

ELECTRICITY GENERATING PUBLIC COMPANY LIMITED

INTERIM CONSOLIDATED AND COMPANY  
FINANCIAL STATEMENTS  
(UNAUDITED)

31 March 2006

## **AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS**

To the Shareholders and the Board of Directors of Electricity Generating Public Company Limited

I have reviewed the accompanying consolidated and company balance sheets as at 31 March 2006 and the related consolidated and company statements of income, changes in shareholders' equity and cash flows for the three-month period ended 31 March 2006 of Electricity Generating Public Company Limited and its subsidiaries and of Electricity Generating Public Company Limited, respectively. The Company's management is responsible for the correctness and completeness of information in these financial statements. My responsibility is to issue a report on these financial statements based on my review. The interim consolidated and company financial statements for the three-month period ended 31 March 2005 of Electricity Generating Public Company Limited and its subsidiaries and of Electricity Generating Public Company Limited, were reviewed by another auditor from the same firm as myself, whose report dated 9 May 2005 stated that nothing had come to his attention that caused him to believe that the interim financial statements were not presented fairly, in all material respects, in accordance with generally accepted accounting principles. The consolidated and company statements of income, changes in shareholders' equity and cash flows for the three-month period ended 31 March 2005, presented herewith for comparative purposes, are components of the aforementioned interim financial statements.

I conducted my review in accordance with the standard on auditing applicable to review engagements. This standard requires that I plan and perform a review to obtain moderate assurance as to whether the interim financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit, and accordingly, I do not express an audit opinion.

Based on my review, nothing has come to my attention that causes me to believe that the interim consolidated and company financial statements referred to in the first paragraph are not presented fairly, in all material respects, in accordance with generally accepted accounting principles.

The consolidated and company financial statements for the year ended 31 December 2005 of Electricity Generating Public Company Limited and its subsidiaries and of Electricity Generating Public Company Limited, respectively, were audited by another auditor from the same firm as myself and his report dated 17 February 2006 expressed an unqualified opinion on those statements. The consolidated and company balance sheets as at 31 December 2005, presented herewith for comparative purposes, are part of the consolidated and company financial statements which were audited and upon which a report was issued as stated above and I have not performed any other auditing procedures subsequent to the date of that report.

SUCHART LUENGSRASWAT  
Certified Public Accountant  
(Thailand) No. 2807  
PricewaterhouseCoopers ABAS Limited

Bangkok  
11 May 2006

**Electricity Generating Public Company Limited**  
**Balance Sheets**  
**As at 31 March 2006 and 31 December 2005**

	Notes	Consolidated		Company	
		Unaudited 31 March 2006 Baht'000	Audited 31 December 2005 Baht'000	Unaudited 31 March 2006 Baht'000	Audited 31 December 2005 Baht'000
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash and cash equivalents		9,210,887	8,820,212	3,142,483	2,627,988
Short-term investments					
- Deposits at financial institutions		688,409	675,820	846	846
- Marketable securities	11	60,822	57,174	63,295	59,290
Short-term investments used as collateral	4				
- Deposits at financial institutions		7,052,215	4,360,974	-	-
- Marketable securities		26,000	26,000	-	-
Trade receivables, net	5	378,806	304,987	-	-
Trade receivable from a related party	11	1,627,055	2,248,700	-	-
Amounts due from related parties	11	165,539	126,257	247,915	160,083
Dividends receivable from subsidiaries	6	-	-	2,166,745	901,594
Current portion of long-term loans					
to related parties	11	11,915	11,915	23,830	23,830
Spare parts and supplies, net		3,828,347	3,836,352	-	-
Other current assets		903,375	540,892	19,201	14,406
<b>Total Current Assets</b>		<b>23,953,370</b>	<b>21,009,283</b>	<b>5,664,315</b>	<b>3,788,037</b>
<b>Non-Current Assets</b>					
Long-term investments in marketable securities					
and others	11	2,979,429	2,859,357	2,989,797	2,868,297
Long-term investments used as collateral	4				
- Deposits at financial institutions		59,190	62,438	-	-
- Marketable securities		26,000	26,000	-	-
Long-term loans to related parties, net	11	125,000	125,000	1,030,000	1,030,000
Investments in subsidiaries	6	-	-	20,045,374	19,948,461
Investment in an associate	6	433,433	395,381	-	-
Interests in joint ventures, net	6	9,444	7,960	4,085,075	4,053,163
Property, plant and equipment, net	7	37,236,734	34,749,092	727,370	738,559
Goodwill, net	7	1,065,797	1,082,826	-	-
Other non-current assets, net		891,926	932,753	192,241	192,251
<b>Total Non-Current Assets</b>		<b>42,826,953</b>	<b>40,240,807</b>	<b>29,069,857</b>	<b>28,830,731</b>
<b>Total Assets</b>		<b>66,780,323</b>	<b>61,250,090</b>	<b>34,734,172</b>	<b>32,618,768</b>

Director .....

Date .....

The notes to the interim consolidated and company financial statements on pages 10 to 27 are an integral part of these interim financial statements.

**Electricity Generating Public Company Limited**  
**Balance Sheets**  
**As at 31 March 2006 and 31 December 2005**

	Notes	Consolidated		Company	
		Unaudited 31 March 2006 Baht'000	Audited 31 December 2005 Baht'000	Unaudited 31 March 2006 Baht'000	Audited 31 December 2005 Baht'000
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
<b>Current Liabilities</b>					
Bank overdrafts and short-term loans from financial institutions		103,526	109,463	-	-
Trade payables		804,248	750,853	-	-
Construction payables		1,315,326	2,459,366	-	-
Trade payable to a related party	11	108,624	87,566	-	-
Amounts due to related parties	11	51,689	55,303	84	2,130
Current portion of long-term loans from financial institutions, net	8	3,235,432	3,331,376	-	-
Debentures due within one year	9	1,317,764	1,317,764	-	-
Current portion of long-term loans from other venturer of a joint venture		11,915	11,915	-	-
Other current liabilities					
- Interest payable		408,017	160,863	-	-
- Value added tax payable		218,717	157,032	-	-
- Income tax payable		494,230	178,554	-	-
- Others		449,779	615,770	57,101	109,601
<b>Total Current Liabilities</b>		<b>8,519,267</b>	<b>9,235,825</b>	<b>57,185</b>	<b>111,731</b>
<b>Non-Current Liabilities</b>					
Long-term loans from financial institutions, net	8	18,805,757	15,090,449	-	-
Debentures, net	9	3,608,948	3,608,948	-	-
Long-term loans from other venturer of a joint venture, net		125,000	125,000	-	-
Net liabilities in a joint venture	6	-	-	488,363	492,562
Other non-current liabilities		1,318,427	1,075,356	911,444	935,620
<b>Total Non-Current Liabilities</b>		<b>23,858,132</b>	<b>19,899,753</b>	<b>1,399,807</b>	<b>1,428,182</b>
<b>Total Liabilities</b>		<b>32,377,399</b>	<b>29,135,578</b>	<b>1,456,992</b>	<b>1,539,913</b>
<b>Shareholders' Equity</b>					
Share capital	10				
Authorised share capital		5,300,000	5,300,000	5,300,000	5,300,000
Issued and paid-up share capital		5,264,650	5,264,650	5,264,650	5,264,650
Premium on share capital	10	8,601,300	8,601,300	8,601,300	8,601,300
Premium on treasury stock		47,373	47,373	47,373	47,373
Retained earnings					
Appropriated					
- Legal reserve		530,000	530,000	530,000	530,000
Unappropriated		18,177,367	16,107,740	18,177,367	16,107,740
Unrealised gains on investments in marketable securities		708,387	587,384	747,328	624,896
Translation adjustments		(90,838)	(97,104)	(90,838)	(97,104)
<b>Total parent's shareholders' equity</b>		<b>33,238,239</b>	<b>31,041,343</b>	<b>33,277,180</b>	<b>31,078,855</b>
Minority interest		1,164,685	1,073,169	-	-
<b>Total Shareholders' Equity</b>		<b>34,402,924</b>	<b>32,114,512</b>	<b>33,277,180</b>	<b>31,078,855</b>
<b>Total Liabilities and Shareholders' Equity</b>		<b>66,780,323</b>	<b>61,250,090</b>	<b>34,734,172</b>	<b>32,618,768</b>

The notes to the interim consolidated and company financial statements on pages 10 to 27 are an integral part of these interim financial statements.

