

Financial Statements

ELECTRICITY GENERATING AUTHORITY OF THAILAND AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2013

Unit : Baht

| | Notes | Consolidated financial statement | | Separate financial statement | |
|---|--------------|----------------------------------|------------------------|------------------------------|------------------------|
| | | 2013 | 2012 (Restated) | 2013 | 2012 |
| ASSETS | | | | | |
| CURRENT ASSETS | | | | | |
| Cash and cash equivalents | 6.1 | 67,078,800,366 | 40,312,353,629 | 59,171,134,233 | 31,843,250,055 |
| Temporary investments | 6.2 | 37,068,694,151 | 13,769,278,699 | 33,020,558,654 | 8,047,257,530 |
| Trade accounts receivable - others | 6.3 | 55,891,616,198 | 47,819,131,996 | 55,294,331,530 | 47,353,258,355 |
| Trade accounts receivable - related parties | 6.4.1 | 3,087,652,761 | 2,196,855,857 | 3,643,517,639 | 2,509,755,872 |
| Accrued revenue from electric energy sales | | | | | |
| according to automatic tariff adjustment (Ft) | 6.5 | 529,599,717 | 6,529,895,779 | 529,599,717 | 6,529,895,779 |
| Other accounts receivable | 6.6 | 8,481,754,537 | 7,205,349,921 | 7,982,861,760 | 6,536,839,712 |
| Current portion of long-term loans to related parties | 6.4.2 | - | 62,500,000 | - | - |
| Materials and supplies | 6.7 | 13,103,841,970 | 12,631,918,829 | 10,533,246,348 | 10,414,636,705 |
| Other current assets | | | | | |
| Derivative assets | 6.8.1 | 121,136 | - | 121,136 | - |
| Others | | 132,196,442 | 93,362,218 | - | - |
| Total current assets | | 185,374,277,278 | 130,620,646,928 | 170,175,371,017 | 113,234,894,008 |
| NON-CURRENT ASSETS | | | | | |
| Investments in associates | 6.9.3, 6.9.4 | 17,721,976,599 | 15,737,683,178 | 1,587,550,233 | 1,587,550,233 |
| Investments in subsidiaries | 6.9.4 | - | - | 9,913,350,000 | 7,122,952,585 |
| Investments in jointly controlled entities | 6.9.3, 6.9.4 | 14,104,003,823 | 13,909,641,259 | 584,500,000 | 584,500,000 |
| Other long-term investments | | 3,183,523,921 | 12,935,218,422 | - | 10,005,340,984 |
| Property, plant and equipment | 6.10 | 261,012,924,599 | 268,284,912,744 | 220,057,322,644 | 223,244,394,993 |
| Work under construction | 6.11 | 62,297,874,119 | 54,014,892,441 | 62,269,449,284 | 53,905,163,695 |
| Goodwill | 6.12 | 763,742,443 | 752,913,124 | - | - |
| Other intangible assets | 6.13 | 28,362,587,910 | 27,700,083,434 | 23,388,044,807 | 22,027,229,518 |
| Land awaiting development | 6.14 | 2,125,289,755 | 2,121,472,035 | 1,816,082,185 | 1,816,082,185 |
| Deferred tax assets | 6.15.1 | 141,025,159 | 129,882,869 | - | - |
| Other non-current assets | 6.16 | 3,293,403,202 | 7,062,730,872 | 1,581,218,270 | 1,896,520,378 |
| Total non-current assets | | 393,006,351,530 | 402,649,430,378 | 321,197,517,423 | 322,189,734,571 |
| TOTAL ASSETS | | 578,380,628,808 | 533,270,077,306 | 491,372,888,440 | 435,424,628,579 |

Notes to the financial statements are an integral part of these financial statements.

ELECTRICITY GENERATING AUTHORITY OF THAILAND AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2013

Unit : Baht

| | Notes | Consolidated financial statement | | Separate financial statement | |
|--|--------|----------------------------------|------------------------|------------------------------|------------------------|
| | | 2013 | 2012 (Restated) | 2013 | 2012 |
| LIABILITIES AND EQUITY | | | | | |
| CURRENT LIABILITIES | | | | | |
| Trade accounts payable - others | 6.17 | 66,230,641,939 | 42,012,277,857 | 59,240,043,399 | 34,983,438,682 |
| Trade accounts payable - related parties | 6.4.3 | 7,622,278,324 | 8,157,161,024 | 15,947,732,882 | 11,974,052,504 |
| Deferred revenue for electricity compensation | 6.5 | 2,231,343,911 | 2,768,975,278 | 2,231,343,911 | 2,768,975,278 |
| Other accounts payable | | 9,657,778,368 | 12,210,547,595 | 8,849,880,043 | 11,323,952,243 |
| Short-term loans | | 9,774,215,414 | 2,700,000,000 | - | - |
| Accrued interest expenses | | 1,227,648,844 | 1,166,100,704 | 989,752,178 | 927,933,843 |
| Accrued remittance to the Ministry of Finance | 6.18 | 9,466,293,684 | 8,077,994,513 | 9,466,293,684 | 8,077,994,513 |
| Accrued expenses | | 5,210,277,256 | 5,450,498,674 | 5,200,132,196 | 5,368,338,728 |
| Current portion of long - term loans | 6.19 | 11,590,864,773 | 9,333,668,342 | 6,480,099,844 | 4,980,015,965 |
| Current portion of finance lease liabilities | | 3,106,946 | 1,394,273 | 1,510,500 | - |
| Other current liabilities | | | | | |
| Derivative liabilities | 6.8.2 | - | 4,591,500 | - | 4,591,500 |
| Others | | 88,349,789 | 39,951,445 | - | - |
| Total current liabilities | | 123,102,799,248 | 91,923,161,205 | 108,406,788,637 | 80,409,293,256 |
| NON-CURRENT LIABILITIES | | | | | |
| Long-term loans from related parties | 6.4.4 | 1,186,296,943 | 1,358,280,353 | - | - |
| Long-term loans | 6.19 | 71,734,801,073 | 82,072,391,755 | 64,416,272,901 | 57,742,506,324 |
| Deferred tax liabilities | 6.15.1 | 1,942,951,121 | 2,185,544,715 | - | - |
| Finance lease liabilities | | 4,951,813 | 1,037,602 | 1,384,625 | - |
| Employee benefit obligations | 6.20 | 14,051,248,017 | 13,562,464,135 | 13,955,724,214 | 13,475,643,183 |
| Provision liabilities for mine reclamation | 6.21 | 2,080,313,567 | 2,047,399,372 | 2,080,313,567 | 2,047,399,372 |
| Other non-current liabilities | 6.22 | 17,195,843,540 | 15,145,872,091 | 16,602,058,760 | 14,503,747,639 |
| Total non-current liabilities | | 108,196,406,074 | 116,372,990,023 | 97,055,754,067 | 87,769,296,518 |
| TOTAL LIABILITIES | | 231,299,205,322 | 208,296,151,228 | 205,462,542,704 | 168,178,589,774 |
| OWNERS' EQUITY | | | | | |
| Contribution from the government | 6.23 | 9,001,977,817 | 9,064,310,580 | 9,001,977,817 | 9,064,310,580 |
| Surplus from royalty on state property service | | 474,767,280 | 474,767,280 | 474,767,280 | 474,767,280 |
| Retained earnings | | | | | |
| Appropriated | | | | | |
| Capital expenditure appropriation | | 80,186,366,913 | 80,186,366,913 | 80,186,366,913 | 80,186,366,913 |
| Unappropriated | | 224,710,045,449 | 203,428,380,429 | 197,685,039,974 | 178,958,400,280 |
| Other components of owners' equity | | 1,554,899,904 | 1,714,915,271 | (1,437,806,248) | (1,437,806,248) |
| TOTAL EQUITY ATTRIBUTABLE TO OWNERS | | 315,928,057,363 | 294,868,740,473 | 285,910,345,736 | 267,246,038,805 |
| NON-CONTROLLING INTERESTS | | 31,153,366,123 | 30,105,185,605 | - | - |
| TOTAL OWNERS' EQUITY | | 347,081,423,486 | 324,973,926,078 | 285,910,345,736 | 267,246,038,805 |
| TOTAL LIABILITIES AND OWNERS' EQUITY | | 578,380,628,808 | 533,270,077,306 | 491,372,888,440 | 435,424,628,579 |

Notes to the financial statements are an integral part of these financial statements.

(signed) Soonchai Kumnoonsate

(Mr. Soonchai Kumnoonsate)

Director and Governor

(signed) Poonsuk Tochanakarn

(Mr. Poonsuk Tochanakarn)

Deputy Governor - Account and Finance

ELECTRICITY GENERATING AUTHORITY OF THAILAND AND ITS SUBSIDIARIES
STATEMENTS OF INCOME
FOR THE YEAR ENDED DECEMBER 31, 2013

Unit : Baht

| | Notes | Consolidated financial statement | | Separate financial statement | |
|--|--------|----------------------------------|----------------------------------|------------------------------|------------------------|
| | | Jan 1 - Dec 31, 13 | Jan 1 - Dec 31, 12 (Restated) | Jan 1 - Dec 31, 13 | Jan 1 - Dec 31, 12 |
| REVENUES | | | | | |
| Revenue from electric energy sales | | 512,820,461,091 | 486,243,700,769 | 510,178,670,654 | 482,675,345,412 |
| Revenue from sales of other goods and services | 6.24 | 24,092,877,109 | 26,748,195,076 | 26,046,692,421 | 30,376,199,254 |
| Total revenue from sales and services | | 536,913,338,200 | 512,991,895,845 | 536,225,363,075 | 513,051,544,666 |
| COST OF SALES | | | | | |
| Cost of electric energy sales | 6.25 | 456,479,007,849 | 430,191,419,362 | 461,444,789,115 | 434,921,195,187 |
| Cost of sales of other goods and services | 6.26 | 22,179,830,145 | 25,311,681,698 | 24,317,549,826 | 29,235,554,618 |
| Total cost of sales and services | | 478,658,837,994 | 455,503,101,060 | 485,762,338,941 | 464,156,749,805 |
| GROSS PROFIT | | 58,254,500,206 | 57,488,794,785 | 50,463,024,134 | 48,894,794,861 |
| OTHER REVENUES | 6.27 | 4,774,197,184 | 6,114,568,329 | 5,135,814,857 | 4,666,323,301 |
| INCOME BEFORE EXPENSES | | 63,028,697,390 | 63,603,363,114 | 55,598,838,991 | 53,561,118,162 |
| SELLING EXPENSES | | 143,546,015 | 131,852,220 | 141,543,687 | 130,072,296 |
| ADMINISTRATIVE EXPENSES | | 16,006,773,493 | 17,568,480,611 | 14,036,488,965 | 15,907,624,928 |
| OTHER EXPENSES | 6.28 | 240,180,973 | 96,226,083 | 894,553,145 | 198,695,224 |
| TOTAL EXPENSES | | 16,390,500,481 | 17,796,558,914 | 15,072,585,797 | 16,236,392,448 |
| FINANCE COSTS | 6.30 | 4,416,805,820 | 5,343,212,630 | 2,739,436,078 | 2,899,370,245 |
| INCOME BEFORE SHARE OF PROFIT FROM INVESTMENTS | | 42,221,391,089 | 40,463,591,570 | 37,786,817,116 | 34,425,355,469 |
| SHARE OF PROFIT FROM INVESTMENTS IN ASSOCIATES | 6.29 | 2,057,685,427 | 2,992,828,855 | - | - |
| SHARE OF PROFIT FROM INVESTMENTS IN JOINTLY CONTROLLED ENTITIES | | 746,653,720 | 768,896,690 | - | - |
| INCOME BEFORE INCOME TAXES | | 45,025,730,236 | 44,225,317,115 | 37,786,817,116 | 34,425,355,469 |
| INCOME TAXES | 6.15.2 | 1,293,733,237 | 887,235,560 | - | - |
| INCOME FOR THE YEAR | | 43,731,996,999 | 43,338,081,555 | 37,786,817,116 | 34,425,355,469 |
| ATTRIBUTABLE TO: | | | | | |
| OWNERS OF EGAT | | 40,341,842,442 | 38,857,934,775 | 37,786,817,116 | 34,425,355,469 |
| NON-CONTROLLING INTERESTS | | 3,390,154,557 | 4,480,146,780 | - | - |
| | | 43,731,996,999 | 43,338,081,555 | 37,786,817,116 | 34,425,355,469 |

Notes to the financial statements are an integral part of these financial statements.

(signed) Soonchai Kumnoonsate
(Mr. Soonchai Kumnoonsate)

Director and Governor

(signed) Poonsuk Tochanakarn
(Mr. Poonsuk Tochanakarn)

Deputy Governor - Account and Finance

ELECTRICITY GENERATING AUTHORITY OF THAILAND AND ITS SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2013

| | Notes | Consolidated financial statement | | Separate financial statement | |
|---|--------------|---|---------------------------|-------------------------------------|---------------------------|
| | | Jan 1 - Dec 31, 13 | Jan 1 - Dec 31, 12 | Jan 1 - Dec 31, 13 | Jan 1 - Dec 31, 12 |
| | | | (Restated) | | |
| INCOME FOR THE YEAR | | 43,731,996,999 | 43,338,081,555 | 37,786,817,116 | 34,425,355,469 |
| OTHER COMPREHENSIVE INCOME (LOSS) | | | | | |
| Exchange rate differences from currency translation | | (1,356,016,962) | (45,997,970) | - | - |
| Available-for-sale financial assets | | 176,695,607 | 698,667,109 | - | - |
| Actuarial gain (losses) | 6.20 | 5,813,383 | (1,437,806,248) | - | (1,437,806,248) |
| Income taxes of other comprehensive gain (loss) of subsidiaries | | 93,635,107 | (99,762,538) | - | - |
| Share of other comprehensive gain of associates | | 344,037,593 | 193,774,396 | - | - |
| OTHER COMPREHENSIVE LOSS FOR THE YEAR, | | | | | |
| NET OF TAXES | | (735,835,272) | (691,125,251) | - | (1,437,806,248) |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR | | <u>42,996,161,727</u> | <u>42,646,956,304</u> | <u>37,786,817,116</u> | <u>32,987,549,221</u> |
| ATTRIBUTABLE TO: | | | | | |
| OWNERS OF EGAT | | 40,181,827,075 | 37,872,828,590 | 37,786,817,116 | 32,987,549,221 |
| NON-CONTROLLING INTERESTS | | 2,814,334,652 | 4,774,127,714 | - | - |
| | | <u>42,996,161,727</u> | <u>42,646,956,304</u> | <u>37,786,817,116</u> | <u>32,987,549,221</u> |

Notes to the financial statements are an integral part of these financial statements.

(signed) Soonchai Kumnoonsate

(Mr. Soonchai Kumnoonsate)

Director and Governor

(signed) Poonsuk Tochanakarn

(Mr. Poonsuk Tochanakarn)

Deputy Governor - Account and Finance

ELECTRICITY GENERATING AUTHORITY OF THAILAND AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN OWNERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2013

Unit: Baht

Consolidated financial statement

| Notes | Total equity attributable to EGAT | | | | | | | | | | | Total owners' equity | | | | |
|---------|-----------------------------------|--|----------------|---|-------------------------------------|----------------------------|--|--|--|---------------------------------|---------------------------|----------------------|---|---|--|--|
| | Contribution from the government | Surplus from royalty on state property service | | Retained earnings | | Other components of equity | | Total other components of owners' equity | | Total E.G.A.T.'s owners' equity | Non-controlling Interests | | | | | |
| | | appropriated | unappropriated | Exchange rate differences from currency translation | Available-for-sale financial assets | Actuarial gain (losses) | Surplus on subsidiaries and associates using equity method | Income taxes for other comprehensive gain (loss) | Share of other comprehensive gain (loss) of associates | | | | | | | |
| | | | | | | | | | | | | | Balance as at January 1, 2012 (Before adjustment) | Cumulative effect of the changes in accounting policies | Balance as at January 1, 2012 as previously reported | Cumulative effect of the changes in accounting policies and adjustment |
| 5 | 9,126,643,343 | 474,767,280 | 80,186,366,913 | 3,920,705 | 182,338,845,049 | 80,186,366,913 | (65,168,738) | (39,298,065) | (39,298,065) | 2,886,909,938 | 2,757,343 | 216,703,464 | 3,001,903,942 | 275,128,526,527 | 27,201,246,649 | 302,329,773,176 |
| | | | | 346,409 | 3,920,705 | 80,186,366,913 | 64,822,329 | | | 2,886,909,938 | 2,757,343 | 216,703,464 | 3,001,903,942 | 4,267,114 | (130,927,798) | (126,660,684) |
| 6.9.5.1 | | | | | (441,010,061) | | | | | | | (302,228,895) | | (743,238,956) | - | (743,238,956) |
| 6.23 | 9,126,643,343 | 474,767,280 | 80,186,366,913 | 181,901,755,693 | (64,822,329) | 80,186,366,913 | | (39,298,065) | (39,298,065) | 2,886,909,938 | 2,757,343 | (85,525,431) | 2,700,021,456 | 274,389,554,685 | 27,070,318,851 | 301,459,873,536 |
| | | | | | | | | | | | | | | (62,332,763) | - | (62,332,763) |
| | | | | | | | | | | | | | | | | |
| 6.18 | | | | | (315,526) | | | | | | | | | (315,526) | - | (315,526) |
| | | | | | (9,253,000,000) | | | | | | | | | (9,253,000,000) | - | (9,253,000,000) |
| | | | | | (8,077,994,513) | | | | | | | | | (8,077,994,513) | - | (8,077,994,513) |
| | | | | | (17,331,310,039) | | | | | | | | | (17,331,310,039) | - | (17,331,310,039) |
| | | | | | | | | | | | | | | | 20,182,430 | 20,182,430 |
| | | | | | | | | | | | | | | | (1,794,375,000) | (1,794,375,000) |
| | | | | | 38,857,934,775 | (10,581,391) | 38,857,934,775 | 314,400,199 | 314,400,199 | | (44,893,141) | 193,774,396 | 985,106,183 | 37,872,828,590 | 4,774,127,714 | 42,646,956,304 |
| | 9,064,310,580 | 474,767,280 | 80,186,366,913 | 203,428,380,429 | (75,403,720) | 80,186,366,913 | (75,403,720) | 275,102,134 | 275,102,134 | 2,886,909,938 | (42,135,798) | 108,248,965 | 1,714,915,271 | 294,868,740,473 | 30,105,185,605 | 324,973,926,078 |
| | | | | | | | | | | | | | | | | |
| | | | | | (374,746,980) | | | | | | | | | | | |
| 5 | 9,064,310,580 | 474,767,280 | 80,186,366,913 | 203,428,380,429 | (75,403,720) | 80,186,366,913 | (75,403,720) | 275,102,134 | 275,102,134 | 2,886,909,938 | (42,135,798) | 108,248,965 | 1,714,915,271 | 294,868,740,473 | 30,105,185,605 | 324,973,926,078 |
| 6.23 | | | | | | | | | | | | | | (62,332,763) | - | (62,332,763) |
| | | | | | | | | | | | | | | | 29,109,675 | 29,109,675 |
| | | | | | | | | | | | | | | | 15,061,191 | 15,061,191 |
| 6.18 | | | | | (4,005,487) | | | | | | | | | (4,005,487) | - | (4,005,487) |
| | | | | | (9,589,878,251) | | | | | | | | | (9,589,878,251) | - | (9,589,878,251) |
| | | | | | (9,466,295,684) | | | | | | | | | (9,466,295,684) | - | (9,466,295,684) |
| | | | | | (19,060,177,422) | | | | | | | | | (19,060,177,422) | - | (19,060,177,422) |
| | | | | | | | | | | | | | | | (18,103,325,000) | (18,103,325,000) |
| | | | | | 40,341,842,442 | (628,305,751) | 40,341,842,442 | 79,500,971 | 79,500,971 | | 42,135,798 | 344,037,593 | (160,015,367) | 40,181,827,075 | 2,814,334,652 | 42,996,161,727 |
| | 9,001,977,817 | 474,767,280 | 80,186,366,913 | 224,710,045,449 | (703,709,471) | 80,186,366,913 | (703,709,471) | 354,603,105 | 354,603,105 | 2,886,909,938 | - | 452,286,558 | 1,554,899,904 | 315,928,057,363 | 31,153,366,123 | 347,081,423,486 |

Notes to the financial statements are an integral part of these financial statements.

