48	1.74
Si Rat Expressway				
Sector A (Rama IX - Ratchadapisek)	1,336	1,326	10	0.75
Sector B (Phayathai - Bang Khlo)	650	645	5	0.78
Sector C (Ratchadapisek - Chaeng Wattana)	660	624	36	5.77
Sector D (Rama IX - Srinagarindra)	<u>929</u>	<u>834</u>	<u>95</u>	<u>11.39</u>
Total Second Stage Expressway	3,575	3,429	146	4.26
Udon Ratthaya Expressway	<u>569</u>	<u>534</u>	<u>35</u>	<u>6.55</u>
Total	<u>6,944</u>	<u>6,715</u>	<u>229</u>	<u>3.41</u>

- Chalerm Mahanakorn Expressway: Toll revenue represented growth by 1.74 percent in September of the previous year due to the opening for service of Industrial Ring Road, thereby causing decrease in the volume of vehicles at Suksawat Toll Plaza and Sathu Pradit Toll Plaza while the number of motorists using other toll plazas continued to increase. As a result, in 2006, total revenue continued to grow, as compared to the overall in the previous year.
- Si Rat Expressway: Based on overview, toll revenue continued to grow, particularly, in the outbound Expressway to which the Company was entitled to all revenue. Sector D of the Si Rat Expressway had a revenue growth rate representing 11.39 percent, resulting from the increased volume of vehicles heading for Suvarnabhumi Airport since its opening in late September 2006, together with the expansion of urban communities adjacent to Suvarnabhumi Airport. Sector C of the Si Rat Expressway had a revenue growth rate representing 5.77 percent, as compared to the previous year. This was because of improvement and enhancement of efficiency in provision of service, by construction of the flyover crossing Prachachuen Road and addition of toll booths, including the fact that motorists used this route as shortcut to Vibhavadi - Rangsit Road. In respect of Sector A and Sector B of the Si Rat Expressway as part of the urban network, the revenue growth rate slightly increased.
- Udon Ratthaya Expressway: Toll revenue continued to grow with an increase by 6.55 percent, as compared to the previous year, due to the expansion of such

communities around Bang Phun area and more motorists using the Expressway to avoid traffic congestion from the construction of the flyover on Chaeng Wattana Road around Muang Thong Thani area.

- (2) Other income amounted to Baht 68 Million, representing an increase by Baht 49 Million or 72.06 percent from that of the previous year, whereby the major item was dividend received from Thai Tap Water Supply Public Company Limited in the amount of Baht 25 Million and gain on sale of investment in Bangkok Metro Public Company Limited in the amount of Baht 10 Million.

1.2 Expenses

In the year 2006, the Company and the Subsidiary incurred expenses in the total amount of Baht 3,553 Million, representing an increase by Baht 231 Million or 6.95 percent from that of the previous year, with material particulars as follows:

- (1) The amortization of rights to operate the complete Expressway sectors amounted to Baht 2,116 Million, representing an increase by Baht 81 Million or 3.98 percent, due to the increased volume of vehicles using the Expressways.
- (2) The provision for compensation for site acquisition cost amounted to Baht 421 Million, representing an increase by Baht 61 Million or 16.94 percent. Such provision was recorded to cut the cost of the present value of the compensation to be paid to the Expressway and Rapid Transit Authority of Thailand, while the actual payment of the first installment under the Agreement was made in the year 2004. As for this year, such payment was made in the amount of Baht 500 Million.
- (3) The operating and administrative expenses amounted to Baht 1,003 Million, representing an increase by Baht 76 Million or 8.20 percent, mainly comprising expenses for toll collection and traffic management as well as costs of repair and maintenance of the Expressways.
- (4) Loss from devaluation of investment in the Subsidiary amounted to Baht 13 Million. Given the continued loss on the Subsidiary's operational results, the Company thus estimated devaluation of such investment.

1.3 Interest Expenses

In the year 2006, the Company and the Subsidiary incurred interest expenses equal to Baht 1,243 Million, representing an increase by Baht 3 Million or 0.24 percent from that of the

previous year. The Company paid interest and repaid the loans on a monthly basis with cost of borrowing at the fixed rate of 4 percent per annum which was increased to 5 percent per annum since October 2006. During the year 2006, the Company made an additional loan drawdown in the amount of Baht 1,000 Million.

1.4 Corporate Income Tax

In the year 2006, the corporate income tax of the Company amounted to Baht 673 Million, representing a decrease by Baht 11 Million or 1.61 percent.

2. Financial Status

2.1 Assets

The total assets of the Company and the Subsidiary as at 31 December 2006 amounted to Baht 45,739 Million, with the details of significant increases and decreases as compared to those as at the previous year end as follows:

2.1.1 Cash and cash equivalents as well as short-term investments amounted to Baht 548 Million, representing an increase by Baht 271 Million or 97.84 percent. The Company deposited the cash with banks and made short-term investments with good rate of return.

2.1.2 Other long-term investments amounted to Baht 3,026 Million, representing an increase by Baht 796 Million or 35.70 percent, comprising:

- Investment in Bangkok Metro Public Company Limited (BMCL), which is the company obtaining concession from the Mass Rapid Transit Authority of Thailand, as at 31 December 2006 amounted to Baht 1,610.53 Million, whereby in September, the Company, as an existing shareholder of BMCL, sold 250 million ordinary shares held in BMCL as per its shareholding ratio to the general public, to enable BMCL to be qualified in accordance with the rules of the Stock Exchange of Thailand. In this regard, the Company generated profit amounting to Baht 10 Million from such sale of shares. In addition, after the Stock Exchange of Thailand had considered accepting ordinary shares of BMCL to be listed on the Stock Exchange of Thailand, the Company's Board of Directors passed a resolution approving a repurchase of such shares in the amount and at the price not exceeding the previous sale. As at the end of the year 2006, the Company held shares representing 11.93 percent of the registered capital in BMCL.