## Statements of Income

For the three-month periods ended 31 March 2006 and 2005

	Notes	Consolidated		Company	
		2006 Baht'000	2005 Baht'000	2006 Baht'000	2005 Baht'000
<b>Revenues</b>					
Sales and service income	11	4,717,540	3,935,843	-	-
Cost of sales and services	11	(2,157,763)	(1,817,462)	-	-
<b>Gross profit</b>		<b>2,559,777</b>	<b>2,118,381</b>	<b>-</b>	<b>-</b>
Administrative expenses		(312,304)	(252,740)	(95,427)	(85,348)
<b>Profit (loss) from sales and services</b>		<b>2,247,473</b>	<b>1,865,641</b>	<b>(95,427)</b>	<b>(85,348)</b>
Other income					
- Interest income	11	141,970	72,232	46,212	26,072
- Dividend income		100,627	166,280	100,627	166,280
- Others		82,001	24,576	93,842	31,129
Directors' remuneration		(3,001)	(2,995)	(1,530)	(1,562)
Currency exchange gains		380,444	28,192	-	3,735
<b>Operating profit</b>		<b>2,949,514</b>	<b>2,153,926</b>	<b>143,724</b>	<b>140,306</b>
Share of loss exceed interest in a joint venture	6	-	-	(22,918)	-
Share of profit from subsidiaries and an associate and interest in joint ventures	6	39,536	15,829	1,948,821	1,356,401
<b>Profit before interest and tax</b>		<b>2,989,050</b>	<b>2,169,755</b>	<b>2,069,627</b>	<b>1,496,707</b>
Interest expenses	11	(473,864)	(468,080)	-	-
Income tax		(338,428)	(119,295)	-	-
<b>Profit before minorities</b>		<b>2,176,758</b>	<b>1,582,380</b>	<b>2,069,627</b>	<b>1,496,707</b>
Profit attributable to minorities		107,131	85,673	-	-
<b>Net profit for the period</b>		<b>2,069,627</b>	<b>1,496,707</b>	<b>2,069,627</b>	<b>1,496,707</b>
<b>Basic earnings per share (Baht)</b>					
Net profit for the period	3	3.93	2.84	3.93	2.84

Electricity Generating Public Company Limited  
 Statements of Changes in Shareholders' Equity  
 For the three-month periods ended 31 March 2006 and 2005

Unaudited

	Consolidated										
	Issued and paid-up share capital	Premium on share capital	Premium on treasury stock	Legal reserve	Capital reserve for treasury stock	Retained earnings	Fair value reserve	Translation adjustments	Minority interest	Treasury stock	Total
	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000
<b>Opening balance as at 1 January 2006</b>	5,264,650	8,601,300	47,373	530,000	-	16,107,740	587,384	(97,104)	1,073,169	-	32,114,512
Translation adjustments	-	-	-	-	-	-	-	6,266	(5,286)	-	980
Net profit for the period	-	-	-	-	-	2,069,627	-	-	-	-	2,069,627
Unrealised gains (losses) on investments in marketable securities - available-for-sale	-	-	-	-	-	-	121,003	-	(5)	-	120,998
Dividends paid	-	-	-	-	-	-	-	-	(10,324)	-	(10,324)
Ordinary shares	-	-	-	-	-	-	-	-	-	-	-
Minority interest	-	-	-	-	-	-	-	-	107,131	-	107,131
<b>Closing balance as at 31 March 2006</b>	<u>5,264,650</u>	<u>8,601,300</u>	<u>47,373</u>	<u>530,000</u>	<u>-</u>	<u>18,177,367</u>	<u>708,387</u>	<u>(90,838)</u>	<u>1,164,685</u>	<u>-</u>	<u>34,402,924</u>
<b>Opening balance as at 1 January 2005</b>	5,264,650	8,601,300	-	530,000	52,169	13,530,545	359,887	(165,138)	981,691	(52,169)	29,102,935
Translation adjustments	-	-	-	-	-	-	-	(17,597)	(897)	-	(18,494)
Net profit for the period	-	-	-	-	-	1,496,707	-	-	-	-	1,496,707
Unrealised gains on investments in marketable securities - available-for-sale	-	-	-	-	-	-	66,266	-	19	-	66,285
Realised losses from transfer of investments from available-for-sale to held to maturity	-	-	-	-	-	-	(30)	-	-	-	(30)
Amortisation of losses from transfer of investments from available-for-sale to held to maturity	-	-	-	-	-	-	(15,337)	-	-	-	(15,337)
Ordinary shares	-	-	-	-	-	-	-	-	2,090	-	2,090
Minority interest	-	-	-	-	-	-	-	-	85,673	-	85,673
<b>Closing balance as at 31 March 2005</b>	<u>5,264,650</u>	<u>8,601,300</u>	<u>-</u>	<u>530,000</u>	<u>52,169</u>	<u>15,027,252</u>	<u>410,786</u>	<u>(182,735)</u>	<u>1,068,576</u>	<u>(52,169)</u>	<u>30,719,829</u>

The notes to the interim consolidated and company financial statements on pages 10 to 27 are an integral part of these interim financial statements.

Electricity Generating Public Company Limited  
 Statements of Changes in Shareholders' Equity  
 For the three-month periods ended 31 March 2006 and 2005

Unaudited

	Company									
	Issued and paid-up share capital Baht'000	Premium on share capital Baht'000	Premium on treasury stock Baht'000	Legal reserve Baht'000	Capital reserve for treasury stock Baht'000	Retained earnings Baht'000	Fair value reserve Baht'000	Translation adjustments Baht'000	Treasury stock Baht'000	Total Baht'000
<b>Opening balance as at 1 January 2006</b>	5,264,650	8,601,300	47,373	530,000	-	16,107,740	624,896	(97,104)	-	31,078,855
Translation adjustments	-	-	-	-	-	-	-	6,266	-	6,266
Net profit for the period	-	-	-	-	-	2,069,627	-	-	-	2,069,627
Unrealised gains on investments in marketable securities - available-for-sale	-	-	-	-	-	-	122,432	-	-	122,432
<b>Closing balance as at 31 March 2006</b>	<b>5,264,650</b>	<b>8,601,300</b>	<b>47,373</b>	<b>530,000</b>	<b>-</b>	<b>18,177,367</b>	<b>747,328</b>	<b>(90,838)</b>	<b>-</b>	<b>33,277,180</b>
<b>Opening balance as at 1 January 2005</b>	5,264,650	8,601,300	-	530,000	52,169	13,530,545	408,151	(165,138)	(52,169)	28,169,508
Translation adjustments	-	-	-	-	-	-	-	(17,597)	-	(17,597)
Net profit for the period	-	-	-	-	-	1,496,707	-	-	-	1,496,707
Unrealised gains on investments in marketable securities - available-for-sale	-	-	-	-	-	-	51,520	-	-	51,520
<b>Closing balance as at 31 March 2005</b>	<b>5,264,650</b>	<b>8,601,300</b>	<b>-</b>	<b>530,000</b>	<b>52,169</b>	<b>15,027,252</b>	<b>459,671</b>	<b>(182,735)</b>	<b>(52,169)</b>	<b>29,700,138</b>

The notes to the interim consolidated and company financial statements on pages 10 to 27 are an integral part of these interim financial statements.

