

# Financial Statements

## ELECTRICITY GENERATING AUTHORITY OF THAILAND AND ITS SUBSIDIARIES

### STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2017

Unit : Baht

		<u>Notes</u>	<u>Consolidated financial statements</u>		
			<u>Dec 31, 17</u>	<u>Dec 31, 16</u>	<u>Jan 1, 16</u>
				<u>(Restated)</u>	<u>(Restated)</u>
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
Cash and cash equivalents	6.1	70,955,110,045	66,485,706,823	72,647,548,544	
Current investments	6.2	37,198,862,379	34,154,123,660	30,403,119,804	
Trade accounts receivable-others	6.3	55,687,934,578	56,668,024,045	63,056,150,509	
Trade accounts receivable-related parties	6.4.1	107,769,569	47,306,832	1,807,499,712	
Other accounts receivable	6.6	12,348,303,190	8,555,174,876	10,161,918,321	
Materials and supplies	6.7	11,653,921,900	11,987,362,289	12,092,490,602	
Other current assets	6.8	682,698,698	1,263,855,164	1,797,736,815	
<b>Total current assets</b>		<u>188,634,600,359</u>	<u>179,161,553,689</u>	<u>191,966,464,307</u>	
<b>NON-CURRENT ASSETS</b>					
Investments held as available for sale		8,722,102,324	9,152,580,429	9,640,355,927	
Investments in associates	6.9.3	33,896,778,439	34,282,649,985	20,930,866,940	
Investments in joint ventures	6.9.3	25,377,475,382	24,667,230,538	16,755,326,356	
Other long-term investments		1,149,221,608	496,599,584	459,630,532	
Advance payment for investment		692,253,784	-	-	
Long-term loans to related parties	6.4.2	42,813,144	46,947,120	47,294,940	
Finance lease assets-power plants	6.10	315,246,846,052	333,377,204,060	285,827,182,772	
Property, plant and equipment	6.11	277,485,578,881	276,496,240,370	273,251,440,038	
Work under construction	6.12	87,882,218,312	59,565,516,325	35,674,128,851	
Goodwill	6.13	230,340,735	297,329,455	299,469,555	
Intangible assets	6.14	33,698,233,620	30,561,788,006	28,858,624,653	
Deferred tax assets	6.16.2	133,852,055	53,463,264	107,382,133	
Deposit for deferred revenue for electricity compensation	6.5	5,413,098,633	7,991,250,720	7,383,135,509	
Project development cost for collection		496,209,771	493,987,722	473,754,681	
Land awaiting development	6.15	2,125,289,755	2,125,289,755	2,125,289,755	
Other non-current assets	6.17	5,079,317,359	4,250,249,480	3,447,538,395	
<b>Total non-current assets</b>		<u>797,671,629,854</u>	<u>783,858,326,813</u>	<u>685,281,421,037</u>	
<b>TOTAL ASSETS</b>		<u>986,306,230,213</u>	<u>963,019,880,502</u>	<u>877,247,885,344</u>	

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, 2017

Unit : Baht

	Notes	Consolidated financial statements		
		Dec 31, 17	Dec 31, 16 (Restated)	Jan 1, 16 (Restated)
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term loans from financial institutions		-	3,800,000,000	1,900,000,000
Trade accounts payable-others	6.18	50,253,323,164	45,964,236,270	52,698,139,594
Trade accounts payable-related parties	6.4.3	11,300,897,094	11,749,855,545	8,285,578,968
Other accounts payable		14,293,083,657	11,156,807,276	10,717,727,170
Surplus revenue from electric energy sales				
according to automatic tariff adjustment (Ft)	6.5	14,572,191,919	14,525,610,887	7,022,818,454
Accrued interest expenses		1,460,487,317	1,495,083,996	1,514,231,946
Accrued remittance to the Ministry of Finance	6.19	11,890,711,826	8,100,393,438	6,213,985,440
Accrued expenses		5,561,793,622	5,416,923,578	5,725,683,555
Current portion of long-term loans	6.20	10,210,288,594	3,148,789,930	6,814,543,369
Current portion of loan from infrastructure fund	12	716,105,266	570,298,669	414,476,205
Current portion of finance lease liabilities-power plants	6.22	16,543,714,447	16,551,588,090	14,439,364,172
Current portion of finance lease liabilities-others		198,007,753	91,588,983	10,608,887
Other current liabilities		48,050,426	31,167,876	42,419,509
Total current liabilities		137,048,655,085	122,602,344,538	115,799,577,269
NON-CURRENT LIABILITIES				
Long-term loans	6.20	80,244,482,348	71,728,448,909	67,930,136,853
Long-term loans from related parties	6.4.4	1,013,802,834	1,029,085,384	1,071,599,090
Loan from infrastructure fund	12	19,235,447,737	19,709,830,022	20,440,523,795
Other non-current accounts payable		150,379,622	78,046,285	-
Deferred tax liabilities	6.16.2	1,700,465,565	1,804,033,782	1,958,311,454
Non-current provisions for employee benefits	6.21	16,661,453,862	15,593,217,581	15,396,261,912
Deferred revenue for electricity compensation	6.5	5,413,098,633	7,991,250,720	7,552,733,132
Finance lease liabilities-power plants	6.22	266,482,286,917	295,223,958,079	248,696,454,919
Finance lease liabilities-others		588,714,575	327,768,057	42,765,175
Provision liabilities for mine reclamation	6.23	2,225,773,065	2,189,672,181	2,169,269,052
Account payable-related party	6.4.5	5,304,822,800	5,814,403,750	-
Other non-current liabilities	6.24	19,222,590,239	15,872,731,253	12,961,444,366
Total non-current liabilities		418,243,318,197	437,362,446,003	378,219,499,748
TOTAL LIABILITIES		555,291,973,282	559,964,790,541	494,019,077,017

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, 2017

Unit : Baht

	<u>Notes</u>	<u>Consolidated financial statements</u>		
		<u>Dec 31, 17</u>	<u>Dec 31, 16</u>	<u>Jan 1, 16</u>
			<u>(Restated)</u>	<u>(Restated)</u>
<b>LIABILITIES AND EQUITY</b>				
<b>EQUITY</b>				
Contribution from the government	6.25	8,752,646,764	8,814,979,527	8,877,312,290
Surplus from royalty on state property service		194,873,609	201,210,965	207,548,321
Retained earnings				
Appropriated				
Capital expenditure appropriation		80,186,366,913	80,186,366,913	80,186,366,913
Unappropriated		305,654,487,387	276,125,147,779	257,180,669,247
Other components of equity		1,095,250,918	3,044,151,440	3,205,974,707
<b>TOTAL EQUITY ATTRIBUTABLE TO EGAT</b>		<u>395,883,625,591</u>	<u>368,371,856,624</u>	<u>349,657,871,478</u>
<b>NON-CONTROLLING INTERESTS</b>		<u>35,130,631,340</u>	<u>34,683,233,337</u>	<u>33,570,936,849</u>
<b>TOTAL EQUITY</b>		<u>431,014,256,931</u>	<u>403,055,089,961</u>	<u>383,228,808,327</u>
<b>TOTAL LIABILITIES AND EQUITY</b>		<u>986,306,230,213</u>	<u>963,019,880,502</u>	<u>877,247,885,344</u>

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

(Signed) *Saharath Boonpotipukdee*  
**(Mr. Saharath Boonpotipukdee)**  
**Deputy Governor-Renewable and New Energy**  
**Acting Governor**

(Signed) *Wanchai Hongcherdchai*  
**(Mr. Wanchai Hongcherdchai)**  
**Deputy Governor-Account and Finance**

## ELECTRICITY GENERATING AUTHORITY OF THAILAND AND ITS SUBSIDIARIES

## STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2017

Unit : Baht

	<u>Notes</u>	<u>Separate financial statements</u>		
		<u>Dec 31, 17</u>	<u>Dec 31, 16</u>	<u>Jan 1, 16</u>
			<u>(Restated)</u>	<u>(Restated)</u>
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	6.1	61,299,255,927	56,897,490,871	64,932,129,035
Current investments	6.2	32,009,237,392	28,401,604,186	23,869,298,227
Trade accounts receivable-others	6.3	55,100,235,938	56,224,948,877	62,517,522,610
Trade accounts receivable-related parties	6.4.1	537,150,453	368,862,314	2,303,805,798
Other accounts receivable	6.6	10,980,427,165	7,891,642,661	9,360,823,027
Materials and supplies	6.7	9,478,364,546	9,886,860,869	10,141,786,762
Other current assets	6.8	110,969,346	80,418,989	39,468,042
<b>Total current assets</b>		<u>169,515,640,767</u>	<u>159,751,828,767</u>	<u>173,164,833,501</u>
<b>NON-CURRENT ASSETS</b>				
Investments held as available for sale		5,526,575,000	5,422,300,000	5,370,162,500
Investments in associates	6.9.4	1,587,550,233	1,587,550,233	1,587,550,233
Investments in subsidiaries	6.9.4	19,002,750,000	18,900,850,000	12,913,350,000
Investments in joint ventures	6.9.4	584,500,000	584,500,000	584,500,000
Finance lease assets-power plants	6.10	315,246,846,052	333,377,204,060	285,827,182,772
Property, plant and equipment	6.11	265,157,528,422	263,436,065,638	259,366,264,470
Work under construction	6.12	82,700,465,472	58,444,785,824	35,671,208,851
Intangible assets	6.14	30,148,486,492	26,625,508,557	24,770,216,511
Deposit for deferred revenue for electricity compensation	6.5	5,413,098,633	7,991,250,720	7,383,135,509
Land awaiting development	6.15	1,816,082,185	1,816,082,185	1,816,082,185
Other non-current assets	6.17	4,404,782,967	3,489,289,245	2,438,484,685
<b>Total non-current assets</b>		<u>731,588,665,456</u>	<u>721,675,386,462</u>	<u>637,728,137,716</u>
<b>TOTAL ASSETS</b>		<u>901,104,306,223</u>	<u>881,427,215,229</u>	<u>810,892,971,217</u>

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, 2017

Unit : Baht

	<u>Notes</u>	<u>Separate financial statements</u>		
		<b>Dec 31, 17</b>	<b>Dec 31, 16</b>	<b>Jan 1, 16</b>
			<b>(Restated)</b>	<b>(Restated)</b>
<b>LIABILITIES AND EQUITY</b>				
<b>CURRENT LIABILITIES</b>				
Trade accounts payable-others	6.18	45,003,712,892	40,392,521,549	45,716,636,792
Trade accounts payable-related parties	6.4.3	17,714,813,591	18,958,934,334	16,559,695,125
Other accounts payable		12,977,491,945	10,057,725,363	9,666,654,151
Surplus revenue from electric energy sales				
according to automatic tariff adjustment (Ft)	6.5	14,572,191,919	14,525,610,887	7,022,818,454
Accrued interest expenses		1,147,028,254	1,169,559,394	1,128,913,791
Accrued remittance to the Ministry of Finance	6.19	11,890,711,826	8,100,393,438	6,213,985,440
Accrued expenses		5,526,142,690	5,368,211,956	5,710,022,905
Current portion of long-term loans	6.20	7,552,007,512	3,118,844,470	5,584,598,046
Current portion of loan from infrastructure fund	12	716,105,266	570,298,669	414,476,205
Current portion of finance lease liabilities-power plants	6.22	20,098,397,162	20,321,636,038	17,634,913,589
Current portion of finance lease liabilities-others		196,489,871	90,156,647	9,831,130
<b>Total current liabilities</b>		<b>137,395,092,928</b>	<b>122,673,892,745</b>	<b>115,662,545,628</b>
<b>NON-CURRENT LIABILITIES</b>				
Long-term loans	6.20	61,987,486,566	51,824,269,556	50,607,867,530
Loan from infrastructure fund	12	19,235,447,737	19,709,830,022	20,440,523,795
Non-current provisions for employee benefits	6.21	16,478,108,185	15,428,834,122	15,269,984,842
Deferred revenue for electricity compensation	6.5	5,413,098,633	7,991,250,720	7,552,733,132
Finance lease liabilities-power plants	6.22	284,152,801,797	316,449,155,674	273,691,700,462
Finance lease liabilities-others		586,906,291	324,437,342	41,430,378
Provision liabilities for mine reclamation	6.23	2,225,773,065	2,189,672,181	2,169,269,052
Other non-current liabilities	6.24	19,427,382,527	15,940,901,163	12,918,151,932
<b>Total non-current liabilities</b>		<b>409,507,004,801</b>	<b>429,858,350,780</b>	<b>382,691,661,123</b>
<b>TOTAL LIABILITIES</b>		<b>546,902,097,729</b>	<b>552,532,243,525</b>	<b>498,354,206,751</b>

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, 2017**

**Unit : Baht**

	<u>Notes</u>	<u>Separate financial statements</u>		
		<b>Dec 31, 17</b>	<b>Dec 31, 16</b>	<b>Jan 1, 16</b>
			<b>(Restated)</b>	<b>(Restated)</b>
<b>LIABILITIES AND EQUITY</b>				
<b>EQUITY</b>				
Contribution from the government	6.25	8,752,646,764	8,814,979,527	8,877,312,290
Surplus from royalty on state property service		194,873,609	201,210,965	207,548,321
Retained earnings				
Appropriated				
Capital expenditure appropriation		80,186,366,913	80,186,366,913	80,186,366,913
Unappropriated		264,608,468,458	239,336,836,549	223,111,124,442
Other components of equity		459,852,750	355,577,750	156,412,500
<b>TOTAL EQUITY ATTRIBUTABLE TO EGAT</b>		<u>354,202,208,494</u>	<u>328,894,971,704</u>	<u>312,538,764,466</u>
<b>TOTAL EQUITY</b>		<u>354,202,208,494</u>	<u>328,894,971,704</u>	<u>312,538,764,466</u>
<b>TOTAL LIABILITIES AND EQUITY</b>		<u>901,104,306,223</u>	<u>881,427,215,229</u>	<u>810,892,971,217</u>

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

(Signed) *Saharath Boonpotipukdee*  
(Mr. Saharath Boonpotipukdee)

Deputy Governor-Renewable and New Energy  
Acting Governor

(Signed) *Wanchai Hongcherdchai*  
(Mr. Wanchai Hongcherdchai)

Deputy Governor-Account and Finance

## ELECTRICITY GENERATING AUTHORITY OF THAILAND AND ITS SUBSIDIARIES

## STATEMENTS OF INCOME

FOR THE YEAR ENDED DECEMBER 31, 2017

Unit : Baht

	Notes	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
			(Restated)		(Restated)
REVENUES					
Revenue from electric energy sales		490,826,013,485	489,536,079,840	488,706,558,599	487,400,143,071
Revenue from sales of other goods and services	6.26	3,293,461,801	7,346,920,875	4,443,353,838	7,879,985,507
Total revenue from sales and services		494,119,475,286	496,883,000,715	493,149,912,437	495,280,128,578
COST OF SALES					
Cost of electric energy sales	6.27	400,005,643,809	395,636,628,325	399,661,892,384	395,115,737,165
Cost of sales of other goods and services	6.28	1,656,258,484	5,623,184,239	2,767,440,704	6,390,095,632
Total cost of sales and services		401,661,902,293	401,259,812,564	402,429,333,088	401,505,832,797
Gross profit		92,457,572,993	95,623,188,151	90,720,579,349	93,774,295,781
Other income	6.29	17,621,639,898	4,762,238,011	18,820,641,536	6,472,807,316
Profit before expenses		110,079,212,891	100,385,426,162	109,541,220,885	100,247,103,097
Selling expenses		216,695,709	201,427,307	216,695,709	201,427,307
Administrative expenses		16,091,473,413	16,237,634,391	14,270,959,551	14,524,586,215
Other expenses	6.30	87,659,355	18,540,308	46,744,377	17,525,724
Total expenses		16,395,828,477	16,457,602,006	14,534,399,637	14,743,539,246
Finance costs	6.31	41,130,021,104	41,703,957,875	43,515,120,137	44,792,578,603
Profit before share of profit from investments		52,553,363,310	42,223,866,281	51,491,701,111	40,710,985,248
Share of profit from investments in associates	6.32	4,568,137,187	2,728,673,511	-	-
Share of profit from investments in joint ventures		3,419,575,146	2,706,753,477	-	-
Profit before income taxes		60,541,075,643	47,659,293,269	51,491,701,111	40,710,985,248
Income tax expenses	6.16.1	1,498,310,516	879,900,170	-	-
PROFIT FOR THE YEAR		59,042,765,127	46,779,393,099	51,491,701,111	40,710,985,248
PROFIT ATTRIBUTABLE TO:					
Owners of EGAT		55,763,297,885	43,442,668,957	51,491,701,111	40,710,985,248
Non-controlling interests		3,279,467,242	3,336,724,142	-	-
		59,042,765,127	46,779,393,099	51,491,701,111	40,710,985,248

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

(Signed) *Saharath Boonpotipukdee*  
**(Mr. Saharath Boonpotipukdee)**  
 Deputy Governor-Renewable and New Energy  
 Acting Governor

(Signed) *Wanchai Hongcherdchai*  
**(Mr. Wanchai Hongcherdchai)**  
 Deputy Governor-Account and Finance

**ELECTRICITY GENERATING AUTHORITY OF THAILAND AND ITS SUBSIDIARIES**  
**STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	Unit : Baht			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
		(Restated)		(Restated)
<b>PROFIT FOR THE YEAR</b>	59,042,765,127	46,779,393,099	51,491,701,111	40,710,985,248
<b>OTHER COMPREHENSIVE INCOME (EXPENSE)</b>				
<b>Items that will be reclassified subsequently to profit or loss</b>				
Exchange differences on translating financial statement	(1,629,512,071)	(125,319,883)	-	-
Gain (loss) on remeasuring investments held as available for sale	(283,336,588)	(439,106,260)	104,275,000	199,165,250
Share of other comprehensive income (expense) of associates	(954,348,366)	5,416,264	-	-
Share of other comprehensive income of joint ventures	737,164	357,511	-	-
<b>Total items that will be reclassified subsequently to profit or loss</b>	(2,866,459,861)	(558,652,368)	104,275,000	199,165,250
<b>Items that will not be reclassified subsequently to profit or loss</b>				
Loss on remeasurements of defined benefit plans	(534,034)	(23,180,839)	-	-
Share of other comprehensive income (expense) of associates	(12,937,850)	1,215,623	-	-
Share of other comprehensive expense of joint ventures	(927,091)	(8,225,621)	-	-
<b>Total items that will not be reclassified subsequently to profit or loss</b>	(14,398,975)	(30,190,837)	-	-
<b>Other comprehensive income (expense) for the year-net of tax</b>	(2,880,858,836)	(588,843,205)	104,275,000	199,165,250
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	56,161,906,291	46,190,549,894	51,595,976,111	40,910,150,498
<b>PROFIT ATTRIBUTABLE TO:</b>				
<b>Owners of EGAT</b>	53,800,508,288	43,267,928,406	51,595,976,111	40,910,150,498
<b>Non-controlling interests</b>	2,361,398,003	2,922,621,488	-	-
	56,161,906,291	46,190,549,894	51,595,976,111	40,910,150,498

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

(Signed) *Saharath Boonpotipukdee*

(Mr. Saharath Boonpotipukdee)

Deputy Governor-Renewable and New Energy

Acting Governor

(Signed) *Wanchai Hongcherdchai*

(Mr. Wanchai Hongcherdchai)

Deputy Governor-Account and Finance



**STATEMENTS OF CHANGES IN EQUITY  
FOR THE YEAR ENDED DECEMBER 31, 2017**

**Consolidated financial statements**

Notes	Attributable to Owners of EGAT											Non-controlling interests	Total equity	
	Contribution from the government	Surplus from royalty on state property service	Retained earnings		Other components of equity						Total EGAT's equity			
			Appropriated	Unappropriated	Other comprehensive income (expense)					Total other components of equity				
					Exchange differences on translating financial statement	Gain (loss) on remeasuring investments held as available for sale	Loss on remeasurements of defined benefit plans	Surplus on subsidiaries and associates using equity method	Share of other comprehensive income (expense) of associates					Share of other comprehensive income (expense) of joint ventures
	8,877,312,290	207,548,321	80,186,366,913	256,530,520,956	(1,181,585,548)	528,484,241	(1,886,535,972)	2,886,909,938	952,484,447	743,740	1,300,500,846	347,102,249,326	33,570,936,849	380,673,186,175
5	-	-	-	2,555,622,152	-	-	-	-	-	-	-	2,555,622,152	-	2,555,622,152
5	-	-	-	(1,905,473,861)	156,351,595	-	1,886,535,972	-	(136,624,426)	(789,280)	1,905,473,861	-	-	-
6.25	8,877,312,290	207,548,321	80,186,366,913	257,180,669,247	(1,022,233,953)	528,484,241	-	2,886,909,938	815,860,021	(45,540)	3,205,974,707	349,657,871,478	33,570,936,849	383,228,808,327
	(62,332,763)	-	-	-	-	-	-	-	-	-	-	(62,332,763)	-	(62,332,763)
	-	-	-	-	-	-	-	-	-	-	-	(3,786,014,560)	-	(3,786,014,560)
	-	-	-	(12,607,244,974)	-	-	-	-	-	-	-	(12,607,244,974)	-	(12,607,244,974)
	-	-	-	(8,100,393,438)	-	-	-	-	-	-	-	(8,100,393,438)	-	(8,100,393,438)
	-	-	-	(24,493,652,972)	-	-	-	-	-	-	-	(24,493,652,972)	-	(24,493,652,972)
6.14	-	-	-	6,337,356	-	-	-	-	-	-	-	-	(1,810,325,000)	(1,810,325,000)
	-	-	-	2,042,475	-	-	-	-	-	-	-	2,042,475	-	2,042,475
	-	-	-	43,442,668,957	-	-	-	-	-	-	-	43,442,668,957	-	43,442,668,957
	-	-	-	(12,917,284)	(79,411,579)	(88,056,929)	-	-	5,416,264	228,977	(161,823,267)	(174,740,551)	2,922,621,488	2,747,880,937
	-	-	-	43,429,751,673	(79,411,579)	(88,056,929)	-	-	5,416,264	228,977	(161,823,267)	43,267,928,406	2,922,621,488	46,190,549,894
	-	-	80,186,366,913	276,125,147,779	(1,104,645,532)	440,427,312	-	2,886,909,938	821,276,285	183,437	3,044,151,444	368,371,856,624	34,683,233,337	403,055,089,961
	8,814,979,527	201,210,965	80,186,366,913	276,125,147,779	(1,104,645,532)	440,427,312	-	2,886,909,938	821,276,285	183,437	3,044,151,444	368,371,856,624	34,683,233,337	403,055,089,961