ELECTRICITY GENERATING AUTHORITY OF THAILAND AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN OWNERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2013
Separate financial statement

| | Notes | Separate financial statement | | | | Total other components of owners' equity | Total owners' equity |
|---|-------|----------------------------------|--|-------------------|----------------------------|--|----------------------|
| | | Contribution from the government | Surplus from royalty on state property service | Retained earnings | | | |
| | | | | appropriated | unappropriated | | |
| | | | | | Other comprehensive income | | |
| | | | | | Actuarial losses | | |
| Balance as at January 1, 2012 | | 9,126,643,343 | 474,767,280 | 80,186,366,913 | 161,864,354,850 | 251,652,132,386 | |
| Depreciation of assets for irrigation | 6.23 | (62,332,763) | - | - | - | (62,332,763) | |
| Remittance to the Ministry of Finance | | | | | | | |
| Increase of the year 2011 | | - | - | - | (315,526) | (315,526) | |
| The year 2012 (Jan 1 - Jun 30, 2012) | | - | - | - | (9,253,000,000) | (9,253,000,000) | |
| Provision for remittance to the Ministry of Finance | | | | | | | |
| The year 2012 (Jul 1 - Dec 31, 2012) | 6.18 | - | - | - | (8,077,994,513) | (8,077,994,513) | |
| | | | | | (17,331,310,039) | (17,331,310,039) | |
| Changes in owners' equity for the year | | | | | | | |
| Total comprehensive income (loss) for the year | | - | - | - | 34,425,355,469 | 32,987,549,221 | |
| Balance as at December 31, 2012 | | 9,064,310,580 | 474,767,280 | 80,186,366,913 | 178,958,400,280 | 267,246,038,805 | |
| | | | | | (1,437,806,248) | | |
| Balance as at January 1, 2013 | | 9,064,310,580 | 474,767,280 | 80,186,366,913 | 178,958,400,280 | 267,246,038,805 | |
| Depreciation of assets for irrigation | 6.23 | (62,332,763) | - | - | - | (62,332,763) | |
| Remittance to the Ministry of Finance | | | | | | | |
| Increase of the year 2012 | 6.18 | - | - | - | (4,005,487) | (4,005,487) | |
| The year 2013 (Jan 1 - Jun 30, 2013) | | - | - | - | (9,589,878,251) | (9,589,878,251) | |
| Provision for remittance to the Ministry of Finance | | | | | | | |
| The year 2013 (Jul 1 - Dec 31, 2013) | | - | - | - | (9,466,293,684) | (9,466,293,684) | |
| | | | | | (19,060,177,422) | (19,060,177,422) | |
| Changes in owners' equity for the year | | | | | | | |
| Total comprehensive income for the year | | - | - | - | 37,786,817,116 | 37,786,817,116 | |
| Balance as at December 31, 2013 | | 9,001,977,817 | 474,767,280 | 80,186,366,913 | 197,685,039,974 | 285,910,345,736 | |

Notes to the financial statements are an integral part of these financial statements.

ELECTRICITY GENERATING AUTHORITY OF THAILAND AND ITS SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2013

Unit : Baht

| | Notes | Consolidated financial statement | | Separate financial statement | |
|---|--------|----------------------------------|--------------------|------------------------------|--------------------|
| | | Jan 1 - Dec 31, 13 | Jan 1 - Dec 31, 12 | Jan 1 - Dec 31, 13 | Jan 1 - Dec 31, 12 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | | |
| Net income of EGAT | | 40,341,842,442 | 38,857,934,775 | 37,786,817,116 | 34,425,355,469 |
| Adjustments to reconcile net income to net cash inflow (outflow) | | | | | |
| from operating activities | | | | | |
| Depreciation | | 25,393,555,332 | 24,653,281,931 | 22,105,153,294 | 21,269,620,278 |
| Donation assets | | (108,550) | (42,500) | (108,550) | (42,500) |
| Donated assets | | 672,215 | 5,460,443 | 672,215 | 5,460,443 |
| Amortization of land rights and project development rights | | 298,258,525 | 328,817,591 | 874,894 | 896,061 |
| Amortization of computer software rights | | 219,650,249 | 220,446,078 | 213,081,693 | 214,829,489 |
| Amortization of royalty on state property service | 6.13 | 6,337,356 | 6,337,356 | 6,337,356 | 6,337,356 |
| Amortization of gas pipe system rights | 6.13 | 312,449 | 312,449 | - | - |
| Amortization of transmission system connection rights | 6.13 | 3,712,103 | 3,558,250 | - | - |
| Amortization of deferred loan fees | | (122,317,517) | (88,394,022) | - | - |
| Allowance for loss on impairment of investments | | 15,155,956 | - | - | - |
| Amortization of deferred charges of the lignite mine | 6.16 | 6,031,320,583 | 5,408,304,116 | 6,031,320,583 | 5,408,304,116 |
| Doubtful debts | | 2,198,763 | (2,046,918) | 2,198,763 | (2,046,918) |
| Bad debts | | 5,593 | 111,270 | 5,593 | 111,270 |
| Allowance for obsolescence on materials and supplies | | 283,140,776 | 287,043,620 | 236,327,885 | 345,499,315 |
| Gain on the power purchase agreement cancellation | | - | (1,069,442,446) | - | - |
| Gain on sale of long-term investments | | - | (783,678,571) | - | - |
| Loss on revaluation of investments in trading securities | | (1,133,061) | - | - | - |
| Loss (profit) on disposal of assets | | 187,161,915 | 61,472,685 | 159,310,563 | (13,367,290) |
| Revenue from deferred income | 6.22 | (431,685,334) | (526,711,566) | (431,685,334) | (526,711,566) |
| Employee benefit obligations | | 383,252,090 | (143,414,710) | 371,933,217 | (149,555,419) |
| Loss (gain) on foreign exchange | | (22,966,233) | (634,426,835) | 682,223,523 | 163,941,825 |
| Gain on changes in the fair value of derivatives | | (104,291,021) | (150,902,003) | (104,291,021) | (150,902,003) |
| Dividends received from associates | 6.9.4 | - | - | (802,641,972) | (735,755,141) |
| Dividends received from subsidiary | 6.9.4 | - | - | (1,481,175,000) | (1,468,125,000) |
| Dividends received from other investments | | (220,902,845) | (188,314,482) | - | - |
| Share of profit from associated company | | (2,057,685,427) | (2,992,828,855) | - | - |
| Share of profit from jointly controlled entity | | (746,653,719) | (768,896,690) | - | - |
| Net income attributable to non-controlling interests | | 3,390,154,557 | 4,480,146,780 | - | - |
| Interest income | | (2,017,920,503) | (1,990,035,673) | (1,544,696,836) | (1,378,098,739) |
| Interest expenses | | 4,210,822,459 | 5,425,184,044 | 2,737,707,515 | 2,893,013,089 |
| Income taxes | 6.15.2 | 1,293,733,237 | 887,235,560 | - | - |
| Net income from operating activities before changes in operating assets and liabilities | | 76,335,622,390 | 71,286,511,677 | 65,969,365,497 | 60,308,764,135 |
| Changes in operating assets (Increase) Decrease | | | | | |
| Trade accounts receivable | | (3,123,569,171) | (16,855,424,157) | (3,235,123,007) | (16,857,815,613) |
| Other accounts receivable | | (914,462,857) | (764,576,621) | (634,526,922) | (933,566,526) |
| Materials and supplies | | (703,261,756) | (823,019,076) | (303,135,366) | (763,747,489) |
| Other current assets | | (38,834,223) | 43,002,448 | - | - |
| Other non-current assets | | 3,694,638,205 | (743,434,469) | 240,612,643 | (143,473,329) |
| Deferred tax assets | | (11,142,290) | 59,745,241 | - | - |
| Deferred charges of the lignite mine | 6.16 | (5,955,412,355) | (5,331,127,445) | (5,955,412,355) | (5,331,127,445) |
| Changes in operating liabilities Increase (Decrease) | | | | | |
| Trade accounts payable | | 23,200,355,269 | 14,573,733,346 | 27,747,158,983 | 13,622,333,229 |
| Other accounts payable | | (2,247,655,746) | (407,754,672) | (6,136,063,372) | (3,285,089,478) |
| Other current liabilities | | 161,138,358 | (18,277,658) | - | - |
| Accrued expenses | | 249,253,946 | 1,567,431,000 | (168,332,407) | 842,574,569 |
| Other non-current liabilities | | (1,608,127,404) | (368,285,755) | (33,053,999) | (276,642,152) |
| Deferred tax liabilities | | (242,593,594) | (760,473,056) | - | - |
| Provision liabilities for mine reclamation | | 37,865,259 | 70,101,832 | 37,865,259 | 70,101,832 |
| | | 12,498,191,641 | (9,758,359,042) | 11,559,989,457 | (13,056,452,402) |
| Cash receipts from operating | | 88,833,814,031 | 61,528,152,635 | 77,529,354,954 | 47,252,311,733 |
| Cash receipts on interest | | 1,070,923,689 | 912,699,761 | 1,042,112,353 | 909,251,442 |
| Cash payment on income taxes | | (1,393,986,295) | (1,642,366,367) | - | - |
| Net cash from operating activities | | 88,510,751,425 | 60,798,486,029 | 78,571,467,307 | 48,161,563,175 |

Notes to the financial statements are an integral part of these financial statements.

ELECTRICITY GENERATING AUTHORITY OF THAILAND AND ITS SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2013

Unit : Baht

| | Notes | Consolidated financial statement | | Separate financial statement | |
|---|---------------|----------------------------------|--------------------|------------------------------|--------------------|
| | | Jan 1 - Dec 31, 13 | Jan 1 - Dec 31, 12 | Jan 1 - Dec 31, 13 | Jan 1 - Dec 31, 12 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | |
| Net cash receipts (payment) on temporary investments | | (23,248,282,391) | (687,859,670) | (24,973,301,124) | 2,033,473,118 |
| Net cash receipts (payment) on long-term investments | | 10,044,490,984 | (9,798,928,380) | 10,005,340,984 | (10,005,340,984) |
| Cash receipts on disposal of assets | | 172,891,244 | 83,494,670 | 166,714,464 | 59,858,568 |
| Cash payment on property, plant, equipment, work under construction and intangible assets | a | (23,724,844,591) | (30,759,146,477) | (24,259,720,669) | (29,799,865,901) |
| Cash payment on interest for work under construction | | (571,798,570) | (283,944,559) | (571,798,570) | (281,844,538) |
| Cash receipts on deferred income | | 690,328,545 | 1,492,402,112 | 690,328,545 | 1,492,402,112 |
| Cash payment on investments in subsidiaries | 6.9.5.2 | - | - | (2,790,397,415) | (70,000,000) |
| Cash payment on investments in associates | | (367,082,771) | (342,770,299) | - | - |
| Cash payment on investments in jointly controlled entity | | (133,520,000) | (507,020,830) | - | - |
| Cash payment on investments in other entity | | (11,643,851) | - | - | - |
| Cash receipt from disposal investments in jointly controlled entity | | 20,800,000 | - | - | - |
| Cash receipts from compensation of the power purchase agreement cancellation | | - | 3,167,366,428 | - | - |
| Cash receipts on interest | | 795,130,139 | 743,609,820 | 508,009,323 | 375,313,301 |
| Dividends received from associates | 6.9.3 , 6.9.4 | 802,641,972 | 735,755,141 | 802,641,972 | 735,755,141 |
| Dividends received from subsidiary | 6.9.4 | - | - | 1,481,175,000 | 1,468,125,000 |
| Dividends received from jointly controlled entities | | 977,625,453 | 774,462,805 | - | - |
| Dividends received from other entities | | 220,902,844 | 188,314,481 | - | - |
| Net cash used in investing activities | | (34,332,360,993) | (35,194,264,758) | (38,941,007,490) | (33,992,124,183) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | |
| Remittance to the Ministry of Finance | | (17,671,878,251) | (16,297,000,000) | (17,671,878,251) | (16,297,000,000) |
| Cash receipts from short-term loans from financial institutions | | 13,160,718,504 | 14,540,000,000 | - | - |
| Cash payment of short-term loans from financial institutions | | (6,424,227,960) | (13,640,000,000) | - | - |
| Cash receipts from bill of exchange payables | | 3,000,000,000 | 2,300,000,000 | - | - |
| Cash payment of bill of exchange payables | | (3,250,000,000) | (500,000,000) | - | - |
| Cash receipts from long-term loans | | 16,065,950,000 | 11,147,350,000 | 13,000,000,000 | 11,000,000,000 |
| Cash receipts from share subscription of subsidiary | | 29,109,675 | 34,931,610 | - | - |
| Cash payment of long - term loans from related party | | (58,170,400) | - | - | - |
| Cash payment of long - term loans | | (22,510,275,718) | (23,751,963,072) | (4,964,753,468) | (14,640,572,134) |
| Cash payment on interest | | (4,589,464,918) | (5,379,010,951) | (2,677,809,423) | (2,923,285,965) |
| Cash receipts (payment) on finance lease liabilities | | 793,929 | (1,795,698) | 3,021,000 | - |
| Dividends paid to non-controlling interests of subsidiary | | (1,810,325,000) | (1,794,375,000) | - | - |
| Dividend paid to the Company's shareholders | | (3,290,737,147) | (3,262,002,373) | - | - |
| Net cash used in financing activities | | (27,348,507,286) | (36,603,865,484) | (12,311,420,142) | (22,860,858,099) |
| EFFECT FROM FOREIGN EXCHANGE RATE IN CASH AND CASH EQUIVALENTS | | | | | |
| | | (63,436,409) | (26,830,065) | 8,844,503 | (2,538,362) |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | | 26,766,446,737 | (11,026,474,278) | 27,327,884,178 | (8,693,957,469) |
| CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR | | 40,312,353,629 | 51,338,827,907 | 31,843,250,055 | 40,537,207,524 |
| CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR | 6.1 | 67,078,800,366 | 40,312,353,629 | 59,171,134,233 | 31,843,250,055 |

Notes to the financial statements are an integral part of these financial statements.

ELECTRICITY GENERATING AUTHORITY OF THAILAND AND ITS SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2013

Notes to the Statements of Cash Flows

a. Property, Plant and Equipment, Work under Construction and Intangible Assets

Consolidated

During the year 2013, EGAT and its subsidiaries purchased property, plant and equipment, work under construction and intangible assets which total costs are Baht 27,466.45 million. The purchasing were cash paid amounting to Baht 23,724.84 million and for the remaining unpaid amounting to Baht 3,741.61 million were accounts payable.

During the year 2012, EGAT and its subsidiaries purchased property, plant and equipment, work under construction and intangible assets which total costs are Baht 36,829.35 million. The purchasing were cash paid amounting to Baht 30,759.15 million and for the remaining unpaid amounting to Baht 6,070.20 million were accounts payable.

Separate

During the year 2013, EGAT purchased property, plant and equipment, work under construction and intangible assets which total costs are Baht 28,001.33 million. The purchasing were cash paid amounting to Baht 24,259.72 million and for the remaining unpaid amounting to Baht 3,741.61 million were accounts payable.

During the year 2012, EGAT purchased property, plant and equipment, work under construction and intangible assets which total costs are Baht 35,870.07 million. The purchasing were cash paid amounting to Baht 29,799.87 million and for the remaining unpaid amounting to Baht 6,070.20 million were accounts payable.

Notes to the financial statements are an integral part of these financial statements.

ELECTRICITY GENERATING AUTHORITY OF THAILAND AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

1. General Information

Electricity Generating Authority of Thailand (EGAT), which is a juristic person, was established by Electricity Generating Authority of Thailand Act, B.E. 2511 (1968) and subsequent amendments. EGAT's main business objectives are as follows:

1.1 To generate, acquire, transmit or distribute electric energy to:

- The Metropolitan Electricity Authority (MEA), the Provincial Electricity Authority (PEA) or other electricity authorities under the law thereon;
- Other electric energy consumers as prescribed by a Royal Decree;
- Neighboring countries

1.2 To undertake various activities concerning electric energy, energy sources deriving from natural resources and undertakes business concerning electric energy and other businesses concerning or related to the activities of EGAT, or collaborates with other persons for the said activities.

1.3 To produce and sell lignite or any chemicals derived from lignite.

All of assets, liabilities, rights, obligations and businesses of the Yanhee Electricity Authority, the Lignite Authority and the Northeast Electricity Authority were transferred to EGAT. Total net assets (net of liabilities) were considered the capital of EGAT.

2. Basis of Financial Statements Presentation

2.1 Principles of Financial Statements Preparation

The consolidated and the separate financial statements have been prepared in accordance with Thai generally accepted accounting principles under the Accounting Act, B.E. 2543 being those Thai accounting standards endorsed under the Accounting Profession Act, B.E. 2547, including interpretations and guidelines promulgated by the Federation of Accounting Professions (FAP). EGAT has presented the financial statements in compliance with the notification of the Department of Business Development "Definition of the abbreviated components required in the financial statements, B.E.2554", dated September 28, B.E.2554, under the third paragraph of section 11 of the Accounting Act, B.E.2543.

These accounting principles may differ, in certain aspects, from generally accepted accounting principles used in other countries. So the financial statements were prepared, have not intend to present the financial position, the results of operations and cash flows in accordance with generally accepted accounting

principles used in other countries. Consequently, the accompanying consolidated and the separate financial statements are prepared based on the assumption that users of these financial statements have an understanding of generally accepted accounting principles and practices used in Thailand.

The mentioned financial statements have been prepared under the historical cost convention, except explained otherwise as disclosed in Note 3.

The separate financial statements present the financial position and the results of operations of all EGAT's businesses, which include assets, liabilities and equity of Staff Aid Fund, Welfare Loan Fund, Land and Housing Loan Fund.

The consolidated financial statements include the EGAT's financial statements, its three subsidiaries and a jointly controlled entity over which EGAT has shared control. In the consolidated financial statements, the subsidiaries are recorded by sum up on a line-by-line basis with similar items beside the jointly controlled entity is accounted for by proportionate of EGAT. Significant inter-company transactions and balances are eliminated. Investments in subsidiaries, associated company and the jointly controlled entity have been presented in the separate financial statements under the cost method. Non-controlling interests are separately disclosed in equity. When materiality, accounting policies of its subsidiaries, an associated company, and a jointly controlled entity have been changed to ensure consistency with the accounting policies adopted by EGAT.

An English language version of the financial statements has been prepared from the statutory financial statements that were issued in Thai language. In case of conflict or difference in the interpretation between the two languages, the financial statements in Thai language shall prevail.

2.2 Use of Estimates

The consolidated and the separate financial statements are prepared in conformity with Thai generally accepted accounting principles in Thailand, which require management to make estimates and assumptions that affect the book value of assets and liabilities in the consolidated and the separate financial statements. Actual results may differ from those estimates and assumptions.

3. Significant Accounting Policies

3.1 Cash and Cash Equivalents

Cash and cash equivalents include cash, cash in current accounts, saving accounts and short term fixed deposits (not more than 3 months) including promissory notes or bills of exchange with maturity of three months or less which EGAT has fully accessed without commitment.

3.2 Trade Accounts Receivable and Other Accounts Receivable

Accounts receivable are stated at net realizable value. The allowance for doubtful accounts is assessed by reference to the estimated losses arising from irrecoverable debts, exclusive of government

agencies and state enterprises, which have been based on historical results of collection and the present events pertaining to accounts receivable at the statements of financial position date. According to the regulations of the Ministry of Finance regarding accounting and finance of state owned enterprise B.E. 2548, which amended the regulations of the Ministry of Finance regarding accounting and finance of state owned enterprise B.E. 2520, the allowance for doubtful accounts are stated as follows:

3.2.1 Trade accounts receivable exclusive of government agencies and state enterprises

| Overdue Period | Percentage of allowance for doubtful accounts |
|------------------------|--|
| Over 6 months - 1 year | 50 |
| Over 1 year | 100 |

3.2.2 Other accounts receivable (exclude accrued revenues and prepaid expenses), which the overdue period is over 1 year, the percentage of allowance for doubtful accounts is 100.

3.3 Materials and Supplies

3.3.1 Fuel oil for power plant is stated at the lower of moving average cost or net realizable value.

3.3.2 Lignite is stated at the lower of moving average cost or net realizable value.

3.3.3 Spare parts for power plant and mine equipment are stated at moving average cost less allowance for obsolescence of stocks designed to write off the parts on a straight - line method over the useful lives of the main equipment.

Spare parts for power plant under materials and supplies-net item are namely the spare parts and equipment which are used in maintenance power plants. The portion of main spare parts and equipment for power plants, which has useful life over 1 year, is stated in equipment for power plants under property, plant and equipment item.

Spare parts for mine equipment are namely component, spare parts and supplies for mine equipment maintenance such as spare parts for 85 ton truck, spare parts for excavator and spare parts for engine belt system. However, large-sized reserved spare parts for mine equipment, which has useful life over 1 year, is stated in large-sized spare parts for mine equipment under property, plant and equipment item.

