

Auditor's Report

To: The Board of Directors of the Electricity Generating Authority of Thailand

The Office of the Auditor General of Thailand has audited the accompanying consolidated and separate balance sheets of the Electricity Generating Authority of Thailand and its subsidiaries as at December 31, 2009 and 2008, and the related consolidated and separate statements of income, changes in equity, and cash flows for the years then ended. These financial statements are the responsibility of the Entity's management as to their correctness and completeness of the presentation. The responsibility of the Office of the Auditor General of Thailand is to express an opinion on these financial statements based on the audits and other auditors' reports. The financial statements of Ratchaburi Electricity Generating Holding Public Company Limited and EGAT Diamond Service Company Limited, which are the subsidiaries were audited by other auditors and included in the consolidated financial statements. The Office of the Auditor General of Thailand received other auditors' reports and used them as a basis in auditing and expressing an opinion on the consolidated financial statements. As at December 31, 2009, assets and liabilities of the above subsidiaries included in the consolidated financial statements constitute 14.70% and 12.49% and as at December 31, 2008 constitute 15.86% and 15.62% respectively.

The Office of the Auditor General of Thailand conducted the audits in accordance with generally accepted auditing standards. Those standards require that the Office of the Auditor General of Thailand plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. The Office of the Auditor General of Thailand believes that the audits together with the other auditors' reports as above-mentioned provide a reasonable basis for the opinion.

In the opinion of the Office of the Auditor General of Thailand based on the audits and the other auditors' reports, the consolidated and the separate financial statements referred to above present fairly, in all material respects, the financial position of the Electricity Generating Authority of Thailand and its subsidiaries as at December 31, 2009 and 2008, and the results of operations and the cash flows for the years then ended in accordance with generally accepted accounting principles.

Without qualifying an opinion on these financial statements, the Office of the Auditor General of Thailand draws attention to Note 5.1 of the Changes in Accounting Policies, major inspection fee, cost and revenue of electric energy test run in commit of power plant and bonus for employees. In which, the changes in accounting policies of three items, the Electricity Generating Authority of Thailand has adopted new accounting policies by using immediately change method. The effects of the mentioned changes in accounting policies, the Electricity Generating Authority of Thailand has the total assets, which increased by Baht 48.79 million and the net income increased by the same amount.

(Signed) Jaruvan Maintaka
(Khunying Jaruvan Maintaka)
Auditor General

(Signed) Janya Pengpreecha
(Janya Pengpreecha)
Director of Audit Group
Acting Director of Audit Office

Office of the Auditor General
March 22, 2010

Financial Statements

ELECTRICITY GENERATING AUTHORITY OF THAILAND AND SUBSIDIARIES

BALANCE SHEETS

AS AT DECEMBER 31, 2009 AND 2008

Unit : Baht

	Notes	Consolidated		EGAT only	
		2009	2008	2009	2008
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	6.1	57,004,253,184	28,381,723,614	52,734,557,255	23,563,406,539
Temporary investments	6.2	8,344,455,027	6,027,552,645	90,685,948	57,286,140
Trade accounts receivable - others - net	6.3	33,838,448,435	33,289,611,329	33,777,742,515	33,237,198,845
Trade accounts receivable - related parties	6.4.1	2,862,956,674	1,622,793,476	3,122,883,193	1,674,486,228
Materials and supplies - net	6.5	11,131,622,909	9,607,431,427	9,353,486,536	7,654,364,853
Other current assets					
Other accounts receivable - net	6.6	428,376,665	135,065,357	410,155,823	135,093,152
Derivative assets	6.7.1	281,550,706	580,840,976	281,550,706	580,840,976
Others		3,971,736,398	4,030,659,095	3,869,524,002	3,735,473,265
Total current assets		117,863,399,998	83,675,677,919	103,640,585,978	70,638,149,998
NON-CURRENT ASSETS					
Investment in subsidiaries and jointly controlled					
entity by using the cost method	6.8	-	-	7,082,977,225	6,925,000,000
Investment in associated company by using the					
cost method	6.8	-	-	1,587,550,233	1,587,550,233
Investment in associated company by using the					
equity method	6.8	11,416,499,969	9,587,985,457	-	-
Investment in jointly controlled entity of subsidiaries		9,493,610,385	7,362,008,244	-	-
Investment in other entities of subsidiaries		35,105,994	-	-	-
Other long-term investments		469,383,130	314,052,208	-	-
Long-term loans to related party		-	62,500,000	-	-
Property, plant and equipment - net	6.9	258,639,855,990	256,271,104,580	223,703,933,194	219,028,686,575
Work under construction	6.10	34,681,904,987	36,636,813,242	34,641,575,171	36,417,889,787
Intangible assets - net	6.11	18,979,131,565	18,318,634,370	18,295,706,263	17,638,582,057
Land awaiting development	6.12	2,117,769,362	2,444,224,235	1,812,795,512	2,139,709,835
Other non-current assets					
Accrued revenue from electric energy sales					
according to automatic tariff adjustment (Ft)	6.13	15,920,138,383	19,565,606,207	15,920,138,383	19,565,606,207
Others	6.14	4,572,337,616	4,920,092,075	2,875,034,464	3,579,169,393
Total non-current assets		356,325,737,381	355,483,020,618	305,919,710,445	306,882,194,087
TOTAL ASSETS		474,189,137,379	439,158,698,537	409,560,296,423	377,520,344,085

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

ELECTRICITY GENERATING AUTHORITY OF THAILAND AND SUBSIDIARIES

BALANCE SHEETS

AS AT DECEMBER 31, 2009 AND 2008

Unit : Baht

	Notes	Consolidated		EGAT only	
		2009	2008	2009	2008
LIABILITIES AND EQUITY					
CURRENT LIABILITIES					
Short-term loans from financial institutions		3,000,000,000	-	3,000,000,000	-
Trade accounts payable - others	6.15	30,648,019,708	30,727,476,242	27,052,622,977	26,222,357,974
Trade accounts payable - related parties	6.4.2	10,823,467,064	9,260,521,015	16,044,136,547	15,913,607,141
Current portion of long - term loans	6.17	9,682,825,506	16,772,803,043	6,821,037,520	13,507,964,606
Other current liabilities					
Other accounts payable		7,350,475,569	12,838,814,301	7,318,236,181	12,804,608,230
Accrued remittance to the Ministry of Finance	6.16	5,610,229,117	11,463,042,049	5,610,229,117	11,463,042,049
Accrued interest expenses		1,229,813,778	999,348,900	1,220,926,640	988,468,047
Derivative liabilities	6.7.2	640,515,705	893,991,672	640,515,705	893,991,672
Others		8,435,151,458	7,695,994,342	7,131,125,203	6,402,216,644
Total current liabilities		77,420,497,905	90,651,991,564	74,838,829,890	88,196,256,363
NON-CURRENT LIABILITIES					
Long -term loans	6.17	104,853,213,795	76,139,628,659	87,438,219,210	55,862,846,089
Provision liabilities for mine reclamation	6.18	1,857,575,461	1,785,624,194	1,857,575,461	1,785,624,194
Other non-current liabilities	6.19	14,547,300,606	15,112,075,052	14,557,451,085	15,112,075,052
Total non-current liabilities		121,258,089,862	93,037,327,905	103,853,245,756	72,760,545,335
TOTAL LIABILITIES		198,678,587,767	183,689,319,469	178,692,075,646	160,956,801,698
EQUITY					
Contribution from the government	6.20	9,251,308,869	9,313,641,632	9,251,308,869	9,313,641,632
Surplus from royalty on state property service		474,767,280	474,767,280	474,767,280	474,767,280
Share of equity from subsidiary and associated company by using the equity method	6.21	2,941,383,164	2,893,267,842	-	-
Retained earnings					
Appropriated					
Capital expenditure appropriation		80,186,366,913	80,186,366,913	80,186,366,913	80,186,366,913
Unappropriated		157,975,517,626	140,065,339,056	140,955,777,715	126,588,766,562
TOTAL EGAT'S EQUITY		250,829,343,852	232,933,382,723	230,868,220,777	216,563,542,387
MINORITY INTEREST		24,681,205,760	22,535,996,345	-	-
TOTAL EQUITY		275,510,549,612	255,469,379,068	230,868,220,777	216,563,542,387
TOTAL LIABILITIES AND EQUITY		474,189,137,379	439,158,698,537	409,560,296,423	377,520,344,085

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

(Signed) Mr. Pornchai Rujiprapa
(Mr. Pornchai Rujiprapa)
Chairman of Board of Directors

(Signed) Mr. Sutat Patmasiriwat
(Mr. Sutat Patmasiriwat)
Governor

ELECTRICITY GENERATING AUTHORITY OF THAILAND AND SUBSIDIARIES

STATEMENTS OF INCOME

FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

Unit : Baht

	Notes	Consolidated		EGAT only	
		2009	2008	2009	2008
REVENUES					
Revenue from electric energy sales		355,630,645,915	355,352,491,048	355,291,193,241	354,977,882,641
Revenue from sales of other goods and services	6.22	18,071,038,112	16,727,710,664	19,898,538,562	19,215,521,654
Total revenue from sales and services		373,701,684,027	372,080,201,712	375,189,731,803	374,193,404,295
COST OF SALES					
Cost of electric energy sales	6.23	309,346,905,480	309,334,917,645	316,428,652,789	316,552,257,809
Cost of sales of other goods and services	6.24	17,412,171,594	16,141,132,278	18,999,284,725	18,445,887,167
Total cost of sales and services		326,759,077,074	325,476,049,923	335,427,937,514	334,998,144,976
GROSS PROFIT		46,942,606,953	46,604,151,789	39,761,794,289	39,195,259,319
OTHER REVENUES	6.25	3,660,555,835	3,518,621,283	5,320,641,551	5,095,846,658
INCOME BEFORE EXPENSES		50,603,162,788	50,122,773,072	45,082,435,840	44,291,105,977
SELLING EXPENSES		98,140,757	81,588,613	98,140,757	81,588,613
ADMINISTRATIVE EXPENSES		13,882,400,911	11,708,506,137	13,273,950,891	11,155,823,388
MANAGEMENT BENEFIT EXPENSES	6.27	215,998,529	204,230,939	101,669,952	96,176,294
OTHER EXPENSES	6.26	283,423,495	3,372,525,995	283,423,495	3,388,578,108
TOTAL EXPENSES		14,479,963,692	15,366,851,684	13,757,185,095	14,722,166,403
SHARE OF PROFIT FROM ASSOCIATED COMPANY	6.28	2,449,267,499	1,443,329,991	-	-
SHARE OF PROFIT FROM JOINTLY CONTROLLED ENTITIES OF SUBSIDIARIES					
		1,720,707,697	931,701,182	-	-
INCOME BEFORE FINANCE COSTS AND INCOME TAX		40,293,174,292	37,130,952,561	31,325,250,745	29,568,939,574
FINANCE COSTS	6.29	4,528,245,787	5,440,500,643	3,641,052,524	4,117,589,137
INCOME TAX		830,936,727	217,352,719	-	-
NET INCOME		34,933,991,778	31,473,099,199	27,684,198,221	25,451,350,437
ATTRIBUTABLE TO:					
EGAT		31,227,365,638	27,902,005,049	27,684,198,221	25,451,350,437
MINORITY INTEREST		3,706,626,140	3,571,094,150	-	-
		34,933,991,778	31,473,099,199	27,684,198,221	25,451,350,437

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

(Signed) Pornchai Rujiaprapa
(Mr. Pornchai Rujiaprapa)
Chairman of Board of Directors

(Signed) Mr. Sutat Patmasiriwat
(Mr. Sutat Patmasiriwat)
Governor

ELECTRICITY GENERATING AUTHORITY OF THAILAND AND SUBSIDIARIES
STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

	Consolidated		Premium on share capital	Surplus from royalty on state property service	Contribution from the government	Unrealized gain (loss) on adjustment value of investments in marketable securities available for sale - net	Adjustment from translation the financial statements of foreign company	Retained earnings		Total EGAT's equity	Minority interest	Unit : Baht
								appropriated	unappropriated			
Balance as at January 1, 2008	9,375,974,395	474,767,280	2,886,909,938			156,083,219	36,325,969	80,186,366,913	123,540,342,980	216,656,770,694	20,613,891,324	237,270,662,018
Goodwill adjustment of subsidiary	-	-	-	-	-	-	-	-	86,327,076	86,327,076	105,510,871	191,837,947
Increase (Decrease) during the period	(62,332,763)	-	-	-	-	-	-	-	-	(62,332,763)	-	(62,332,763)
Unrealized gain (loss) on adjustment value of investments in marketable securities	-	-	-	-	-	(147,578,144)	-	-	-	(147,578,144)	-	(147,578,144)
Adjustment from translation the financial statements of foreign company	-	-	-	-	-	-	(38,473,140)	-	-	(38,473,140)	-	(38,473,140)
Increase in provision for remittance to the Ministry of Finance of 2007	-	-	-	-	-	-	-	-	(294,000)	(294,000)	-	(294,000)
Provision for remittance to the Ministry of Finance of 2008	-	-	-	-	-	-	-	-	(11,463,042,049)	(11,463,042,049)	-	(11,463,042,049)
Net income for the period	-	-	-	-	-	-	-	-	27,902,005,049	27,902,005,049	3,571,094,150	31,473,099,199
Dividend paid	-	-	-	-	-	-	-	-	-	-	(1,754,500,000)	(1,754,500,000)
Balance as at December 31, 2008	<u>9,313,641,632</u>	<u>474,767,280</u>	<u>2,886,909,938</u>			<u>8,505,075</u>	<u>(2,147,171)</u>	<u>80,186,366,913</u>	<u>140,065,339,056</u>	<u>232,933,382,723</u>	<u>22,535,996,345</u>	<u>255,469,379,068</u>
Balance as at January 1, 2009	9,313,641,632	474,767,280	2,886,909,938			8,505,075	(2,147,171)	80,186,366,913	140,065,339,056	232,933,382,723	22,535,996,345	255,469,379,068
Increase (Decrease) during the period	(62,332,763)	-	-	-	-	-	-	-	-	(62,332,763)	-	(62,332,763)
Unrealized gain (loss) on adjustment value of investments in marketable securities	-	-	-	-	-	130,026,391	-	-	-	130,026,391	-	130,026,391
Adjustment from translation the financial statements of foreign company	-	-	-	-	-	-	(81,911,069)	-	-	(81,911,069)	-	(81,911,069)
Increase in provision for remittance to the Ministry of Finance of 2008	-	-	-	-	-	-	-	-	(999,957,951)	(999,957,951)	-	(999,957,951)
Remittance to the Ministry of Finance of 2009 (Jan 1 - Jun 30, 09)	-	-	-	-	-	-	-	-	(6,707,000,000)	(6,707,000,000)	-	(6,707,000,000)
Provision for remittance to the Ministry of Finance of 2009 (Jul 1 - Dec 31, 09)	-	-	-	-	-	-	-	-	(5,610,229,117)	(5,610,229,117)	-	(5,610,229,117)
Net income for the period	-	-	-	-	-	-	-	-	31,227,365,638	31,227,365,638	3,706,626,140	34,933,991,778
Dividend paid	-	-	-	-	-	-	-	-	-	-	(1,754,500,000)	(1,754,500,000)
Increase in investments in subsidiary	-	-	-	-	-	-	-	-	-	-	193,083,275	193,083,275
Balance as at December 31, 2009	<u>9,251,308,869</u>	<u>474,767,280</u>	<u>2,886,909,938</u>			<u>138,531,466</u>	<u>(84,058,240)</u>	<u>80,186,366,913</u>	<u>157,975,517,626</u>	<u>250,829,343,852</u>	<u>24,681,205,760</u>	<u>275,510,549,612</u>

