

**ELECTRICITY GENERATING PUBLIC COMPANY LIMITED**

**INTERIM CONSOLIDATED AND COMPANY  
FINANCIAL STATEMENTS  
(UNAUDITED)**

**30 JUNE 2008**

## **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 30 June 2008 and the related consolidated and company statements of income for the three-month and six-month periods ended 30 June 2008 and 2007 and the related consolidated and company statements of changes in shareholders' equity and cash flows for the six-month periods ended 30 June 2008 and 2007 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 interim financial statements. My responsibility is to issue a report on these interim financial statements based on my reviews.

I conducted my reviews 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 reviews, 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.

I have audited the consolidated and company financial statements for the year ended 31 December 2007 of Electricity Generating Public Company Limited and its subsidiaries and of Electricity Generating Public Company Limited in accordance with generally accepted auditing standards and expressed an unqualified opinion on those statements in my report dated 11 February 2008. The balance sheet as at 31 December 2007, presented for comparative purposes, is part of the financial statements which I have audited and issued a report thereon as stated above and I have not performed any other auditing procedures subsequent to the date of that report.

Suchart Luengsuraswat  
Certified Public Accountant (Thailand) No. 2807  
PricewaterhouseCoopers ABAS Limited  
Bangkok

8 August 2008

**Electricity Generating Public Company Limited**

**Balance Sheets**

**As at 30 June 2008 and 31 December 2007**

	Notes	Consolidated		Company	
		Unaudited	Audited	Unaudited	Audited
		30 June	31 December	30 June	31 December
		2008	2007	2008	2007
		Baht'000	Baht'000	Baht'000	Baht'000
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents		5,325,036	3,750,425	3,932,535	2,444,066
Short-term investments					
- Deposits at financial institutions		258,957	226,015	200,890	890
- Marketable securities	15	59,865	32,240	67,586	39,539
Deposits at financial institutions used as collateral	7	533,538	914,022	-	-
Trade receivables, net	8	162,347	147,963	-	-
Trade receivable from a related party	15	1,582,029	1,621,832	-	-
Dividend receivables from subsidiaries and a joint venture	9	3,450,132	2,074,500	7,057,751	5,646,204
Current portion of long-term loan to a related party	15	-	-	893,620	866,840
Amounts due from related parties	15	80,565	62,859	16,813	10,099
Spare parts and supplies, net		3,203,965	3,328,405	-	-
Other current assets	15	402,547	310,678	17,721	16,341
<b>Total current assets</b>		<b>15,058,981</b>	<b>12,468,939</b>	<b>12,186,916</b>	<b>9,023,979</b>
<b>Non-current assets</b>					
Long-term investments in marketable securities and others	15	1,378,103	1,484,001	1,411,467	1,525,941
Deposits at financial institutions used as collateral	7	1,166	1,166	-	-
Amount due from a related party due over one year	15	203,461	196,169	203,461	196,169
Long-term loans to related parties, net	15	-	-	1,240,200	1,700,400
Investments in subsidiaries	9	-	-	11,976,061	11,976,061
Interests in joint ventures, net	9	19,661,546	20,233,045	17,694,576	17,677,178
Property, plant and equipment, net	10	17,792,044	18,637,631	677,912	690,206
Goodwill, net	10	203,434	210,697	-	-
Other non-current assets		372,366	368,692	244,126	248,164
<b>Total non-current assets</b>		<b>39,612,120</b>	<b>41,131,401</b>	<b>33,447,803</b>	<b>34,014,119</b>
<b>Total assets</b>		<b>54,671,101</b>	<b>53,600,340</b>	<b>45,634,719</b>	<b>43,038,098</b>

For Director .....

The notes to the interim consolidated and company financial statements on pages 11 to 30 are an integral part of these interim financial statements.