3.3.4 General materials and supplies are stated at moving average cost less allowance for obsolescence of stocks designed, which have not moved for six months and above. The allowance is calculated at the following rates:

| No movement within | Percentage of allowance for obsolescence of stocks |
|---------------------|---|
| 6 -18 months | 10 |
| Over 18 - 30 months | 30 |
| Over 30 - 48 months | 50 |
| Over 48 - 60 months | 75 |
| Over 60 months | 100 |

General materials and supplies consist of fuel oil for vehicle and machine, general spare parts and office suppliers for operation.

3.4 Derivative Assets and Derivative Liabilities

Derivatives have initial realized based on the fair value at the statements of financial position date. Gains or losses from the change of fair value are realized in statements of income of that period.

At the statements of financial position date, the fair value of forward foreign exchange contracts, cross currency and interest rate swap contracts, currency swap contracts and interest rate swap contracts are calculated by financial institutions, which are the contractor of EGAT.

3.5 Investments in Associates, Subsidiaries and Jointly Controlled Entities

3.5.1 Investments in associates

Investments in associates of EGAT have been presented in the separate financial statements under the cost method. Investments in associates of EGAT and its subsidiaries have been presented in the consolidated financial statements under the equity method.

A list of associates of EGAT and its subsidiaries is set out in Note 6.9.1 and 6.9.2 respectively.

3.5.2 Investments in subsidiaries

Investments in subsidiaries of EGAT have been presented in the separate financial statements under the cost method. Investments in subsidiaries of EGAT and its subsidiaries have been eliminated together with the equity interests in the consolidated financial statements preparation.

A list of subsidiaries of EGAT and its subsidiaries is set out in Note 6.9.1 and 6.9.2 respectively.

Although EGAT owned Ratchaburi Electricity Generating Holding Public Company Limited (RATCH) and EGAT Diamond Service Co., Ltd., only 45% of the total fully paid-up common share, EGAT has effective control over so that they are subsidiaries of EGAT according to generally accepted accounting principles, which must prepared the consolidated financial statements. But, according to the Budgeting Law, EGAT has to own in the company over 50% then, they can be the state enterprise.

3.5.3 Investments in jointly controlled entities

Investments in jointly controlled entities of EGAT have been eliminated together with the equity interests in the consolidated financial statements preparation while investments in jointly controlled entities of subsidiaries have been presented in the consolidated financial statements under the equity method.

A list of jointly controlled entities of EGAT and its subsidiaries is set out in Note 6.9.1 and 6.9.2 respectively.

3.6 Investments in financial securities

Investments in financial securities of EGAT comprise of held-to-maturity investments and available-for-sale securities investments.

3.6.1 Held-to-maturity investments are investments with maturity period. EGAT intends and be able to held to maturity date. It has been included in the current assets and disclosed in cash and cash equivalents and temporary investments in the case of the maturity date of investments is more than 3 months but not more than 1 year.

Held-to-maturity investments are stated in the statements of financial position at amortized cost less impairment loss of investments. The difference between purchased prices and maturity value will be amortized using the effective rate of interest method over the remaining useful life of the investments.

3.6.2 Available-for-sale securities investments are investments held with no identifiable time and may sell for enhancing liquidity or when interests rate change. It has been included in the current assets and disclosed in cash and cash equivalents and temporary investments in the case of the maturity date of investments is more than 3 months but not more than 1 year.

Available-for-sale securities investments are stated at fair value. Unrealized gain (loss) from value changes is recognized separately in the equity. When there is sales of available-for-sale securities investments, accumulated changes in fair value is recognized in the statements of income and discloses in gain (loss) from sales of investments.

Investments in financial securities of EGAT is in compliance with the regulations of the Ministry of Finance about Accounting and Finance of state owned enterprise, B.E.2548 section 2 which require the state owned enterprises who want to manage liquidity may elect to invest in short-term financial instruments issued by the Ministry of Finance or government financial institutions.

3.7 Property, Plant and Equipment

Property, Plant and equipment are stated at cost on the date of acquisition or completion of construction less accumulated depreciation.

Depreciation is calculated on the straight - line method in order to reduce the book value of each type of assets over the estimated useful lives with residual value of one Baht except the land which has infinite useful lives.

The estimates of useful lives of EGAT's assets are as follows:

| | Years | |
|--|------------------|------------|
| Structures | 3 years | - 40 years |
| Reservoirs and dams | 6 years 8 months | - 75 years |
| Power plants | 5 years | - 30 years |
| Equipment for power plants | 6 years 3 months | - 25 years |
| Control system | 3 years | - 25 years |
| Transmission system | 3 years | - 40 years |
| Communication system | 5 years | - 25 years |
| Coal handling system | 10 years | - 25 years |
| Machinery | 5 years | - 10 years |
| Large-sized spare parts for mine equipment | 8 years | |
| Vehicles | 5 years | - 12 years |
| Other materials and supplies | 3 years | - 10 years |

The estimate of useful lives for power plants of subsidiaries is stated according to the power purchasing agreement.

Depreciation of the Srinagarind, Bang Lang, Vajiralongkorn, Rajjaprabha and Pak Mun dams are included in the statements of income only to the extent that they relate to power generation. The remaining portion relating to irrigation is deducted from capital contribution for supporting construction of those dams.

When the asset was disposed, EGAT recorded to write off the asset with accumulated depreciation and recognized gain or loss on disposal of asset in the statements of income.

The cost of major inspection was recognized as the part of property, plant and equipment and was amortized according to the estimated useful lives. The useful lives of major inspection fee are estimated under type of major inspection fee and power plants as follows:

| Type of Power Plants | Type of Major Inspection Fee | |
|-------------------------------|------------------------------|-----------------------|
| | Major Overhaul : MO | Minor Inspection : MI |
| | Useful lives (Year) | Useful lives (Year) |
| - Hydro Power Plants | 6 - 12 | 2 - 4 |
| - Thermal Power Plants | 4 - 6 | 2 |
| - Combined Cycle Power Plants | 2 - 6 | 2 - 3 |
| - Gas Turbine Power Plants | 4 - 8 | 1 - 4 |
| - Lignite Power Plants | 8 | 2 |

Besides, cost of power plants commissioning after deduction of revenue from electric energy during power plants commissioning are recorded as the part of property, plant and equipment in work under construction item.

3.8 Assets and Liabilities under Finance Lease Agreements

Assets and liabilities under finance lease agreements are stated at the lower of fair values at inception or present values of the minimum lease payments less accumulated depreciation. A portion of lease payments is recognized as financial expenses and the remainder is deducted from the principle over the lease periods. Depreciations of those leased assets are calculated on the straight - line method over the estimated useful lives of each type of assets. In case the ownership of the assets is not transferred to the lessee at the end of the lease periods, depreciations are based on the shorter of the useful lives of the assets or the lease period.

3.9 Intangible Assets

3.9.1 Land rights

The land rights under transmission line have infinite useful lives because its future economic benefit is uncertain. Other land rights, which can be expected their useful lives, will be amortized according to the certain useful lives.

3.9.2 Computer software rights and software license

Computer software rights of EGAT are amortized as expenses over the expected useful lives not more than 5 years, which are revised the amortization method and the useful lives in every accounting period. The software license is amortized as expenses over the expected useful lives in 5-10 years.

3.9.3 Royalty on state property service

In 1990, with the approval of the Ministry of Finance, EGAT has been entitled to use land and building surrounding the Sirikit dam, which are state property without charge and EGAT recognized cost of

dam in portion that use for generating electric power and surplus from Royalty on State Property Service as a Royalty on State Property Service account. It is recognized as expenses and written off from the Royalty on State Property Service. The balance is being amortized over 59 years, which is the remainder estimated useful lives of the dam.

3.9.4 Gas piped system rights

Gas piped system rights are amortized based on a straight - line method over the expected useful lives in 20 years.

3.9.5 Transmission system connection rights

Transmission system connection rights are amortized based on a straight - line method over the expected useful lives in 8 years.

3.9.6 Project development rights

The incurred costs on development projects are recognized as intangible assets when there are obvious possibilities that the projects will be success. The cost on development projects that has been capitalized is amortized from commencement of the commercial operation based on a straight - line method over the period of its expected benefit.

3.10 Goodwill

Goodwill represents the excess of the cost of acquisition of the group of subsidiaries over the fair value of the Group's share of the identifiable net assets of the acquired subsidiary, jointly controlled entity or associated company at the acquisition date.

Goodwill is measured at cost less accumulated impairment losses. Goodwill is tested for impairment. The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For goodwill, the recoverable amount is estimated at each reporting date, when indicators of impairment are identified.

3.11 Deferred Charges of the Lignite Mine

3.11.1 Overburden removal costs

The costs of overburden removal expended in each year are calculated by multiply the quantity of lignite extracted from the mine in that period by 6.09 (the stripping ratio is 6.09:1, which is the ratio of the overburden bears to the total economically lignite) and multiply by the average cost per cubic metre of overburden removed. In case the actual stripping ratio in each period is more than 6.09, the excess is recorded as the deferred charges. However, the accumulated of overburden removal costs is not more than the deferred charges.

3.11.2 Minerals resource exploration and preliminary development costs

Minerals resource exploration and preliminary development costs are recognized as expenses for the year in which they are incurred. Any exploration done as a part of a power development plan and long-term mining plan, are recognized as deferred charges and amortized in the proportion that the quantity of lignite extracted during the year bears to the total economically mineable reserves.

3.11.3 Resettlement costs

Resettlement costs expended in each year are calculated by dividing the total actual resettlement costs by the total lignite mineable reserves over the useful lives of the power plants multiplied by the quantity of lignite extracted during the year. The resettlement costs in areas, which are not mined for lignite, will be recognized as expense in the period as incurred.

3.11.4 Mineral patent costs

Mineral patent costs paid as an extra to the government are calculated by 0.1% of the total mineral value, each of them has value exceeding Baht 50 million. Mineral fields with lesser value are exempted from such patent costs.

Each patent is granted a period of 25 years. Mineral patent costs are recognized as deferred charges and amortized over the period of patent.

3.12 Foreign Currency

Foreign currency transactions are translated into Thai Baht using the Bank of Thailand's reference exchange rate prevailing at the transaction date. Assets and liabilities dominated in foreign currency are translated into Thai Baht using the exchange rate at the end of accounting period. Gains or losses on foreign exchange are recognized as either revenues or expenses for all amounts in that accounting period.

3.13 Employee Benefit Obligations

Employee Benefit Obligations of EGAT, subsidiaries and jointly controlled entities were measured and recognized as follows:

1. Short-term employee benefits are recognized as expenses in profit and loss when incurred. However, short-term employee benefits in case of leave with accumulated compensation are recognized when the services are rendered.

2. Post-employee benefits - defined contribution plans

EGAT, subsidiaries and jointly controlled entity have jointly established a provident fund. The fund is monthly contributed by employees, EGAT, subsidiaries and jointly controlled entity. The fund's assets are held in a separate trust fund and the contributions are recognized as expenses when incurred.

3. Post-employee benefits - defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques, using the project unit credit method, in order to determine present value of the obligation, current service cost and past service cost. These are recognized as a liability in statements of financial position and expenses in statements of income.

In case of EGAT has the differences between actual employee benefits paid and actuarial estimated, EGAT will not recognized the differences until there is assumptions revision in accordance with actuarial, which revised every 3 years or whether there is any indication. Any actuarial gains and losses are recognized in statements of comprehensive income.

4. Other long - term employee benefits

The obligation under the defined benefit plan is determined based on actuarial techniques, using the project unit credit method, in order to determine present value of the obligation, current service cost and past service cost. These are recognized as a liability in statements of financial position and expenses in statements of income.

In case of EGAT has the differences between actual employee benefits paid and actuarial estimated, EGAT will not recognize the differences until there is assumptions revision in accordance with actuarial, which will be revised every 3 years or whether there is any indication. Any actuarial gains and losses are recognized in statements of income in the period in which they arise.

In the year 2012, EGAT hires actuary consultants to revise assumptions and the obligation estimation based on new actuarial technique.

3.14 Provision Liabilities for Mine Reclamation

EGAT established provision liabilities for mine reclamation at the lignite mine in Mae Moh District, Lampang Province, which will arise in the future. According to the Mining Act, EGAT is obliged to carry out reclamation work when the mine is closed and because of the certainty of its occurrence amounts set aside for this work are recognized as provisions. Such provisions are recognized as expense in EGAT's statements of income and are calculated by taking that proportion of the total estimated cost of reclamation work that the quantity of lignite extracted during the year bears to the total economically mineable reserves. The actual cost is deducted from provision liabilities.

3.15 Staff AID Fund and Provident Fund

EGAT has established the Staff AID Fund to provide welfare for employees after leaving EGAT. EGAT contributes to the fund on a monthly basis at the rate of 10% of salaries of its employees being the

fund's members. Contributions are recognized as expense in EGAT's statements of income in full amount and the accounting transactions of the fund have been consolidated in EGAT's financial statements. Interest earned from the assets of the fund is recognized as revenue in EGAT's statements of income.

On January 1, 1995, EGAT has set up the Provident Fund in accordance with the Provident Fund Act, B.E. 2530, which the Ministry of Finance prescribed the policy that the state owned enterprises contribute to the Provident Fund at the rate approved by the Ministry of Finance. The employees have the privilege to contribute to the Fund at the minimum rate of 3% of salaries but not more than the combined rate that EGAT contributes to the Fund.

3.16 Deferred Income

3.16.1 Contributions for construction

In case cash contributions received from EGAT's direct customers towards project construction, after completion of the project, assets will be owned by EGAT, are accounted for as deferred contributions and released to revenues over the useful lives of the related assets.

In case cash contributions received from independent power producers towards project construction, after completion of the project, assets will be owned by EGAT, are accounted for as deferred contributions and released to revenues over the period of the power purchase contracts.

In the event that independent power producers operate construction and assets of the project are transferred to EGAT after completion, those assets are accounted for as EGAT's assets and matched with deferred contributions which are released to revenues over the period of the power purchase contracts.

3.16.2 Income from donation

Income from donation, which is assets or cash received from governments and foreign financial institutions in forms of discount of interest or grants to be used for project development of EGAT as identified by donors, is recorded as deferred income under liabilities. Deferred income is recognized as revenue over the useful lives of fixed assets or, in case of cash from donation is recognized according to actual expenditures incurred.

3.17 Revenue from Electric Energy Sales

Revenue from electric energy sales is recognized according to metered delivery units at the selling point under the power purchase agreement. Revenue from automatic tariff adjustment (Ft) is recognized according to the occurred Ft revenue in that period which comprised of the actual collected Ft revenue in accordance with the approval of the Energy Regulatory Commission (ERC) and recognized the accrued Ft revenue or unearned Ft revenue, which came from the difference of the calculated Ft price under the formula Ft with the collected Ft price in that period.

Deferred revenue for electricity compensation has been occurred from receiving fuel costs or electricity compensation from fuel suppliers or other power producers, However, such compensation has not been approved by the ERC to be included in the tariff structure. When ERC has a resolution on the compensation to be included in the tariff structure, EGAT will recognized that compensation as electricity revenue.

3.18 Revenue from Sales of Other Goods and Services

3.18.1 Revenue from sales of other goods other than the revenue from electric energy sales comprise of the revenue from fuel providing to affiliates of EGAT and revenue from sales of other goods such as Hydrogen gas, distilled water, chemicals and by products from generating electricity. It is recognized as income upon the delivery of products and when the significant risks and rewards of ownership are transferred to the customers.

3.18.2 Revenue from services comprise of revenue from running the machinery and power plant maintenance services, communications system and telecommunication services, etc. It is recognized as income by percentage of completion method at the statements of financial position date.

3.19 Interest Income

Interest income is recognized on a time proportion basis and effective rate of return on assets.

3.20 Borrowing Costs

Borrowing costs include interest expenses, commitment charges and other expenses on long term borrowings. Interest expenses of long term borrowings for acquisition of non - current assets that are work under construction period are recognized as capitalized, while after the completion of construction period are recognized as expenses. Interest expenses on borrowings for working capital are recognized as expenses in the period they incurred.

3.21 Related Parties

Related parties refer to individuals or enterprises, that directly or indirectly manage or control, or are controlled by EGAT or are under common control, including subsidiaries and fellow subsidiaries. Besides, related parties refer to individuals or enterprises, including associated company and shareholder which have directly or indirectly vote and significant influence to EGAT, directors, management or employees of the EGAT.

Directors' remunerations comprised of meeting remunerations and bonuses. Management who has significant influence's remunerations comprised of short-term benefits are salaries, bonuses, other short-term employee benefits, post-employment benefits and other long-term employee benefits.

In considering each possible related parties relationship, EGAT attends to the substance of the relationship and not merely the legal form.

3.22 Financial Instruments

Financial assets presented in the financial statements include cash and cash equivalents, temporary investments, trade accounts receivable - others - net, and trade accounts receivable - related parties. Financial liabilities presented in the financial statements include trade accounts payable - others, trade accounts payable - related parties, other accounts payable and loans. The accounting policies applied to those particular items are separately disclosed in the individual policy statements associated with them.

EGAT uses the financial instruments to mitigate foreign currency risk and fluctuations in interest rate. The main derivative financial instruments consisted of forward foreign exchange contracts and cross currency and interest rate swap agreements.

Forward foreign exchange contracts

The forward foreign exchange contracts are financial instruments to protect against the risk of exchange rate fluctuations, are agreements enabling EGAT to buy a specific amount of foreign currency at a pre-agreed rate on a fixed future time. The forward foreign exchange contracts are not recognized in the financial statements at agreement date but gains or losses will be recognized in the statements of income on any due dated as specified in the contracts.

Cross currency and interest rate swap agreements

The cross currency and interest rate swap agreements are financial instruments to protect against the risk of fluctuations in foreign exchange rate and interest rate associated with foreign currency borrowings. The swap agreements are not recognized in the financial statements at agreement date but the differential will be recognized in the statements of income on any due dated as specified in the contracts.

3.23 Capital Risk Management

The subsidiary's objectives of capital management are to safeguard the subsidiary's ability to provide returns for shareholders, to be beneficial for other stakeholders and to maintain proper capital structure to reduce the cost of capital.

4. Thai Accounting Standards (TASs), Thai Financial Reporting Standards (TFRSs), Thai Standing Interpretations Committee and Thai Financial Reporting Interpretations promulgated by the Federation of Accounting Professions (FAP).

Effective for accounting periods beginning on or after January 1, 2014

| | |
|---|---|
| ◆Thai Accounting Standard No.1 (Revised 2012) | Presentation of Financial Statements |
| ◆Thai Accounting Standard No.7 (Revised 2012) | Statement of Cash Flows |
| ◆Thai Accounting Standard No.12 (Revised 2012) | Income Taxes |
| ◆Thai Accounting Standard No.17 (Revised 2012) | Leases |
| ◆Thai Accounting Standard No.18 (Revised 2012) | Revenue |
| ◆Thai Accounting Standard No.19 (Revised 2012) | Employee Benefits |
| ◆Thai Accounting Standard No.21 (Revised 2012) | The Effects of Changes in Foreign Exchange Rates |
| ◆Thai Accounting Standard No.24 (Revised 2012) | Related Party Disclosures |
| ◆Thai Accounting Standard No.28 (Revised 2012) | Investments in Associates |
| ◆Thai Accounting Standard No.31 (Revised 2012) | Interests in Joint Ventures |
| ◆Thai Accounting Standard No.34 (Revised 2012) | Interim Financial Reporting |
| ◆Thai Accounting Standard No.36 (Revised 2012) | Impairment of Assets |
| ◆Thai Accounting Standard No.38 (Revised 2012) | Intangible Assets |
| ◆Thai Financial Reporting Standard No.2 (Revised 2012) | Share-based Payment |
| ◆Thai Financial Reporting Standard No.3 (Revised 2012) | Business Combinations |
| ◆Thai Financial Reporting Standard No.5 (Revised 2012) | Non-current Assets Held for Sale and Discontinued Operations |
| ◆Thai Financial Reporting Standard No.8 (Revised 2012) | Operating Segments |
| ◆Thai Standing Interpretation Committee No.15 | Operating Leases - Incentives |
| ◆Thai Standing Interpretation Committee No.27 | Evaluating the Substance of Transactions Involving the Legal Form of a Lease |
| ◆Thai Standing Interpretation Committee No.29 | Service Concession Arrangements: Disclosures |
| ◆Thai Standing Interpretation Committee No.32 | Intangible Assets - Web Site Costs |
| ◆Thai Financial Reporting Interpretation No.1 | Changes in Existing Decommissioning, Restoration and Similar Liabilities |

| | |
|--|--|
| ◆Thai Financial Reporting Interpretation No.4 | Determining Whether an Arrangement Contains a Lease |
| ◆Thai Financial Reporting Interpretation No.5 | Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds |
| ◆Thai Financial Reporting Interpretation No.7 | Applying the Restatement Approach under TAS 29 Financial Reporting in Hyperinflationary Economies |
| ◆Thai Financial Reporting Interpretation No.10 | Interim Financial Reporting and Impairment |
| ◆Thai Financial Reporting Interpretation No.12 | Service Concession Arrangements |
| ◆Thai Financial Reporting Interpretation No.13 | Customer Loyalty Programmes |
| ◆Thai Financial Reporting Interpretation No.17 | Distributions of Non-cash Assets to Owners |
| ◆Thai Financial Reporting Interpretation No.18 | Transfers of Assets from Customers |

Effective for accounting periods on beginning or after January 1, 2016

| | |
|---|---------------------|
| ◆Thai Financial Reporting Standard No.4 | Insurance Contracts |
|---|---------------------|

The management of EGAT has assessed and determined the potential impact of adopting Thai Accounting Standards (TASs), Thai Financial Reporting Standards (TFRSs), Thai Standing Interpretations Committee and Thai Financial Reporting Interpretations, and concluded that there will have no material impact on the financial statements, except for the Thai Financial Reporting Interpretations No.4 and Thai Accounting Standard Interpretations No.27 that was during consultant hire and assessing the impact on the financial statements.