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

ELECTRICITY GENERATING AUTHORITY OF THAILAND AND SUBSIDIARIES

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

EGAT Only

	Contribution from the government	Surplus from royalty on state property service	Retained earnings		Unit : Baht
			appropriated	unappropriated	Total equity
Balance as at January 1, 2008	9,375,974,395	474,767,280	80,186,366,913	112,600,752,174	202,637,860,762
Increase (Decrease) during the period	(62,332,763)	-	-	-	(62,332,763)
Increase in provision for remittance to the Ministry of Finance of 2007	-	-	-	(294,000)	(294,000)
Provision for remittance to the Ministry of Finance of 2008	-	-	-	(11,463,042,049)	(11,463,042,049)
Net income for the period	-	-	-	25,451,350,437	25,451,350,437
Balance as at December 31, 2008	9,313,641,632	474,767,280	80,186,366,913	126,588,766,562	216,563,542,387
Balance as at January 1, 2009	9,313,641,632	474,767,280	80,186,366,913	126,588,766,562	216,563,542,387
Increase (Decrease) during the period	(62,332,763)	-	-	-	(62,332,763)
Increase in provision for remittance to the Ministry of Finance of 2008	-	-	-	(999,957,951)	(999,957,951)
Remittance to the Ministry of Finance of 2009 (Jan 1 - Jun 30, 09)	-	-	-	(6,707,000,000)	(6,707,000,000)
Provision for remittance to the Ministry of Finance of 2009 (Jul 1 - Dec 31, 09)	-	-	-	(5,610,229,117)	(5,610,229,117)
Net income for the period	-	-	-	27,684,198,221	27,684,198,221
Balance as at December 31, 2009	9,251,308,869	474,767,280	80,186,366,913	140,955,777,715	230,868,220,777

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

ELECTRICITY GENERATING AUTHORITY OF THAILAND AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

		Unit : Baht			
	Notes	Consolidated		EGAT only	
		2009	2008	2009	2008
CASH FLOWS FROM OPERATING ACTIVITIES					
Net income		31,227,365,638	27,902,005,049	27,684,198,221	25,451,350,437
Adjustments to reconcile net income to net cash inflows (outflows) from operating activities					
Depreciation		22,978,426,637	19,518,941,767	20,162,039,678	16,709,061,143
Donation assets		(95,613)	(564,242)	(95,613)	(564,242)
Amortization of land rights	6.11	521,512	-	521,512	-
Amortization of computer software rights		58,573,195	51,358,831	57,338,485	50,333,345
Amortization of royalty on state property service	6.11	6,337,356	6,337,356	6,337,356	6,337,356
Amortization of gas pipe system rights	6.11	312,449	312,449	-	-
Amortization of transmission system connection rights	6.11	1,365,551	1,365,551	-	-
Amortization of deferred loan fees		40,968,363	46,326,753	-	-
Amortization of deferred charges of the lignite mine	6.14	4,224,592,713	4,558,496,919	4,224,592,713	4,558,496,919
Doubtful debts		15,042,185	(1,158,251)	15,042,185	(1,158,251)
Bad debts recovery		(85,214)	-	(85,214)	-
Allowance for obsolescence on materials and supplies		331,517,794	332,734,894	271,882,985	253,406,071
Profit on disposal of assets		(473,998,716)	(27,843,180)	(468,995,065)	(26,060,091)
Gains on disposal of investments in a jointly controlled entities of subsidiary		-	(4,645,049)	-	-
Revenue from deferred income	6.19	(411,015,604)	(443,408,152)	(411,015,604)	(443,408,152)
Losses (gains) on foreign exchange		(1,456,826,862)	3,363,678,784	(1,419,129,511)	3,379,730,897
Losses (gains) on changes in the fair value of derivatives		281,554,005	(508,670,342)	281,554,005	(508,670,342)
Dividends received from subsidiary	6.8	-	-	(1,435,500,000)	(1,435,500,000)
Dividends received from associated company	6.8	-	-	(668,868,310)	(668,868,310)
Share of profit from associated company	6.28	(2,449,267,499)	(1,443,329,991)	-	-
Share of profit from jointly controlled entities of subsidiary		(1,720,707,697)	(931,701,182)	-	-
Net income of minority interest		3,706,626,140	3,571,094,150	-	-
Interest income		(432,865,960)	(1,026,825,686)	(173,238,739)	(599,739,714)
Interest expenses		4,528,245,787	5,440,500,643	3,641,052,524	4,117,589,137
Income tax		830,936,727	217,352,719	-	-
Net income from operating activities before changes in operating assets and liabilities		61,287,522,887	60,622,359,790	51,767,631,608	50,842,336,203
Changes in operating assets (Increase) Decrease					
Trade accounts receivable		(1,797,912,203)	6,146,963,278	(1,997,852,535)	6,545,239,691
Other accounts receivable		(299,441,208)	96,782,089	(281,192,571)	97,032,597
Materials and supplies		(1,800,714,482)	(2,092,158,004)	(1,916,009,874)	(1,991,530,554)
Other current assets		64,825,252	524,612,860	(69,134,478)	863,347,202
Other non-current assets		3,920,204,454	(21,910,211,883)	4,277,819,634	(21,081,474,590)
Deferred charges of the lignite mine	6.14	(4,152,724,382)	(4,405,982,617)	(4,152,724,382)	(4,405,982,617)
Changes in operating liabilities Increase (Decrease)					
Trade accounts payable		1,506,985,825	(4,959,539,039)	983,980,480	(4,861,921,548)
Other accounts payable		(11,418,528,189)	(9,918,682,918)	(11,416,218,102)	(9,938,208,122)
Other current liabilities		691,159,423	(224,110,486)	696,937,319	(307,832,880)
Other non-current liabilities		(698,725,764)	1,606,649,699	(688,575,286)	1,606,649,699
Provision liabilities for mine reclamation		75,664,743	67,701,282	75,664,743	67,701,282
		(13,909,206,531)	(35,067,975,739)	(14,487,305,052)	(33,406,979,840)
Cash receipts on interest		148,356,890	578,310,329	147,713,602	577,100,128
Cash payment on interest		(861,320,936)	(1,293,594,640)	-	-
Cash payment on income tax		(777,524,760)	(81,285,232)	-	-
		(1,490,488,806)	(796,569,543)	147,713,602	577,100,128
Net cash inflows from operating activities		45,887,827,550	24,757,814,508	37,428,040,158	18,012,456,491

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

ELECTRICITY GENERATING AUTHORITY OF THAILAND AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

Unit : Baht

	Notes	Consolidated		EGAT only	
		2009	2008	2009	2008
CASH FLOWS FROM INVESTING ACTIVITIES					
Cash receipts (payment) on temporary investments		(2,326,788,099)	13,412,373,739	(33,399,808)	10,074,327,669
Cash receipts (payment) on long-term investments		(145,445,205)	335,716,029	-	-
Decrease (Increase) in long-term loans to related party		62,500,000	(45,000,000)	-	-
Cash receipts on disposal of assets		592,039,698	112,354,676	580,578,370	107,716,262
Cash payment on property, plant, equipment and work under construction	6.9	(16,429,385,908)	(18,484,360,947)	(16,086,924,130)	(18,003,872,191)
Cash payment on interest for work under construction		(665,514,450)	(159,721,902)	(665,514,450)	(159,721,902)
Cash payment on land purchased for future development projects		(459,450)	(331,428,723)	-	(326,914,323)
Cash payment of refund to contribution	6.19	(768,571)	(499,742)	(768,571)	(499,742)
Cash receipts on deferred income	6.19	116,536,329	1,262,687,306	116,536,329	1,262,687,306
Cash payment on share capital in subsidiary		-	-	(157,977,225)	-
Cash payment on share capital in subsidiary of minority interest		193,083,275	-	-	-
Cash payment on additional share capital in jointly controlled entities of subsidiary		(639,875,694)	(975,194,000)	-	-
Cash payment on additional share capital in common company of subsidiary		(35,105,994)	-	-	-
Cash receipts on disposal of investment in jointly controlled entities of subsidiary		-	45,000,000	-	-
Cash receipts on interest		326,385,500	559,704,491	8,387,863	102,248,356
Dividends received from subsidiary	6.8	-	-	1,435,500,000	1,435,500,000
Dividends received from associated company	6.8	668,868,310	668,868,310	668,868,310	668,868,310
Dividends received from jointly controlled entities of subsidiary		228,981,250	372,398,645	-	-
Net cash outflows from investing activities		(18,054,949,009)	(3,227,102,118)	(14,134,713,312)	(4,839,660,255)
CASH FLOWS FROM FINANCING ACTIVITIES					
Remittance to the Ministry of Finance		(19,170,000,000)	(4,394,000,000)	(19,170,000,000)	(4,394,000,000)
Cash receipts from short-term loans from financial institutions		5,670,000,000	6,560,000,000	3,000,000,000	-
Cash payment of short-term loans from financial institutions		(2,670,000,000)	(6,560,000,000)	-	-
Cash payment of long - term loans		(16,508,191,414)	(24,794,220,684)	(13,202,384,614)	(21,119,480,684)
Cash receipts on withdrawal from long - term loans		39,000,000,000	10,000,000,000	39,000,000,000	10,000,000,000
Cash payment on interest		(3,769,059,177)	(4,804,830,027)	(3,741,193,136)	(4,774,449,835)
Dividends payable to minority interest of subsidiary		(1,754,500,000)	(1,754,500,000)	-	-
Net cash inflows (outflows) from financing activities		798,249,409	(25,747,550,711)	5,886,422,250	(20,287,930,519)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		28,631,127,950	(4,216,838,321)	29,179,749,096	(7,115,134,283)
EFFECT FROM FOREIGN EXCHANGE RATE IN CASH AND CASH EQUIVALENTS					
CASH EQUIVALENTS		(8,598,380)	24,824,488	(8,598,380)	24,824,488
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD		28,381,723,614	32,573,737,447	23,563,406,539	30,653,716,334
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	6.1	57,004,253,184	28,381,723,614	52,734,557,255	23,563,406,539

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

ELECTRICITY GENERATING AUTHORITY OF THAILAND AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

1. General Information

The Electricity Generating Authority of Thailand (EGAT), which is a juristic person, was established by the 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;
- Neighbouring 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 financial statements and the EGAT's financial statements have been prepared in accordance with 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 and the notification of the Department of Business Development relating to the requirement of minimum line items in the financial statements, B.E. 2552.

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 EGAT's 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 the accounting policies.

EGAT's financial statements present the financial position and the results of operations of all EGAT's businesses, which include assets, liabilities and equity of various funds, namely Staff Aid Fund, Welfare Loan Fund, Land and Housing Loan Fund and Fund for Conferences on the Electric Power Supply Industry. Subsequently on August 28, 2009, the Board of Directors of EGAT approved to cancel the Fund for Conferences on the Electric Power Supply Industry and assets and equity of fund were transferred to the assets and capital of EGAT.

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 statement, 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 EGAT's financial statements under the cost method. Minority interest is 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 principles 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 EGAT's financial statements are prepared in conformity with 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 financial statements and the EGAT's financial statements. Actual results may differ from those estimates and assumption.

2.3 New Accounting Standards and New Financial Reporting Standards, including Amendments to Accounting Standards

The Federation of Accounting Professions (FAP) announced the amendments to Thai Accounting Standards which were announced in the Government Gazette and were effective for accounting periods beginning on or after January 1, 2009 as follows:

- Thai Accounting Standard No. 36 of the Impairment of Assets (revised 2007)
- Thai Financial Reporting Standard No. 5 of the Non-current Assets Held for Sale and Discontinued Operations (revised 2007) (No. 54, formerly)
- Accounting Framework (revised 2007) has been effective since June 26, 2009

The compliance with these amendments to Accounting Standards does not have a significant effect on the consolidated and the EGAT's financial statements.

During 2009, the Federation of Accounting Professions (FAP) announced the renumbering of Thai Accounting Standards to comply with International Accounting Standards which were divided into Accounting Standards and Financial Reporting Standards. As a result, the numbers of Thai Accounting Standards were changed. In addition, the FAP announced new Accounting Standards and the amendments in the Government Gazette are as follows:

- Thai Accounting Standard No. 24 of the Related Party Disclosures (revised 2007) (No. 47, formerly)
- Thai Accounting Standard No. 40 of the Investment Property
(Effective for accounting periods beginning on or after January 1, 2011)
- Thai Accounting Standard No. 20 of the Accounting for Government Grants and Disclosure of Government Assistance
(Effective for accounting periods beginning on or after January 1, 2012)

The executive of EGAT has expected that the above amendments to accounting standards have no significant effect on the consolidated and the EGAT's financial statements.

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 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 end of period. 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, 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 lives over 1 year, is stated in equipment for power plants under property, plant and equipment item.

Spare parts for mine equipment are namely component and spare parts which are used with the machine such as component of Terex truck or dug-coal car etc.

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 balance sheets date. Gains or losses from the change fair value are realized in statements of income of that period.