**Electricity Generating Public Company Limited**

**Balance Sheets**

**As at 30 June 2008 and 31 December 2007**

	Notes	Consolidated		Company	
		Unaudited	Audited	Unaudited	Audited
		30 June	31 December	30 June	31 December
		2008	2007	2008	2007
		Baht'000	Baht'000	Baht'000	Baht'000
<b>Liabilities and shareholders' equity</b>					
<b>Current Liabilities</b>					
Trade payables		209,457	487,900	-	-
Trade payable to a related party	15	79,458	98,081	-	-
Amounts due to related parties	15	6,046	3,003	3	39
Current portion of long-term loans from financial institutions, net	11	186,006	829,120	-	-
Debentures due within one year	12	771,859	729,675	-	-
Other current liabilities					
- Interest payables		30,057	36,452	1,397	1,953
- Value added tax payable		127,741	113,153	-	-
- Corporate income tax payable		236,998	151,623	-	-
- Others		362,140	508,651	73,008	164,136
<b>Total current liabilities</b>		<b>2,009,762</b>	<b>2,957,658</b>	<b>74,408</b>	<b>166,128</b>
<b>Non-current liabilities</b>					
Long-term loans from financial institutions, net	11	5,369,082	5,451,827	4,000,000	4,000,000
Debentures, net	12	1,830,113	2,226,937	-	-
Retirement benefit obligations	13	142,736	136,238	37,129	34,545
Net liabilities in a joint venture	9.3	564,909	823,136	-	-
Other non-current liabilities		8,980	8,846	2,432	1,631
<b>Total non-current liabilities</b>		<b>7,915,820</b>	<b>8,646,984</b>	<b>4,039,561</b>	<b>4,036,176</b>
<b>Total liabilities</b>		<b>9,925,582</b>	<b>11,604,642</b>	<b>4,113,969</b>	<b>4,202,304</b>

The notes to the interim consolidated and company financial statements on pages 11 to 30 are an integral part of these interim financial statements.

Electricity Generating Public Company Limited

Balance Sheets

As at 30 June 2008 and 31 December 2007

	Consolidated		Company	
	Unaudited 30 June 2008 Baht'000	Audited 31 December 2007 Baht'000	Unaudited 30 June 2008 Baht'000	Audited 31 December 2007 Baht'000
<b>Liabilities and shareholders' equity</b> (continued)				
<b>Shareholders' equity</b>				
Share capital				
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	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	29,235,563	26,274,327	26,549,788	23,752,782
Unrealised gains on investments in marketable securities - available-for-sale	506,828	614,264	527,639	639,689
Translation adjustments	55,547	142,961	-	-
<b>Total parent's shareholders' equity</b>	<b>44,241,261</b>	<b>41,474,875</b>	<b>41,520,750</b>	<b>38,835,794</b>
Minority interests	504,258	520,823	-	-
<b>Total shareholders' equity</b>	<b>44,745,519</b>	<b>41,995,698</b>	<b>41,520,750</b>	<b>38,835,794</b>
<b>Total liabilities and shareholders' equity</b>	<b>54,671,101</b>	<b>53,600,340</b>	<b>45,634,719</b>	<b>43,038,098</b>

The notes to the interim consolidated and company financial statements on pages 11 to 30 are an integral part of these interim financial statements.

