

Financial Statements

ELECTRICITY GENERATING AUTHORITY OF THAILAND AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2012

Unit : Baht

	<u>Notes</u>	<u>Consolidated financial statement</u>		<u>Separate financial statement</u>	
		<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
		(Restated)			
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	6.1	40,644,201,101	51,338,827,907	32,175,097,526	40,537,207,524
Temporary investments	6.2	13,819,278,699	13,282,014,657	8,047,257,530	10,080,730,648
Trade accounts receivable - others	6.3	47,769,365,301	36,558,987,103	47,303,491,660	36,184,658,647
Trade accounts receivable - related parties	6.4.1	2,164,246,622	2,032,849,976	2,396,082,523	2,287,020,038
Accrued revenue from electric energy sales					
according to automatic tariff adjustment (Ft)	6.5	6,529,895,778	1,178,643,884	6,529,895,779	1,178,643,884
Other accounts receivable	6.6	7,287,725,852	7,739,909,713	6,700,279,756	7,410,354,490
Current portion of long-term loans to related parties	6.4.2	62,500,000	62,500,000	-	-
Materials and supplies	6.7	12,631,918,829	12,196,222,646	10,414,636,705	9,943,636,348
Other current assets					
Derivative assets	6.8.1	-	40,312,349	-	40,312,349
Others		43,362,218	85,769,039	-	-
Total current assets		130,952,494,400	124,516,037,274	113,566,741,479	107,662,563,928
NON-CURRENT ASSETS					
Investments in associates	6.9.3, 6.9.4	16,569,368,944	13,687,303,725	1,587,550,233	1,587,550,233
Investments in subsidiaries	6.9.4	-	-	7,122,952,585	7,052,952,585
Investments in jointly controlled entities	6.9.3, 6.9.4	13,909,641,259	13,387,532,452	584,500,000	584,500,000
Other long-term investments		12,935,218,422	2,299,880,037	10,005,340,984	-
Long-term loans to related parties	6.4.2	-	1,611,633,470	-	-
Property, plant and equipment	6.10	268,284,912,744	272,823,254,504	223,244,394,993	224,796,785,334
Work under construction	6.11	54,014,892,441	33,145,360,964	53,905,163,695	32,685,234,194
Goodwill	6.12	752,913,124	1,913,618,284	-	-
Other intangible assets	6.13	27,700,083,434	27,729,802,403	22,027,229,518	21,128,872,912
Land awaiting development	6.14	2,121,472,035	2,121,472,035	1,816,082,185	1,816,082,185
Deferred tax assets	6.15.1	129,882,869	189,628,109	-	-
Other non-current assets	6.16	6,750,883,400	3,551,517,840	1,564,672,907	1,830,223,720
Total non-current assets		403,169,268,672	372,461,003,823	321,857,887,100	291,482,201,163
TOTAL ASSETS		534,121,763,072	496,977,041,097	435,424,628,579	399,144,765,091

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

ELECTRICITY GENERATING AUTHORITY OF THAILAND AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2012

Unit : Baht

	Notes	Consolidated financial statement		Separate financial statement	
		2012	2011	2012	2011
		(Restated)			
LIABILITIES AND EQUITY					
CURRENT LIABILITIES					
Trade accounts payable - others	6.17	42,006,768,416	31,543,965,363	34,983,438,682	26,956,618,133
Trade accounts payable - related parties	6.4.3	8,157,161,024	7,050,383,940	11,974,052,504	9,377,183,591
Deferred revenue for electricity compensation	6.5	2,768,975,278	-	2,768,975,278	-
Other accounts payable		12,216,057,036	9,611,144,097	11,323,952,243	8,409,758,776
Short-term loans		2,700,000,000	-	-	-
Accrued interest expenses		1,166,100,704	1,122,739,542	927,933,843	944,587,833
Accrued remittance to the Ministry of Finance	6.18	8,077,994,513	7,043,684,473	8,077,994,513	7,043,684,473
Accrued expenses		5,450,498,674	4,568,348,068	5,368,338,728	4,525,764,159
Current portion of long-term loans from related parties	6.4.4	-	2,775,320,949	-	-
Current portion of long - term loans	6.19	9,333,668,342	18,735,575,193	4,980,015,965	14,730,164,799
Current portion of finance lease liabilities		1,394,273	1,939,500	-	-
Other current liabilities					
Derivative liabilities	6.8.2	4,591,500	2,989,218	4,591,500	2,989,218
Others		39,951,445	11,730,755	-	-
Total current liabilities		91,923,161,205	82,467,821,098	80,409,293,256	71,990,750,982
NON-CURRENT LIABILITIES					
Long-term loans from related parties	6.4.4	1,358,280,353	1,425,625,869	-	-
Long-term loans	6.19	82,072,391,755	83,732,698,419	57,742,506,324	51,765,333,381
Deferred tax liabilities	6.15.1	2,185,544,715	2,946,017,771	-	-
Finance lease liabilities		1,037,602	2,296,792	-	-
Employee benefit obligations	6.20	13,562,464,135	12,155,174,461	13,475,643,183	12,074,494,217
Provision liabilities for mine reclamation	6.21	2,047,399,372	1,982,698,653	2,047,399,372	1,982,698,653
Other non-current liabilities	6.22	15,165,872,091	10,061,595,542	14,503,747,639	9,679,355,472
Total non-current liabilities		116,392,990,023	112,306,107,507	87,769,296,518	75,501,881,723
TOTAL LIABILITIES		208,316,151,228	194,773,928,605	168,178,589,774	147,492,632,705
EQUITY					
Contribution from the government	6.23	9,064,310,580	9,126,643,343	9,064,310,580	9,126,643,343
Surplus from royalty on state property service		474,767,280	474,767,280	474,767,280	474,767,280
Retained earnings					
Appropriated					
Capital expenditure appropriation		80,186,366,913	80,186,366,913	80,186,366,913	80,186,366,913
Unappropriated		203,803,127,409	182,342,765,754	178,958,400,280	161,864,354,850
Other components of equity		2,171,854,057	3,002,250,351	(1,437,806,248)	-
TOTAL EQUITY ATTRIBUTABLE TO OWNERS		295,700,426,239	275,132,793,641	267,246,038,805	251,652,132,386
OF EGAT					
NON-CONTROLLING INTERESTS		30,105,185,605	27,070,318,851	-	-
TOTAL EQUITY		325,805,611,844	302,203,112,492	267,246,038,805	251,652,132,386
TOTAL LIABILITIES AND EQUITY		534,121,763,072	496,977,041,097	435,424,628,579	399,144,765,091

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

(signed) Sutat Patmasiriwat

(Mr. Sutat Patmasiriwat)

Director and Governor

(signed) Poonsuk Tochanakarn

(Mr. Poonsuk Tochanakarn)

Deputy Governor - Account and Finance

ELECTRICITY GENERATING AUTHORITY OF THAILAND AND ITS SUBSIDIARIES
STATEMENTS OF INCOME
FOR THE YEAR ENDED DECEMBER 31, 2012

Unit : Baht

	Notes	Consolidated financial statement		Separate financial statement	
		Jan 1 - Dec 31, 12	Jan 1 - Dec 31, 11 (Restated)	Jan 1 - Dec 31, 12	Jan 1 - Dec 31, 11
REVENUES					
Revenue from electric energy sales		486,243,700,769	399,377,399,137	482,675,345,412	397,126,901,542
Revenue from sales of other goods and services	6.24	26,748,195,076	19,067,792,975	30,376,199,254	22,700,289,097
Total revenue from sales and services		512,991,895,845	418,445,192,112	513,051,544,666	419,827,190,639
COST OF SALES					
Cost of electric energy sales	6.25	430,191,419,362	348,625,410,817	434,921,195,187	354,107,355,629
Cost of sales of other goods and services	6.26	25,311,681,698	17,833,439,487	29,235,554,618	21,607,677,247
Total cost of sales and services		455,503,101,060	366,458,850,304	464,156,749,805	375,715,032,876
GROSS PROFIT		57,488,794,785	51,986,341,808	48,894,794,861	44,112,157,763
OTHER REVENUES	6.27	6,114,568,329	3,879,881,092	4,666,323,301	5,293,311,541
INCOME BEFORE EXPENSES		63,603,363,114	55,866,222,900	53,561,118,162	49,405,469,304
SELLING EXPENSES		131,852,220	152,541,581	130,072,296	152,541,581
ADMINISTRATIVE EXPENSES		17,568,480,611	15,986,947,442	15,907,624,928	14,472,322,456
OTHER EXPENSES	6.28	96,226,083	809,637,383	198,695,224	615,980,778
TOTAL EXPENSES		17,796,558,914	16,949,126,406	16,236,392,448	15,240,844,815
FINANCE COSTS	6.30	5,343,212,630	5,341,689,088	2,899,370,245	3,460,456,975
INCOME BEFORE SHARE OF PROFIT FROM INVESTMENTS		40,463,591,570	33,575,407,406	34,425,355,469	30,704,167,514
SHARE OF PROFIT FROM INVESTMENTS IN ASSOCIATES	6.29	2,926,565,774	1,199,817,680	-	-
SHARE OF PROFIT FROM INVESTMENTS IN JOINTLY CONTROLLED ENTITIES		768,896,690	1,333,595,257	-	-
INCOME BEFORE INCOME TAX		44,159,054,034	36,108,820,343	34,425,355,469	30,704,167,514
INCOME TAX	6.15.2	887,235,560	1,853,160,625	-	-
INCOME FOR THE YEAR		43,271,818,474	34,255,659,718	34,425,355,469	30,704,167,514
ATTRIBUTABLE TO:					
OWNERS OF EGAT		38,791,671,694	31,822,648,459	34,425,355,469	30,704,167,514
NON-CONTROLLING INTERESTS		4,480,146,780	2,433,011,259	-	-
		43,271,818,474	34,255,659,718	34,425,355,469	30,704,167,514

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

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Director and Governor

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(Mr. Poonsuk Tochanakarn)

Deputy Governor - Account and Finance

ELECTRICITY GENERATING AUTHORITY OF THAILAND AND ITS SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2012

		Unit : Baht			
	Notes	Consolidated financial statement		Separate financial statement	
		Jan 1 - Dec 31, 12	Jan 1 - Dec 31, 11 (Restated)	Jan 1 - Dec 31, 12	Jan 1 - Dec 31, 11
INCOME FOR THE YEAR		43,271,818,474	34,255,659,718	34,425,355,469	30,704,167,514
OTHER COMPREHENSIVE INCOME (LOSS)					
Currency translation differences		(45,997,970)	(174,708,179)	-	-
Available-for-sale financial assets		698,667,109	(83,066,386)	-	4,262,648
Actuarial losses	6.20	(1,437,806,248)	-	(1,437,806,248)	-
Income taxes of other comprehensive gain (loss) of subsidiaries		(99,762,538)	6,127,430	-	-
Share of other comprehensive gain of associates		348,484,287	236,782,836	-	-
OTHER COMPREHENSIVE INCOME (LOSS) FOR THE YEAR,					
NET OF INCOME TAX		(536,415,360)	(14,864,299)	(1,437,806,248)	4,262,648
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		42,735,403,114	34,240,795,419	32,987,549,221	30,708,430,162
ATTRIBUTABLE TO:					
OWNERS OF EGAT		37,961,275,400	31,953,831,329	32,987,549,221	30,708,430,162
NON-CONTROLLING INTERESTS		4,774,127,714	2,286,964,090	-	-
		42,735,403,114	34,240,795,419	32,987,549,221	30,708,430,162

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Deputy Governor - Account and Finance

ELECTRICITY GENERATING AUTHORITY OF THAILAND AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2012

Consolidated financial statement

Notes	Unit : Baht	Total equity attributable to EGAT										Non-controlling interests	Total equity				
		Contribution from the government		Surplus from royalty on state property service		Accrued common share of jointly controlled entity		Retained earnings		Other components of equity							
										Currency translation differences	Available-for-sale financial assets			Actuarial losses	Surplus on subsidiaries and associates using equity method	Income taxes for other comprehensive gain (loss)	Share of other comprehensive gain (loss) of associates
Balance as at January 1, 2011 (Before adjustment)		9,188,976,106	474,767,280	(23,625,000)	80,186,366,913	177,642,537,863	8,499,563	(4,262,648)	-	-	-	2,886,909,938	-	(20,079,372)	2,871,067,481	270,340,090,643	296,233,908,917
Cumulative effect of the changes in accounting policies		-	-	-	-	(11,630,587,601)	-	-	-	-	-	-	-	-	-	(11,630,587,601)	(11,559,554,971)
Cumulative effect of the changes in accounting policies by beginning retained earnings adjustment		9,188,976,106	474,767,280	(23,625,000)	80,186,366,913	166,011,950,262	8,499,563	(4,262,648)	-	-	-	2,886,909,938	-	(20,079,372)	2,871,067,481	258,709,503,042	284,674,413,946
Balance as at January 1, 2011 - adjusted		9,188,976,106	474,767,280	(23,625,000)	80,186,366,913	165,991,262,813	8,499,563	(4,262,648)	-	-	-	2,886,909,938	-	(20,079,372)	2,871,067,481	258,688,815,593	(45,997,288)
Depreciation of assets for irrigation	6.23	(62,332,763)	-	-	-	-	-	-	-	-	-	-	-	-	-	(62,332,763)	284,628,416,658
Accrued common share of jointly controlled entity		-	-	23,625,000	-	-	-	-	-	-	-	-	-	-	-	23,625,000	(62,332,763)
Remittance to the Ministry of Finance		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	23,625,000
Increase of the year 2010		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
The year 2011 (Jan 1 - Jun 30, 2011)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(28,461,045)
Increase of the year 2011 (Jun 1 - Jun 30, 2011)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(8,398,695,954)
Provision for remittance to the Ministry of Finance		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(304,046)
The year 2011 (Jul 1 - Dec 31, 2011)	6.18	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(7,043,684,473)
Changes in equity for the year		-	-	-	-	-	-	-	-	-	-	-	-	-	-	(15,471,145,518)	(15,471,145,518)
Additional investments from subsidiaries		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	638,128,696
Dividends paid		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,794,375,000)
Total comprehensive income (loss) for the year		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,286,964,090
Balance as at December 31, 2011		9,126,643,343	474,767,280	-	80,186,366,913	182,342,765,754	(64,822,329)	(39,298,065)	-	-	-	2,886,909,938	-	216,703,464	3,002,250,351	275,132,793,641	302,203,112,492
Balance as at January 1, 2012 (Before adjustment)		9,126,643,343	474,767,280	-	80,186,366,913	182,338,845,049	(65,168,738)	(39,298,065)	-	-	-	2,886,909,938	-	216,703,464	3,001,903,942	275,128,526,527	302,329,773,176
Cumulative effect of the changes in accounting policies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
by beginning retained earnings adjustment	5.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(130,927,798)
Balance as at January 1, 2012 - adjusted		9,126,643,343	474,767,280	-	80,186,366,913	182,342,765,754	(64,822,329)	(39,298,065)	-	-	-	2,886,909,938	-	216,703,464	3,002,250,351	275,132,793,641	302,203,112,492
Depreciation of assets for irrigation	6.23	(62,332,763)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(62,332,763)
Share received in advance of subsidiaries		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Remittance to the Ministry of Finance		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	34,931,610
Increase of the year 2011	6.18	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
The year 2012 (Jan 1 - Jun 30, 2012)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(315,526)
Provision for remittance to the Ministry of Finance		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(9,253,000,000)
The year 2012 (Jul 1 - Dec 31, 2012)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(8,077,994,513)
Changes in equity for the year		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Additional investments from subsidiaries		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	20,182,430
Dividends paid		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,794,375,000)
Total comprehensive income (loss) for the year		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,774,127,714
Balance as at December 31, 2012		9,064,310,580	474,767,280	-	80,186,366,913	203,803,127,409	(75,403,720)	275,102,134	-	-	-	2,886,909,938	-	348,484,287	2,171,854,057	295,700,426,239	325,805,611,844