5. The Effects on Financial Statements of EGAT Subsidiaries and Associates's Financial Statements

Adjustment

Adjustment of financial statements and reclassification

EGAT had reclassified the consolidated and separate financial statements. And EGAT had adjusted the consolidated financial statements and reclassified some items from the fact that EGAT's associate had adjusted share of income from investments in associate that affect from the adoption of Accounting Standards No. 12 Income Taxes and Accounting Standard No. 21 (revised 2009) The Effects of Changes in Foreign Exchange Rates. In addition subsidiaries and jointly controlled entities have been reclassified to consistent with the presentation in the financial statements for the year ended December 31, 2013.

The Effects of statement of financial position as at December 31, 2012, statements of income and statements of comprehensive income for the year ended December 31, 2012 and balance brought forward of statement of change in owners' equity for the year ended December 31, 2012 are summarized as follows:

Unit : Million Baht

| | Consolidated financial statement | | | |
|--|---|---------------------|-----------------|---|
| | Before reclassified and restated | Reclassified | Restated | As reclassified and restated |
| Statements of financial position | | | | |
| as at December 31, 2012 | | | | |
| Cash and cash equivalents | 40,644.20 | (331.85) | - | 40,312.35 |
| Temporary investments | 13,819.28 | (50.00) | - | 13,769.28 |
| Trade accounts receivable - others | 47,769.37 | 49.76 | - | 47,819.13 |
| Trade accounts receivable - related parties | 2,164.25 | 32.61 | - | 2,196.86 |
| Other accounts receivable | 7,287.72 | (82.37) | - | 7,205.35 |
| Investments in associates | 16,569.37 | - | (831.69) | 15,737.68 |
| Other current assets-others | 43.36 | 50.00 | - | 93.36 |
| Other non-current assets | 6,750.88 | 331.85 | (20.00) | 7,062.73 |
| Trade accounts payable - others | 42,006.77 | 5.51 | - | 42,012.28 |
| Other accounts payable | 12,216.06 | (5.51) | - | 12,210.55 |
| Other current liabilities-others | 15,165.87 | - | (20.00) | 15,145.87 |
| Retained earnings-unappropriated | 203,803.13 | - | (374.75) | 203,428.38 |
| Other components of owners' equity | 2,171.85 | - | (456.94) | 1,714.91 |
| Statements of changes in owners' equity | | | | |
| as at December 31, 2012 | | | | |
| Retained earnings-unappropriated | 203,803.13 | - | (374.75) | 203,428.38 |
| Other components of owners' equity | 2,171.85 | - | (456.94) | 1,714.91 |
| Total owners' equity | 295,700.43 | - | (831.69) | 294,868.74 |

Unit : Million Baht

Consolidated financial statement

| | Before reclassified and restated | Restated | As reclassified and restated |
|--|-------------------------------------|----------|---------------------------------|
| Statements of income for the year ended December 31, 2012 | | | |
| <u>Revenues</u> | | | |
| Share of profit from investments in associates | 2,926.57 | 66.26 | 2,992.83 |
| <u>Income for the year</u> | | | |
| Income for the year | 43,271.82 | 66.26 | 43,338.08 |
| Statements of comprehensive income for the year ended December 31, 2012 | | | |
| Share of other comprehensive income of associates | 348.48 | (154.71) | 193.77 |
| Other comprehensive income (loss) for the year - net of taxes | (536.42) | (154.71) | (691.13) |
| Statements of changes in owners' equity as at January 1, 2012 | | | |
| Retained earnings-unappropriated | 182,338.85 | 3.92 | 182,342.77 |
| Exchange rate differences from currency translation | (65.17) | 0.35 | (64.82) |
| Non-controlling interests | 27,201.25 | (130.93) | 27,070.32 |
| Total owners' equity | 302,329.77 | (126.66) | 302,203.11 |

Unit : Million Baht

Separate financial statement

| | Before reclassified and restated | Restated | As reclassified and restated |
|---|-------------------------------------|----------|---------------------------------|
| Statements of financial position as at December 31, 2012 | | | |
| Cash and cash equivalents | 32,175.10 | (331.85) | 31,843.25 |
| Trade accounts receivable - others | 47,303.49 | 49.76 | 47,353.25 |
| Trade accounts receivable - related parties | 2,396.08 | 113.67 | 2,509.75 |
| Other accounts receivable | 6,700.27 | (163.43) | 6,536.84 |
| Other non-current assets | 1,564.67 | 331.85 | 1,896.52 |

6. Supplementary Information

6.1 Cash and Cash Equivalents

Unit : Million Baht

| | Consolidated financial statement | | Separate financial statement | |
|---|----------------------------------|------------------|------------------------------|------------------|
| | Dec 31, 13 | Dec 31, 12 | Dec 31, 13 | Dec 31, 12 |
| Cash on hand | 9.38 | 8.40 | 8.39 | 7.82 |
| Cash in banks current and saving accounts | 35,893.08 | 37,344.86 | 33,154.27 | 31,835.43 |
| Fixed deposits not more than 3 months | 23,358.11 | 38.50 | 22,010.24 | - |
| Government bonds not more than 3 months | 3,998.23 | - | 3,998.23 | - |
| Fixed deposit receipts | 3,820.00 | 2,790.59 | - | - |
| Bills of exchange | - | 130.00 | - | - |
| Total | 67,078.80 | 40,312.35 | 59,171.13 | 31,843.25 |

6.2 Temporary Investments

Unit : Million Baht

| | Consolidated financial statement | | Separate financial statement | |
|-------------------------------------|----------------------------------|------------------|------------------------------|-----------------|
| | Dec 31, 13 | Dec 31, 12 | Dec 31, 13 | Dec 31, 12 |
| Fixed deposits more than 3 months | | | | |
| but not more than 12 months | 35,132.06 | 8,097.68 | 33,020.56 | 8,047.26 |
| Fixed deposit receipts | 1,400.00 | 5,309.00 | - | - |
| Debenture | 50.00 | 50.00 | - | - |
| Government bonds more than 3 months | 41.00 | - | - | - |
| Investments in trading securities | 445.63 | 312.60 | - | - |
| Total | 37,068.69 | 13,769.28 | 33,020.56 | 8,047.26 |

Temporary investments of EGAT are investment in fixed deposits more than 3 months but not more than 12 months. EGAT has followed to the regulations of the Ministry of Finance regarding accounting and finance of state owned enterprise B.E. 2548 section 2 of finance which defined state owned enterprise to deposit its money with commercial banks that also are state owned following to the budgeting law. If there is remaining liquidity or desire to manage remaining liquidity to gain higher reward than deposit with state owned banks following to the budgeting law of state owned enterprise, it is possible to invest in short term financial instruments issued by the Ministry of Finance or financial institutions of government.

6.3 Trade Accounts Receivable - Others

Unit : Million Baht

| | Consolidated financial statement | | Separate financial statement | |
|--|----------------------------------|------------------|------------------------------|------------------|
| | Dec 31, 13 | Dec 31, 12 | Dec 31, 13 | Dec 31, 12 |
| Receivable from electric energy sales | | | | |
| Metropolitan Electricity Authority | 24,273.44 | 14,225.83 | 24,273.44 | 14,225.83 |
| Provincial Electricity Authority | 27,050.93 | 30,510.22 | 27,050.93 | 30,510.22 |
| Others | 3,789.23 | 2,475.14 | 3,756.39 | 2,441.01 |
| | <u>55,113.60</u> | <u>47,211.19</u> | <u>55,080.76</u> | <u>47,177.06</u> |
| Services and others receivable | 826.30 | 655.76 | 261.85 | 224.01 |
| Total | <u>55,939.90</u> | <u>47,866.95</u> | <u>55,342.61</u> | <u>47,401.07</u> |
| Less : Allowance for doubtful accounts | (48.28) | (47.82) | (48.28) | (47.82) |
| Balance | <u>55,891.62</u> | <u>47,819.13</u> | <u>55,294.33</u> | <u>47,353.25</u> |

Trade accounts receivable - others can be analyzed by categories and outstanding period as follows:

Unit: Million Baht

| Outstanding period | Consolidated financial statement | | | Dec 31, 12 |
|--|----------------------------------|--------------------|------------------|------------------|
| | Dec 31, 13 | | Total | |
| | Electric energy sales | Service and others | | |
| Undue portion | 54,840.00 | 756.69 | 55,596.69 | 47,811.13 |
| Overdue not more than 6 months | 273.60 | 18.49 | 292.09 | 5.00 |
| Overdue more than 6 months to | | | | |
| 1 year | - | 0.07 | 0.07 | 0.11 |
| Overdue more than 1 year | - | 51.05 | 51.05 | 50.71 |
| Total | <u>55,113.60</u> | <u>826.30</u> | <u>55,939.90</u> | <u>47,866.95</u> |
| Less : Allowance for doubtful accounts | - | (48.28) | (48.28) | (47.82) |
| Balance | <u>55,113.60</u> | <u>778.02</u> | <u>55,891.62</u> | <u>47,819.13</u> |

Trade accounts receivable - others can be analyzed by categories and outstanding period as follows:

Unit: Million Baht

| Outstanding period | Separate financial statement | | | Dec 31, 12 |
|--------------------------------------|------------------------------|-----------------------|-----------|------------|
| | Dec 31, 13 | | | |
| | Electric energy sales | Service and others | Total | |
| Undue portion | 54,807.16 | 192.24 | 54,999.40 | 47,345.25 |
| Overdue not more than 6 months | 273.60 | 18.49 | 292.09 | 5.00 |
| Overdue more than 6 months to | | | | |
| 1 year | - | 0.07 | 0.07 | 0.11 |
| Overdue more than 1 year | - | 51.05 | 51.05 | 50.71 |
| Total | 55,080.76 | 261.85 | 55,342.61 | 47,401.07 |
| Less : Allowance for doubtful | | | | |
| accounts | - | (48.28) | (48.28) | (47.82) |
| Balance | 55,080.76 | 213.57 | 55,294.33 | 47,353.25 |

6.4 Related Parties Transactions

The companies that have transactions with EGAT as at December 31, 2013 are as follows:

| Company | Country of Incorporation/ Nationality | Relationship |
|--|--|---|
| EGAT International Co., Ltd. | Thailand | Subsidiary, EGAT has 100% shareholding |
| EGAT Diamond Service Co., Ltd. | Thailand | Subsidiary, EGAT has 45% shareholding |
| Ratchaburi Electricity Generating Holding Plc. | Thailand | Subsidiary, EGAT has 45% shareholding |
| District Cooling System and Power Plant Co., Ltd. | Thailand | Jointly controlled entity of EGAT, EGAT has 35% shareholding |
| Electricity Generating Plc. | Thailand | Associated company, EGAT has 25.41% shareholding |
| Ratchaburi Electricity Generating Co., Ltd. | Thailand | Subsidiary of Ratchaburi Electricity Generating Holding Plc. |
| Ratchaburi Gas Co., Ltd. | Thailand | Subsidiary of Ratchaburi Electricity Generating Holding Plc. |
| Ratchaburi Energy Co., Ltd. | Thailand | Subsidiary of Ratchaburi Electricity Generating Holding Plc. |
| RH International Corporation Ltd. | Thailand | Subsidiary of Ratchaburi Electricity Generating Holding Plc. |
| RATCH-Lao Services Co., Ltd. | Lao PDR | Subsidiary of Ratchaburi Electricity Generating Holding Plc. |
| RATCH O&M Co., Ltd. | Thailand | Subsidiary of Ratchaburi Electricity Generating Holding Plc. |
| Khanom Electricity Generating Co., Ltd. | Thailand | Related party of EGAT |
| EGCO Engineering and Services Co., Ltd. | Thailand | Related party of EGAT |
| Xayaburi Power Co., Ltd. | Lao PDR | Related party of EGAT |
| Gulf Electric Plc. | Thailand | Related party of EGAT |
| BLCP Power Co., Ltd. | Thailand | Related party of EGAT |
| Eastern Water Resources Development and Management Plc. | Thailand | Related party of EGAT |
| Yanhee EGCO Holding Co., Ltd. | Thailand | Related party of EGAT |
| Solarco Co., Ltd. | Thailand | Related party of EGAT |
| Ratchaburi Power Co., Ltd. | Thailand | Related party of EGAT |
| South East Asia Energy Ltd. | Thailand | Related party of EGAT |
| Hongsa Power Co., Ltd. | Lao PDR | Related party of EGAT |
| Phufai Mining Co., Ltd. | Lao PDR | Related party of EGAT |
| RATCH-Australia Corporation Ltd. | Australia | Related party of EGAT |

Related Parties Transactions the details are as follows:

6.4.1 Trade accounts receivable - related parties

Unit : Million Baht

| | Consolidated financial statement | | Separate financial statement | |
|---------------------------------|----------------------------------|------------|------------------------------|------------|
| | Dec 31, 13 | Dec 31, 12 | Dec 31, 13 | Dec 31, 12 |
| Subsidiaries | - | - | 553.01 | 332.73 |
| Associated company | 691.97 | 711.14 | 691.97 | 711.14 |
| Jointly controlled entity | 5.29 | 9.36 | 8.15 | 14.41 |
| Related parties | 2,390.39 | 1,476.36 | 2,390.39 | 1,451.48 |
| Total trade accounts receivable | | | | |
| - related parties | 3,087.65 | 2,196.86 | 3,643.52 | 2,509.76 |

Trade accounts receivable - related parties can be analyzed by categories and aging schedule as follows:

Unit : Million Baht

| | Consolidated financial statement | | Separate financial statement | |
|---------------------------------|----------------------------------|------------|------------------------------|------------|
| | Dec 31, 13 | Dec 31, 12 | Dec 31, 13 | Dec 31, 12 |
| Undue portion | 3,087.65 | 2,196.43 | 3,643.52 | 2,479.94 |
| Overdue not more than 6 months | - | 0.43 | - | 29.82 |
| Total trade accounts receivable | | | | |
| - related parties | 3,087.65 | 2,196.86 | 3,643.52 | 2,509.76 |

6.4.2 Long-term loans to related parties

Long-term loans to related parties in consolidated financial statement are the transactions of the group of EGAT's subsidiaries consist of:

Unit : Million Baht

| | Consolidated financial statement | |
|---|----------------------------------|------------|
| | Dec 31, 13 | Dec 31, 12 |
| Current portion of long-term loans to related parties | - | 62.50 |
| Total | - | 62.50 |

6.4.3 Trade accounts payable - related parties

Unit : Million Baht

| | <u>Consolidated financial statement</u> | | <u>Separate financial statement</u> | |
|------------------------------|---|-------------------|-------------------------------------|-------------------|
| | <u>Dec 31, 13</u> | <u>Dec 31, 12</u> | <u>Dec 31, 13</u> | <u>Dec 31, 12</u> |
| Subsidiaries | - | - | 8,283.45 | 3,780.51 |
| Associated company | 1,064.11 | 820.42 | 1,064.11 | 820.42 |
| Jointly controlled entity | 78.01 | 67.56 | 120.01 | 103.94 |
| Related parties | 6,480.16 | 7,269.18 | 6,480.16 | 7,269.18 |
| Total trade accounts payable | | | | |
| - related parties | <u>7,622.28</u> | <u>8,157.16</u> | <u>15,947.73</u> | <u>11,974.05</u> |

6.4.4 Long-term loans from related parties

Long-term loans from related parties in consolidated financial statement are the transactions of the group of EGAT's subsidiaries consist of:

Unit : Million Baht

| | <u>Consolidated financial statement</u> | |
|--------------------------------------|---|-------------------|
| | <u>Dec 31, 13</u> | <u>Dec 31, 12</u> |
| Long-term loans from related parties | 1,186.30 | 1,358.28 |
| Total | <u>1,186.30</u> | <u>1,358.28</u> |

6.4.5 Revenues and expenses - related parties

Unit : Million Baht

| | Consolidated financial statement | | Separate financial statement | |
|---|----------------------------------|------------------|------------------------------|------------------|
| | Jan 1-Dec 31, 13 | Jan 1-Dec 31, 12 | Jan 1-Dec 31, 13 | Jan 1-Dec 31, 12 |
| Revenues | | | | |
| Revenue from electric energy sales | | | | |
| Subsidiary | - | - | 190.28 | 155.67 |
| Associated company | 20.71 | 14.00 | 20.71 | 14.00 |
| Related parties | 87.26 | 89.01 | 87.26 | 89.01 |
| Revenue from sales of other goods and services | | | | |
| Subsidiaries | - | - | 2,702.82 | 4,299.10 |
| Associated company | 7,239.61 | 10,316.73 | 7,239.61 | 10,316.73 |
| Jointly controlled entity | 56.31 | 57.17 | 86.63 | 87.96 |
| Related parties | 14,062.00 | 14,489.98 | 14,062.00 | 14,489.98 |
| Expenses | | | | |
| Cost of electric energy sales | | | | |
| Subsidiaries | - | - | 47,963.67 | 51,838.47 |
| Associated company | 9,318.89 | 12,340.49 | 9,318.89 | 12,340.49 |
| Jointly controlled entity | 655.55 | 555.07 | 1,008.54 | 853.96 |
| Related parties | 52,576.17 | 66,992.19 | 52,576.17 | 66,992.19 |
| Cost of sales of other goods and services | | | | |
| Subsidiaries | - | - | 2,232.04 | 3,939.62 |
| Associated company | 7,223.80 | 10,326.23 | 7,223.80 | 10,326.23 |
| Jointly controlled entity | 59.12 | 61.27 | 90.95 | 94.26 |
| Related parties | 13,840.96 | 14,345.04 | 13,840.96 | 14,345.04 |

6.4.6 Executives' remunerations

For the year ended December 31, 2013, Executives' remunerations are as follows:

| | Unit : Million Baht | | | |
|---|----------------------------------|----------------------|------------------------------|---------------------|
| | Consolidated financial statement | | Separate financial statement | |
| | Jan 1-Dec 31, 13 | Jan 1-Dec 31, 12 | Jan 1-Dec 31, 13 | Jan 1-Dec 31, 12 |
| Directors' remunerations | | | | |
| Meeting remuneration and bonuses | 43.64 | 47.38 | 3.18 | 3.81 |
| | <u>43.64</u> | <u>47.38</u> | <u>3.18</u> | <u>3.81</u> |
| Management's remunerations | | | | |
| Salaries, bonuses and other short-term employee benefits | 200.66 | 230.99 | 48.82 | 56.75 |
| Post-employee benefit and other long-term employee benefits | 10.97 | 29.50 | 0.94 | 1.33 |
| | <u>211.63</u> | <u>260.49</u> | <u>49.76</u> | <u>58.08</u> |
| Total | <u><u>255.27</u></u> | <u><u>307.87</u></u> | <u><u>52.94</u></u> | <u><u>61.89</u></u> |

6.5 Accrued Revenue from Electric Energy Sales According to Automatic Tariff Adjustment (Ft) and Deferred Revenue for Electricity Compensation

As at January 1, 2013, EGAT has the accrued revenue from electric energy sales according to automatic tariff adjustment (Ft) in the amount of Baht 6,529.90 million. During the year 2013, EGAT has recovered all of accrued Ft revenue. As at September 5, 2013, ERC has approved the Ft estimation of September-December 2013 which was 61.10 satang per unit. Nevertheless EGAT can charge equal to 54.00 satang per unit in such period by absorbs the Ft of Baht 1,566 million temporarily. However, the cost of fuel and electric energy purchased in such period are lower than the estimated Ft calculating formula, As of December 31, 2013, EGAT had accrued Ft revenue of Baht 529.60 million.