## Statements of Income

For the three-month periods ended 30 June 2008 and 2007

	Notes	Consolidated		Company	
		2008	2007	2008	2007
		Baht'000	Restated Baht'000	Baht'000	Restated Baht'000
Sales and service income	15	2,575,066	2,557,264	-	-
Cost of sales and services	15	(1,436,847)	(1,378,041)	-	-
<b>Gross profit</b>		1,138,219	1,179,223	-	-
Administrative expenses		(226,520)	(219,865)	(115,105)	(149,380)
<b>Profit (loss) from sales and services</b>		911,699	959,358	(115,105)	(149,380)
Other income					
- Interest income	15	47,698	53,938	63,858	68,058
- Dividend income		-	26,068	-	26,068
- Dividend income from subsidiaries and joint ventures		-	-	1,522,464	2,884,716
- Others		20,950	62,216	472,195	82,019
Directors' remuneration		(1,724)	(1,716)	(1,616)	(1,647)
Currency exchange (losses) gains		(16,898)	38,488	-	-
<b>Operating results</b>		961,725	1,138,352	1,941,796	2,909,834
Share of profit from interest (loss exceed interest) in a joint venture		141,338	(101,430)	-	-
Shares of profit from interests in joint ventures		703,357	1,813,172	-	-
<b>Profit before interest and tax</b>		1,806,420	2,850,094	1,941,796	2,909,834
Interest expenses		(162,363)	(222,695)	(44,833)	(54,741)
<b>Profit before tax</b>		1,644,057	2,627,399	1,896,963	2,855,093
Corporate income tax		(180,277)	(110,792)	-	-
<b>Net profit for the period</b>		1,463,780	2,516,607	1,896,963	2,855,093
<b>Attributable to</b>					
Equity holders of the parent		1,439,927	2,479,310	1,896,963	2,855,093
Minority interest		23,853	37,297	-	-
		1,463,780	2,516,607	1,896,963	2,855,093
<b>Earnings per share for profit attributable to the equity holders of the Parent (Baht)</b>	6				
Earnings per share		2.74	4.71	3.60	5.42

The notes to the interim consolidated and company financial statements on pages 11 to 30 are an integral part of these interim financial statements.

## Statements of Income

For the six-month periods ended 30 June 2008 and 2007

	Notes	Consolidated		Company	
		2008	2007	2008	2007
		Baht'000	Restated Baht'000	Baht'000	Restated Baht'000
Sales and service income	15	5,322,308	5,310,547	-	-
Cost of sales and services	15	(2,844,734)	(2,741,601)	-	-
<b>Gross profit</b>		2,477,574	2,568,946	-	-
Administrative expenses		(424,415)	(444,366)	(219,128)	(286,824)
<b>Profit (loss) from sales and services</b>		2,053,159	2,124,580	(219,128)	(286,824)
Other income					
- Interest income	15	83,350	123,485	122,842	143,321
- Dividend income		77,861	108,530	77,861	108,530
- Dividend income from subsidiaries and joint ventures		-	-	3,696,832	5,257,171
- Others		41,284	79,396	507,534	117,382
Directors' remuneration		(3,466)	(3,353)	(3,310)	(3,212)
Currency exchange gains		31,436	102,913	-	-
<b>Operating results</b>		2,283,624	2,535,551	4,182,631	5,336,368
Share of loss exceed interest in a joint venture	9.3	(110,091)	(180,437)	-	-
Shares of profit in interests in joint ventures	9	2,830,072	3,422,404	-	-
<b>Profit before interest and tax</b>		5,003,605	5,777,518	4,182,631	5,336,368
Interest expenses		(327,067)	(415,119)	(89,735)	(75,488)
<b>Profit before tax</b>		4,676,538	5,362,399	4,092,896	5,260,880
Corporate income tax		(355,838)	(273,336)	-	-
<b>Net profit for the period</b>		4,320,700	5,089,063	4,092,896	5,260,880
<b>Attributable to</b>					
Equity holders of the parent		4,257,126	5,010,638	4,092,896	5,260,880
Minority interest		63,574	78,425	-	-
		4,320,700	5,089,063	4,092,896	5,260,880
<b>Earnings per share for profit attributable to the equity holders of the Parent (Baht)</b>	6				
Earnings per share		8.09	9.52	7.77	9.99

The notes to the interim consolidated and company financial statements on pages 11 to 30 are an integral part of these interim financial statements.