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

3.5 Investments in Subsidiaries, Associated Company and Jointly Controlled Entity

Investments in subsidiaries, associated company and jointly controlled entity have been presented in EGAT's financial statements under the cost method. In the consolidated financial statements, investments in associated company are accounted by proportionate consolidation under the equity method. Besides, investments in subsidiaries, namely Ratchaburi Electricity Generating Holding Public Company Limited (RATCH) ,EGAT International Co., Ltd., and EGAT Diamond Service Co., Ltd., and a jointly controlled entity, namely District Cooling System and Power Plant Co., Ltd., with share of equity are also eliminated.

Due to 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 but EGAT has effective control over so that they are subsidiaries EGAT according to generally accepted accounting principles, which must prepared the consolidated financial statements. According to the Budgeting Law, if EGAT owned over 50%, the Office of the Auditor General of Thailand has audited these subsidiaries. Besides, the Office of the Auditor General of Thailand can be used the other auditors' reports as a basis in auditing and expressing an opinion on the consolidated of EGAT and its subsidiaries.

3.6 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 scrap value of one Baht except the land which has infinite useful lives.

The estimates of useful lives for type 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	- 25 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	- 20 years
Coal handling system	10 years	- 20 years
Machinery	5 years	- 10 years
Spare parts for mine equipment	20 years	
Vehicles	5 years	- 10 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.

In year 2009, EGAT has changed the accounting policy in recognitions of the cost of major inspection as the part of property, plant and equipment and formerly, it was recorded as expense in each occurred period to be amortized according to the expected useful lives. The estimate useful lives of major inspection fee under type of major inspection fee and power plants are 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

The above changing in accounting policy is disclosed in Note 5.1.1.

In year 2009, EGAT has adopted the new accounting standard No. 16 of the Property, plant and equipment (revised 2007) (No. 32, formerly) to record the cost of power plants commissioning after deduction of revenue from electric energy during power plants commissioning as the part of property, plant and equipment in work under construction item, which disclosed in Note 5.1.2.

As the Note 4, on November 2, 2009, EGAT has adopted SAP software system and designed account code structure including adjusted the type of assets. The equipment and component in power plants are reclassified and divided to the equipment for power plants. The useful lives of equipment for power plants are estimated according to the type of equipment for power plants, which formerly is estimated according to the main power plants. The above changes in estimated accounting are disclosed in Note 5.2.

3.7 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. 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.

3.8 Intangible Assets

3.8.1 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.

3.8.2 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.

SAP program is in the process of development and installation. EGAT recorded the cost, which incurred during the development and installation period as the part of the cost of computer program under the item of work under construction in Note 6.10 and the recognition of the cost and record as intangible asset is ended on January 1, 2010, which SAP program is practicable for 2009 fiscal year closing as stated in Note 4.

3.8.3 Royalty on State Property Service

In 1990, with the approval of the Ministry of Finance, EGAT has been entitled to use the Sirikit dam and surrounding area without charge and recognized cost of dam in portion that use for generating electric power and surplus from Royalty on State Property Service at Baht 474.77 million as a Royalty on State Property Service account. The accumulated depreciation of Baht 100.86 million is recognized as expenses and written off from the Royalty on State Property Service. The balance of Baht 373.91 million is being amortized over 59 years, which is the remainder estimated useful lives of the dam.

3.8.4 Gas piped system rights

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

3.8.5 Transmission system connection rights

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

3.8.6 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.

3.9 Deferred Charges of the Lignite Mine

3.9.1 Overburden Removal Costs

The costs of overburden removal expended in each year are calculated by multiply the quantity of lignite extracted from the mine by the stripping ratio of 6.09:1, which is the ratio of the overburden bears to the total economically mineral reserves, 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.

3.9.2 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.

3.9.3 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.

3.9.4 Mineral Patent Costs

Mineral patent costs paid as an extra to the government are calculated by 0.1% of the total mineral value in 17 patented fields, 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.

3.10 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.

3.11 Provision Liabilities for Mine Reclamation

EGAT established provision liabilities for mine reclamation at the lignite mine in Mae Moh District, Lampang Province and Neuklong District, Krabi 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.

3.12 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 of EGAT.

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 on a monthly basis at the rate of 9% of salaries of employees with less than 20 years of service, and 10% of salaries of employees with 20 years of service and above. The employees have the privilege to contribute to the Fund at the minimum rate of 2% of salaries but not more than the combined rate that EGAT contributes to the Fund.

Subsequently on July 23, 2008, the Ministry of Finance approved of the additional adjustment of the combined rate to the Provident Fund of employees as follows:

1. Contributes at the rate of 9% of salaries of employees with less than or equal 10 years of service.
2. Contributes at the rate of 10% of salaries of employees with more than 10 years of service but less than 20 years of service.
3. Contributes at the rate of 11% of salaries of employees with more than 20 years of service.

So EGAT had adjusted the combined rate since henceforward August 2008.

3.13 Deferred Income

3.13.1 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 operates 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.

3.13.2 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.

3.14 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 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.

3.15 Interest Income

Interest income is recognized on a proportional basis according to the time and rate of return on assets.

3.16 Finance Costs

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

3.17 Related Parties

Related parties refer to individuals or enterprises, that directly or indirectly control, or are controlled by EGAT or are under common control, including entities which hold share capital, 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, crucial management, directors or employees of the EGAT.

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

3.18 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, and loans. The accounting policies applied to those particular items are separately disclosed in the individual policy statements associated with them.

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.

3.19 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. Enterprise Resource Planning (ERP)

Since 2007, EGAT has established Enterprise Resource Planning by introduction of software package on SAP program in order to use in the design and process linking of various main data system in EGAT, namely Accounting and Financial System, Human Resources System, Sales and Distribution System, Maintenance System and Planning Management System, etc.

EGAT has officially introduced Enterprise Resource Planning on November 2, 2009 so as to be on time for closing 2009 fiscal year. This new established system can be measured its result by the linkage of 15 EGAT main systems in order to conduct the closing process of 2009 fiscal year and the preparation of financial statements on time to the stipulation.

5. Accounting Changes

5.1 Changes in Accounting Policies

5.1.1 Major Inspection Fee

Since January 1, 2009, EGAT has adopted Accounting Standard No. 16 regarding Property, Plant and Equipment (Revised 2007) (No. 32, formerly) for practice before its effective date. As the aforementioned accounting standard shall apply to the financial statement of fiscal year beginning on or after January 1, 2011 henceforth and encourage to introduce this issue of accounting standard to apply before the effective date. In which, this issue of accounting standard has additional statement regarding the acknowledgement on cost incurred from major inspection in accordance with stipulated period at each time on asset as part of book value on property, plant and equipment. Subsequently, EGAT has changed accounting policy to recognize cost incurred from major inspection in accordance with

stipulated period, which is consisted of major overhaul system and minor maintenance, which is the benefit from the inspection over 1 year, such as minor inspection is part of items on property, plant and equipment. At the completion of major inspection and write off its fee according to the useful lives on each type of inspection fee and each type of power plant. In case of the inspection is incomplete within the fiscal period, such fee will be recorded as work under construction. This accounting policy has changed from the former method that recorded as expenditure in each period in accordance with the former accounting standard stipulated for business to record expenditure after incurring regarding to property, plant and equipment as part of the book value on related asset. In case of such expenditure enabled to obtain economical benefit for future business of the increasing asset from former assessment standard. Otherwise, it must be immediately recorded as expenditure for the incurred period.

EGAT cannot introduce new accounting policy for retrospective practice as EGAT cannot indicate accumulative affection incurred at the beginning of 2009 fiscal year from the changes in accounting policy of previous fiscal year. Subsequently, EGAT has adopted new accounting policy and it has been immediate practice since 2009 fiscal year because there has not been separately collected specific data. The result from change in accounting policy has enabled EGAT to record the major inspection fee on asset from January 1, 2009 to December 31, 2009 in the amount of Baht 1,063.61 million. The completed part will be shown as part of book value on items of property, plant and equipment in the amount of Baht 208.48 million. For the incomplete part of major inspection fee during the period in the amount of Baht 855.13 million has shown as part of work under construction. In case it is conducted in comply with the former accounting policy, it will show as expense on electricity generation. So, the change in accounting policy has affected to the reduction of electricity generating expenses and asset on major inspection fee has increased in the amount of Baht 1,063.61 million. In which during 2009, there was a write off expenditure in the amount of Baht 25.35 million.

5.1.2 Cost and revenue of electric energy test run of power plant

In year 2009, EGAT has adopted new accounting policy for practice on the items of property, plant and equipment by recording cost of electric energy test run in commit of power plant after the deduction of revenue from electric energy test run in commit during prior preparation period to commercial operation of power plant aspect as the cost composition of items on property, plant and equipment. EGAT has classified it as work under construction in order to be in accordance with accounting standard Issue No. 16 regarding property, plant and equipment (Revised 2007) (No. 32 , formerly) that there is the additional sample statement of other direct cost related to the procurement of asset. The cost on test is added as such asset

may be appropriately used after deduction of net value derived from the distribution of various items produced during the preparation of asset to be at the location and at the ready used status as the composition cost of property, plant and equipment. Subsequently, EGAT has changed the accounting policy from previous method that recorded cost and revenue of electric energy test run in commit of power plant during such period in statements of income and changed the recorded items as work under construction in balance sheet.

EGAT is unable to adopt new accounting policy for retrospective practice because EGAT cannot indicate accumulative affection incurred at the beginning of 2009 fiscal year from the change in accounting policy of previous fiscal year. Subsequently, EGAT has adopted new accounting policy by using the immediately change method since 2009 fiscal year, because there is no specific separated data collection. The result from changes in accounting policy has enabled EGAT to record consumed fuel cost at test run in the amount of Baht 1,796.39 million and revenue from electric energy test run of power plant in the amount of Baht 2,731.89 million in the items of work under construction. In case it is complied to the former accounting policy, fuel cost and revenue from electric energy test run will be combined to record in statements of income. So, the change in accounting policy is affected to the work under construction and cause the reduction of net income in the amount of Baht 935.50 million.

5.1.3 Bonus for employees

In accordance with regulation of Ministry of Finance regarding Accounting and Finance of State Enterprise B.E. 2548 stipulated for state enterprise to consider bonus payment from annual net income for the directors and employees in accordance with regulation regarding bonus for the directors and employees. In which, the Office of State Enterprise Policy Committee has stipulated the guideline in bonus payment for employees under the assessment system of operational result of state enterprise, the financial amount for payment of bonus will be calculated from net income in percentage.

EGAT recorded the provision on payment of bonus from the performance annual operation, in order to record the completed expenses in financial statements. Since 2008, EGAT has recorded the payment of bonus as the expenses in each type of financial statements, including cost of lignite, which is an average as part of fuel cost in statements of income and the other part as cost of lignite reserves in balance sheet.

As the bonus payment of EGAT is uncertain due to the calculation based on percentage from net income and the mark from performance assessment of EGAT operation, which will be known approximately in May of the next year. The provision on payment of bonus for employees for recording in each type of expenses in statements of income and asset in balance sheet, having many steps in the accounting closing due to the proportion of cost and

revision on calculation of lignite fuel cost. Therefore, in order to reduce steps in the accounting closing, EGAT has changed the policy for recording bonus payment for employees from formerly to present in each type of expenses and asset in balance sheet as administrative expenses of the full amount.

EGAT is unable to adopt new accounting policy for retrospective practice because EGAT cannot indicate accumulative affection incurred at the beginning of 2009 fiscal year from the change in accounting policy of previous fiscal year. Subsequently, EGAT has adopted new accounting policy by using the immediately change method since 2009 fiscal year, because there is no specific separated data collection. The result from change in accounting policy has caused EGAT to record additional expenses and net income reduced in the amount of Baht 53.97 million. In case of using previous accounting policy, one part of bonus for employees will be shown as asset on lignite reserves in balance sheet in the amount of Baht 53.97 million.

5.2 Changes in Accounting Estimates

Power Plant and Equipment

As Note No. 4, on November 2, 2009, EGAT has commenced to introduce software package on SAP program to design accounting code structure, including the improvement of asset classification on property, plant and equipment. By separation of equipment and various component in power plants with the cost of Baht 5,837.41 million, accumulative depreciation of Baht 2,281.08 million and revision of classification as equipment for power plants, including the change in estimate of useful lives on equipment for power plants for the formerly estimate, useful lives according to the main age of asset, namely power plants, which is assessed for not exceeding 25 years according to each type of equipment for power plant that the majority is lesser age than power plants. The result of change in estimate of useful lives on equipment for power plants caused an increased depreciation of Baht 1,639.92 million because the useful lives on equipment for power plants are lessened.

6. Supplementary Information

6.1 Cash and Cash Equivalents

	Unit : Million Baht			
	Consolidated		EGAT Only	
	Dec 31, 09	Dec 31, 08	Dec 31, 09	Dec 31, 08
Cash on hand	6.64	8.26	6.36	7.96
Cash in banks current and saving accounts	42,495.67	23,835.93	41,732.06	23,529.05
Fixed deposits not more than 3 months	10,441.39	167.01	10,400.00	26.40
Receipts of fixed deposits	600.00	1,201.01	-	-
Bills of exchange	2,864.41	1,069.51	-	-
Promissory notes	-	2,100.00	-	-
Bonds not more than 3 months	596.14	-	596.14	-
Total	57,004.25	28,381.72	52,734.56	23,563.41

Since the third quarterly of year 2009, EGAT has cash management by overview policy, which included cash in banks of variously fund, namely Staff AID Fund, Welfare Loan Fund, Land and Housing Loan Fund and Fund for Conferences on the Electric Power Supply Industry to the EGAT's working capital. Formerly, each cash in bank of variously fund is divided in separate funds.

On August 28, 2009, the Board of Directors of EGAT approved to cancel the Fund for Conferences on the Electric Power Supply Industry.