## Statements of Cash Flows

For the three-month periods ended 31 March 2006 and 2005

	Note	Consolidated		Company	
		2006 Baht'000	2005 Baht'000	2006 Baht'000	2005 Baht'000
<b>Cash flows from operating activities</b>					
Net profit for the period		2,069,627	1,496,707	2,069,627	1,496,707
Adjustments to reconcile net profit to net cash provided by operations:					
- Depreciation and amortisation		664,455	650,722	11,375	10,678
- Allowance for obsolescence		176	-	-	-
- Amortisation of losses from transfer of investments from available-for-sale to held to maturity		-	15,337	-	-
- Unrealised currency exchange gains		(368,552)	(19,494)	-	(3,736)
- Gains on disposals of property, plant and equipment		(3)	(2,358)	-	(827)
- Dividends received from other companies		(100,627)	(166,280)	(100,627)	(166,280)
- Share of loss exceed interest in a joint venture	6	-	-	22,918	-
- Shares of profit from subsidiaries, an associate and joint ventures	6	(39,536)	(15,829)	(1,948,821)	(1,356,401)
- Minority interest		107,131	85,673	-	-
- Others		(5,189)	(1,459)	-	-
Cash flows before changes in operating assets and liabilities		2,327,482	2,043,019	54,472	(19,859)
Changes in operating assets and liabilities: (excluding the effects of acquisition and disposal)					
- Deposits at banks and financial institution used as collateral		(2,719,245)	-	-	-
- Short-term and long-term investments in marketable securities used as collateral		-	(260,700)	-	-
- Trade receivables and trade receivable from a related party		541,509	609,484	-	-
- Amounts due from related parties		(43,652)	31,959	(87,832)	19,067
- Spare parts and supplies		(57,716)	(119,781)	-	-
- Other current assets		(461,894)	(327,203)	(4,795)	(33,159)
- Other non-current assets		10,651	(22,935)	-	(327)
- Trade payables and trade payable to a related party		126,753	(112,279)	-	-
- Amounts due to related parties		(6,155)	8,922	(2,047)	4
- Other current and non-current liabilities		373,981	183,178	(52,244)	(66,696)
Net cash receipts (payments) from operating activities		91,714	2,033,664	(92,446)	(100,970)

The notes to the interim consolidated and company financial statements on pages 10 to 27 are an integral part of these interim financial statements.



## Statements of Cash Flows

For the three-month periods ended 31 March 2006 and 2005

	Note	Consolidated		Company	
		2006 Baht'000	2005 Baht'000	2006 Baht'000	2005 Baht'000
<b>Cash flows from investing activities</b>					
Cash paid for increase in share capital of a joint venture		-	-	(90,155)	-
Net cash payment from deposits at financial institutions		-	(304,300)	-	(273,838)
Net cash received from short-term investments		-	69,192	-	4,000
Net cash paid for purchases of short-term investments		(46,668)	-	(3,100)	-
Net (purchases) disposals of property, plant and equipment		(4,074,139)	(203,231)	(175)	2,039
Loans and advances made to related parties		-	(231,985)	-	(231,985)
Dividends received from subsidiaries		-	-	600,000	531,825
Dividends received from other companies		100,627	166,280	100,627	166,280
Others		(2,411)	-	-	-
Net cash receipts (payments) from investing activities		(4,022,591)	(504,044)	607,197	198,321
<b>Cash flows from financing activities</b>					
Proceeds from increase in share capital from other venturer of a joint venture		53,557	-	-	-
Proceeds from issue of ordinary shares from minority of a subsidiary of a joint venture		-	2,090	-	-
Payments on financing fee		(36,879)	-	-	-
Payments on finance lease		(1,578)	(1,461)	-	-
Proceeds from short-term loans from financial institutions		-	40,000	-	-
Proceeds from long-term loans from financial institutions	8	4,729,777	331,800	-	-
Payments on long-term loans from financial institutions	8	(412,081)	(193,138)	-	-
Dividends paid to shareholders		(256)	(14,171)	(256)	(633)
Net cash receipts (payments) from financing activities		4,332,540	165,120	(256)	(633)
<b>Net increase in cash and cash equivalents</b>					
		401,663	1,694,740	514,495	96,718
Beginning balance		8,820,212	1,850,947	2,627,988	845,607
Effects of exchange rate changes		(10,988)	(1,962)	-	-
Ending balance		9,210,887	3,543,725	3,142,483	942,325

The notes to the interim consolidated and company financial statements on pages 10 to 27 are an integral part of these interim financial statements.

## Statements of Cash Flows

For the three-month periods ended 31 March 2006 and 2005

	Consolidated		Company	
	2006 Baht'000	2005 Baht'000	2006 Baht'000	2005 Baht'000
<b>Cash and cash equivalents are made up as follows:</b>				
- Cash in hand and deposits at financial institutions	1,168,738	802,720	44,408	64,857
- Short-term investments - maturity within three months	8,042,149	2,741,005	3,098,075	877,468
	<u>9,210,887</u>	<u>3,543,725</u>	<u>3,142,483</u>	<u>942,325</u>
<b>Supplementary information for cash flows:</b>				
- Interest paid	249,863	174,898	-	-
- Tax paid	8,007	47,263	-	-
<b>Non-cash transactions</b>				
- Reclassification of utilised capital spare parts to property, plant and equipment	163,240	136,057	-	-
- Reclassification of unutilised capital spare parts from property, plant and equipment	131,155	30,140	-	-
- Reclassification of advance payment to property, plant and equipment	30,849	-	-	-
- Increase in property, plant and equipment by payables	927,470	24,135	-	-

The notes to the interim consolidated and company financial statements on pages 10 to 27 are an integral part of these interim financial statements.

**Electricity Generating Public Company Limited**  
**Unaudited Condensed Notes to the Interim Consolidated and Company Financial Statements**  
**For the three-month periods ended 31 March 2006 and 2005**

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**1 Accounting policies**

These interim consolidated and company financial statements are prepared in accordance with Thai generally accepted accounting principles under the Accounting Act B.E. 2543, being those Thai Accounting Standards issued under the Accounting Profession Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission. The primary financial statements (i.e. balance sheets, statements of income, changes in shareholders' equity and cash flows) are prepared in the full format as required by the Securities and Exchange Commission. The notes to the interim financial statements are prepared in a condensed format according to Thai Accounting Standard 41, 'Interim Financial Reporting' and additional notes are presented as required by the Securities and Exchange Commission under the Securities and Exchange Act B.E. 2535.

An English version of the interim consolidated and company financial statements have been prepared from the interim financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language interim financial statements shall prevail.

The accounting policies used in the preparation of the interim financial statements are consistent with those used in the annual financial statements for the year ended 31 December 2005.

Costs that incur unevenly during the financial year are anticipated or deferred in the interim report only if it would be also appropriate to anticipate or defer such costs at the end of the financial year.

The Group calculates income tax in accordance with the Revenue Code and records income tax on an accrual basis. The Group does not recognise income tax payable or receivable in future periods in respect of temporary differences arising between the tax basis of assets and liabilities and their carrying amounts in the interim financial statements. Income tax expense is recognised based on the best estimate of the weighted average annual income tax rate expected for the full financial year. The estimated average annual tax rate used is 16.35% (2005: 7.97%).

These interim financial statements should be read in conjunction with the 2005 annual financial statements.

Comparative figures have been adjusted to conform with changes in presentation in the current period.

These interim consolidated and company financial statements have been approved for issue by the President of the Company on 11 May 2006.

**2 Segment information**

**Financial information by geographical segments**

	<b>Thailand</b>	<b>Lao People's Democratic Republic</b>	<b>Philippines</b>	<b>Consolidation eliminations</b>	<b>Consolidated</b>
	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>
<b>For the three-month period ended 31 March 2006</b>					
Sales and service income	4,569,268	-	180,310	(32,038)	4,717,540
Segment result	2,078,768	(22,918)	50,375	(36,598)	2,069,627
<b>For the three-month period ended 31 March 2005</b>					
Sales and service income	3,779,956	-	188,056	(32,169)	3,935,843
Segment result	1,457,673	-	79,987	(40,953)	1,496,707

**3 Basic earnings per share**

Basic earnings per share is calculated by dividing the net profit for the period attributable to shareholders by the weighted average number of ordinary shares in issue during the period, net-off treasury stock (2006: 526,465,000 shares and 2005: 525,164,200 shares).