Electricity Generating Public Company Limited  
 Statements of Changes in Shareholders' Equity  
 For the six-month periods ended 30 June 2008 and 2007

Unaudited

Consolidated									
	Issued and paid-up share capital	Premium on share capital	Premium on treasury stock	Legal reserve	Retained earnings	Fair value reserve	Translation adjustments	Minority interest	Total
Note	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 2008</b>	5,264,650	8,601,300	47,373	530,000	26,274,327	614,264	142,961	520,823	41,995,698
Translation adjustments	-	-	-	-	-	-	(87,414)	-	(87,414)
Net profit for the period	-	-	-	-	4,257,126	-	-	-	4,257,126
Dividends paid	14	-	-	-	(1,295,890)	-	-	(80,139)	(1,376,029)
Unrealised losses on investments in marketable securities - available-for-sale	-	-	-	-	-	(107,436)	-	-	(107,436)
Minority interest	-	-	-	-	-	-	-	63,574	63,574
<b>Closing balance as at 30 June 2008</b>	<b>5,264,650</b>	<b>8,601,300</b>	<b>47,373</b>	<b>530,000</b>	<b>29,235,563</b>	<b>506,828</b>	<b>55,547</b>	<b>504,258</b>	<b>44,745,519</b>
<b>Opening balance as at 1 January 2007</b>									
- As previously reported	5,264,650	8,601,300	47,373	530,000	20,199,878	780,338	(13,808)	509,392	35,919,123
- Effect from the adoption of new accounting policy	3	-	-	-	(121,128)	-	-	(145)	(121,273)
- As restated	5,264,650	8,601,300	47,373	530,000	20,078,750	780,338	(13,808)	509,247	35,797,850
Translation adjustments	-	-	-	-	-	-	43,941	-	43,941
Net profit for the period	-	-	-	-	5,010,638	-	-	-	5,010,638
Dividends paid	-	-	-	-	(1,041,302)	-	-	(75,109)	(1,116,411)
Unrealised gains on investments in marketable securities - available-for-sale	-	-	-	-	-	70,372	-	-	70,372
Minority interest	-	-	-	-	-	-	-	78,425	78,425
<b>Closing balance as at 30 June 2007</b>	<b>5,264,650</b>	<b>8,601,300</b>	<b>47,373</b>	<b>530,000</b>	<b>24,048,086</b>	<b>850,710</b>	<b>30,133</b>	<b>512,563</b>	<b>39,884,815</b>

The notes to the interim consolidated and company financial statements on pages 11 to 30 are an integral part of these interim financial statements.

Electricity Generating Public Company Limited  
 Statements of Changes in Shareholders' Equity  
 For the six-month periods ended 30 June 2008 and 2007

Unaudited

	Company						
	Issued and paid-up share capital	Premium on share capital	Premium on treasury stock	Legal reserve	Retained earnings	Fair value reserve	Total
Notes	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000
<b>Opening balance as at 1 January 2008</b>	5,264,650	8,601,300	47,373	530,000	23,752,782	639,689	38,835,794
Net profit for the period	-	-	-	-	4,092,896	-	4,092,896
Dividends paid	14	-	-	-	(1,295,890)	-	(1,295,890)
Unrealised losses on investments in marketable securities - available-for-sale		-	-	-	-	(112,050)	(112,050)
<b>Closing balance as at 30 June 2008</b>	<b>5,264,650</b>	<b>8,601,300</b>	<b>47,373</b>	<b>530,000</b>	<b>26,549,788</b>	<b>527,639</b>	<b>41,520,750</b>
<b>Opening balance as at 1 January 2007</b>							
- As previously reported	5,264,650	8,601,300	47,373	530,000	17,404,076	810,392	32,657,791
- Effect from changes in accounting policy	3	-	-	-	(28,983)	-	(28,983)
- As restated	5,264,650	8,601,300	47,373	530,000	17,375,093	810,392	32,628,808
Net profit for the period	-	-	-	-	5,260,880	-	5,260,880
Dividends paid	-	-	-	-	(1,041,302)	-	(1,041,302)
Unrealised gains on investments in marketable securities - available-for-sale		-	-	-	-	69,634	69,634
<b>Closing balance as at 30 June 2007</b>	<b>5,264,650</b>	<b>8,601,300</b>	<b>47,373</b>	<b>530,000</b>	<b>21,594,671</b>	<b>880,026</b>	<b>36,918,020</b>

The notes to the interim consolidated and company financial statements on pages 11 to 30 are an integral part of these interim financial statements.