EGAT had recorded deferred revenue for electricity compensation, which had been presented in current liabilities as at January 1, 2013 in the amount of Baht 2,768.98 million and as at December 31, 2013 in amount of Baht 2,231.34 million. Deferred revenue for electricity compensation had decreased Baht 537.64 million by offset with compensation in amount of Baht 2,247.32 million, while EGAT had received more compensation for the fuel or electric energy from fuel suppliers or other electric energy producers.

6.6 Other Accounts Receivable

Unit : Million Baht

| | Consolidated financial statement | | Separate financial statement | |
|---|----------------------------------|----------------|------------------------------|----------------|
| | Dec 31, 13 | Dec 31, 12 | Dec 31, 13 | Dec 31, 12 |
| Employee accounts receivable | 78.69 | 161.68 | 76.33 | 158.20 |
| Other accounts receivable | 348.00 | 768.31 | 219.44 | 418.54 |
| Less : Allowance for doubtful accounts | (19.68) | (17.93) | (19.68) | (17.93) |
| Advances and Prepaid | 2,965.77 | 1,937.16 | 2,643.20 | 1,811.52 |
| Accrued revenues | 316.03 | 417.02 | 285.94 | 289.89 |
| Input tax | 4,792.94 | 3,939.11 | 4,777.63 | 3,876.62 |
| Balance | 8,481.75 | 7,205.35 | 7,982.86 | 6,536.84 |

6.7 Materials and Supplies

Unit : Million Baht

| | Consolidated financial statement | | Separate financial statement | |
|---|----------------------------------|-------------------|------------------------------|-------------------|
| | Dec 31, 13 | Dec 31, 12 | Dec 31, 13 | Dec 31, 12 |
| Fuel oil for power plant | 5,826.34 | 5,657.40 | 4,785.72 | 4,861.56 |
| Lignite stock | 1,559.32 | 1,521.72 | 1,559.32 | 1,521.72 |
| Spare parts, other materials and supplies | 11,613.04 | 11,077.07 | 9,335.19 | 8,942.01 |
| Less : Allowance for obsolescence | (5,894.86) | (5,624.27) | (5,146.98) | (4,910.65) |
| Balance | 13,103.84 | 12,631.92 | 10,533.25 | 10,414.64 |

6.8 Derivative Assets and Liabilities

6.8.1 Derivative Assets

Unit : Million Baht

| | Consolidated financial statement | | Separate financial statement | |
|------------------------------------|----------------------------------|------------|------------------------------|------------|
| | Dec 31, 13 | Dec 31, 12 | Dec 31, 13 | Dec 31, 12 |
| Foreign currency forward contracts | 0.12 | - | 0.12 | - |
| Balance | 0.12 | - | 0.12 | - |

6.8.2 Derivative liabilities

Unit : Million Baht

| | Consolidated financial statement | | Separate financial statement | |
|---|----------------------------------|------------|------------------------------|------------|
| | Dec 31, 13 | Dec 31, 12 | Dec 31, 13 | Dec 31, 12 |
| Cross currency and interest rate swap contracts | - | 4.59 | - | 4.59 |
| Balance | - | 4.59 | - | 4.59 |

6.9 Investment in Subsidiaries, Associates and Jointly Controlled Entities

6.9.1 Details of subsidiaries, associated company and jointly controlled entity

| Company | Country of incorporation/ Nationality | Business | Shareholding (%) | |
|---|--|--|------------------|------------|
| | | | Dec 31, 13 | Dec 31, 12 |
| Subsidiaries | | | | |
| EGAT International Co., Ltd. | Thailand | Generation and supply of electricity | 100 | 100 |
| EGAT Diamond Service Co., Ltd. | Thailand | Gas turbine maintenance including components and spare parts | 45 | 45 |
| Ratchaburi Electricity Generating Holding Plc. | Thailand | Generation and supply of electricity | 45 | 45 |
| Associated company | | | | |
| Electricity Generating Plc. | Thailand | Generation and supply of electricity | 25.41 | 25.41 |
| Jointly controlled entity | | | | |
| District Cooling System and Power Plant Co., Ltd. | Thailand | Generation and supply of electricity and chilled water | 35 | 35 |

6.9.2 Details of subsidiaries, associates and jointly controlled entities : Ratchaburi Electricity

Generating Holding Plc.

| Company | Country of incorporation/ Nationality | Business | Shareholding (%) | |
|--|---|---|------------------|------------|
| | | | Dec 31, 13 | Dec 31, 12 |
| Direct subsidiaries | | | | |
| Ratchaburi Electricity Generating Co., Ltd. | Thailand | Generation and supply of electricity | 100 | 100 |
| Ratchaburi Gas Co., Ltd. | Thailand | Investment in electricity business | 100 | 100 |
| Ratch Udom Power Co., Ltd. (In liquidation process) | Thailand | Investment in electricity business | 100 | 100 |
| Ratchaburi Energy Co., Ltd. | Thailand | Power plant development and operation and investment in electricity business | 100 | 100 |
| RH International Corporation Ltd. | Thailand | Investment in electricity business | 100 | 100 |
| RATCH-Lao Services Co., Ltd. | Lao PDR | Operation and maintenance services | 100 | 100 |
| RATCH O&M Co., Ltd. | Thailand | Operation and maintenance services | 100 | 100 |
| Indirect subsidiaries | | | | |
| Ratchaburi Alliances Co., Ltd. | Thailand | Investment in electricity business | 100 | 100 |
| RH International (Mauritius) Corporation Ltd. | Mauritius | Investment in electricity business in foreign country | 100 | 100 |
| RH International (Singapore) Corporation Ltd. | Singapore | Investment in electricity business in foreign country | 100 | 100 |
| Sustainable Energy Corporation Co., Ltd. | Thailand | Investment in electricity business | 55.18 | 55.18 |
| Khao Kor Wind Power Co., Ltd. | Thailand | Generation and supply of electricity | 55.18 | 55.18 |
| RATCH-Australia Corporation Ltd. and the group of the company | Australia | Power plant development and operation and investment in electricity business | 80 | 80 |
| Ban Bueng Power Co., Ltd. | Thailand | Generation and supply of electricity | 100 | - |
| Eastern IPP Co., Ltd. | Thailand | Generation and supply of electricity | 100 | - |
| Eastern Power Generation Co., Ltd. | Thailand | Generation and supply of electricity | 100 | - |

| Company | Country of incorporation/ Nationality | Business | Shareholding (%) | |
|--|---|---|------------------|------------|
| | | | Dec 31, 13 | Dec 31, 12 |
| Associates | | | | |
| First Korat Wind Co., Ltd. | Thailand | Generation and supply of electricity | 20 | 20 |
| K.R. Two Co., Ltd. | Thailand | Generation and supply of electricity | 20 | 20 |
| Jointly controlled entities | | | | |
| Tri Energy Co., Ltd. | Thailand | Generation and supply of electricity | 50 | 50 |
| Ratchaburi Power Co., Ltd. | Thailand | Generation and supply of electricity | 25 | 25 |
| Chubu Ratchaburi Electric Services Co., Ltd. | Thailand | Operation and maintenance services | 50 | 50 |
| South East Asia Energy Ltd. and subsidiary | Thailand | Investment in electricity business | 33.33 | 33.33 |
| Hongsa Power Co., Ltd. | Lao PDR | Generation and supply of electricity | 40 | 40 |
| Phufai Mining Co., Ltd. | Lao PDR | Generation and supply of coal | 37.50 | 37.50 |
| Nam Ngum 3 Power Co., Ltd. | Lao PDR | Generation and supply of electricity | 25 | 25 |
| Nava Nakorn Electricity Generating Co., Ltd. | Thailand | Generation and supply of electricity and steam | 40 | 40 |
| Ratchaburi World Cogeneration Co., Ltd. | Thailand | Generation and supply of electricity and steam | 40 | 40 |
| Solarta Co., Ltd. | Thailand | Generation and supply of electricity | 49 | 49 |
| Solar Power (Korat 3) Co., Ltd. | Thailand | Generation and supply of electricity | 40 | 40 |
| Solar Power (Korat 4) Co., Ltd. | Thailand | Generation and supply of electricity | 40 | 40 |
| Solar Power (Korat 7) Co., Ltd. | Thailand | Generation and supply of electricity | 40 | 40 |
| Songkhla Biomass Co., Ltd. | Thailand | Generation and supply of electricity | 40 | 40 |
| KK Power Co., Ltd. | Cambodia | Generation and supply of electricity | 50 | 50 |
| Songkhla Biofuel Co., Ltd. | Thailand | Supply the biomass fuel | 40 | 40 |
| Sukhothai Energy Co., Ltd. | Thailand | Development and operation in electricity business | 25 | 51 |
| Ayudhya Power Co., Ltd. | Thailand | Generation and supply of electricity | 45 | - |
| Xe-Pien Xe-Nam Noy Power Co., Ltd. | Lao PDR | Generation and supply of electricity | 25 | 25 |

6.9.3 Investments in associates and jointly controlled entities in the consolidated financial statements

Unit : Million Baht

| Company | Shareholding (%) | | Dec 31, 13 | | Dec 31, 12 | | Dividend | |
|---|------------------|------------|-------------|---------------|-------------|---------------|------------|------------|
| | Dec 31, 13 | Dec 31, 12 | Cost Method | Equity Method | Cost Method | Equity Method | Dec 31, 13 | Dec 31, 12 |
| Associates | | | | | | | | |
| 1. Electricity Generating Plc. | 25.41 | 25.41 | 1,587.55 | 16,449.87 | 1,587.55 | 15,056.64 | 802.64 | 735.75 |
| 2. First Korat Wind Co., Ltd. | 20.00 | 20.00 | 399.20 | 514.92 | 381.93 | 375.26 | - | - |
| 3. K.R. Two Co., Ltd. | 20.00 | 20.00 | 365.40 | 442.71 | 317.90 | 305.78 | - | - |
| 4. Nam Ngiep1 Power Co., Ltd. | 30.00 | - | 302.31 | 314.48 | - | - | - | - |
| Total | | | 2,654.46 | 17,721.98 | 2,287.38 | 15,737.68 | 802.64 | 735.75 |
| Jointly controlled entities | | | | | | | | |
| 1. Tri Energy Co., Ltd. | 50.00 | 50.00 | 1,809.21 | 4,445.68 | 1,809.21 | 4,736.95 | 341.86 | 161.77 |
| 2. Ratchaburi Power Co., Ltd. | 25.00 | 25.00 | 1,831.25 | 3,920.66 | 1,831.25 | 3,735.10 | 475.00 | 450.00 |
| 3. Chubu Ratchaburi Electric Services Co., Ltd. | 50.00 | 50.00 | 10.00 | 79.39 | 10.00 | 112.08 | 20.00 | 16.00 |
| 4. South East Asia Energy Ltd. | 33.33 | 33.33 | 2,202.25 | 2,804.75 | 2,202.25 | 2,649.89 | 57.26 | - |
| 5. Hongsa Power Co., Ltd. | 40.00 | 40.00 | 983.12 | - | 983.12 | 435.43 | - | - |
| 6. Phufai Mining Co., Ltd. | 37.50 | 37.50 | 0.63 | 0.35 | 0.63 | 0.39 | - | - |
| 7. Nam Ngum 3 Power Co., Ltd. | 25.00 | 25.00 | 0.45 | - | 0.45 | 0.34 | - | - |
| 8. Nava Nakorn Electricity Generating Co., Ltd. | 40.00 | 40.00 | 160.80 | 139.54 | 96.80 | 87.04 | - | - |
| 9. Ratchaburi World Cogeneration Co., Ltd. | 40.00 | 40.00 | 500.00 | 522.77 | 500.00 | 490.88 | - | - |
| 10. Solarta Co., Ltd. | 49.00 | 49.00 | 545.96 | 745.49 | 545.96 | 606.55 | - | - |
| 11. Solar Power (Korat 3) Co., Ltd. | 40.00 | 40.00 | 71.30 | 89.26 | 65.00 | 70.80 | 7.34 | - |
| 12. Solar Power (Korat 4) Co., Ltd. | 40.00 | 40.00 | 74.07 | 91.90 | 68.25 | 76.58 | 7.84 | - |
| 13. Solar Power (Korat 7) Co., Ltd. | 40.00 | 40.00 | 70.00 | 89.70 | 63.70 | 72.20 | 8.06 | - |
| 14. Songkhla Biomass Co., Ltd. | 40.00 | 40.00 | 67.50 | 64.17 | 34.50 | 32.36 | - | - |
| 15. Perth Power Partnership (Kwinana) | 30.00 | 30.00 | 618.53 | 707.61 | 618.53 | 764.21 | 60.26 | 115.88 |
| 16. KK Power Co., Ltd. | 50.00 | 50.00 | 15.44 | - | 15.44 | 15.16 | - | - |
| 17. Songkhla Biofuel Co., Ltd. | 40.00 | 40.00 | 0.40 | 0.38 | 0.40 | 0.39 | - | - |
| 18. Sukhothai Energy Co., Ltd. | 25.00 | 51.00 | 20.00 | 1.69 | 40.80 | 24.27 | - | - |
| 19. Xe-Pien Xe-Nam Noy Power Co., Ltd. | 25.00 | 25.00 | 532.18 | 382.73 | 0.78 | (0.98) | - | - |
| 20. Ayudhya Power Co., Ltd. | 45.00 | - | 18.10 | 17.93 | - | - | - | - |
| Total | | | 9,531.19 | 14,104.00 | 8,887.07 | 13,909.64 | 977.62 | 743.65 |
| Grand Total | | | 12,185.65 | 31,825.98 | 11,174.45 | 29,647.32 | 1,780.26 | 1,479.40 |

6.9.4 Investments in subsidiaries, associated company and jointly controlled entity in the separate financial statements

Unit : Million Baht

| Company | Shareholding (%) | | Cost Method | | Dividend | |
|--|------------------|------------|-------------|------------|------------|------------|
| | Dec 31, 13 | Dec 31, 12 | Dec 31, 13 | Dec 31, 12 | Dec 31, 13 | Dec 31, 12 |
| Subsidiaries | | | | | | |
| 1. EGAT International Co., Ltd. | 100.00 | 100.00 | 3,108.00 | 370.00 | - | - |
| 2. EGAT Diamond Service Co., Ltd. | 45.00 | 45.00 | 280.35 | 227.95 | - | - |
| 3. Ratchaburi Electricity Generating Holding Plc. | 45.00 | 45.00 | 6,525.00 | 6,525.00 | 1,481.18 | 1,468.13 |
| Total | | | 9,913.35 | 7,122.95 | 1,481.18 | 1,468.13 |
| Associated company | | | | | | |
| 1. Electricity Generating Plc. | 25.41 | 25.41 | 1,587.55 | 1,587.55 | 802.64 | 735.75 |
| Total | | | 1,587.55 | 1,587.55 | 802.64 | 735.75 |
| Jointly controlled entity | | | | | | |
| 1. District Cooling System and Power Plant Co., Ltd. | 35.00 | 35.00 | 584.50 | 584.50 | - | - |
| Total | | | 584.50 | 584.50 | - | - |
| Grand Total | | | 12,085.40 | 9,295.00 | 2,283.82 | 2,203.88 |

6.9.5 Movements in investments in the consolidated financial statements and the separate financial statements

6.9.5.1 Movements in investments in associates and jointly controlled entities accounted for under the equity method in the consolidated financial statements

Unit : Million Baht

| | Dec 31, 13 | Dec 31, 12 |
|--|------------|------------|
| Balance at the beginning of the year | 29,647.32 | 27,074.83 |
| Change in accounting policy | - | (743.24) |
| Balance at the beginning of the year after adjustment | 29,647.32 | 26,331.59 |
| Share of profit from investments - equity method | 2,804.34 | 3,695.46 |
| Additional payment of share capital in jointly controlled entities | 133.52 | 507.02 |
| Additional payment of share capital in associates | 367.08 | 342.77 |
| Sale of investments in jointly controlled entities | (20.80) | - |
| Transfer development cost to investment | 392.53 | - |
| Dividend revenues | (977.62) | (743.65) |
| Allowance for impairment | (15.16) | - |
| Available-for-sale investments | (42.28) | 532.64 |
| Currency translation differences of the company settled in foreign country | 404.45 | (184.15) |
| Dividend received | (802.64) | (735.75) |
| Exchange rate adjustment | (64.76) | (10.16) |
| Balance at the end of the year (before adjustment) | 31,825.98 | 29,735.77 |
| Change in fair value | - | (88.45) |
| Balance at the end of the year after adjustment | 31,825.98 | 29,647.32 |

6.9.5.2 Movements in investments in subsidiaries, associated company and jointly controlled entity accounted for under the cost method in the separate financial statements

| | Unit : Million Baht | |
|--------------------------------------|----------------------------|-------------------|
| | Dec 31, 13 | Dec 31, 12 |
| Balance at the beginning of the year | 9,295.00 | 9,225.00 |
| Additional investments | 2,790.40 | 70.00 |
| Balance at the end of the year | <u>12,085.40</u> | <u>9,295.00</u> |

6.10 Property, Plant and Equipment

Unit : Million Baht

| | Consolidated financial statement | | | | | | | | | | | Total | | | | |
|--|----------------------------------|-------------|---------------------|--------------|----------------------------|----------------|---------------------|----------------------|----------------------|------------|--|------------|------------|------------------------------|--|---|
| | Land | Structures | Reservoirs and dams | Power plants | Equipment for power plants | Control system | Transmission system | Communication system | Coal handling system | Machinery | Large-sized spare parts for mine equipment | | Vehicles | Other materials and supplies | Deferred charges of major inspection fee | Adjustment in consolidated profit on sale of power plants |
| Cost as at Jan 1, 13 | 8,321.26 | 27,891.49 | 28,855.79 | 335,424.30 | 30,398.37 | 804.76 | 144,659.68 | 6,669.70 | 5,931.24 | 6,050.26 | 42.85 | 2,925.75 | 9,708.29 | 5,397.12 | (4,839.33) | 608,241.53 |
| Increase during the period | 306.23 | 6.12 | 0.29 | 938.52 | 1,896.99 | - | 0.70 | - | - | 229.08 | - | 221.21 | 744.56 | - | - | 4,344.30 |
| Transferred from work under construction | - | 1,016.88 | 8.17 | 563.96 | - | 103.69 | 12,838.13 | 388.19 | 129.22 | 163.62 | - | - | 32.14 | 304.06 | - | 15,548.06 |
| Exchange rate differences from currency translation | (25.37) | (10.00) | - | (2,079.49) | - | - | - | - | - | - | - | - | (0.07) | - | - | (2,114.93) |
| Reclassification | - | (0.31) | - | 4.95 | (6.03) | - | (24.20) | 0.15 | - | (1.43) | - | 2.27 | 23.26 | - | - | (1.34) |
| Disposal/write-off | (28.07) | (123.29) | - | (76.75) | - | (20.92) | (1,056.87) | (142.57) | - | (55.35) | - | (113.99) | (368.81) | (1,462.83) | - | (3,449.45) |
| Cost as at Dec 31, 13 | 8,574.05 | 28,780.89 | 28,864.25 | 334,775.49 | 32,289.33 | 887.53 | 156,417.44 | 6,915.47 | 6,060.46 | 6,386.78 | 42.85 | 3,035.24 | 10,139.37 | 4,238.35 | (4,839.33) | 622,568.17 |
| Accumulated depreciation / Amortization as at Jan 1, 13 | - | (17,202.76) | (9,662.61) | (200,077.83) | (14,895.06) | (703.79) | (71,950.73) | (5,561.08) | (4,414.16) | (4,895.24) | (42.85) | (2,408.38) | (7,121.59) | (2,167.20) | 2,150.54 | (338,952.74) |
| Depreciation/Amortization for the year | - | (1,020.89) | (447.41) | (12,332.24) | (3,145.65) | (33.27) | (5,544.17) | (315.94) | (130.98) | (234.14) | - | (171.96) | (663.15) | (1,734.53) | 196.69 | (25,577.64) |
| Exchange rate differences from currency translation | - | 3.33 | - | 816.30 | - | - | - | - | - | - | - | - | 0.06 | - | - | 819.69 |
| Reclassification | - | (0.07) | - | (0.28) | 1.11 | - | 16.68 | (0.15) | - | (0.15) | - | (0.06) | (16.61) | - | - | 0.47 |
| Disposal/write-off | - | 99.45 | - | 70.99 | - | 19.15 | 759.24 | 141.83 | - | 28.52 | - | 113.97 | 360.01 | 1,462.83 | - | 3,055.99 |
| Accumulated depreciation / Amortization as at Dec 31, 13 | - | (18,120.94) | (10,110.02) | (211,523.06) | (18,039.60) | (717.91) | (76,718.98) | (5,735.34) | (4,545.14) | (5,101.01) | (42.85) | (2,466.43) | (7,441.28) | (2,438.90) | 2,347.23 | (360,654.23) |
| Accumulated impairment | - | (49.58) | - | (899.84) | - | - | - | - | - | (53.62) | - | - | (0.84) | - | - | (1,003.88) |
| As at Jan 1, 13 | - | 48.40 | - | - | - | - | - | - | - | 53.62 | - | - | 0.84 | - | - | 102.86 |
| Increase (Decrease) during the period | - | (1.18) | - | (899.84) | - | - | - | - | - | - | - | - | - | - | - | (901.02) |
| As at Dec 31, 13 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Net book value | 8,321.26 | 10,639.15 | 19,193.18 | 134,446.63 | 15,503.31 | 100.97 | 72,708.95 | 1,108.62 | 1,517.08 | 1,101.40 | - | 517.37 | 2,585.86 | 3,229.92 | (2,688.79) | 268,284.91 |
| As at Dec 31, 13 | 8,574.05 | 10,658.77 | 18,754.23 | 122,552.59 | 14,249.73 | 169.62 | 79,698.46 | 1,180.13 | 1,515.32 | 1,285.77 | - | 568.81 | 2,698.09 | 1,799.45 | (2,492.10) | 261,012.92 |

As at December 31, 2013 and 2012, EGAT has buildings and equipment fully accumulated depreciation, while being in use. The cost value of these assets before deduction of accumulated depreciation were Baht 97,256.68 million and Baht 94,494.46 million respectively. The details are as follows:

| | Unit : Million Baht | |
|--|-------------------------------------|-------------------|
| | Separate financial statement | |
| | Dec 31, 13 | Dec 31, 12 |
| Structures | 8,998.16 | 8,556.07 |
| Reservoirs and dams | 8.40 | 8.40 |
| Power Plants | 48,185.47 | 47,813.40 |
| Equipment for power plants | 8,123.79 | 7,462.35 |
| Control system | 449.97 | 456.14 |
| Transmission system | 13,579.83 | 13,308.55 |
| Communication system | 4,080.70 | 3,928.79 |
| Coal handling system | 3,224.80 | 2,774.24 |
| Machinery | 4,030.90 | 4,014.99 |
| Large-sized spare parts for mine equipment | 42.85 | 42.85 |
| Vehicles | 1,868.45 | 1,867.06 |
| Other materials and supplies | 4,663.36 | 4,261.62 |
| Total | <u>97,256.68</u> | <u>94,494.46</u> |

As at December 31, 2013, Nong Jok power plant-unit 2 and 3 with some equipments of Lankrabue power plant-unit 11 which were sent to Japan for alleviating the electricity shortage during the summer of 2011 due to a natural disaster Tsunami, have fully accumulated depreciation. The remaining net book value are Baht 47 and Baht 2 , respectively.