6.2 Temporary Investments

	Unit : Million Baht			
	Consolidated		EGAT Only	
	Dec 31, 09	Dec 31, 08	Dec 31, 09	Dec 31, 08
Fixed deposits not more than 12 months	90.69	57.29	90.69	57.29
Receipts of fixed deposits	400.00	2,054.00	-	-
Bills of exchange	4,951.10	2,703.71	-	-
Promissory notes	2,902.67	1,200.00	-	-
Debenture	-	12.55	-	-
Total	8,344.46	6,027.55	90.69	57.29

Temporary investments of EGAT, namely investments in bonds, 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 - Net

	Unit : Million Baht			
	Consolidated		EGAT Only	
	Dec 31, 09	Dec 31, 08	Dec 31, 09	Dec 31, 08
Receivable from electric energy sales				
Metropolitan Electricity Authority	10,699.48	9,307.69	10,699.48	9,307.69
Provincial Electricity Authority	21,742.68	22,758.30	21,742.68	22,758.30
Others	1,255.93	1,069.93	1,229.41	1,046.93
	33,698.09	33,135.92	33,671.57	33,112.92
Services and others receivable	187.51	191.93	153.32	162.52
Total	33,885.60	33,327.85	33,824.89	33,275.44
Less : Allowance for doubtful accounts	47.15	38.24	47.15	38.24
Balance	33,838.45	33,289.61	33,777.74	33,237.20

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

	Consolidated							Unit : Million Baht
	State enterprise and governments agencies		Private companies		Total			
	Electric energy sales	Service and others	Electric energy sales	Service and others	Electric energy sales	Service and others		
Outstanding period								
Undue portion	33,124.32	2.69	573.50	122.40	33,697.82	125.09	Dec 31, 09 33,822.91	Dec 31, 08 31,664.66
Overdue not more than 6 months	0.08	3.48	0.19	6.08	0.27	9.56	9.83	1,399.32
Overdue more than 6 months to 1 year	-	-	-	4.06	-	4.06	4.06	225.02
Overdue more than 1 year	-	-	-	48.80	-	48.80	48.80	38.85
Total	33,124.40	6.17	573.69	181.34	33,698.09	187.51	33,885.60	33,327.85
Less : Allowance for doubtful accounts	-	-	-	47.15	-	47.15	47.15	38.24
Balance	33,124.40	6.17	573.69	134.19	33,698.09	140.36	33,838.45	33,289.61

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

Unit : Million Baht

EGAT Only

Outstanding period	State enterprise and governments agencies						Total			
	governments agencies			Private companies			Electric		Service and others	
	Electric	energy sales	Service and others	Electric	energy sales	Service and others	energy sales	Service and others	Dec 31, 09	Dec 31, 08
Undue portion	33,124.32	2.69		546.98	88.21		33,671.30	90.90	33,762.20	31,612.25
Overdue not more than 6 months	0.08	3.48		0.19	6.08		0.27	9.56	9.83	1,399.32
Overdue more than 6 months to 1 year	-	-		-	4.06		-	4.06	4.06	225.02
Overdue more than 1 year	-	-		-	48.80		-	48.80	48.80	38.85
Total	33,124.40	6.17		547.17	147.15		33,671.57	153.32	33,824.89	33,275.44
Less : Allowance for doubtful accounts	-	-		-	47.15		-	47.15	47.15	38.24
Balance	33,124.40	6.17		547.17	100.00		33,671.57	106.17	33,777.74	33,237.20

6.4 Related Parties Transactions

The details of related parties transactions are as follows:

6.4.1 Trade accounts receivable - related parties

		Unit : Million Baht			
		Consolidated		EGAT Only	
		Dec 31, 09	Dec 31, 08	Dec 31, 09	Dec 31, 08
Subsidiaries					
-	Ratchaburi Electricity Generating Holding Plc.	-	-	5.25	1.60
-	Ratchaburi Electricity Generating Co., Ltd.	-	-	251.12	46.44
-	Ratch-Lao Service Co., Ltd.	-	-	0.86	-
	Total	-	-	257.23	48.04
Associated companies					
-	Electricity Generating Plc.	1,114.56	-	1,114.56	-
-	Khanom Electricity Generating Co., Ltd.	1,711.35	1,130.17	1,711.35	1,130.17
-	Rayong Electricity Generating Co.,Ltd.	-	445.85	-	445.85
-	EGCO Engineering and Services Co.,Ltd.	0.32	5.03	0.32	5.03
	Total	2,826.23	1,581.05	2,826.23	1,581.05
Jointly controlled entity					
-	District Cooling System and Power Plant Co.,Ltd.	5.00	6.79	7.70	10.44
	Total	5.00	6.79	7.70	10.44
Related parties					
-	Tri Energy Co., Ltd.	0.05	0.05	0.05	0.05
-	Ratchaburi Power Co., Ltd.	9.00	17.26	9.00	17.26
-	Nam Ngum 2 Power Co., Ltd.	0.53	0.50	0.53	0.50
-	BLCP Power Co., Ltd. (BLCP)	22.14	17.14	22.14	17.14
	Total	31.72	34.95	31.72	34.95
Total trade accounts receivable - related parties		2,862.95	1,622.79	3,122.88	1,674.48

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

		Unit : Million Baht			
		Consolidated			
		Electric			
Outstanding period		energy sales	Service and others	Dec 31, 09	Dec 31, 08
Undue portion		33.38	2,829.48	2,862.86	1,622.76
Overdue not more than 6 months		-	0.09	0.09	0.03
Total		33.38	2,829.57	2,862.95	1,622.79

Unit : Million Baht

	EGAT Only			
	Electric			
Outstanding period	energy sales	Service and others	Dec 31, 09	Dec 31, 08
Undue portion	76.28	3,046.51	3,122.79	1,674.45
Overdue not more than 6 months	-	0.09	0.09	0.03
Total	76.28	3,046.60	3,122.88	1,674.48

6.4.2 Trade accounts payable - related parties

Unit : Million Baht

	Consolidated		EGAT Only	
	Dec 31, 09	Dec 31, 08	Dec 31, 09	Dec 31, 08
Independent Power Producers (IPP) and Small Power Producers (SPP)				
Subsidiaries				
- Ratchaburi Electricity Generating Co., Ltd.	-	-	5,207.65	6,631.92
- Ratchaburi Energy Co., Ltd.	-	-	5.61	7.10
Total	-	-	5,213.26	6,639.02
Associated companies				
- Electricity Generating Plc.	1,769.32	-	1,769.32	-
- Khanom Electricity Generating Co., Ltd.	2,072.12	1,424.74	2,072.12	1,424.74
- Rayong Electricity Generating Co., Ltd.	-	1,137.62	-	1,137.62
Total	3,841.44	2,562.36	3,841.44	2,562.36
Jointly controlled entity				
- District Cooling System and Power Plant Co., Ltd.	13.75	26.12	21.16	40.19
Total	13.75	26.12	21.16	40.19
Related parties				
- Tri Energy Co., Ltd.	1,926.21	1,612.71	1,926.21	1,612.71
- Ratchaburi Power Co., Ltd.	3,128.25	2,653.89	3,128.25	2,653.89
- BLCP Power Co., Ltd. (BLCP)	1,913.82	2,405.44	1,913.82	2,405.44
Total	6,968.28	6,672.04	6,968.28	6,672.04
Total trade accounts payable - related parties	10,823.47	9,260.52	16,044.14	15,913.61

6.4.3 Revenues and expenses - related parties

	Unit : Million Baht			
	Consolidated		EGAT Only	
	Jan 1 - Dec 31, 09	Jan 1 - Dec 31, 08	Jan 1 - Dec 31, 09	Jan 1 - Dec 31, 08
Revenues				
Electric energy sales				
Subsidiary				
- Ratchaburi Electricity Generating Co., Ltd.	-	-	183.07	161.06
Associated companies				
- Electricity Generating Plc.	4.87	-	4.87	-
- Khanom Electricity Generating Co., Ltd.	4.67	4.43	4.67	4.43
- Rayong Electricity Generating Co., Ltd.	7.49	10.60	7.49	10.60
Related parties				
- Tri Energy Co., Ltd.,	0.25	0.25	0.25	0.25
- Ratchaburi Power Co., Ltd.	34.52	88.99	34.52	88.99
- BLCP Power Co., Ltd. (BLCP)	46.72	37.30	46.72	37.30
Revenue from sale of other goods and services				
Subsidiaries				
- Ratchaburi Electricity Generating Holding Plc.	-	-	9.18	1.92
- Ratchaburi Electricity Generating Co., Ltd.	-	-	1,902.25	2,578.16
- Ratchaburi Energy Co., Ltd.	-	-	0.05	-
- Ratch-Lao Service Co., Ltd.	-	-	5.19	-
- EGAT International Co., Ltd.	-	-	8.22	-
Associated companies				
- Electricity Generating Plc.	1,813.21	-	1,813.21	-
- Khanom Electricity Generating Co., Ltd.	10,785.89	10,866.63	10,785.89	10,866.63
- Rayong Electricity Generating Co., Ltd.	4,204.56	4,631.93	4,204.56	4,631.93
- EGCO Engineering and Services Co.,Ltd.	8.44	33.06	8.44	33.06
Jointly controlled entity				
- District Cooling System and Power Plant Co.,Ltd.	63.10	58.37	97.08	89.80
Related parties				
- Ratchaburi Power Co., Ltd.	9.40	20.78	9.40	20.78
- Nam Ngum 2 Power Co., Ltd.	2.74	5.83	2.74	5.83

	Unit : Million Baht			
	Consolidated		EGAT Only	
	Jan 1 - Dec 31, 09	Jan 1 - Dec 31, 08	Jan 1 - Dec 31, 09	Jan 1 - Dec 31, 08
Expenses				
Electric energy purchased				
Subsidiaries				
- Ratchaburi Electricity Generating Co., Ltd.	-	-	35,313.60	42,182.40
- Ratchaburi Energy Co., Ltd.	-	-	31.10	28.04
Associated companies				
- Electricity Generating Plc.	3,039.93	-	3,039.93	-
- Khanom Electricity Generating Co., Ltd.	13,054.32	13,947.15	13,054.32	13,947.15
- Rayong Electricity Generating Co., Ltd.	6,565.31	8,309.06	6,565.31	8,309.06
Jointly controlled entity				
- District Cooling System and Power Plant Co.,Ltd.	93.27	82.61	143.49	127.09
Related parties				
- Tri Energy Co., Ltd.	9,590.75	10,303.19	9,590.75	10,303.19
- Ratchaburi Power Co., Ltd.	20,264.37	15,953.96	20,264.37	15,953.96
- BLCP Power Co., Ltd. (BLCP)	19,674.10	20,249.71	19,674.10	20,249.71
Cost of sale of other goods and services				
Subsidiaries				
- Ratchaburi Electricity Generating Holding Plc.	-	-	2.70	0.80
- Ratchaburi Electricity Generating Co., Ltd.	-	-	1,532.68	2,275.00
- Ratchaburi Energy Co., Ltd.	-	-	0.02	-
- Ratch-Lao Service Co., Ltd.	-	-	0.94	-
- EGAT International Co., Ltd.	-	-	10.22	-
Associated companies				
- Electricity Generating Plc.	1,862.83	-	1,862.83	-
- Khanom Electricity Generating Co., Ltd.	10,779.06	10,845.41	10,779.06	10,845.41
- Rayong Electricity Generating Co., Ltd.	4,187.03	4,674.64	4,187.03	4,674.64
- EGCO Engineering and Services Co.,Ltd.	9.68	14.06	9.68	14.06
Jointly controlled entity				
- District Cooling System and Power Plant Co.,Ltd.	64.72	53.74	99.57	82.68
Related parties				
- Ratchaburi Power Co., Ltd.	5.69	33.09	5.69	33.09
- Nam Ngum 2 Power Co., Ltd.	2.51	2.02	2.51	2.02

6.5 Materials and Supplies - Net

	Unit : Million Baht			
	Consolidated		EGAT Only	
	Dec 31, 09	Dec 31, 08	Dec 31, 09	Dec 31, 08
Fuel oil for power plant	4,598.12	4,374.59	3,920.40	3,691.13
Lignite stock	2,104.14	1,301.51	2,104.14	1,301.51
Spare parts, other materials and supplies	8,934.47	8,104.91	7,416.73	6,477.62
Less : Allowance for obsolescence	4,505.11	4,173.58	4,087.78	3,815.90
Balance	11,131.62	9,607.43	9,353.49	7,654.36

6.6 Other Accounts Receivable - Net

	Unit : Million Baht			
	Consolidated		EGAT Only	
	Dec 31, 09	Dec 31, 08	Dec 31, 09	Dec 31, 08
Employee accounts receivable	191.98	55.95	191.98	55.95
Other accounts receivable	251.47	88.05	233.25	88.08
Less : Allowance for doubtful accounts	15.07	8.94	15.07	8.94
Balance	428.38	135.06	410.16	135.09

6.7 Derivative Assets and Derivative Liabilities

6.7.1 Derivative Assets

	Unit : Million Baht			
	Consolidated		EGAT Only	
	Dec 31, 09	Dec 31, 08	Dec 31, 09	Dec 31, 08
Cross currency and interest rate swap agreements	279.15	580.84	279.15	580.84
Interest rate swap agreements	2.40	-	2.40	-
Total	281.55	580.84	281.55	580.84

6.7.2 Derivative Liabilities

	Unit : Million Baht			
	Consolidated		EGAT Only	
	Dec 31, 09	Dec 31, 08	Dec 31, 09	Dec 31, 08
Cross currency and interest rate swap agreements	569.10	668.33	569.10	668.33
Currency swap agreements	71.13	225.66	71.13	225.66
Interest rate swap agreements	0.29	-	0.29	-
Total	640.52	893.99	640.52	893.99

6.8 Investment in Subsidiaries, Associated Company and Jointly Controlled Entity by using the Cost Method in EGAT's Financial Statements and the Equity Method in Consolidated Financial Statements

Company	Business	Relationship	EGAT Only										Consolidated	
			Paid-up capital		Investment portion		Cost method		Dividend		Equity method			
			Dec 31,09	Dec 31,08	Dec 31,09	Dec 31,08	Dec 31,09	Dec 31,08	Jan 1 - Dec 31,09	Jan 1 - Dec 31,08	Dec 31,09	Dec 31,08		
Ratchaburi Electricity Generating Holding Plc.	Investment in other companies	Subsidiary	14,500.00	14,500.00	45.00%	45.00%	6,525.00	6,525.00	1,435.50	1,435.50	-	-		
EGAT International Co., Ltd.	Investment in other companies	Subsidiary	50.00	50.00	100.00%	100.00%	50.00	50.00	-	-	-	-		
EGAT Diamond Service Co., Ltd.	Maintenance service of power plant	Subsidiary	351.06	-	45.00%	-	157.98	-	-	-	-	-		
District Cooling System and Power Plant Co.,Ltd.	Power and cooling water producer	Jointly controlled entity	1,000.00	1,000.00	35.00%	35.00%	350.00	350.00	-	-	-	-		
Electricity Generating Plc.	Investment in other companies	Associated company	5,264.65	5,264.65	25.41%	25.41%	1,587.55	1,587.55	668.86	668.86	11,416.50	9,587.99		
			8,670.53	8,512.55			8,670.53	8,512.55	2,104.36	2,104.36	11,416.50	9,587.99		

6.8.1 Investment in Ratchaburi Electricity Generating Holding Public Company Limited

On November 30, 1999, EGAT would set up Ratchaburi Electricity Generating Holding Company Limited (RHCO) according to the Cabinet's resolution on private section participation plan for the Ratchaburi Power Project by issuing shares for public offering. EGAT would be required to conduct an initial public offering for RHCO, and registered in the Stock Exchange of Thailand (SET). After registering in the SET, EGAT owns in RHCO by 44.99% to 49.99%. Subsequently in 2000, RHCO was registered as a public company which was listing in SET and issued common shares for public offering.