## Statements of Cash Flows

For the six-month periods ended 30 June 2008 and 2007

	Notes	Consolidated		Company	
		2008	2007	2008	2007
		Baht'000	Restated Baht'000	Baht'000	Restated Baht'000
<b>Cash flows from operating activities</b>					
Net profit for the period		4,676,538	5,362,399	4,092,896	5,260,880
Adjustments to reconcile net profit to net cash provided by operations:					
- Depreciation and amortisation		1,085,578	1,062,945	24,450	23,601
- Allowance for obsolescence		15,864	2,868	-	-
- Retirement benefit expenses		6,579	6,394	1,655	1,926
- Unrealised currency exchange losses (gains)		9,825	(87,289)	-	-
- Interest income		(83,350)	(123,485)	(122,842)	(143,321)
- Interest expenses		327,067	415,119	89,735	75,488
- Gains on disposals of equipments		(596)	(228)	(597)	(228)
- Gains on disposals of long-term investment		-	(44,947)	-	(44,947)
- Loss (gain) on disposal of an associate		20,340	-	(436,640)	-
- Dividends received from other companies		(77,861)	(108,530)	(77,861)	(108,530)
- Dividends received from subsidiaries and joint ventures		-	-	(3,696,832)	(5,257,171)
- Share of loss exceed interest in a joint venture	9.3	110,091	180,437	-	-
- Shares of profit from interests in joint ventures	9	(2,830,072)	(3,422,404)	-	-
Cash flows before changes in operating assets and liabilities		3,260,003	3,243,279	(126,036)	(192,302)
Changes in operating assets and liabilities: (excluding the effects of acquisition and disposal)					
- Deposits at financial institution used as collateral		380,483	1,071,918	-	-
- Trade receivables and trade receivable from a related party		25,419	335,595	-	-
- Amounts due from related parties		(538)	(45,886)	(8,799)	(6,746)
- Spare parts and supplies		(53,431)	22,625	-	-
- Other current assets and other non-current assets		(106,083)	(52,953)	(1,936)	(23,419)
- Trade payables and trade payable to a related party		(288,562)	(234,514)	-	-
- Amounts due to related parties		(2,285)	5,968	(39)	15
- Other current and non-current liabilities		(266,868)	(81,628)	(91,240)	(72,598)
- Retirement benefits paid		(3,743)	-	-	-
Cash generated (paid) from operation		2,944,395	4,264,404	(228,050)	(295,050)
- Tax paid		(149,922)	(471,337)	-	-
Net cash received from (used in) operating activities		2,794,473	3,793,067	(228,050)	(295,050)

The notes to the interim consolidated and company financial statements on pages 11 to 30 are an integral part of these interim financial statements.

**Electricity Generating Public Company Limited**  
**Statements of Cash Flows**  
**For the six-month periods ended 30 June 2008 and 2007**