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

ELECTRICITY GENERATING AUTHORITY OF THAILAND AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2012

Separate financial statement

	Notes	Contribution from the government	Surplus from royalty on state property service	Retained earnings		Total other components of equity			Unit : Baht Total equity
				appropriated	unappropriated	Other comprehensive income			
						Available-for-sale financial assets	Actuarial losses		
Balance as at January 1, 2011 (Before adjustment)		9,188,976,106	474,767,280	80,186,366,913	158,449,681,203	(4,262,648)	-	248,295,528,854	
Cumulative effect of the changes in accounting policies		-	-	-	(11,818,348,349)	-	-	(11,818,348,349)	
Balance as at January 1, 2011 - adjusted		9,188,976,106	474,767,280	80,186,366,913	146,631,332,854	(4,262,648)	-	236,477,180,505	
Depreciation of assets for irrigation	6.23	(62,332,763)	-	-	-	-	-	(62,332,763)	
Remittance to the Ministry of Finance									
Increase of the year 2010		-	-	-	(28,461,045)	-	-	(28,461,045)	
The year 2011 (Jan 1 - Jun 30, 2011)		-	-	-	(8,398,695,954)	-	-	(8,398,695,954)	
Increase of the year 2011 (Jan 1 - Jun 30, 2011)		-	-	-	(304,046)	-	-	(304,046)	
Provision for remittance to the Ministry of Finance									
The year 2011 (Jul 1 - Dec 31, 2011)	6.18	-	-	-	(7,043,684,473)	-	-	(7,043,684,473)	
Changes in equity for the year					(15,471,145,518)	-	-	(15,471,145,518)	
Total comprehensive income for the year		-	-	-	30,704,167,514	4,262,648	-	30,708,430,162	
Balance as at December 31, 2011		9,126,643,343	474,767,280	80,186,366,913	161,864,354,850	-	-	251,652,132,386	
Balance as at January 1, 2012		9,126,643,343	474,767,280	80,186,366,913	161,864,354,850	-	-	251,652,132,386	
Depreciation of assets for irrigation	6.23	(62,332,763)	-	-	-	-	-	(62,332,763)	
Remittance to the Ministry of Finance									
Increase of the year 2011	6.18	-	-	-	(315,526)	-	-	(315,526)	
The year 2012 (Jan 1 - Jun 30, 2012)		-	-	-	(9,253,000,000)	-	-	(9,253,000,000)	
Provision for remittance to the Ministry of Finance									
The year 2012 (Jul 1 - Dec 31, 2012)		-	-	-	(8,077,994,513)	-	-	(8,077,994,513)	
Changes in equity for the year					(17,331,310,039)	-	-	(17,331,310,039)	
Total comprehensive income (loss) for the year		-	-	-	34,425,355,469	-	(1,437,806,248)	32,987,549,221	
Balance as at December 31, 2012		9,064,310,580	474,767,280	80,186,366,913	178,958,400,280	-	(1,437,806,248)	267,246,038,805	

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

ELECTRICITY GENERATING AUTHORITY OF THAILAND AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2012

Unit : Baht

	Notes	Consolidated financial statement		Separate financial statement	
		Jan 1 - Dec 31, 12	Jan 1 - Dec 31, 11	Jan 1 - Dec 31, 12	Jan 1 - Dec 31, 11
CASH FLOWS FROM OPERATING ACTIVITIES					
Net income of EGAT		38,791,671,694	31,822,648,459	34,425,355,469	30,704,167,514
Adjustments to reconcile net income to net cash inflow (outflow)					
from operating activities:					
Depreciation		24,653,281,931	22,653,861,823	21,269,620,278	19,594,092,989
Donation assets		(42,500)	(49,364)	(42,500)	(49,364)
Donated assets		5,460,443	-	5,460,443	-
Amortization of land rights and project development right		328,817,591	67,364,992	896,061	521,512
Amortization of computer software rights		220,446,078	247,811,951	214,829,489	244,829,626
Amortization of royalty on state property service		6,337,356	6,337,356	6,337,356	6,337,356
Amortization of gas pipe system rights		312,449	312,449	-	-
Amortization of transmission system connection right		3,558,250	1,422,762	-	-
Amortization of deferred loan fees		(88,394,022)	53,897,700	-	-
Amortization of deferred charges of the lignite mine	6.16	5,408,304,116	4,483,310,215	5,408,304,116	4,483,310,215
Doubtful debts		(2,046,918)	(7,229,356)	(2,046,918)	(7,229,356)
Bad debts		111,270	1,428,764	111,270	1,428,764
Allowance for obsolescence on materials and supplies		287,043,620	387,843,150	345,499,315	317,272,452
Gain on the power purchase agreement cancellation		(1,069,442,446)	-	-	-
Gain on sale of long-term investments		(783,678,571)	-	-	-
Profit (loss) on disposal of assets		61,472,685	(1,837,338)	(13,367,290)	(2,560,384)
Revenue from deferred income	6.22	(526,711,566)	(363,827,427)	(526,711,566)	(363,827,427)
Employee benefit obligation:		(143,414,710)	176,286,317	(149,555,419)	161,049,960
Loss (gain) on foreign exchange		(634,426,835)	652,180,018	163,941,825	613,670,712
Gain on changes in the fair value of derivative		(150,902,003)	(296,393,071)	(150,902,003)	(296,393,071)
Dividends received from associate:	6.9.4	-	-	(735,755,141)	(702,311,725)
Dividends received from subsidiary	6.9.4	-	-	(1,468,125,000)	(1,468,125,000)
Dividends received from other investments:		(188,314,482)	(60,062,640)	-	-
Share of profit from associated company		(2,926,565,774)	(1,199,817,680)	-	-
Share of profit from jointly controlled entity		(768,896,690)	(1,333,595,257)	-	-
Net income attributable to non-controlling interest		4,480,146,780	2,433,011,259	-	-
Interest income		(1,990,035,673)	(1,977,321,375)	(1,378,098,739)	(1,392,782,554)
Interest expenses		5,425,184,044	5,285,755,801	2,893,013,089	3,458,421,388
Income tax	6.15.2	887,235,560	1,853,160,625	-	-
Net income from operating activities before changes in operating assets and liabilities:		71,286,511,677	64,886,500,133	60,308,764,135	55,351,823,607
Changes in operating assets (Increase) Decrease					
Trade accounts receivable		(16,773,048,227)	1,948,493,182	(16,694,375,569)	797,932,225
Other accounts receivable		(846,952,551)	(656,082,481)	(1,097,006,570)	(496,781,328)
Materials and supplies:		(823,019,076)	(220,705,502)	(763,747,489)	(182,559,881)
Other current assets		42,406,820	191,953,520	-	243,174,301
Other non-current assets		(411,586,998)	(487,984,807)	188,374,142	33,921,797
Deferred tax assets		59,745,241	(34,497,549)	-	-
Deferred charges of the lignite mine	6.16	(5,331,127,445)	(4,608,769,054)	(5,331,127,445)	(4,608,769,054)
Changes in operating liabilities Increase (Decrease)					
Trade accounts payable		14,568,223,905	7,159,694,526	13,622,333,229	6,657,751,193
Other accounts payable		(396,291,009)	(6,027,210,588)	(3,285,089,478)	(5,804,828,293)
Other current liabilities:		(18,277,658)	(62,968,863)	-	-
Accrued expenses		1,561,476,779	85,991,772	842,574,569	(155,607,647)
Other non-current liabilities:		(368,285,755)	2,694,711,382	(276,642,152)	(665,920,458)
Deferred tax liabilities:		(760,473,056)	843,071,135	-	-
Provision liabilities for mine reclamation		70,101,832	64,587,364	70,101,832	64,587,364
		(9,427,107,198)	890,284,037	(12,724,604,931)	(4,117,099,781)
Cash receipts from operating		61,859,404,479	65,776,784,170	47,584,159,204	51,234,723,826
Cash receipts on interest		912,699,761	583,516,917	909,251,442	580,054,521
Cash payment on income tax		(1,642,366,367)	(1,880,977,285)	-	-
Net cash from operating activities:		61,129,737,873	64,479,323,802	48,493,410,646	51,814,778,346

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

ELECTRICITY GENERATING AUTHORITY OF THAILAND AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2012

Unit : Baht

	Notes	Consolidated financial statement		Separate financial statement	
		Jan 1 - Dec 31, 12	Jan 1 - Dec 31, 11	Jan 1 - Dec 31, 12	Jan 1 - Dec 31, 11
CASH FLOWS FROM INVESTING ACTIVITIES					
Net cash receipts (payment) on temporary investments		(687,264,042)	6,841,982,816	2,033,473,118	7,393,266,825
Net cash receipts (payment) on long-term investments		(9,798,928,380)	(72,324,357)	(10,005,340,984)	-
Cash receipts on disposal of assets		83,494,670	1,014,333,762	59,858,568	136,222,775
Cash payment on property, plant, equipment, work under construction and intangible assets	a	(30,759,146,477)	(22,722,119,355)	(29,799,865,901)	(16,656,599,153)
Cash payment on interest for work under construction		(283,944,559)	(303,500,437)	(281,844,538)	(302,669,611)
Cash payment on land purchased for future development projects		-	(368,000)	-	-
Cash payment of refund to contribution	6.22	-	(596,727,141)	-	(596,727,141)
Cash receipts on deferred income	6.22	1,492,402,112	599,437,357	1,492,402,112	599,437,357
Cash payment on investments in subsidiaries		-	(6,188,676,466)	(70,000,000)	(170,000,000)
Cash payment on investments in associates	b	(342,770,299)	(357,062,040)	-	-
Cash payment on investments in jointly controlled entity	c	(507,020,830)	(978,726,250)	-	(155,750,000)
Cash receipts from compensation of the power purchase agreement cancellation		3,167,366,428	-	-	-
Cash receipts on interest		743,609,820	1,241,416,435	375,313,301	712,029,054
Dividends received from associates	6.9.3 , 6.9.4	735,755,141	702,311,725	735,755,141	702,311,725
Dividends received from subsidiary	6.9.4	-	-	1,468,125,000	1,468,125,000
Dividends received from jointly controlled entities		774,462,805	822,949,810	-	-
Dividends received from other investments		188,314,481	60,062,640	-	-
Net cash used in investing activities		(35,193,669,130)	(19,937,009,501)	(33,992,124,183)	(6,870,353,169)
CASH FLOWS FROM FINANCING ACTIVITIES					
Remittance to the Ministry of Finance		(16,297,000,000)	(17,075,000,000)	(16,297,000,000)	(17,075,000,000)
Cash receipts from short-term loans from financial institutions		14,540,000,000	12,174,000,000	-	-
Cash payment of short-term loans from financial institutions		(13,640,000,000)	(12,174,000,000)	-	-
Cash receipts from bill of exchange payables		2,300,000,000	-	-	-
Cash payment of bill of exchange payables		(500,000,000)	-	-	-
Cash receipts from long-term loans		11,147,350,000	20,731,644,364	11,000,000,000	-
Cash receipts from share subscription of subsidiary		34,931,610	-	-	-
Cash payment of long - term loans		(23,751,963,072)	(37,499,268,250)	(14,640,572,134)	(19,745,402,650)
Cash payment on interest		(5,379,010,951)	(5,530,634,411)	(2,923,285,965)	(3,759,600,801)
Cash payment on finance lease liabilities		(1,795,698)	(1,635,124)	-	-
Cash receipts on accrued common shares from jointly controlled entities		-	23,625,000	-	-
Dividends paid to non-controlling interests of subsidiary		(1,794,375,000)	(1,794,375,000)	-	-
Dividend paid to the Company's shareholders		(3,262,002,373)	-	-	-
Net cash used in financing activities		(36,603,865,484)	(41,145,643,421)	(22,860,858,099)	(40,580,003,451)
EFFECT FROM FOREIGN EXCHANGE RATE IN CASH AND CASH EQUIVALENTS					
CASH EQUIVALENTS		(26,830,065)	72,542,689	(2,538,362)	14,032,118
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		(10,694,626,806)	3,469,213,569	(8,362,109,998)	4,378,453,845
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		51,338,827,907	47,869,614,338	40,537,207,524	36,158,753,679
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		40,644,201,101	51,338,827,907	32,175,097,526	40,537,207,524

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

ELECTRICITY GENERATING AUTHORITY OF THAILAND AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2012

Notes to the statements of cash flows

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

Consolidated

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

During the year 2011, EGAT and its subsidiaries purchased property, plant, equipment, work under construction and intangible assets which total costs are Baht 24,657.26 million comprising the assets of subsidiary purchased by finance lease method amounting to Baht 1.15 million and the remaining assets is in the amount of Baht 27,954.95 million. The purchasing were cash paid amounting to Baht 22,722.12 million and for the remaining unpaid amounting to Baht 4,964.18 million and Baht 268.65 million were accounts payable and other non-current liabilities respectively.

Separate

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

During the year 2011, EGAT purchased property, plant, equipment, work under construction and intangible assets which total costs are Baht 21,539.64 million. The purchasing were cash paid amounting to Baht 16,656.60 million and for the remaining unpaid amounting to Baht 4,883.04 million were accounts payable.

b. Additional Payment for Ordinary Shares in the Associates

Consolidated

During the year 2012, the subsidiary had additional paid for ordinary shares in associates amounting to Baht 342.77 million.

During the year 2011, the subsidiary had additional paid for ordinary shares in associates amounting to Baht 357.06 million.

c. Additional Payment for Ordinary Shares in the Jointly Controlled Entity

Consolidated

During the year 2012, the subsidiary had additional paid for ordinary shares in jointly controlled entity amounting to Baht 507.02 million.

During the year 2011, the subsidiary had additional paid for ordinary shares in jointly controlled entity amounting to Baht 978.73 million.

Separate

During the year 2011, EGAT had additional paid for ordinary shares in jointly controlled entity amounting to Baht 155.75 million.

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

ELECTRICITY GENERATING AUTHORITY OF THAILAND AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2012

1. General Information

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

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

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

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

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

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

2. Basis of Financial Statements Presentation

2.1 Principles of Financial Statements Preparation

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

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

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

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

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

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

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

2.2 Use of Estimates

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

2.3 New Thai Financial Reporting Standards (TFRSs), New and Revised Thai Accounting Standards (TASs), New Thai Accounting Standards Interpretations and Accounting Treatment Guidance

New Thai Financial Reporting Standards (TFRSs), New and Revised Thai Accounting Standards (TASs), New Thai Accounting Standards Interpretations and Accounting Treatment Guidance were announced in the Royal Thai Government Gazette as follows:

Effective for accounting periods beginning on or after January 1, 2013

◆ Thai Financial Reporting Standard No.8	Operating Segments
◆ Thai Accounting Standard No.12	Income Taxes
◆ Thai Accounting Standard No.20 (Revised 2009)	Accounting for Government Grants and Disclosure of Government Assistance
◆ Thai Accounting Standard No.21 (Revised 2009)	The Effects of Changes in Foreign Exchange Rates
◆ Thai Standing Interpretations No.10	Government Assistance – No Specific Relation to Operating Activities
◆ Thai Standing Interpretations No.21	Income Taxes – Recovery of Revalued Non – Depreciable Assets
◆ Thai Standing Interpretations No.25	Income Taxes – Changes in the Tax Status of an Enterprise or its Shareholders
◆ Accounting Treatment Guidance	Transfer of Financial Assets

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

◆ Thai Financial Reporting Interpretation No.4	Determining Whether an Arrangement Contains a Lease
◆ Thai Financial Reporting Interpretation No.12	Service Concession Arrangements
◆ Thai Financial Reporting Interpretation No.13	Customer Loyalty Programmes
◆ Thai Standing Interpretations No.29	Disclosure of Service Concession Arrangements

The management of EGAT has assessed and determined that there will have no material impact on the financial statements if EGAT has been adopted and applied these new Thai Financial Reporting Standards (TFRSs), new and revised Thai Accounting Standards (TASs), new Thai Accounting Standards Interpretations and Accounting Treatment Guidance, except for the Thai Financial Reporting Interpretation No.4 that was during consultant hire and assessing the impact on the 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 Trade Accounts Receivable and Other Accounts Receivable

Accounts receivable are stated at net realizable value. The allowance for doubtful accounts is assessed by reference to the estimated losses arising from irrecoverable debts, exclusive of government agencies and state enterprises, which have been based on historical results of collection and the present events pertaining to accounts receivable at the statements of financial position date. According to the regulations of the Ministry of Finance regarding accounting and finance of state owned enterprise B.E. 2548, which amended the regulations of the Ministry of Finance regarding accounting and finance of state owned enterprise B.E. 2520, the allowance for doubtful accounts are stated as follows:

3.2.1 Trade accounts receivable exclusive of government agencies and state enterprises

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

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

3.3 Materials and Supplies

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

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

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

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

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

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

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

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

3.4 Derivative Assets and Derivative Liabilities

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

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

3.5 Investments in Associates, Subsidiaries and Jointly Controlled Entities

3.5.1 Investments in associates

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

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

3.5.2 Investments in subsidiaries

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

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

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 of EGAT according to generally accepted

accounting principles, which must prepared the consolidated financial statements. According to the Budgeting Law, EGAT has to own in the company over 50% then, they can be the state enterprise.