- Investment in SouthEast Asia Energy Limited (SEAN), which is the company obtaining concession from the Lao PDR Government for construction and operation of Nam Ngum 2-Hydroelectric Power Project, as at 31 December 2006 amounted to Baht 162.50 Million. During the year, SEAN called for additional payment for shares and increased its registered capital from Baht 400 Million to Baht 4,000 Million, whereby the Company exercised the right to purchase additional shares as per its existing shareholding ratio, i.e., representing 12.50 percent, constituting an additional investment of Baht 140.63 Million in the year 2006. At present, SEAN is currently carrying out construction in progress beyond schedule.
- Investment in Thai Tap Water Supply Public Company Limited (TTW), which is the company operating the business of production and distribution of tap water to the Provincial Waterworks Authority, as at 31 December 2006 amounted to Baht 1,252.78 Million. In this year, the Company made an additional investment in the amount of Baht 832.28 Million, thereby resulting in the Company's shareholding ratio in TTW representing 12.50 percent of the registered capital. In the year 2006, the Company received dividend of Baht 24.88 Million from its investment in TTW.

2.1.3 Right to operate the completed Expressway sectors decreased by Baht 2,107 Million, due to amortization as expenses in the income statement based on the volume of vehicles using the Expressways.

2.2 Liabilities

The total liabilities of the Company and the Subsidiary as at 31 December 2006 amounted to Baht 30,212 Million, representing a decrease by Baht 1,657 Million or 5.20 percent from that as at the previous year end, with the details of significant increases and decreases, as compared to those as at the previous year end, as follows:

- 2.2.1 Provision for compensation for site acquisition cost had a net decrease by Baht 79 Million, due to decrease in provision for compensation from actual payment in the amount of Baht 500 Million and setting up additional provision during the year in the amount of Baht 421 Million.
- 2.2.2 Long-term loans had a net decrease by Baht 1,580 Million, due to the repayment of loans in the ordinary course under the agreement in the amount of Baht 2,580 Million and additional loan drawdown in the amount of Baht 1,000 Million.

2.3 Shareholders' Equity

The total shareholders' equity of the Company and the Subsidiary as at 31 December 2006 amounted to Baht 15,527 Million, representing an increase by Baht 612 Million or 4.11 percent from that as at the previous year end, with the details of significant increases and decreases, as compared to those as at the previous year end, as follows:

- 2.3.1 Increase in net earnings from operations for the year 2006 amounted to Baht 1,543 Million.
- 2.3.2 Decrease due to the Company's dividend of Baht 770 Million, divided into dividend payment in the amount of Baht 385 Million or Baht 0.50 per share for the operational results of the last six months of the year 2005 on 4 May 2006 in accordance with the resolution passed by the 2006 Annual Ordinary General Meeting of Shareholders, and interim dividend payment in the amount of Baht 385 Million or Baht 0.50 per share for the operational results of the first six months of the year 2006 on 6 October 2006 in accordance with the resolution passed by the Company's Board of Directors Meeting No. 3/2006.
- 2.3.3 Decrease due to adjustment of value of investment in BMCL in compliance with market price in the amount of Baht 161 Million.

The Company's registered capital amounts to Baht 8,000 Million, with the authorized and paid-up capital of Baht 7,700 Million, the premium on ordinary shares of Baht 4,848 Million, the appropriated retained earnings of Baht 473 Million, and the unappropriated retained earnings of Baht 2,666 Million.

3. Cash Flow

In the year 2006, the Company and the Subsidiary had cash flow from operating activities in the amount of Baht 3,607 Million, whereby the Company used such cash in investing activities in the amount of Baht 1,228 Million, mainly in Thai Tap Water Supply Public Company Limited in the amount of Baht 832 Million, SouthEast Asia Energy Limited in the amount of Baht 141 Million, and Bangkok Metro Public Company Limited in the amount of Baht 293 Million. In addition, cash received from sale of investment in Bangkok Metro Public Company Limited amounted to Baht 320 Million. In respect of financing activities, the Company used such cash in the total amount of Baht 2,357 Million for repayment of long-term loans in the net amount of Baht 1,580 Million, dividend payment in the amount of Baht 770 Million. In the year 2006, the Company had increased cash in the net amount of Baht 22 Million, when combined with cash brought forward in the amount of Baht 214 Million, the cash balance as at the end of December 2006 amounted to Baht 236 Million.

**4. Financial Ratios**

	2006	2005
Net Profit Margin	22.01%	22.20%
Return on Equity	10.14%	10.15%
Return on Assets	3.34%	3.15%
Interest Coverage (times)	4.44	4.65
Debt to Equity (times)	1.95	2.14

12.4 Remuneration of Auditor

In the year 2006, the Company engaged Ernst & Young Office Limited as the Company's auditor in accordance with the resolution of the 2006 Annual Ordinary General Meeting of Shareholders, which was held on 5 April 2006. The remuneration to be received by the auditor from the Company and the Subsidiary are as follows:

(1) Auditing remuneration

Bangkok Expressway Public Company Limited	Baht 750,000
Northern Bangkok Expressway Company Limited	Baht <u>240,000</u>
Total	Baht <u>990,000</u>