**Unaudited**

	Notes	Consolidated		Company	
		2008	2007	2008	2007
		Baht'000	Restated Baht'000	Baht'000	Restated Baht'000
<b>Cash flows from investing activities</b>					
Cash paid for increase in share capital of joint ventures		(365,759)	(8,380,005)	(365,758)	(8,380,005)
Net cash receipt from disposal of an associate		815,000	-	785,000	-
Net cash payments from deposits at financial institutions		(32,942)	(10,000)	-	-
Net cash receipts (payments) from short-term investments		(30,075)	(16,399)	(225,623)	32,617
Net cash receipts from long-term investments		913	374,892	-	374,050
Net purchases of property, plant and equipment		(81,717)	(104,016)	(11,539)	(7,096)
Cash received from interest		81,200	135,375	122,209	205,715
Proceed from loans to related parties		-	100,000	433,420	506,380
Dividends received from subsidiaries and a joint venture		1,100,626	84,415	2,285,285	2,071,413
Dividends received from other companies		77,861	108,530	77,861	108,530
Net cash received from (used in) investing activities		1,565,107	(7,707,208)	3,100,855	(5,088,396)
<b>Cash flows from financing activities</b>					
Payments on finance lease liabilities		(666)	(547)	-	-
Interest paid		(330,621)	(517,631)	(89,362)	(74,633)
Proceeds from short-term loans from financial institutions		-	4,350,000	-	4,350,000
Payments on long-term loans from financial institutions and debentures	11, 12	(1,093,312)	(1,088,785)	-	-
Dividends paid to shareholders		(1,360,370)	(1,071,636)	(1,294,974)	(1,041,327)
Net cash received from (used in) financing activities		(2,784,969)	1,671,401	(1,384,336)	3,234,040
<b>Net decrease in cash and cash equivalents</b>		1,574,611	(2,242,740)	1,488,469	(2,149,406)
Beginning balance		3,750,425	5,601,550	2,444,066	4,129,760
Ending balance		5,325,036	3,358,810	3,932,535	1,980,354
<b>Cash and cash equivalents are made up as follows:</b>					
- Cash in hand and deposits at financial institutions		960,493	1,093,110	35,999	153,561
- Short-term investments - maturity within three months		4,364,543	2,265,700	3,896,536	1,826,793
		5,325,036	3,358,810	3,932,535	1,980,354
<b>Non-cash transactions</b>					
- Reclassification of utilised capital spare parts to property, plant and equipment		381,064	337,915	-	-
- Reclassification of unutilised capital spare parts from property, plant and equipment		219,036	126,533	-	-

The notes to the interim consolidated and company financial statements on pages 11 to 30 are an integral part of these interim financial statements.

## **1 Accounting policies**

### **1.1 Basis of preparation**

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 are balance sheets, statements of income, changes in shareholders' equity and cash flows 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 No. 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 has 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 2007, except the disclosures of additional information resulting from amendments to Thai Accounting Standards and a new accounting standard that are effective for the period beginning on or after 1 January 2008 as mentioned in Note 1.2.

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.

These interim financial statements should be read in conjunction with the 2007 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 were authorised for issue by the President of the Company on 8 August 2008.

### **1.2 Amendments to accounting standards and a new accounting standard effective in 2008**

The following revised and new accounting standards as published by the Federation of Accounting Professions are mandatory for the accounting periods beginning on or after 1 January 2008.

#### The revised accounting standards

TAS 25	"Cash Flow Statements"
TAS 29	"Leases"
TAS 31	"Inventories"
TAS 33	"Borrowing Costs"
TAS 35	"Presentation of Financial Statements"
TAS 39	"Accounting Policies, Changes in Accounting Estimates and Errors"
TAS 41	"Interim Financial Reporting"
TAS 43	"Business Combinations"
TAS 49	"Construction Contracts"

#### The new accounting standard

TAS 51	"Intangible Assets"
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**1 Accounting policies** (continued)

**1.2 Amendments to accounting standards and a new accounting standard effective in 2008** (continued)

The Group has applied these standards from 1 January 2008. The Group's management assessed and determined that the application of these standards has no significant impact to the financial statements being presented, except the following revised and new standards.

TAS 35 (Revised 2007) revises the presentation of minority interests on the consolidated statement of income and requires other additional information disclosures as discussed in Note 2.

TAS 51 "Intangible Assets" requires cessation of amortisation of intangible assets with indefinite life but to test impairment annually. The Group estimates that all goodwill of the Group has definite useful life in accordance with Power Purchase Agreements of the acquirees. The Group has complied with the new accounting standard and amortises those goodwill amounts from business combinations throughout periods of Power Purchase Agreements.