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, 2017**

Consolidated financial statements

Notes	Attributable to Owners of EGAT											Non-controlling interests	Total equity	Unit : Baht
	Contribution from the government	Surplus from royalty on state property service	Retained earnings		Other components of equity						Total EGAT's equity			
			Appropriated	Unappropriated	Other comprehensive income (expense)									
					Exchange differences on translating financial statement (1,214,356,358)	Gain (loss) on re-measuring investments held as available for sale 440,427,312	Loss on re-measurements of defined benefit plans (1,896,967,349)	Surplus on subsidiaries and associates using equity method 2,886,909,938	Share of other comprehensive income (expense) of joint ventures of associates 912,475,565	Share of other comprehensive income (expense) of joint ventures 2,728,812				
	8,814,979,527	201,210,965	80,186,366,913	275,911,926,541								366,240,244,242	400,923,477,579	
5	-	-	-	2,131,612,382								2,131,612,382	-	2,131,612,382
5	-	-	-	(1,918,391,144)								-	-	-
	8,814,979,527	201,210,965	80,186,366,913	276,125,147,775								368,371,856,624	34,683,233,337	403,055,089,961
6.25	(62,332,763)	-	-	-								(62,332,763)	-	(62,332,763)
	-	-	-	(952,471,587)								(952,471,587)	-	(952,471,587)
	-	-	-	(13,384,054,726)								(13,384,054,726)	-	(13,384,054,726)
	-	-	-	(11,890,711,826)								(11,890,711,826)	-	(11,890,711,826)
	-	-	-	(26,227,238,139)								(26,227,238,139)	-	(26,227,238,139)
	-	-	-	-								-	-	-
6.14	-	(6,337,356)	-	6,337,356								-	-	-
	-	-	-	831,581								831,581	-	831,581
	-	-	-	55,763,297,885								55,763,297,885	-	55,763,297,885
	-	-	-	(13,889,075)								(1,962,789,597)	2,361,398,003	398,608,406
	-	-	-	55,749,408,810								53,886,508,288	2,361,398,003	56,161,996,291
	8,752,646,764	194,873,609	80,186,366,913	305,654,487,385								35,130,631,340	35,130,631,340	431,014,256,931

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, 2017**

Separate financial statements							Unit : Baht		
	Notes	Contribution from the government	Surplus from royalty on state property service	Retained earnings		Other components of equity		Total equity	
				Appropriated	Unappropriated	Other comprehensive income (expense)			Total other components of equity
						Gain (loss) on remeasuring investments held as available for sale	Loss on remeasurements of defined benefit plans		
Balance as at January 1, 2016 (Before adjustment)		8,877,312,290	207,548,321	80,186,366,913	222,445,202,213	156,412,500	(1,889,699,923)	309,983,142,314	
Cumulative effect of the adjustment	5	-	-	-	2,555,622,152	-	-	2,555,622,152	
Cumulative effect of the reclassification	5	-	-	-	(1,889,699,923)	-	1,889,699,923	-	
Balance as at January 1, 2016 (Adjusted)		8,877,312,290	207,548,321	80,186,366,913	223,111,124,442	156,412,500	-	312,538,764,466	
Depreciation of assets for irrigation	6.25	(62,332,763)	-	-	-	-	-	(62,332,763)	
Remittance to the Ministry of Finance		-	-	-	-	-	-	-	
Increase of the year 2015		-	-	-	(3,786,014,560)	-	-	(3,786,014,560)	
The year 2016 (Jan 1 - Jun 30, 2016)		-	-	-	(12,607,244,974)	-	-	(12,607,244,974)	
Provision for remittance to the Ministry of Finance		-	-	-	-	-	-	-	
The year 2016 (Jul 1 - Dec 31, 2016)		-	-	-	(8,100,393,438)	-	-	(8,100,393,438)	
Changes in equity for the year		-	-	-	(24,493,652,972)	-	-	(24,493,652,972)	
Amortization of surplus from royalty on state property service	6.14	-	(6,337,356)	-	6,337,356	-	-	-	
Adjustment of bonus reserve last year		-	-	-	2,042,475	-	-	2,042,475	
Profit for the year		-	-	-	40,710,985,248	-	-	40,710,985,248	
Other comprehensive income		-	-	-	-	199,165,250	-	199,165,250	
Total comprehensive income for the year		-	-	-	40,710,985,248	199,165,250	-	40,910,150,498	
Balance as at December 31, 2016		8,814,979,527	201,210,965	80,186,366,913	239,336,836,549	355,577,750	-	328,894,971,704	

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, 2017**

Separate financial statements										Unit : Baht
	Notes	Contribution from the government	Surplus from royalty on state property service	Retained earnings		Other components of equity			Total equity	
				Appropriated	Unappropriated	Other comprehensive income (expense)		Total other components of equity		
						Gain (loss) on remeasuring investments held as available for sale	Loss on remeasurements of defined benefit plans			
Balance as at January 1, 2017 (Before adjustment)		8,814,979,527	201,210,965	80,186,366,913	239,032,876,951	355,577,750	(1,889,699,923)	(1,534,122,173)	326,701,312,183	
Cumulative effect of the adjustment	5	-	-	-	2,193,659,521	-	-	-	2,193,659,521	
Cumulative effect of the reclassification	5	-	-	-	(1,889,699,923)	-	1,889,699,923	1,889,699,923	-	
Balance as at January 1, 2017 (Adjusted)		8,814,979,527	201,210,965	80,186,366,913	239,336,836,549	355,577,750	-	355,577,750	328,894,971,704	
Depreciation of assets for irrigation	6.25	(62,332,763)	-	-	-	-	-	-	(62,332,763)	
Remittance to the Ministry of Finance		-	-	-	-	-	-	-	-	
Increase of the year 2016		-	-	-	(952,471,587)	-	-	-	(952,471,587)	
The year 2017 (Jan 1 - Jun 30, 2017)		-	-	-	(13,384,054,726)	-	-	-	(13,384,054,726)	
Provision for remittance to the Ministry of Finance		-	-	-	-	-	-	-	-	
The year 2017 (Jul 1 - Dec 31, 2017)		-	-	-	(11,890,711,826)	-	-	-	(11,890,711,826)	
Changes in equity for the year		-	-	-	(26,227,238,139)	-	-	-	(26,227,238,139)	
Amortization of surplus from royalty on state property service	6.14	-	(6,337,356)	-	6,337,356	-	-	-	-	
Adjustment of bonus reserve last year		-	-	-	831,581	-	-	-	831,581	
Profit for the year		-	-	-	51,491,701,111	-	-	-	51,491,701,111	
Other comprehensive income		-	-	-	-	104,275,000	-	104,275,000	104,275,000	
Total comprehensive income for the year		-	-	-	51,491,701,111	104,275,000	-	104,275,000	51,595,976,111	
Balance as at December 31, 2017		8,752,646,764	194,873,609	80,186,366,913	264,608,468,458	459,852,750	-	459,852,750	354,202,208,494	

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, 2017

		Unit : Baht			
	Notes	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
			(Restated)		(Restated)
Cash flows from operating activities					
Profit before income taxes for the year		60,541,075,643	47,659,293,269	51,491,701,111	40,710,985,248
Adjustments to reconcile profit before income taxes for the year to cash provide by (use in) operating activities					
Depreciation	6.34	25,950,047,192	26,252,997,792	24,914,358,066	25,222,334,976
Depreciation of finance lease assets-power plants	6.34	18,130,358,008	17,739,586,726	18,130,358,008	17,739,586,726
Donation assets	a.	(44,000)	(155,090)	(44,000)	(155,090)
Loss on donated assets		2,484,117	997,239	2,484,117	997,239
Amortization of land rights and project development rights		292,011,832	293,224,541	853,727	874,894
Amortization of computer software rights		145,539,486	249,908,642	133,125,809	232,349,691
Amortization of royalty on state property service	6.14	6,337,356	6,337,356	6,337,356	6,337,356
Allowance for diminution in value of inventories, materials and supplies		37,211,791	251,033,307	33,480,519	400,131,361
Loss on impairment of goodwill		40,851,125	-	-	-
Amortization of deferred charges of the lignite mine	6.17	5,914,388,008	5,781,620,431	5,914,388,008	5,781,620,431
Doubtful debts		(4,586,332)	171,142	(4,586,332)	171,142
Bad debts		1,194,307	657,984	1,194,307	657,984
(Gain) loss on remeasurement of securities held for trading		(2,856,048)	4,765,275	-	-
Gain on disposal of investments		(27,874,453)	-	-	-
(Gain) loss on disposal of assets		11,835,570	(210,626,067)	11,777,842	(210,765,917)
Revenue from contribution income	6.29	(457,214,159)	(421,600,612)	(457,214,159)	(421,600,612)
Employee benefit expense realized from estimates	6.21	2,041,888,022	1,150,476,167	2,015,987,089	1,124,782,738
Gain on exchange rates	6.29	(1,267,506,879)	(289,385,312)	(570,348,292)	(209,065,513)
Gain on exchange rates under finance leases-power plants	6.29	(12,668,725,435)	(660,461,132)	(12,772,240,373)	(676,396,102)
Gain on changes in the fair value of derivatives	6.29	(136,606,676)	(75,803,108)	(136,606,676)	(75,803,108)
Dividends income from associate	6.9.4	-	-	(902,972,219)	(869,528,803)
Dividends income from subsidiary	6.9.4	-	-	(1,566,000,000)	(1,481,175,000)
Dividends income from joint venture	6.9.4	-	-	(21,350,000)	(15,400,000)
Dividends income from other investments		(564,286,940)	(473,227,542)	(375,390,000)	(268,508,125)
Share of profit from investments in associates	6.32	(4,568,137,187)	(2,728,673,511)	-	-
Share of profit from investments in joint ventures		(3,419,575,146)	(2,706,753,477)	-	-
Interest income		(1,190,517,216)	(1,477,475,544)	(950,063,166)	(1,260,494,000)
Finance costs	6.31	4,373,877,880	4,195,902,576	2,870,050,903	2,790,773,447
Interest expenses under finance leases-power plants	6.31	36,756,143,224	37,508,055,299	40,645,069,234	42,001,805,156
Reversal of provision liabilities and others		6,895,458	24,714,897	-	-
Profit from operating activities before changes in operating assets and liabilities		129,944,208,548	132,075,581,248	128,414,350,879	130,524,516,119
Changes in operating assets (increase) decrease					
Trade accounts receivable		922,365,439	8,146,467,020	959,163,508	8,228,448,032
Other accounts receivable		(752,871,903)	640,028,937	(130,521,741)	(14,220,166)
Materials and supplies		356,649,385	(112,583,255)	440,093,793	(83,172,294)
Other current assets		505,736,628	510,482,741	(30,550,357)	(40,950,947)

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, 2017

Unit : Baht

	Notes	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
			(Restated)		(Restated)
Cash flows from operating activities (Continue)					
Deposit for deferred revenue for electricity compensation		2,578,152,086	(608,115,210)	2,578,152,086	(608,115,210)
Other non-current assets		(810,705,008)	(873,853,934)	(914,709,139)	(1,124,115,470)
Deferred charges of the lignite mine		(5,915,172,592)	(5,708,309,521)	(5,915,172,592)	(5,708,309,521)
Changes in operating liabilities increase (decrease)					
Trade accounts payable		4,642,651,602	4,297,490,708	3,669,830,568	4,708,095,719
Other accounts payable		3,088,890,018	934,679,039	984,893,540	(551,284,162)
Other current liabilities		16,882,550	(11,251,633)	-	-
Accrued expenses		155,925,024	(313,692,690)	157,930,735	(341,810,949)
Other non-current liabilities		(838,931,526)	(453,769,415)	92,175,229	20,437,644
Actual payment on employee benefits		(1,024,908,914)	(1,022,266,776)	(1,017,293,008)	(1,011,579,359)
Deferred revenue for electricity compensation		(2,578,152,086)	438,517,587	(2,578,152,086)	438,517,587
Provision liabilities for mine reclamation		53,394,380	31,244,301	53,394,380	31,244,301
		399,905,083	5,895,067,899	(1,650,765,084)	3,943,185,205
Cash receipts from operating		130,344,113,631	137,970,649,147	126,763,585,795	134,467,701,324
Cash receipts on interest		696,604,281	851,881,433	690,761,527	843,996,417
Cash payment on income taxes		(1,761,297,052)	(938,044,323)	-	-
Net cash flows provided by operating activities		129,279,420,860	137,884,486,257	127,454,347,322	135,311,697,741
Cash flows from investing activities					
Net cash inflow in current investments		(3,087,749,169)	(3,685,467,254)	(3,541,676,451)	(4,425,469,859)
Cash receipts (payment) on other long-term investments		(683,000,000)	29,713,583	-	147,027,750
Advance payment for investment		(708,033,340)	-	-	-
Cash payment on deposits of financial institutions used as collateral		(57,012)	-	-	-
Cash receipts on disposal of assets		57,613,995	384,072,430	57,459,360	383,484,483
Cash payment on property, plant, equipment, work under construction and intangible assets	b.	(54,931,385,536)	(49,012,632,916)	(50,183,779,892)	(47,466,099,391)
Cash payment on finance costs for work under construction	b.	(1,041,585,256)	(997,301,167)	(1,041,585,256)	(997,301,167)
Cash payment on project development cost for collection		(21,014,703)	(47,528,970)	-	-
Cash receipts from short-term loans to related party		-	7,600,000	-	-
Cash receipts on deferred income		358,869,333	328,163,765	358,869,333	328,163,765
Cash payment on investments in associates		(621,464,692)	(6,435,264,266)	-	-
Cash payment on investments in subsidiaries		-	-	(101,900,000)	(5,987,500,000)
Cash payment on investments in joint ventures		(1,004,837,127)	(7,708,753,399)	-	-
Cash receipts from disposal of investments in joint ventures		334,595,926	-	-	-
Cash receipts on interest		465,193,042	714,319,482	250,199,914	497,621,608
Dividends received from associates		4,181,316,854	1,095,726,385	902,972,219	869,528,803
Dividends received from subsidiary		-	-	1,566,000,000	1,481,175,000
Dividends received from joint ventures		1,973,651,450	2,882,894,800	21,350,000	15,400,000
Dividends received from other investments		564,286,940	473,227,542	375,390,000	268,508,125
Net cash flows used in investing activities		(54,163,599,295)	(61,971,229,985)	(51,336,700,773)	(54,885,460,883)

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, 2017**

Unit : Baht					
	Notes	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
			(Restated)		(Restated)
Cash flows from financing activities					
Remittance to the Ministry of Finance		(22,436,919,751)	(22,607,244,974)	(22,436,919,751)	(22,607,244,974)
Cash receipts from short-term loans from financial institutions		-	12,390,000,000	-	-
Cash payment on short-term loans from financial institutions		(3,800,000,000)	(10,490,000,000)	-	-
Cash receipts from long-term loans	6.20	20,247,613,118	6,989,162,213	18,000,000,000	4,400,000,000
Cash payment on long-term loans from infrastructure fund		(328,575,688)	(574,871,309)	(328,575,688)	(574,871,309)
Cash payment on long-term loans from related party		-	(26,177,235)	-	-
Decrease in finance lease liabilities-others		(161,679,463)	(60,028,158)	(160,294,017)	(58,921,544)
Decrease in finance lease liabilities-power plants		(16,080,819,370)	(15,989,419,804)	(19,747,352,380)	(19,169,034,251)
Cash payment on long-term loans		(3,460,534,324)	(6,842,936,022)	(3,420,534,324)	(5,617,010,847)
Cash payment on finance costs		(4,288,221,387)	(4,138,399,809)	(2,892,697,709)	(2,750,238,752)
Cash payment on interest under finance leases-power plants	6.31	(36,756,143,224)	(37,508,055,299)	(40,645,069,234)	(42,001,805,157)
Dividends paid to non-controlling interests of subsidiaries		(3,478,901,111)	(3,290,934,621)	-	-
Net cash flows used in financing activities		(70,544,181,200)	(82,148,905,018)	(71,631,443,103)	(88,379,126,834)
Net increase (decrease) in cash and cash equivalents,					
before effect of exchange rate changes		4,571,640,365	(6,235,648,746)	4,486,203,446	(7,952,889,976)
Effect of exchange rate changes on cash and cash equivalents		(102,237,143)	73,807,025	(84,438,390)	(81,748,188)
Net increase (decrease) in cash and cash equivalents		4,469,403,222	(6,161,841,721)	4,401,765,056	(8,034,638,164)
Cash and cash equivalents at the beginning of the year		66,485,706,823	72,647,548,544	56,897,490,871	64,932,129,035
Cash and cash equivalents at the end of the year	6.1	70,955,110,045	66,485,706,823	61,299,255,927	56,897,490,871

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, 2017**

**Notes to the statements of cash flows**

**a. Donation assets**

EGAT had non-monetary donation assets during the year 2017 and 2016 amounted to Baht 0.04 million and Baht 0.15 million respectively.

**b. Property, plant and equipment, work under construction and intangible assets**

**Consolidated financial statements**

During the year 2017, EGAT and its subsidiaries purchased property, plant and equipment, work under construction, intangible assets and finance costs for work under construction which total costs were Baht 58,150.39 million. The purchase was paid in cash amounted to Baht 55,972.97 million and was not paid in cash amounted to Baht 2,160.43 million (Beginning and Ending balance of accounts payable amounted to Baht 3,873.74 million and Baht 6,034.17 million respectively). The remaining amounted to Baht 16.99 million was net revenues from first synchronization of power plants which would deduct the cost of property, plant and equipment, work under construction and intangible assets.

During the year 2016, EGAT and its subsidiaries purchased property, plant and equipment, work under construction, intangible assets and finance costs for work under construction which total costs were Baht 50,988.65 million. The purchase was paid in cash amounted to Baht 50,009.93 million, and was not paid in cash amounted to Baht 947.60 million (Beginning and Ending balance of accounts payable amounted to Baht 2,926.14 million and Baht 3,873.74 million respectively). The remaining amounted to Baht 31.12 million was net revenues from first synchronization of power plants which would deduct the cost of property, plant and equipment, work under construction and intangible assets.

**Separate financial statements**

During the year 2017, EGAT purchased property, plant and equipment, work under construction, intangible assets and finance costs for work under construction which total costs were Baht 53,402.79 million. The purchase was paid in cash amounted to Baht 51,225.37 million and was not paid in cash amounted to Baht 2,160.43 million (Beginning and Ending balance of accounts payable amounted to Baht 3,873.74 million and Baht 6,034.17 million respectively). The remaining amounted to Baht 16.99 million was net revenues from first synchronization of power plants which would deduct the cost of property, plant and equipment, work under construction and intangible assets.

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



During the year 2016, EGAT purchased property, plant and equipment, work under construction, intangible assets and finance costs for work under construction which total costs were Baht 49,442.12 million. The purchase was paid in cash amounted to Baht 48,463.40 million and was not paid in cash amounted to Baht 947.60 million (Beginning and Ending balance of accounts payable amounted to Baht 2,926.14 million and Baht 3,873.74 million respectively). The remaining amounted to Baht 31.12 million was net revenues from first synchronization of power plants which would deduct the cost of property, plant and equipment, work under construction and intangible assets.

**c. Finance lease assets-power plants**

EGAT and its subsidiaries had the finance lease assets-power plants increased by Baht 65,289.61 million during the year 2016 which were equivalent to finance lease liabilities-power plants increased during the year.

**d. Project development cost for collection**

Subsidiary of EGAT had unpaid project development cost for collection during the year 2017 and 2016 amounted to Baht 2.41 million and Baht 7.61 million respectively.

**e. Investments in associates**

Subsidiary of EGAT had unpaid investments in associates during the year 2016 amounted to Baht 5,758.54 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, 2017**

**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 generating, acquiring, transmission or distribution electric energy, the operation of electric energy business and energy sources deriving from natural resources and undertaking business concerning electric energy and other businesses concerning or related to the activities of EGAT, or collaborate with other persons for the said activities. Besides, its businesses include production and selling lignite or any chemicals derived from lignite. The head office of EGAT is located at 53 Moo 2, Charansanitwong Road, Bang Kruai, Nonthaburi.

**2. Basis of financial statements presentations**

**2.1 Principles of financial statements preparation**

The consolidated and separate financial statements have been prepared in accordance with Thai Financial Reporting Standards 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 (No. 2) B.E. 2559", dated October 11, B.E. 2559, under the third paragraph of section 11 of the Accounting Act, B.E. 2543.

These accompanying consolidated and 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. In any case, these accounting principles may differ, in certain aspects, from generally accepted accounting principles used in other countries.

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

In the consolidated financial statements, the significant transactions arising between EGAT and subsidiaries are eliminated. Investments in subsidiaries, associates and joint ventures 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, associates and joint ventures 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 separate financial statements are prepared in conformity with Thai Financial Reporting Standards, which require management to make estimates and assumptions that affect the book value of assets and liabilities in the consolidated and separate financial statements. Actual results may differ from those estimates and assumptions.

## **3. Significant accounting policies**

### **3.1 Cash and cash equivalents**

Cash and cash equivalents include cash on hand, 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 3 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 estimated by percentage of the overdue, 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 exclude of government agencies and state enterprises**

<b>Overdue period</b>	<b>Percentage of allowance for doubtful accounts</b>
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.

Doubtful accounts are recognized to the statements of income as part of administrative expenses.

### 3.3 Materials and supplies

**3.3.1 Fuel oil for each power plant** is stated at the weighted average cost method.

**3.3.2 Lignite** is stated at the weighted average cost method.

**3.3.3 Spare parts for each power plant and mine equipment** are stated at the weighted average cost method 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 each power plant under materials and supplies item are namely the spare parts and equipment which are used in power plants maintenance. 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, excavator and engine belt system. However, useful lives over 1 year and reserved spare parts for mine equipment are stated under property, plant and equipment item.

**3.3.4 General materials and supplies** are stated at the weighted average cost method less allowance for obsolescence of stocks designed, which have not moved for 6 months and above. The allowance for obsolescence of stocks are stated as follows:

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 initially realized based on the fair value at the statements of financial position date. Gain or loss from the change of fair value are realized in the 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 are calculated by financial institutions, which are the contractors of EGAT.

### **3.5 Investments in subsidiaries, associates and joint ventures**

#### **3.5.1 Investments in subsidiaries**

Subsidiaries are those entities in which were directly or indirectly controlled by EGAT. Control exists when EGAT has the power over the subsidiaries and has an exposure or rights to variable returns from its involvement with the subsidiaries, and also has the ability to affect those returns through the power over the subsidiaries. In case of EGAT has voting rights less than half of total voting rights in subsidiaries, EGAT will reconsider the related facts and circumstances in order to determine whether EGAT has the power to control over such subsidiaries or not.

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which the control commences until the date on which the control ceases.

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.

#### **3.5.2 Investments in associates and joint ventures**

Associates are those entities in which EGAT has significant influence, but not control or joint control, over the financial and operating policies.

Joint ventures are joint arrangement whereby EGAT has joint control of the arrangement and has rights to the net assets of the arrangement. The joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

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

### 3.6 Investments in financial securities

Investments other than investments in subsidiaries, associates and joint ventures are classified into the following three categories: trading investments, held-to-maturity investments and available-for-sale investments. The classification is dependent on the purpose for which the investments were acquired. Management determines the appropriate classification of its investments at the time of the purchase and re-evaluates such designation on a regular basis.

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 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, financial institutions of government or state owned enterprise following to the budgeting law.

**3.6.1 Trading investments** are investments that acquired principally for the purpose of generating a profit from short-term fluctuations in price and included in current assets.

**3.6.2 Held-to-maturity investments** are investments with fixed maturity that the management has the intent and ability to hold to maturity. They are included in non-current assets, except those with maturities within 12 months from the end of the reporting period, which are classified as current assets.