There are no dilutive potential ordinary shares in issue during the periods presented, so no diluted earnings per share is presented.

**4 Short-term and long-term investments used as collateral**

**Subsidiaries of the Company**

Deposits at financial institutions used as collateral are mainly of Rayong Electricity Generating Company Limited (REGCO) and Khanom Electricity Generating Company Limited (KEGCO), and comprise cash reserves required to be maintained under their loan agreements and debentures for the purpose of repayment of principal and payment of interest due within one year, and as a reserve to minimise exchange rate risk. These cash reserves are provided from the proceeds of sale of electricity (referred to Notes 8 and 9). As at 31 March 2006, these cash reserves amounted to Baht 2,069 million (31 December 2005: Baht 760 million). The remaining balance of short-term and long-term investments used as collateral of Baht 3,767 million (31 December 2005: Baht 2,650 million) represent collateralised deposits maintained in accordance with the loan agreements, but which can be used subject to certain lender approvals. During the first quarter of 2005, the lenders allowed REGCO to pledge a letter of credit issued on behalf the Company instead of providing the cash reserve for the US Dollar Debt Service Reserve Accounts (D/R Accounts). Thus, such reserve account of REGCO was nil as at 31 March 2006 and 31 December 2005.

The cash reserve for minimising exchange risk represents deposits in US Dollars. REGCO had to provide this reserve until the account was equal to the lower of 25% of the aggregate outstanding unhedged US Dollar loans or an amount of US Dollars 60 million. During the first quarter of 2005, the lenders allowed REGCO to lower the cash reserves for Foreign Exchange Reserve Account (FX Reserve Account) to US Dollars 1.5 million. Thus, this reserve was US Dollars 1.5 million as at 31 March 2006 and 31 December 2005.

**Subsidiaries of Gulf**

Deposits at financial institutions used as collateral of Baht 922 million (31 December 2005: Baht 691 million) are mainly of five subsidiaries and have been pledged as collateral to secure credit facilities according to long-term loan agreements (referred to Note 8). However, withdrawals can be made from the pledged accounts to provide working capital in the normal course of business of the subsidiaries. The two of Gulf's subsidiaries are constructing their power plants and, therefore, have no earnings from sales of electricity. They will provide the reserves when they commence commercial operation.

Short-term investments and long-term investments used as collateral comprise deposits at financial institutions and marketable securities.

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**5 Trade receivables, net**

As at	Consolidated		Company	
	31 March 2006 Baht'000	31 December 2005 Baht'000	31 March 2006 Baht'000	31 December 2005 Baht'000
Trade receivables	378,806	308,322	-	-
<u>Less</u> Allowance for doubtful debts	-	(3,335)	-	-
Trade receivables, net	<u>378,806</u>	<u>304,987</u>	<u>-</u>	<u>-</u>

Overdue trade receivables as at 31 March 2006 and 31 December 2005 can be analysed as follows:

Overdue below 3 months	60,523	22,715	-	-
Overdue 3 - 6 months	22,069	35,563	-	-
Overdue 6 - 12 months	-	5,566	-	-
Overdue over 12 months	4,179	7,514	-	-
	<u>86,771</u>	<u>71,358</u>	<u>-</u>	<u>-</u>
<u>Less</u> Allowance for doubtful debts	-	(3,335)	-	-
	<u>86,771</u>	<u>68,023</u>	<u>-</u>	<u>-</u>

**6 Investments in subsidiaries and an associate and interests in joint ventures, net**

As at	Consolidated		Company	
	31 March 2006 Baht'000	31 December 2005 Baht'000	31 March 2006 Baht'000	31 December 2005 Baht'000
Investments in subsidiaries	-	-	20,045,374	19,948,461
Investment in an associate	433,433	395,381	-	-
Interests in joint ventures	9,444	7,960	4,479,481	4,447,569
<u>Less</u> Provision for impairment	-	-	(394,406)	(394,406)
	<u>9,444</u>	<u>7,960</u>	<u>4,085,075</u>	<u>4,053,163</u>
Investments in subsidiaries and an associate and interests in joint ventures, net	<u>442,877</u>	<u>403,341</u>	<u>24,130,449</u>	<u>24,001,624</u>

The movements of investments in subsidiaries and an associate and interests in joint ventures can be analysed as follows:

	Consolidated Baht'000	Company Baht'000
<b>For the three-month period ended 31 March 2006</b>		
Opening net book value	403,341	24,001,624
Share of profit from subsidiaries and an associate and interest in joint ventures	39,536	1,948,821
Dividends received from subsidiaries	-	(1,889,327)
Change in fair value of marketable securities-available-for-sale of a subsidiary	-	26
Increase in share capital of a joint venture	-	90,155
Translation adjustments	-	(20,850)
Closing net book value	<u>442,877</u>	<u>24,130,449</u>

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**6 Investments in subsidiaries and an associate and interests in joint ventures, net (continued)**

6.1 The principal subsidiaries, which are all incorporated in Thailand, except EGCO International B.V.I which is incorporated in British Virgin Islands, are as follows:

		<b>Company</b>			
		<b>31 March 2006</b>			
<b>Business</b>	<b>Portion of Investment (%)</b>	<b>Cost Method Baht'000</b>	<b>Equity Method Baht'000</b>	<b>Dividend Baht'000</b>	
	(including indirect holding)				
Rayong Electricity Generating Co., Ltd.	Electricity generating	99.99	9,220,000	10,760,757	1,046,183
Khanom Electricity Generating Co., Ltd.	Electricity generating	99.99	4,850,000	6,209,375	818,968
EGCO Engineering and Service Co., Ltd. and its subsidiaries and joint venture	Power plant operation and maintenance services	99.99	400,000	949,899	24,176
- Subsidiaries					
- Agro Energy Co., Ltd.	Trading / delivery services of natural scrap	99.99			
- Egcom Tara Co., Ltd.	Tap water business	70.00			
- Joint venture					
- Amata Power-Esco Service Co., Ltd.	Power plant operation	50.00			
EGCO Green Energy Co., Ltd. and its subsidiary	Investing in biomass fueled electricity generating plant	74.00	129,500	224,080	-
- Roi-Et Green Co., Ltd.	Develop, design, construct and test operation of husk fueled electricity generating plant	95.00			
EGCO International B.V.I	Investing in power energy projects	99.99	-	664,312	-
Thai LNG Power Corporation Limited and its subsidiary	Investing in power energy projects	100.00	513,000	502,022	-
- TLP Cogeneration Co., Ltd.	Electricity generating	80.00	424,000	734,929	-
			<u>15,536,500</u>	<u>20,045,374</u>	<u>1,889,327</u>

As at 31 March 2006, dividends receivable amounting to Baht 2,167 million was recognised in the interim company financial statements.

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**6 Investments in subsidiaries and an associate and interests in joint ventures, net (continued)**

6.1 The principal subsidiaries, which are all incorporated in Thailand, except EGCO International B.V.I which is incorporated in British Virgin Islands, are as follows (continued):

		<b>Company</b>			
		<b>31 December 2005</b>			
<b>Business</b>		<b>Portion of Investment (%)</b>	<b>Cost Method Baht'000</b>	<b>Equity Method Baht'000</b>	<b>Dividend Baht'000</b>
		(including indirect holding)			
Rayong Electricity Generating Co., Ltd.	Electricity generating	99.99	9,220,000	10,891,245	2,284,408
Khanom Electricity Generating Co., Ltd.	Electricity generating	99.99	4,850,000	6,168,968	1,502,276
EGCO Engineering and Service Co., Ltd. and its subsidiaries and joint venture	Power plant operation and maintenance services	99.99	400,000	900,985	50,148
- Subsidiaries					
- Agro Energy Co., Ltd.	Trading / delivery services of natural scrap	99.99			
- Egcom Tara Co., Ltd.	Tap water business	70.00			
- Joint venture					
- Amata Power-Esco Service Co., Ltd.	Power plant operation	50.00			
EGCO Green Energy Co., Ltd. and its subsidiary	Investing in biomass fueled electricity generating plant	74.00	129,500	186,719	12,651
- Roi-Et Green Co., Ltd.	Develop, design, construct and test operation of husk fueled electricity generating plant	95.00			
EGCO International B.V.I	Investing in power energy projects	99.99	-	664,312	-
Thai LNG Power Corporation Limited and its subsidiary	Investing in power energy projects	100.00	513,000	503,017	130,010
- TLP Cogeneration Co., Ltd.	Electricity generating	80.00	424,000	633,215	275,481
			<u>15,536,500</u>	<u>19,948,461</u>	<u>4,254,974</u>

The investment in Agro Energy Company Limited was accounted for under the equity method but not consolidated in the interim consolidated financial statements as at 31 March 2006 and the consolidated financial statements as at 31 December 2005 because its financial statements were not material to the Group.