**2 Additional information**

Additional information as required by TAS 35 (Revised 2007) is as follows:

**2.1 Critical accounting estimates, assumptions and judgements**

Accounting estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. During the six-month period ended 30 June 2008, the Group's management did not make any estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**2.2 Capital risk management**

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group has various means, such as returning capital to shareholders, issuing new shares and selling assets to reduce debts.

**3 The application of accounting policy for employee benefits**

During 2007, the Group has adopted the new accounting policy for employee benefits in accordance with the draft Thai accounting standard which is considered to better reflect provision. The Group has applied the retrospective adjustments for this adoption in accounting policy.

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**3 The application of accounting policy for employee benefits (continued)**

The effects of the adoption to the interim consolidated and company financial statements for the three-month and six-month periods ended 30 June 2007 are as follows:

	<u>Consolidated</u>	<u>Company</u>
	<u>Increase (decrease)</u>	<u>Increase (decrease)</u>
	<u>Baht'000</u>	<u>Baht'000</u>
<b>Balance sheet as at 30 June 2007</b>		
Increase in retirement benefit obligations	126,368	31,764
Decrease in retained earnings as at 1 January 2007	(121,128)	(28,983)
Decrease in retained earnings as at 30 June 2007	(135,092)	(31,764)
Decrease in minority interests as at 1 January 2007	(145)	-
Decrease in minority interests as at 30 June 2007	(160)	-

**Statement of income for the three-month period ended 30 June 2007**

Increase in cost of sales and services	1,778	-
Increase in administrative expenses	1,419	963
Increase in interest expenses	1,716	428
Increase in share of loss exceed interest in a joint venture	494	-
Decrease in share of profit from interests in joint ventures	(1,825)	-
Decrease in minority interests	(7)	-
Decrease in basic earnings per share (Baht)	(0.01)	-

**Statement of income for the six-month period ended 30 June 2007**

Increase in cost of sales and services	3,556	-
Increase in administrative expenses	2,838	1,926
Increase in interest expenses	3,432	855
Increase in share of loss exceed interest in a joint venture	988	-
Decrease in share of profit from interests in joint ventures	(3,165)	-
Decrease in minority interests	(15)	-
Decrease in basic earnings per share (Baht)	(0.02)	-

**4 Corporate income tax**

The Group records corporate income tax on an accrual basis. The Group does not recognise corporate income tax payable or receivable in future periods in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the interim financial statements. Corporate income tax expense is recognised based on the best estimate of the average effective annual income tax rate expected for the full financial year. The estimated average effective annual tax rate used is 7.61% (2007: 5.10%).

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**5 Segment information**

**Financial information by geographical segments**

	<b>Thailand Baht'000</b>	<b>The Lao People's Democratic Republic Baht'000</b>	<b>The Philippines Baht'000</b>	<b>Consolidation eliminations Baht'000</b>	<b>Consolidated Baht'000</b>
<b>For the three-month period ended 30 June 2008</b>					
Sales and service income	2,616,999	-	-	(41,933)	2,575,066
Share of loss exceed interest in a joint venture	-	141,338	-	-	141,338
Share of profit	672,355	-	31,002	-	703,357
Segment result attributable to the equity holders of the parent	1,467,228	-	-	(3,448)	1,463,780
<b>For the three-month period ended 30 June 2007 (restated)</b>					
Sales and service income	2,588,038	-	-	(30,774)	2,557,264
Share of loss exceed interest in a joint venture	-	(101,430)	-	-	(101,430)
Share of profit	1,789,681	-	23,491	-	1,813,172
Segment result attributable to the equity holders of the parent	2,520,056	-	-	(3,449)	2,516,607
<b>For the six-month period ended 30 June 2008</b>					
Sales and service income	5,397,628	-	-	(75,320)	5,322,308
Share of loss exceed interest in a joint venture	-	(110,091)	-	-	(110,091)
Share of profit	2,784,295	-	45,777	-	2,830,072
Segment result attributable to the equity holders of the parent	4,327,597	-	-	(6,897)	4,320,700
<b>For the six-month period ended 30 June 2007 (restated)</b>					
Sales and service income	5,370,567	-	-	(60,020)	5,310,547
Share of loss exceed interest in a joint venture	-	(180,437)	-	-	(180,437)
Share of profit	3,388,255	-	34,149	-	3,422,404
Segment result attributable to the equity holders of the parent	5,095,961	-	-	(6,898)	5,089,063