3.5.3 Investments in jointly controlled entities

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

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

3.6 Investments in financial securities

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

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

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

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

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

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

3.7 Property, Plant and Equipment

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

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

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

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

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

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

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

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

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

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

3.8 Assets and Liabilities under Finance Lease Agreements

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

3.9 Intangible Assets

3.9.1 Land rights

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

3.9.2 Computer software rights and software license

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

3.9.3 Royalty on state property service

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

3.9.4 Gas piped system rights

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

3.9.5 Transmission system connection rights

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

3.9.6 Project development rights

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

3.10 Goodwill

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

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

3.11 Deferred Charges of the Lignite Mine

3.11.1 Overburden removal costs

The costs of overburden removal expended in each year are calculated by multiply the quantity of lignite extracted from the mine 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.

3.11.2 Minerals resource exploration and preliminary development costs

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

3.11.3 Resettlement costs

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

3.11.4 Mineral patent costs

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

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

3.12 Foreign Currency

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

3.13 Employee Benefit Obligations

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

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

2. Post-employee benefits - defined contribution plans

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

3. Post-employee benefits - defined benefit plans

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

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

4. Other long - term employee benefits

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

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

In the year 2012, EGAT hires actuary consultants to revise assumptions and the obligation estimation based on new actuarial technique which is described in Note 4.

3.14 Provision Liabilities for Mine Reclamation

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

3.15 Staff AID Fund and Provident Fund

EGAT has established the Staff AID Fund to provide welfare for employees after leaving EGAT. EGAT contributes to the fund on a monthly basis at the rate of 10% of salaries of its employees being the fund's members. Contributions are recognized as expense in EGAT's statements of income in full amount

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

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

3.16 Deferred Income

3.16.1 Contributions for construction

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

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

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

3.16.2 Income from donation

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

3.17 Revenue from Electric Energy Sales

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

Deferred revenue for electricity compensation which is under current liabilities has been occurred from receiving fuel costs or electricity compensation from fuel suppliers or other power producers, However,

such compensation has not been approved by the ERC to be included in the tariff structure. When ERC has a resolution on the compensation to be included in the tariff structure, Ft revenue of EGAT will be decrease. While, EGAT will recognized electricity revenue from deferred revenue for electricity compensation in the same amount.

3.18 Revenue from Sales of Other Goods and Services

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

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

3.19 Interest Income

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

3.20 Borrowing Costs

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

3.21 Related Parties

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

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

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

3.22 Financial Instruments

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

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

Forward foreign exchange contracts

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

Cross currency and interest rate swap agreements

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

3.23 Capital Risk Management

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

4. Changes in Accounting Policies

From January 1, 2011, EGAT has recorded employee benefit obligations which will be incurred in the future, by using the projected unit credit method based on actuarial science method which is estimation of the present value of cash flows expected to be paid in the future. The calculation use interest rate of government securities which maturity coincided with the period of such liabilities as a discount rate. Expense associated with this benefit will be recognized in the statements of income to spread the cost during employment.

On March 23, 2012, the Board of Directors of EGAT has approved Early Retirement project and the out of work with pleasure of both parties in the year 2012. The budget of the project is Baht 1,500 million. On June 22, 2012, board of EGAT passed the resolution for increasing financial amount which was gone through to Baht 1,920 million. It becomes effective on October 1, 2012. EGAT considers that the project may affect the estimate of expenses and employee benefit obligations which calculated in each period. Therefore, it is reconsidered the provision for the year 2012, by hiring actuary consultants to review the assumptions and such provision under the new actuarial science method. The new Assessment has changed the assumptions using in the calculation such as discount rate, employee turnover rates and mortality rates as a result of differences between previous provision and reassessment provision. EGAT recognized the difference from post-employment benefits as an actuarial loss in other comprehensive income while the difference from other long-term benefits was recognized immediately in statements of income.

The result of changes in such accounting estimate, As at December 31, 2012, Employee benefit obligations increased by Baht 1,439.35 million, together with recognized expense in the statements of income for the year then ended December 31, 2012 increased by Baht 1.55 million, and actuarial losses recognized in other comprehensive income increased by Baht 1,437.80 million.

5. The Effects of Financial Statements of Subsidiaries Adjustment on Financial Statements

There was financial statements adjustment of subsidiaries for the year ended December 31, 2011 which to be compared were restated as follows:

5.1 Fair Value Valuation of Net Assets from Business Acquisition of the Subsidiary

Management of the subsidiary made fair value valuation of net assets from business acquisition within one year from business acquisition date. It had completed in the second quarter of the year 2012, that complied with Thai Financial Reporting Standard No.3 - Business Combinations. The subsidiary adjusted statements of financial position as at December 31, 2011 as set out in note 12 Business Acquisition of the Subsidiary. The effects on consolidated financial statements are summarized as follows:

Statements of Financial Position as at December 31, 2011

Assets

Investments in jointly controlled entities	(255.97)
Property, plant and equipment	(713.21)
Goodwill	554.05
Intangible Assets	1,857.90

Liabilities

Current portion of long-term loans from financial institutions	96.32
Long-term loans from financial institutions	566.48
Deferred tax liabilities	906.63

Equity

Other components of equity	0.35
Retained earnings	3.92
Non-controlling interests	(130.93)

5.2 Adjustment of financial statements and reclassification

EGAT had adjusted the consolidated financial statements and reclassified the financial statements due to the fact that EGAT's subsidiary had adjusted the financial statements associated with employee benefits, fair value valuation of net assets from business acquisition and share of profit from investments in associates. In addition, EGAT's subsidiaries and jointly controlled entities had been reclassified to consist the financial statements in 2012.

The effects on the consolidated financial statements of EGAT for the year ended December 31, 2011 are summarized as follows:

Consolidated financial statement

	Before reclassified and adjusted	Reclassified	Adjusted	As reclassified and adjusted
Statements of financial position				
Other accounts receivable	7,504.09	235.82	-	7,739.91
Other current assets-others	323.04	(237.27)	-	85.77
Investments in jointly controlled entities	13,643.50	-	(255.97)	13,387.53
Property, plant and equipment	273,536.47	-	(713.21)	272,823.26
Goodwill	3,733.13	(2,373.56)	554.05	1,913.62
intangible assets	23,498.34	2,373.56	1,857.90	27,729.80
Other non-current assets	3,550.06	1.46	-	3,551.52
Other accounts payable	9,263.93	347.21	-	9,611.14
Accrued interest expenses	946.28	176.46	-	1,122.74
Current portion of long - term loans	18,639.25	-	96.32	18,735.57
Other current liabilities-others	535.41	(523.68)	-	11.73
Long-term loans	83,166.22	-	566.48	83,732.70
Deferred tax liabilities	2,039.39	-	906.63	2,946.02
Retained earnings-unappropriated	182,338.85	-	3.92	182,342.77
Other componenets of equity	3,001.90	-	0.35	3,002.25
Non-Controlling Interests	27,201.25	-	(130.93)	27,070.32
Statements of income				
Cost of electric energy sales	348,519.16	65.40	40.85	348,625.41
Administrative Expenses	16,207.49	(220.54)	-	15,986.95
Other Expenses	654.49	155.14	-	809.63
Finance Costs	5,424.38	-	(82.69)	5,341.69
Income tax	1,822.22	-	30.94	1,853.16
Income for the year	34,244.77	-	10.89	34,255.66
Statements of comprehensive income				
Currency translation differences	(176.80)	-	2.09	(174.71)

6. Supplementary Information

6.1 Cash and Cash Equivalents

Unit : Million Baht				
	Consolidated financial statement		Separate financial statement	
	Dec 31, 12	Dec 31, 11	Dec 31, 12	Dec 31, 11
Cash on hand	8.40	6.38	7.82	5.82
Cash in banks current and saving accounts	37,676.71	31,003.80	32,167.28	25,531.39
Fixed deposits not more than 3 months	58.50	48.65	-	-
Receipts of fixed deposits	2,730.00	2,310.00	-	-
Bills of exchange	130.00	17,970.00	-	15,000.00
promissory note	40.59	-	-	-
Total	40,644.20	51,338.83	32,175.10	40,537.21

6.2 Temporary Investments

Unit : Million Baht				
	Consolidated financial statement		Separate financial statement	
	Dec 31, 12	Dec 31, 11	Dec 31, 12	Dec 31, 11
Fixed deposits more than 3 months				
but not more than 12 months	8,147.68	7,242.01	8,047.26	7,080.73
Receipts of fixed deposits	5,309.00	5,000.00	-	3,000.00
Bills of exchange	-	890.00	-	-
Debenture	50.00	150.00	-	-
Bonds more than 3 months	312.60	-	-	-
Total	13,819.28	13,282.01	8,047.26	10,080.73

Fixed deposits 6 months of a subsidiary amounting to Baht 50 million is guarantee for Vietnam Oil and Gas Group (PetroVietnam) in Vung Ang 1 power plant project.

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

6.3 Trade Accounts Receivable - Others

	Unit : Million Baht			
	Consolidated financial statement		Separate financial statement	
	Dec 31, 12	Dec 31, 11	Dec 31, 12	Dec 31, 11
Receivable from electric energy sales				
Metropolitan Electricity Authority	14,225.83	10,921.32	14,225.83	10,921.32
Provincial Electricity Authority	30,510.22	22,470.80	30,510.22	22,470.80
Others	2,475.14	2,753.99	2,441.01	2,724.77
	47,211.19	36,146.11	47,177.06	36,116.89
Services and others receivable	606.00	462.11	174.25	117.00
Total	47,817.19	36,608.22	47,351.31	36,233.89
Less : Allowance for doubtful accounts	(47.82)	(49.23)	(47.82)	(49.23)
Balance	47,769.37	36,558.99	47,303.49	36,184.66

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

Consolidated financial statement							Unit : Million Baht
Outstanding period	State enterprise and governments agencies		Private companies		Total		
	Electric	energy sales	Service and others	Electric	energy sales	Service and others	
							Dec 31, 11
Undue portion	46,546.36	1.88	548.31	664.82	47,211.18	550.19	34,937.84
Overdue not more than 6 months	-	0.03	4.97	-	-	5.00	1,618.41
Overdue more than 6 months to 1 year	-	-	0.11	-	-	0.11	0.10
Overdue more than 1 year	-	-	50.70	0.01	50.70	50.71	51.87
Total	46,546.36	1.91	604.09	664.83	47,211.19	606.00	36,608.22
Less : Allowance for doubtful accounts	-	-	(47.81)	(0.01)	(0.01)	(47.81)	(49.23)
Balance	46,546.36	1.91	556.28	664.82	47,211.18	558.19	36,558.99

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

Separate financial statement							Unit : Million Baht
Outstanding period	State enterprise and governments agencies		Private companies		Total		
	Electric	energy sales	Service and others	Electric	energy sales	Service and others	
							Dec 31, 11
Undue portion	46,546.36	1.88	116.56	630.69	47,177.05	118.44	34,563.51
Overdue not more than 6 months	-	0.03	4.97	-	-	5.00	1,618.41
Overdue more than 6 months to 1 year	-	-	0.11	-	-	0.11	0.10
Overdue more than 1 year	-	-	50.70	0.01	50.70	50.71	51.87
Total	46,546.36	1.91	172.34	630.70	47,177.06	174.25	36,233.89
Less : Allowance for doubtful accounts	-	-	(47.81)	(0.01)	(0.01)	(47.81)	(49.23)
Balance	46,546.36	1.91	124.53	630.69	47,177.05	126.44	36,184.66

6.4 Related Parties Transactions

The companies that have transactions with EGAT as at December 31, 2012 are as follows:

Company	Country of Incorporation/ Nationality	Relationship
EGAT International Co., Ltd.	Thailand	Subsidiary, EGAT has 100% shareholding
EGAT Diamond Service Co., Ltd.	Thailand	Subsidiary, EGAT has 45% shareholding
Ratchaburi Electricity Generating Holding Plc.	Thailand	Subsidiary, EGAT has 45% shareholding
District Cooling System and Power Plant Co., Ltd.	Thailand	Jointly controlled entity of EGAT, EGAT has 35% shareholding
Electricity Generating Plc.	Thailand	Associated company, EGAT has 25.41% shareholding
Ratchaburi Electricity Generating Co., Ltd.	Thailand	Subsidiary of Ratchaburi Electricity Generating Holding Plc.
Ratchaburi Gas Co., Ltd.	Thailand	Subsidiary of Ratchaburi Electricity Generating Holding Plc.
Ratch Udom Power Co., Ltd.	Thailand	Subsidiary of Ratchaburi Electricity Generating Holding Plc.
Ratchaburi Energy Co., Ltd.	Thailand	Subsidiary of Ratchaburi Electricity Generating Holding Plc.
RH International Corporation Ltd.	Thailand	Subsidiary of Ratchaburi Electricity Generating Holding Plc.
RATCH-Lao Services Co., Ltd.	Lao PDR	Subsidiary of Ratchaburi Electricity Generating Holding Plc.
RATCH O&M Co.,Ltd.	Thailand	Subsidiary of Ratchaburi Electricity Generating Holding Plc.
Khanom Electricity Generating Co., Ltd.	Thailand	Related party of EGAT
EGCO Engineering and Services Co., Ltd.	Thailand	Related party of EGAT
Xayaburi Power Co., Ltd.	Lao PDR	Related party of EGAT
Gulf Electric Plc.	Thailand	Related party of EGAT
BLCP Power Co., Ltd.	Thailand	Related party of EGAT
Eastern Water Resources Development and Management Plc.	Thailand	Related party of EGAT
Natural Energy Development Co., Ltd.	Thailand	Related party of EGAT
NED Wind Co., Ltd.	Thailand	Related party of EGAT
Yanhee EGCO Holding Co., Ltd.	Thailand	Related party of EGAT
Solarco Co., Ltd.	Thailand	Related party of EGAT
Tri Energy Co., Ltd.	Thailand	Related party of EGAT
Ratchaburi Power Co., Ltd.	Thailand	Related party of EGAT
Nam Ngum 2 Power Co., Ltd.	Lao PDR	Related party of EGAT
South East Asia Energy Ltd.	Thailand	Related party of EGAT
Hongsa Power Co., Ltd.	Lao PDR	Related party of EGAT
Phufai Mining Co., Ltd.	Lao PDR	Related party of EGAT
Nava Nakorn Electricity Generating Co., Ltd.	Thailand	Related party of EGAT
RATCH-Australia Corporation Ltd.	Australia	Related party of EGAT

The details of related parties transactions are as follows:

6.4.1 Trade accounts receivable - related parties

Unit : Million Baht

	Consolidated financial statement		
	Dec 31, 12		
	Electric energy sales	Service and others	Total
			Dec 31, 11
Associated company			
- Electricity Generating Plc.	2.39	706.18	708.57
Total	2.39	706.18	708.57
Jointly controlled entity			
- District Cooling System and Power Plant Co., Ltd.	-	4.91	4.91
Total	-	4.91	4.91
Related parties			
- Khanom Electricity Generating Co., Ltd.	0.39	1,365.65	1,366.04
- EGCO Engineering and Services Co., Ltd.	-	-	-
- BLCPPower Co., Ltd.	11.11	0.72	11.83
- Tri Energy Co., Ltd.	0.05	-	0.05
- Ratchaburi Power Co., Ltd.	8.19	1.17	9.36
- Nam Ngum 2 Power Co., Ltd.	11.45	24.87	36.32
- Hongsa Power Co., Ltd.	-	27.17	27.17
Total	31.19	1,419.58	1,450.77
Total trade accounts receivable - related parties	33.58	2,130.67	2,164.25