Ratchaburi Electricity Generating Holding Public Company Limited (RATCH) has registered capital of Baht 14,500 million comprising 1,450 million fully issued and paid-up common shares. EGAT owns 652.50 million common shares (cost at Baht 6,525 million) which are 45% of the total fully issued and paid-up capital. EGAT has effective control over RATCH; investment in RATCH is recorded as investment in subsidiary.

6.8.2 Investment in Electricity Generating Public Company Limited

Electricity Generating Public Company Limited (EGCO) has registered capital of Baht 5,300 million comprising 526.47 million fully issued and paid - up common shares. In the second quarter of the year 2005, EGCO issued treasury stock of 1.30 million shares to the public, while EGAT did not purchase any of those shares. EGAT held 133.77 million common shares in EGCO (cost at Baht 1,587.55 million) which are 25.41% of the total fully issued and paid-up capital. (On March 31, 2005, EGAT's investment in EGCO was 25.47% of the total fully issued and paid-up capital after deduction of treasury stock) EGAT has significant influence but no effective control over EGCO. Therefore, investment in EGCO is recorded as investment in associated company.

6.8.3 Investment in District Cooling System and Power Plant Company Limited

EGAT, PTT Public Company Limited (PTT) and the Metropolitan Electricity Authority (MEA) have jointly invested in District Cooling System and Power Plant Company Limited (DCAP) to provide electricity and cooling water system to the Suvarnabhumi International Airport with the investment proportion of 35%, 35% and 30% respectively. DCAP has registered capital of Baht 1,000 million comprising 100 million fully issued and paid- up common shares. EGAT owns 35 million common shares (cost at Baht 350 million). EGAT recorded investment in DCAP as an investment in jointly controlled entity.

On April 1, 2008 and April 21, 2008, DCAP held the annual meeting of 2008 and the extraordinary shareholders' meetings No. 1/2551 respectively. The meeting passed a resolution to increase DCAP's capital by Baht 670 million through an issuance of 67 million

common shares with a par value of Baht 10 per share, resulting in the total registered capital of Baht 1,670 million. As at May 30, 2008 that DCAP has the additional capital for extension the generating capacity, which the cost of investment is approximate Baht 1,816 million. On October 13, 2009, the Cabinet has been approved the mentioned project and now, it is in the process of bidding for select the contractor.

6.8.4 Investment in EGAT International Company Limited

On December 18, 2007, EGAT International Company Limited was registered as a juristic person according to the Civil and Commercial Code with the registered capital of Baht 50 million, comprising 5 million common shares with a par value of Baht 10 per share. EGAT owns 5 million common shares (cost at Baht 50 million) which are 100% of the total fully issued and paid-up capital.

On November 29, 2007, the meeting of Board of Directors of EGAT No. 13/2550 passed a resolution to jointly invest in Nam Ngiep 1 Hydro Power Plant Project of 261 MW., which is in Lao People's Democratic Republic by EGAT or EGAT International Company Limited according to the proportionate investment of 30% or 32% in the amount of Baht 1,542.30 million or Baht 1,645.20 million. Subsequently in January 22, 2008, the Ministry of Energy approved the jointly investment in the mentioned project. So that in 2010, EGAT will be expectedly increase the capital of Baht 86.40 million for investment in the above project.

6.8.5 Investment in EGAT Diamond Service Company Limited

On December 15, 2009, EGAT Diamond Service Company Limited was registered as a juristic person according to the Civil and Commercial Code with the registered capital of Baht 623 million, comprising 6.23 million common shares with a par value of Baht 100 per share. The company has paid - up common shares in the amount of Baht 351.06 million, which is the initial paid - up in the amount of Baht 56.35 per common share. EGAT has jointly invested with Mitsubishi Heavy Industries, Co., Ltd., Mitsubishi Corporation and Ratchaburi Electricity Generating Holding Public Company Limited in the investment proportion of 45%, 30%, 15% and 10% respectively.

On December 31, 2009, EGAT held 2.8035 million common share (Cost at Baht 280.35 million), which were the paid - up capital in the amount of Baht 157.98 million. EGAT's subsidiary, Ratchaburi Electricity Generating Holding Plc. held 0.623 million common share (Cost at Baht 62.30 million), which were the paid - up capital in the amount of Baht 35.10 million.

6.9 Property, Plant and Equipment - Net

Unit : Million Baht

	Consolidated															Total
	Land	Structures	Reservoirs and dams	Power plants	Equipment for power plants	Control system	Transmission system	Communication system	Coal handling system	Machinery and helicopter	Spare parts for mine equipment	Vehicles	Other materials and supplies	Deferred charges of major inspection fee	Adjustment in consolidated from profit on sale power plants	Total
Cost as at Jan 1, 09	6,451.14	23,177.78	28,583.77	291,023.89	5,359.86	-	130,244.84	7,304.22	4,591.54	2,639.66	42.85	2,712.34	11,433.40	-	(4,839.33)	508,851.53
Increase during the period	146.07	1,698.94	14.84	12,551.17	3,917.00	-	5,195.11	338.38	13.70	168.47	1.12	242.63	638.94	208.48	-	25,134.85
Adjustment	(1.02)	2.56	-	-	-	-	-	-	-	(66.47)	-	(2.37)	59.29	-	-	(8.01)
Transferred type	-	266.77	4.24	(5,874.81)	5,837.41	838.78	160.84	(937.80)	234.28	2,919.46	(126.69)	89.53	(3,412.01)	-	-	-
Transferred type with other assets	326.91	-	-	(3,250.53)	-	-	-	-	-	-	-	-	(8.74)	-	-	(2,932.36)
Diposal	(0.24)	(207.70)	-	(0.44)	-	-	(134.01)	(245.41)	-	(175.78)	-	(222.74)	(194.39)	-	-	(1,180.71)
Cost as at Dec 31, 09	6,922.86	24,938.35	28,602.85	294,449.28	15,114.27	838.78	135,466.78	6,459.39	4,839.52	5,485.34	42.85	2,819.39	8,516.49	208.48	(4,839.33)	529,865.30
Accumulated depreciation / Amortization as at Jan 1, 09	-	(13,347.51)	(7,907.36)	(153,416.44)	(3,584.14)	-	(53,440.58)	(5,418.34)	(3,698.43)	(2,295.65)	(41.08)	(2,211.83)	(8,494.30)	-	1,363.79	(252,565.10)
Increase during the period	-	(1,190.76)	(434.70)	(11,668.32)	(2,828.47)	(37.85)	(5,237.00)	(552.78)	(144.87)	(163.08)	(6.32)	(1.78)	(628.94)	(25.35)	196.69	(22,928.43)
Adjustment	-	0.96	-	-	-	-	(30.01)	30.01	(2.09)	59.58	0.01	0.73	(48.85)	-	-	10.34
Transferred type	-	(280.89)	(0.64)	2,290.10	(2,281.08)	(597.61)	(135.92)	653.62	(112.24)	(2,475.03)	79.55	(41.17)	2,901.31	-	-	-
Transferred type with other assets	-	-	-	3,200.77	-	-	-	-	-	-	-	-	4.79	-	-	3,205.56
Diposal	-	190.26	-	0.26	-	-	125.51	167.63	-	175.78	-	216.00	192.07	-	-	1,067.51
Accumulated depreciation / Amortization as at Dec 31, 09	-	(14,627.94)	(8,342.70)	(159,593.63)	(8,693.69)	(635.46)	(58,718.00)	(5,119.86)	(3,957.63)	(4,698.40)	(42.85)	(2,241.17)	(6,073.92)	(25.35)	1,560.48	(271,210.12)
Accumulated impairment																
As at Jan 1, 09	-	-	-	(15.33)	-	-	-	-	-	-	-	-	-	-	-	(15.33)
As at Dec 31, 09	-	-	-	(15.33)	-	-	-	-	-	-	-	-	-	-	-	(15.33)
Net book value																
As at Jan 1, 09	6,451.14	9,830.27	20,676.41	137,592.12	1,775.72	-	76,804.26	1,885.88	893.11	344.01	1.77	500.51	2,939.10	-	(3,475.54)	256,271.10
As at Dec 31, 09	6,922.86	10,310.41	20,260.15	134,840.32	6,420.58	203.32	76,748.78	1,339.53	881.89	786.94	-	578.22	2,442.57	183.13	(3,278.85)	258,639.85

	EGAT Only														Total
	Land	Structures	Reservoirs and dams	Power plants	Equipment for power plants	Control system	Transmission system	Communication system	Coal handling system	Machinery and helicopter	Spare parts for mine equipment	Vehicles	Other materials and supplies	Deferred charges of major inspection fee	
Cost as at Jan 1, 09	5,699.69	22,634.55	28,583.77	232,597.33	5,344.03	-	130,244.84	7,304.22	4,591.54	2,639.66	42.85	2,646.74	11,262.79	-	453,717.58
Increase during the period	146.07	1,684.98	14.84	12,335.17	3,917.00	-	5,195.11	338.38	13.70	168.47	-	232.11	559.76	208.48	24,815.19
Adjustment	(1.02)	2.56	-	-	-	-	-	-	-	(66.47)	-	(2.37)	59.29	-	(8.01)
Transferred type	-	266.77	4.24	(5,874.81)	5,837.41	838.78	160.84	(937.80)	234.28	2,919.46	-	89.53	(3,412.01)	-	-
Transferred type with other assets	326.91	-	-	(3,250.53)	-	-	-	-	-	-	-	-	(8.74)	-	(2,932.36)
Diposal	(0.24)	(207.70)	-	-	-	-	(134.01)	(245.41)	-	(175.78)	-	(187.67)	(163.57)	-	(1,114.38)
Cost as at Dec 31, 09	6,171.41	24,381.16	28,602.85	235,807.16	15,098.44	838.78	135,466.78	6,459.39	4,839.52	5,485.34	42.85	2,778.34	8,297.52	208.48	474,478.02
Accumulated depreciation / Amortization as at Jan 1, 09	-	(13,140.54)	(7,907.36)	(134,551.00)	(3,584.14)	-	(53,440.58)	(5,418.34)	(3,698.43)	(2,295.65)	(41.08)	(2,165.17)	(8,358.05)	-	(234,673.57)
Increase during the period	-	(1,162.55)	(434.70)	(8,903.15)	(2,828.47)	(37.85)	(5,237.00)	(552.78)	(144.87)	(163.08)	(1.78)	(196.40)	(614.42)	(25.35)	(20,308.72)
Adjustment	-	0.96	-	-	-	-	(30.01)	30.01	(2.09)	59.58	0.01	0.73	(48.85)	-	10.34
Transferred type	-	(280.89)	(0.64)	2,290.10	(2,281.08)	(597.61)	(135.92)	653.62	(112.24)	(2,475.03)	-	(41.17)	2,901.31	-	-
Transferred type with other assets	-	-	-	3,200.77	-	-	-	-	-	-	-	-	4.79	-	3,205.56
Diposal	-	190.26	-	-	-	-	125.51	167.63	-	175.78	-	186.86	161.59	-	1,007.63
Accumulated depreciation / Amortization as at Dec 31, 09	-	(14,392.76)	(8,342.70)	(137,963.28)	(8,693.69)	(635.46)	(58,718.00)	(5,119.86)	(3,957.63)	(4,698.40)	(42.85)	(2,215.15)	(5,953.63)	(25.35)	(250,758.76)
Accumulated impairment															
As at Jan 1, 09	-	-	-	(15.33)	-	-	-	-	-	-	-	-	-	-	(15.33)
As at Dec 31, 09	-	-	-	(15.33)	-	-	-	-	-	-	-	-	-	-	(15.33)
Net book value															
As at Jan 1, 09	5,699.69	9,494.01	20,676.41	98,031.00	1,759.89	-	76,804.26	1,885.88	893.11	344.01	1.77	481.57	2,904.74	-	219,028.68
As at Dec 31, 09	6,171.41	9,988.40	20,260.15	97,828.55	6,404.75	203.32	76,748.78	1,339.53	881.89	786.94	-	563.19	2,343.89	183.13	223,703.93

As at September 30, 2009, EGAT transferred Mae Moh Power Plant Unit 1, 2 and 3 in property, plant and equipment to the item of assets which held for sold in other current assets with the cost of Baht 3,250.53 million and accumulated depreciation of Baht 3,200.77 million. On October 12, 2009, EGAT agreed the sold power plant contract with the awarded company by electronic system and signed in the sale Mae Moh Power Plant Unit 1, 2 and 3 contract amounting to Baht 297 million (excluded VAT Tax). In year 2009, EGAT has been received some money and write off the assets which held for sold from the balance sheets.

As at December 31, 2009 and 2008, 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 72,545.76 million and Baht 45,532.92 million respectively. The details are as follows:

	Unit : Million Baht	
	EGAT Only	
	Dec 31, 09	Dec 31, 08
Structures	6,897.88	5,348.05
Reservoirs and dams	8.40	8.40
Power Plants	34,011.14	17,622.87
Equipment for power plants	6,155.18	1,299.50
Control system	133.35	119.10
Transmission system	10,127.52	6,596.83
Communication system	3,026.22	2,523.75
Coal handling system	2,376.53	1,809.83
Machinery	4,020.15	4,261.22
Aeroplane and helicopter	43.09	32.41
Spare parts for mine equipment	42.85	27.33
Vehicles	1,638.44	1,675.01
Other materials and supplies	4,065.01	4,208.62
	72,545.76	45,532.92

Consolidated

During year 2009, EGAT and its subsidiaries purchased property, plant and equipment totaled Baht 22,741.18 million, which cash payment was Baht 16,429.39 million and the residual amount was trade payable amounting to Baht 6,311.79 million.

