



Executive Summary

Bangkok Expressway Public Company Limited and Northern Bangkok Expressway Company Limited (Subsidiary) operate the business of construction and management of the Si Rat Expressway (Second Stage Expressway) and its extensions, and the Udon Rattaya Expressway (Bang Pa-in – Pak Kret Expressway), including related businesses under the Second Stage Expressway Agreement entered into between the Expressway and Rapid Transit Authority of Thailand and the Company for a contract period of 30 years from 1 March 1990 to 28 February 2020, and under the Bang Pa-in – Pak Kret Expressway Agreement entered into between the Expressway and Rapid Transit Authority of Thailand and the Subsidiary with a contract period of 30 years from 27 September 1996 to 26 September 2026. These Agreements were executed in the form of concession on a BTO (Build, Transfer and Operate) basis, in other words, the Company is responsible for the design, construction and management of the Expressways while the title to various permanent constructions shall be vested in the Expressway and Rapid Transit Authority of Thailand.

The Company presently maintains registered capital of Baht 8,000 Million, Baht 7,700 Million of which is paid up. The Subsidiary presently maintains registered capital of Baht 6,000 Million, Baht 3,750 Million of which is paid up. The Company holds shares in the Subsidiary representing 53.33 percent of its registered capital. The Company's shareholding structure primarily comprises CH. Karnchang Group, Bangkok Bank Group, Krung Thai Bank Group, Thai Military Bank Group and Siam Commercial Bank Group, with good cooperation between the Company and its shareholders over the past period.

The Si Rat Expressway comprises four Sectors, namely Sector A (Rama IX - Ratchadapisek), Sector B (Phayathai – Bangkhlo), Sector C (Ratchadapisek – Chaeng Watthana) and Sector D (Rama IX – Srinagarindra) while the Udon Rattaya Expressway comprises two Stages, namely Stage 1, Chaeng Watthana – Bang Phun – Chiang Rak, and Stage 2, Chiang Rak – Bang Sai. This Udon Rattaya Expressway connects to the Si Rat Expressway around Chaeng Watthana Road.

In the year 2004, the Company has improved the provision of services to provide more facilities to Expressway users by adding toll booths at Prachachuen Toll Plaza and improving the exit to Mahanakorn Road as well as improving the exit to Rama IX Road, so as to alleviate traffic congestion around such areas. In addition, the construction of a flyover crossing Prachachuen Road and Khlong Prapa from the exit around Prachachuen Toll Plaza to Ratchadapisek Road has commenced. This flyover is intended to resolve traffic problems around the exit to Prachachuen Road. In respect of report and traffic inquiries on the Expressways, the Company added another telephone number, namely 0-2664-6400, with five automatic telephone lines and staff providing 24 hour call center service, in addition to telephone number 1543 which is operated by the Expressway and Rapid Transit Authority of Thailand.

Moreover, the Company is still committed to continually improve the performance of its personnel and work quality by implementing the quality management system, namely the ISO project, 5S, Work Improvement, and Suggestion System. On 22 August 2001, the Company obtained an ISO 9001:2000 certification from SGS (Thailand) Limited in accordance with UKAS Standard of England and NAC Standard of Thailand. Thereafter, the Company has still obtained renewal of such certification until the year 2007.



In view of the operational results in the year 2004, the Company and the Subsidiary earned a net profit from their operations in the total amount of Baht 1,916 Million, as compared to a net profit of Baht 1,233 Million last year, representing an improved operational result by Baht 683 Million or 55.39 percent.

However, there are risk factors which may affect the Company's operations, such as, risk from interest rate fluctuation, risk relating to business operations under agreements with government sector, risk from failure to meet the projected revenue and risk from noncompliance with the relevant agreements by contractual party. The Company has arranged for preventative measures to deal with any such possible issues. Through feasibility study for the operations, good cooperation with the relevant authorities and good management, the Company remains confident to maintain its standard services with good quality alongside its proper financial position.

In respect of the corporate governance, the Company realizes the significance and responsibility towards the Company's shareholders and stakeholders by compliance with the 15 Good Corporate Governance Principles.