6.2 The principal associate, which is incorporated in Thailand, is as follows:

		<b>Consolidated</b>				
		<b>31 March 2006</b>		<b>31 December 2005</b>		
<b>Business</b>		<b>Portion of Investment (%)</b>	<b>Cost Method Baht'000</b>	<b>Equity Method Baht'000</b>	<b>Cost Method Baht'000</b>	<b>Equity Method Baht'000</b>
Amata-EGCO Power Co., Ltd.	Electricity generating	14.85	200,475	433,433	200,475	395,381
			<u>200,475</u>	<u>433,433</u>	<u>200,475</u>	<u>395,381</u>

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**6 Investments in subsidiaries and an associate and interests in joint ventures, net (continued)**

6.3 The principal joint ventures, which are all incorporated in Thailand, except Conal Holdings Corporation and Nam Theun 2 Power Company Limited which are incorporated in Philippines and in the Lao People's Democratic Republic, respectively, are as follows:

		<b>Consolidated</b>			
		<b>31 March 2006</b>		<b>31 December 2005</b>	
<b>Business</b>	<b>Portion of Investment (%)</b>	<b>Cost Method Baht'000</b>	<b>Equity Method Baht'000</b>	<b>Cost Method Baht'000</b>	<b>Equity Method Baht'000</b>
Amata Power-Esco Service Co., Ltd.	Power plant operation	1,000	9,444	1,000	7,960
		<u>1,000</u>	<u>9,444</u>	<u>1,000</u>	<u>7,960</u>

The investment in Amata Power-Esco Service Company Limited was accounted for under the equity method but not proportionately consolidated in the interim consolidated financial statements as at 31 March 2006 and the consolidated financial statements as at 31 December 2005 because its financial statements were not material to the Group.

		<b>Company</b>			
		<b>31 March 2006</b>			
<b>Business</b>	<b>Portion of Investment (%)</b>	<b>Cost Method Baht'000</b>	<b>Equity Method Baht'000</b>	<b>Dividend Baht'000</b>	
EGCO Joint Venture and Development Co., Ltd. (EGCO JD) and its associate and joint venture	Investing in power energy business	50.00	348,360	657,453	-
- Associate					
- Amata-EGCO Power Co., Ltd.	Electricity generating	29.70			
- Joint venture					
- Amata Power (Bangpakong) Co., Ltd.	Electricity generating	30.00			
Gulf Electric Public Co., Ltd. (Gulf)	Investing in power energy business	50.00	3,202,175	3,025,404	-
Conal Holdings Corporation (Conal)	Investing in power energy business	40.00	1,002,467	796,624	-
			<u>4,553,002</u>	<u>4,479,481</u>	<u>-</u>
<u>Less</u> Provision for impairment			<u>-</u>	<u>(394,406)</u>	<u>-</u>
			<u>4,553,002</u>	<u>4,085,075</u>	<u>-</u>



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**6 Investments in subsidiaries and an associate and interests in joint ventures, net (continued)**

6.3 The principal joint ventures, which are all incorporated in Thailand, except Conal Holdings Corporation and Nam Theun 2 Power Company Limited which are incorporated in Philippines and in the Lao People's Democratic Republic, respectively, are as follows (continued):

Principal movements in interests in joint ventures during the three-month period ended 31 March 2006

A joint venture - Gulf (Gulf)

- (a) In January 2006, Gulf issued additional ordinary shares of 18 million shares at par value of Baht 10 per share which were priced at Baht 10 per share. The Group purchased all new shares issued in the same proportion as its original investment.
- (b) In January 2006, a subsidiary of Gulf issued additional ordinary shares of 4.1 million shares at par value of Baht 10 per share which priced at Baht 10 per share. The Group purchased all new shares issued in the same proportion as its original investment.
- (c) In March 2006, another subsidiary of Gulf called for additional paid-up share capital at Baht 7.30 each from 26 million shares, totalling Baht 189.80 million. The Group paid for addition paid-up shares in the same proportion as its original investment.

		<b>Company</b>			
		<b>31 December 2005</b>			
<b>Business</b>	<b>Portion of Investment (%)</b>	<b>Cost Method Baht'000</b>	<b>Equity Method Baht'000</b>	<b>Dividend Baht'000</b>	
EGCO Joint Venture and Development Co., Ltd. (EGCO JD) and its associate and joint venture	Investing in power energy business	50.00	348,360	597,038	-
- Associate					
- Amata-EGCO Power Co., Ltd.	Electricity generating	29.70			
- Joint venture					
- Amata Power (Bangpakong) Co., Ltd.	Electricity generating	30.00			
Gulf Electric Public Co., Ltd. (Gulf)	Investing in power energy business	50.00	3,112,020	3,076,508	-
Conal Holdings Corporation (Conal)	Investing in power energy business	40.00	1,002,467	774,023	56,002
			4,462,847	4,447,569	56,002
<u>Less</u> Provision for impairment			-	(394,406)	-
			<u>4,462,847</u>	<u>4,053,163</u>	<u>56,002</u>

6.4 Net liabilities in a joint venture

The movements in net liabilities arising from interest in the joint venture in the company financial statements for the three-month period ended 31 March 2006 are as follows:

	<b>Company</b>
	<b>Baht</b>
Opening net book amount	(492,562)
Share of loss for the period	(22,918)
Translation adjustment	27,117
Closing net book amount	<u>(488,363)</u>

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**6 Investments in subsidiaries and an associate and interests in joint ventures, net (continued)**

6.4 Net liabilities in a joint venture (continued)

The amount of net liabilities in a joint venture is as follows:

		<b>Company</b>			
		<b>31 March 2006</b>			
<b>Business</b>	<b>Portion of Investment (%)</b>	<b>Cost Method Baht'000</b>	<b>Equity Method Baht'000</b>	<b>Dividend Baht'000</b>	
NamTheun 2 Power Co., Ltd.	Electricity generating (construction phase)	25.00	753,249	(488,363)	-
		<u>753,249</u>	<u>(488,363)</u>	<u>-</u>	
		<b>Company</b>			
		<b>31 December 2005</b>			
<b>Business</b>	<b>Portion of Investment (%)</b>	<b>Cost Method Baht'000</b>	<b>Equity Method Baht'000</b>	<b>Dividend Baht'000</b>	
NamTheun 2 Power Co., Ltd.	Electricity generating (construction phase)	25.00	753,249	(492,562)	-
		<u>753,249</u>	<u>(492,562)</u>	<u>-</u>	

6.5 Interests in joint ventures

The following amounts represent the Group's share of the assets and liabilities of the joint ventures included in the interim consolidated financial statements as at 31 March 2006 and the consolidated financial statements as at 31 December 2005:

	<b>EGCO Joint Venture and Development Company Limited</b>		<b>Gulf Electric Public Company Limited</b>		<b>Conal Holdings Corporation</b>		<b>Nam Theun2 Power Company Limited</b>	
	<b>31 March 2006</b>	<b>31 December 2005</b>	<b>31 March 2006</b>	<b>31 December 2005</b>	<b>31 March 2006</b>	<b>31 December 2005</b>	<b>31 March 2006</b>	<b>31 December 2005</b>
	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>
Balance sheets								
Current assets	119,821	146,212	1,955,959	1,630,793	1,042,741	948,406	49,958	56,179
Non-current assets	960,797	875,865	13,550,905	10,929,197	1,075,712	1,116,428	1,829,086	1,562,907
Current liabilities	(98,647)	(111,156)	(2,227,906)	(3,401,233)	(373,034)	(354,185)	(212,470)	(196,184)
Non-current liabilities	(324,518)	(313,883)	(10,691,412)	(6,522,295)	(609,051)	(654,770)	(2,154,937)	(1,915,464)
Net assets	<u>657,453</u>	<u>597,038</u>	<u>2,587,546</u>	<u>2,636,462</u>	<u>1,136,368</u>	<u>1,055,879</u>	<u>(488,363)</u>	<u>(492,562)</u>
Joint venture proportion (%)		50		50		40		25

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**6 Investments in subsidiaries and an associate and interests in joint ventures, net (continued)**

6.5 Interests in joint ventures (continued)

The following amounts represent the Group's share of the revenues and expenses of the joint ventures included in the interim consolidated financial statements for the three-month periods ended 31 March 2006 and 2005.