During year 2008, EGAT and its subsidiaries purchased property, plant and equipment totaled Baht 30,270.16 million, which cash payment was Baht 18,484.36 million and the residual amount was trade payable amounting to Baht 11,785.80 million.

EGAT Only

During year 2009, EGAT purchased property, plant and equipment totaled Baht 22,398.37 million, which cash payment was Baht 16,086.92 million and the residual amount was trade payable amounting to Baht 6,311.45 million.

During year 2008, EGAT purchased property, plant and equipment totaled Baht 29,786.06 million, which cash payment was Baht 18,003.87 million and the residual amount was trade payable amounting to Baht 11,782.19 million.

6.10 Work under Construction

Project	Unit : Million Baht			
	Consolidated		EGAT Only	
	Dec 31, 09	Dec 31, 08	Dec 31, 09	Dec 31, 08
Expand Transmission System Project	10,032.14	8,810.60	10,032.14	8,810.60
Chana Combined Cycle Power Plant Project	0.71	12.64	0.71	12.64
South Bangkok Combined Cycle Power Plant Project - Block 3	-	182.40	-	182.40
Bang Pakong Combined Cycle Power Plant Project - Block 5	138.52	12,701.53	138.52	12,701.53
North Bangkok Combined Cycle Power Plant Project - Block 1	12,088.93	7,814.59	12,088.93	7,814.59
Enterprise Resource Planning	725.08	497.34	725.08	497.34
Others	11,696.53	6,617.71	11,656.20	6,398.79
Total	34,681.91	36,636.81	34,641.58	36,417.89

On June 7, 2005 and October 25, 2005, the Cabinet approved Chana Combined Cycle Power Plant (Songkla) amounting to Baht 16,423.65 million and South Bangkok Combined Cycle Power Plant Project - Block 3 amounting to Baht 15.873.35 million respectively.

On July 25, 2006 and December 12, 2006, the Cabinet approved Bang Pakong Combined Cycle Power Plant - Block 5 amounting to Baht 16,736.50 million and North Bangkok Combined Cycle Power Plant - Block 1 amounting to Baht 17,547 million respectively.

As at December 31, 2009, the percentages of completion of the new power plants are as follows:

	Percentage of Completion
- Chana Combined Cycle Power Plant Project	100
- South Bangkok Combined Cycle Power Plant Project - Block 3	100
- Bang Pakong Combined Cycle Power Plant Project - Block 5	100
- North Bangkok Combined Cycle Power Plant Project - Block 1	96.32

In the part of power plant of Chana Combined Cycle Power Plant Project and South Bangkok Combined Cycle Power Plant Project - Block 3 are completed and transferred to asset, which its commercial operation have been commenced on July 15, 2008 and March 1, 2009 respectively.

Bang Pakong Combined Cycle Power Plant Project - Block 5 was test run during January 2009 to August 28, 2009, which EGAT recorded consumed fuel cost in test run period in the amount of Baht 1,796.39 million; meanwhile EGAT had revenue from electric energy test run in commit amounting to Baht 2,731.89 million. Subsequently, EGAT announced commercial operation of such power plant on September 16, 2009.

Even if EGAT announced commercial operation, EGAT has incomplete construction in the part of the additional surrounding development in the power plants (Facilities) that will be transferred to asset after completion.

6.11 Intangible Assets - net

Unit : Million Baht

	Consolidated						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, 09	21,058.65	343.51	474.77	6.25	10.92	665.51	22,559.61
Increase during the period	701.30	30.03	-	-	-	-	731.33
Adjustment	(7.44)	-	-	-	-	-	(7.44)
Disposal	-	(9.24)	-	-	-	-	(9.24)
Transfer type with other assets	-	8.74	-	-	-	-	8.74
Cost as at Dec 31, 09	21,752.51	373.04	474.77	6.25	10.92	665.51	23,283.00
Accumulated amortization as at Jan 1, 09	(3,835.72)	(179.55)	(222.86)	(0.79)	(2.06)	-	(4,240.98)
Increase during the period	(0.52)	(58.89)	(6.34)	(0.31)	(1.37)	-	(67.43)
Adjustment	0.09	-	-	-	-	-	0.09
Disposal	-	9.24	-	-	-	-	9.24
Transfer type with other assets	-	(4.79)	-	-	-	-	(4.79)
Accumulated amortization as at Dec 31, 09	(3,836.15)	(233.99)	(229.20)	(1.10)	(3.43)	-	(4,303.87)
Net book value							
As at Jan 1, 09	17,222.93	163.96	251.91	5.46	8.86	665.51	18,318.63
As at Dec 31, 09	17,916.36	139.05	245.57	5.15	7.49	665.51	18,979.13

Unit : Million Baht

	EGAT Only			
	Land rights	Computer software rights and software license	Royalty on state property service	Total
Cost as at Jan 1, 09	21,058.65	336.55	474.77	21,869.97
Increase during the period	701.30	23.74	-	725.04
Adjustment	(7.44)	-	-	(7.44)
Disposal	-	(9.24)	-	(9.24)
Transfer type with other assets	-	8.74	-	8.74
Cost as at Dec 31, 09	21,752.51	359.79	474.77	22,587.07
Accumulated amortization as at Jan 1, 09	(3,835.72)	(172.81)	(222.86)	(4,231.39)
Increase during the period	(0.52)	(57.65)	(6.34)	(64.51)
Adjustment	0.09	-	-	0.09
Disposal	-	9.24	-	9.24
Transfer type with other assets	-	(4.79)	-	(4.79)
Accumulated amortization as at Dec 31, 09	(3,836.15)	(226.01)	(229.20)	(4,291.36)
Net book value				
As at Jan 1, 09	17,222.93	163.74	251.91	17,638.58
As at Dec 31, 09	17,916.36	133.78	245.57	18,295.71

During year 2008, EGAT's subsidiary has the cost of development project, which recognized as intangible assets totaled Baht 665.51 million that cash payment was Baht 33.28 million and the residual amount was other current liabilities of Baht 632.23 million.

6.12 Land Awaiting Development

	Unit : Million Baht			
	Consolidated		EGAT Only	
	Dec 31, 09	Dec 31, 08	Dec 31, 09	Dec 31, 08
Balance at the beginning of period	2,867.65	2,867.65	2,563.14	2,563.14
Add : Increase during the period	0.46	-	-	-
	2,868.11	2,867.65	2,563.14	2,563.14
Less: Transfer type with other assets	326.91	-	326.91	-
Accumulated impairment	423.43	423.43	423.43	423.43
Balance at the end of period	2,117.77	2,444.22	1,812.80	2,139.71

As at December 31, 2009, EGAT has had the land awaiting development of Baht 1,812.80 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 plant has been postponed. Details of the land awaiting development are as follows:

- Land at Ao-Phai, Chonburi Province of 195,200 square meters (122 Rai) is valued at Baht 9.05 million.
- Land at Tap Sakae, Prachuap Khiri Khan Province of 6,446,400 square meters (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 Kaseam Road at Ratchaburi Province of 59,200 square meters (37 Rai) is valued at Baht 3.75 million.

Due to on July 2009, EGAT used the land awaiting development for supported the construction of future power plant, land surrounding the west of Chao-Praya River at Ampur Bang Kruai, Nonthaburi Province of 35,200 square meters (22 Rai) is valued at Baht 326.91 million, to North Bangkok Power Plant Project. So, as at December 31, 2009, the land awaiting development of EGAT decreased by Baht 326.91 million form December 31, 2008.

6.13 Accrued Revenue from Electric Energy Sales According to Automatic Tariff

Adjustment (Ft)

EGAT has the accrued revenue from electric energy sales according to automatic tariff adjustment (Ft) as at January 1, 2009 amounting to Baht 19,565.61 million. During the year the accrued Ft revenue decreased by Baht 3,645.47 million (the accrued Ft revenue increased by Baht 3,654.90 million and decreased by Baht 7,300.37 million from received payment of the previous accrued Ft revenue). So, on December 31, 2009, EGAT has the accrued Ft revenue amounting to Baht 15,920.14 million.

6.14 Other Non-Current Assets

- Deferred Charges of the Lignite Mine

Unit : Million Baht

	Consolidated				
	Overburden removal costs	Minerals resource exploration and preliminary development costs	Resettlement costs	Mineral Patent costs	Total
Deferred charges as at Jan 1, 09	69,676.06	645.67	1,988.44	50.76	72,360.93
Increase during the period	4,094.48	-	-	-	4,094.48
Depreciation	58.24	-	-	-	58.24
Deferred charges as at Dec 31, 09	73,828.78	645.67	1,988.44	50.76	76,513.65
Amortization as at Jan 1, 09	(69,676.06)	(262.05)	(1,419.41)	(19.82)	(71,377.34)
Increase during the period	(4,152.72)	(11.46)	(58.38)	(2.03)	(4,224.59)
Amortization as at Dec 31, 09	(73,828.78)	(273.51)	(1,477.79)	(21.85)	(75,601.93)
Net book value					
As at Jan 1, 09	-	383.62	569.03	30.94	983.59
As at Dec 31, 09	-	372.16	510.65	28.91	911.72
- Others					3,660.62
Total					4,572.34

Unit : Million Baht

	EGAT Only				
	Overburden removal costs	Minerals resource exploration and preliminary development costs	Resettlement costs	Mineral Patent costs	Total
Deferred charges as at Jan 1, 09	69,676.06	645.67	1,988.44	50.76	72,360.93
Increase during the period	4,094.48	-	-	-	4,094.48
Depreciation	58.24	-	-	-	58.24
Deferred charges as at Dec 31, 09	73,828.78	645.67	1,988.44	50.76	76,513.65
Amortization as at Jan 1, 09	(69,676.06)	(262.05)	(1,419.41)	(19.82)	(71,377.34)
Increase during the period	(4,152.72)	(11.46)	(58.38)	(2.03)	(4,224.59)
Amortization as at Dec 31, 09	(73,828.78)	(273.51)	(1,477.79)	(21.85)	(75,601.93)
Net book value					
As at Jan 1, 09	-	383.62	569.03	30.94	983.59
As at Dec 31, 09	-	372.16	510.65	28.91	911.72
- Others					1,963.31
Total					2,875.03

6.15 Trade Accounts Payable - Others

	Unit : Million Baht			
	Consolidated		EGAT Only	
	Dec 31, 09	Dec 31, 08	Dec 31, 09	Dec 31, 08
Neighbouring countries' supply	651.85	578.77	651.85	578.77
Independent Power Producer : IPP	7,912.99	8,276.51	7,912.99	8,276.51
Small Power Producer : SPP	6,749.47	7,732.02	6,749.47	7,732.02
Trade payable - fuel	9,164.10	8,260.56	9,164.10	8,260.56
Others	6,169.61	5,879.62	2,574.21	1,374.50
Total	<u>30,648.02</u>	<u>30,727.48</u>	<u>27,052.62</u>	<u>26,222.36</u>

6.16 Accrued Remittance to the Ministry of Finance

Since 2007, the remittance to the Ministry of Finance is 40% of EGAT's net income before provision of bonus expenses. Formerly, the remittance to the Ministry of Finance was 40% of EGAT's adjusted net income, net income added dividend received deducted by provision of bonus expenses and share of profit or losses from subsidiaries, associated company and jointly controlled entity. Because in 2007, EGAT has changed the accounting policy regarding investments in subsidiaries, jointly controlled entity and associated company from the equity method to the cost method for EGAT's financial statements. Including, EGAT recognized the dividend received when are declared. However, the amount of remittance may vary depending on the revision from the Ministry of Finance.

As at January 1, 2009, EGAT has accrued remittance to the Ministry of Finance in the amount of Baht 11,463.04 million and incurred additional remittance provision of Baht 999.96 million. On April 2009, May 2009, June 2009 and July 2009, EGAT sent the remittance to the Ministry of Finance in the amount of Baht 2,463 million, Baht 5,000 million, Baht 2,500 million and Baht 2,500 million respectively.

As at December 31, 2009, EGAT recorded the provision for remittance of the operating result in year 2009 amounting to Baht 12,317.23 million. Due to EGAT sent the remittance to the Ministry of Finance for the operating result in six-months period ended June 30, 2009 amounting to Baht 6,707 million. So, as at December 31, 2009, EGAT has the accrued remittance to the Ministry of Finance amounting to Baht 5,610.23 million.