**3.6.3 Available-for-sale investments** are investments that the management intends to hold for an indefinite period of time, which may be sold in response to liquidity needs or changes in interest rates. They are included in non-current assets unless management has expressed the intention of holding the investment for less than 12 months from the end of the reporting period or unless they will need to be sold to raise operating capital, in which case they are included in current assets.

All categories of investments are initially recognized at cost which is equal to the fair value of consideration paid plus transaction costs.

Trading and available-for-sale investments are subsequently carried at fair value. The fair value of investments is based on the quoted bid prices at the close of business on the financial position date by reference to the Stock Exchange of Thailand. The unrealized gains and losses of trading investments are recognized in the statements of income. The unrealized gains and losses of available-for-sale investments are recognized in other comprehensive income.

Held-to-maturity investments are carried at amortized cost using the effective yield method less impairment loss. The difference between purchased prices and maturity value will be amortized using the effective rate of interest method over the maturity of the investments.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is recognized in the statements of income. When disposing of part of the Group's holding of a particular investment in debt or equity securities, the carrying amount of the disposed part is determined by the weighted average carrying amount of the total holding of the investment.

### 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 and allowance for impairment.

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

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

	Years	
Structures	3 years	- 40 years
Reservoirs and dams	5 years	- 75 years
Power plants	5 years	- 30 years
Equipment for power plants	3 years	- 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
Others	3 years	- 10 years

The estimate of useful lives for power plants of subsidiaries is stated according to the power purchase 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 (loss) on disposal of asset in the statements of income.

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

Type of power plants	Type of major inspection fee	
	Major overhaul : MO	Minor inspection : MI
	Useful lives (Year)	Useful lives (Year)
- Hydro power plants	6 - 12	2 - 4
- Thermal power plants	4 - 6	2
- Combined cycle power plants	2 - 6	2 - 3
- Gas turbine power plants	4 - 8	1 - 4
- Lignite power plants	8	2

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

### 3.8 Lease agreements

#### 3.8.1 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.



### **3.8.2 Operating lease agreements**

Payments made under operating lease agreements are recognized as expenses in the statements of income in the period in which they are incurred on a straight-line basis over the term of the lease or on an actual occurrence in that period basis. Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

## **3.9 Intangible assets**

### **3.9.1 Land rights**

The land rights under transmission line have infinite useful lives, so they will not be amortized. Other land rights 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 within 5-10 years. The software license is amortized over the useful life of the rights granted.

### **3.9.3 Royalty on state property service**

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

### **3.9.4 Transmission system connection rights**

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

### **3.9.5 Project development rights**

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

### 3.9.6 Research and development expenditure

Research and development expenditure is divided into 2 phases according to phase of activities as below:

1. Expenditure on research phase includes the expenditure of experiment to acquire new knowledge and understanding on scientific or technical. Gain or loss will be recognized when it is occurred.
2. Expenditure on development phase is related to a new product and process work plan, design or improvement. It will be recognized as an asset when the development cost can be reliably measured or the product or process has the commercial and technological feasibility as well as generate economic benefits. However, EGAT must have the intention and adequate resource to apply the gained knowledge to achieve the development so that the asset can be utilized or sold.

The development expenditure which will be recognized as an asset consists of cost of materials, labor and others which directly attributed to the preparation of asset for its intended use and borrowing cost.

The development expenditure, recognized as asset, is stated at cost less accumulated amortization. In case the prototype asset can be used for operation, EGAT will separate cost of tangible asset from intangible asset in order to classify tangible asset as property, plant and equipment according to type of asset.

In case that research phase and development phase cannot be classified separately, the payments are recognized as expenses in the statements of income as incurred.

### 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 identified net assets of the acquired subsidiary, associate or joint venture at the acquisition date.

Goodwill is measured at cost less accumulated impairment losses. Goodwill has been tested for impairment where the carrying amount of the Group's assets is reviewed at 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 reporting date, when indicators of impairment are identified.

### 3.11 Project development cost for collection

Project development cost for collection of subsidiary will record as an asset when the Ministry of energy approved the principle of investment project. In any case, if Board of Directors consider and approve the termination of the project, the entity will write off the project development cost for collection which was recognized as an asset and recognize it immediately as an expense in that period.

### **3.12 Deferred charges of the lignite mine**

#### **3.12.1 Overburden removal costs**

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

#### **3.12.2 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. However, any exploration done as a part of a power development plan or an area to expand the mine is recognized as deferred charges and amortization is calculated based on the ratio of deferred charges to the total volume of lignite that can be utilized and multiplied by the quantity of lignite extracted in that period.

#### **3.12.3 Resettlement costs**

Resettlement costs expended in each year are calculated based on the total actual resettlement costs divided by the total lignite mineable reserves over the useful lives of the power plants and 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 expenses in the period as incurred.

#### **3.12.4 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 which are less than or equivalent to value Baht 50 million 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.

### **3.13 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 which are monetary items and dominated in foreign currency are translated into Thai Baht using the Bank of Thailand's reference exchange rate prevailing at the end of accounting period. Gain or loss on foreign exchange is recognized as either revenues or expenses for all amounts in that accounting period.

### 3.14 Employee benefits

Employee benefit obligations of EGAT and its subsidiaries are measured and recognized as follows:

1. Short-term employee benefits are recognized as expenses in the statements of income 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 of EGAT and its subsidiaries have jointly established a provident fund which is legally separated from EGAT and its subsidiaries. The fund is monthly contributed by employees, EGAT and its subsidiaries. The contributions will not be recognized as provision liabilities but will be recognized as expenses in the statements of income when incurred.

3. Post-employee benefits-defined benefit plans are determined based on actuarial techniques, using the project unit credit method, in order to determine present value of the obligation, current service cost, past service cost, and net interest which are recognized as liabilities in the statements of financial position and expenses in the statements of income.

In case of EGAT has the differences between actual employee benefits payment and actuarial estimation, EGAT will not recognized the differences until the assumptions revision of actuarial estimation are reviewed every 3 years or whether there is any indication. Any actuarial gains and losses are recognized in other comprehensive income. The accumulated amounts are recognized in retained earnings in equity.

In case of changing in employees benefit plan, past service costs will be recognized as expenses in the statements of income immediately.

4. Other long-term employee benefits are determined based on actuarial techniques, using the project unit credit method, in order to determine present value of the obligation, current service cost, past service cost, and net interest which are recognized as liabilities in the statements of financial position and expenses in the statements of income.

In case of EGAT has the differences between actual employee benefits payment and actuarial estimation, EGAT will not recognized the differences until the assumptions revision of actuarial estimation are reviewed every 3 years or whether there is any indication. Any actuarial gains and losses are recognized in the statements of income immediately.

### **3.15 Provision liabilities for mine reclamation**

EGAT recognizes provision liabilities for mine reclamation in accordance with the law after EGAT stopped lignite mining in Mae Moh District, Lampang, which will arise in the future. EGAT would estimate mine reclamation expenses based on estimation of total reclamation costs, divided by total expected quantity of extracted lignite over the mining life, multiplied by the quantity of extracted lignite for each period which the estimation of mine reclamation expenses is recognized as expenses in each accounting period.

### **3.16 Staff AID fund and provident fund**

EGAT has established the Staff AID Fund to provide welfare for employees after leaving EGAT by contributing 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.

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 15% of salaries. EGAT recognizes contributions paid to the provident fund as expenses in the accounting period. In addition, the provident fund is an entity that is legally separated from EGAT.

### **3.17 Deferred Income**

#### **3.17.1 Contributions for construction**

In case cash contributions toward project construction are received from EGAT's parties such as independent power producers and EGAT's direct customers, these contributions will be recognized as assets and deferred contributions transferred to revenues over the period of the power purchase contracts or the useful lives of the related assets.

#### **3.17.2 Income from donation**

Income from donation is assets and 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. In case of cash from donation for normal operation is recognized as revenue according to actual expenditures incurred.

### **3.18 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 or surplus Ft revenue, which came from the difference of the calculated Ft price under the formula Ft with the collected Ft price in that period.

Deferred revenue for electricity compensation has been occurred from receiving fuel costs or electricity compensation from fuel suppliers or power producers. However, such compensation has not been approved by the ERC to be included in the tariff structure. EGAT will recognize that compensation as electricity revenue in the period that the ERC has approved it.

### **3.19 Revenue from sales of other goods and services**

**3.19.1 Revenue from sales of other goods** such as the revenue from fuel providing to affiliates of EGAT and revenue from sales of 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.

**3.19.2 Revenue from services** such as revenue from operation and maintenance services for power plants, communications system and telecommunication services are recognized as income by percentage of completion at the statements of financial position date.

### **3.20 Interest income**

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

### **3.21 Dividend income**

Dividend income is recognized when EGAT's right to receive the dividend payment is established.

### **3.22 Finance costs**

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

### **3.23 Related parties**

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

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

### **3.24 Financial instruments**

Financial assets presented in the financial statements include cash and cash equivalents, current investments, trade accounts receivable-others 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 reduce foreign currency risk and fluctuations in interest rate. The main derivative financial instruments consisted of forward foreign exchange contracts, cross currency and interest rate swap contracts and cash flow hedge.

#### **Forward foreign exchange contracts**

The forward foreign exchange contracts are financial instruments to protect against the risk of exchange rate fluctuations which are agreements enabling EGAT to buy a specific amount of foreign currency at a pre-agreed rate on a specified date. Accounts receivable and payable from the forward foreign exchange contracts are translated into functional currency at the exchange rate ruling on the statements of financial position date. Unrealized gain or loss on foreign currency translation will be recorded as gain or loss on changes in the fair value of derivatives in the statements of income and recognized differences that occurred in the statements of income when the forward foreign exchange contracts are due.

#### **Cross currency and interest rate swap contracts**

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

### Cash flow hedge

Cash flow hedge is a hedging instrument of the exposure to variability in cash flows that is attributable to a particular risk associated with assets or liabilities. The effective gain or loss on the hedging instrument shall be recognized in other comprehensive income, and the ineffective gain or loss on the hedging instrument shall be recognized as other incomes or expenses in the statements of income.

### 3.25 Capital risk management

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

### 3.26 Operating segments disclosure

EGAT and its subsidiaries have adopted Thai Financial Reporting Standard No. 8, Operating Segments. The Operating Segments Disclosure is reported on the basis of internal reports of EGAT and its subsidiaries that are received and regularly reviewed by Chief Operating Decision Maker (CODM) in order to allocate resources to the segment and assess its performance. In addition, CODM of EGAT is board of directors of EGAT.

EGAT and its subsidiaries engage in the single operating segment which is generating, acquiring, transmission or distribution electric energy, including other business concerning or related to the main activities of EGAT or joint arrangements with other parties to operate such activities. Thus, overall revenues, income from operations and assets presented in the financial statements are considered as operating segment reporting.

**4. Revised Thai Accounting Standards (TASs), Thai Financial Reporting Standards (TFRSs), Thai Standing Interpretations and Thai Financial Reporting Interpretations** which are published in the Government Gazette are as follow:

#### **Effective for accounting periods beginning on or after January 1, 2018**

-Thai Accounting Standard No. 1 (Revised 2017)	Presentation of Financial Statements
-Thai Accounting Standard No. 2 (Revised 2017)	Inventories
-Thai Accounting Standard No. 7 (Revised 2017)	Statement of Cash Flows
-Thai Accounting Standard No. 8 (Revised 2017)	Accounting Policies, Changes in Accounting Estimates and Errors
-Thai Accounting Standard No. 10 (Revised 2017)	Events after the Reporting Period
-Thai Accounting Standard No. 11 (Revised 2017)	Construction Contracts
-Thai Accounting Standard No. 12 (Revised 2017)	Income Taxes



-Thai Accounting Standard No. 16 (Revised 2017)	Property, Plant and Equipment
-Thai Accounting Standard No. 17 (Revised 2017)	Leases
-Thai Accounting Standard No. 18 (Revised 2017)	Revenue
-Thai Accounting Standard No. 19 (Revised 2017)	Employee Benefits
-Thai Accounting Standard No. 20 (Revised 2017)	Accounting for Government Grants and Disclosure of Government Assistance
-Thai Accounting Standard No. 21 (Revised 2017)	The Effects of Changes in Foreign Exchange Rates
-Thai Accounting Standard No. 23 (Revised 2017)	Borrowing Costs
-Thai Accounting Standard No. 24 (Revised 2017)	Related Party Disclosures
-Thai Accounting Standard No. 26 (Revised 2017)	Accounting and Reporting by Retirement Benefit Plans
-Thai Accounting Standard No. 27 (Revised 2017)	Separate Financial Statements
-Thai Accounting Standard No. 28 (Revised 2017)	Investments in Associates and Joint Ventures
-Thai Accounting Standard No. 29 (Revised 2017)	Financial Reporting in Hyperinflationary Economies
-Thai Accounting Standard No. 33 (Revised 2017)	Earnings per Share
-Thai Accounting Standard No. 34 (Revised 2017)	Interim Financial Reporting
-Thai Accounting Standard No. 36 (Revised 2017)	Impairment of Assets
-Thai Accounting Standard No. 37 (Revised 2017)	Provisions, Contingent Liabilities and Contingent Assets
-Thai Accounting Standard No. 38 (Revised 2017)	Intangible Assets
-Thai Accounting Standard No. 40 (Revised 2017)	Investment Property
-Thai Accounting Standard No. 41 (Revised 2017)	Agriculture
-Thai Financial Reporting Standard No. 2 (Revised 2017)	Share-based Payment
-Thai Financial Reporting Standard No. 3 (Revised 2017)	Business Combinations
-Thai Financial Reporting Standard No. 4 (Revised 2017)	Insurance Contracts
-Thai Financial Reporting Standard No. 5 (Revised 2017)	Non-current Assets Held for Sale and Discontinued Operations
-Thai Financial Reporting Standard No. 6 (Revised 2017)	Exploration for and Evaluation of Mineral Resources
-Thai Financial Reporting Standard No. 8 (Revised 2017)	Operating Segments
-Thai Financial Reporting Standard No. 10 (Revised 2017)	Consolidated Financial Statements
-Thai Financial Reporting Standard No. 11 (Revised 2017)	Joint Arrangements

-Thai Financial Reporting Standard No. 12 (Revised 2017)	Disclosure of Interests in Other Entities
-Thai Financial Reporting Standard No. 13 (Revised 2017)	Fair Value Measurement
-Thai Standing Interpretation No. 10 (Revised 2017)	Government Assistance-No Specific Relation to Operating Activities
-Thai Standing Interpretation No. 15 (Revised 2017)	Operating Leases-Incentives
-Thai Standing Interpretation No. 25 (Revised 2017)	Income Taxes-Changes in the Tax Status of an Entity or its Shareholders
-Thai Standing Interpretation No. 27 (Revised 2017)	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
-Thai Standing Interpretation No. 29 (Revised 2017)	Service Concession Arrangements: Disclosures
-Thai Standing Interpretation No. 31 (Revised 2017)	Revenue-Barter Transactions Involving Advertising Services
-Thai Standing Interpretation No. 32 (Revised 2017)	Intangible Assets-Web Site Costs
-Thai Financial Reporting Interpretation No. 1 (Revised 2017)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
-Thai Financial Reporting Interpretation No. 4 (Revised 2017)	Determining Whether an Arrangement Contains a Lease
-Thai Financial Reporting Interpretation No. 5 (Revised 2017)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
-Thai Financial Reporting Interpretation No. 7 (Revised 2017)	Applying the Restatement Approach under TAS 29 (Revised 2017) Financial Reporting in Hyperinflationary Economies
-Thai Financial Reporting Interpretation No. 10 (Revised 2017)	Interim Financial Reporting and Impairment
-Thai Financial Reporting Interpretation No. 12 (Revised 2017)	Service Concession Arrangements
-Thai Financial Reporting Interpretation No. 13 (Revised 2017)	Customer Loyalty Programmes
-Thai Financial Reporting Interpretation No. 14 (Revised 2017)	TAS 19 (Revised 2017) Employee Benefits - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

-Thai Financial Reporting Interpretation No. 15 (Revised 2017)	Agreements for the Construction of Real Estate
-Thai Financial Reporting Interpretation No. 17 (Revised 2017)	Distributions of Non-cash Assets to Owners
-Thai Financial Reporting Interpretation No. 18 (Revised 2017)	Transfers of Assets from Customers
-Thai Financial Reporting Interpretation No. 20 (Revised 2017)	Stripping Costs in the Production Phase of a Surface Mine
-Thai Financial Reporting Interpretation No. 21 (Revised 2017)	Levies

The Management of EGAT has assessed and determined the potential impact of adopting Thai Accounting Standards (TASs), Thai Financial Reporting Standards (TFRSs), Thai Standing Interpretations and Thai Financial Reporting Interpretations and has concluded that there will not have material impact on the financial statements.

## **5. The effects of adjustments and reclassifications on the financial statements of EGAT and its subsidiaries**

### **5.1 Adjustments on the consolidated and separate financial statements are as follows:**

5.1.1 Adjustment of finance lease assets-power plants and finance lease liabilities-power plants of EGAT.

5.1.2 Adjustment due to the error correction of the investment in associate of subsidiary from recognition the amount that has been paid to full amount that signed in Subscription Agreement include related direct cost. The obligation that has not been paid is recognized as liabilities.

5.1.3 Adjustment of share of profit from investment in associate of subsidiary due to fair value measurement. This has been made in the financial statement in which the equity method is applied.

5.1.4 Adjustment of income tax expenses because investment in associate of subsidiary and gain (loss) on foreign exchange rate from recognition its liabilities are revised.

### **5.2 Reclassifications on the consolidated and separate financial statements are as follow:**

5.2.1 Reclassification of exchange differences on translating financial statement and share of other comprehensive income (expense) of associates of subsidiary.

5.2.2 Reclassification of other components of equity - loss on remeasurements of defined benefit plans, share of other comprehensive income (expense) of associates of subsidiary and share of other comprehensive income (expense) of joint ventures in items that will not be reclassified subsequently to profit or loss and retained earnings-unappropriated.

5.2.3 Reclassification of other accounts receivable and other current assets and other non-current assets, investments held as available for sale and other long-term investments, trade accounts payable-others and other accounts payable, accrued interest expenses and other non-current accounts payable, selling expenses and administrative expenses in order to comply with the manner of presentation in financial statements for the year ended December 31, 2017.

The effects on the statements of financial position, statements of income, statements of comprehensive income and statements of changes in equity are as follows:

Unit : Million Baht

	Consolidated financial statements			
	Before			As adjusted
	adjusted and	Adjusted	Reclassified	and
	reclassified			reclassified
Statements of financial position				
As at December 31, 2016				
Other accounts receivable	8,565.33	-	(10.16)	8,555.17
Other current assets	1,263.11	-	0.75	1,263.86
Investments held as available for sale	-	-	9,152.58	9,152.58
Investments in associates	28,530.29	5,752.36	-	34,282.65
Other long-term investments	9,649.18	-	(9,152.58)	496.60
Finance lease assets-power plants	332,656.99	720.21	-	333,377.20
Other non-current assets	4,240.84	-	9.41	4,250.25
Trade accounts payable-others	45,967.89	-	(3.65)	45,964.24
Other accounts payable	11,153.15	-	3.65	11,156.80
Accrued interest expenses	1,573.13	-	(78.05)	1,495.08
Current portion of finance lease liabilities				
-power plants	16,661.29	(109.70)	-	16,551.59
Other non-current accounts payable	-	-	78.05	78.05
Finance lease liabilities-power plants	296,587.70	(1,363.75)	-	295,223.95
Accounts payable-related party	-	5,814.40	-	5,814.40
Retained earnings-unappropriated	275,911.92	2,131.62	(1,918.39)	276,125.15
Other components of equity	1,125.76	-	1,918.39	3,044.15

Unit : Million Baht

	Consolidated financial statements			
	Before adjusted and reclassified	Adjusted	Reclassified	As adjusted and reclassified
<b>Statements of income</b>				
<b>For the year ended December 31, 2016</b>				
<u>Revenues</u>				
Other income	5,014.38	(252.14)	-	4,762.24
Share of profit from investments in associates	2,749.78	(21.11)	-	2,728.67
<u>Expenses</u>				
Cost of electric energy sales	395,474.20	162.43	-	395,636.63
Selling expenses	205.43	-	(4.01)	201.42
Administrative expenses	16,241.51	(7.89)	4.01	16,237.63
Finance costs	41,700.70	3.26	-	41,703.96
Income tax expenses	886.94	(7.04)	-	879.90
<u>Profit for the year</u>				
Profit for the year	47,203.40	(424.01)	-	46,779.39
<b>Statements of comprehensive income</b>				
<b>For the year ended December 31, 2016</b>				
Exchange differences on translating financial statement	(78.68)	-	(46.64)	(125.32)
Share of other comprehensive income (expense) of associates that will be reclassified subsequently to profit or loss	(41.22)	-	46.64	5.42

Unit : Million Baht

	Consolidated financial statements			
	Before adjusted and reclassified	Adjusted	Reclassified	As adjusted and reclassified
<b>Statements of changes in equity</b>				
<b>As at January 1, 2017</b>				
Retained earnings-unappropriated	275,911.92	2,131.62	(1,918.39)	276,125.15
Exchange differences on translating financial statement	(1,214.36)	-	109.71	(1,104.65)
Loss on remeasurements of defined benefit plans	(1,896.97)	-	1,896.97	-
Share of other comprehensive income (expense) of associates	912.47	-	(91.20)	821.27
Share of other comprehensive income (expense) of joint ventures	(2.73)	-	2.91	0.18
Total equity	400,923.47	2,131.62	-	403,055.09
<b>Statements of financial position</b>				
<b>As at December 31, 2015</b>				
Other accounts receivable	10,190.15	-	(28.23)	10,161.92
Other current assets	1,789.13	-	8.61	1,797.74
Investments held as available for sale	-	-	9,640.36	9,640.36
Other long-term investments	10,099.99	-	(9,640.36)	459.63
Finance lease assets-power plants	285,072.13	755.05	-	285,827.18
Other non-current assets	3,427.92	-	19.62	3,447.54
Current portion of finance lease liabilities				
-power plants	14,561.18	(121.82)	-	14,439.36
Finance lease liabilities-power plants	250,375.20	(1,678.75)	-	248,696.45
Retained earnings-unappropriated	256,530.52	2,555.62	(1,905.47)	257,180.67
Other components of equity	1,300.50	-	1,905.47	3,205.97

Unit : Million Baht

## Consolidated financial statements

	Before adjusted and reclassified	Adjusted	Reclassified	As adjusted and reclassified
<b>Statements of changes in equity</b>				
<b>As at January 1, 2016</b>				
Retained earnings-unappropriated	256,530.52	2,555.62	(1,905.47)	257,180.67
Exchange differences on translating financial statement	(1,181.58)	-	156.35	(1,025.23)
Loss on remeasurements of defined benefit plans	(1,886.53)	-	1,886.53	-
Share of other comprehensive income (expense) of associates	952.48	-	(136.62)	815.86
Share of other comprehensive income (expense) of joint ventures	0.74	-	(0.79)	(0.05)
Total equity	380,673.19	2,555.62	-	383,228.81