6.11 Work under Construction

Unit : Million Baht

| | Consolidated financial statement | | | | | | | | | | | | | |
|--|----------------------------------|---------------------|--------------|----------------|-------------------------------------|----------------------|----------------------|-----------|------------------------------|----------------------|-------------------|--|-----------------------------|-------------|
| | Structures | Reservoirs and dams | Power plants | Control system | Transmission system and exploration | Communication system | Coal handling system | Machinery | Other materials and supplies | Major inspection fee | Computer Software | Materials for work under construction of transmission system | Materials in transportation | Total |
| Bring forward as at Jan 1, 13 | 1,270.22 | 499.02 | 12,651.11 | 122.16 | 22,146.90 | 518.92 | 305.17 | 101.48 | 9.75 | 305.09 | - | 2,200.09 | 13,884.98 | 54,014.89 |
| Increase during the period | 1,351.30 | 152.77 | 23,106.53 | 7.42 | 8,907.01 | 190.30 | 463.37 | 53.67 | 164.58 | 2,336.09 | 44.01 | 1,306.17 | 3,699.55 | 41,782.77 |
| | 2,621.52 | 651.79 | 35,757.64 | 129.58 | 31,053.91 | 709.22 | 768.54 | 155.15 | 174.33 | 2,641.18 | 44.01 | 3,506.26 | 17,584.53 | 95,797.66 |
| Transferred to property, plant, equipment and others | (999.07) | (8.17) | (564.75) | (105.54) | (12,830.90) | (388.19) | (144.12) | (155.15) | (40.89) | (304.06) | (1.29) | (7.23) | - | (15,549.56) |
| Transferred to work under construction of power plants and transmission system | - | - | - | - | - | - | - | - | - | - | - | (936.78) | (16,899.50) | (17,836.28) |
| Transferred to materials for work under construction of transmission system | - | - | - | - | - | - | - | - | - | - | - | - | (114.15) | (114.15) |
| Carry forward as at Dec 31, 13 | 1,622.45 | 643.62 | 35,192.89 | 24.04 | 18,223.01 | 321.03 | 624.42 | - | 133.44 | 2,337.12 | 42.72 | 2,562.25 | 570.88 | 62,297.87 |

Unit : Million Baht

| | Separate financial statement | | | | | | | | | | | | | |
|--|------------------------------|---------------------|--------------|----------------|-------------------------------------|----------------------|----------------------|------------------------------|----------------------|-------------------|--|-----------------------------|-------------|-------------|
| | Structures | Reservoirs and dams | Power plants | Control system | Transmission system and exploration | Communication system | Coal handling system | Other materials and supplies | Major inspection fee | Computer Software | Materials for work under construction of transmission system | Materials in transportation | Total | |
| Bring forward as at Jan 1, 13 | 1,268.46 | 499.02 | 12,651.01 | 122.16 | 22,146.90 | 518.92 | 305.17 | 3.36 | 305.09 | - | 2,200.09 | 13,884.98 | 53,905.16 | |
| Increase during the period | 1,321.79 | 152.77 | 23,103.46 | 7.42 | 8,907.01 | 190.30 | 463.37 | 124.97 | 2,336.09 | 42.72 | 1,306.17 | 3,699.55 | 41,655.62 | |
| | 2,590.25 | 651.79 | 35,754.47 | 129.58 | 31,053.91 | 709.22 | 768.54 | 128.33 | 2,641.18 | 42.72 | 3,506.26 | 17,584.53 | 95,560.78 | |
| Transferred to property, plant, equipment and others | (976.72) | (8.17) | (564.75) | (105.54) | (12,830.90) | (388.19) | (144.12) | (11.22) | (304.06) | - | (7.23) | - | (15,340.90) | |
| Transferred to work under construction of power plants and transmission system | - | - | - | - | - | - | - | - | - | - | - | (936.78) | (16,899.50) | (17,836.28) |
| Transferred to materials for work under construction of transmission system | - | - | - | - | - | - | - | - | - | - | - | - | (114.15) | (114.15) |
| Carry forward as at Dec 31, 13 | 1,613.53 | 643.62 | 35,189.72 | 24.04 | 18,223.01 | 321.03 | 624.42 | 117.11 | 2,337.12 | 42.72 | 2,562.25 | 570.88 | 62,269.45 | |

EGAT had work under construction project as follows:

Unit : Million Baht

| Project | Consolidated financial statement | | Separate financial statement | |
|--|----------------------------------|------------|------------------------------|------------|
| | Dec 31, 13 | Dec 31, 12 | Dec 31, 13 | Dec 31, 12 |
| Expand Transmission System Project | 20,358.00 | 23,920.58 | 20,358.00 | 23,920.58 |
| Chana Combined Cycle Power Plant Project - Block 2 | 15,467.08 | 11,390.07 | 15,467.08 | 11,390.07 |
| North Bangkok Combined Cycle Power Plant Project - Block 1 | - | 0.08 | - | 0.08 |
| North Bangkok Combined Cycle Power Plant Project - Block 2 | 911.24 | - | 911.24 | - |
| Wang Noi Combined Cycle Power Plant Project - Block 4 | 14,950.71 | 10,967.68 | 14,950.71 | 10,967.68 |
| Others | 10,610.84 | 7,736.48 | 10,582.42 | 7,626.75 |
| Total | 62,297.87 | 54,014.89 | 62,269.45 | 53,905.16 |

As at December 31, 2013, Chana Combined Cycle Power Plant Project (Songkhla) – Block 2, North Bangkok Combined Cycle Power Plant Project - Block 2 and Wang Noi Combined Cycle Power Plant Project – Block 4 have 96.20, 49.20 and 97.46 percentages of completion respectively.

As for the Power plant of North Bangkok Combined Cycle Power Plant Project - Block 1 was completed and transferred to asset, which its commercial operation has been commenced on November 19, 2010. However, there are incomplete construction in the part of the additional surrounding development in the power plants (Facilities) that will be transferred to asset after completion.

6.12 Goodwill

Unit : Million Baht

| | Consolidated financial statement | |
|--|----------------------------------|------------|
| | Dec 31, 13 | Dec 31, 12 |
| Cost at the beginning of period | 752.91 | 1,913.62 |
| Goodwill amortization from disposal of long-term investment | - | (660.15) |
| Goodwill amortization from power purchase agreement cancellation | - | (546.45) |
| Differences from exchange rate adjustment | 10.83 | 45.89 |
| Net book value at the end of period | 763.74 | 752.91 |

6.13 Other Intangible Assets

Unit : Million Baht

| | Consolidated financial statement | | | | | | | Total |
|---|----------------------------------|---|-----------------------------------|-------------------------|---------------------------------------|----------------------------|------------|-------|
| | Land rights | Computer software rights and software license | Royalty on state property service | Gas piped system rights | Transmission system connection rights | Project development rights | | |
| Cost as at Jan 1, 13 | 24,746.34 | 1,650.04 | 474.77 | 6.25 | 29.69 | 7,267.97 | 34,175.06 | |
| Increase during the period | 1,551.35 | 57.73 | - | - | - | - | 1,609.08 | |
| Transferred from work under construction | - | 1.30 | - | - | - | - | 1.30 | |
| Exchange rate differences from currency translation | - | (4.79) | - | - | - | (552.94) | (557.73) | |
| Reclassification | - | 1.34 | - | - | - | - | 1.34 | |
| Disposal/write-offs | - | (23.47) | - | - | - | - | (23.47) | |
| Cost as at Dec 31, 13 | 26,297.69 | 1,682.15 | 474.77 | 6.25 | 29.69 | 6,715.03 | 35,205.58 | |
| Accumulated amortization | | | | | | | | |
| as at Jan 1, 13 | (3,838.09) | (743.76) | (248.21) | (2.03) | (9.78) | (1,633.11) | (6,474.98) | |
| Amortization for the year | (0.87) | (219.97) | (6.34) | (0.31) | (3.71) | (297.38) | (528.58) | |
| Exchange rate differences from currency translation | - | (1.81) | - | - | - | 139.50 | 137.69 | |
| Reclassification | - | (0.47) | - | - | - | - | (0.47) | |
| Disposal/write-offs | - | 23.35 | - | - | - | - | 23.35 | |
| Accumulated amortization as at Dec 31, 13 | (3,838.96) | (942.66) | (254.55) | (2.34) | (13.49) | (1,790.99) | (6,842.99) | |
| Net book value | | | | | | | | |
| As at Dec 31, 12 | 20,908.25 | 906.28 | 226.56 | 4.22 | 19.91 | 5,634.86 | 27,700.08 | |
| As at Dec 31, 13 | 22,458.73 | 739.49 | 220.22 | 3.91 | 16.20 | 4,924.04 | 28,362.59 | |

Unit : Million Baht

| | Separate financial statement | | | |
|----------------------------|------------------------------|---|-----------------------------------|------------|
| | Land rights | Computer software rights and software license | Royalty on state property service | Total |
| Cost as at Jan 1, 13 | 24,746.34 | 1,612.46 | 474.77 | 26,833.57 |
| Increase during the period | 1,551.35 | 29.32 | - | 1,580.67 |
| Reclassification | - | 1.34 | - | 1.34 |
| Disposal/ write-off | - | (23.47) | - | (23.47) |
| Cost as at Dec 31, 13 | 26,297.69 | 1,619.65 | 474.77 | 28,392.11 |
| Accumulated amortization | | | | |
| as at Jan 1, 13 | (3,838.09) | (720.04) | (248.21) | (4,806.34) |
| Amortization for the year | (0.87) | (213.40) | (6.34) | (220.61) |
| Reclassification | - | (0.47) | - | (0.47) |
| Disposal/ write-off | - | 23.35 | - | 23.35 |
| Accumulated amortization | | | | |
| as at Dec 31, 13 | (3,838.96) | (910.56) | (254.55) | (5,004.07) |
| Net book value | | | | |
| As at Dec 31, 12 | 20,908.25 | 892.42 | 226.56 | 22,027.23 |
| As at Dec 31, 13 | 22,458.73 | 709.09 | 220.22 | 23,388.04 |

6.14 Land Awaiting Development

Unit : Million Baht

| | Consolidated financial statement | | Separate financial statement | |
|---|----------------------------------|------------|------------------------------|------------|
| | Dec 31, 13 | Dec 31, 12 | Dec 31, 13 | Dec 31, 12 |
| Balance at the beginning of the year | 2,544.90 | 2,544.90 | 2,239.51 | 2,239.51 |
| Add : Increase during the period | 3.82 | - | - | - |
| | 2,548.72 | 2,544.90 | 2,239.51 | 2,239.51 |
| Less: Accumulated impairment | (423.43) | (423.43) | (423.43) | (423.43) |
| Balance at the end of the year | 2,125.29 | 2,121.47 | 1,816.08 | 1,816.08 |

As at December 31, 2013, EGAT has had the land awaiting development of Baht 1,816.08 million appropriated for construction of new power plants to support the additional demand of electric energy. Due to the change in power development planning, the construction of new power plants has been postponed. Details of the land awaiting development are as follows:

- Land at Ao-Phai, Chonburi Province of 122 Rai is valued at Baht 9.05 million.
- Land at Tap Sakae, Prachuap Khiri Khan Province of 4,029 Rai is valued at Baht 2,223.43 million with accumulated impairment in the amount of Baht 423.43 million. As a result, the net book value of land was Baht 1,800 million.
- Land surrounding Carrier Gas Station on Phet Kasem Road at Ratchaburi Province of 37 Rai is valued at Baht 3.75 million.
- Land surrounding Bannasan substation at Nampu, Bannasan, Suratthani Province is valued at Baht 3.28 million.

6.15 Income Taxes and Deferred Taxes

6.15.1 Deferred tax assets and deferred tax liabilities

| | Unit : Million Baht | |
|--------------------------|----------------------------------|-------------------|
| | Consolidated financial statement | |
| | Dec 31, 13 | Dec 31, 12 |
| Deferred tax assets | 141.02 | 129.88 |
| Deferred tax liabilities | (1,942.95) | (2,185.54) |
| Total | <u>(1,801.93)</u> | <u>(2,055.66)</u> |

6.15.2 Income tax

| | Unit : Million Baht | |
|--|----------------------------------|------------------|
| | Consolidated financial statement | |
| | Jan 1-Dec 31, 13 | Jan 1-Dec 31, 12 |
| Income tax | | |
| Current income tax | 1,291.01 | 1,783.61 |
| Income tax of previous year which is over recorded | (4.65) | (95.54) |
| Total | <u>1,286.36</u> | <u>1,688.07</u> |
| Deferred tax | | |
| Change in temporary differences | 7.37 | (800.83) |
| Total | <u>7.37</u> | <u>(800.83)</u> |
| Grand total | <u>1,293.73</u> | <u>887.24</u> |

6.15.3 Movements in deferred tax assets and deferred tax liabilities

Unit : Million Baht

| | Consolidated financial statement | | | | |
|--|----------------------------------|---|----------------------------------|-------------------------|---------------------|
| | As at Jan 1, 13 | (Charged)/credited to: Profit or loss | Other comprehensive income | Exchange differences | As at Dec 31, 13 |
| Deferred tax assets | | | | | |
| Allowance for spare parts and supplies | 112.74 | 9.33 | - | - | 122.07 |
| Provision for employee benefits | 17.22 | 1.70 | - | - | 18.92 |
| Finance leases liabilities | (0.08) | 0.11 | - | - | 0.03 |
| | <u>129.88</u> | <u>11.14</u> | <u>-</u> | <u>-</u> | <u>141.02</u> |
| Deferred tax liabilities | | | | | |
| Income taxes of other comprehensive income (loss) | (93.63) | - | 93.63 | - | - |
| Depreciation and amortization | (3,214.95) | 142.28 | - | 257.74 | (2,814.93) |
| Deferred expenses | 151.60 | (142.51) | - | (9.09) | - |
| Accumulated losses | 1,042.32 | 93.86 | - | (96.69) | 1,039.49 |
| Others | (70.88) | (112.14) | - | 15.51 | (167.51) |
| | <u>(2,185.54)</u> | <u>(18.51)</u> | <u>93.63</u> | <u>167.47</u> | <u>(1,942.95)</u> |

| | Consolidated financial statement | | | | |
|--|----------------------------------|---|----------------------------------|-------------------------|---------------------|
| | As at Jan 1, 12 | (Charged)/credited to: Profit or loss | Other comprehensive income | Exchange differences | As at Dec 31, 12 |
| Deferred tax assets | | | | | |
| Allowance for spare parts and supplies | 101.00 | 11.74 | - | - | 112.74 |
| Provision for employee benefits | 16.63 | 0.59 | - | - | 17.22 |
| Available-for-sale security | 6.13 | - | (6.13) | - | - |
| Losses carry forward | 65.90 | (65.90) | - | - | - |
| Finance leases liabilities | (0.03) | (0.05) | - | - | (0.08) |
| | <u>189.63</u> | <u>(53.62)</u> | <u>(6.13)</u> | <u>-</u> | <u>129.88</u> |
| Deferred tax liabilities | | | | | |
| Income taxes of other comprehensive income (loss) | - | - | (93.63) | - | (93.63) |
| Depreciation and amortization | (3,058.17) | (199.07) | - | 42.29 | (3,214.95) |
| Deferred expenses | 234.70 | (81.07) | - | (2.03) | 151.60 |
| Accumulated Losses | - | 1,055.87 | - | (13.55) | 1,042.32 |
| Others | (122.55) | 78.72 | (28.00) | 0.95 | (70.88) |
| | <u>(2,946.02)</u> | <u>854.45</u> | <u>(121.63)</u> | <u>27.66</u> | <u>(2,185.54)</u> |

6.16 Other Non-Current Assets

Unit : Million Baht

| | Consolidated financial statement | | | | |
|--|----------------------------------|---|-----------------------|-------------------------|-------------|
| | Overburden removal costs | Minerals resource exploration and preliminary development costs | Resettlement costs | Mineral Patent costs | Total |
| - Deferred Charges of the Lignite Mine | | | | | |
| Deferred charges as at Jan 1, 13 | 88,747.97 | 645.67 | 1,988.44 | 281.14 | 91,663.22 |
| Increase during the period | 5,955.41 | - | - | - | 5,955.41 |
| Deferred charges as at Dec 31, 13 | 94,703.38 | 645.67 | 1,988.44 | 281.14 | 97,618.63 |
| Amortization as at Jan 1, 13 | (88,747.97) | (303.73) | (1,631.73) | (46.48) | (90,729.91) |
| Increase during the period | (5,955.41) | (10.60) | (54.06) | (11.25) | (6,031.32) |
| Amortization as at Dec 31, 13 | (94,703.38) | (314.33) | (1,685.79) | (57.73) | (96,761.23) |
| Net book value | | | | | |
| As at Dec 31, 12 | - | 341.94 | 356.71 | 234.66 | 933.31 |
| As at Dec 31, 13 | - | 331.34 | 302.65 | 223.41 | 857.40 |
| - Others | | | | | |
| As at Dec 31, 12 | | | | | 5,817.57 |
| Adjustment | | | | | (20.00) |
| | | | | | 5,797.57 |
| Reclassification | | | | | 331.85 |
| As at Dec 31, 12 - (adjusted and reclassified) | | | | | 6,129.42 |
| As at Dec 31, 13 | | | | | 2,436.00 |
| Total other non-current assets | | | | | |
| As at Dec 31, 12 - (adjusted and reclassified) | | | | | 7,062.73 |
| As at Dec 31, 13 | | | | | 3,293.40 |

Unit : Million Baht

| | Separate financial statement | | | | |
|---|--------------------------------|---|-----------------------|-------------------------|-------------|
| | Overburden removal costs | Minerals resource exploration and preliminary development costs | Resettlement costs | Mineral Patent costs | Total |
| - Deferred Charges of the Lignite Mine | | | | | |
| Deferred charges as at Jan 1, 13 | 88,747.97 | 645.67 | 1,988.44 | 281.14 | 91,663.22 |
| Increase during the period | 5,955.41 | - | - | - | 5,955.41 |
| Deferred charges as at Dec 31, 13 | 94,703.38 | 645.67 | 1,988.44 | 281.14 | 97,618.63 |
| Amortization as at Jan 1, 13 | (88,747.97) | (303.73) | (1,631.73) | (46.48) | (90,729.91) |
| Increase during the period | (5,955.41) | (10.60) | (54.06) | (11.25) | (6,031.32) |
| Amortization as at Dec 31, 13 | (94,703.38) | (314.33) | (1,685.79) | (57.73) | (96,761.23) |
| Net book value | | | | | |
| As at Dec 31, 12 | - | 341.94 | 356.71 | 234.66 | 933.31 |
| As at Dec 31, 13 | - | 331.34 | 302.65 | 223.41 | 857.40 |
| - Others | | | | | |
| As at Dec 31, 12 | | | | | 631.36 |
| Reclassification | | | | | 331.85 |
| As at Dec 31, 12 - (reclassified) | | | | | 963.21 |
| As at Dec 31, 13 | | | | | 723.82 |
| Total other non-current assets | | | | | |
| As at Dec 31, 12 - (reclassified) | | | | | 1,896.52 |
| As at Dec 31, 13 | | | | | 1,581.22 |

6.17 Trade Accounts Payable - Others

Unit : Million Baht

| | Consolidated financial statement | | Separate financial statement | |
|---|----------------------------------|------------|------------------------------|------------|
| | Dec 31, 13 | Dec 31, 12 | Dec 31, 13 | Dec 31, 12 |
| Trade payable - electric energy purchased | 33,840.82 | 18,855.94 | 33,840.82 | 18,855.94 |
| Trade payable - fuel for electricity generating | 19,732.48 | 11,540.11 | 19,732.48 | 11,540.11 |
| Trade payable - fuel for providing | 2,962.82 | 2,096.59 | 2,962.82 | 2,096.59 |
| Others | 9,694.52 | 9,519.64 | 2,703.92 | 2,490.80 |
| Total | 66,230.64 | 42,012.28 | 59,240.04 | 34,983.44 |

6.18 Accrued Remittance to the Ministry of Finance

In the year 2013, the Ministry of Finance prescribes that EGAT has to calculate the accrued remittance to the Ministry of Finance in 45% of net income before provision of bonus expense. However, the amount of remittance may vary depending on the revision from the Ministry of Finance. As at January 1, 2013, EGAT has accrued remittance to the Ministry of Finance in the amount of Baht 8,077.99 million. EGAT increased in provision for remittance to the Ministry of Finance in the amount of Baht 4.01 million and on April 9, 2013, EGAT remit to the Ministry of Finance in accordance with the notice of EGAT no. 921101/23761 in the amount of Baht 8,082.00 million.