	EGCO Joint Venture and Development Company Limited		Gulf Electric Public Company Limited		Conal Holdings Corporation		Nam Theun2 Power Company Limited	
	2006 Baht'000	2005 Baht'000	2006 Baht'000	2005 Baht'000	2006 Baht'000	2005 Baht'000	2006 Baht'000	2005 Baht'000
<b>For the three-month periods ended 31 March</b>								
Profit and Loss								
Revenues	83,532	54,291	805,716	652,054	194,855	199,337	423	-
Expenses	(23,117)	(54,285)	(945,412)	(629,842)	(144,480)	(119,350)	(23,341)	-
Net profit (loss)	60,415	6	(139,696)	22,212	50,375	79,987	(22,918)	-
Joint venture proportion (%)		50		50		40		25

**7 Capital expenditure and commitments**

	<b>Consolidated</b>		<b>Company</b>
	<b>Property, plant and equipment Baht'000</b>	<b>Goodwill Baht'000</b>	<b>Property, plant and equipment Baht'000</b>
<b>For the three-month period ended 31 March 2006</b>			
Opening net book value	34,749,092	1,082,826	738,559
Additions	3,230,894	-	175
Capitalisation of capital spare parts	163,240	-	-
Transfer capital spare parts out	(131,155)	-	-
Disposals, net	(26,450)	-	-
Depreciation and amortisation	(635,749)	(16,949)	(11,364)
Reclassification	(14,755)	-	-
Translation adjustments	(98,383)	(80)	-
Closing net book value	37,236,734	1,065,797	727,370

As at 31 March 2006, land, buildings and equipment of subsidiaries and joint ventures have been mortgaged and pledged as collateral in accordance with the loan agreements and debentures, as described in Notes 8 and 9.

As at 31 March 2006, the two subsidiaries of Gulf had capital commitments in respect of construction of power plants and purchase of equipment but had not yet recognised in the interim consolidated financial statements totalling US Dollars 38.53 million, Yen 2.86 million, Euro 24.22 million, CHF 65.13 million and Baht 1,250.37 million (31 December 2005 : US Dollars 49.64 million, Yen 18.62 million, Euro 37.11 million, CHF 98.50 million and Baht 1,232.37 million).

As at 31 March 2006, a joint venture - EGCO JD had capital commitments in respect of construction of power plants and equipment but had not yet recognised in the interim consolidated financial statements totalling US Dollars 2.55 million and Baht 29.10 million (31 December 2005: US Dollars 3.30 million and Baht 43.08 million).

As at 31 March 2006, a joint venture - Nam Theun 2 Power Company Limited had capital commitments in respect of construction of power plants and equipment but had not yet recognised in the interim consolidated financial statements totalling US Dollars 134.25 million (31 December 2005: US Dollars 140.75 million).

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**7 Capital expenditure and commitments (continued)**

Borrowing costs from two subsidiaries of Gulf of Baht 90.20 million (2005: Baht 27.25 million), arising on financing specifically entered into for the construction of new power plants, were capitalised during the period and included in "Additions" in the interim consolidated financial statements with capitalisation rates of 6.06% to 7.30%. Capitalisation rates were used representing the actual borrowing costs of the loans used to finance the projects.

**8 Long-term loans, net**

The long-term loans are of subsidiaries and joint ventures as follows:

As at	<b>Consolidated</b>	
	<b>31 March 2006 Baht'000</b>	<b>31 December 2005 Baht'000</b>
<b>Current portion of long-term loans, net</b>		
US Dollars	2,549,864	2,653,912
Filipino Peso	13,680	13,948
Japanese Yen	32,216	33,974
Thai Baht	646,824	636,344
<u>Less</u> Deferred financing fee	(7,152)	(6,802)
	<u>3,235,432</u>	<u>3,331,376</u>
<b>Long-term loans, net</b>		
US Dollars	12,143,895	9,510,264
Filipino Peso	40,202	40,990
Japanese Yen	306,729	340,446
Thai Baht	6,979,680	5,775,745
<u>Less</u> Deferred financing fee, net	(664,749)	(576,996)
	<u>18,805,757</u>	<u>15,090,449</u>
Total long-term loans, net	<u><u>22,041,189</u></u>	<u><u>18,421,825</u></u>

Long-term loans are secured liabilities. The long-term loans are secured over land, buildings, power plants and equipment of subsidiaries and joint ventures. The subsidiaries and joint ventures have to maintain cash reserves which are provided from the proceeds of sales of electricity for the purpose of repayment of principal and payment of interest due within one year and as a reserve for minimising the exchange risk (referred to Note 4). In addition, the Power Purchase Agreements, the Major Maintenance Agreements and insurance policies have been assigned as collateral with the lenders in accordance with the conditions under the Master Agreements.

The movements of the long-term loans can be analysed as follows:

	<b>Consolidated</b>
	<b>Baht'000</b>
<b>For the three-month period ended 31 March 2006</b>	
Opening net book amount	18,421,825
Additions of long-term loans	4,729,777
Repayments of long-term loans	(412,081)
Payments of financing fee	(51,634)
Amortisation of deferred financing fee	27,822
Unrealised exchange gains	(568,053)
Translation adjustments	(106,467)
Closing net book amount	<u><u>22,041,189</u></u>

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**9 Debentures**

The debentures are debentures in Thai Baht of two subsidiaries as follows:

As at	<b>Consolidated</b>	
	<b>31 March 2006 Baht'000</b>	<b>31 December 2005 Baht'000</b>
Current portion of debentures	1,317,764	1,317,764
Debentures, net	3,608,948	3,608,948
Total debentures	<u>4,926,712</u>	<u>4,926,712</u>

The debentures of Baht 4,979 million are secured liabilities. The subsidiaries are required to maintain reserves for repayment of principal and payment of interest due within one year as described in Note 4 and to pledge the relevant agreements as collateral as described in Note 8.

The movements of debentures can be analysed as follows:

	<b>Consolidated Baht'000</b>
<b>For the three-month period ended 31 March 2006</b>	
Opening amount	4,926,712
Debentures issued	-
Repayments of debentures	-
Closing amount	<u>4,926,712</u>

**10 Share capital and premium on share capital**

**For the three-month period ended 31 March 2006**

	<b>Number of shares</b>	<b>Ordinary shares Baht'000</b>	<b>Premium on share capital Baht'000</b>	<b>Total Baht'000</b>
Opening balance	526,465,000	5,264,650	8,601,300	13,865,950
Issue of shares	-	-	-	-
Closing balance	<u>526,465,000</u>	<u>5,264,650</u>	<u>8,601,300</u>	<u>13,865,950</u>

As at 31 March 2006, the total authorised number of ordinary shares is 530,000,000 shares with a par value of Baht 10 per share (31 December 2005: 530,000,000 shares with a par value of Baht 10 per share). The amount of 526,465,000 shares are issued and fully paid.