Unit : Million Baht

## Separate financial statements

	Before adjusted and reclassified	Adjusted	Reclassified	As adjusted and reclassified
<b>Statements of financial position</b>				
<b>As at December 31, 2016</b>				
Other accounts receivable	7,937.91	-	(46.27)	7,891.64
Other current assets	43.56	-	36.86	80.42
Investments held as available for sale	-	-	5,422.30	5,422.30
Other long-term investments	5,422.30	-	(5,422.30)	-
Finance lease assets-power plants	332,656.99	720.21	-	333,377.20
Other non-current assets	3,479.88	-	9.41	3,489.29
Current portion of finance lease liabilities				
-power plants	20,431.34	(109.70)	-	20,321.64
Finance lease liabilities-power plants	317,812.90	(1,363.75)	-	316,449.15
Retained earnings-unappropriated	239,032.88	2,193.66	(1,889.70)	239,336.84
Other components of equity	(1,534.12)	-	1,889.70	355.58

Unit : Million Baht

Separate financial statements

	Before adjusted and reclassified	Adjusted	Reclassified	As adjusted and reclassified
<b>Statements of income</b>				
<b>For the year ended December 31, 2016</b>				
<u>Revenues</u>				
Other income	6,669.08	(196.27)	-	6,472.81
<u>Expenses</u>				
Cost of electric energy sales	394,953.31	162.43	-	395,115.74
Finance costs	44,789.32	3.26	-	44,792.58
<u>Profit for the year</u>				
Profit for the year	41,072.94	(361.96)	-	40,710.98
<b>Statements of changes in equity</b>				
<b>As at January 1, 2017</b>				
Retained earnings-unappropriated	239,032.88	2,193.66	(1,889.70)	239,336.84
Loss on remeasurements of defined benefit plans	(1,889.70)	-	1,889.70	-
Total equity	326,701.31	2,193.66	-	328,894.97
<b>Statements of financial position</b>				
<b>As at December 31, 2015</b>				
Other accounts receivable	9,419.91	-	(59.09)	9,360.82
Other current assets	-	-	39.47	39.47
Investments held as available for sale	-	-	5,370.16	5,370.16
Other long-term investments	5,370.16	-	(5,370.16)	-
Finance lease assets-power plants	285,072.13	755.05	-	285,827.18
Other non-current assets	2,418.86	-	19.62	2,438.48
Current portion of finance lease liabilities				
-power plants	17,756.73	(121.82)	-	17,634.91
Finance lease liabilities-power plants	275,370.45	(1,678.75)	-	273,691.70
Retained earnings-unappropriated	222,445.20	2,555.62	(1,889.70)	223,111.12
Other components of equity	(1,733.29)	-	1,889.70	156.41



Unit : Million Baht

	Separate financial statements		
	Before adjusted and reclassified	Adjusted	Reclassified
			As adjusted and reclassified
<b>Statements of changes in equity</b>			
<b>As at January 1, 2016</b>			
Retained earnings-unappropriated	222,445.20	2,555.62	(1,889.70)
Loss on remeasurements of defined benefit plans	(1,889.70)	-	1,889.70
Total equity	309,983.14	2,555.62	-
			312,538.76

## 6. Supplementary information

### 6.1 Cash and cash equivalents comprise

	Consolidated financial statements		Separate financial statements	
	Dec 31, 17	Dec 31, 16	Dec 31, 17	Dec 31, 16
Cash on hand	7.01	8.15	6.69	7.69
Cash at banks current and saving accounts	43,235.09	37,891.67	38,292.57	31,889.80
Fixed deposits not more than 3 months	23,670.95	25,368.09	21,000.00	25,000.00
Fixed deposit receipts	4,042.06	3,217.80	2,000.00	-
Total	70,955.11	66,485.71	61,299.26	56,897.49

### 6.2 Current investments comprise

	Consolidated financial statements		Separate financial statements	
	Dec 31, 17	Dec 31, 16	Dec 31, 17	Dec 31, 16
Fixed deposits more than 3 months but not more than 12 months	22,426.76	25,003.78	20,013.07	24,401.60
Fixed deposit receipts	4,252.85	8,644.87	2,000.00	4,000.00
Debenture	30.00	23.00	-	-
Government bonds more than 3 months	9,996.17	-	9,996.17	-
Investments in trading securities	493.08	482.47	-	-
Total	37,198.86	34,154.12	32,009.24	28,401.60

### 6.3 Trade accounts receivable-others comprise

	Unit : Million Baht			
	Consolidated financial statements		Separate financial statements	
	Dec 31, 17	Dec 31, 16	Dec 31, 17	Dec 31, 16
Receivables from electric energy sales				
Metropolitan Electricity Authority	23,518.82	23,133.11	23,518.82	23,133.11
Provincial Electricity Authority	28,199.66	27,206.71	28,199.66	27,206.71
Others	3,125.86	5,647.20	3,125.86	5,647.20
	54,844.34	55,987.02	54,844.34	55,987.02
Services and other receivables	890.17	729.35	302.48	286.28
Total	55,734.51	56,716.37	55,146.82	56,273.30
Less : Allowance for doubtful accounts	(46.58)	(48.35)	(46.58)	(48.35)
Balance	55,687.93	56,668.02	55,100.24	56,224.95

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

	Unit : Million Baht			
	Consolidated financial statements			
	Electric	Service and	Total	
Outstanding period	energy sales	others	Dec 31, 17	Dec 31, 16
Undue portion	52,520.76	829.26	53,350.02	52,353.99
Overdue not more than 6 months	-	11.66	11.66	266.34
Overdue more than 6 months to 1 year	0.44	0.08	0.52	1,296.26
Overdue more than 1 year	2,323.14	49.17	2,372.31	2,799.78
Total	54,844.34	890.17	55,734.51	56,716.37
Less : Allowance for doubtful accounts	-	(46.58)	(46.58)	(48.35)
Balance	54,844.34	843.59	55,687.93	56,668.02

	Separate financial statements			
	Electric	Service and	Total	
	energy sales	others	Dec 31, 17	Dec 31, 16
<b>Outstanding period</b>				
Undue portion	52,520.76	249.35	52,770.11	51,912.81
Overdue not more than 6 months	-	3.88	3.88	265.40
Overdue more than 6 months to 1 year	0.44	0.08	0.52	1,296.26
Overdue more than 1 year	2,323.14	49.17	2,372.31	2,798.83
Total	54,844.34	302.48	55,146.82	56,273.30
<b>Less : Allowance for doubtful accounts</b>	-	(46.58)	(46.58)	(48.35)
Balance	54,844.34	255.90	55,100.24	56,224.95

#### 6.4 Related parties transactions

Related parties of EGAT as at December 31, 2017 are as follows:

Company name	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 Pcl.	Thailand	Subsidiary, EGAT has 45% shareholding
District Cooling System and Power Plant Co., Ltd.	Thailand	Joint venture of EGAT, EGAT has 35% shareholding
Electricity Generating Pcl.	Thailand	Associate, EGAT has 25.41% shareholding
Ratchaburi Electricity Generating Co., Ltd.	Thailand	Subsidiary of Ratchaburi Electricity Generating Holding Pcl.
Ratchaburi Energy Co., Ltd.	Thailand	Subsidiary of Ratchaburi Electricity Generating Holding Pcl.
RATCH-Lao Services Co., Ltd.	Lao PDR	Subsidiary of Ratchaburi Electricity Generating Holding Pcl.
RH International Corporation Ltd.	Thailand	Subsidiary of Ratchaburi Electricity Generating Holding Pcl.
RATCH O&M Co., Ltd.	Thailand	Subsidiary of Ratchaburi Electricity Generating Holding Pcl.
Tri Energy Co., Ltd.	Thailand	Subsidiary of Ratchaburi Electricity Generating Holding Pcl.
(Liquidation completed in 2017)		
Ratchaburi Alliances Co., Ltd.	Thailand	Subsidiary of Ratchaburi Electricity Generating Holding Pcl.
Khanom Electricity Generating Co., Ltd.	Thailand	Related party of EGAT
EGCO Engineering and Services Co., Ltd.	Thailand	Related party of EGAT
Gulf Electric Pcl.	Thailand	Related party of EGAT
BLCP Power Co., Ltd.	Thailand	Related party of EGAT

Company name	Country of incorporation/ nationality	Relationship
Xayaburi Power Co., Ltd.	Lao PDR	Related party of EGAT
Hongsa Power Co., Ltd.	Lao PDR	Related party of EGAT
Phu Fai Mining Co., Ltd.	Lao PDR	Related party of EGAT
Ratchaburi Power Co., Ltd.	Thailand	Related party of EGAT
RH International (Mauritius) Corporation Ltd.	Mauritius	Related party of EGAT
RE Solar 1 Co., Ltd.	Thailand	Related party of EGAT
CN Biomass Co., Ltd.	Thailand	Related party of EGAT
PB Biomass Co., Ltd.	Thailand	Related party of EGAT
LP Biomass Co., Ltd.	Thailand	Related party of EGAT
RH International (Singapore) Corporation Pte. Ltd.	Singapore	Related party of EGAT
RATCH China Power Co., Ltd.	Hong Kong	Related party of EGAT
RATCH-Australia Corporation Ltd.	Australia	Related party of EGAT
Mount Emerald Wind Farm Pty Ltd.	Australia	Related party of EGAT
RATCH-Australia Collinsville Solar PV Pty Ltd.	Australia	Related party of EGAT
PT Medco Ratch Power Riau	Republic of Indonesia	Related party of EGAT
Nam Ngiep 1 Power Co., Ltd.	Lao PDR	Related party of EGAT
PT Adaro Indonesia	Republic of Indonesia	Related party of EGAT

**Related parties transactions** the details are as follows:

#### 6.4.1 Trade accounts receivable-related parties comprise

	Unit : Million Baht			
	Consolidated financial statements		Separate financial statements	
	Dec 31, 17	Dec 31, 16	Dec 31, 17	Dec 31, 16
Subsidiaries	-	-	429.38	321.55
Joint venture	19.85	15.68	19.85	15.68
Other related parties	87.92	31.63	87.92	31.63
Total trade accounts receivable-related parties	107.77	47.31	537.15	368.86

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

Unit : Million Baht				
Outstanding period	Consolidated financial statements		Separate financial statements	
	Dec 31, 17	Dec 31, 16	Dec 31, 17	Dec 31, 16
Undue portion	105.97	47.31	535.27	368.86
Overdue not more than 6 months	1.80	-	1.88	-
Total trade accounts receivable-related parties	107.77	47.31	537.15	368.86

#### 6.4.2 Long-term loans to related parties

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

Unit : Million Baht		
	Consolidated financial statements	
	Dec 31, 17	Dec 31, 16
Long-term loans to related parties	42.81	46.95
Total	42.81	46.95

#### 6.4.3 Trade accounts payable-related parties comprise

Unit : Million Baht				
	Consolidated financial statements		Separate financial statements	
	Dec 31, 17	Dec 31, 16	Dec 31, 17	Dec 31, 16
Subsidiaries	-	-	6,413.91	7,209.08
Joint venture	146.20	123.29	146.20	123.29
Other related parties	11,154.70	11,626.56	11,154.70	11,626.56
Total trade accounts payable				
-related parties	11,300.90	11,749.85	17,714.81	18,958.93

#### 6.4.4 Long-term loans from related parties

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

		Unit : Million Baht	
		Consolidated financial statements	
		Dec 31, 17	Dec 31, 16
Long-term loans from related parties		1,013.80	1,029.09
Total		1,013.80	1,029.09

#### 6.4.5 Account payable-related party

As at Dec 31, 2017 and 2016, EGAT recorded account payable-related party which is EGAT International Company Limited (EGATi) (EGAT's subsidiary) in the amount of Baht 5,304.82 million and Baht 5,814.40 million respectively. EGATi has signed Subscription Agreement for purchase shares in PT Adaro Indonesia and EGATi will pay the remaining in amount of USD 161.50 million in 2022 - 2027 when PT Adaro Indonesia has met the condition in Subscription Agreement.

#### 6.4.6 Revenues and expenses-related parties comprise

		Unit : Million Baht			
		Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
<b>Revenues</b>					
<b>Revenue from electric energy sales</b>					
Subsidiary		-	-	204.40	193.34
Other related parties		96.22	209.97	96.22	209.97
<b>Revenue from sales of other goods and services</b>					
Subsidiaries		-	-	1,719.22	1,284.93
Associate		1.12	2.39	1.12	2.39
Joint venture		101.38	90.44	101.38	90.44
Other related parties		1,245.36	5,091.81	1,245.36	5,091.81
<b>Expenses</b>					
<b>Cost of electric energy sales</b>					
Subsidiary		-	-	-	2.02
Joint venture		793.27	825.02	793.27	825.02
Other related parties		-	17.06	-	17.06

Unit : Million Baht

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
<b>Cost of sales of other goods and services</b>				
Subsidiaries	-	-	1,250.37	901.80
Associate	0.10	0.23	0.10	0.23
Joint venture	86.50	87.59	86.50	87.59
Other related parties	709.45	4,579.27	709.45	4,579.27

#### 6.4.7 Executive remunerations the details are as follows:

Unit : Million Baht

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
<b>Directors remuneration</b>				
Meeting remuneration and bonuses	46.10	46.20	9.02	10.31
	46.10	46.20	9.02	10.31
<b>Managements remuneration</b>				
Salaries, bonuses and other short-term				
employee benefits	304.88	290.38	139.91	134.24
Post-employee benefits and other long-term				
employee benefits	19.27	19.82	4.37	3.83
	324.15	310.20	144.28	138.07
Total	370.25	356.40	153.30	148.38

#### 6.5 Accrued / surplus revenue from electric energy sales according to automatic tariff adjustment (Ft), deferred revenue for electricity compensation and deposit for deferred revenue for electricity compensation

As at January 1, 2017, EGAT had the surplus revenue from electric energy sales according to automatic tariff adjustment (Ft) in the amount of Baht 14,525.61 million. As at January 11, 2017, Energy Regulatory Commission (ERC) has approved the Ft of wholesale for January - April 2017, which was equivalent to -36.38 satang per unit for MEA and -40.39 satang per unit for PEA. As at May 3, 2017, ERC has approved the Ft of wholesale for May - August 2017, which was equivalent to -24.14 satang per unit for MEA and -28.80 satang per unit for PEA. As at July 27, 2017, ERC has approved the Ft of wholesale for September - December 2017, which was equivalent to -15.85 satang per unit for MEA and -25.01 satang per unit for PEA. However, the actual cost of purchasing fuel and electricity in such period are lower than the estimated Ft calculating formula, so that as of December 31, 2017, EGAT had surplus Ft revenue in the amount of Baht 14,572.19 million.

As at January 1, 2017 and December 31, 2017, EGAT recorded deferred revenue for electricity compensation in the amount of Baht 7,991.25 million and Baht 5,413.10 million respectively. Deferred revenue for electricity compensation decreased by Baht 2,578.15 million due to the fact that on May 3, 2017, ERC has made the approval that the amount of Baht 2,648.00 million deferred revenue for electricity compensation discounted in the surplus revenue from electric energy sales which is classified in non-current liabilities.

Since 2015, ERC has made the approval in the meeting 67/2558 (No. 377) which the deposit for deferred revenue for electricity compensation will be separately presented from cash and cash equivalents. This deposit account is placed restriction that EGAT is not allowed to use for other purposes which is classified in non-current assets. As at January 1, 2017 and December 31, 2017, EGAT had the deposit for deferred revenue for electricity compensation in the amount of Baht 7,991.25 million and Baht 5,413.10 million respectively.

#### 6.6 Other accounts receivable comprise

	Unit : Million Baht			
	Consolidated financial statements		Separate financial statements	
	Dec 31, 17	Dec 31, 16	Dec 31, 17	Dec 31, 16
Employee accounts receivable	148.25	328.94	146.10	323.40
Other accounts receivable	869.99	233.93	246.15	168.98
<b>Less : Allowance for doubtful accounts</b>	<b>(8.56)</b>	<b>(11.38)</b>	<b>(8.56)</b>	<b>(11.38)</b>
Total	1,009.68	551.49	383.69	481.00
Advances and Prepaid	6,769.72	3,874.56	6,530.89	3,720.68
Accrued revenues	626.97	553.98	123.92	114.82
Input tax	3,941.93	3,575.14	3,941.93	3,575.14
Balance	12,348.30	8,555.17	10,980.43	7,891.64

#### 6.7 Materials and supplies comprise

	Unit : Million Baht			
	Consolidated financial statements		Separate financial statements	
	Dec 31, 17	Dec 31, 16	Dec 31, 17	Dec 31, 16
Fuel oil for power plant	5,207.70	5,093.58	4,015.44	3,946.48
Lignite stock	1,530.14	1,645.41	1,530.14	1,645.41
Spare parts, other materials and supplies	11,786.92	12,084.01	9,807.51	10,136.23
<b>Less : Allowance for obsolescence</b>	<b>(6,870.84)</b>	<b>(6,835.64)</b>	<b>(5,874.73)</b>	<b>(5,841.26)</b>
Balance	11,653.92	11,987.36	9,478.36	9,886.86



## 6.8 Other current assets comprise

	Unit : Million Baht			
	Consolidated financial statements		Separate financial statements	
	Dec 31, 17	Dec 31, 16	Dec 31, 17	Dec 31, 16
Pledged bank deposits	440.87	1,128.21	-	-
Others	241.83	135.64	110.97	80.42
Balance	682.70	1,263.85	110.97	80.42

EGAT's subsidiary had pledged bank deposits amount to USD 13.56 million or approximately amount to Baht 440.87 million to pledge outstanding investment for Nam Ngiep 1 Power Co., Ltd.

## 6.9 Investments in subsidiaries, associates and joint ventures

### 6.9.1 Details of subsidiaries, associate and joint venture of EGAT

Company name	Country of incorporation/ nationality	Business	Shareholding (%)	
			Dec 31, 17	Dec 31, 16
Subsidiaries				
EGAT International Co., Ltd.	Thailand	Investing in electricity generation and related businesses in foreign countries	100	100
EGAT Diamond Service Co., Ltd.	Thailand	Gas turbine maintenance including components and spare parts	45	45
Ratchaburi Electricity Generating Holding Pcl.	Thailand	Investing in companies with the purpose of electricity generation and supply	45	45
Associate				
Electricity Generating Pcl.	Thailand	Generation and supply of electricity	25.41	25.41
Joint venture				
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 joint ventures of subsidiaries

Company name	Country of incorporation/ nationality	Business	Shareholding (%)	
			Dec 31, 17	Dec 31, 16
Direct subsidiaries of subsidiary : Ratchaburi Electricity Generating Holding Pcl.				
Ratchaburi Electricity Generating Co., Ltd.	Thailand	Generation and supply of electricity and investment in electricity business	100	100
Ratchaburi Energy Co., Ltd.	Thailand	Power plant development and operation and investment in electricity business	100	100
RATCH-Lao Services Co., Ltd.	Lao PDR	Operation and maintenance services	100	100
RH International Corporation Ltd.	Thailand	Investment in electricity business	100	100
RATCH O&M Co., Ltd.	Thailand	Operation and maintenance services	100	100
Tri Energy Co., Ltd.	Thailand	Generation and supply of electricity	-	100
(Liquidation completed in 2017)				
Ratchaburi Alliances Co., Ltd.	Thailand	Investment in electricity business	100	100
Indirect subsidiaries of subsidiary : Ratchaburi Electricity Generating Holding Pcl.				
RH International (Mauritius) Corporation Ltd.	Mauritius	Investment in electricity business in foreign country	100	100
RH International (Singapore) Corporation Pte. Ltd.	Singapore	Investment in electricity business in foreign country	100	100
RATCH-Australia Corporation Ltd. and its subsidiaries	Australia	Power plant development and operation and investment in electricity business	80	80
RATCH China Power Co., Ltd.	Hong Kong	Investment in electricity business in foreign country	100	100
RE Solar 1 Co., Ltd.	Thailand	Generation and supply of electricity	100	100
CN Biomass Co., Ltd.	Thailand	Generation and supply of electricity	100	100
PB Biomass Co., Ltd.	Thailand	Generation and supply of electricity	100	100
LP Biomass Co., Ltd.	Thailand	Generation and supply of electricity	100	100
Associates of subsidiary : EGAT International Co., Ltd.				
Nam Ngiep 1 Power Co., Ltd.	Lao PDR	Generation and supply of electricity	30	30
PT Adaro Indonesia	Republic of Indonesia	Generation and supply of coal	11.53	11.53

Company name	Country of incorporation/ nationality	Business	Shareholding (%)	
			Dec 31, 17	Dec 31, 16
Associates of subsidiary : Ratchaburi Electricity Generating Holding Pcl.				
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
Perth Power Partnership (Kwinana)	Australia	Generation and supply of electricity	24	24
Joint ventures of subsidiary : Ratchaburi Electricity Generating Holding Pcl.				
Chubu Ratchaburi Electric Services Co., Ltd.	Thailand	Operation and maintenance services	50	50
South East Asia Energy Ltd. and its subsidiary	Thailand	Investment in electricity business	33.33	33.33
Nam Ngum 3 Power Co., Ltd.	Lao PDR	Generation and supply of electricity	25	25
Xe-Pian Xe-Namnoy Power Co., Ltd.	Lao PDR	Generation and supply of electricity	25	25
KK Power Co., Ltd.	Cambodia	Generation and supply of electricity	-	50
Ratchaburi Power Co., Ltd.	Thailand	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
Songkhla Biofuel Co., Ltd.	Thailand	Supply the biomass fuel	40	40
Oversea Green Energy Co., Ltd.	Thailand	Power plant management services	-	60
Berkprai Cogeneration Co., Ltd.	Thailand	Generation and supply of electricity and steam	35	35
Hongsa Power Co., Ltd.	Lao PDR	Generation and supply of electricity	40	40
Phu Fai Mining Co., Ltd.	Lao PDR	Generation and supply of coal	37.50	37.50
RICI International Investment Pte. Ltd.	Singapore	Investment in electricity business in foreign country	-	60
PT Medco Ratch Power Riau	Republic of Indonesia	Generation and supply of electricity	49	-

### 6.9.3 Investments in associates and joint ventures in the consolidated financial statements

Unit : Million Baht

Company name	Shareholding (%)		Cost Method		Equity Method		Dividend	
	Dec 31, 17	Dec 31, 16	Dec 31, 17	Dec 31, 16	Dec 31, 17	Dec 31, 16	Dec 31, 17	Dec 31, 16
<b>Associates</b>								
Electricity Generating Pcl.	25.41	25.41	1,587.55	1,587.55	21,262.75	20,186.31	902.97	869.53
Nam Ngiep 1 Power Co., Ltd.	30	30	2,178.71	1,557.25	1,475.56	1,212.15	-	-
PT Adaro Indonesia	11.53	11.53	11,603.32	11,603.32	9,768.14	11,322.62	2,934.62	403.13
First Korat Wind Co., Ltd.	20	20	399.20	399.20	491.95	563.97	186.00	80.00
K.R. TWO Co., Ltd.	20	20	365.40	365.40	414.28	458.38	130.00	63.00
Perth Power Partnership (Kwinana)	24	24	618.53	618.53	484.10	539.22	103.31	124.20
Total associates			16,752.71	16,131.25	33,896.78	34,282.65	4,256.90	1,539.86
<b>Joint ventures</b>								
District Cooling System and Power Plant Co., Ltd.	35	35	584.50	584.50	877.96	799.50	21.35	15.40
Chubu Ratchaburi Electric Services Co., Ltd.	50	50	10.00	10.00	77.03	83.21	35.00	48.00
South East Asia Energy Ltd. and its subsidiary	33.33	33.33	2,202.25	2,202.25	2,627.32	2,627.14	240.04	603.41
Nam Ngum 3 Power Co., Ltd.	25	25	0.45	0.45	-	-	-	-
Xe-Pian Xe-Namnoy Power Co., Ltd.	25	25	2,067.64	1,415.99	1,981.63	1,653.05	-	-
KK Power Co., Ltd.	-	50	-	15.44	-	-	-	-
Ratchaburi Power Co., Ltd.	25	25	1,831.25	1,831.25	3,709.39	3,827.00	450.00	700.00
Nava Nakorn Electricity Generating Co., Ltd.	40	40	610.00	610.00	784.84	622.31	-	-
Ratchaburi World Cogeneration Co., Ltd.	40	40	1,000.00	1,000.00	1,242.43	1,149.33	150.00	244.00
Solarta Co., Ltd.	49	49	545.96	545.96	1,162.57	1,025.65	59.29	81.40
Solar Power (Korat 3) Co., Ltd.	40	40	75.50	75.50	127.29	116.71	16.61	10.27
Solar Power (Korat 4) Co., Ltd.	40	40	79.70	79.70	131.45	117.16	11.24	6.29
Solar Power (Korat 7) Co., Ltd.	40	40	75.50	75.50	125.80	112.25	14.12	8.91
Songkhla Biomass Co., Ltd.	40	40	98.40	98.40	135.10	124.18	16.00	-
Songkhla Biofuel Co., Ltd.	40	40	0.40	0.40	0.35	0.37	-	-
Oversea Green Energy Co., Ltd.	-	60	-	9.60	-	12.23	-	-
Berkprai Cogeneration Co., Ltd.	35	35	465.85	116.46	457.61	114.65	-	-
Hongsa Power Co., Ltd.	40	40	12,929.89	12,929.89	11,664.46	11,835.32	960.00	1,165.21
Phu Fai Mining Co., Ltd.	37.50	37.50	0.63	0.63	272.24	134.90	-	-
RICI International Investment Pte. Ltd.	-	60	-	306.57	-	312.27	-	-
PT Medco Ratch Power Riau	49	-	3.80	-	-	-	-	-
Total joint ventures			22,581.72	21,908.49	25,377.47	24,667.23	1,973.65	2,882.89
Grand total			39,334.43	38,039.74	59,274.25	58,949.88	6,230.55	4,422.75

During the year 2017, subsidiaries of EGAT has paid for the additional paid-up share capital of Xe-Pian Xe-Namnoy Power Co., Ltd., Berkprai Cogeneration Co., Ltd. and has paid for the increase in share capital of Nam Ngiep 1 Power Co., Ltd., PT Medco Ratch Power Riau and has disposals of investments in KK Power Co., Ltd., Oversea Green Energy Co., Ltd., RICI International Investment Pte. Ltd.