Unit : Million Baht

	Separate financial statement			
	Dec 31, 12			Dec 31, 11
	Electric energy sales	Service and others	Total	
Subsidiaries				
- Ratchaburi Electricity Generating Holding Plc.	-	0.98	0.98	-
- Ratchaburi Electricity Generating Co., Ltd.	29.98	126.06	156.04	189.02
- Ratchaburi Energy Co., Ltd.	-	0.05	0.05	-
- RATCH-Lao Services Co., Ltd.	-	7.02	7.02	5.92
- EGAT International Co., Ltd.	-	60.71	60.71	61.68
- EGAT Diamond Service Co., Ltd.	-	29.26	29.26	0.21
Total	29.98	224.08	254.06	256.83
Associated company				
- Electricity Generating Plc.	2.39	706.18	708.57	789.46
Total	2.39	706.18	708.57	789.46
Jointly controlled entity				
- District Cooling System and Power Plant Co., Ltd.	-	7.55	7.55	19.79
Total	-	7.55	7.55	19.79
Related parties				
- Khanom Electricity Generating Co., Ltd.	0.39	1,365.65	1,366.04	1,193.60
- EGCO Engineering and Services Co., Ltd.	-	-	-	0.02
- BLCP Power Co., Ltd.	11.11	0.72	11.83	9.28
- Tri Energy Co., Ltd.	0.05	-	0.05	0.05
- Ratchaburi Power Co., Ltd.	8.19	1.17	9.36	9.02
- Nam Ngum 2 Power Co., Ltd.	11.45	-	11.45	1.00
- Hongsa Power Co., Ltd.	-	27.17	27.17	7.97
Total	31.19	1,394.71	1,425.90	1,220.94
Total trade accounts receivable - related parties	63.56	2,332.52	2,396.08	2,287.02

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

Unit : Million Baht

Outstanding period	Consolidated financial statement			
	Dec 31, 12			Dec 31, 11
	Electric	Service	Total	
	energy sales	and others		
Undue portion	33.58	2,130.24	2,163.82	2,031.70
Overdue not more than 6 months	-	0.43	0.43	1.15
Total	33.58	2,130.67	2,164.25	2,032.85

Unit : Million Baht

Outstanding period	Separate financial statement			Dec 31, 11
	Dec 31, 12			
	Electric	Service	Total	
	energy sales	and others		
Undue portion	63.56	2,302.70	2,366.26	2,280.25
Overdue not more than 6 months	-	29.82	29.82	6.74
Overdue more than 6 - 12 months	-	-	-	0.03
Total	63.56	2,332.52	2,396.08	2,287.02

6.4.2 Long-term loans to related parties

	Unit : Million Baht	
	Consolidated financial statement	
	Dec 31, 12	Dec 31, 11
Current portion of long-term loans to related parties	62.50	62.50
Long-term loans to related parties	-	1,611.63
Total	62.50	1,674.13

6.4.3 Trade accounts payable - related parties

	Unit : Million Baht			
	Consolidated financial statement		Separate financial statement	
	Dec 31, 12	Dec 31, 11	Dec 31, 12	Dec 31, 11
Independent Power Producers (IPP) and Small Power Producers (SPP)				
Subsidiaries				
- Ratchaburi Electricity Generating Co., Ltd	-	-	3,776.74	2,317.33
- Ratchaburi Energy Co., Ltd.	-	-	3.77	6.70
Total	-	-	3,780.51	2,324.03
Associated company				
- Electricity Generating Plc	820.42	979.34	820.42	979.34
Total	820.42	979.34	820.42	979.34
Jointly controlled entity				
- District Cooling System and Power Plant Co., Ltd.	67.56	5.13	103.94	7.90
Total	67.56	5.13	103.94	7.90
Related parties				
- Khanom Electricity Generating Co., Ltd	1,451.71	1,273.58	1,451.71	1,273.58
- BLC Power Co., Ltd.	2,309.86	1,310.69	2,309.86	1,310.69
- Tri Energy Co., Ltd.	678.78	1,667.02	678.78	1,667.02
- Ratchaburi Power Co., Ltd.	1,681.66	1,093.31	1,681.66	1,093.31
- Nam Ngum 2 Power Co., Ltd.	925.45	721.31	925.45	721.31
- Natural Energy Development Co., Ltd.	221.72	-	221.72	-
Total	7,269.18	6,065.91	7,269.18	6,065.91
Total trade accounts payable - related parties	8,157.16	7,050.38	11,974.05	9,377.18

6.4.4 Long-term loans from related parties

	Unit : Million Baht	
	Consolidated financial statement	
	Dec 31, 12	Dec 31, 11
Current portion of long-term loans from related parties	-	2,775.32
Long-term loans from related parties	1,358.28	1,425.63
	<u>1,358.28</u>	<u>4,200.95</u>

6.4.5 Revenues and expenses - related parties

	Unit : Million Baht			
	Consolidated financial statement		Separate financial statement	
	Jan 1 - Dec 31, 12	Jan 1 - Dec 31, 11	Jan 1 - Dec 31, 12	Jan 1 - Dec 31, 11
Revenues				
Revenue from electric energy sales				
Subsidiary				
- Ratchaburi Electricity Generating Co., Ltd.	-	-	155.67	173.44
Associated company				
- Electricity Generating Plc.	14.00	11.29	14.00	11.29
Related parties				
- Khanom Electricity Generating Co., Ltd.	4.43	4.45	4.43	4.45
- BLCPPower Co., Ltd.	39.01	40.89	39.01	40.89
- Tri Energy Co., Ltd.	0.26	0.12	0.26	0.12
- Ratchaburi Power Co., Ltd.	33.56	29.66	33.56	29.66
- Nam Ngum 2 Power Co., Ltd.	11.75	6.81	11.75	6.81
Revenue from sales of other goods and services				
Subsidiaries				
- Ratchaburi Electricity Generating Holding Plc.	-	-	2.65	2.34
- Ratchaburi Electricity Generating Co., Ltd.	-	-	4,084.18	3,968.18
- Ratchaburi Energy Co., Ltd.	-	-	0.05	0.05
- RATCH-Lao Services Co., Ltd.	-	-	147.98	71.03
- EGAT International Co., Ltd.	-	-	27.96	73.02
- EGAT Diamond Service Co., Ltd.	-	-	36.28	28.87
Associated company				
- Electricity Generating Plc.	10,316.73	4,822.41	10,316.73	4,822.41
Jointly controlled entity				
- District Cooling System and Power Plant Co., Ltd.	57.17	80.74	87.96	124.21
Related parties				
- Khanom Electricity Generating Co., Ltd.	14,175.58	12,113.45	14,175.58	12,113.45
- EGCO Engineering and Services Co., Ltd.	1.11	2.15	1.11	2.15
- BLCPPower Co., Ltd.	2.69	2.76	2.69	2.76
- Ratchaburi Power Co., Ltd.	11.13	9.83	11.13	9.83
- Nam Ngum 2 Power Co., Ltd.	3.18	1.45	3.18	1.45
- Hongsa Power Co., Ltd.	296.24	162.77	296.24	162.77
- Natural Energy Development Co., Ltd.	0.05	-	0.05	-

	Consolidated financial statement		Separate financial statement	
	Jan 1 - Dec 31, 12	Jan 1 - Dec 31, 11	Jan 1 - Dec 31, 12	Jan 1 - Dec 31, 11
Expenses				
Electric energy purchased				
Subsidiaries				
- Ratchaburi Electricity Generating Co., Ltd.	-	-	51,803.01	41,195.40
- Ratchaburi Energy Co., Ltd.	-	-	35.46	32.68
Associated company				
- Electricity Generating Plc.	12,340.49	6,830.67	12,340.49	6,830.67
Jointly controlled entity				
- District Cooling System and Power Plant Co., Ltd.	555.07	49.67	853.96	76.41
Related parties				
- Khanom Electricity Generating Co., Ltd.	15,857.90	14,159.34	15,857.90	14,159.34
- BLCP Power Co., Ltd.	18,428.29	17,775.57	18,428.29	17,775.57
- Tri Energy Co., Ltd.	7,906.22	8,135.19	7,906.22	8,135.19
- Ratchaburi Power Co., Ltd.	20,152.38	18,885.18	20,152.38	18,885.18
- Nam Ngum 2 Power Co., Ltd.	3,537.18	4,465.98	3,537.18	4,465.98
- Natural Energy Development Co., Ltd.	1,110.22	-	1,110.22	-
Cost of sales of other goods and services				
Subsidiaries				
- Ratchaburi Electricity Generating Holding Plc.	-	-	1.85	0.73
- Ratchaburi Electricity Generating Co., Ltd.	-	-	3,815.78	3,603.73
- Ratchaburi Energy Co., Ltd.	-	-	0.02	0.02
- RATCH-Lao Services Co., Ltd.	-	-	79.17	60.62
- EGAT International Co., Ltd.	-	-	20.39	74.62
- EGAT Diamond Service Co., Ltd.	-	-	22.41	17.93
Associated company				
- Electricity Generating Plc.	10,326.23	4,864.73	10,326.23	4,864.73
Jointly controlled entity				
- District Cooling System and Power Plant Co., Ltd.	61.27	90.96	94.26	139.94
Related parties				
- Khanom Electricity Generating Co., Ltd.	14,178.58	12,096.16	14,178.58	12,096.16
- EGCO Engineering and Services Co., Ltd.	0.33	1.52	0.33	1.52
- BLCP Power Co., Ltd.	0.93	0.54	0.93	0.54
- Ratchaburi Power Co., Ltd.	4.11	4.57	4.11	4.57
- Nam Ngum 2 Power Co., Ltd.	0.85	0.31	0.85	0.31
- Hongsa Power Co., Ltd.	160.22	66.04	160.22	66.04
- Natural Energy Development Co., Ltd.	0.02	-	0.02	-

6.4.6 Executives' remunerations

For the year ended December 31, 2012, remunerations are as follows:

	Unit : Million Baht			
	Consolidated financial statement		Separate financial statement	
	Jan 1-Dec 31, 12	Jan 1-Dec 31, 11	Jan 1-Dec 31, 12	Jan 1-Dec 31, 11
Directors' remunerations				
Meeting remuneration and bonuses	47.38	38.73	3.81	3.39
	47.38	38.73	3.81	3.39
Management's remunerations				
Salaries, bonuses and other short-term				
employee benefits	230.99	210.52	56.75	52.25
Post-employee benefit and other				
long-term employee benefits	29.50	13.44	1.33	1.51
	260.49	223.96	58.08	53.76
Total	307.87	262.69	61.89	57.15

6.5 Accrued Revenue from Electric Energy Sales According to Automatic Tariff Adjustment (Ft)

As at January 1, 2012, EGAT has the accrued revenue from electric energy sales according to automatic tariff adjustment (Ft) in the amount of Baht 1,178.64 million. During the year 2012, EGAT had recovered all of accrued Ft revenue. As at September 13, 2012, ERC has approved the Ft estimation of September - December 2012 which was 68.24 satang per unit. Nevertheless EGAT can charge equal to 48.00 satang per unit in such period by absorbs the Ft of Baht 10,504 million or 20.24 satang per unit temporarily. However, the cost of fuel and electric energy purchased in such period are lower than the estimated Ft calculating formula.

As at December 31, 2012, EGAT therefore has accrued Ft revenue amounting to Baht 6,529.90 million. After the year ended, EGAT has partially received of the Ft revenue and then EGAT has accrued Ft revenue as at February 28, 2013 in the amount of Baht 1,866.34 million.

As at December 31, 2012, EGAT has recorded deferred revenue for electricity compensation, which has been presented in current liabilities, as discussed in note 3.17 to the financial statements in the amount of Baht 2,768.98 million. Such deferred revenue is from EGAT received compensation for the fuel or electric energy from fuel suppliers or other electric energy producers. However, such compensation has not been approved by ERC to lower the Ft calculating in the accounting period of 2012.

6.6 Other Accounts Receivable

	Unit : Million Baht			
	Consolidated financial statement		Separate financial statement	
	Dec 31, 12	Dec 31, 11	Dec 31, 12	Dec 31, 11
Employee accounts receivable	161.68	99.37	158.20	99.32
Other accounts receivable	768.31	268.36	418.54	306.03
Less : Allowance for doubtful accounts	(17.93)	(18.57)	(17.93)	(18.57)
Advances	1,937.16	4,008.53	1,811.52	3,751.48
Accrued revenues	499.40	699.81	453.33	602.87
Input tax	3,939.11	2,682.41	3,876.62	2,669.22
Balance	7,287.73	7,739.91	6,700.28	7,410.35

6.7 Materials and Supplies

	Unit : Million Baht			
	Consolidated financial statement		Separate financial statement	
	Dec 31, 12	Dec 31, 11	Dec 31, 12	Dec 31, 11
Fuel oil for power plant	5,657.40	5,158.93	4,861.56	4,447.93
Lignite stock	1,521.72	1,396.80	1,521.72	1,396.80
Spare parts, other materials and supplies	11,077.07	10,710.62	8,942.01	8,664.06
Less : Allowance for obsolescence	(5,624.27)	(5,070.13)	(4,910.65)	(4,565.15)
Balance	12,631.92	12,196.22	10,414.64	9,943.64

6.8 Derivative Assets and Derivative Liabilities

6.8.1 Derivative assets

	Unit : Million Baht			
	Consolidated financial statement		Separate financial statement	
	Dec 31, 12	Dec 31, 11	Dec 31, 12	Dec 31, 11
Cross currency and interest rate swap contracts	-	37.72	-	37.72
Interest rate swap contracts	-	2.59	-	2.59
Total	-	40.31	-	40.31

6.8.2 Derivative liabilities

	Unit : Million Baht			
	Consolidated financial statement		Separate financial statement	
	Dec 31, 12	Dec 31, 11	Dec 31, 12	Dec 31, 11
Cross currency and interest rate swap contracts	4.59	-	4.59	-
Interest rate swap contracts	-	2.99	-	2.99
Total	4.59	2.99	4.59	2.99

6.9 Investment in Subsidiaries, Jointly Controlled Entities and Associates

6.9.1 Details of subsidiaries, associated company and jointly controlled entity

Company	Country of incorporation/ Nationality	Business	Shareholding (%)	
			Dec 31, 12	Dec 31, 11
Subsidiaries				
EGAT International Co., Ltd.	Thailand	Generation and supply of electricity	100	100
EGAT Diamond Service Co., Ltd.	Thailand	Gas turbine maintenance including spare parts	45	45
Ratchaburi Electricity Generating Holding Plc.	Thailand	Generation and supply of electricity	45	45
Associated company				
Electricity Generating Plc.	Thailand	Generation and supply of electricity	25.41	25.41
Jointly controlled entity				
District Cooling System and Power Plant Co., Ltd.	Thailand	Generation and supply of electricity and chilled water	35	35

6.9.2 Details of subsidiaries, associates and jointly controlled entities : Ratchaburi Electricity Generating Holding Plc.