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**11 Related party transactions**

Major shareholders of the Company are the Electricity Generating Authority of Thailand (EGAT) and CLP Power Projects (Thailand) Limited. They hold 25.41% and 22.42% of the Company's shares, respectively. The remaining Company's shares are widely held.

The information of the Company's subsidiaries, an associate and joint ventures is shown in Note 6.

The following material transactions were carried out with related parties:

**(a) Sales of electricity**

For the three-month periods ended 31 March	Consolidated		Company	
	2006	2005	2006	2005
	Baht'000	Baht'000	Baht'000	Baht'000

Sales of electricity				
- Major shareholder	3,805,134	3,183,902	-	-

The sales of electricity are calculated based on a "Cost plus basis".

The sales of electricity for the three-month periods ended 31 March 2006 and 2005 included the compensation amounts from exchange rate effects approximately Baht 241 million and Baht 164 million, respectively.

**(b) Service income and major maintenance expenses**

For the three-month periods ended 31 March	Consolidated		Company	
	2006	2005	2006	2005
	Baht'000	Baht'000	Baht'000	Baht'000

Service income				
- Major shareholder	15,010	14,179	-	-

Major maintenance expenses				
- Major shareholder	70,034	46,752	-	-

The service income and major maintenance expenses are calculated based on "Cost plus basis".

**(c) Trade receivable from and trade payable to a related party**

As at	Consolidated		Company	
	31 March	31 December	31 March	31 December
	2006	2005	2006	2005
	Baht'000	Baht'000	Baht'000	Baht'000

Trade receivable from a related party				
- Major shareholder	1,627,055	2,248,700	-	-

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**11 Related party transactions (continued)**

**(c) Trade receivable from and trade payable to a related party (continued)**

Overdue trade receivable as at 31 March 2006 and 31 December 2005 can be analysed as follow:

As at	Consolidated		Company	
	31 March 2006 Baht'000	31 December 2005 Baht'000	31 March 2006 Baht'000	31 December 2005 Baht'000
Overdue below 3 months	5,547	-	-	-
Overdue 3 – 6 months	1,990	2,186	-	-
Overdue 6 – 12 months	-	-	-	-
Overdue over 12 months	2,736	2,736	-	-
	<u>10,273</u>	<u>4,922</u>	<u>-</u>	<u>-</u>
Trade payable to a related party				
- Major shareholder	108,624	87,566	-	-

**(d) Amounts due from and amounts due to related parties**

As at	Consolidated		Company	
	31 March 2006 Baht'000	31 December 2005 Baht'000	31 March 2006 Baht'000	31 December 2005 Baht'000
<u>Amounts due from related parties</u>				
- Major shareholder	3,798	6,166	-	6,166
- Subsidiaries	4,957	6,358	49,289	7,877
- Joint ventures	156,784	113,733	198,626	146,040
	<u>165,539</u>	<u>126,257</u>	<u>247,915</u>	<u>160,083</u>
<u>Amounts due to related parties</u>				
- Subsidiaries	5,088	4,546	84	2,130
- Joint ventures	46,601	50,757	-	-
	<u>51,689</u>	<u>55,303</u>	<u>84</u>	<u>2,130</u>

**(e) Long-term loans to related parties**

As at	Consolidated		Company	
	31 March 2006 Baht'000	31 December 2005 Baht'000	31 March 2006 Baht'000	31 December 2005 Baht'000
Current portion of long-term loans to related parties				
- Joint venture	11,915	11,915	23,830	23,830
	<u>11,915</u>	<u>11,915</u>	<u>23,830</u>	<u>23,830</u>
Long-term loans to related parties, net				
- Subsidiary	-	-	780,000	780,000
- Joint venture	125,000	125,000	250,000	250,000
	<u>125,000</u>	<u>125,000</u>	<u>1,030,000</u>	<u>1,030,000</u>
	<u>136,915</u>	<u>136,915</u>	<u>1,053,830</u>	<u>1,053,830</u>

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**11 Related party transactions (continued)**

**(e) Loans to related parties (continued)**

The movements of the loans to related parties can be analysed as follows:

<b>For the three-month periods ended 31 March</b>	<u><b>Consolidated</b></u>	<u><b>Company</b></u>
	<b>2006</b>	<b>2006</b>
	<u><b>Baht'000</b></u>	<u><b>Baht'000</b></u>
<b>Subsidiary</b>		
Beginning balance	-	780,000
Loans advanced during the period	-	-
Loan repayments received during the period	-	-
Ending balance	<u>-</u>	<u>780,000</u>
<b>Joint venture</b>		
Beginning balance	136,915	273,830
Loans advanced during the period	-	-
Loan repayments received during the period	-	-
Ending balance	<u>136,915</u>	<u>273,830</u>

**(f) Investments in debentures issued by a subsidiary and related interests**

<b>As at</b>	<u><b>Consolidated</b></u>		<u><b>Company</b></u>	
	<b>31 March 2006</b>	<b>31 December 2005</b>	<b>31 March 2006</b>	<b>31 December 2005</b>
	<u><b>Baht'000</b></u>	<u><b>Baht'000</b></u>	<u><b>Baht'000</b></u>	<u><b>Baht'000</b></u>
Investment in debentures				
- Subsidiary	-	-	41,928	41,928
Interest receivable				
- Subsidiary	-	-	2,330	388
<b>For the three-month periods ended 31 March</b>	<u><b>Consolidated</b></u>		<u><b>Company</b></u>	
	<b>2006</b>	<b>2005</b>	<b>2006</b>	<b>2005</b>
	<u><b>Baht'000</b></u>	<u><b>Baht'000</b></u>	<u><b>Baht'000</b></u>	<u><b>Baht'000</b></u>
Interest income				
- Subsidiary	-	-	1,942	2,183

Investment in debentures of a subsidiary was included in short-term investments used as collateral in the company balance sheets as at 31 March 2006 and 31 December 2005.



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**12 Financial instruments**

For the three-month period ended 31 March 2006, there were no significant changes in financial instruments from the year ended 31 December 2005 except the followings:

Joint venture - Gulf

For the three-month period ended 31 March 2006, a subsidiary of Gulf has entered into the foreign currency forward contracts to minimise exchange rate risk relating to Construction Contract and Supply Contract. As at 31 March 2006, the fixed rates and the maturities of the contracts are as follows:

Foreign Currency Forward Contracts	Foreign Currencies purchased	Outstanding contract amounts (million)	Fixed Exchange Rates	Contract Periods
US Dollars	Euros	5.56	1.18 to 1.32 US Dollars/ Euro	19 January 2006 - 10 April 2006
US Dollars	CHF	14.43	1.16 to 1.31 CHF/US Dollar	20 January 2006 - 10 April 2006
Baht	US Dollars	0.74	39.28 Baht/US Dollar	10 March 2006 - 10 April 2006
US Dollars	Yen	301.15	102.27 to 102.98 Yen/US Dollar	14 December 2005 - 15 June 2006
US Dollars	Baht	9.88	40.55 Baht/US Dollar	27 March 2006 - 17 April 2006
Baht	US Dollars	29.92	39.19 to 39.79 Baht/ US Dollar	11 January 2005 - 9 April 2008
Baht	Euros	10.82	51.38 to 53.45 Baht/ Euro	11 January 2005 - 14 January 2008
Baht	CHF	30.46	34.04 to 36.80 Baht/ CHF	11 January 2005 - 14 January 2008
US Dollars	Euros	13.89	1.28 to 1.33 US Dollar/ Euro	19 January 2005 - 2 October 2006
US Dollars	CHF	35.97	1.14 to 1.19 CHF/ US Dollar	20 January 2005 - 2 October 2006

**13 Commitments and contingent liabilities**

For the three-month period ended 31 March 2006, there were no significant changes in commitments and contingent liabilities and other agreements from the year ended 31 December 2005 except the followings:

**Commitments and contingent liabilities of the Company**

- As at 31 March 2006, the Company has commitments under Sponsor Support Agreements, which were made in respect of loans of subsidiaries and an associate totalling Baht 588 million.
- As at 31 March 2006, the Company has commitments under Counter Guarantee and Standby Letters of Credit issued on behalf of the Company to a subsidiary and joint ventures of Baht 9,487 million.
- As a credible, high-quality company, the Company is committed to administering its obligations in compliance with good corporate governance. The contingent liabilities are considered, in term of default risk, into two categories: low risk and high risk liabilities. The Company has, accordingly, set up a reserve fund of 10% of high risk liabilities totalling Baht 407 million. As at 31 March 2006, the Company has fully reserved such fund. This is included in cash and cash equivalents and short-term investments in the balance sheet.