#### 6.9.4 Investments in subsidiaries, associate and joint venture in the separate financial statements

Company name	Unit : Million Baht					
	Shareholding (%)		Cost Method		Dividend	
	Dec 31, 17	Dec 31, 16	Dec 31, 17	Dec 31, 16	Dec 31, 17	Dec 31, 16
<b>Subsidiaries</b>						
EGAT International Co., Ltd.	100	100	12,197.40	12,095.50	-	-
EGAT Diamond Service Co., Ltd.	45	45	280.35	280.35	-	-
Ratchaburi Electricity Generating Holding Pcl.	45	45	6,525.00	6,525.00	1,566.00	1,481.18
Total subsidiaries			19,002.75	18,900.85	1,566.00	1,481.18
<b>Associate</b>						
Electricity Generating Pcl.	25.41	25.41	1,587.55	1,587.55	902.97	869.53
Total associate			1,587.55	1,587.55	902.97	869.53
<b>Joint venture</b>						
District Cooling System and Power Plant Co., Ltd.	35	35	584.50	584.50	21.35	15.40
Total joint venture			584.50	584.50	21.35	15.40
Grand total			21,174.80	21,072.90	2,490.32	2,366.11

During the year 2017, EGAT has paid for the increase in share capital of EGAT International Co., Ltd.

## 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 joint ventures accounted under the equity method in the consolidated financial statements

	Unit : Million Baht	
	Dec 31, 17	Dec 31, 16
Balance at the beginning	58,949.88	37,686.20
Share of profit from investments-equity method	7,982.37	5,431.05
Retained earnings-legal reserve	5.34	4.37
Additional paid-up share capital in associates	621.46	12,193.81
Additional paid-up share capital in joint ventures	1,004.84	7,708.75
Disposals of investments in joint ventures	(308.64)	-
Gain on remeasuring investments held as available for sale	42.27	13.71
Loss on remeasurements of defined benefit plans	(13.86)	(7.01)
Dividend income	(6,230.55)	(4,422.75)
Exchange differences on translating financial statement	(2,836.54)	295.07
Gain from cash flow hedge	51.01	46.68
Others	6.67	-
Balance at the end	59,274.25	58,949.88

6.9.5.2 Movements in investments in subsidiaries, associate and joint venture accounted for under the cost method in the separate financial statements

	Unit : Million Baht	
	Dec 31, 17	Dec 31, 16
Balance at the beginning	21,072.90	15,085.40
Additional investments	101.90	5,987.50
Balance at the end	21,174.80	21,072.90

## 6.9.6 Financial information of subsidiaries that have material non-controlling interests, associate and joint venture

6.9.6.1 Financial information of subsidiaries that have material non-controlling interests are as follow:

Company name	Country of incorporation/ nationality	Non-controlling interests Shareholding (%)	
		2017	2016
EGAT Diamond Service Co., Ltd. (EDS)	Thailand	55	55
Ratchaburi Electricity Generating Holding Pcl. (RATCH)	Thailand	55	55

Financial information of subsidiaries that have material non-controlling interests after accounting policy adjustment, before eliminations:

Summary of financial position

	Unit : Million Baht			
	Dec 31, 17		Dec 31, 16	
	EDS	RATCH	EDS	RATCH
Current assets	258.14	23,525.93	190.63	26,303.02
Non-current assets	345.76	70,698.90	375.65	70,088.07
Current liabilities	(20.79)	(9,541.63)	(53.51)	(10,867.76)
Non-current liabilities	(3.41)	(21,402.02)	(12.54)	(23,070.56)
Net assets	579.70	63,281.18	500.23	62,452.77
Owners of EGAT	260.87	28,476.53	225.10	28,103.75
Non-controlling interests	318.83	34,804.65	275.13	34,349.02

#### Summary of comprehensive income (expense)

	Unit : Million Baht			
	2017		2016	
	EDS	RATCH	EDS	RATCH
Revenues	269.44	46,890.80	247.33	51,437.54
Expenses	(189.98)	(40,036.13)	(176.88)	(44,501.75)
Profit (loss) before income taxes	79.46	6,854.67	70.45	6,935.79
Income tax expenses	-	(870.89)	-	(863.24)
Net profit (loss)	79.46	5,983.78	70.45	6,072.55
Other comprehensive income (expense)	-	(1,675.37)	-	(748.12)
Total comprehensive income (expense)	79.46	4,308.41	70.45	5,324.43
Owners of EGAT	35.76	1,938.78	31.70	2,395.99
Non-controlling interests	43.70	2,369.63	38.75	2,928.44
Dividend paid to Non-controlling interests	-	1,914.00	-	1,810.33

#### Summary of cash flows

	Unit : Million Baht			
	2017		2016	
	EDS	RATCH	EDS	RATCH
Cash flows from operating activities	54.18	8,207.42	92.61	8,706.42
Cash flows from investing activities	(27.16)	(1,605.87)	(2.60)	(4,978.96)
Cash flows from financing activities	(41.24)	(6,430.40)	(32.64)	(1,417.27)
Others	-	(302.90)	-	(355.50)
Net increase (decrease) in cash and cash equivalents	(14.22)	(131.75)	57.37	1,954.69

6.9.6.2 Financial information of the associate of EGAT, after accounting policy adjustment is as follows:

#### Summary of financial position - Electricity Generating Pcl.

	Unit : Million Baht	
	Dec 31, 17	Dec 31, 16
Current assets	39,542.81	19,998.04
Non-current assets	160,627.14	176,881.41
Current liabilities	(17,471.66)	(13,393.39)
Non-current liabilities	(98,400.77)	(103,418.14)
Net assets	84,297.52	80,067.92



Summary of profit or loss - Electricity Generating Pcl.

	Unit : Million Baht	
	Dec 31, 17	Dec 31, 16
Revenues*	38,394.74	31,050.47
Expenses	(26,072.46)	(21,581.47)
Profit (loss) before income taxes	12,322.28	9,469.00
Income tax expenses	(574.82)	(1,040.21)
Net profit (loss)	11,747.46	8,428.79

\* Including gain (loss) on foreign exchange rate

6.9.6.3 Financial information of the joint venture of EGAT, after accounting policy adjustment is as follows:

Summary of financial position - District Cooling System and Power Plant Co., Ltd.

	Unit : Million Baht	
	Dec 31, 17	Dec 31, 16
Current assets	1,284.51	1,085.56
Non-current assets	2,309.95	2,639.35
Current liabilities	(626.41)	(602.32)
Non-current liabilities	(447.59)	(822.32)
Net assets	2,520.46	2,300.27

Summary of profit or loss - District Cooling System and Power Plant Co., Ltd.

	Unit : Million Baht	
	2017	2016
Revenues*	2,584.42	2,625.71
Expenses	(2,241.57)	(2,247.06)
Profit (loss) before income taxes	342.85	378.65
Income tax expenses	(61.80)	(73.95)
Net profit (loss)	281.05	304.70

\* Including gain (loss) on foreign exchange rate

## 6.10 Finance lease assets-power plants

	Unit : Million Baht	
	Consolidated financial statements	Separate financial statements
Cost as at Jan 1, 17	446,945.92	446,945.92
Cost as at Dec 31, 17	446,945.92	446,945.92
Accumulated depreciation as at Jan 1, 17	(113,568.72)	(113,568.72)
Depreciation for the year	(18,130.35)	(18,130.35)
Accumulated depreciation as at Dec 31, 17	(131,699.07)	(131,699.07)
Net book value		
As at Dec 31, 16	333,377.20	333,377.20
As at Dec 31, 17	315,246.85	315,246.85

	Unit : Million Baht	
	Consolidated financial statements	Separate financial statements
Cost as at Jan 1, 16 (Before adjustment)	396,667.67	396,667.67
Adjustment	870.92	870.92
Cost as at Jan 1, 16 (Adjusted)	397,538.59	397,538.59
Increase during the year	65,289.61	65,289.61
Decrease during the year	(15,882.28)	(15,882.28)
Cost as at Dec 31, 16	446,945.92	446,945.92
Accumulated depreciation as at Jan 1, 16		
(Before adjustment)	(111,595.54)	(111,595.54)
Adjustment	(115.87)	(115.87)
Accumulated depreciation as at Jan 1, 16		
(Adjusted)	(111,711.41)	(111,711.41)
Depreciation for the year	(17,739.59)	(17,739.59)
Decrease during the year	15,882.28	15,882.28
Accumulated depreciation as at Dec 31, 16	(113,568.72)	(113,568.72)
Net book value		
As at Dec 31, 15	285,827.18	285,827.18
As at Dec 31, 16	333,377.20	333,377.20

## 6.11 Property, plant and equipment comprise

Consolidated financial statements														Unit : Million Baht
Land	Structures	Reservoirs and dams	Power plants	Equipment for power plants	Control system	Transmission system	Communication system	Coal handling system	Machinery spare parts for mine equipment	Vehicles	Others	Deferred charges of major inspection fee	Total	
Cost as at Jan 1, 17	13,984.01	33,150.29	29,542.01	327,162.84	37,444.95	856.30	182,653.14	7,140.88	7,318.38	6,817.92	3,409.62	11,438.62	6,593.24	667,555.05
Increase during the year	1,180.09	87.10	-	940.96	802.16	-	388.41	34.33	-	452.91	609.31	868.23	-	5,363.50
Transferred from work under construction	-	2,365.90	61.66	4,801.13	1,021.93	36.53	11,842.95	201.59	67.22	-	-	8.02	1,573.17	21,980.10
Exchange rate differences from currency translation	(3.69)	(1.79)	-	(345.88)	-	-	-	-	-	-	-	(0.08)	-	(351.44)
Reclassification	-	(10.95)	-	(1.66)	-	2.24	(0.15)	-	-	-	-	(28.00)	-	(38.52)
Disposal/ write-off	-	(131.71)	-	(21.82)	-	(11.45)	(594.23)	(136.42)	-	(92.56)	(109.93)	(413.64)	(1,121.56)	(2,633.32)
Cost as at Dec 31, 17	15,160.41	35,458.84	29,603.67	332,535.57	39,269.04	883.62	194,290.12	7,240.38	7,385.60	7,178.27	3,909.00	11,873.15	7,044.85	691,875.37
Accumulated depreciation / Amortization														
as at Jan 1, 17	-	(20,897.76)	(11,494.93)	(206,793.61)	(27,664.31)	(771.83)	(92,309.30)	(6,141.57)	(4,945.25)	(5,318.28)	(2,550.07)	(8,306.98)	(2,786.87)	(390,023.61)
Depreciation/Amortization for the year	-	(1,307.85)	(465.67)	(11,768.71)	(2,908.76)	(52.07)	(6,202.27)	(248.56)	(159.25)	(334.12)	(338.68)	(753.29)	(1,601.06)	(26,140.29)
Exchange rate differences from currency translation	-	1.08	-	211.96	-	-	-	-	-	-	-	0.06	-	213.10
Reclassification	-	12.31	-	(0.04)	-	(2.24)	0.15	-	-	-	-	28.17	-	38.35
Disposal/ write-off	-	116.43	-	21.43	-	10.18	540.52	136.22	-	92.26	109.93	409.33	1,121.56	2,557.86
Accumulated depreciation / Amortization as at Dec 31, 17	-	(22,075.79)	(11,960.60)	(218,328.97)	(30,573.07)	(815.96)	(97,970.90)	(6,253.91)	(5,104.50)	(5,560.14)	(2,778.82)	(8,622.71)	(3,266.37)	(413,354.59)
Accumulated impairment														
as at Jan 1, 17	-	(1.18)	-	(1,034.02)	-	-	-	-	-	-	-	-	-	(1,035.20)
as at Dec 31, 17	-	(1.18)	-	(1,034.02)	-	-	-	-	-	-	-	-	-	(1,035.20)
Net book value														
as at Dec 31, 16	13,984.01	12,251.35	18,047.08	119,335.21	9,780.64	84.47	90,343.84	999.31	2,373.13	1,499.64	859.55	3,131.64	3,806.37	276,496.24
as at Dec 31, 17	15,160.41	13,381.87	17,643.07	113,172.58	8,695.97	67.66	96,319.22	986.47	2,281.10	1,618.13	1,130.18	3,250.44	3,778.48	277,485.58

Unit : Million Baht

## Consolidated financial statements

	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	Others	Deferred charges of major inspection fee	Total
Cost as at Jan 1, 16	9,777.99	31,182.33	29,367.14	322,906.56	36,722.49	856.43	171,949.32	7,006.05	6,484.01	6,823.11	42.85	3,014.07	11,294.41	6,734.84	644,161.60
Increase during the year	4,209.35	60.51	-	217.36	1,047.86	-	173.73	10.05	-	382.39	-	545.44	713.20	-	7,359.89
Transferred from work under construction	-	2,119.44	174.87	6,171.87	32.21	7.78	11,189.93	248.37	841.09	-	-	-	0.55	1,865.04	22,651.15
Exchange rate differences from currency translation	(3.33)	(1.53)	-	(339.10)	-	-	-	-	-	-	-	-	(0.08)	-	(344.04)
Reclassification	-	(12.00)	-	12.00	-	-	-	-	-	(0.29)	-	0.29	(7.53)	-	(7.53)
Disposal / write-off	-	(198.46)	-	(1,805.85)	(357.61)	(7.91)	(659.84)	(123.59)	(6.72)	(387.29)	-	(150.18)	(561.93)	(2,006.64)	(6,266.02)
Cost as at Dec 31, 16	13,984.01	33,150.29	29,542.01	327,162.84	37,444.95	856.30	182,653.14	7,140.88	7,318.38	6,817.92	42.85	3,409.62	11,438.62	6,593.24	667,555.05
Accumulated depreciation / Amortization															
as at Jan 1, 16	-	(19,866.60)	(11,021.96)	(197,041.47)	(24,678.89)	(747.55)	(86,767.03)	(6,008.55)	(4,802.87)	(5,398.52)	(42.85)	(2,470.87)	(8,062.11)	(2,965.69)	(3,694,749.6)
Depreciation/Amortization for the year	-	(1,225.70)	(472.97)	(11,691.85)	(3,343.03)	(31.38)	(6,091.85)	(252.53)	(145.63)	(307.26)	-	(226.80)	(799.53)	(1,827.82)	(26,414.35)
Exchange rate differences from currency translation	-	0.80	-	174.94	-	-	-	-	-	-	-	-	0.04	-	175.78
Reclassification	-	11.56	-	(11.56)	-	-	-	-	-	0.26	-	(0.26)	0.83	-	0.83
Disposal / write-off	-	182.18	-	1,776.33	357.61	7.10	549.58	119.51	1.25	387.24	-	147.86	553.79	2,006.64	6,089.09
Accumulated depreciation / Amortization as at Dec 31, 16	-	(20,897.76)	(11,494.93)	(206,793.61)	(27,664.31)	(771.83)	(92,309.30)	(6,141.57)	(4,945.25)	(5,318.28)	(42.85)	(2,550.07)	(8,306.98)	(2,786.87)	(390,023.61)
Accumulated impairment															
as at Jan 1, 16	-	(1.18)	-	(1,034.02)	-	-	-	-	-	-	-	-	-	-	(1,035.20)
as at Dec 31, 16	-	(1.18)	-	(1,034.02)	-	-	-	-	-	-	-	-	-	-	(1,035.20)
Net book value															
as at Dec 31, 15	9,777.99	11,314.55	18,345.18	124,831.07	12,043.60	108.88	85,182.29	997.50	1,681.14	1,424.59	-	543.20	3,232.30	3,769.15	273,251.44
as at Dec 31, 16	13,984.01	12,251.35	18,047.08	119,335.21	9,780.64	84.47	90,343.84	999.31	2,373.13	1,499.64	-	859.55	3,131.64	3,806.37	276,496.24

Unit : Million Baht

## Separate financial statements

	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	Others	Deferred charges of major inspection fee	Total
Cost as at Jan 1, 17	12,582.92	32,442.04	29,542.01	303,946.24	37,444.95	856.30	182,653.14	7,140.88	7,318.38	6,622.90	42.85	3,388.78	10,814.39	6,593.24	641,389.02
Increase during the year	1,171.10	93.38	-	749.89	802.16	-	388.41	34.33	-	452.91	-	609.31	861.22	-	5,162.71
Transferred from work under construction	-	2,358.69	61.66	4,573.98	1,021.93	36.53	11,842.95	201.59	67.22	-	-	-	0.93	1,573.17	21,738.65
Reclassification	-	(10.95)	-	(1.66)	-	2.24	(0.15)	-	-	-	-	-	(28.00)	-	(38.52)
Disposal / write-off	-	(131.57)	-	(18.45)	-	(11.45)	(594.23)	(136.42)	-	(92.07)	-	(109.93)	(410.67)	(1,121.56)	(2,626.35)
Cost as at Dec 31, 17	13,754.02	34,751.59	29,603.67	309,250.00	39,269.04	883.62	194,290.12	7,240.38	7,385.60	6,983.74	42.85	3,888.16	11,237.87	7,044.85	665,625.51
Accumulated depreciation / Amortization as at Jan 1, 17	-	(20,697.58)	(11,494.93)	(195,482.15)	(27,664.31)	(771.83)	(92,309.30)	(6,141.57)	(4,945.25)	(5,247.61)	(42.85)	(2,529.82)	(7,823.55)	(2,786.87)	(377,937.62)
Depreciation/Amortization for the year	-	(1,271.72)	(465.67)	(10,871.15)	(2,908.76)	(52.07)	(6,202.27)	(248.56)	(159.25)	(314.68)	-	(338.42)	(670.99)	(1,601.06)	(25,104.60)
Reclassification	-	12.31	-	(0.04)	-	(2.24)	0.15	-	-	-	-	-	28.17	-	38.35
Disposal / write-off	-	116.30	-	18.06	-	10.18	540.52	136.22	-	92.07	-	109.93	406.38	1,121.56	2,551.22
Accumulated depreciation / Amortization as at Dec 31, 17	-	(21,840.69)	(11,960.60)	(206,335.28)	(30,573.07)	(815.96)	(97,970.90)	(6,253.91)	(5,104.50)	(5,470.22)	(42.85)	(2,758.31)	(8,059.99)	(3,266.37)	(400,452.65)
Accumulated impairment as at Jan 1, 17	-	-	-	(15.33)	-	-	-	-	-	-	-	-	-	-	(15.33)
as at Dec 31, 17	-	-	-	(15.33)	-	-	-	-	-	-	-	-	-	-	(15.33)
Net book value as at Dec 31, 16	12,582.92	11,744.46	18,047.08	108,448.76	9,780.64	84.47	90,343.84	999.31	2,373.13	1,375.29	-	858.96	2,990.84	3,806.37	263,436.07
as at Dec 31, 17	13,754.02	12,910.90	17,643.07	102,899.39	8,695.97	67.66	96,319.22	986.47	2,281.10	1,513.52	-	1,129.85	3,177.88	3,778.48	265,157.53

EGAT's property, plant and equipment has included other asset financial lease agreements (other than power plants), which the ownership of such assets will not be transferred to EGAT at the end of the lease periods. As at Dec 31, 2017 and 2016 the cost value of these assets was Baht 996.27 million and Baht 467.36 million, accumulated depreciation was Baht 247.67 million and Baht 70.82 million, and net book value was Baht 748.60 million and Baht 396.54 million respectively.