6.17 Long - Term Loans

Unit : Million Baht

Consolidated						
	Long - Term Loans		Suppliers Credit		Total	
	Dec 31, 09	Dec 31, 08	Dec 31, 09	Dec 31, 08	Dec 31, 09	Dec 31, 08
Loang - term loans	114,536.04	92,540.45	-	371.98	114,536.04	92,912.43
Less Current portion of long - term loans	9,682.83	16,400.82	-	371.98	9,682.83	16,772.80
Balance	104,853.21	76,139.63	-	-	104,853.21	76,139.63

Unit : Million Baht

EGAT Only						
	Long - Term Loans		Suppliers Credit		Total	
	Dec 31, 09	Dec 31, 08	Dec 31, 09	Dec 31, 08	Dec 31, 09	Dec 31, 08
Loang - term loans	94,259.26	68,998.83	-	371.98	94,259.26	69,370.81
Less Current portion of long - term loans	6,821.04	13,135.98	-	371.98	6,821.04	13,507.96
Balance	87,438.22	55,862.85	-	-	87,438.22	55,862.85

Long - Term Loans

	Consolidated			
	Dec 31, 09		Dec 31, 08	
	Foreign currencies	Million Baht	Foreign currencies	Million Baht
	Unit : million		Unit : million	
Local sources secured by the Ministry of Finance:				
EGAT bonds				
Fixed rate due within 2009 - 2020	-	22,300.00	-	30,300.00
		<u>22,300.00</u>		<u>30,300.00</u>
Local sources unsecured by the Ministry of Finance:				
Ministry of Finance loans				
Fixed rate due within 2009 - 2027	-	102.06	-	106.37
EGAT bonds				
Fixed rate due within 2009 - 2024	-	58,100.00	-	23,100.00
Debenture				
Floating rate since July 29, 2007 and due within 2010	-	749.91	-	2,249.38
Other financial institutions				
Fixed rate due within 2009 - 2012	-	3,000.00	-	-
Floating rate due within 2009 - 2015	-	18,889.87	-	20,581.74
Fixed rate due within 2009 - 2019	-	637.00	-	710.50
		<u>81,478.84</u>		<u>46,747.99</u>
Foreign sources secured by the Ministry of Finance:				
Borrowings				
US Dollars:				
Fixed rate due within 2009 - 2011	1.22	40.94	2.04	71.42
Japanese Yen:				
Fixed rate due within 2009 - 2013	20,951.57	7,660.08	30,329.01	11,822.49
Euro:				
Fixed rate due within 2009 - 2014	0.43	20.88	0.52	25.85
Fixed rate due within 2009 - 2037	62.74	3,019.70	71.11	3,530.58
Canadian Dollars:				
Fixed rate due within 2009 - 2010	0.49	15.60	1.46	42.12
		<u>10,757.20</u>		<u>15,492.46</u>
Total		<u>114,536.04</u>		<u>92,540.45</u>
Less: Current portion of long-term loans		<u>9,682.83</u>		<u>16,400.82</u>
Balance		<u>104,853.21</u>		<u>76,139.63</u>

	EGAT Only			
	Dec 31, 09		Dec 31, 08	
	Foreign	Million Baht	Foreign	Million Baht
	currencies		currencies	
	Unit : million		Unit : million	
Local sources secured by the Ministry of Finance:				
EGAT bonds				
Fixed rate due within 2009 - 2020	-	22,300.00	-	30,300.00
		22,300.00		30,300.00
Local sources unsecured by the Ministry of Finance:				
Ministry of Finance loans				
Fixed rate due within 2009 - 2027	-	102.06	-	106.37
EGAT bonds				
Fixed rate due within 2009 - 2024	-	58,100.00	-	23,100.00
Other financial institutions				
Fixed rate due within 2009 - 2012	-	3,000.00	-	-
		61,202.06		23,206.37
Foreign sources secured by the Ministry of Finance:				
Borrowings				
US Dollars:				
Fixed rate due within 2009 - 2011	1.22	40.94	2.04	71.42
Japanese Yen:				
Fixed rate due within 2009 - 2013	20,951.57	7,660.08	30,329.01	11,822.49
Euro:				
Fixed rate due within 2009 - 2014	0.43	20.88	0.52	25.85
Fixed rate due within 2009 - 2037	62.74	3,019.70	71.11	3,530.58
Canadian Dollars:				
Fixed rate due within 2009 - 2010	0.49	15.60	1.46	42.12
		10,757.20		15,492.46
Total		94,259.26		68,998.83
Less Current portion of long-term loans		6,821.04		13,135.98
Balance		87,438.22		55,862.85

As at December 31, 2009 and 2008, long - term loans can be classified by interest rate as follows:

	Unit : Million Baht			
	Consolidated		EGAT Only	
	Dec 31, 09	Dec 31, 08	Dec 31, 09	Dec 31, 08
Floating rate	19,639.78	22,831.12	-	-
Fixed rate	94,896.26	69,709.33	94,259.26	68,998.83
Total	114,536.04	92,540.45	94,259.26	68,998.83

Interest rate of long-term loans as at December 31, 2009 are as follows:

	Consolidated	EGAT Only
EGAT bonds - local sources	1.700% to 8.554%	1.700% to 8.554%
Borrowings - local sources	2.740% to 4.4562%	2.740% to 3.000%
Borrowings - foreign sources	0.000% to 8.000%	0.000% to 8.000%
Debenture	3.9562%	

6.18 Provision Liabilities for Mine Reclamation

	Unit : Million Baht			
	Consolidated		EGAT Only	
	Dec 31, 09	Dec 31, 08	Dec 31, 09	Dec 31, 08
Balance at the beginning of period	1,785.62	1,717.92	1,785.62	1,717.92
Add : Increase during the period	110.40	106.14	110.40	106.14
	1,896.02	1,824.06	1,896.02	1,824.06
Less : Mine reclamation expenses	34.73	34.92	34.73	34.92
Depreciation	3.71	3.52	3.71	3.52
Balance at the end of period	1,857.58	1,785.62	1,857.58	1,785.62

6.19 Other Non-Current Liabilities

- Deferred Income

	Unit : Million Baht			
	Consolidated		EGAT Only	
	Dec 31, 09	Dec 31, 08	Dec 31, 09	Dec 31, 08
Balance at the beginning of period	5,594.43	4,686.32	5,594.43	4,686.32
Add : Contribution received	116.54	1,262.69	116.54	1,262.69
Transfer in assets	-	93.14	-	93.14
	5,710.97	6,042.15	5,710.97	6,042.15
Less : Recognized to other revenue	411.01	443.41	411.01	443.41
Adjustment	-	2.47	-	2.47
Refund to contributor	0.77	0.50	0.77	0.50
Decrease in depreciation	1.34	1.34	1.34	1.34
Balance at the end of period	5,297.85	5,594.43	5,297.85	5,594.43
- Others	9,249.45	9,517.65	9,259.60	9,517.65
Total	14,547.30	15,112.08	14,557.45	15,112.08

6.20 Equity

- Contribution from The Government

	Unit : Million Baht			
	Consolidated		EGAT Only	
	Dec 31, 09	Dec 31, 08	Dec 31, 09	Dec 31, 08
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	1,558.75	1,496.42	1,558.75	1,496.42
Depreciation for the period	62.33	62.33	62.33	62.33
	2,743.67	2,806.00	2,743.67	2,806.00
Balance	9,251.31	9,313.64	9,251.31	9,313.64

6.21 Share of Equity from Subsidiary and Associated Company by using the Equity Method

	Unit : Million Baht	
	Consolidated	
	Dec 31, 09	Dec 31, 08
Premium on share capital	2,886.91	2,886.91
Unrealized gain on revaluation of investments in		
marketable securities available for sale - net	138.53	8.51
Adjustment from translation the financial statements of foreign company	(84.06)	(2.15)
Total	2,941.38	2,893.27

6.22 Revenue from Sales of Other Goods and Services

Unit : Million Baht

	Consolidated		EGAT only	
	Jan 1 - Dec 31,09	Jan 1 - Dec 31,08	Jan 1 - Dec 31,09	Jan 1 - Dec 31,08
Revenue from telecommunication				
services	353.40	329.15	353.40	329.15
Others	17,717.64	16,398.56	19,545.14	18,886.37
Total	18,071.04	16,727.71	19,898.54	19,215.52

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

6.23 Cost of Electric Energy Sales

Unit : Million Baht

	Consolidated		EGAT only	
	Jan 1 - Dec 31,09	Jan 1 - Dec 31,08	Jan 1 - Dec 31,09	Jan 1 - Dec 31,08
Electric energy purchased	165,308.59	162,374.65	200,827.94	204,796.34
Fuel	104,808.25	107,989.28	81,481.72	77,642.45
Generating expenses	29,293.89	29,204.51	24,182.81	24,346.99
Transmission expenses	9,936.18	9,766.48	9,936.18	9,766.48
Total	309,346.91	309,334.92	316,428.65	316,552.26

6.24 Cost of Sales of Other Goods and Services

Unit : Million Baht

	Consolidated		EGAT only	
	Jan 1 - Dec 31,09	Jan 1 - Dec 31,08	Jan 1 - Dec 31,09	Jan 1 - Dec 31,08
Cost of telecommunication services	11.40	11.73	11.40	11.73
Others	17,400.77	16,129.40	18,987.89	18,434.16
Total	17,412.17	16,141.13	18,999.29	18,445.89

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.

6.25 Other Revenues

	Unit : Million Baht			
	Consolidated		EGAT only	
	Jan 1 - Dec 31,09	Jan 1 - Dec 31,08	Jan 1 - Dec 31,09	Jan 1 - Dec 31,08
Interest income	432.87	1,026.83	173.24	599.74
Devidend income	-	-	2,104.36	2,104.36
Profit on disposal of assets	474.00	27.84	469.00	26.06
Gains on foreign exchange	1,456.83	-	1,419.13	-
Gains on changes in the fair value of derivatives	-	508.67	-	508.67
Gains on disposal of investments in a jointly controlled entities of subsidiary	-	4.64	-	-
Others	1,296.86	1,950.64	1,154.91	1,857.01
Total	<u>3,660.56</u>	<u>3,518.62</u>	<u>5,320.64</u>	<u>5,095.84</u>

6.26 Other Expenses

	Unit : Million Baht			
	Consolidated		EGAT only	
	Jan 1 - Dec 31,09	Jan 1 - Dec 31,08	Jan 1 - Dec 31,09	Jan 1 - Dec 31,08
Losses on forign exchange	-	3,363.68	-	3,379.73
Losses on changes in the fair value of derivatives	281.55	-	281.55	-
Others	1.87	8.85	1.87	8.85
Total	<u>283.42</u>	<u>3,372.53</u>	<u>283.42</u>	<u>3,388.58</u>

6.27 Management Benefit Expenses

Management benefit expenses in the consolidated statements of income and the EGAT's statements of income consisted of salary and bonus for management, who have effective decision-making including meeting allowance for the committee.

For the year ended December 31, 2009 and 2008, management benefit expenses in the consolidated statements of income were Baht 238.55 million and Baht 232.25 million. In which, they consisted of management benefit expenses on administrative expenses that separately stated in the amount of Baht 216 million and Baht 204.23 million with the cost of electric energy sales amounting to Baht 22.55 million and Baht 28.02 million respectively.

For the year ended December 31, 2009 and 2008, management benefit expenses in the EGAT's statements of income were Baht 124.22 million and Baht 124.20 million. In which, they consisted of management benefit expenses on administrative expenses that separately stated in the amount of Baht 101.67 million and Baht 96.18 million with the cost of electric energy sales amounting to Baht 22.55 million and Baht 28.02 million respectively.

6.28 Share of Profit from Subsidiaries, Associated Company and Jointly Controlled Entity

In year 2009, EGAT recognized a Baht 2,449.27 million share of profit from its associated company, Electricity Generating Plc., and a Baht 3,198.27 million share of profit of its subsidiaries and jointly controlled entity. The latter amount comprises a Baht 3,228.11 million share of profit of Ratchaburi electricity Generating Holding Plc., a Baht 9.61 million share of loss of EGAT International Co.,Ltd., a Baht 0.12 million share of loss of EGAT Diamond Service Co., Ltd., and a Baht 20.11 million share of loss of District Cooling System and Power Plant Co., Ltd. As share of profit from subsidiaries and jointly controlled entity are inter-company transaction, therefore, these are not present in the consolidated financial statements.

6.29 Finance Costs

Unit : Million Baht

	Consolidated			
	Interest expenses	Expenses relating to the loans	Total Jan 1 - Dec 31, 09	Total Jan 1 - Dec 31, 08
Capitalized to work under construction	657.86	7.65	665.51	159.72
Finance costs in the statements of income	4,512.38	15.87	4,528.25	5,440.50
Total	5,170.24	23.52	5,193.76	5,600.22

Unit : Million Baht

	EGAT Only			
	Interest expenses	Expenses relating to the loans	Total Jan 1 - Dec 31, 09	Total Jan 1 - Dec 31, 08
Capitalized to work under construction	657.86	7.65	665.51	159.72
Finance costs in the statements of income	3,625.18	15.87	3,641.05	4,117.59
Total	4,283.04	23.52	4,306.56	4,277.31

6.30 Performance of EGAT

The performance of EGAT in net income of 2009 was Baht 27,684.20 million. EGAT recorded the provision of expenses and liabilities of bonus for employees and directors in the amount of Baht 3,108.89 million for the 2009 financial statements.

In April 2009, the Ministry of Finance approved EGAT to allocate the 2008 net income for bonus payment to the employees and directors in the amount of 3,293.36 million. So, EGAT recorded the difference of a Baht 3,244.30 million the provision of bonus for employees and directors in 2008 financial statements with the 2008 approved bonus, which was acknowledged in year 2009 in the amount of Baht 49.06 million.

6.31 Expenses by Nature

	Unit : Million Baht			
	Consolidated		EGAT Only	
	Jan 1 -Dec 31, 09	Jan 1 -Dec 31, 08	Jan 1 -Dec 31, 09	Jan 1 -Dec 31, 08
Electric energy purchased	165,308.59	162,374.65	200,827.94	204,796.34
Work performed by the entity and capitalized	(21,570.14)	(23,569.10)	(21,570.14)	(23,569.10)
Raw materials and consumables used	81,684.88	77,675.97	81,523.46	78,678.74
Management benefit expenses	238.55	232.25	124.22	124.20
Employee benefit expenses	25,369.68	24,693.92	25,231.73	24,568.26
Depreciation of property, plant and equipment	22,928.43	19,549.19	20,308.72	16,936.00
Amortization of intangible assets	67.43	59.37	64.51	56.67
Hire and maintenance expenses	2,697.38	2,653.96	2,139.57	2,006.42
Other expenses	64,230.81	73,800.16	40,251.66	42,734.20

7. Community Development Fund around Power Plant

On June 19, 2007, the Cabinet passed a resolution which:

1. Approved the guidelines and the procedure on the establishment of the Community Development Fund around Power Plant. The Cabinet's resolution also stipulated that the fund establishment shall be completed within December 31, 2007.
2. Assigned the Ministry of Energy together with the Ministry of Interior, the Ministry of Finance, the Ministry of Industry and the Office of the Council of State to jointly undertake the drafting of rules for the selection of the committee members of the Community Development Fund around Power Plant Management Committee and rules for the establishment of the Community Development Fund around Power Plant to serve as a model without delay.
3. Appointed a Subcommittee to review the fund establishment and the taxation system for environmental taxes to eliminate duplication of tax collections. The Subcommittee to be chaired by the Permanent Secretary of Energy shall consist of representatives from the Ministry of Industry, the Ministry of Energy, the Ministry of Natural Resources and Environment, the Fiscal Policy Office and the Comptroller General's Department.