**Commitments and contingent liabilities of a joint venture**

Joint venture - Gulf(Gulf)

- On 25 January 2006, a subsidiary of Gulf entered into the Construction Contract Change Order No.CCCO: 001, 002, 003, and 004 with a subcontractor for constructing Substation, Ambient Air Monitoring System, Water Discharge Facility Extension, and Gas Metering System, respectively. The total contract amount is Baht 304.71 million.

**13 Commitments and contingent liabilities (continued)**

**Commitments and contingent liabilities of a joint venture (continued)**

Joint venture - Gulf(Gulf) (continued)

- (e) On 27 March 2006, another subsidiary of Gulf entered into the Placement Agreement with a securities company, as the Lead Arranger in issuance of the unsubordinated guaranteed and amortising Debentures. Under this agreement, the securities company and the local bank agree to fully underwrite the sale of debentures of not exceed Baht 3,000 million.

**14 Privatisation**

On 22 April 2004, the National Energy Policy Committee (NEPC) approved the establishment of the regulatory body for the electricity industry (Electricity Commission of Thailand, ECT). On 22 November 2005, the cabinet approved the appointment of the interim power regulatory committee. This committee is a temporary body pending the establishment of a permanent regulatory structure pursuant to the passage of the Electricity Act.

On 24 June 2005, Electricity Generating Authority of Thailand (EGAT) filed for company registration with the registrar of the Department of Business Development, Ministry of Commerce after the Royal Decree on the conversion of EGAT's status from state enterprise into a public company limited and the Royal Decree on the authority and rights of the new EGAT Public Company Limited were proclaimed in the Royal Gazette on 23 June 2005.

On 23 March 2006, the Supreme Administrative Court made the decision to revoke two Royal Decrees for the privatization of EGAT since the Supreme Administrative Court gave the reason that the procedures, in material part, for transforming the capital of EGAT to be the shares of EGAT Public Company Limited was unlawful. Therefore, the status of EGAT Public Company Limited then turned back to be a state enterprise, Electricity Generating Authority of Thailand (EGAT).

As at 31 March 2006, the impact of the regulatory change on the Group cannot presently be determined.

**15 Post balance sheet events**

**Post balance sheet event of the Company**

At the Annual General Shareholders' meeting dated 24 April 2006, it was unanimously resolved to pay dividends in respect of the operating results for the second half year ended 2005 for 526,465,000 shares at Baht 1.75 per share, totalling Baht 921 million. These dividends will be paid in May 2006.

**Post balance sheet events of a joint venture**

A joint venture - Gulf(Gulf)

According to the Board of Directors' meeting of Gulf on 22 March 2006, it approved the three subsidiaries of Gulf which are Gulf Cogeneration Company Limited, Nong Khae Cogeneration Company Limited and Samutprakam Cogeneration Company Limited to refinance their existing long-term loans through debentures issuance. Moreover, the Board of Directors' meeting also approved Gulf and its three subsidiaries to enter into the agreements in relation to such refinancing transactions as can be detailed below.

**15 Post balance sheet events (continued)**

**Post balance sheet events of a joint venture (continued)**

A joint venture - Gulf (Gulf) (continued)

On 26 April 2006, a subsidiary of Gulf which is Gulf Cogeneration Company Limited signed on the Terms and Conditions of the Debentures with the Debentureholder Representative as well as the Deed of Indemnity with a foreign bank namely Depfa Bank Plc., Tokyo Branch in order for Gulf Cogeneration Company Limited to indemnify Depfa Bank Plc. against all expenses and costs incurred by Depfa Bank Plc. in case the debentures are early repaid according to the defaults. In addition, on the same date, the two subsidiaries of Gulf, which are Nong Khae Cogeneration Company Limited and Samutprakarn Cogeneration Company Limited, also entered into the Indemnity Guarantee Agreement with Depfa Bank Plc. to jointly guarantee the indebtedness of Gulf Cogeneration Company Limited under Deed of Indemnity.

Gulf Cogeneration Company Limited is the issuer of unconditionally and irrevocably guaranteed by (Depfa Bank Plc.) debentures of Baht 2,900 million which were traded on 27 April 2006. The debentures are divided into 3 tranches as follows:

- The Amortising and Guaranteed Debentures Series 1 amounting to Baht 870 million, due 2009 AD with the interest rate at 5.87% per annum.
- The Amortising and Guaranteed Debentures Series 2 amounting to Baht 580 million, due 2011 AD with the interest rate at 6.11% per annum.
- The Amortising and Guaranteed Debentures Series 3 amounting to Baht 1,450 million, due 2016 AD with the interest rate at 6.64% per annum.

On the same date, Gulf entered into the Shareholders' Undertaking Agreement with Depfa Bank Plc. Under such agreement, Gulf agrees to hold 99.99% shares in its three subsidiaries and also entered into the Share Pledged Agreement with Depfa Bank Plc. to pledge 75% of its registered shares in its three subsidiaries as securities in favour of Depfa Bank Plc.

On 27 April 2006, the three subsidiaries of Gulf which are Gulf Cogeneration Company Limited, Nong Khae Cogeneration Company Limited, and Samutprakarn Company Limited entered into Inter Creditor Agreement (ICA) with Depfa Bank Plc., Tokyo Branch and the other four local commercial banks who provide the working capital facilities, guarantee facilities and derivatives facilities to each subsidiary.

In relation to the securities, the three subsidiaries also mortgaged their lands, buildings and machinery and also provided the assignments of the main project contracts which are the Power Purchase Agreements, Gas Supply Agreements and Long Term Parts and Services Contracts as securities in favour of the Depfa Bank Plc., working capital lenders, and swap providers under the ICA.

On 27 April 2006, the above three subsidiaries of Gulf entered into the Inter-Obligor Loan Agreement where one of the subsidiaries, Gulf Cogeneration Company Limited, will act as the Lender of the other two subsidiaries and on-lend the amount of Baht 1,025 million to the other two subsidiaries of Gulf at the interest rate of the coupon rate of the debentures plus a certain margin. Term of principal and interest repayment will be as stipulated in the Agreement. The three subsidiaries will maintain the majority of the working capital facilities and guarantee facilities with the existing lenders.

On 28 April 2006, Gulf Cogeneration Company Limited used the proceeds from sale of the debentures to fully prepay its long-term loans outstanding to the former lenders with the prepayment fee of US Dollars 0.22 million and Baht 9.05 million. On the same date, the two subsidiaries of Gulf, which are Nong Khae Cogeneration Company Limited and Samutprakarn Cogeneration Company Limited also used the borrowing proceeds from Gulf Cogeneration Company Limited to fully prepay their long-term loans outstanding with the prepayment fees totalling US Dollars 0.33 million and Baht 7.53 million.

**15 Post balance sheet events (continued)**

**Post balance sheet events of a joint venture (continued)**

A joint venture - Gulf (Gulf) (continued)

The three subsidiaries of Gulf which are Samutprakarn Cogeneration Company Limited, Nong Khae Cogeneration Company Limited, and Gulf Cogeneration Company Limited, also entered into the Cross Currency Swap Contracts on 24, 25, and 26 April 2006, respectively. Under such agreements, the three subsidiaries agreed to swap 80% of their Baht loans into US Dollar loans and swap Baht fixed interest rate to US Dollar fixed interest rates. The fixed exchange rates and fixed interest rates are specified in the swap agreements.