Company	Country of incorporation/ Nationality	Business	Shareholding (%)	
			Dec 31, 12	Dec 31, 11
Direct subsidiaries				
Ratchaburi Electricity Generating Co., Ltd.	Thailand	Generation and supply of electricity	100	100
Ratchaburi Gas Co., Ltd.	Thailand	Investment in electricity business	100	100
Ratch Udom Power Co., Ltd.	Thailand	Investment in electricity business	100	100
Ratchaburi Energy Co., Ltd.	Thailand	Power plant development and operation and investment in electricity business	100	100
RH International Corporation Ltd.	Thailand	Investment in electricity business	100	100
RATCH-Lao Services Co., Ltd.	Lao PDR	Running the machinery and power plant maintenance services	100	100
RATCH O&M Co., Ltd.	Thailand	Running the machinery and power plant maintenance services	100	-
Indirect subsidiaries				
Ratchaburi Alliances Co., Ltd.	Thailand	Investment in electricity business	100	100
RH International (Mauritius) Corporation Ltd.	Mauritius	Investment in electricity business in foreign country	100	100
RH International (Singapore) Corporation Ltd.	Singapore	Investment in electricity business in foreign country	100	100
Sustainable Energy Corporation Co., Ltd.	Thailand	Investment in electricity business	55.18	55.18
Khao Kor Wind Power Co., Ltd.	Thailand	Generation and supply of electricity	55.18	55.18
RATCH-Australia Corporation Ltd. and the group of the company	Australia	Power plant development and operation and investment in electricity business	80	80
Associates				
First Korat Wind Co., Ltd.	Thailand	Generation and supply of electricity	20	20
K.R. Two Co., Ltd.	Thailand	Generation and supply of electricity	20	20
Jointly controlled entities				
Tri Energy Co., Ltd.	Thailand	Generation and supply of electricity	50	50
Ratchaburi Power Co., Ltd.	Thailand	Generation and supply of electricity	25	25
Chubu Ratchaburi Electric Services Co., Ltd.	Thailand	Running the machinery and power plant maintenance services	50	50
South East Asia Energy Ltd. and subsidiary	Thailand	Investment in electricity business	33.33	33.33
Hongsa Power Co., Ltd.	Lao PDR	Generation and supply of electricity	40	40
Phufai Mining Co., Ltd.	Lao PDR	Generation and supply of coal	37.50	37.50
Nam Ngum 3 Power Co., Ltd.	Lao PDR	Generation and supply of electricity	25	25
Nava Nakorn Electricity Generating Co., Ltd.	Thailand	Generation and supply of electricity and steam	40	40
Ratchaburi World Cogeneration Co., Ltd.	Thailand	Generation and supply of electricity and steam	40	40
Solarta Co., Ltd.	Thailand	Generation and supply of electricity	49	49
Solar Power (Korat 3) Co., Ltd.	Thailand	Generation and supply of electricity	40	40
Solar Power (Korat 4) Co., Ltd.	Thailand	Generation and supply of electricity	40	40
Solar Power (Korat 7) Co., Ltd.	Thailand	Generation and supply of electricity	40	40
Songkhla Biomass Co., Ltd.	Thailand	Generation and supply of electricity	40	40
KK Power Co., Ltd.	Cambodia	Generation and supply of electricity	50	-
Songkhla Biofuel Co., Ltd.	Thailand	Supply the biomass fuel	40	-
Sukhothai Energy Co., Ltd.	Thailand	Development and operation in electricity business	51	-
Xe-Pien Xe-Nam Noy Power Co., Ltd.	Lao PDR	Generation and supply of electricity	25	-

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

Unit : Million Baht

Company	Shareholding (%)		Dec 31, 12		Dec 31, 11		Dividend	
	Dec 31, 12	Dec 31, 11	Cost Method	Equity Method	Cost Method	Equity Method	Dec 31, 12	Dec 31, 11
Associates								
1. Electricity Generating Plc.	25.41	25.41	1,587.55	15,888.33	1,587.55	13,330.74	735.75	702.31
2. First Korat Wind Co., Ltd.	20.00	20.00	381.93	375.26	203.59	203.18	-	-
3. K.R. Two Co., Ltd.	20.00	20.00	317.90	305.78	153.47	153.38	-	-
Total			2,287.38	16,569.37	1,944.61	13,687.30	735.75	702.31
Jointly controlled entities								
1. Tri Energy Co., Ltd.	50.00	50.00	1,809.21	4,736.95	1,809.21	4,918.89	161.77	146.36
2. Ratchaburi Power Co., Ltd.	25.00	25.00	1,831.25	3,735.10	1,831.25	3,358.39	450.00	575.00
3. Chubu Ratchaburi Electric Services Co., Ltd.	50.00	50.00	10.00	112.08	10.00	95.53	16.00	20.00
4. South East Asia Energy Ltd.	33.33	33.33	2,202.25	2,649.89	2,202.25	2,425.32	-	-
5. Hongsa Power Co., Ltd.	40.00	40.00	983.12	435.43	983.12	808.05	-	-
6. Phufai Mining Co., Ltd.	37.50	37.50	0.63	0.39	0.63	0.45	-	-
7. Nam Ngum 3 Power Co., Ltd.	25.00	25.00	0.45	0.34	0.45	0.38	-	-
8. Nava Nakorn Electricity Generating Co., Ltd.	40.00	40.00	96.80	87.04	32.80	31.45	-	-
9. Ratchaburi World Cogeneration Co., Ltd.	40.00	40.00	500.00	490.88	156.00	150.49	-	-
10. Solarta Co., Ltd.	49.00	49.00	545.96	606.55	545.96	551.75	-	-
11. Solar Power (Korat 3) Co., Ltd.	40.00	40.00	65.00	70.80	65.00	56.61	-	-
12. Solar Power (Korat 4) Co., Ltd.	40.00	40.00	68.25	76.58	61.33	59.14	-	-
13. Solar Power (Korat 7) Co., Ltd.	40.00	40.00	63.70	72.20	45.53	44.95	-	-
14. Songkhla Biomass Co., Ltd.	40.00	40.00	34.50	32.36	18.00	16.90	-	-
15. Perth Power Partnership (Kwinana) (before adjustment)	30.00	30.00	618.53	764.21	874.08	1,125.20	115.88	115.91
Fair value adjustment			-	-	-	(255.97)	-	-
Perth Power Partnership (Kwinana) (after adjustment)			618.53	764.21	874.08	869.23	115.88	115.91
16. KK Power Co., Ltd.	50.00	-	15.44	15.16	-	-	-	-
17. Songkhla Biofuel Co., Ltd.	40.00	-	0.40	0.39	-	-	-	-
18. Sukhothai Energy Co., Ltd.	51.00	-	40.80	24.27	-	-	-	-
19. Xe-Pien Xe-Nam Noy Power Co., Ltd.	25.00	-	0.78	(0.98)	-	-	-	-
Total			8,887.07	13,909.64	8,635.61	13,387.53	743.65	857.27
Grand Total			11,174.45	30,479.01	10,580.22	27,074.83	1,479.40	1,559.58

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

Unit : Million Baht

Company	Shareholding (%)		Cost Method		Dividend	
	Dec 31, 12	Dec 31, 11	Dec 31, 12	Dec 31, 11	Dec 31, 12	Dec 31, 11
Subsidiaries						
1. EGAT International Co., Ltd.	100.00	100.00	370.00	300.00	-	-
2. EGAT Diamond Service Co., Ltd.	45.00	45.00	227.95	227.95	-	-
3. Ratchaburi Electricity Generating Holding Plc.	45.00	45.00	6,525.00	6,525.00	1,468.13	1,468.13
Total			7,122.95	7,052.95	1,468.13	1,468.13
Associated company						
1. Electricity Generating Plc.	25.41	25.41	1,587.55	1,587.55	735.75	702.31
Total			1,587.55	1,587.55	735.75	702.31
Jointly controlled entity						
1. District Cooling System and Power Plant Co., Ltd.	35.00	35.00	584.50	584.50	-	-
Total			584.50	584.50	-	-
Grand Total			9,295.00	9,225.00	2,203.88	2,170.44

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

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

	Unit : Million Baht	
	Dec 31, 12	Dec 31, 11
Balance at the beginning of the year	27,074.83	23,593.66
Jointly controlled parts from business acquisition	-	1,205.61
Share of profit from investments - equity method	3,695.46	2,533.41
Additional payment of share capital in jointly controlled entities	507.02	978.72
Additional payment of share capital in associates	342.77	357.06
Dividend revenues	(743.65)	(857.27)
Available-for-sale investments	532.64	(37.13)
Currency translation differences of the company settled in foreign country	(184.15)	273.91
Dividend received	(735.75)	(702.31)
Exchange rate adjustment	(10.16)	(14.86)
Balance at the end of the year (before adjustment)	30,479.01	27,330.80
Fair value adjustment	-	(255.97)
Balance at the end of the year (after adjustment)	30,479.01	27,074.83

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

	Unit : Million Baht	
	Dec 31, 12	Dec 31, 11
Balance at the beginning of the year	9,225.00	8,899.25
Additional investments	70.00	325.75
Balance at the end of the year	9,295.00	9,225.00

6.10 Property, Plant and Equipment

Unit : Million Baht

	Consolidated financial statement												Total
	Land	Structures	Reservoirs and dams	Power plants	Equipment for power plants	Control system	Transmission system	Communication system	Coal handling system	Machinery	Large-sized spare parts for mine equipment	Other materials and supplies	
Cost as at Jan 1, 12 (before adjustment)	7,934.24	26,730.48	28,784.75	333,944.43	25,115.12	842.15	140,322.89	6,561.90	5,902.68	6,146.94	42.85	2,735.15	593,010.55
Fair value adjustment	85.60	(175.95)	-	(813.18)	-	-	-	-	-	-	-	(0.02)	(903.55)
Cost as at Jan 1, 12 - adjusted	8,019.84	26,554.53	28,784.75	333,131.25	25,115.12	842.15	140,322.89	6,561.90	5,902.68	6,146.94	42.85	2,735.15	592,107.00
Increase during the period	301.27	4.95	-	474.22	3,195.40	-	72.93	-	-	87.29	-	266.86	4,962.72
Currency translation differences	(3.80)	(1.58)	-	(327.50)	-	-	-	-	-	-	-	(0.02)	(332.90)
Transferred from work under construction	3.95	1,200.29	71.04	4,940.44	2,367.68	2.68	4,535.94	313.98	290.83	1.58	-	287.63	16,546.22
Reclassification	-	264.30	-	(101.44)	61.37	(0.10)	(111.58)	2.51	(262.27)	8.15	-	275.65	132.34
Disposal/write-off	-	(131.00)	-	(2,692.67)	(341.20)	(39.97)	(160.50)	(208.69)	-	(193.70)	-	(449.27)	(5,173.85)
Cost as at Dec 31, 12	8,321.26	27,891.49	28,855.79	335,424.30	30,398.37	804.76	144,659.68	6,669.70	5,931.24	6,050.26	42.85	2,925.75	608,241.53
Accumulated depreciation / Amortization as at Jan 1, 12 (before adjustment)	-	(16,313.83)	(9,215.74)	(190,269.17)	(12,350.58)	(719.66)	(67,414.56)	(5,477.27)	(4,264.73)	(4,825.56)	(42.85)	(2,334.40)	(319,303.60)
Fair value adjustment	-	7.30	-	183.03	-	-	-	-	-	-	-	0.01	190.34
Accumulated depreciation / Amortization as at Jan 1, 12 - adjusted	-	(16,306.53)	(9,215.74)	(190,086.14)	(12,350.58)	(719.66)	(67,414.56)	(5,477.27)	(4,264.73)	(4,825.56)	(42.85)	(2,334.40)	(319,113.26)
Increase during the period	-	(1,000.51)	(446.87)	(12,686.11)	(2,819.42)	(17.83)	(4,786.15)	(289.08)	(157.78)	(226.76)	-	(146.37)	(24,810.16)
Currency translation differences	-	0.52	-	129.26	-	-	-	-	-	-	-	0.01	129.79
Reclassification	-	(8.63)	-	98.28	(61.37)	0.10	103.98	(1.20)	8.35	(2.82)	-	(136.08)	1.03
Disposal/write-off	-	112.39	-	2,466.88	336.31	33.60	146.00	206.47	-	159.90	-	71.97	4,839.86
Accumulated depreciation / Amortization as at Dec 31, 12	-	(17,202.76)	(9,662.61)	(200,077.83)	(14,895.06)	(703.79)	(71,950.73)	(5,561.08)	(4,414.16)	(4,895.24)	(42.85)	(2,408.38)	(338,952.74)
Accumulated impairment	-	-	-	-	-	-	-	-	-	-	-	-	-
As at Jan 1, 12	-	(52.91)	-	(15.33)	-	-	-	-	-	(96.68)	-	(5.56)	(170.48)
(Increase) Decrease during the period	-	3.33	-	(884.51)	-	-	-	-	-	43.06	-	4.72	(833.40)
As at Dec 31, 12	-	(49.58)	-	(899.84)	-	-	-	-	-	(53.62)	-	(0.84)	(1,003.88)
Net book value	-	-	-	-	-	-	-	-	-	-	-	-	-
As at Dec 31, 11	8,019.84	10,195.09	19,569.01	143,029.78	12,764.54	122.49	72,908.33	1,084.63	1,637.95	1,224.70	-	400.75	272,822.26
As at Dec 31, 12	8,321.26	10,639.15	19,193.18	134,446.63	15,503.31	100.97	72,708.95	1,108.62	1,517.08	1,101.40	-	517.37	268,284.91

Unit : Million Baht

Separate financial statement															
	Land	Structures	Reservoirs and dams	Power plants	Equipment for power plants	Control system	Transmission system	Communication system	Coal handling system	Machinery	Large-sized spare parts for mine equipment	Vehicles	Other materials and supplies	Deferred charges of major inspection fee	Total
Cost as at Jan 1, 12	6,628.60	25,660.11	28,784.75	249,407.32	25,096.99	842.15	140,322.89	6,561.90	5,902.68	6,041.21	42.85	2,691.28	8,768.04	3,751.78	510,502.55
	300.94	3.94	-	9.93	3,195.40	-	72.93	-	-	87.13	-	266.80	539.18	-	4,476.25
Transferred from work under construction	-	890.17	71.04	4,446.84	2,363.95	2.68	4,535.94	313.98	290.83	-	-	-	18.35	2,530.18	15,463.96
Reclassification	-	264.30	-	(101.44)	61.37	(0.10)	(111.58)	2.51	(262.27)	7.28	-	(4.25)	276.52	-	132.34
Disposal/write-off	-	(131.00)	-	(2,364.40)	(341.20)	(39.97)	(160.50)	(208.69)	-	(155.53)	-	(72.01)	(393.19)	(884.84)	(4,751.33)
Cost as at Dec 31, 12	6,929.54	26,687.52	28,855.79	251,398.25	30,376.51	804.76	144,659.68	6,669.70	5,931.24	5,980.09	42.85	2,881.82	9,208.90	5,397.12	525,823.77
Accumulated depreciation / Amortization	-	(15,972.75)	(9,215.74)	(155,237.87)	(12,350.13)	(719.66)	(67,414.56)	(5,477.27)	(4,264.73)	(4,819.94)	(42.85)	(2,311.63)	(6,548.33)	(1,314.97)	(285,690.43)
Depreciation/Amortization for the year	-	(962.24)	(446.87)	(9,144.28)	(2,818.75)	(17.83)	(4,786.15)	(289.08)	(157.78)	(217.13)	-	(140.06)	(656.95)	(1,737.07)	(21,374.19)
Reclassification	-	(8.61)	-	98.26	(61.37)	0.10	103.98	(1.20)	8.35	(2.82)	-	0.42	(136.08)	-	1.03
Disposal/write-off	-	112.39	-	2,164.51	336.31	33.60	146.00	206.47	-	155.53	-	71.97	387.93	884.84	4,499.55
Accumulated depreciation / Amortization	-	(16,831.21)	(9,662.61)	(162,119.38)	(14,893.94)	(703.79)	(71,950.73)	(5,561.08)	(4,414.16)	(4,884.36)	(42.85)	(2,379.30)	(6,953.43)	(2,167.20)	(302,564.04)
As at Dec 31, 12	-	-	-	(15.33)	-	-	-	-	-	-	-	-	-	-	(15.33)
Accumulated impairment	-	-	-	(15.33)	-	-	-	-	-	-	-	-	-	-	(15.33)
As at Jan 1, 12	-	-	-	(15.33)	-	-	-	-	-	-	-	-	-	-	(15.33)
As at Dec 31, 12	-	-	-	(15.33)	-	-	-	-	-	-	-	-	-	-	(15.33)
Net book value															
As at Dec 31, 11	6,628.60	9,687.36	19,569.01	94,154.12	12,746.86	122.49	72,908.33	1,084.63	1,637.95	1,221.27	-	379.65	2,219.71	2,436.81	224,796.79
As at Dec 31, 12	6,929.54	9,856.31	19,193.18	89,263.54	15,482.57	100.97	72,708.95	1,108.62	1,517.08	1,095.73	-	502.52	2,255.47	3,229.92	223,244.40

As at December 31, 2012 and 2011, 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 94,494.46 million and Baht 90,186.33 million respectively. The details are as follows:

	Unit : Million Baht	
	Separate financial statement	
	Dec 31, 12	Dec 31, 11
Structures	8,556.07	7,782.12
Reservoirs and dams	8.40	8.40
Power Plants	47,813.40	47,150.56
Equipment for power plants	7,462.35	6,741.22
Control system	456.14	468.64
Transmission system	13,308.55	11,715.61
Communication system	3,928.79	3,716.94
Coal handling system	2,774.24	2,764.10
Machinery	4,014.99	3,884.87
Large-sized spare parts for mine equipment	42.85	42.85
Vehicles	1,867.06	1,846.64
Other materials and supplies	4,261.62	4,064.38
Total	94,494.46	90,186.33

As at March 25, 2011, EGAT was approved by the Board of EGAT to send two gas turbines from Nong Jok power plant-unit 2 and 3, and equipments of Lankrabue power plant-unit 11, whose cost value was Baht 1,924.34 million and Baht 261.85 million respectively, to help Japan from power losses in summer 2011 resulting in earthquake and the resultant tsunami which happened on March 11, 2011 and the Cabinet has agreed.