Unit : Million Baht

	Separate financial statements														
	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	Others	Deferred charges of major inspection fee	Total
Cost as at Jan 1, 16	8,373.57	30,476.98	29,367.14	299,703.90	36,722.49	856.43	171,949.32	7,006.05	6,484.01	6,628.09	42.85	2,989.79	10,671.36	6,734.84	618,006.82
Increase during the year	4,209.35	57.07	-	-	1,047.86	-	173.73	10.05	-	382.39	-	545.44	699.36	-	7,125.25
Transferred from work under construction	-	2,118.45	174.87	6,033.40	32.21	7.78	11,189.93	248.37	841.09	-	-	-	-	1,865.04	22,511.14
Reclassification	-	(12.00)	-	12.00	-	-	-	-	-	(0.29)	-	0.29	(7.53)	-	(7.53)
Disposal / write-off	-	(198.46)	-	(1,803.06)	(357.61)	(7.91)	(659.84)	(123.59)	(6.72)	(387.29)	-	(146.74)	(548.80)	(2,006.64)	(6,246.66)
Cost as at Dec 31, 16	12,582.92	32,442.04	29,542.01	303,946.24	37,444.95	856.30	182,653.14	7,140.88	7,318.38	6,622.90	42.85	3,388.78	10,814.39	6,593.24	641,389.02
Accumulated depreciation / Amortization as at Jan 1, 16	-	(19,701.59)	(11,021.96)	(186,441.28)	(24,678.89)	(747.55)	(86,767.03)	(6,008.55)	(4,802.87)	(5,347.44)	(42.85)	(2,447.71)	(7,651.82)	(2,965.69)	(358,625.23)
Depreciation/Amortization for the year	-	(1,189.73)	(472.97)	(10,802.85)	(3,343.03)	(31.38)	(6,091.85)	(252.53)	(143.63)	(287.67)	-	(226.37)	(713.84)	(1,827.82)	(25,383.67)
Reclassification	-	11.56	-	(11.56)	-	-	-	-	-	0.26	-	(0.26)	0.83	-	0.83
Disposal / write-off	-	182.18	-	1,773.54	357.61	7.10	549.58	119.51	1.25	387.24	-	144.52	541.28	2,006.64	6,070.45
Accumulated depreciation / Amortization as at Dec 31, 16	-	(20,697.58)	(11,494.93)	(195,482.15)	(27,664.31)	(771.83)	(92,309.30)	(6,141.57)	(4,945.25)	(5,247.61)	(42.85)	(2,529.82)	(7,823.55)	(2,786.87)	(377,937.62)
Accumulated impairment as at Jan 1, 16	-	-	-	(15.33)	-	-	-	-	-	-	-	-	-	-	(15.33)
as at Dec 31, 16	-	-	-	(15.33)	-	-	-	-	-	-	-	-	-	-	(15.33)
Net book value as at Dec 31, 15	8,373.57	10,775.39	18,345.18	113,247.29	12,043.60	108.88	85,182.29	997.50	1,681.14	1,280.65	-	542.08	3,019.54	3,769.15	259,366.26
as at Dec 31, 16	12,582.92	11,744.46	18,047.08	108,448.76	9,780.64	84.47	90,343.84	999.31	2,373.13	1,375.29	-	858.96	2,990.84	3,806.37	263,436.07

EGAT's property, plant and equipment has included other asset financial lease agreements (other than power plants), which the ownership of such assets will not be transferred to EGAT at the end of the lease periods. As at Dec 31, 2016 and 2015 the cost value of these assets was Baht 467.36 million and Baht 52.99 million, accumulated depreciation was Baht 70.82 million and Baht 2.54 million, and net book value was Baht 396.54 million and Baht 50.45 million respectively.

As at December 31, 2017 and 2016, EGAT had buildings and equipment fully accumulated depreciation, while being in use. The cost value of these assets before deduction of accumulated depreciation was Baht 173,693.20 million and Baht 144,436.96 million respectively, which comprise

		Unit : Million Baht	
		Separate financial statements	
		Dec 31, 17	Dec 31, 16
Structures		12,418.22	10,664.18
Reservoirs and dams		57.76	17.50
Power Plants		99,300.03	78,505.40
Equipment for power plants		18,774.58	15,549.15
Control system		620.83	460.46
Transmission system		22,911.76	19,958.67
Communication system		4,922.07	4,815.37
Coal handling system		3,816.07	3,794.71
Machinery		3,706.60	3,665.18
Large-sized spare parts for mine equipment		42.85	42.85
Vehicles		1,820.06	1,812.36
Others		5,302.37	5,151.13
Total		173,693.20	144,436.96

## 6.12 Work under construction comprise

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	Others	Major inspection fee	Computer Software	Research and development	Materials for work under construction of transmission system	Materials in transportation	Total
Balance as at Jan 1, 17	3,212.19	111.85	23,947.98	17.34	32.78	22,213.07	386.31	34.52	-	4.20	420.76	22.51	21.89	3,744.64	5,397.48	59,565.52
Increase during the year	2,911.43	46.72	22,699.12	5,091.63	3.78	19,369.87	434.21	109.69	0.14	13.39	1,616.91	36.24	13.91	5,073.95	13,786.75	71,207.74
	6,123.62	158.57	46,647.10	5,108.97	36.56	41,582.94	820.52	142.21	0.14	17.59	2,037.67	58.75	35.80	8,818.59	19,184.23	130,773.26
Reclassification	0.24	-	(1,026.91)	1,026.67	-	-	-	-	-	-	-	-	-	-	-	-
Transferred to property, plant, equipment and others	(2,365.53)	(61.66)	(4,794.57)	(1,028.35)	(36.53)	(11,837.63)	(201.59)	(67.22)	-	(8.92)	(1,573.17)	(6.61)	-	(5.32)	-	(21,987.10)
Transferred to work under construction of power plants and transmission system	-	-	-	-	-	-	-	-	-	-	-	-	-	(3,357.46)	(16,221.64)	(19,579.10)
Transferred to materials for work under construction of transmission system	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,244.11)	(1,244.11)
Exchange rate differences	(0.01)	-	(5.16)	(75.56)	-	-	-	-	-	-	-	-	-	-	-	(80.73)
Balance as at Dec 31, 17	3,758.32	96.91	40,820.46	5,031.73	0.03	29,745.31	618.93	74.99	0.14	8.67	464.50	52.14	35.80	5,455.81	1,718.48	87,882.22

Unit : Million Baht

	Consolidated financial statements														
	Structures	Reservoirs and dams	Power plants	Equipment for power plants	Control system	Transmission system and exploration	Communication system	Coal handling system	Others	Major inspection fee	Computer Software	Research and development	Materials for work under construction of transmission system	Materials in transportation	Total
Balance as at Jan 1, 16	2,538.94	283.19	6,373.39	-	27.73	19,289.03	438.90	740.18	2.92	452.96	15.90	3.22	1,911.17	3,596.60	35,674.13
Increase during the year	2,792.79	3.53	23,772.86	40.01	11.43	14,105.57	195.78	133.43	1.83	1,832.84	24.20	18.67	4,515.24	20,679.36	68,127.54
	5,331.73	286.72	30,146.25	40.01	39.16	33,394.60	634.68	873.61	4.75	2,285.80	40.10	21.89	6,426.41	24,275.96	103,801.67
Transferred to property, plant, equipment and others	(2,119.44)	(174.87)	(6,181.68)	(22.40)	(6.38)	(11,181.53)	(248.37)	(841.09)	(0.55)	(1,865.04)	(17.59)	-	(9.80)	-	(22,668.74)
Transferred to work under construction of power plants and transmission system	-	-	-	-	-	-	-	-	-	-	-	-	(2,671.97)	(16,969.24)	(19,641.21)
Transferred to materials for work under construction of transmission system	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,909.24)	(1,909.24)
Exchange rate differences	(0.10)	-	(16.59)	(0.27)	-	-	-	-	-	-	-	-	-	-	(16.96)
Balance as at Dec 31, 16	3,212.19	111.85	23,947.98	17.34	32.78	22,213.07	386.31	32.52	4.20	420.76	22.51	21.89	3,744.64	5,397.48	59,565.52



Unit : Million Baht

Structures	Reservoirs and dams	Power plants	Equipment for power plants	Control system	Transmission system and exploration	Communication system	Coal handling system	Others	Major inspection fee	Computer Software	Research and development	Materials for work under construction of transmission system	Materials in transportation	Total
Balance as at Jan 1, 17	111.85	22,854.37	-	32.78	22,213.07	386.31	32.52	0.93	420.76	22.51	21.89	3,744.64	5,397.48	58,444.79
Increase during the year	46.72	22,216.25	1,198.23	3.78	19,369.87	434.21	109.69	6.31	1,616.91	36.24	13.91	5,073.95	13,786.75	66,824.15
	158.57	45,070.62	1,198.23	36.56	41,582.94	820.52	142.21	7.24	2,037.67	58.75	35.80	8,818.59	19,184.23	125,268.94
Transferred to property, plant, equipment and others	(61.66)	(4,574.06)	(1,021.85)	(36.53)	(11,837.63)	(201.59)	(67.22)	(0.93)	(1,573.17)	(6.61)	-	(5.32)	-	(21,745.26)
Transferred to work under construction of power plants and transmission system	-	-	-	-	-	-	-	-	-	-	-	(3,357.46)	(16,221.64)	(19,579.10)
Transferred to materials for work under construction of transmission system	-	-	-	-	-	-	-	-	-	-	-	-	(1,244.11)	(1,244.11)
Balance as at Dec 31, 17	96.91	40,496.56	176.38	0.03	29,745.31	618.93	74.99	6.31	464.50	52.14	35.80	5,455.81	1,718.48	82,700.47

Unit : Million Baht

Structures	Reservoirs and dams	Power plants	Equipment for power plants	Control system	Transmission system and exploration	Communication system	Coal handling system	Others	Major inspection fee	Computer Software	Research and development	Materials for work under construction of transmission system	Materials in transportation	Total
Balance as at Jan 1, 16	283.19	6,373.39	-	27.73	19,289.03	438.90	740.18	-	452.96	15.90	3.22	1,911.17	3,596.60	35,671.21
Increase during the year	3.53	22,524.19	22.40	11.43	14,105.57	195.78	133.43	0.93	1,832.84	24.20	18.67	4,515.24	20,679.36	66,852.76
	286.72	28,897.58	22.40	39.16	33,394.60	634.68	873.61	0.93	2,285.80	40.10	21.89	6,426.41	24,275.96	102,523.97
Transferred to property, plant, equipment and others	(174.87)	(6,043.21)	(22.40)	(6.38)	(11,181.53)	(248.37)	(841.09)	-	(1,865.04)	(17.59)	-	(9.80)	-	(22,528.73)
Transferred to work under construction of power plants and transmission system	-	-	-	-	-	-	-	-	-	-	-	(2,671.97)	(16,969.24)	(19,641.21)
Transferred to materials for work under construction of transmission system	-	-	-	-	-	-	-	-	-	-	-	-	(1,909.24)	(1,909.24)
Balance as at Dec 31, 16	111.85	22,854.37	-	32.78	22,213.07	386.31	32.52	0.93	420.76	22.51	21.89	3,744.64	5,397.48	58,444.79

Borrowing costs in the amount of Baht 1,041.59 million were from loans for construction of power plants and transmission expansion, which were capitalized to cost of assets, included in the increasing during the year and presented in investing activities of the statements of cash flows.

EGAT had work under construction project as follows:

Project	Unit : Million Baht			
	Consolidated financial statements		Separate financial statements	
	Dec 31, 17	Dec 31, 16	Dec 31, 17	Dec 31, 16
Expand Transmission System Project	36,001.60	26,338.62	36,001.60	26,338.62
Chana Combined Cycle Power Plant Project - Block 2	-	0.55	-	0.55
North Bangkok Combined Cycle Power Plant Project - Block 2	1.76	85.26	1.76	85.26
Mae Moh Thermal Power Plant Project (Replacement) - Units 4-7	34,369.10	22,562.76	34,369.10	22,562.76
South Bangkok Combined Cycle Power Plant Project (Replacement) - Phase 1	566.80	-	566.80	-
Bang Pakong Combined Cycle Power Plant Project (Replacement) - Units 1-2	2.29	-	2.29	-
Others	16,940.67	10,578.33	11,758.92	9,457.60
Total	87,882.22	59,565.52	82,700.47	58,444.79

As at December 31, 2017, Mae Moh Thermal Power Plant Project (Replacement) - Units 4-7 had 96.00 percentages of completion, South Bangkok Combined Cycle Power Plant Project (Replacement) - Phase 1 had 38.20 percentages of completion and Bang Pakong Combined Cycle Power Plant Project (Replacement) - Units 1-2 had a contract endorsement on November 8, 2017.

Three power plants were completed and transferred to asset comprised of Lam Ta Khong Wind Power Project - Phase 2 on December 13, 2017, North Bangkok Combined Cycle Power Plant Project - Block 2 on December 1, 2015, Chana Combined Cycle Power Plant Project - Block 2 on April 8, 2014 (Train 1) and May 9, 2014 (Train 2). However, the three projects have incomplete construction in the remaining part of the additional surrounding development in the power plants (Facilities) that will be transferred to asset after completion.

### 6.13 Goodwill comprise

	Unit : Million Baht	
	Consolidated financial statements	
	Dec 31, 17	Dec 31, 16
Balance at the beginning	672.70	674.84
Differences from exchange rate adjustment	(26.14)	(2.14)
	646.56	672.70
<b>Less:</b> Allowance for impairment	(416.22)	(375.37)
Balance at the end	230.34	297.33

### 6.14 Intangible assets comprise

	Unit : Million Baht				
	Consolidated financial statements				
	Land rights	Computer software rights and software licenses	Royalty on state property service	Project development rights	Total
<b>Cost as at Jan 1, 17</b>	<b>30,003.99</b>	<b>1,897.64</b>	<b>474.77</b>	<b>6,303.60</b>	<b>38,680.00</b>
Increase during the year	3,597.46	78.98	-	-	3,676.44
Transferred from work under construction	-	7.00	-	-	7.00
Exchange rate differences from currency translation	-	1.06	-	(145.97)	(144.91)
Reclassification	-	38.52	-	-	38.52
Disposal / write-off	-	(24.28)	-	-	(24.28)
<b>Cost as at Dec 31, 17</b>	<b>33,601.45</b>	<b>1,998.92</b>	<b>474.77</b>	<b>6,157.63</b>	<b>42,232.77</b>
<b>Accumulated amortization as at Jan 1, 17</b>	<b>(3,841.58)</b>	<b>(1,589.82)</b>	<b>(273.56)</b>	<b>(2,413.25)</b>	<b>(8,118.21)</b>
Amortization for the year	(0.86)	(149.93)	(6.34)	(291.16)	(448.29)
Exchange rate differences from currency translation	-	0.86	-	45.20	46.06
Reclassification	-	(38.35)	-	-	(38.35)
Disposal / write-off	-	24.25	-	-	24.25
<b>Accumulated amortization as at Dec 31, 17</b>	<b>(3,842.44)</b>	<b>(1,752.99)</b>	<b>(279.90)</b>	<b>(2,659.21)</b>	<b>(8,534.54)</b>
<b>Net book value</b>					
As at Dec 31, 16	26,162.41	307.82	201.21	3,890.35	30,561.79
As at Dec 31, 17	29,759.01	245.93	194.87	3,498.42	33,698.23

Unit : Million Baht

Consolidated financial statements

	Land rights	Computer software rights and software licenses	Royalty on state property service	Project development rights	Total
<b>Cost as at Jan 1, 16</b>	<b>28,022.39</b>	<b>1,827.88</b>	<b>474.77</b>	<b>6,186.39</b>	<b>36,511.43</b>
Increase during the year	1,981.60	98.93	-	212.81	2,293.34
Transferred from work under construction	-	17.59	-	-	17.59
Exchange rate differences from currency translation	-	(0.82)	-	(95.60)	(96.42)
Reclassification	-	7.53	-	-	7.53
Disposal / write-off	-	(53.47)	-	-	(53.47)
<b>Cost as at Dec 31, 16</b>	<b>30,003.99</b>	<b>1,897.64</b>	<b>474.77</b>	<b>6,303.60</b>	<b>38,680.00</b>
<b>Accumulated amortization as at Jan 1, 16</b>	<b>(3,840.71)</b>	<b>(1,387.68)</b>	<b>(267.22)</b>	<b>(2,157.20)</b>	<b>(7,652.81)</b>
Amortization for the year	(0.87)	(255.24)	(6.34)	(292.35)	(554.80)
Exchange rate differences from currency translation	-	0.71	-	36.30	37.01
Reclassification	-	(0.83)	-	-	(0.83)
Disposal / write-off	-	53.22	-	-	53.22
<b>Accumulated amortization as at Dec 31, 16</b>	<b>(3,841.58)</b>	<b>(1,589.82)</b>	<b>(273.56)</b>	<b>(2,413.25)</b>	<b>(8,118.21)</b>
<b>Net book value</b>					
As at Dec 31, 15	24,181.68	440.20	207.55	4,029.19	28,858.62
As at Dec 31, 16	26,162.41	307.82	201.21	3,890.35	30,561.79

Unit : Million Baht

	Separate financial statements			
	Land rights	Computer software rights and software licenses	Royalty on state property service	Total
<b>Cost as at Jan 1, 17</b>	<b>30,003.99</b>	<b>1,766.23</b>	<b>474.77</b>	<b>32,244.99</b>
Increase during the year	3,597.46	63.48	-	3,660.94
Transferred from work under construction	-	6.61	-	6.61
Reclassification	-	38.52	-	38.52
Disposal / write-off	-	(24.28)	-	(24.28)
<b>Cost as at Dec 31, 17</b>	<b>33,601.45</b>	<b>1,850.56</b>	<b>474.77</b>	<b>35,926.78</b>
<b>Accumulated amortization as at Jan 1, 17</b>	<b>(3,841.58)</b>	<b>(1,504.34)</b>	<b>(273.56)</b>	<b>(5,619.48)</b>
Amortization for the year	(0.86)	(137.52)	(6.34)	(144.72)
Reclassification	-	(38.35)	-	(38.35)
Disposal / write-off	-	24.25	-	24.25
<b>Accumulated amortization as at Dec 31, 17</b>	<b>(3,842.44)</b>	<b>(1,655.96)</b>	<b>(279.90)</b>	<b>(5,778.30)</b>
<b>Net book value</b>				
As at Dec 31, 16	26,162.41	261.89	201.21	26,625.51
As at Dec 31, 17	29,759.01	194.60	194.87	30,148.48

Unit : Million Baht

	Separate financial statements			Total
	Land rights	Computer software rights and software licenses	Royalty on state property service	
Cost as at Jan 1, 16	28,022.39	1,700.03	474.77	30,197.19
Increase during the year	1,981.60	94.55	-	2,076.15
Transferred from work under construction	-	17.59	-	17.59
Reclassification	-	7.53	-	7.53
Disposal / write-off	-	(53.47)	-	(53.47)
Cost as at Dec 31, 16	30,003.99	1,766.23	474.77	32,244.99
Accumulated amortization as at Jan 1, 16	(3,840.71)	(1,319.05)	(267.22)	(5,426.98)
Amortization for the year	(0.87)	(237.68)	(6.34)	(244.89)
Reclassification	-	(0.83)	-	(0.83)
Disposal / write-off	-	53.22	-	53.22
Accumulated amortization as at Dec 31, 16	(3,841.58)	(1,504.34)	(273.56)	(5,619.48)
Net book value				
As at Dec 31, 15	24,181.68	380.98	207.55	24,770.21
As at Dec 31, 16	26,162.41	261.89	201.21	26,625.51

#### 6.15 Land awaiting development comprise

Unit : Million Baht

	Consolidated financial statements		Separate financial statements	
	Dec 31, 17	Dec 31, 16	Dec 31, 17	Dec 31, 16
Cost at the beginning	2,548.72	2,548.72	2,239.51	2,239.51
Less: Allowance for impairment	(423.43)	(423.43)	(423.43)	(423.43)
Net book value	2,125.29	2,125.29	1,816.08	1,816.08

As at December 31, 2017, 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 were comprised of:

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

## 6.16 Income tax expense and deferred taxes

### 6.16.1 Income tax expenses

		Unit : Million Baht	
		Consolidated financial statements	
		2017	2016
Income tax expenses :			
Current income taxes		1,672.77	987.89
Income taxes of previous year			
which is over recorded		(16.74)	(38.26)
Total		1,656.03	949.63
Deferred taxes :			
Change in temporary differences		(157.72)	(69.73)
Total		(157.72)	(69.73)
Grand total		1,498.31	879.90

### 6.16.2 Deferred tax assets and deferred tax liabilities

Unit : Million Baht

	Consolidated financial statements			
	Assets		Liabilities	
	Dec 31, 17	Dec 31, 16	Dec 31, 17	Dec 31, 16
Deferred tax assets (liabilities)	5,707.90	6,292.91	(7,274.52)	(8,043.48)
Set off of taxes	(5,574.05)	(6,239.45)	5,574.05	6,239.45
Net deferred tax assets (liabilities)	133.85	53.46	(1,700.47)	(1,804.03)

### 6.16.3 Movements in deferred tax assets and deferred tax liabilities

Unit : Million Baht

	Consolidated financial statements				
	As at Jan 1, 17	Profit or loss	Other comprehensive income	Exchange rate differences	As at Dec 31, 17
Deferred tax assets :					
Allowance for obsolescence of spare parts and supplies and allowance for declining in value of spare parts and supplies	272.25	0.86	-	(0.64)	272.47
Property, plant and equipment	5,452.34	(626.55)	-	(11.37)	4,814.42
Provisions for employee benefits	31.87	3.57	0.13	-	35.57
Finance lease liabilities	0.12	-	-	-	0.12
Loss carry forward	481.09	5.28	-	(6.96)	479.41
Others	55.24	49.83	-	0.84	105.91
Total	6,292.91	(567.01)	0.13	(18.13)	5,707.90
Deferred tax liabilities :					
Property, plant and equipment	(2,893.12)	95.24	-	46.15	(2,751.73)
Finance lease receivable-related party	(4,999.05)	754.01	-	-	(4,245.04)
Others	(151.31)	(124.52)	-	(1.92)	(277.75)
Total	(8,043.48)	724.73	-	44.23	(7,274.52)



Unit : Million Baht

Consolidated financial statements

	As at Jan 1, 16	Profit or loss	Other comprehensive income	Exchange rate differences	As at Dec 31, 16
Deferred tax assets :					
Allowance for obsolescence of spare parts and supplies and allowance for declining in value of spare parts and supplies	303.27	(30.39)	-	(0.63)	272.25
Property, plant and equipment	6,077.32	(614.70)	-	(10.28)	5,452.34
Provisions for employee benefits	25.42	1.82	4.63	-	31.87
Finance lease liabilities	0.09	0.03	-	-	0.12
Loss carry forward	607.66	(121.33)	-	(5.24)	481.09
Others	37.70	18.42	-	(0.88)	55.24
Total	7,051.46	(746.15)	4.63	(17.03)	6,292.91
Deferred tax liabilities :					
Property, plant and equipment	(3,040.35)	101.83	-	45.40	(2,893.12)
Finance lease receivable-related party	(5,638.16)	639.11	-	-	(4,999.05)
Others	(223.88)	70.31	-	2.26	(151.31)
Total	(8,902.39)	811.25	-	47.66	(8,043.48)