According to the guidelines and the procedure on the establishment of the Community Development Fund around Power Plant which were approved by the Cabinet, all power plants which have entered power purchase agreements with electricity utilities for the sales of 6 MW of electricity or greater are required to pay into the Fund at rates varying according to the fuels used as follows: 1.0 Satang/kWh for natural gas-fired power plants, 1.5 Satang/kWh for fuel oil- and diesel oil-fired power plants, 2.0 Satang/kWh for coal and lignite-fired power plants, 0.0 Satang/kWh for wind turbine and solar energy power plants, 1.0 Satang/kWh for power plants utilizing biomass, agricultural residual and municipal waste and 2.0 Satang/kWh for hydropower plants. For the power projects with commercial operation dates after January 1, 2011, in addition to the payment to the fund as specified above, during the construction period, they are also required to pay to the Community Development Fund around Power Plant a tax based on their individual planned capacity, at a rate of Baht 50,000/MW per year, or no less than Baht 500,000 per year. Payments to the Fund shall be:

1. Included as part of the terms and conditions in the new solicitation for power purchase from independent power producers (IPPs) under the government's policy on power purchase from IPP.
2. Added to the electricity purchase prices under the Regulations of Power Purchase from Small Power Producers (SPPs) and Very Small Power Producers (VSPPs).
3. For the power plants with commercial operation dates before January 1, 2011, these additional costs shall be passed through to consumers via the Ft (automatic tariff adjustment) charge.

Each individual power producer is liable to pay directly to the Fund since July 1, 2007. However, in the period between July 1, 2007 and December 31, 2010 when the Funds of those power plants have not yet been established, EGAT would be responsible for paying into the Fund and recover the costs from Ft revenue.

The Sub-Committee on the Automatic Tariff Adjustment Mechanism (Ft) during the meeting of June 12, 2007, approved the definition amendment of the term "fuel costs and power purchase costs" described in the Ft formula to also cover the pass-through of other expenses specified by the Government's policy (i.e. contributions paid to the Community Development Fund around Power Plant, the pass-through of the "adder" to the power purchase prices that the power utilities pay to SPPs and VSPPs using renewable, and etc.) The Sub-Committee also assigned EGAT to prepare a report on electricity tariff calculation based on the Ft formula which includes detailed payments to the Community Development Fund around Power Plant by each individual power plant.

Resulting from the above-mentioned Cabinet's resolution, EGAT recorded, for the year period ending December 31, 2009, its contributions to the Fund totaling Baht 870.27 million as part of its generating expenses and also recorded an additional cost of Baht 911.29 million to its costs of electric energy purchased from IPPs and SPPs. On the other hand, cash recovered from the Ft revenue has been deposited in a separate deposit account.

8. Assistance for the Affected People from Water Release of the Srinagarind Dam

Between August 9 and 19, 2009, the Malaysia-Thailand Joint Development Area (JDA) was shut down according to maintenance plan and there were technical problems from the Bongkot and Yadana fields between August 13 and 18, 2009. EGAT cited a need to increase hydroelectricity generation and purchased electric energy from Laos and small power producers including to run plants on bunker oil and coal to offset a production shortfall caused by an abrupt stoppage of natural gas. In the addition, EGAT ran Srinagarind Hydro Power Plant to generate power, which resulted in flooding and affected people in downstream area of dam.

The committee of sufferer assistance in Kanchanaburi Province has the resolution that EGAT decided under the impact condition to generate system and to release water from the dam under standard data of Royal Irrigation Department, which was universal standard. EGAT's action was not intentional or negligent. However, EGAT must assist the affected people in Kanchanaburi Province to mitigate their trouble according to the incurred amount.

On August 28, 2009, EGAT Board approved that EGAT donated and assisted the affected people from water release of the Srinagarind Dam in the amount of Baht 16.55 million.

9. Contingent Asset

Contingent asset, which disclosed in EGAT's financial statements as at December 31, 2009 and 2008, occurred from switching transmission line in north area of Suvarnabhumi International Airport. EGAT and Airports of Thailand Public Company Limited (AOT) have jointly obligated in half-and-half of the demolition and switching transmission line expenditure in north area of Suvarnabhumi International Airport according to the approval by the Cabinet, which has been formerly paid by EGAT. At present EGAT has been completely conducted and is in the proccession of collect from AOT by approximately of Baht 269.57 million. During the year 2008, EGAT has received the payment from AOT in the amount of Baht 215.19 million. The residual amount of Baht 54.38 million, EGAT revoked the part amount of Baht 5.89 million and has been collected from AOT. AOT advised that it is in the proceedings of consideration of Board of Directors.

10. Contingent Liabilities

As at December 31, 2009, contingent liabilities excluded from EGAT'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 27 lawsuits amounting to Baht 276.43 million in case of calling for compensation of land rights and violation. EGAT is now appealing for the court's verdict.

2. On March 4, 2008, the Administrative Court at Chiangmai Province judged that EGAT repay the compensation for health and sanitation of 110 affected people in the area, which are impacted from dust and sulfur dioxide in the amount of Baht 246,900 per person including interest at the rate of 7.5% per annual. EGAT estimated the approximately compensation and interest amounting to Baht 24.72 million and Baht 10.53 million respectively. The total amounts that EGAT will be pay amounting to approximately Baht 35.25 million.

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 emigration, 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.

11. Commitments

11.1 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 known as Independent Power Producers (IPP) who will sell power to EGAT.

As at December 31, 2009 EGAT has entered into 64 Power Purchase Agreements with total commitments amounting to approximately Baht 5,713,268 million and total production capacity of 21,435 megawatts.

Power producers	Company	Capacity (megawatt)	Remaining life		Amount (Million Baht)	Availability	Energy
			of contract (years)			payment (AP) (Million Baht)	payment(EP) (Million Baht)
Power Project Developers in Lao People's Democratic Republic							
Theun Hinboun Power Company Limited	1	440	30	2010-2039	133,938	-	133,938
Houay Ho Power Company Limited	1	126	20	2010-2029	20,277	-	20,277
Nam Theun Project 2	1	920	25	2010-2034	221,116	-	221,116
Nam Ngum Project 2	1	454	27	2011-2037	115,698	-	115,698
Independent Power Producers (IPP)							
Rayong Electricity Generating Company Limited(REGCO)	1	1,232	5	2010-2014	66,969	10,545	56,424
Khanom Electricity Generating Company Limited (KEGCO)	1	818	7	2010-2016	68,969	12,594	56,375
Tri Energy Company Limited (TECO)	1	700	11	2010-2020	88,063	13,317	74,746
Eastern Power Electric Company Limited (EPEC)	1	350	14	2010-2023	63,937	14,457	49,480
Independent Power (Thailand) Company Limited (IPT)	1	700	16	2010-2025	138,872	24,682	114,190
Ratchaburi Electricity Generating Company Limited (RGCO)	1	3,481	18	2010-2027	806,120	126,241	679,879
Glow IPP Company Limited (GIPP)	1	713	18	2010-2027	168,481	32,814	135,667
Gulf Power Generation Company Limited (GULF)	1	1,468	24	2010-2033	475,486	102,712	372,774
Ratchaburi Power Company Limited (RPCL)	1	1,400	24	2010-2033	472,594	88,921	383,673
BLCP Power Company Limited (BLCP)	1	1,347	23	2010-2032	307,791	121,187	186,604
Gheco one Company Limited (GHECO ONE)	1	660	26	2011-2036	270,086	116,163	153,923
Siam energy Company Limited (SEC)	1	1,600	26	2013-2038	557,173	106,281	450,892
Power generation supply Company Limited (PGS)	1	1,600	26	2014-2039	558,145	107,044	451,101
Small Power Producers (SPP)	47	3,426	15-25 Years		1,179,553	274,306	905,247
Total	64	21,435			5,713,268	1,151,264	4,562,004

11.2 Fuel purchase agreements

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

11.2.1 There are 4 agreements of gas purchase agreement for power plant in the totaled amount of Baht 1,803,702 million, which their remaining life of contract more than 5 years to 22 years and 6 months. The rest of amount as contract is valued at Baht 914, 944 million.

11.2.2 There are 3 agreements of fuel oil purchase agreement, which the details are as follows:

- The amount as contract of fuel oil purchase agreement is Baht 5,700 million and the remaining life of contract in 1 year and 2 months. The rest of amount as contract is valued at Baht 2,600 million.

- The amount as contract of diesel fuel purchase agreement for generation is 490 million Baht per year. The completion term of contract is the informed date by EGAT to abolish the contract.

- The amount as contract of fuel oil purchase agreement for vehicle is 23 million Baht per year. The completion term of contract is the informed date by EGAT to abolish the contract.

11.3 Hire - purchase agreements

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

11.3.1 There are 100 agreements of local hire - purchase agreements and their amount as contract is Baht 2,625.67 million with the remaining life of contract in 2 months to 4 years. The rest of amount as contract is approximately Baht 1,720.01 million.

11.3.2 There are 122 agreements of foreign hire - purchase agreements and their amount as contract is Baht 55,074.90 million. Some contracts have the remaining life of contract in 0.5 month to 2 years 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 30, 2009, which announced by the Bank of Thailand was approximately Baht 26,487.09 million.

11.4 Letter of Credit

On December 31, 2009, EGAT has unused letter of credit, which are not expired amounting to approximately Baht 11,612.33 million.

12. 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.

12.1 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 at December 31, 2009 and 2008 are as follows:

	Unit : Million Baht	
Terms of cross currency and interest rate swap agreements	Dec 31, 09	Dec 31, 08
Yen 9,979 million / Baht 3,692 million	1,136.18	1,704.27
Yen 19,899 million / Baht 7,283 million	2,080.94	3,121.42
Yen 11,424 million / Baht 4,145 million	1,063.84	1,595.76
Yen 6,712 million / Baht 2,456 million	1,228.35	1,381.90
Yen 12,196 million / Baht 4,463 million	1,716.88	2,403.63
Yen 1,093 million / Baht 365 million	121.74	182.61
Yen 1,469 million / Baht 489 million	163.08	244.61
Yen 1,286 million / Baht 428 million	142.77	214.15
Yen 1,179 million / Baht 390 million	141.91	212.87
Yen 6,680 million / USD 61 million	-	307.14
EUR 26,081 million / Baht 1,220 million	-	203.32
Total	<u>7,795.69</u>	<u>11,571.68</u>

To reduce the risk from fluctuations in foreign exchange rate, EGAT has the continue cross currency and interest rate swap agreements of Yen 9,979 million / Baht 3,692 million and Yen 19,899 million / Baht 7,283 million from the residual amount of cross currency and interest rate swap agreements of Yen 12,283 million / USD 115 million and Yen 22,743 million / USD 213 million respectively.

The maturity of agreements can be analyzed as follows :

	Unit : Million Baht	
	Dec 31, 09	Dec 31, 08
More than 1 year - 5 years	-	307.14
More than 5 years	<u>7,795.69</u>	<u>11,264.54</u>
Total	<u>7,795.69</u>	<u>11,571.68</u>

12.2 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 agreement 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, 2009 and 2008, EGAT did not have any forward foreign exchange contracts.

12.3 Fair Value of Financial Instruments

As at December 31, 2009 and 2008, contract price and fair value of long - term loans and derivative are as follows:

	Unit : Million Baht			
	Dec 31, 09		Dec 31, 08	
	Contract price	Fair value	Contract price	Fair value
Short - term loans - local sources	3,000.00	2,996.87	-	-
Long - term loans - local sources	83,502.06	85,966.71	53,506.37	61,402.35
Long - term loans - foreign sources	10,757.20	10,814.39	15,864.44	16,080.87
Cross currency and interest rate swap agreements	-	289.95	-	87.49
Currency swap agreements	-	71.13	-	225.66
Interest rate swap agreements	-	(2.11)	-	-

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

13. Reclassification Transactions

EGAT reclassified some transactions in the consolidated and EGAT's financial statements for the year ended December 31, 2008 for conformity with the presentation of the consolidated and EGAT's financial statements for the year ended December 31, 2009. Due to align with the relating to the requirement of minimum line items in the financial statements, B.E.2552 announced by the Department of Business Development.

Unit : Million Baht

	Consolidated			EGAT Only		
	Dec 31, 08			Dec 31, 08		
	Before reclassification	Reclassification	After reclassification	Before reclassification	Reclassification	After reclassification
Balance sheets						
Short-term investments	6,013.90	(6,013.90)	-	-	-	-
Temporary investments	-	6,027.55	6,027.55	-	-	-
Investment in bills of exchange pledged as collateral	1.10	(1.10)	-	-	-	-
Current portion of long-term investments	12.55	(12.55)	-	-	-	-
Trade accounts receivable - others - net	33,289.96	(0.35)	33,289.61	33,237.55	(0.35)	33,237.20
Materials and supplies - net	9,608.24	(0.81)	9,607.43	7,655.17	(0.81)	7,654.36
Other accounts receivable - net	367.82	(232.76)	135.06	367.85	(232.76)	135.09
Other current assets	23,632.49	(19,601.83)	4,030.66	23,337.30	(19,601.83)	3,735.47
Intangible assets - net	17,644.04	674.58	18,318.62	-	-	-
Accrued revenue from electric energy sales						
according to automatic tariff adjustment (Ft)	-	19,565.61	19,565.61	-	19,565.61	19,565.61
Other non-current assets	5,324.53	(404.44)	4,920.09	3,309.03	270.14	3,579.17
Trade accounts payable - others	29,876.80	850.68	30,727.48	25,371.68	850.68	26,222.36
Trade accounts payable - related parties	9,301.26	(40.74)	9,260.52	15,954.35	(40.74)	15,913.61
Other accounts payable	13,960.35	(1,121.53)	12,838.82	13,926.14	(1,121.53)	12,804.61
Other current liabilities	7,943.04	(247.05)	7,695.99	6,649.26	(247.05)	6,402.21
Other non-current liabilities	14,553.44	558.64	15,112.08	14,553.44	558.64	15,112.08
Statements of income						
Revenue from sales of other goods and services	16,922.23	(194.52)	16,727.71	19,410.04	(194.52)	19,215.52
Cost of electric energy sales	(309,237.91)	(97.01)	(309,334.92)	(316,455.25)	(97.01)	(316,552.26)
Cost of sales of other goods and services	(16,446.34)	305.21	(16,141.13)	(18,751.10)	305.21	(18,445.89)
Other revenues	3,561.82	(43.20)	3,518.62	5,123.00	(27.15)	5,095.85
Selling expenses	-	(81.59)	(81.59)	-	(81.59)	(81.59)
Administrative expenses	(12,007.80)	299.29	(11,708.51)	(11,347.06)	191.24	(11,155.82)
Management benefit expenses	-	(204.23)	(204.23)	-	(96.18)	(96.18)
Other expenses	(3,388.58)	16.05	(3,372.53)	-	-	-

14. Events after the Balance Sheet Date

Governor of EGAT approved these financial statements for issuance on March 22, 2010.