As at December 31, 2012, Power Plants and equipment for power plants were with fully accumulated depreciation. Net book value was Baht 47.00 and Baht 2.00 respectively.

Besides, on October 24, 2012, the Board of EGAT approved gas turbines donation from Nong Jok power plant-unit 1 and Lankrabue power plant-unit 11 that has capacity of 122 megawatts each and equipments which are necessary to use to the Ministry of Energy. The Ministry of Energy has already received them on November 7, 2012 to donate on behalf of Thailand to the Republic of the Union of Myanmar. EGAT has already written-off those power plants.

6.11 Work under Construction

	Consolidated financial statement													Unit : Million Baht	
	Structures	Reservoirs and dams	Power plants	Equipment for power plants	Control system	Transmission system and exploration	Communication system	Coal handling system	Machinery	Other materials and supplies	Major inspection fee	Computer software rights	Materials for work under construction of transmission system	Materials in transportation	Total
Bring forward as at Jan 1, 12	890.62	392.06	5,132.69	-	89.25	18,728.51	595.90	385.60	-	10.71	320.92	11.71	3,103.79	3,483.60	33,145.36
Increase during the period	1,613.33	178.00	12,531.51	3.74	34.78	7,943.10	237.00	305.89	102.21	148.85	2,514.35	7.87	1,651.57	20,399.00	47,671.20
	2,503.95	570.06	17,664.20	3.74	124.03	26,671.61	832.90	691.49	102.21	159.56	2,835.27	19.58	4,755.36	23,882.60	80,816.56
Transferred to property, plant, equipment and others	(1,233.73)	(71.04)	(5,013.09)	(3.74)	(1.87)	(4,524.71)	(313.98)	(386.32)	(0.73)	(149.81)	(2,530.18)	(19.58)	(10.48)	(2,306.54)	(16,565.80)
Transferred to work under construction of transmission system	-	-	-	-	-	-	-	-	-	-	-	-	(2,544.79)	(6,796.65)	(9,341.44)
Transferred to materials for work under construction of transmission system	-	-	-	-	-	-	-	-	-	-	-	-	-	(894.43)	(894.43)
Carry forward as at Dec 31, 12	1,270.22	499.02	12,651.11	-	122.16	22,146.90	518.92	305.17	101.48	9.75	305.09	-	2,200.09	13,884.98	54,014.89

Unit : Million Baht

	Separate financial statement												
	Structures	Reservoirs and dams	Power plants	Control system	Transmission system and exploration	Communication system	Coal handling system	Other materials and supplies	Major inspection fee	Computer software rights	Materials for work under construction of transmission system	Materials in transportation	Total
Bring forward as at Jan 1, 12	801.59	392.06	4,761.59	89.25	18,728.51	595.90	385.60	10.71	320.92	11.71	3,103.79	3,483.60	32,685.23
Increase during the period	1,262.82	178.00	12,401.26	34.78	7,943.10	237.00	305.89	3.70	2,514.35	7.87	1,651.57	20,399.00	46,939.34
	2,064.41	570.06	17,162.85	124.03	26,671.61	832.90	691.49	14.41	2,835.27	19.58	4,755.36	23,882.60	79,624.57
Transferred to property, plant, equipment and others	(795.95)	(71.04)	(4,511.84)	(1.87)	(4,524.71)	(313.98)	(386.32)	(11.05)	(2,530.18)	(19.58)	(10.48)	(2,306.54)	(15,483.54)
Transferred to work under construction of transmission system	-	-	-	-	-	-	-	-	-	-	(2,544.79)	(6,796.65)	(9,341.44)
Transferred to materials for work under construction of transmission system	-	-	-	-	-	-	-	-	-	-	-	(894.43)	(894.43)
Carry forward as at Dec 31, 12	1,268.46	499.02	12,651.01	122.16	22,146.90	518.92	305.17	3.36	305.09	-	2,200.09	13,884.98	53,905.16

EGAT had work under construction project as follows:

Unit : Million Baht

Project	Consolidated financial statement		Separate financial statement	
	Dec 31, 12	Dec 31, 11	Dec 31, 12	Dec 31, 11
Expand Transmission System Project	23,920.58	21,797.76	23,920.58	21,797.76
Chana Combined Cycle Power Plant Project - Block 1	-	40.37	-	40.37
Chana Combined Cycle Power Plant Project - Block 2	11,390.07	26.20	11,390.07	26.20
North Bangkok Combined Cycle Power Plant Project - Block 1	0.08	38.75	0.08	38.75
Wang Noi Combined Cycle Power Plant Project - Block 4	10,967.68	20.39	10,967.68	20.39
Others	7,736.48	11,221.89	7,626.75	10,761.76
Total	54,014.89	33,145.36	53,905.16	32,685.23

As at December 31, 2012, Chana Combined Cycle Power Plant Project (Songkhla) – Block 2 and Wang Noi Combined Cycle Power Plant Project – Block 4 have 75.28 and 77.52 percentages of completion respectively.

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

6.12 Goodwill

Unit : Million Baht

	Consolidated financial statement	
	Dec 31, 12	Dec 31, 11
Cost at the beginning of the year	1,913.62	117.09
Increase during the period	-	302.52
Goodwill amortization from disposal of long-term investment	(660.15)	-
Goodwill of subsidiaries transferred from business acquisition	-	2,102.82
Goodwill amortization from power purchase agreement cancellation	(546.45)	-
Goodwill from business acquisition of subsidiaries	-	1,202.96
Differences from exchange rate adjustment	45.89	7.74
Net book value at the end of the year (before adjustment)	752.91	3,733.13
Fair value adjustment	-	554.05
Reclassification	-	(2,373.56)
Net book value at the end of the year - adjusted	752.91	1,913.62

6.13 Other Intangible Assets

	Consolidated financial statement						Unit : Million Baht
	Land rights	Computer software rights and software license	Royalty on state property service	Gas piped system rights	Transmission system connection rights	Project development rights	Total
Cost as at Jan 1, 12 (before adjustment)	23,557.91	1,740.56	474.77	6.25	30.96	2,395.00	28,205.45
Fair value adjustment	-	7.60	-	-	-	2,982.41	2,990.01
Differences from exchange rate	-	(0.20)	-	-	-	135.41	135.21
Reclassification	-	-	-	-	-	2,373.56	2,373.56
Cost as at Jan 1, 12 - adjusted	23,557.91	1,747.96	474.77	6.25	30.96	7,886.38	33,704.23
Increase during the period	1,188.43	54.44	-	-	-	-	1,242.87
Transferred from work under construction	-	19.58	-	-	-	-	19.58
Exchange rate differences from currency translation	-	(1.94)	-	-	-	(88.13)	(90.07)
Reclassification	-	(169.89)	-	-	(1.27)	-	(171.16)
Disposal/write-off	-	(0.11)	-	-	-	(530.28)	(530.39)
Cost as at Dec 31, 12	24,746.34	1,650.04	474.77	6.25	29.69	7,267.97	34,175.06
Accumulated amortization as at Jan 1, 12 (before adjustment)	(3,837.19)	(553.26)	(241.88)	(1.72)	(6.22)	(66.84)	(4,707.11)
Fair value adjustment	-	(7.43)	-	-	-	(1,202.72)	(1,210.15)
Differences from exchange rate	-	0.03	-	-	-	(57.20)	(57.17)
Accumulated amortization as at Jan 1, 12 - adjusted	(3,837.19)	(560.66)	(241.88)	(1.72)	(6.22)	(1,326.76)	(5,974.43)
Amortization for the year	(0.90)	(221.02)	(6.33)	(0.31)	(3.56)	(327.92)	(560.04)
Exchange rate differences from currency translation	-	1.81	-	-	-	21.57	23.38
Reclassification	-	36.02	-	-	-	-	36.02
Disposal/write-off	-	0.09	-	-	-	-	0.09
Accumulated amortization as at Dec 31, 12	(3,838.09)	(743.76)	(248.21)	(2.03)	(9.78)	(1,633.11)	(6,474.98)
Net book value							
As at Dec 31, 11	19,720.72	1,187.30	232.89	4.53	24.74	6,559.62	27,729.80
As at Dec 31, 12	20,908.25	906.28	226.56	4.22	19.91	5,634.86	27,700.08

Unit : Million Baht

	Separate financial statement			
	Land rights	Computer software rights and software license	Royalty on state property service	Total
Cost as at Jan 1, 12	23,557.91	1,716.00	474.77	25,748.68
Increase during the period	1,188.43	46.88	-	1,235.31
Transferred from work under construction	-	19.58	-	19.58
Reclassification	-	(169.89)	-	(169.89)
Disposal/ write-off	-	(0.11)	-	(0.11)
Cost as at Dec 31, 12	24,746.34	1,612.46	474.77	26,833.57
Accumulated amortization as at Jan 1, 12	(3,837.19)	(540.74)	(241.88)	(4,619.81)
Amortization for the year	(0.90)	(215.41)	(6.33)	(222.64)
Reclassification	-	36.02	-	36.02
Disposal/ write-off	-	0.09	-	0.09
Accumulated amortization as at Dec 31, 12	(3,838.09)	(720.04)	(248.21)	(4,806.34)
Net book value				
As at Dec 31, 11	19,720.72	1,175.26	232.89	21,128.87
As at Dec 31, 12	20,908.25	892.42	226.56	22,027.23

6.14 Land Awaiting Development

Unit : Million Baht

	Consolidated financial statement		Separate financial statement	
	Dec 31, 12	Dec 31, 11	Dec 31, 12	Dec 31, 11
Balance at the beginning of the year	2,544.90	2,541.45	2,239.51	2,236.23
Add : Increase during the period	-	0.17	-	-
Reclassification	-	3.28	-	3.28
	2,544.90	2,544.90	2,239.51	2,239.51
Less: Accumulated impairment	(423.43)	(423.43)	(423.43)	(423.43)
Balance at the end of the year	2,121.47	2,121.47	1,816.08	1,816.08

As at December 31, 2012, EGAT has had the land awaiting development of Baht 1,816.08 million appropriated for construction of new power plants to support the additional demand of electric energy. Due to the change in power development planning, the construction of new power plants has been postponed. Details of the land awaiting development are as follows:

- Land at Ao-Phai, Chonburi Province of 122 Rai is valued at Baht 9.05 million.

- Land at Tap Sakae, Prachuap Khiri Khan Province of 4,029 Rai is valued at Baht 2,223.43 million with accumulated impairment in the amount of Baht 423.43 million. As a result, the net book value of land was Baht 1,800 million.

- Land surrounding Carrier Gas Station on Phet Kasem Road at Ratchaburi Province of 37 Rai is valued at Baht 3.75 million.

- Land surrounding Bannasan substation at Nampu, Bannasan, Suratthani Province is valued at Baht 3.28 million.

Land for operation which recorded under property, plant and equipment was reclassified because the land is small-sized and not enough area for 500/230 KV substation construction. Therefore, there is no plan for develop or apply for anything.

6.15 Income Taxes and Deferred Taxes

6.15.1 Deferred tax assets and deferred tax liabilities

		Unit : Million Baht	
		Consolidated financial statement	
		Dec 31, 12	Dec 31, 11
Deferred tax assets		129.88	189.63
Deferred tax liabilities		(2,185.54)	(2,946.02)
Total		(2,055.66)	(2,756.39)

6.15.2 Income tax expenses recognized in the statements of income

		Unit : Million Baht	
		Consolidated financial statement	
		Dec 31, 12	Dec 31, 11
Income tax			
Current income tax		1,783.61	1,898.00
Income tax of previous year which is under (over) recorded		(95.54)	16.15
Total		1,688.07	1,914.15
Deferred tax			
Change in temporary differences		(800.83)	(148.74)
Decrease in tax rate		-	87.75
Total		(800.83)	(60.99)
Grand total		887.24	1,853.16

6.15.3 Movements in deferred tax assets and deferred tax liabilities

Unit : Million Baht

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

Unit : Million Baht

	Consolidated financial statement							
	As at Jan 1, 11	Change in income	Business	Fair value	(Charged)/credited to:		Exchange	As at Dec 31, 11
		tax as a result of	acquisition	adjustment	Profit or	Other	differences	
		the adoption of			loss	comprehensive		
		employee benefit				income		
Deferred tax assets								
Allowance for spare parts and supplies	133.73	-	-	-	(32.73)	-	-	101.00
Provision for employee benefits	1.67	19.71	-	-	(4.75)	-	-	16.63
Available-for-sale security	-	-	-	-	-	6.13	-	6.13
Losses carry forward	-	-	-	-	65.90	-	-	65.90
Finance leases liabilities	0.02	-	-	-	(0.05)	-	-	(0.03)
	135.42	19.71	-	-	28.37	6.13	-	189.63
Deferred tax liabilities								
Depreciation and amortization	-	-	(2,108.06)	(1,068.57)	74.61	-	43.85	(3,058.17)
Deferred expenses	-	-	90.20	227.20	(77.36)	-	(5.34)	234.70
Others	-	-	(114.67)	(45.36)	35.36	-	2.12	(122.55)
	-	-	(2,132.53)	(886.73)	32.61	-	40.63	(2,946.02)

6.16 Other Non-Current Assets

Unit : Million Baht

	Consolidated financial statement				
	Overburden removal costs	Minerals resource exploration and preliminary development costs	Resettlement costs	Mineral Patent costs	Total
- Deferred Charges of the Lignite Mine					
Deferred charges as at Jan 1, 12	83,416.84	645.67	1,988.44	281.14	86,332.09
Increase during the period	5,331.13	-	-	-	5,331.13
Deferred charges as at Dec 31, 12	88,747.97	645.67	1,988.44	281.14	91,663.22
Amortization as at Jan 1, 12	(83,416.84)	(292.91)	(1,576.62)	(35.24)	(85,321.61)
Increase during the period	(5,331.13)	(10.82)	(55.11)	(11.24)	(5,408.30)
Amortization as at Dec 31, 12	(88,747.97)	(303.73)	(1,631.73)	(46.48)	(90,729.91)
Net book value					
As at Dec 31, 11	-	352.76	411.82	245.90	1,010.48
As at Dec 31, 12	-	341.94	356.71	234.66	933.31
- Others					
As at Dec 31, 11					2,539.58
Reclassification					1.46
As at Dec 31, 11 - reclassified					2,541.04
As at Dec 31, 12					5,817.57
- Total other non-current assets					
As at Dec 31, 11 - reclassified					3,551.52
As at Dec 31, 12					6,750.88

Unit : Million Baht

	Separate financial statement				
	Overburden removal costs	Minerals resource exploration and preliminary development costs	Resettlement costs	Mineral Patent costs	Total
- Deferred Charges of the Lignite Mine					
Deferred charges as at Jan 1, 12	83,416.84	645.67	1,988.44	281.14	86,332.09
Increase during the period	5,331.13	-	-	-	5,331.13
Deferred charges as at Dec 31, 12	88,747.97	645.67	1,988.44	281.14	91,663.22
Amortization as at Jan 1, 12	(83,416.84)	(292.91)	(1,576.62)	(35.24)	(85,321.61)
Increase during the period	(5,331.13)	(10.82)	(55.11)	(11.24)	(5,408.30)
Amortization as at Dec 31, 12	(88,747.97)	(303.73)	(1,631.73)	(46.48)	(90,729.91)
Net book value					
As at Dec 31, 11	-	352.76	411.82	245.90	1,010.48
As at Dec 31, 12	-	341.94	356.71	234.66	933.31
- Others					
As at Dec 31, 11					819.74
As at Dec 31, 12					631.36
- Total other non-current assets					
As at Dec 31, 11					1,830.22
As at Dec 31, 12					1,564.67

6.17 Trade Accounts Payable - Others

Unit : Million Baht

	Consolidated financial statement		Separate financial statement	
	Dec 31, 12	Dec 31, 11	Dec 31, 12	Dec 31, 11
Neighbouring countries' supply	1,093.55	1,931.90	1,093.55	1,931.90
Independent Power Producer : IPP	9,388.26	5,610.48	9,388.26	5,610.48
Small Power Producer : SPP	8,374.13	6,804.78	8,374.13	6,804.78
Trade payable - fuel for electricity generating	11,540.11	8,105.89	11,540.11	8,105.89
Trade payable - fuel for providing	2,096.59	2,111.42	2,096.59	2,111.42
Others	9,514.13	6,979.50	2,490.80	2,392.15
Total	42,006.77	31,543.97	34,983.44	26,956.62

6.18 Accrued Remittance to the Ministry of Finance

In the year 2012, the Ministry of Finance prescribes that EGAT has to calculate the accrued remittance to the Ministry of Finance in 45% of net income before provision of bonus expense. However, the amount of remittance may vary depending on the revision from the Ministry of Finance. As at January 1, 2012, EGAT has accrued remittance to the Ministry of Finance in the amount of Baht 7,043.68 million. EGAT increased in provision for remittance to the Ministry of Finance in the amount of Baht 0.32 million and on April 11, 2012, EGAT remit to the Ministry of Finance in the amount of Baht 7,044.00 million.