6.17 Other non-current assets comprise

Unit : Million Baht

	Consolidated financial statements				
	Overburden removal costs	Minerals resource exploration and preliminary development costs	Resettlement costs	Mineral patent costs	Total
<b>- Deferred charges of the lignite mine</b>					
Deferred charges as at Jan 1, 17	112,300.64	645.67	1,988.44	281.14	115,215.89
Increase during the year	5,840.46	-	-	74.72	5,915.18
Deferred charges as at Dec 31, 17	118,141.10	645.67	1,988.44	355.86	121,131.07
Accumulated amortization as at Jan 1, 17	(112,300.64)	(344.71)	(1,840.58)	(91.47)	(114,577.40)
Increase during the year	(5,840.46)	(9.88)	(50.30)	(13.75)	(5,914.39)
Accumulated amortization as at Dec 31, 17	(118,141.10)	(354.59)	(1,890.88)	(105.22)	(120,491.79)
Net book value					
As at Dec 31, 16	-	300.96	147.86	189.67	638.49
As at Dec 31, 17	-	291.08	97.56	250.64	639.28
<b>- Others</b>					
As at Dec 31, 16					3,611.76
As at Dec 31, 17					4,440.04
<b>Total other non-current assets</b>					
As at Dec 31, 16					4,250.25
As at Dec 31, 17					5,079.32

Unit : Million Baht

Consolidated financial statements					
	Overburden removal costs	Minerals resource exploration and preliminary development costs	Resettlement costs	Mineral patent costs	Total
<b>- Deferred charges of the lignite mine</b>					
Deferred charges as at Jan 1, 16	106,592.33	645.67	1,988.44	281.14	109,507.58
Increase during the year	5,708.31	-	-	-	5,708.31
Deferred charges as at Dec 31, 16	112,300.64	645.67	1,988.44	281.14	115,215.89
Accumulated amortization as at Jan 1, 16	(106,592.33)	(334.53)	(1,788.69)	(80.23)	(108,795.78)
Increase during the year	(5,708.31)	(10.18)	(51.89)	(11.24)	(5,781.62)
Accumulated amortization as at Dec 31, 16	(112,300.64)	(344.71)	(1,840.58)	(91.47)	(114,577.40)
Net book value					
As at Dec 31, 15	-	311.14	199.75	200.91	711.80
As at Dec 31, 16	-	300.96	147.86	189.67	638.49
<b>- Others</b>					
As at Dec 31, 15					2,735.74
As at Dec 31, 16					3,611.76
<b>Total other non-current assets</b>					
As at Dec 31, 15					3,447.54
As at Dec 31, 16					4,250.25

Unit : Million Baht

	Separate financial statements				
	Overburden removal costs	Minerals resource exploration and preliminary development costs	Resettlement costs	Mineral patent costs	Total
<b>- Deferred charges of the lignite mine</b>					
Deferred charges as at Jan 1, 17	112,300.64	645.67	1,988.44	281.14	115,215.89
Increase during the year	5,840.46	-	-	74.72	5,915.18
Deferred charges as at Dec 31, 17	118,141.10	645.67	1,988.44	355.86	121,131.07
Accumulated amortization as at Jan 1, 17	(112,300.64)	(344.71)	(1,840.58)	(91.47)	(114,577.40)
Increase during the year	(5,840.46)	(9.88)	(50.30)	(13.75)	(5,914.39)
Accumulated amortization as at Dec 31, 17	(118,141.10)	(354.59)	(1,890.88)	(105.22)	(120,491.79)
Net book value					
As at Dec 31, 16	-	300.96	147.86	189.67	638.49
As at Dec 31, 17	-	291.08	97.56	250.64	639.28
<b>- Others</b>					
As at Dec 31, 16					2,850.80
As at Dec 31, 17					3,765.50
<b>Total other non-current assets</b>					
As at Dec 31, 16					3,489.29
As at Dec 31, 17					4,404.78

Unit : Million Baht

	Separate financial statements				
	Overburden removal costs	Minerals resource exploration and preliminary development costs	Resettlement costs	Mineral patent costs	Total
<b>- Deferred charges of the lignite mine</b>					
Deferred charges as at Jan 1, 16	106,592.33	645.67	1,988.44	281.14	109,507.58
Increase during the year	5,708.31	-	-	-	5,708.31
Deferred charges as at Dec 31, 16	112,300.64	645.67	1,988.44	281.14	115,215.89
Accumulated amortization as at Jan 1, 16	(106,592.33)	(334.53)	(1,788.69)	(80.23)	(108,795.78)
Increase during the year	(5,708.31)	(10.18)	(51.89)	(11.24)	(5,781.62)
Accumulated amortization as at Dec 31, 16	(112,300.64)	(344.71)	(1,840.58)	(91.47)	(114,577.40)
Net book value					
As at Dec 31, 15	-	311.14	199.75	200.91	711.80
As at Dec 31, 16	-	300.96	147.86	189.67	638.49
<b>- Others</b>					
As at Dec 31, 15					1,726.68
As at Dec 31, 16					2,850.80
<b>Total other non-current assets</b>					
As at Dec 31, 15					2,438.48
As at Dec 31, 16					3,489.29

#### 6.18 Trade accounts payable-others comprise :

	Unit : Million Baht			
	Consolidated financial statements		Separate financial statements	
	Dec 31, 17	Dec 31, 16	Dec 31, 17	Dec 31, 16
Trade payables-electric energy purchased	33,028.13	31,826.13	33,028.13	31,826.13
Trade payables-fuel for electricity generating	9,775.85	6,641.75	9,775.85	6,641.75
Others	7,449.34	7,496.36	2,199.73	1,924.64
Total	50,253.32	45,964.24	45,003.71	40,392.52

## 6.19 Accrued remittance to the Ministry of Finance

As at January 1, 2017, EGAT has a brought forward of accrued remittance to the Ministry of Finance in the amount of Baht 8,100.39 million which increased in the amount of Baht 952.47 million. On April 20, 2017, EGAT remitted to the Ministry of Finance in accordance with the notice of EGAT no. 921101/37817 in the amount of Baht 9,052.86 million.

In the year 2017, the Ministry of Finance prescribed that EGAT has to calculate the remittance to the Ministry of Finance in 45% of profit before provision of bonus expense, although, the amount of remittance may vary depending on the revision from the Ministry of Finance. As at December 31, 2017, EGAT recorded the provision for the remittance to the Ministry of Finance for the performance of year 2017 in the amount of Baht 25,274.76 million. However, in October 2017, EGAT remitted to the Ministry of Finance for the performance of six months ended June 30, 2017 in the amount of Baht 13,384.05 million. Therefore, EGAT has accrued the remittance to the Ministry of Finance in the amount of Baht 11,890.71 million as at December 31, 2017.

## 6.20 Long-term loans comprise

Unit : Million Baht

	Consolidated financial statements		Separate financial statements	
	Dec 31, 17	Dec 31, 16	Dec 31, 17	Dec 31, 16
Balance at the beginning	74,877.24	74,744.68	54,943.11	56,192.47
Increase during the year	20,247.61	6,989.16	18,000.00	4,400.00
Repayments	(3,460.53)	(6,847.01)	(3,420.52)	(5,617.01)
Deferred financing fees	7.22	(13.74)	-	-
(Gain) loss on exchange rates	168.81	112.68	16.91	(32.35)
Exchange rate differences from				
currency translation	(1,385.58)	(108.53)	-	-
	90,454.77	74,877.24	69,539.50	54,943.11
<b>Less : Current portion of long-term loans</b>	<b>(10,210.29)</b>	<b>(3,148.79)</b>	<b>(7,552.01)</b>	<b>(3,118.84)</b>
Balance at the end	80,244.48	71,728.45	61,987.49	51,824.27

Long-term-loans comprise

Consolidated financial statements				
	Dec 31, 17		Dec 31, 16	
	Foreign	Million	Foreign	Million
	currencies	Baht	currencies	Baht
	Unit : million		Unit : million	
<b>Local sources secured by the Ministry of Finance:</b>				
<b>EGAT bonds</b>				
Fixed rate due within 2017 - 2020	-	1,000.00	-	1,000.00
		<u>1,000.00</u>		<u>1,000.00</u>
<b>Local sources unsecured by the Ministry of Finance:</b>				
<b>Ministry of Finance loans</b>				
Fixed rate due within 2017 - 2027	-	62.60	-	68.05
<b>Krungthai Bank PCL</b>				
Fixed rate due within 2017 - 2027	-	11,700.00	-	-
<b>EGAT bonds</b>				
Fixed rate due within 2017 - 2037	-	56,300.00	-	53,300.00
<b>Debenture</b>				
Fixed rate due within 2017 - 2022	-	1,998.69	-	1,998.38
<b>Other financial institutions</b>				
Floating rate due in 2017	-	-	-	39.92
		<u>70,061.29</u>		<u>55,406.35</u>
<b>Foreign sources secured by the Ministry of Finance:</b>				
<b>Loans</b>				
<b>Euro:</b>				
Fixed rate due within 2017 - 2037	12.11	476.90	15.08	575.06
		<u>476.90</u>		<u>575.06</u>
<b>Foreign sources unsecured by the Ministry of Finance:</b>				
<b>Loans</b>				
<b>AUD Dollars:</b>				
Floating rate due within 2018 - 2023	188.12	4,775.69	100.00	2,567.01
<b>Debentures</b>				
<b>Japanese Yen:</b>				
Fixed rate due in 2026	15,000.00	4,345.05	15,000.00	4,596.05
<b>Dollars:</b>				
Fixed rate due in 2019	300.00	9,795.84	300.00	10,732.77
		<u>18,916.58</u>		<u>17,895.83</u>
Total		<u>90,454.77</u>		<u>74,877.24</u>
Less : Current portion of long-term loans		(10,210.29)		(3,148.79)
<b>Balance</b>		<u><b>80,244.48</b></u>		<u><b>71,728.45</b></u>

Separate financial statements				
	Dec 31, 17		Dec 31, 16	
	Foreign	Million	Foreign	Million
	currencies	Baht	currencies	Baht
	Unit : million		Unit : million	
<b>Local sources secured by the Ministry of Finance:</b>				
<b>EGAT bonds</b>				
Fixed rate due within 2017 - 2020	-	1,000.00	-	1,000.00
		1,000.00		1,000.00
<b>Local sources unsecured by the Ministry of Finance:</b>				
<b>Ministry of Finance loans</b>				
Fixed rate due within 2017 - 2027	-	62.60	-	68.05
<b>Krungthai Bank PCL</b>				
Fixed rate due within 2017 - 2027	-	11,700.00	-	-
<b>EGAT bonds</b>				
Fixed rate due within 2017 - 2037	-	56,300.00	-	53,300.00
		68,062.60		53,368.05
<b>Foreign sources secured by the Ministry of Finance:</b>				
<b>Loans</b>				
<b>Euro:</b>				
Fixed rate due within 2017 - 2037	12.11	476.90	15.08	575.06
		476.90		575.06
Total		69,539.50		54,943.11
Less : Current portion of long-term loans		(7,552.01)		(3,118.84)
Balance		61,987.49		51,824.27

Long-term loans can be classified by interest rate as follows:

	Unit : Million Baht			
	Consolidated financial statements		Separate financial statements	
	Dec 31, 17	Dec 31, 16	Dec 31, 17	Dec 31, 16
Floating rate	4,775.70	2,606.93	-	-
Fixed rate	85,679.07	72,270.31	69,539.50	54,943.11
Total	90,454.77	74,877.24	69,539.50	54,943.11



Interest rate of long-term loans as at December 31, 2017 are as follows:

	<u>Consolidated financial statements</u>	<u>Separate financial statements</u>
EGAT bonds - local sources		
- Guaranteed by the Ministry of Finance	7.380%	7.380%
- The Ministry of Finance does not guarantee.	1.940% to 6.235%	1.940% to 6.235%
Loans - local sources		
- The Ministry of Finance does not guarantee.	2.499% to 4.350%	2.499% to 3.399%
Loans - foreign sources		
- Guaranteed by the Ministry of Finance	0.750% to 8.000%	0.750% to 8.000%
Debentures		
- The Ministry of Finance does not guarantee.	2.720% to 3.500%	-

## 6.21 Non-current provisions for employee benefits

EGAT's employees will receive retirement benefits under Thai labour law when employees have 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 government bond yield with a currency and term similar to the estimated term of the benefit obligations. Any expenses related to benefits are recognized in the statements of income in order to attribute benefits to periods of service.

Movement in the present value of non-current provisions for employee benefits are as follows:

	Unit : Million Baht			
	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>Dec 31, 17</u>	<u>Dec 31, 16</u>	<u>Dec 31, 17</u>	<u>Dec 31, 16</u>
Balance at the beginning	15,593.22	15,396.26	15,428.83	15,269.98
Current service costs	770.88	776.69	750.51	755.98
Interest costs	506.22	499.87	501.44	494.89
Actuarial loss from provisions for				
post-employment benefit	0.66	23.18	-	-
Past service costs	942.38	-	941.63	-
Foreign exchange adjustment	0.01	(0.08)	-	-
Actual payment	(1,151.92)	(1,102.70)	(1,144.30)	(1,092.02)
Balance at the end	<u>16,661.45</u>	<u>15,593.22</u>	<u>16,478.11</u>	<u>15,428.83</u>

Expenses recognized in the statements of income and as parts of cost of assets/liabilities were shown in the statements of financial position are as follows:

	Unit : Million Baht			
	Consolidated financial statements		Separate financial statements	
	Dec 31, 17	Dec 31, 16	Dec 31, 17	Dec 31, 16
Expenses realized in the statements of income				
Cost of sales	1,321.58	713.52	1,321.58	713.52
Selling expenses	15.54	8.43	15.54	8.43
Administrative expenses	704.77	428.53	678.87	402.84
Total	2,041.89	1,150.48	2,015.99	1,124.79
Cost of assets/liabilities realized in the statements of financial position				
Materials and supplies	46.42	43.62	46.42	43.62
Work under construction	127.01	80.44	127.01	80.44
Provision liabilities for mine reclamation	4.16	2.02	4.16	2.02
Total	177.59	126.08	177.59	126.08
Grand Total	2,219.48	1,276.56	2,193.58	1,250.87

Actuarial loss from provisions for post-employment benefit recognized in the statements of comprehensive income are as follows:

	Unit : Million Baht			
	Consolidated financial statements		Separate financial statements	
	Dec 31, 17	Dec 31, 16	Dec 31, 17	Dec 31, 16
Loss from experience adjustments	0.42	12.06	-	-
Loss from changes in financial assumptions	0.15	6.03	-	-
Loss from changes in demographic assumptions	0.09	5.09	-	-
Total	0.66	23.18	-	-

Principal actuarial assumptions of EGAT are as follows:

	<u>Annual percentage (%)</u>
Discount rate	3.3
Inflation rate	
Consumer price index	3.0
Post-employment medical care	10
Resignation rate	0.0 - 0.7
Salary increasing rate	6 - 11
Mortality rate, by table	TMO08
	(Thai mortality tables 2008)

Office of Insurance Commission (OIC) prescribed the Thai mortality tables 2017 which became effective since September 1, 2017. This caused EGAT reconsidered employee benefit obligations assumptions which is in the process of hiring a consultant (actuarial specialist) which is expected that to be completed after the financial statements of 2017. However, the management of EGAT has assessed and concluded that the mortality rate adjustment will not have material impact on the financial statements.

Sensitivity analysis of principal actuarial assumptions used in determining the present value of benefit obligations of EGAT as at December 31, 2017 are as follows:

	<b>Unit : Million Baht</b>	
	<b>Increase (decrease) in present value of the obligation</b>	
	<b>Increase 1%</b>	<b>Decrease 1%</b>
Discount rate	(1,755.22)	2,215.64
Salary increasing rate	983.09	(864.42)
Medical inflation rate	1,024.14	(780.57)

Weighted average duration of the benefit obligations of EGAT's group is 18 years.

Due to the differences in operational environment of EGAT's group, including limitations on the estimation of assumptions and sensitivity analysis based on actuarial principles, the principal assumptions and their sensitivity analysis could not be reasonably applied. Thus only EGAT has been presented.

## 6.22 Finance lease liabilities-power plants

Unit : Million Baht

	Consolidated financial statements		Separate financial statements	
	Dec 31, 17	Dec 31, 16	Dec 31, 17	Dec 31, 16
<b>Related parties</b>				
Finance lease liabilities	344,219.39	394,114.49	380,053.15	437,644.16
<b>Less : Deferred interest expenses</b>	(184,419.44)	(215,022.68)	(199,028.00)	(233,557.10)
	159,799.95	179,091.81	181,025.15	204,087.06
<b>Less : Current portion</b>	(9,981.80)	(10,009.36)	(13,536.49)	(13,779.41)
Finance lease liabilities-net of current portion	149,818.15	169,082.45	167,488.66	190,307.65
<b>Others</b>				
Finance lease liabilities	305,972.89	337,210.97	305,972.89	337,210.97
<b>Less : Deferred interest expenses</b>	(182,746.84)	(204,527.23)	(182,746.84)	(204,527.23)
	123,226.05	132,683.74	123,226.05	132,683.74
<b>Less : Current portion</b>	(6,561.91)	(6,542.23)	(6,561.91)	(6,542.23)
Finance lease liabilities-net of current portion	116,664.14	126,141.51	116,664.14	126,141.51
<b>Total</b>				
Current portion of finance lease liabilities	16,543.71	16,551.59	20,098.40	20,321.64
Finance lease liabilities-net of current portion	266,482.29	295,223.96	284,152.80	316,449.16

Unit : Million Baht

Consolidated financial statements

	Finance lease liabilities		Deferred interest expenses		Net	
	Dec 31, 17	Dec 31, 16	Dec 31, 17	Dec 31, 16	Dec 31, 17	Dec 31, 16
Within 1 year	50,366.55	54,339.63	(33,822.84)	(37,788.04)	16,543.71	16,551.59
1 - 5 years	170,806.41	189,615.07	(115,504.11)	(128,344.35)	55,302.30	61,270.72
Over 5 years	429,019.32	487,370.76	(217,839.33)	(253,417.52)	211,179.99	233,953.24
Total	650,192.28	731,325.46	(367,166.28)	(419,549.91)	283,026.00	311,775.55

Unit : Million Baht

Separate financial statements

	Finance lease liabilities		Deferred interest expenses		Net	
	Dec 31, 17	Dec 31, 16	Dec 31, 17	Dec 31, 16	Dec 31, 17	Dec 31, 16
Within 1 year	57,167.10	62,011.53	(37,068.70)	(41,689.89)	20,098.40	20,321.64
1 - 5 years	189,304.65	210,668.28	(124,087.15)	(138,736.08)	65,217.50	71,932.20
Over 5 years	439,554.29	502,175.32	(220,618.99)	(257,658.36)	218,935.30	244,516.96
Total	686,026.04	774,855.13	(381,774.84)	(438,084.33)	304,251.20	336,770.80

6.23 Provision liabilities for mine reclamation are as follows :

Unit : Million Baht

	Consolidated financial statements		Separate financial statements	
	Dec 31, 17	Dec 31, 16	Dec 31, 17	Dec 31, 16
Balance at the beginning	2,189.67	2,169.27	2,189.67	2,169.27
Increase during the year	153.10	123.00	153.10	123.00
	2,342.77	2,292.27	2,342.77	2,292.27
Less : Mine reclamation expenses	(103.87)	(93.78)	(103.87)	(93.78)
Depreciation	(13.13)	(8.82)	(13.13)	(8.82)
Balance at the end	2,225.77	2,189.67	2,225.77	2,189.67

## 6.24 Other non-current liabilities comprise

	Unit : Million Baht			
	Consolidated financial statements		Separate financial statements	
	Dec 31, 17	Dec 31, 16	Dec 31, 17	Dec 31, 16
<b>Deferred income</b>				
Balance at the beginning	7,020.66	6,823.44	7,020.66	6,823.44
<b>Add :</b> Contribution received	326.87	360.16	326.87	360.16
Asset transferred	629.63	260.00	629.63	260.00
	7,977.16	7,443.60	7,977.16	7,443.60
<b>Less :</b> Recognized to other income	(457.21)	(421.60)	(457.21)	(421.60)
Decrease in depreciation	(1.34)	(1.34)	(1.34)	(1.34)
Balance at the end	7,518.61	7,020.66	7,518.61	7,020.66
<b>Retention</b>	10,676.47	7,802.84	10,676.47	7,802.84
<b>Others</b>	1,027.51	1,049.23	1,232.30	1,117.40
Total	19,222.59	15,872.73	19,427.38	15,940.90

## 6.25 Equity

### Contribution from The Government comprise

	Unit : Million Baht			
	Consolidated financial statements		Separate financial statements	
	Dec 31, 17	Dec 31, 16	Dec 31, 17	Dec 31, 16
Contribution for supporting 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
<b>Less :</b> Accumulated depreciation	(2,057.41)	(1,995.08)	(2,057.41)	(1,995.08)
Depreciation for the period	(62.33)	(62.33)	(62.33)	(62.33)
	2,245.01	2,307.34	2,245.01	2,307.34
Balance	8,752.65	8,814.98	8,752.65	8,814.98

#### 6.26 Revenue from sales of other goods and services comprise

Unit : Million Baht

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Revenue from telecommunication services	215.92	231.94	215.92	231.94
Revenue from fuel providing	-	4,122.84	311.99	4,251.54
Revenue from operation and maintenance services	2,274.81	1,907.52	3,668.01	3,050.13
Others	802.73	1,084.62	247.43	346.37
Total	3,293.46	7,346.92	4,443.35	7,879.98

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

#### 6.27 Cost of electric energy sales comprise

Unit : Million Baht

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Electric energy purchased	324,775.62	307,692.78	324,775.62	307,694.81
Fuel	107,526.82	126,263.24	76,484.87	89,816.23
Generating expenses	34,307.26	34,416.17	29,169.64	29,808.22
Transmission expenses	11,493.82	11,227.73	11,493.82	11,227.73
	478,103.52	479,599.92	441,923.95	438,546.99
Finance leases-power plants				
Electric energy purchased	(181,522.14)	(187,768.11)	(181,522.14)	(187,768.11)
Fuel	79,650.40	83,329.75	111,601.08	120,670.63
Generating expenses	23,773.86	20,475.07	27,659.00	23,666.23
	(78,097.88)	(83,963.29)	(42,262.06)	(43,431.25)
Total	400,005.64	395,636.63	399,661.89	395,115.74

## 6.28 Cost of sales of other goods and services comprise

Unit : Million Baht

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Cost of telecommunication services	17.19	17.05	17.19	17.05
Cost of fuel providing	-	4,122.84	312.09	4,251.54
Cost of operation and maintenance services	1,406.93	1,169.08	2,337.64	1,933.76
Others	232.14	314.21	100.52	187.74
Total	1,656.26	5,623.18	2,767.44	6,390.09

EGAT recorded cost of telecommunication services together 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 expenses, administrative expenses and finance costs, which each of expenses is shown in each of categories of expenses in the statements of income.