As at December 31, 2013, EGAT recorded the provision for the remittance to the Ministry of Finance for the year 2013 in the amount of Baht 19,056.17 million. However, in October 2012, EGAT remitted for the six months ended June 30, 2013 in the amount of Baht 9,589.88 million, therefore, EGAT has accrued remittance to the Ministry of Finance in the amount of Baht 9,466.29 million as at December 31, 2013.

6.19 Long-Term loans are as follows :

| | Unit : Million Baht | | | |
|--|----------------------------------|-------------|------------------------------|-------------|
| | Consolidated financial statement | | Separate financial statement | |
| | Dec 31, 13 | Dec 31, 12 | Dec 31, 13 | Dec 31, 12 |
| Long - term loans at the beginning of the year | 91,406.06 | 102,468.27 | 62,722.52 | 66,495.49 |
| Increase during the period | 16,065.70 | 11,147.35 | 13,000.00 | 11,000.00 |
| Repayments | (22,561.45) | (20,976.02) | (4,964.75) | (14,640.57) |
| Gain on repayments | (9.56) | (26.70) | (9.56) | (26.70) |
| Gain from derivatives | (5.70) | (62.89) | (5.70) | (62.89) |
| (Gain) Loss on exchange rate adjustment / | | | | |
| Exchange rate differences from | | | | |
| currency translation | (1,569.39) | (1,143.95) | 153.86 | (42.81) |
| Long - term loans at the end of the year | 83,325.66 | 91,406.06 | 70,896.37 | 62,722.52 |
| Less Current portion of long - term loans | (11,590.86) | (9,333.67) | (6,480.10) | (4,980.01) |
| Balance | 71,734.80 | 82,072.39 | 64,416.27 | 57,742.51 |

Long - Term loans are as follows :

| | Consolidated financial statement | | | |
|--|----------------------------------|-------------------------|------------|-------------------------|
| | Dec 31, 13 | | Dec 31, 12 | |
| | Foreign | Million | Foreign | Million |
| | currencies | Baht | currencies | Baht |
| Unit : million | | Unit : million | | |
| Local sources secured by the Ministry of Finance: | | | | |
| EGAT bonds | | | | |
| Fixed rate due within 2013 - 2020 | - | 8,000.00 | - | 9,000.00 |
| | | <u>8,000.00</u> | | <u>9,000.00</u> |
| Local sources unsecured by the Ministry of Finance: | | | | |
| Ministry of Finance loans | | | | |
| Fixed rate due within 2013 - 2027 | - | 83.49 | - | 88.34 |
| EGAT bonds | | | | |
| Fixed rate due within 2013 - 2033 | - | 61,250.00 | - | 51,781.90 |
| Debenture | | | | |
| Fixed rate due within 2013 - 2015 | - | 5,681.34 | - | 9,618.20 |
| Other financial institutions | | | | |
| Floating rate due within 2013 - 2020 | - | 930.14 | - | 941.19 |
| Fixed rate due in 2016 | - | 1,200.00 | - | 1,200.00 |
| | | <u>69,144.97</u> | | <u>63,629.63</u> |
| Foreign sources secured by the Ministry of Finance: | | | | |
| Loans | | | | |
| Japanese Yen: | | | | |
| Fixed rate due in 2013 | - | - | 419.51 | 150.17 |
| Euro: | | | | |
| Fixed rate due within 2013 - 2014 | 0.09 | 3.93 | 0.17 | 7.09 |
| Fixed rate due within 2013 - 2037 | 34.40 | 1,558.95 | 41.48 | 1,695.02 |
| | | <u>1,562.88</u> | | <u>1,852.28</u> |
| Foreign sources unsecured by the Ministry of Finance: | | | | |
| Loans | | | | |
| AUD Dollars: | | | | |
| Floating rate due within 2013 - 2015 | 1.57 | (45.62) | 367.61 | 11,632.58 |
| Debenture | | | | |
| Japanese Yen: | | | | |
| Fixed rate due in 2026 | 15,000.00 | 4,663.43 | 15,000.00 | 5,291.57 |
| | | <u>4,617.81</u> | | <u>16,924.15</u> |
| Total | | <u>83,325.66</u> | | <u>91,406.06</u> |
| Less: Current portion of long-term loans | | <u>(11,590.86)</u> | | <u>(9,333.67)</u> |
| Balance | | <u><u>71,734.80</u></u> | | <u><u>82,072.39</u></u> |

As at December 31, 2013, the fee of subsidiaries for advance financing is in the amount of Baht 45.62 million from loan of AUD Dollars 100 million for the period from the year 2013 to 2018. The company intends to exercise its right to such loans. It still shows the offset against long-term loans payable as a whole.

| Separate financial statement | | | | |
|--|------------------------------------|-----------------------|----------------|------------------|
| Dec 31, 13 | | Dec 31, 12 | | |
| Foreign | Million | Foreign | Million | |
| currencies | Baht | currencies | Baht | |
| Unit : million | | Unit : million | | |
| Local sources secured by the Ministry of Finance: | | | | |
| EGAT bonds | | | | |
| Fixed rate due within 2013 - 2020 | - | 8,000.00 | - | 9,000.00 |
| | | <u>8,000.00</u> | | <u>9,000.00</u> |
| Local sources unsecured by the Ministry of Finance: | | | | |
| Ministry of Finance loans | | | | |
| Fixed rate due within 2013 - 2027 | - | 83.49 | - | 88.34 |
| EGAT bonds | | | | |
| Fixed rate due within 2013 - 2033 | - | 61,250.00 | - | 51,781.90 |
| | | <u>61,333.49</u> | | <u>51,870.24</u> |
| Foreign sources secured by the Ministry of Finance: | | | | |
| Loans | | | | |
| Japanese Yen: | | | | |
| Fixed rate due in 2013 | - | - | 419.51 | 150.17 |
| Euro: | | | | |
| Fixed rate due within 2013 - 2014 | 0.09 | 3.93 | 0.17 | 7.09 |
| Fixed rate due within 2013 - 2037 | 34.40 | 1,558.95 | 41.48 | 1,695.02 |
| | | <u>1,562.88</u> | | <u>1,852.28</u> |
| | | <u>70,896.37</u> | | <u>62,722.52</u> |
| | Total | | | |
| Less: | Current portion of long-term loans | (6,480.10) | | (4,980.01) |
| | Balance | <u>64,416.27</u> | | <u>57,742.51</u> |

As at December 31, 2013, long - term loans can be classified by interest rate as follows:

| | Unit : Million Baht | | | |
|---------------|----------------------------------|------------|------------------------------|------------|
| | Consolidated financial statement | | Separate financial statement | |
| | Dec 31, 13 | Dec 31, 12 | Dec 31, 13 | Dec 31, 12 |
| Floating rate | 884.52 | 12,573.77 | - | - |
| Fixed rate | 82,441.14 | 78,832.29 | 70,896.37 | 62,722.52 |
| Total | 83,325.66 | 91,406.06 | 70,896.37 | 62,722.52 |

Interest rate of long-term loans as at December 31, 2013 are as follows:

| | Consolidated financial statement | Separate financial statement |
|--|----------------------------------|------------------------------|
| EGAT bonds - local sources | | |
| -Guaranteed by the Ministry of Finance | 6.927% to 8.554% | 6.927% to 8.554% |
| -The Ministry of Finance does not guarantee. | 3.240% to 6.235% | 3.240% to 6.235% |
| Loans - local sources | | |
| -The Ministry of Finance does not guarantee. | 3.000% to 4.350% | 3.000% to 3.000% |
| Loans - foreign sources | | |
| -Guaranteed by the Ministry of Finance | 0.000% to 8.000% | 0.000% to 8.000% |
| Debenture | | |
| -The Ministry of Finance does not guarantee. | 2.720% to 3.940% | |

6.20 Employee Benefit Obligations

EGAT's employees will receive retirement benefits under Thai labour law when employees has completed their terms in accordance with agreements between employees and EGAT. Employee benefits liability is a defined benefits obligation calculated by using the projected unit credit method on an actuarial basis. This basis determines the present value of future payments by discounting the future cash flows using the yields on government bonds with a currency and term similar to the estimated term of the benefit obligations. Any expenses related to benefits are recognized in profit or loss in order to attribute benefits to periods of service.

Movement in the present value of the defined benefit obligations:

| | Unit : Million Baht | | | |
|--|----------------------------------|------------|------------------------------|------------|
| | Consolidated financial statement | | Separate financial statement | |
| | Dec 31, 13 | Dec 31, 12 | Dec 31, 13 | Dec 31, 12 |
| Beginning balance | 13,562.46 | 12,155.17 | 13,475.64 | 12,074.49 |
| Current service costs | 572.03 | 529.94 | 555.81 | 517.12 |
| Interest on obligations | 512.77 | 495.02 | 509.41 | 492.12 |
| Actuarial (gains) losses | (5.81) | 1,439.35 | - | 1,439.35 |
| Actual payment | (589.76) | (1,056.95) | (585.14) | (1,047.44) |
| Exchange rate differences from currency translation | (0.44) | (0.07) | - | - |
| Ending balance | 14,051.25 | 13,562.46 | 13,955.72 | 13,475.64 |

Expenses recognized in the statements of income and as part of cost of assets / liabilities are shown in the statements of financial position for the year ended December 31, 2013 are as follows:

| | Unit : Million Baht | | | |
|--|----------------------------------|------------------|------------------------------|------------------|
| | Consolidated financial statement | | Separate financial statement | |
| | Jan 1-Dec 31, 13 | Jan 1-Dec 31, 12 | Jan 1-Dec 31, 13 | Jan 1-Dec 31, 12 |
| Expenses realized in statements of income | | | | |
| Cost of sales | 600.91 | 564.07 | 600.91 | 564.07 |
| Selling expenses | 6.90 | 5.85 | 6.90 | 5.85 |
| Administrative expenses | 368.84 | 343.69 | 349.26 | 327.97 |
| Total | 976.65 | 913.61 | 957.07 | 897.89 |
| Cost of assets / liabilities realized in statements of financial position | | | | |
| Materials and supplies | 39.98 | 44.19 | 39.98 | 44.19 |
| Work under construction | 66.83 | 67.32 | 66.83 | 67.32 |
| Provision liabilities for mine reclamation | 1.34 | 1.39 | 1.34 | 1.39 |
| Total | 108.15 | 112.90 | 108.15 | 112.90 |
| Grand Total | 1,084.80 | 1,026.51 | 1,065.22 | 1,010.79 |

EGAT has actuarial gains which recognized in comprehensive income for the year ended December 31, 2013 in the amount of Baht 5.81 million and has actuarial losses which recognized in comprehensive income for the year ended December 31, 2012 in the amount of Baht 1,437.80 million.

Principle actuarial assumptions of EGAT

| | Annual percentage (%) |
|------------------------------|---|
| Discount rate | 3.9 |
| Inflation rate | |
| Consumer price index | 3.5 |
| Post-employment medical care | 10 |
| Resignation rate | 0.0 - 0.8 |
| Salary escalation rate | 6 - 11 |
| Mortality rate, by table | TMO08 (Thai mortality table A.D.2008) |

6.21 Provision Liabilities for Mine Reclamation

| | Unit : Million Baht | | | |
|---|---|-------------------|-------------------------------------|-------------------|
| | Consolidated financial statement | | Separate financial statement | |
| | Dec 31, 13 | Dec 31, 12 | Dec 31, 13 | Dec 31, 12 |
| Balance at the beginning of the year | 2,047.40 | 1,982.70 | 2,047.40 | 1,982.70 |
| Add : Increase during the period | 128.14 | 130.65 | 128.14 | 130.65 |
| | 2,175.54 | 2,113.35 | 2,175.54 | 2,113.35 |
| Less : Mine reclamation expenses | (91.62) | (62.23) | (91.62) | (62.23) |
| Depreciation | (3.61) | (3.72) | (3.61) | (3.72) |
| Balance at the end of the year | <u>2,080.31</u> | <u>2,047.40</u> | <u>2,080.31</u> | <u>2,047.40</u> |

6.22 Other Non-Current Liabilities

| | Unit : Million Baht | | | |
|--|----------------------------------|-------------------------|------------------------------|-------------------------|
| | Consolidated financial statement | | Separate financial statement | |
| | Dec 31, 13 | Dec 31, 12 | Dec 31, 13 | Dec 31, 12 |
| Deferred Income | | | | |
| Balance at the beginning of the year | 6,100.59 | 5,156.23 | 6,120.59 | 5,156.23 |
| Add : Contribution received | 691.55 | 1,472.41 | 691.55 | 1,492.41 |
| | <u>6,792.14</u> | <u>6,628.64</u> | <u>6,812.14</u> | <u>6,648.64</u> |
| Less : Recognized to other revenue | (431.69) | (526.71) | (431.69) | (526.71) |
| Decrease in depreciation | (1.34) | (1.34) | (1.34) | (1.34) |
| Balance at the end of the year | <u>6,359.11</u> | <u>6,100.59</u> | <u>6,379.11</u> | <u>6,120.59</u> |
| Retention | 8,475.46 | 6,623.86 | 8,475.46 | 6,623.86 |
| Cash received from breaking agreement in case of conflict | 848.47 | 841.16 | 848.47 | 841.16 |
| Others | 1,512.80 | 1,580.26 | 899.02 | 918.14 |
| Total | <u><u>17,195.84</u></u> | <u><u>15,145.87</u></u> | <u><u>16,602.06</u></u> | <u><u>14,503.75</u></u> |

6.23 Owners' Equity

Contribution from The Government

| | Unit : Million Baht | | | |
|---|----------------------------------|------------------------|------------------------------|------------------------|
| | Consolidated financial statement | | Separate financial statement | |
| | Dec 31, 13 | Dec 31, 12 | Dec 31, 13 | Dec 31, 12 |
| Capital | 6,507.64 | 6,507.64 | 6,507.64 | 6,507.64 |
| Contribution for supporting construction of the Srinagarind, Bang Lang, Vajiralongkorn, Rajjaprabha and Pak Mun Dam | 4,364.75 | 4,364.75 | 4,364.75 | 4,364.75 |
| Less : Accumulated depreciation | (1,808.08) | (1,745.74) | (1,808.08) | (1,745.74) |
| Depreciation for the period | (62.34) | (62.34) | (62.34) | (62.34) |
| | <u>2,494.33</u> | <u>2,556.67</u> | <u>2,494.33</u> | <u>2,556.67</u> |
| Balance | <u><u>9,001.97</u></u> | <u><u>9,064.31</u></u> | <u><u>9,001.97</u></u> | <u><u>9,064.31</u></u> |

6.24 Revenue from Sales of Other Goods and Services

Unit : Million Baht

| | Consolidated financial statement | | Separate financial statement | |
|---|----------------------------------|------------------|------------------------------|------------------|
| | Jan 1-Dec 31, 13 | Jan 1-Dec 31, 12 | Jan 1-Dec 31, 13 | Jan 1-Dec 31, 12 |
| Revenue from telecommunication services | 575.20 | 416.62 | 575.20 | 416.62 |
| Revenue from fuel providing | 20,753.37 | 24,266.13 | 21,742.48 | 27,360.26 |
| Revenue from operation and maintenance services | 1,353.67 | 881.75 | 3,081.08 | 2,079.98 |
| Others | 1,410.64 | 1,183.69 | 647.93 | 519.34 |
| Total | 24,092.88 | 26,748.19 | 26,046.69 | 30,376.20 |

EGAT has the revenue from telecommunication business, which has been approved to operate telecommunication business by The National Telecommunications Commission on March 15, 2007.

6.25 Cost of Electric Energy Sales

Unit : Million Baht

| | Consolidated financial statement | | Separate financial statement | |
|---------------------------|----------------------------------|------------------|------------------------------|------------------|
| | Jan 1-Dec 31, 13 | Jan 1-Dec 31, 12 | Jan 1-Dec 31, 13 | Jan 1-Dec 31, 12 |
| Electric energy purchased | 240,967.69 | 209,206.82 | 289,284.49 | 261,334.91 |
| Fuel | 170,829.26 | 176,240.28 | 134,416.99 | 136,189.64 |
| Generating expenses | 34,067.86 | 34,962.81 | 27,129.11 | 27,615.13 |
| Transmission expenses | 10,614.20 | 9,781.51 | 10,614.20 | 9,781.51 |
| Total | 456,479.01 | 430,191.42 | 461,444.79 | 434,921.19 |

6.26 Cost of Sales of Other Goods and Services

Unit : Million Baht

| | Consolidated financial statement | | Separate financial statement | |
|--|------------------------------------|------------------|------------------------------|------------------|
| | Jan 1-Dec 31, 13 | Jan 1-Dec 31, 12 | Jan 1-Dec 31, 13 | Jan 1-Dec 31, 12 |
| | Cost of telecommunication services | 31.30 | 28.10 | 31.30 |
| Cost of fuel providing | 20,753.37 | 24,266.13 | 21,742.47 | 27,360.26 |
| Cost of operation and maintenance services | 933.67 | 701.42 | 2,196.72 | 1,551.85 |
| Others | 461.49 | 316.03 | 347.06 | 295.34 |
| Total | 22,179.83 | 25,311.68 | 24,317.55 | 29,235.55 |

EGAT recorded cost of telecommunication services to dual with revenue from telecommunication services since March 15, 2007 that EGAT has received the approval to operate telecommunication business by The National Telecommunications Commission. However, cost of telecommunication services excludes selling expense, administrative expense and finance cost, which each of expenses is shown in each of categories of expenses in statements of income.