As at December 31, 2012, EGAT recorded the provision for the remittance to the Ministry of Finance for the year 2012 in the amount of Baht 17,330.99 million. However, in September and October 2011, EGAT remitted for the six months ended June 30, 2012 in the amount of Baht 9,253.00 million, therefore, EGAT has accrued remittance to the Ministry of Finance in the amount of Baht 8,077.99 million as at December 31, 2012.

6.19 Long-Term loans are as follows :

Unit : Million Baht

	Consolidated financial statement		Separate financial statement	
	Dec 31, 12	Dec 31, 11	Dec 31, 12	Dec 31, 11
Long - term loans at the beginning of the year	102,468.27	103,548.63	66,495.49	86,095.13
Increase during the period	11,147.35	20,266.44	11,000.00	-
Increase from business acquisition	-	15,054.65	-	-
Repayments	(20,976.02)	(37,280.68)	(14,640.57)	(19,745.40)
(Gain) Loss on repayments	(26.70)	6.06	(26.70)	6.06
Gain from derivatives	(62.89)	-	(62.89)	-
(Gain) Loss on exchange rate adjustment /				
Currency Translation	(1,143.95)	210.37	(42.81)	139.70
Long - term loans at the end of the year				
(before adjustment)	91,406.06	101,805.47	62,722.52	66,495.49
Adjustment of fair value of loan from				
business acquisition	-	662.80	-	-
Long - term loans at the end of the year				
- adjusted	91,406.06	102,468.27	62,722.52	66,495.49
Less Current portion of long - term loans	(9,333.67)	(18,735.57)	(4,980.01)	(14,730.16)
Balance	82,072.39	83,732.70	57,742.51	51,765.33

Long - Term loans are as follows :

Consolidated financial statement				
Dec 31, 12			Dec 31, 11	
Foreign	Million		Foreign	Million
currencies	Baht		currencies	Baht
Unit : million			Unit : million	
Local sources secured by the Ministry of Finance:				
EGAT bonds				
Fixed rate due within 2013 - 2020	-	9,000.00	-	12,000.00
		9,000.00		12,000.00
Local sources unsecured by the Ministry of Finance:				
Ministry of Finance loans				
Fixed rate due within 2013 - 2027	-	88.34	-	93.04
EGAT bonds				
Fixed rate due within 2013 - 2024	-	51,781.90	-	49,385.90
Debenture				
Fixed rate due within 2013 - 2015	-	9,618.20	-	13,236.17
Other financial institutions				
Fixed rate due in 2012	-	-	-	2,000.00
Floating rate due within 2013 - 2020	-	941.19	-	852.25
Fixed rate due in 2016	-	1,200.00	-	1,200.00
		63,629.63		66,767.36
Foreign sources secured by the Ministry of Finance:				
Loans				
Japanese Yen:				
Fixed rate due in 2013	419.51	150.17	2,196.74	905.95
Euro:				
Fixed rate due within 2013 - 2014	0.17	7.09	0.26	10.76
Fixed rate due within 2013 - 2037	41.48	1,695.02	50.79	2,099.84
Foreign sources unsecured by the Ministry of Finance:				
		1,852.28		3,016.55
Loans				
AUD Dollars:				
Floating rate due within 2013 - 2015	367.61	11,632.58	461.40	14,542.29
Debenture				
Japanese Yen:				
Fixed rate due in 2026	15,000.00	5,291.57	15,000.00	6,142.07
		16,924.15		20,684.36
Total		91,406.06		102,468.27
Less: Current portion of long-term loans		(9,333.67)		(18,735.57)
Balance		82,072.39		83,732.70

Separate financial statement				
Dec 31, 12		Dec 31, 11		
Foreign	Million	Foreign	Million	
currencies	Baht	currencies	Baht	
Unit : million		Unit : million		
Local sources secured by the Ministry of Finance:				
EGAT bonds				
Fixed rate due within 2013 - 2020	-	9,000.00	-	12,000.00
		9,000.00		12,000.00
Local sources unsecured by the Ministry of Finance:				
Ministry of Finance loans				
Fixed rate due within 2013 - 2027	-	88.34	-	93.04
EGAT bonds				
Fixed rate due within 2013 - 2024	-	51,781.90	-	49,385.90
Other financial institutions				
Fixed rate due in 2012	-	-	-	2,000.00
		51,870.24		51,478.94
Foreign sources secured by the Ministry of Finance:				
Loans				
Japanese Yen:				
Fixed rate due in 2013	419.51	150.17	2,196.74	905.95
Euro:				
Fixed rate due within 2013 - 2014	0.17	7.09	0.26	10.76
Fixed rate due within 2013 - 2037	41.48	1,695.02	50.79	2,099.84
		1,852.28		3,016.55
Total		62,722.52		66,495.49
Less: Current portion of long-term loans		(4,980.01)		(14,730.16)
Balance		57,742.51		51,765.33

As at December 31, 2012, long - term loans can be classified by interest rate as follows:

	Unit : Million Baht			
	Consolidated financial statement		Separate financial statement	
	Dec 31, 12	Dec 31, 11	Dec 31, 12	Dec 31, 11
Floating rate	12,573.77	15,394.54	-	-
Fixed rate	78,832.29	87,073.73	62,722.52	66,495.49
Total	91,406.06	102,468.27	62,722.52	66,495.49

Interest rate of long-term loans as at December 31, 2012 are as follows:

	Consolidated financial statement	Separate financial statement
EGAT bonds - local sources	3.250% to 8.554%	3.250% to 8.554%
Loans - local sources	3.000% to 4.000%	3.000% to 3.000%
Loans - foreign sources	0.000% to 8.000%	0.000% to 8.000%
Debenture	2.720% to 3.940%	

6.20 Employee Benefit Obligations

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

Movement in the present value of the defined benefit obligations:

	Unit : Million Baht			
	Consolidated financial statement		Separate financial statement	
	Dec 31, 12	Dec 31, 11	Dec 31, 12	Dec 31, 11
Beginning balance	12,155.17	-	12,074.49	-
Restatement	-	11,818.68	-	11,818.35
Beginning Retained Earnings-restated	-	65.71	-	-
Beginning balance (restated)	12,155.17	11,884.39	12,074.49	11,818.35
Current service costs	529.94	522.89	517.12	507.37
Interest on obligations	495.02	474.94	492.12	472.36
Actuarial losses	1,439.35	-	1,439.35	-
Actual payment	(1,056.95)	(727.05)	(1,047.44)	(723.59)
Currency translation differences	(0.07)	-	-	-
Ending balance	13,562.46	12,155.17	13,475.64	12,074.49

Since January 1, 2011, EGAT, subsidiaries and jointly controlled entities have recognized employee retirement benefits expense as liabilities. The amount of employee retirement benefits is recorded by using the evaluation result from an actuary (actuarial valuation) calculated based on assumptions of employee salary, turnover rates, age to retirement, mortality rates, service years and other factors. EGAT and jointly controlled entities have adopted and applied the new standard retrospectively. But one of subsidiaries has adjusted retained earnings at January 1, 2011 and the other recorded employee retirement benefits obligation as expense in the year 2011.

Expenses recognized in the statements of income and as part of cost of assets / liabilities are shown in the statements of financial position for the year ended December 31, 2012 are as follows:

	Unit : Million Baht			
	Consolidated financial statement		Separate financial statement	
	Jan 1-Dec 31, 12	Jan 1-Dec 31, 11	Jan 1-Dec 31, 12	Jan 1-Dec 31, 11
Expenses realized in statements of income				
Cost of sales	564.07	559.55	564.07	559.55
Selling expenses	5.85	4.91	5.85	4.91
Administrative expenses	343.69	338.28	327.97	320.18
Total	913.61	902.74	897.89	884.64
Cost of assets / liabilities realized in statements of financial position				
Materials and supplies	44.19	31.15	44.19	31.15
Work under construction	67.32	62.65	67.32	62.65
Provision liabilities for mine reclamation	1.39	1.29	1.39	1.29
Total	112.90	95.09	112.90	95.09
Grand Total	1,026.51	997.83	1,010.79	979.73

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

Principle actuarial assumptions of EGAT

	Jan 1 - Dec 31, 12	Jan 1 - Dec 31, 11
	Annual	Annual
	percentage (%)	percentage (%)
Discount rate	3.9	4.1
Inflation rate		
Consumer price index	3.5	3.5
Post-employment medical care	10	10
Resignation rate	0.0 - 0.8	0.0 - 1.0
Salary escalation rate	6 - 11	6 - 11
Mortality rate, by table	TMO08 (Thai mortality table A.D.2008)	TMO97 (Thai mortality table A.D.1997)

6.21 Provision Liabilities for Mine Reclamation

	Unit : Million Baht			
	Consolidated financial statement		Separate financial statement	
	Dec 31, 12	Dec 31, 11	Dec 31, 12	Dec 31, 11
Balance at the beginning of the year	1,982.70	1,923.31	1,982.70	1,923.31
Add : Increase during the period	130.65	112.31	130.65	112.31
	2,113.35	2,035.62	2,113.35	2,035.62
Less : Mine reclamation expenses	(62.23)	(49.08)	(62.23)	(49.08)
Depreciation	(3.72)	(3.84)	(3.72)	(3.84)
Balance at the end of the year	2,047.40	1,982.70	2,047.40	1,982.70

6.22 Other Non-Current Liabilities

	Unit : Million Baht			
	Consolidated financial statement		Separate financial statement	
	Dec 31, 12	Dec 31, 11	Dec 31, 12	Dec 31, 11
Deferred Income				
Balance at the beginning of the year	5,156.23	5,567.89	5,156.23	5,567.89
Add : Contribution received	1,492.41	599.44	1,492.41	599.44
	6,648.64	6,167.33	6,648.64	6,167.33
Less : Recognized to other revenue	(526.71)	(363.83)	(526.71)	(363.83)
Assets refund to contributor	-	(49.20)	-	(49.20)
Refund to contributor	-	(596.73)	-	(596.73)
Decrease in depreciation	(1.34)	(1.34)	(1.34)	(1.34)
Balance at the end of the year	6,120.59	5,156.23	6,120.59	5,156.23
Retention	6,623.86	2,449.08	6,623.86	2,449.08
Cash received from breaking agreement in case of conflict	841.16	840.72	841.16	840.72
Others	1,580.26	1,615.56	918.14	1,233.32
Total	15,165.87	10,061.59	14,503.75	9,679.35

6.23 Equity

- Contribution from The Government

	Unit : Million Baht			
	Consolidated financial statement		Separate financial statement	
	Dec 31, 12	Dec 31, 11	Dec 31, 12	Dec 31, 11
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 depreciator	(1,745.74)	(1,683.41)	(1,745.74)	(1,683.41)
Depreciation for the period	(62.34)	(62.34)	(62.34)	(62.34)
	2,556.67	2,619.00	2,556.67	2,619.00
Balance	9,064.31	9,126.64	9,064.31	9,126.64

6.24 Revenue from Sales of Other Goods and Services

Unit : Million Baht

	Consolidated financial statement		Separate financial statement	
	Jan 1-Dec 31, 12	Jan 1-Dec 31, 11	Jan 1-Dec 31, 12	Jan 1-Dec 31, 11
Revenue from telecommunication services	416.62	380.50	416.62	380.50
Revenue from fuel providing	24,266.13	16,662.24	27,360.26	19,284.48
Revenue from running the machinery and maintenance services	879.20	946.77	2,077.34	2,420.03
Others	1,186.24	1,078.28	521.98	615.28
Total	26,748.19	19,067.79	30,376.20	22,700.29

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

6.25 Cost of Electric Energy Sales

Unit : Million Baht

	Consolidated financial statement		Separate financial statement	
	Jan 1-Dec 31, 12	Jan 1-Dec 31, 11	Jan 1-Dec 31, 12	Jan 1-Dec 31, 11
Electric energy purchased	209,206.82	174,182.03	261,334.91	215,445.98
Fuel	176,240.28	133,014.68	136,189.64	103,605.31
Generating expenses	34,962.81	32,051.04	27,615.13	25,678.41
Transmission expenses	9,781.51	9,377.66	9,781.51	9,377.66
Total	430,191.42	348,625.41	434,921.19	354,107.36

6.26 Cost of Sales of Other Goods and Services

Unit : Million Baht

	Consolidated financial statement		Separate financial statement	
	Jan 1-Dec 31, 12	Jan 1-Dec 31, 11	Jan 1-Dec 31, 12	Jan 1-Dec 31, 11
Cost of telecommunication services	28.10	84.36	28.10	84.36
Cost of fuel providing	24,266.13	16,662.24	27,360.26	19,284.48
Cost of running the machinery and maintenance services	703.34	830.46	1,553.76	1,931.15
Others	314.11	256.38	293.43	307.69
Total	25,311.68	17,833.44	29,235.55	21,607.68

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

6.27 Other Revenues

	Unit : Million Baht			
	Consolidated financial statement		Separate financial statement	
	Jan 1-Dec 31, 12	Jan 1-Dec 31, 11	Jan 1-Dec 31, 12	Jan 1-Dec 31, 11
Interest income	1,992.50	1,977.96	1,380.57	1,393.42
Dividend income	188.31	60.06	2,203.88	2,170.44
Profit on disposal of assets	-	1.84	13.37	2.56
Gain on foreign exchange	634.43	-	-	-
Gain on changes in the fair value of derivatives	150.90	296.39	150.90	296.39
Gain on disposal of long-term investment	783.68	-	-	-
Gain from power purchase agreement cancellation	1,069.44	-	-	-
Contribution income	287.82	236.00	287.82	236.00
Fine income	124.24	92.77	124.24	92.77
Income on disposal of fly ash and scrap	340.89	314.02	340.89	314.02
Miscellaneous income	26.47	394.36	26.47	394.28
Others	515.88	506.48	138.18	393.43
Total	6,114.56	3,879.88	4,666.32	5,293.31

6.28 Other Expenses

	Unit : Million Baht			
	Consolidated financial statement		Separate financial statement	
	Jan 1-Dec 31, 12	Jan 1-Dec 31, 11	Jan 1-Dec 31, 12	Jan 1-Dec 31, 11
Loss on foreign exchange rate	-	652.18	163.94	613.67
Loss on disposal of assets	61.47	-	-	-
Others	34.75	157.45	34.75	2.31
Total	96.22	809.63	198.69	615.98

6.29 Share of Profit from Investments in Associates

In the year 2012, EGAT recognized a Baht 2,926.57 million share of profit from investments in its associates. They comprise a Baht 2,944.86 million share of profit from Electricity Generating Plc., a Baht 6.26 million share of loss of First Korat Wind Co.,Ltd. and a Baht 12.03 million share of loss from K.R.Two Co.,Ltd.

