

Ref: O.PS. 035/2011

August 11<sup>th</sup>, 2011

Re: Connected transaction regarding the sale an office space

To: The President of the Stock Exchange of Thailand

The Board of Directors of the Navakij Insurance Public Company Limited (the "Company"), at a meeting no. 81/2011, held on August 11, 2011, has approved the sale an office space which is not used as the Company's office. The transaction is classified as connected transaction with detail as follow;

1. Date of the Transaction

Within September 2011

2. The parties involved

Buyer : Poonphol Company Limited

Seller : The Navakij Insurance Public Company Limited

3. The details of Asset Disposed

The Company sells an office space to Poonphol Company Limited, a unit of 289 square meters, located at the 18th Floor of Sathorn Thani 1 Building, 90/53 North Sathorn Road, Bangrak, Bangkok. The Company has not used the above space as the Company's office and there was generated income from renting by 84,000 baht per month. The rental contract will be end on 31 July 2012.

4. Details of the connected persons

Mr. Suphot Wanglee, the Company's director and holds the Company's share by 1.02%, is the Managing Director and holds of Poonphol Company Limited share by 7.58%. The total shares including shareholding by related party and his close relatives are more than 10%

5. Criteria to specify the value of consideration and the consideration of size of transaction

The Company uses the medium price from two independent appraisers, UK Valuation & Agency Co., Ltd. and Siam Appraisal and Services Co., Ltd. as criteria to determine a sale price. Total value of the transaction is 16,770,000 baht. This transaction is considered to be the disposition of assets and the connected transaction which the size of this transaction is equal to 0.77% of net tangible assets of the Company as of June 30, 2011 which higher than 0.03% but lower than 3% of net tangible assets. The Company needs to get an approval from the Board of Directors and disclosed to the Stock Exchange of Thailand.

6. Opinion of the Company's Board of Directors on entering into the transaction

The director who is the connected person did not attend the meeting and vote on the above agenda. The Company's Board of Directors has approved such transaction due to the Company shall dispose immovable properties which not used for the business of the Company within the prescribed period to comply with Section 33 of the Non-life Insurance Act B.E. 2535 amended by the Non-life Insurance Act (No.2) B.E. 2551. The price is fair value which based on the medium appraisal price of two independent appraisers who have been approved by the Securities and Exchange Commission. In addition, Poonphol Company Limited would like to take more benefits from the space which is a continuous area from three units office space that were purchased from the Company on November 2010.

7. Opinion of the audit Committee and/or the director that different form opinion of the Company's Board of Directors

- None -

Please be informed accordingly.

Yours faithfully,

(Signed) *Nipol T.Jeerawong*

Nipol T.Jeerawong

Chairman of the Executive Board