6.27 Other Revenues

Unit : Million Baht

| | Consolidated financial statement | | Separate financial statement | |
|--|----------------------------------|------------------|------------------------------|------------------|
| | Jan 1-Dec 31, 13 | Jan 1-Dec 31, 12 | Jan 1-Dec 31, 13 | Jan 1-Dec 31, 12 |
| | Interest income | 2,020.45 | 1,992.50 | 1,547.22 |
| Dividend income | 220.90 | 188.31 | 2,283.82 | 2,203.88 |
| Profit on disposal of assets | - | - | - | 13.37 |
| Gain on foreign exchange | 22.97 | 634.43 | - | - |
| Gain on changes in the fair value of derivatives | 104.29 | 150.90 | 104.29 | 150.90 |
| Gain on disposal of long-term investment | - | 783.68 | - | - |
| Gain from power purchase agreement cancellation | - | 1,069.44 | - | - |
| Contribution income | 257.17 | 287.82 | 257.17 | 287.82 |
| Fine income | 136.37 | 124.24 | 136.37 | 124.24 |
| Income on disposal of fly ash and scrap | 379.75 | 340.89 | 379.75 | 340.89 |
| Miscellaneous income | 55.87 | 26.47 | 55.87 | 26.47 |
| Others | 1,576.43 | 515.88 | 371.32 | 138.18 |
| Total | 4,774.20 | 6,114.56 | 5,135.81 | 4,666.32 |

6.28 Other Expenses

| | Unit : Million Baht | | | |
|-------------------------------|----------------------------------|------------------|------------------------------|------------------|
| | Consolidated financial statement | | Separate financial statement | |
| | Jan 1-Dec 31, 13 | Jan 1-Dec 31, 12 | Jan 1-Dec 31, 13 | Jan 1-Dec 31, 12 |
| Loss on foreign exchange rate | - | - | 682.22 | 163.94 |
| Loss on disposal of assets | 187.16 | 61.47 | 159.31 | - |
| Others | 53.02 | 34.75 | 53.02 | 34.75 |
| Total | <u>240.18</u> | <u>96.22</u> | <u>894.55</u> | <u>198.69</u> |

6.29 Share of Profit from Investments in Associates

| | Unit : Million Baht | |
|-----------------------------|----------------------------------|-----------------|
| | Consolidated financial statement | |
| | Dec 31, 13 | Dec 31, 12 |
| Electricity Generating Plc. | 1,851.83 | 3,011.13 |
| First Korat Wind Co., Ltd. | 122.39 | (6.26) |
| K.R. Two Co., Ltd. | 89.43 | (12.04) |
| Nam Ngiep 1 Power Co., Ltd. | (5.96) | - |
| Total | <u>2,057.69</u> | <u>2,992.83</u> |

6.30 Finance Costs

| | Unit : Million Baht | | | |
|---|----------------------------------|--------------------------------|------------------|-----------------|
| | Consolidated financial statement | | | |
| | Interest expenses | Expenses relating to the loans | Total | Total |
| | | Jan 1-Dec 31, 13 | Jan 1-Dec 31, 12 | |
| Capitalized to work under construction | 571.80 | 0.76 | 572.56 | 287.90 |
| Finance costs in the statements of income | 4,168.13 | 248.68 | 4,416.81 | 5,343.21 |
| Total | <u>4,739.93</u> | <u>249.44</u> | <u>4,989.37</u> | <u>5,631.11</u> |

| | Unit : Million Baht | | | |
|---|------------------------------|--------------------------------|------------------|-----------------|
| | Separate financial statement | | | |
| | Interest expenses | Expenses relating to the loans | Total | Total |
| | | Jan 1-Dec 31, 13 | Jan 1-Dec 31, 12 | |
| Capitalized to work under construction | 571.80 | 0.76 | 572.56 | 285.72 |
| Finance costs in the statements of income | 2,737.71 | 1.73 | 2,739.44 | 2,899.37 |
| Total | <u>3,309.51</u> | <u>2.49</u> | <u>3,312.00</u> | <u>3,185.09</u> |

6.31 Performance of EGAT

The performance of EGAT in net income of 2013 was Baht 37,786.82 million. EGAT recorded the provision of expenses and liabilities of bonus for employees and directors in the amount of Baht 4,560.23 million for the 2013 financial statements.

In April and May 2013, the Ministry of Finance approved EGAT to allocate the 2012 net income for bonus payment to the employees and directors in the amount of Baht 4,139.80 million. EGAT recorded the provision of bonus in 2012 in the amount of Baht 4,087.97 million so, EGAT recorded the difference of the provision of bonus in the amount of Baht 51.83 million, that brought about to increase the expenses in the year 2013.

6.32 Expenses by Nature

| | Unit : Million Baht | | | |
|---|---|-------------------------|-------------------------------------|-------------------------|
| | <u>Consolidated financial statement</u> | | <u>Separate financial statement</u> | |
| | <u>Jan 1-Dec 31, 13</u> | <u>Jan 1-Dec 31, 12</u> | <u>Jan 1-Dec 31, 13</u> | <u>Jan 1-Dec 31, 12</u> |
| Electric energy purchased | 240,967.69 | 209,206.82 | 289,284.49 | 261,334.91 |
| Work performed by the entity and capitalized | (36,754.40) | (24,888.54) | (36,754.40) | (24,888.54) |
| Raw materials and consumables used | 173,561.05 | 178,959.54 | 137,574.11 | 141,818.76 |
| Management benefit expenses | 350.59 | 391.89 | 147.20 | 145.47 |
| Employee benefit expenses | 28,164.06 | 29,465.42 | 27,729.33 | 29,001.72 |
| Depreciation of property, plant and equipment | 25,473.99 | 24,713.86 | 22,135.57 | 21,297.41 |
| Amortization of intangible assets | 528.37 | 559.80 | 220.40 | 222.39 |
| Hire and maintenance expenses | 6,402.63 | 7,342.37 | 5,505.99 | 5,290.77 |
| Other expenses | 57,037.67 | 47,725.82 | 54,992.23 | 46,170.25 |
| Total | <u>495,731.65</u> | <u>473,476.98</u> | <u>500,834.92</u> | <u>480,393.14</u> |

7. Power Development Fund

The legislation of Energy Industry Act B.E.2550, which shall come into effect on December 11, 2007, determined to set up the power development fund with the following objectives: to support extensive electricity service provision to various localities ; to decentralized prosperity to provincial areas; and to develop the local communities affected by the operation of a power plant, etc. Anyhow, Energy Regulatory Commission (ERC) has power and duty to manage the fund, ERC declared about delivery the money to the power development fund for electricity industry licensees in type of license B.E.2553 which determines electricity industry licensees shall deliver the money to the fund in 2 periods as follows:

1. During the power plant construction from the date starting from the conducting of the construction in accordance with the contract for services in order to construct and comply with the electricity industry licenses until the commercial operation date (COD) and have to deliver annually by calculating the money from estimate of installed capacity of power plant at the rate of Baht 50,000 per megawatt per year. In case of the construction is less than 1 year, EGAT has to deliver the money in accordance with percentage of month which construction had been conducted but it must not be less than Baht 50,000 per year.

2. During electricity generating the date starting from the commercial operation date, EGAT has to deliver monthly money calculated by electric energy produced for sales and use which exclude electric energy using in production process in station service. It was separated by the types of fuels using in generating power such as natural gas, fuel oil, diesel, coal, lignite etc.

For the year ended December 31, 2013 and 2012, EGAT had provision for contributions for the power development fund in the part of the power plant of EGAT which included in generating expenses in the amount of Baht 954.46 million and Baht 1,039.01 million respectively.

8. Contingent Asset

Power Purchase Agreement of Power Plant Project, Nam Theun 2 and Nam Ngum 2

From the year 2010, EGAT entered into the Power Purchase Agreement with Lao People's Democratic Republic (Lao PDR) of Nam Theun 2 power plant project and Nam Ngum 2 power plant project. The power purchase guarantee in accordance with annual supply target specified that in case of the power plants have supply excess, they don't charge EGAT for the excess. However, the excess will be accumulated to set off in the following year which has supply shortfall. On the other hand, if EGAT has dispatch shortfall, the power plants will charge in the amount of the buying guarantee of EGAT whereas EGAT has to pay in advance and be able to receive amount of energy at a later month to make up the dispatch.

In case of EGAT accepts the supply excess, EGAT is able to apply the amount accumulated to set off. During the agreement period, if it has no supply shortfall, EGAT will pay for accrued electricity expense for supply excess with the excess electricity rate which is less than normal electricity rate (Baht 0.57 for Nam Theun 2 power plant project and Baht 1.145 for Nam Ngum 2 power plant project) at the end of the period. Period of Nam Theun 2 power plant ends at 13th anniversary from March 8, 2010 and period of Nam Ngum 2

power plant ends 10th anniversary from running the machinery. However, both of the projects have to include period of time extended because of unpredictable events.

Besides, EGAT will get the refund 25% of accrued electricity expense which pay at the end of the period. It calculates by accumulated supply excess plus excess energy or excess revenue less accumulated dispatch shortfall. At this time, EGAT is not able to estimate because there is no certainty about amount of contingent assets.

9. Contingent Liabilities

As at December 31, 2013, contingent liabilities excluded from the separate's financial statements, are the calling for EGAT to pay additional compensation, which the details are as follows:

1. The Civil Court judged that EGAT was liable for the additional payment of 32 lawsuits amounting to Baht 109.02 million in case of calling for compensation of land rights and violation.

2. On March 4, 2008, the Administrative Court at Chiangmai Province judged that EGAT repay the compensation for health and sanitation of 131 affected people in the area, which are impacted from dust and sulfur dioxide in the amount of Baht 246,900 per person. EGAT estimated the approximately compensation amounting to Baht 24.72 million (excluding interest).

3. On March 4, 2008, the Administrative Court at Chiangmai Province judged that EGAT did not proceed according to the regulations and requirements of environment impact protection and mitigation in patent of coal mine. The court judged that EGAT is committed to practice under the principle of patent etc., village errigation, reforestation in golf course, mitigation of affected dust and environmental assessment report is submitted every two years. Due to, there are not obvious the compensation to the government and claimant, so, EGAT does not determined the compensation.

10. Commitments

10.1 Long - Term Power Purchase Agreements

As a result of the government's policy on decreasing the government's investment burden and encouraging private sector to be involved in the power generation industry, the Government approved an investment programme for the power generation in new project by private sector (Independent Power Producers known as IPP) who will sell power to EGAT.

As at December 31, 2013, EGAT has entered into 96 Power Purchase Agreements with total commitments amounting to approximately Baht 9,650,895 million and total production capacity of 27,526 megawatts. The details are as follows:

| | <u>Company</u> | <u>Capacity</u> (megawatt) | <u>Remaining life</u> <u>of contract</u> | | <u>Amount</u> | <u>Availability</u> <u>payment (AP)</u> | <u>Energy</u> <u>payment (EP)</u> |
|---|----------------|-------------------------------|---|-----------|----------------|--|--------------------------------------|
| | | | (years) | | (Million Baht) | (Million Baht) | (Million Baht) |
| Power producers | | | | | | | |
| Power Project Developers in Lao People's Democratic Republic | | | | | | | |
| Theun Hinboun Power Company Limited | 1 | 434 | 26 | 2014-2039 | 123,067 | - | 123,067 |
| Houay Ho Power Company Limited | 1 | 126 | 16 | 2014-2029 | 16,119 | - | 16,119 |
| Nam Theun Project 2 | 1 | 920 | 22 | 2014-2035 | 190,235 | - | 190,235 |
| Nam Ngum Project 2 | 1 | 454 | 24 | 2014-2037 | 103,588 | - | 103,588 |
| Hongsa Lignite Project | 1 | 1,473 | 27 | 2015-2041 | 525,083 | 319,050 | 206,033 |
| Xayaburi Project | 1 | 871 | 29 | 2019-2047 | 414,185 | - | 414,185 |
| Nam Ngiep Project 1 | 1 | 249 | 28 | 2019-2046 | 94,115 | - | 94,115 |
| Xe-Pien Xe-Nam Noy | 1 | 349 | 28 | 2019-2046 | 102,983 | - | 102,983 |
| Independent Power Producers (IPP) | | | | | | | |
| Electricity Generating Public Company Limited (EGCO) As formerly, Rayong Electricity Generating Company Limited(REGCO) | | | | | | | |
| | 1 | 1,161 | 1 | 2014-2014 | 12,019 | 1,917 | 10,102 |
| Khanom Electricity Generating Company Limited (KEGCO) | | | | | | | |
| | 1 | 748 | 3 | 2014-2016 | 38,974 | 3,721 | 35,253 |
| Tri Energy Company Limited (TECO) | | | | | | | |
| | 1 | 700 | 7 | 2014-2020 | 73,176 | 5,216 | 67,960 |
| Eastern Power Electric Company Limited (EPEC) | | | | | | | |
| | 1 | 350 | 10 | 2014-2023 | 59,780 | 9,302 | 50,478 |
| Global Power Synergy Company Limited (GPSC) As formerly, Independent Power (Thailand) Company Limited (IPT) | | | | | | | |
| | 1 | 700 | 12 | 2014-2025 | 139,910 | 17,636 | 122,274 |
| Ratchaburi Electricity Generating Company Limited (RGCO) | | | | | | | |
| | 1 | 3,481 | 14 | 2014-2027 | 823,318 | 116,124 | 707,194 |
| Glow IPP Company Limited (GIPP) | | | | | | | |
| | 1 | 713 | 14 | 2014-2027 | 176,188 | 22,150 | 154,038 |
| Gulf Power Generation Company Limited (GULF) | | | | | | | |
| | 1 | 1,468 | 20 | 2014-2033 | 528,132 | 77,922 | 450,210 |
| Ratchaburi Power Company Limited (RPCL) | | | | | | | |
| | 1 | 1,400 | 20 | 2014-2033 | 529,286 | 63,202 | 466,084 |
| BLCP Power Company Limited (BLCP) | | | | | | | |
| | 1 | 1,347 | 19 | 2014-2032 | 251,726 | 86,397 | 165,329 |
| Gheco One Company Limited (GHECO ONE) | | | | | | | |
| | 1 | 660 | 24 | 2014-2037 | 319,555 | 107,386 | 212,169 |
| Gulf JP UT Company Limited (GUT) As formerly, Siam Energy Company Limited (SEC) | | | | | | | |
| | 1 | 1,600 | 25 | 2015-2039 | 765,954 | 119,149 | 646,805 |
| Gulf JP NS Company Limited (GNS) As formerly, Power Generation Supply Company Limited (PGS) | | | | | | | |
| | 1 | 1,600 | 26 | 2014-2039 | 764,771 | 107,007 | 657,764 |
| Small Power Producers (SPP) | | | | | | | |
| | 75 | 6,722 | 6-26 Years | | 3,598,731 | 660,901 | 2,937,830 |
| Total | 96 | 27,526 | | | 9,650,895 | 1,717,080 | 7,933,815 |

10.2 Fuel Purchase Agreements

EGAT has entered to 7 fuel purchase agreements, which the details are as follows:

10.2.1 There are 4 gas purchase agreements for power plant in the totaled amount of Baht 1,803,702 million, which the remaining life of contract is from 1 year and 11.5 months to 18 years and 8 months. The rest of amount as contract is valued at Baht 464,425 million.

10.2.2 There are 3 fuel oil purchase agreements, which the details are as follows:

- Fuel oil purchase agreement has ended, however, EGAT has renewed the contract until a new contract is in effect. The amount of the contract is approximately Baht 14,837 million.

- Diesel fuel for generation purchase agreement will be renewed until EGAT will cancel the contract. The amount of the contract is approximately Baht 2,102 million.

- Gasoline for vehicle purchase agreement will be renewed until EGAT will cancel the contract. The amount of the contract is approximately Baht 235 million.

10.3 Hire - Purchase Agreements

EGAT has entered to the local and foreign hire - purchase agreements, which the details are as follows:

10.3.1 There are 265 agreements of local hire - purchase agreements and their amount as contract is Baht 51,762.62 million with the remaining life of contract in 0.5 month to 8 years and 5.5 months. The rest of amount as contract is approximately Baht 28,868.80 million.

10.3.2 There are 161 agreements of foreign hire - purchase agreements and their amount as contract is Baht 84,472.19 million. Some contracts have the remaining life of contract in 0.5 month to 3 years and 6.5 months and some contracts are not indicated the contract period. The rest of amount as contract from the conversion of foreign currency under the average buying exchanged rate on December 27, 2013, which announced by the Bank of Thailand was approximately Baht 36,849.47 million.

10.4 Letter of Credit

On December 31, 2013, EGAT has unused letter of credit, which are not expired amounting to approximately Baht 15,512.58 million.

11. Disclosure of Financial Instruments

EGAT uses the financial instruments to decrease uncertainty from uncontrollable outside factors. The main derivative financial instruments consisted of currency swap agreements, interest rate swap agreements and forward foreign exchange contracts.

11.1 Cross Currency and Interest Rate Swap Agreements

EGAT uses the cross currency and interest rate swap agreements to mitigate foreign currency risk and fluctuations in interest rate which are inherent foreign currency borrowings. The agreements are not recognized in the financial statements on the agreement date.

EGAT has entered into several cross currency and interest rate swap agreements with a maturity of 4 - 10 years. The term and remaining foreign currency amount under the cross currency and interest rate swap agreements as at December 31, 2013 are as follows:

| Terms of cross currency and interest rate swap agreements | Unit : Million Baht | |
|---|---------------------|------------|
| | Dec 31, 13 | Dec 31, 12 |
| Yen 6,712 million / Baht 2,456 million | - | 153.54 |
| | - | 153.54 |

The maturity of agreements can be analyzed as follows :

| | Unit : Million Baht | |
|-------------------|---------------------|------------|
| | Dec 31, 13 | Dec 31, 12 |
| More than 5 years | - | 153.54 |
| | - | 153.54 |

11.2 Forward Foreign Exchange Contracts

EGAT has conducted a forward foreign exchange contracts to mitigate the risk of fluctuations in foreign exchange rate associated with foreign loan repayment, the electric energy purchased from foreign countries, goods and services. Forward foreign exchange contracts are contracts to buy foreign currency at a pre-agreed exchange rate on a specified future time and are not realized in the financial statements on the contract date.

As at December 31, 2013, EGAT has forward foreign exchange contracts which has book value and forward foreign exchange rate as follows:

| | Unit : Million Baht | |
|---|---------------------|------------|
| | Dec 31, 13 | Dec 31, 12 |
| Exchange rate : Baht 32.772 per US dollar | 65.54 | - |
| | 65.54 | - |

11.3 Fair Value of Financial Instruments

As at December 31, 2013 , contract price and fair value of long-term loans and derivative are as follows:

| | Unit : Million Baht | | | |
|---|---------------------|------------|----------------|------------|
| | Dec 31, 13 | | Dec 31, 12 | |
| | Contract price | Fair value | Contract price | Fair value |
| Long - term loans - local sources | 69,333.49 | 71,093.64 | 60,870.24 | 64,210.01 |
| Long - term loans - foreign sources | 1,562.88 | 1,584.27 | 1,852.28 | 1,897.67 |
| Cross currency and interest rate swap contracts | - | - | - | 4.59 |
| Forward foreign exchange contracts | - | (0.12) | - | - |

EGAT calculated fair value of long-term loans, derivative and fixed rate bonds as the present value of the estimated future cash flow, which based on the nearby term discount rate. Cross currency and interest rate swap contracts and interest rate swap contracts are calculated by financial institutions, which are contractor of EGAT.

12. Subsequent Events

On November 1, 2013, EGAT has appointed Siam Commercial Bank Plc., as a financial advisor to study design structure and guidelines for the establishment of the North-Bangkok Combined Cycle Power Plant-Block 1 infrastructure fund which is an alternative for funding without causing public debt. EGAT still owns and has management power in operation and maintenance of North-Bangkok Combined Cycle Power Plant-Block 1 as it used to be. The structure and guidelines for the establishment of infrastructure fund are defined as a tool for funding, so they do not lead to the privatization of EGAT. Initially, it is expected to completed the study of the establishment of the mutual fund within 120 days before submission

to the Cabinet and will be able to sell within 180 days after the Cabinet approved the establishment of such fund.

At this time, EGAT is studying about the income transfer to the fund to present to the office of the Securities and Exchange Commission and State Enterprise Policy Office for approval. EGAT has hired PWC as a consultant for the financial statements of North-Bangkok Combined Cycle Power Plant-Block 1. EGAT is currently collecting data for the preparation of initial financial statements.

13. Reclassification Transactions

EGAT reclassified some transactions in the consolidated financial statements for the year ended December 31, 2012 for conformity with the presentation of the consolidated financial statements for the year ended December 31, 2013.

14. Issuance Dated of Financial Statements

Governor of EGAT approved these financial statements for issuance on March 24, 2014.