6.30 Finance Costs

Unit : Million Baht

	Consolidated financial statement			
	Interest expenses	Expenses relating to the loans	Total Jan 1-Dec 31, 12	Jan 1-Dec 31, 11
Capitalized to work under construction	283.95	3.95	287.90	306.19
Finance costs in the statements of income	5,336.79	6.42	5,343.21	5,341.69
Total	5,620.74	10.37	5,631.11	5,647.88

Unit : Million Baht

	Separate financial statement			
	Interest expenses	Expenses relating to the loans	Total Jan 1-Dec 31, 12	Jan 1-Dec 31, 11
Capitalized to work under construction	281.85	3.87	285.72	302.80
Finance costs in the statements of income	2,893.01	6.36	2,899.37	3,460.46
Total	3,174.86	10.23	3,185.09	3,763.26

6.31 Performance of EGAT

The performance of EGAT in net income of 2012 was Baht 34,425.36 million. EGAT recorded the provision of expenses and liabilities of bonus for employees and directors in the amount of Baht 4,087.97 million for the 2012 financial statements.

In April and May 2012, the Ministry of Finance approved EGAT to allocate the 2011 net income for bonus payment to the employees and directors in the amount of Baht 3,537.39 million. So, EGAT recorded the difference of the provision of bonus in 2011 in the amount of Baht 3,612.91 million and bonus of 2011 which approved in the year 2012 in the amount of Baht 75.52 million, that brought about to reduce the expenses in the year 2012.

6.32 Expenses by Nature

Unit : Million Baht

	Consolidated financial statement		Separate financial statement	
	Jan 1-Dec 31, 12	Jan 1-Dec 31, 11	Jan 1-Dec 31, 12	Jan 1-Dec 31, 11
Electric energy purchased	209,206.82	174,182.03	261,334.91	215,445.98
Work performed by the entity and capitalized	(24,888.54)	(11,171.14)	(24,888.54)	(11,171.14)
Raw materials and consumables used	178,959.54	134,300.73	141,818.76	107,163.69
Management benefit expenses	391.89	341.77	145.47	135.82
Employee benefit expenses	29,464.90	27,453.74	29,001.72	27,127.78
Depreciation of property, plant and equipment	24,713.86	22,513.61	21,297.41	19,613.18
Amortization of intangible assets	559.80	538.37	222.39	251.98
Hire and maintenance expenses	7,342.37	5,154.00	5,290.77	3,793.32
Other expenses	47,726.34	30,094.86	46,170.25	28,595.27
Total	473,476.98	383,407.97	480,393.14	390,955.88

7. Power Development Fund

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

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

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

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

8. Contingent Asset

8.1 Switching Transmission Line in North Area of Suvarnabhumi International Airport

Contingent asset, which disclosed in the separate's financial statements as at December 31, 2011, 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 expenditure of the demolition and switching transmission line and the cost of renewable construction in north area of Suvarnabhumi International Airport according to the approval of the Cabinet, which has been formerly paid by EGAT. At present, EGAT has been completely conducted and it is in the process of collecting 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.

On July 30, 2010, EGAT received the letter of AOT which notified that on June 30, 2010, the board of director approved that EGAT had to responsible for demolishing expenses of transmission line in the north area of Suvarnabhumi International Airport solely because EGAT improved transmission line against Air Navigation Act, B.E.2497 and AOT will notify feedback to EGAT and Ministry of Transport for the next proceeding. EGAT has reviewed the billing of AOT that EGAT can collect entirely demolishing expenses of transmission line excluding interest. Therefore, in 2011, management of EGAT approved accrued interest on work under construction cancellation in the amount of Baht 5.89 million for companionship.

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

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

In case of EGAT accepts the supply excess, EGAT is able to apply the amount accumulated to set off. During the agreement period, if it has no supply shortfall, EGAT will pay for accrued electricity expense for supply excess with the excess electricity rate which is less than normal electricity rate (Baht 0.57 for Nam Theun 2 power plant project and Baht 1.145 for Nam Ngum 2 power plant project) at the end of the period. Period of Nam Theun 2 power plant ends at 13th anniversary from March 8, 2010 and period of Nam Ngum 2 power plant ends 10th anniversary from running the machinery. However, both of the projects have to include period of time extended because of unpredictable events.

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

9. Contingent Liabilities

As at December 31, 2012, contingent liabilities excluded from the separate's financial statements, are the calling for EGAT to pay additional compensation, which the details are as follows:

1. The Civil Court judged that EGAT was liable for the additional payment of 24 lawsuits amounting to Baht 20.32 million in case of calling for compensation of land rights and violation.

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

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

10. Commitments

10.1 Long - Term Power Purchase Agreements

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

As at December 31, 2012, EGAT has entered into 93 Power Purchase Agreements with total commitments amounting to approximately Baht 9,429,536 million and total production capacity of 26,790 megawatts. The details are as follows:

Power producers	Remaining life				Amount	Availability	Energy
	Company	Capacity	of contract				
			(megawatt)	(years)	(Million Baht)	(Million Baht)	(Million Baht)
Power Project Developers in Lao People's Democratic Republic							
Theun Hinboun Power Company Limited	1	434	27	2013-2039	121,602	-	121,602
Houay Ho Power Company Limited	1	126	17	2013-2029	16,169	-	16,169
Nam Theun Project 2	1	920	23	2013-2035	191,994	-	191,994
Nam Ngum Project 2	1	454	25	2013-2037	104,495	-	104,495
Hongsa Lignite Project	1	1,473	27	2015-2041	554,171	310,681	243,490
Xayaburi Project	1	871	29	2019-2047	418,898	-	418,898
Independent Power Producers (IPP)							
Electricity Generating Public Company Limited (EGCO)							
As formerly, Rayong Electricity Generating Company Limited(REGCO)							
	1	1,161	2	2013-2014	24,429	3,919	20,510
Khanom Electricity Generating Company Limited (KEGCO)	1	748	4	2013-2016	52,466	5,587	46,879
Tri Energy Company Limited (TECO)	1	700	8	2013-2020	83,648	6,150	77,498
Eastern Power Electric Company Limited (EPEC)	1	350	11	2013-2023	65,059	9,815	55,244
Global Power Synergy Company Limited (GPSC)							
As formerly, Independent Power (Thailand) Company Limited (IP	1	700	13	2013-2025	149,768	18,335	131,433
Ratchaburi Electricity Generating Company Limited (RGCO)	1	3,481	15	2013-2027	883,128	124,279	758,849
Glow IPP Company Limited (GIPP)	1	713	15	2013-2027	186,976	23,916	163,060
Gulf Power Generation Company Limited (GULF)	1	1,468	21	2013-2033	549,594	81,550	468,044
Ratchaburi Power Company Limited (RPCL)	1	1,400	21	2013-2033	551,387	67,047	484,340
BLCP Power Company Limited (BLCP)	1	1,347	20	2013-2032	261,892	91,649	170,243
Gheco One Company Limited (GHECO ONE)	1	660	25	2013-2037	363,371	113,454	249,917
Gulf JP UT Company Limited (GUT)							
As formerly, Siam Energy Company Limited (SEC)	1	1,600	25	2015-2039	752,874	112,762	640,112
Gulf JP NS Company Limited (GNS)							
As formerly, Power Generation Supply Company Limited (PGS)	1	1,600	26	2014-2039	752,221	101,339	650,882
Small Power Producers (SPP)	74	6,584	5-26 Years		3,345,394	619,519	2,725,875
Total	93	26,790			9,429,536	1,690,002	7,739,534

10.2 Fuel Purchase Agreements

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

10.2.1 There are 4 agreements of gas purchase agreement for power plant in the totaled amount of Baht 1,803,702 million, which the remaining life of contract is 2 years and 11.5 months to 19 years and 8 months. The rest of amount as contract is valued at Baht 588,138 million.

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

- The amount as contract of fuel oil purchase agreement since June 2009 to December 2013 is Baht 24,409 million. The rest of amount as contract is valued at Baht 9,252 million.

- The amount as contract of diesel fuel purchase agreement for generation since May 2003 to December 2013 is approximately Baht 5,867 million, which the completion term of contract is the informed date by EGAT to abolish the contract. The rest of amount as contract is valued at Baht 1,885 million.

- The amount as contract of gasoline purchase agreement for vehicle since May 2003 to December 2013 is approximately Baht 1,690 million, which the completion term of contract is the informed date by EGAT to abolish the contract. The rest of amount as contract is valued at Baht 187 million.

10.3 Hire - Purchase Agreements

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

10.3.1 There are 220 agreements of local hire - purchase agreements and their amount as contract is Baht 50,581.30 million with the remaining life of contract in 0.5 month to 9 years and 5.5 months. The rest of amount as contract is approximately Baht 33,629.35 million.

10.3.2 There are 179 agreements of foreign hire - purchase agreements and their amount as contract is Baht 62,651.10 million. Some contracts have the remaining life of contract in 1 month to 2 years and 3.5 months and some contracts are not indicated the contract period. The rest of amount as contract from the conversion of foreign currency under the average buying exchanged rate on December 28, 2012, which announced by the Bank of Thailand was approximately Baht 27,889.53 million.

10.4 Letter of Credit

On December 31, 2012, EGAT has unused letter of credit, which are not expired amounting to approximately Baht 7,638.88 million.

11. Disclosure of Financial Instruments

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

11.1 Cross Currency and Interest Rate Swap Agreements

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

EGAT has entered into several cross currency and interest rate swap agreements with a maturity of 4 - 10 years. The term and remaining foreign currency amount under the cross currency and interest rate swap agreements as at December 31, 2012 are as follows:

Terms of cross currency and interest rate swap agreements	Unit : Million Baht	
	Dec 31, 12	Dec 31, 11
Yen 6,712 million / Baht 2,456 million	153.54	460.63
Yen 12,196 million / Baht 4,463 million	-	343.38
	<u>153.54</u>	<u>804.01</u>

The maturity of agreements can be analyzed as follows :

	Unit : Million Baht	
	Dec 31, 12	Dec 31, 11
More than 5 years	153.54	804.01
	<u>153.54</u>	<u>804.01</u>

11.2 Interest Rate Swap Contracts

EGAT has entered into interest rate swap contracts with a maturity of 2 years. The terms of the contracts as at December 31, 2012 are as follows :

	Unit : Million Baht	
	Dec 31, 12	Dec 31, 11
Interest rate swap contracts from fixed rate to float rate in Thai currency	-	1,000.00
Interest rate swap contracts from float rate to fixed rate in Thai currency	-	1,000.00
	<u>-</u>	<u>2,000.00</u>

Maturity of contracts are detailed as follows :

	Unit : Million Baht	
	Dec 31, 12	Dec 31, 11
More than 1 year but not more than 5 years	-	2,000.00
	<u>-</u>	<u>2,000.00</u>

As at December 31, 2012, there is no interest rate swap agreement.

11.3 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 short-term contracts in one month 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, 2012, EGAT did not have any forward foreign exchange contracts.

11.4 Fair Value of Financial Instruments

As at December 31, 2012 , contract price and fair value of long-term loans and derivative are as follows:

	Unit : Million Baht			
	Dec 31, 12		Dec 31, 11	
	Contract price	Fair value	Contract price	Fair value
Long - term loans - local sources	60,870.24	64,210.01	63,478.94	67,348.06
Long - term loans - foreign sources	1,852.28	1,897.67	3,016.55	3,095.62
Cross currency and interest rate swap contracts	-	4.59	-	(37.72)
Interest rate swap contracts	-	-	-	0.40

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

12. Business Acquisition of the Subsidiary

On 5 July 2011, RH International (Singapore) Corporation Ltd., a subsidiary, invested AUD 130.25 million for the ordinary shares of the Transfield Services Infrastructure Fund (name changed to RATCH-Australia Corporation Limited) which is incorporated in Australia. Therefore, the subsidiary obtained the proportion of investment at 80%.

Management has to have fair value valuation of net assets within measurement period, which is not over one year since business acquisition date in accordance with the Thai Financial Reporting Standard No.3 - Business Combinations. This is because it will reflect the effects of additional data about the fact and circumstances on the acquisition date. That data has effect on measurement which was recognized on business

acquisition date. However, net assets measurement of RATCH-Australia Corporation Limited acquired on July 5, 2011 was completed in the second quarter of the year 2012.

The net assets and liabilities of Ratch-Australia Corporation Limited arising from the acquisition of RH International (Singapore) Corporation Ltd. on July 5, 2011 are as follows:

	Unit : Million Baht		
	Book Value	Fair Value Adjustment	Recognized Value
Cash and cash equivalents	386.61	-	386.61
Trade accounts receivable	1,278.30	-	1,278.30
Inventories	536.74	11.19	547.93
Other current assets	147.84	(95.96)	51.88
Long-term loans receivable	1,639.90	-	1,639.90
Investments in jointly-controlled entities	1,205.61	(259.39)	946.22
Other long-term investments	606.41	-	606.41
Property, plant and equipment	18,646.29	(915.65)	17,730.64
Intangible assets	3,855.47	2,106.80	5,962.27
Other non-current assets	290.09	(290.09)	-
Interest-bearing liabilities	(22,162.03)	(371.28)	(22,533.31)
Trade accounts payable	(400.26)	-	(400.26)
Deferred tax liabilities	(2,132.53)	(886.73)	(3,019.26)
Other non-current liabilities	(160.79)	-	(160.79)
Net identifiable assets and liabilities	3,737.65	(701.11)	3,036.54
Less non-controlling interests	(747.53)		(607.30)
Recognised value of net assets acquisition	2,990.12		2,429.24
Excess of business acquisition awaiting for fair value measurement	1,202.96	561.47	1,764.43
Consideration paid	4,193.08		4,193.67

Fair value measurement of net assets ended in the second quarter of the year 2012 therefore statements of financial position of subsidiaries as at December 31, 2011 was adjusted as follows:

Statements of financial position as at December 31, 2011**Assets and liabilities**

Investments in jointly-controlled entities	(255.97)
Property, plant and equipment	(713.21)
Goodwill	554.05
Intangible assets	1,857.90
Current portion of long-term loans from financial institutions	96.32
Long-term loans from financial institutions	566.48
Deferred tax liabilities	906.63

Equity

Other components of equities	0.77
Retained Earnings	8.71
Non-controlling interests	(136.14)

13. Subsequent Events

On January 3, 2013, EGAT has paid for registered shares of EGAT Diamond Service Company Limited (EDS) in the amount of Baht 52.40 Million or Baht 18.69 each. After the payment, EGAT has investment in such company in the amount of Baht 280.35 million (2.8 million registered and paid-up ordinary shares of Baht 100 each)

On February 4, 2013, EGAT has signed a hire - purchase agreement to construct North Bangkok combined cycle power plant block 2 whose an agreements value is Baht 15,000 million and will take approximately 36 months to construct the power plant.

On February 6, 2013, EGAT has signed a power purchase agreement with Xe-Pien Xe-Nam Noy Power Co.,Ltd. EGAT will purchase power from such company for 27 years.

14. Reclassification Transactions

EGAT reclassified some transactions in the consolidated financial statements for the year ended December 31, 2011 for conformity with the presentation of the consolidated financial statements for the year ended December 31, 2012.

15. Issuance Dated of Financial Statements

Governor of EGAT approved these financial statements for issuance on March 22, 2013.