## 6.29 Other income comprise

Unit : Million Baht

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Interest income	1,202.00	1,481.33	961.55	1,264.35
Dividend income	564.29	473.23	2,865.71	2,634.61
Gain on disposal of assets	-	211.28	-	210.77
Gain on exchange rates	1,267.51	289.39	570.35	209.07
Gain on exchange rates under finance leases	12,668.73	660.46	12,772.24	676.40
Gain on changes in the fair value of derivatives	136.61	75.80	136.61	75.80
Gain on disposal of investments	26.59	-	-	-
Contribution income	457.21	421.60	457.21	421.60
Fine income	370.53	312.53	370.51	312.50
Income on disposal of fly ash and scrap	400.59	383.00	400.59	383.00
Miscellaneous income	67.11	97.50	67.11	97.50
Others	460.47	356.12	218.76	187.21
Total	17,621.64	4,762.24	18,820.64	6,472.81



### 6.30 Other expenses comprise

	Unit : Million Baht			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Loss on disposal of assets	11.86	-	11.78	-
Others	75.80	18.54	34.96	17.53
Total	87.66	18.54	46.74	17.53

### 6.31 Finance costs comprise

	Unit : Million Baht			
	Consolidated financial statements			
	Interest expenses	Expenses relating to the loans	Total 2017	Total 2016
Capitalized to work under construction	1,040.67	0.92	1,041.59	997.30
Finance costs in the statements of income	4,354.82	19.06	4,373.88	4,195.90
Finance costs-finance leases	36,756.14	-	36,756.14	37,508.06
	41,110.96	19.06	41,130.02	41,703.96
Total	42,151.63	19.98	42,171.61	42,701.26

	Unit : Million Baht			
	Separate financial statements			
	Interest expenses	Expenses relating to the loans	Total 2017	Total 2016
Capitalized to work under construction	1,040.67	0.92	1,041.59	997.30
Finance costs in the statements of income	2,868.64	1.41	2,870.05	2,790.77
Finance costs-finance leases	40,645.07	-	40,645.07	42,001.81
	43,513.71	1.41	43,515.12	44,792.58
Total	44,554.38	2.33	44,556.71	45,789.88

### 6.32 Share of profit (loss) from investments in associates comprise

	Unit : Million Baht	
	Consolidated financial statements	
	2017	2016
Electricity Generating Pcl.	2,976.75	2,403.30
First Korat Wind Co., Ltd.	113.97	125.66
K.R. TWO Co., Ltd.	85.90	102.55
Perth Power Partnership (Kwinana)	57.48	80.28
Nam Ngiep 1 Power Co., Ltd.	(265.64)	(73.02)
PT Adaro Indonesia	1,599.68	89.90
Total	4,568.14	2,728.67

### 6.33 Performance of EGAT

The performance of EGAT in net profit of 2017 was Baht 51,491.70 million. EGAT recorded the provision of expenses of bonus for employees and directors in the amount of Baht 4,582.86 million in the 2017 financial statements.

In April 2017, the Ministry of Finance approved EGAT to allocate the 2016 net profit for bonus payment to the employees and directors in the amount of Baht 4,923.75 million. EGAT recorded the provision of bonus in 2016 Baht 4,832.17 million which was Bath 91.58 million lower than the approval amount. This difference brought about increasing expense in the year 2017.

### 6.34 Expenses by nature comprise

	Unit : Million Baht			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Electric energy purchased	143,253.48	119,924.67	143,253.48	119,926.70
Raw materials and consumables used	108,510.34	127,343.34	77,230.31	90,686.22
Fuel-finance leases	79,650.40	83,329.75	111,601.08	120,670.63
Managements remuneration	370.25	356.40	153.30	148.38
Employee expenses	25,871.06	26,072.75	25,269.89	25,483.07
Depreciation of property, plant and equipment	25,950.05	26,253.00	24,914.36	25,222.34
Depreciation of finance lease assets	18,130.35	17,739.59	18,130.35	17,739.59
Amortization of intangible assets	443.89	549.47	140.32	239.56
Hire and maintenance expenses	4,602.43	4,513.01	3,060.33	2,989.97
Other expenses	11,275.48	11,635.43	13,210.31	13,142.91
Total	418,057.73	417,717.41	416,963.73	416,249.37
Work performed by the entity and capitalized	47,915.16	41,658.05	47,915.16	41,658.05

### 7. Power development fund

The legislation of Energy Industry Act B.E. 2550, which enforced on December 11, 2007, determined to set up the power development fund to support extensive electricity service provision to various localities and to develop the local communities affected by the operation of a power plant. 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 electricity generation 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, starting from the date of conducting the construction in accordance with the contract for services 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, starting from the date of commercial operation date, EGAT has to deliver monthly by calculating the money based on electric energy produced for sales and internal 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.

In 2014 ERC declared about the remittance to the power development fund for electricity selling licensees, as follows:

1. The announcement on the remittance to the power development fund for electricity selling licensees to support the use of renewable energy and the technology used in the operation of electricity industry with less environmental impact B.E. 2557, which requires licensees to remit to the power development fund based on the electricity charged to consumers at the rate of Baht 0.005 per net unit sold in the billing month;

2. The announcement on the remittance to the power development fund for electricity selling licensees to support society and people to have knowledge, awareness and participation in the electricity B.E. 2557, which requires the licensees to remit to the power development fund based on the electricity charged to consumers at the rate of Baht 0.002 per net unit sold in the billing month.

EGAT had contribution provision for the power development fund which can be categorized as follows:

1. The power plant of EGAT including both under construction and declared commercial operation power plants for the years ended December 31, 2017 and 2016 in the amount of Baht 893.95 million and Baht 945.62 million respectively.

2. The supporting of using renewable energy and the technology used in the operation of electricity industry with less environmental impact for the year ended December 31, 2017 and 2016 in the amount of Baht 8.00 million and Baht 9.75 million respectively.

3. The supporting society and people with knowledge, awareness and participation in the electricity for the year ended December 31, 2017 and 2016 in the amount of Baht 3.20 million and Baht 3.90 million respectively.

## **8. Contingent asset**

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

From the year 2010, EGAT entered into the Power Purchase Agreement with Lao People's Democratic Republic (Lao PDR) of Nam Theun 2 power plant project and Nam Ngum 2 power plant project. The power purchase guarantee in accordance with annual supply target specified that in case of the power plants have supply excess, they don't charge EGAT for the excess. However, the excess will be accumulated to set off in the following year when the power plants have lower supply than annual supply target (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 13<sup>th</sup> anniversary from March 8, 2010 and period of Nam Ngum 2 power plant ends 10<sup>th</sup> 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 paid 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.

As at December 31, 2017, contingent asset excluded from the separate financial statements are the calling for outsiders to pay compensation to EGAT, which the Civil Court judged that outsiders was liable for the payment of 4 lawsuits in case of infringement with the amount of Baht 26.78 million.

## **9. Contingent liabilities**

As at December 31, 2017, contingent liabilities excluded from the separate financial statements, are the calling for EGAT to pay additional compensation, which the Civil Court judged that EGAT was liable for the additional payment of 58 lawsuits with the amount of Baht 85.98 million in case of calling for compensation of land rights, infringement, breach of contract and relating to employment.

## **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 program for the power generation in new project by private sector (Independent Power Producers known as IPPs) who will sell power to EGAT.

As at December 31, 2017, EGAT has entered into 82 Power Purchase Agreements which can be divided by 2 categories as follows:

(1) Long-term power purchase agreements with hydro power plants - capability to generate electricity of the power plants shall depend on water level in the dam and production plan of each power plant. Therefore, the obligation of the electricity generated by hydro power plants cannot be estimated reliably. Nowadays, EGAT has 7 electric power purchase agreements with hydro power plants which consist of Theun Hinboun power plant, Houay Ho power plant, Nam Theun 2 power plant, Nam Ngum 2 power plant, Xaiyaburi power plant, Xe-Pian Xe-Namnoy power plant and Nam Ngiep 1 power plant.

(2) Long-term power purchase agreements from thermal power plants and combined cycle power plants. At present, EGAT has 75 power purchase agreements from thermal power plants and combined cycle power plants that total commitments to the end of all contracts amounting to approximately Baht 4,372,609 million and total production capacity of 12,042 megawatts.

Power producers	Company	Capacity (megawatts)	Remaining life		Amount	Availability	Energy
			of contract			payment (AP)	payment (EP)
			(years)		(Million Baht)	(Million Baht)	(Million Baht)
Independent Power Producers (IPPs)							
Gulf SRC Company Limited (GSRC)	1	2,500	27	(2021-2047)	899,601	217,007	682,594
Gulf PD Company Limited (GPD)	1	2,500	27	(2023-2049)	898,149	214,791	683,358
Small Power Producers (SPPs)	73	7,042	1-26 Years		2,574,859	603,755	1,971,104
Total	75	12,042			4,372,609	1,035,553	3,337,056

## 10.2 Fuel Purchase Agreements

EGAT has entered into 4 natural gas purchase agreements for power plant with PTT Public Company Limited. The agreement remaining amount is Baht 248,894 million, which the details are as follows:

1. The main natural gas purchase agreement for power plants of EGAT was ended on December 31, 2017. Currently, the detail of new agreement is under consideration, so it has to be temporary extended this agreement. Thus, this agreement will be ended on December 31, 2018 with expanded amount of Baht 65,634 million. The remaining amount on December 31, 2017 was 65,634 million.

2. The main natural gas purchase agreement for Lankrabue was ended on October 4, 2016. This agreement has been extended to December 31, 2019 with expanded amount of Baht 535 million. The remaining amount on December 31, 2017 was 321 million.

3. Natural gas purchase agreements for Nam Phong and Chana power plants are made separately into 2 agreements with the remaining years of agreements were 3 years 9 months and 14 years 8.5 months. The total remaining amount of these agreements on December 31, 2017 were Baht 35,737 million and Baht 147,202 million respectively.

### 10.3 Hire-Purchase Agreements

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

**10.3.1** There are 493 agreements of local hire-purchase agreements excluding the operating lease agreements and their amount as agreements are Baht 75,553.45 million with the remaining years of agreements between 0.5 month and 10 years. The total remaining amount of these agreements was approximately Baht 35,086.95 million.

**10.3.2** There are 158 agreements of foreign hire-purchase agreements and their amount as agreements are Baht 150,313.94 million. Some agreements have the remaining years between 1 month and 8 years 11.5 months while some agreements are not indicated the agreements period. The total remaining amount of these agreements from the conversion of foreign currency by using the average buying and selling exchanged rate on December 29, 2017, which announced by the Bank of Thailand was approximately Baht 71,975.18 million.

### 10.4 Operating Lease Agreements

The amount of minimum lease payments under significant non-cancellable operating leases in the future are as follows:

	Unit : Million Baht	
	Separate financial statements	
	2017	2016
Within 1 year	111.33	199.10
Over 1 year but not over 5 years	35.30	115.69
Total	146.63	314.79

### 10.5 Letter of Credit

On December 31, 2017, EGAT has unused letter of credit, which are not expired amounting to approximately Baht 11,346.05 million.

### 10.6 Share Pledge Contract

Share Pledge of Nam Ngiep 1 Power Co., Ltd.

Nam Ngiep 1 Power Co., Ltd. obtained facilities from certain financial institutions to finance its hydropower project in the Lao PDR in 2014 and entered into a Common Terms Agreement dated August 15, 2014 and other related finance documents (collectively, the Financial Documents) with the financial institutions named therein in

connection with the financing of the project. As a condition to the financing, the shareholders of Nam Ngiep 1 Power Co., Ltd. are required under the Finance Documents to pledge all of their shares in Nam Ngiep 1 Power Co., Ltd. and grant security over all related dividends and other rights, interests and benefits arising from such shares in favor of Nam Ngiep 1 Power Co., Ltd.'s lenders and other secured parties. EGAT International Co., Ltd. (EGATi), therefore, entered into an EGATi Pledge of Shares dated August 15, 2014 with Bangkok Bank PCL (as the Lao PDR law security agent on behalf of the secured parties) pursuant to which EGATi pledged all of its shares in Nam Ngiep 1 Power Co., Ltd. to the Lao PDR law security agent (on behalf of the secured parties) under the Lao PDR law. Under the terms of the Financial Documents, the share pledges will be released only upon the full discharge of all secured indebtedness owing to the secured parties.

### **10.7 Promissory Notes**

EGAT International Co., Ltd. has Promissory Notes for payment the remaining shares from acquisition PT Adaro Indonesia amount to USD 161.50 million in the year 2022 - 2027 when PT Adaro Indonesia has met the conditions in Subscription Agreement.

### **10.8 Standby Letter of Credit**

EGAT International Co., Ltd. (EGATi) has Standby Letter of Credit (SBLC) between the company and lender to guarantee investment in Nam Ngiep 1 Power Co., Ltd. The contract has been renewed for 1 year (expired on August 31, 2018) in the amount of USD 36.49 million which EGATi's bank deposits account in the amount of USD 13.56 million was secured as collateral.

## **11. Disclosure of Financial Instruments**

EGAT used the financial instruments to decrease uncertainty from uncontrollable outside factors. The main derivative financial instrument was forward foreign exchange contracts.

### **11.1 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 which are contracts to buy foreign currency at a pre-agreed exchange rate on a specified future time. Forward foreign exchange contracts are translated into functional currency at the exchange rate prevailing at the statements of financial position date and are recognized the differences that occur in the statements of income on maturity date.

As at December 31, 2017, EGAT has no remaining forward foreign exchange contract.



## 11.2 Fair value of financial assets and liabilities

Fair value and book value of financial assets and liabilities in the consolidated and separate statements of financial position are as follows:

Unit : Million Baht					
Consolidated financial statements					
	Book value	Fair value			
		Level 1	Level 2	Level 3	Total
As at December 31, 2017					
Current					
Debt securities held for trading	493.08	-	493.08	-	493.08
Current portion of long-term					
local loans	(7,465.63)	-	(7,830.44)	-	(7,830.44)
Current portion of long-term					
local loans (EGATIF)	(716.11)	(716.11)	-	-	(716.11)
Current portion of long-term					
foreign loans	(2,744.66)	-	(2,754.97)	-	(2,754.97)
Non-current					
Infrastructure fund (EGATIF)	5,526.58	5,526.58	-	-	5,526.58
Equity securities available for sale	3,195.53	3,195.53	-	-	3,195.53
Long-term local loans	(61,596.97)	-	(65,973.04)	-	(65,973.04)
Long-term local loans (EGATIF)	(19,235.45)	(19,235.45)	-	-	(19,235.45)
Long-term foreign loans	(2,507.93)	-	(2,472.23)	-	(2,472.23)
Debentures	(16,139.58)	-	(16,915.17)	-	(16,915.17)
Contracts					
Forward foreign exchange contracts	-	-	14.56	-	14.56
Interest rate swap and					
cross currency swap contracts	-	-	126.79	-	126.79
Forward foreign exchange contracts	-	-	(106.17)	-	(106.17)
Interest rate swap and					
cross currency swap contracts	-	-	(3,836.09)	-	(3,836.09)

Unit : Million Baht

Consolidated financial statements

	Book value	Fair value			
		Level 1	Level 2	Level 3	Total
As at December 31, 2016					
Current					
Debt securities held for trading	482.47	-	482.47	-	482.47
Current portion of long-term					
local loans	(3,035.41)	-	(3,071.84)	-	(3,071.84)
Current portion of long-term					
local loans (EGATIF)	(570.30)	(570.30)	-	-	(570.30)
Current portion of long-term					
foreign loans	(113.38)	-	(127.66)	-	(127.66)
Non-current					
Infrastructure fund (EGATIF)	5,422.30	5,422.30	-	-	5,422.30
Equity securities available for sale	3,730.28	3,730.28	-	-	3,730.28
Long-term local loans	(51,372.56)	-	(55,437.57)	-	(55,437.57)
Long-term local loans (EGATIF)	(19,709.83)	(19,709.83)	-	-	(19,709.83)
Long-term foreign loans	(3,028.69)	-	(2,991.52)	-	(2,991.52)
Debentures	(17,327.20)	-	(17,999.27)	-	(17,999.27)
Contracts					
Forward foreign exchange contracts	-	-	78.56	-	78.56
Interest rate swap and					
cross currency swap contracts	-	-	409.09	-	409.09
Interest rate swap and					
cross currency swap contracts	-	-	(3,871.34)	-	(3,871.34)

Unit : Million Baht

		Separate financial statements			
	Book value	Fair value			
		Level 1	Level 2	Level 3	Total
As at December 31, 2017					
Current					
Current portion of long-term					
local loans	(7,465.63)	-	(7,830.44)	-	(7,830.44)
Current portion of long-term					
local loans (EGATIF)	(716.11)	(716.11)	-	-	(716.11)
Current portion of long-term					
foreign loans	(86.38)	-	(96.68)	-	(96.68)
Non-current					
Infrastructure fund (EGATIF)	5,526.58	5,526.58	-	-	5,526.58
Long-term local loans	(61,596.97)	-	(65,973.04)	-	(65,973.04)
Long-term local loans (EGATIF)	(19,235.45)	(19,235.45)	-	-	(19,235.45)
Long-term foreign loans	(390.52)	-	(354.82)	-	(354.82)

Unit : Million Baht

		Separate financial statements			
	Book value	Fair value			
		Level 1	Level 2	Level 3	Total
As at December 31, 2016					
Current					
Current portion of long-term					
local loans	(3,005.46)	-	(3,041.89)	-	(3,041.89)
Current portion of long-term					
local loans (EGATIF)	(570.30)	(570.30)	-	-	(570.30)
Current portion of long-term					
foreign loans	(113.38)	-	(127.66)	-	(127.66)
Non-current					
Infrastructure fund (EGATIF)	5,422.30	5,422.30	-	-	5,422.30
Long-term local loans	(51,362.59)	-	(55,427.60)	-	(55,427.60)
Long-term local loans (EGATIF)	(19,709.83)	(19,709.83)	-	-	(19,709.83)
Long-term foreign loans	(461.68)	-	(424.51)	-	(424.51)

## Financial instruments carried at fair value

### Fair value hierarchy

The table above analyses recurring fair value measurements for financial assets and liabilities. These fair value measurements are categorized into different levels in the fair value hierarchy based on the inputs to valuation techniques used. The different levels are defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the group can access at the measurement date.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: unobservable inputs for the asset or liability.

EGAT determines Level 2 fair values for short-term and long-term loans, derivatives financial instruments and also fixed interest rate bonds by calculating the present value of the estimated cash flow, which based on the nearby term discount rate. Forward foreign exchange contracts, interest rate swap and cross currency swap contracts are calculated by financial institutions, which are contractor of EGAT.

## 12. Infrastructure Fund

On November 27, 2014, the Board of EGAT approved model of infrastructure fund structure for North Bangkok Combined Cycle Power Plant - Block 1 which required EGAT to quarterly remit net revenue (availability of payments (AP1) net insurance premium) of North Bangkok Combined Cycle Power Plant - Block 1 throughout the contractual period, according to the contract between EGAT and such fund. The amount of fund is not less than Baht 19,000 million, and the estimated contractual period is 20 years.

EGAT will record receipt from sale of investment units in amount of Baht 20,855 million (amount of investment units 2,085.50 million at par value of Baht 10 per unit) as liabilities. The remitted net revenue will be paid in respect of the return and repayment of investment until the maturity date of the contract. For the purpose that EGAT appointed the following representatives.

1. Krung Thai Asset Management Public Company Limited (KTAM) as the fund manager
2. Siam Commercial Bank as the financial advisor and underwriter

EGAT hold the investment in amount of Baht 5,213.75 million (amount of investment units 521.38 million), representing 25% of the units sold. In 2017 and 2016, EGAT received dividend income in the amount of Bath 375.39 million and Bath 268.51 million respectively.

As at December 31, 2017 and 2016 EGAT has outstanding current portion of long-term loans from infrastructure fund in the amount of Bath 716.11 million and Bath 570.30 million, long-term loans from infrastructure fund in the amount of Bath 19,235.45 million and Bath 19,709.83 million and accrued interest expense in the amount of Bath 311.59 million and Bath 459.35 million respectively.

### **13. Events after the reporting period**

#### **Electricity Generating Authority of Thailand**

On February 14, 2018, Krung Thai Asset Management Pcl. (KTAM), the fund manager of infrastructure fund for North Bangkok Combined Cycle Power Plant - Block 1, Electricity Generating Authority of Thailand, specified shareholders book closing date to be March 2, 2018, which is the date that a person marked in the company's record as a shareholder would be entitled to receive the dividend payment. KTAM also declared dividend payment from the retained earnings at the rate of Baht 0.19 per unit on March 15, 2018. EGAT invested in 521.38 million units so dividend income received is Baht 99.06 million.

On February 13, 2018, the Board of Directors' meeting of Ratchaburi Electricity Generating Holding Pcl. approved to submit for approval at the annual general meeting of the shareholders of the Company, a full year 2017 dividend payment at the rate of Baht 2.40 per share and specified shareholders book closing date to be February 28, 2018. The Company paid the interim dividends of Baht 1.15 per share and will pay dividend from the last six months performance of year 2017 at the rate of Baht 1.25 per share on April 20, 2018. EGAT invested in 652.50 million shares so dividend income received is Baht 815.63 million. However, the dividend payment is subject to the approval of the shareholders at the annual general meeting on April 5, 2018.

On February 23, 2018, the Board of Directors' meeting of Electricity Generating Pcl. approve to submit for approval at the annual general meeting of the shareholders of the Company, the last six months performance of year 2017 dividend payment at the rate of Baht 3.50 per share on April 27, 2018 and specified shareholders book closing date to be March 9, 2018. EGAT invested in 133.77 million shares so dividend income received is Baht 468.21 million. However, the dividend payment is subject to the approval of the shareholders at the annual general meeting on April 19, 2018.

#### **Ratchaburi Electricity Generating Holding Pcl. (RATCH)**

On January 12, 2018, RATCH paid for the additional paid-up share capital of Xe-Pian Xe-Namnoy Power Co., Ltd., a direct joint venture, amounting to USD 0.73 million or equivalent to Baht 23.42 million, in the proportion of investment of 25%.

On January 24, 2018, RATCH announced that KK Power Co., Ltd., A joint venture company in the Kingdom of Cambodia in which RATCH held 50 percent of the registered and paid capital, had already been dissolved and liquidated in accordance with the laws of the Kingdom of Cambodia. The dissolution of such joint venture company did not have any effect on RATCH's operations.

#### **EGAT International Co., Ltd. (EGATi)**

On January 5, 2018, EGATi paid for the increase in share capital of Nam Ngiep 1 Power Co., Ltd. amounting to USD 1.16 million or equivalent to Baht 37.48 million, in the proportion of investment of 30%.

On February 7, 2018, EGATi paid for the increase in share capital of Nam Ngiep 1 Power Co., Ltd. amounting to USD 1.99 million or equivalent to Baht 63.21 million, in the proportion of investment of 30%.

On February 26, 2018, the Annual General Meeting of the Shareholders of PT Adaro Indonesia had resolutions for approval of the dividend payment for the year 2017 in amount of USD 321.06 million. EGATi has invested in the proportion of 11.53% so dividend income received is USD 37.00 million or equivalent to Baht 1,155.07 million before tax.

#### **14. Reclassification transactions**

EGAT reclassified some transactions in the financial statements for the year ended December 31, 2016 for conformity with the presentation of the financial statements for the year ended December 31, 2017.

#### **15. Issuance dated of financial statements**

Governor of EGAT approved these financial statements for issuance on March 16, 2018.

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## **Remuneration of Auditor**

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EGAT paid audit fees to the Office of the Auditor General of Thailand (OAG) for the year 2017 for a total of Baht 4,100,000 and paid a non-audit services fee comprising fee for the audits of account unbundling and fee for the audits of North Bangkok Combined Cycle Power Plant Block 1 project's statements of income for a total of Baht 370,000.