**6 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 (2008 and 2007 : 526,465,000 shares).

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

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**7 Deposits at financial institutions used as collateral**

Deposits at financial institutions used as collateral are mainly of Khanom Electricity Generating Company Limited and EGCO Cogeneration Company Limited and comprise of cash reserves required to be maintained under their loan agreements and debenture agreement for the purpose of repayment of principal and payment of interest due within one year. These cash reserves are provided from the proceeds of sale of electricity (referred to Notes 11 and 12). As at 30 June 2008, these cash reserves were Baht 253 million (31 December 2007 : Baht 383 million). The remaining balance of deposits at financial institutions used as collateral of Baht 280 million (31 December 2007 : Baht 532 million) represent collateralised deposits maintained in accordance with the loan agreements but which can be used subject to certain lender approvals.

**8 Trade receivables, net**

Trade receivables as at 30 June 2008 and 31 December 2007 can be analysed as follows:

As at	Consolidated		Company	
	30 June 2008 Baht'000	31 December 2007 Baht'000	30 June 2008 Baht'000	31 December 2007 Baht'000
Current	141,709	112,590	-	-
Overdue below 3 months	11,773	21,351	-	-
Overdue 3 - 6 months	7,644	7,899	-	-
Overdue 6 - 12 months	-	4,902	-	-
Overdue over 12 months	2,034	2,034	-	-
	163,160	148,776	-	-
<u>Less</u> Allowance for doubtful receivables	(813)	(813)	-	-
Total trade receivables, net	<u>162,347</u>	<u>147,963</u>	-	-

**9 Investments in subsidiaries and interests in joint ventures, net**

As at	Consolidated		Company	
	30 June 2008 Baht'000	31 December 2007 Baht'000	30 June 2008 Baht'000	31 December 2007 Baht'000
Investments in subsidiaries	-	-	11,976,061	11,976,061
Interests in joint ventures	20,055,952	20,627,451	18,088,982	18,071,584
<u>Less</u> Provision for impairment	(394,406)	(394,406)	(394,406)	(394,406)
Interests in joint ventures, net	<u>19,661,546</u>	<u>20,233,045</u>	<u>17,694,576</u>	<u>17,677,178</u>
Investments in subsidiaries and interests in joint ventures, net	<u>19,661,546</u>	<u>20,233,045</u>	<u>29,670,637</u>	<u>29,653,239</u>

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**9 Investments in subsidiaries and interests in joint ventures, net (continued)**

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

	<u>Consolidated</u>	<u>Company</u>
	<u>Baht'000</u>	<u>Baht'000</u>
<b>For the six-month period ended 30 June 2008</b>		
Opening net book value	20,233,045	29,653,239
Share of profit from interests in joint ventures	2,830,072	-
Increase in share capital of joint ventures	10,000	365,758
Disposals of joint ventures	(835,340)	(348,360)
Dividend received from joint ventures	(2,476,257)	-
Translation adjustments	(99,974)	-
Closing net book value	<u>19,661,546</u>	<u>29,670,637</u>

**9.1 Investments in subsidiaries**

The principal subsidiaries are as follows:

				<u>Company</u>	
				<u>30 June 2008</u>	
<u>Business</u>	<u>Paid-up share capital</u>	<u>Portion of Investment</u>	<u>Cost Method</u>	<u>Dividend</u>	
	<u>Baht'000</u>	<u>(%)</u>	<u>Baht'000</u>	<u>Baht'000</u>	
<b><u>Subsidiaries incorporated in Thailand</u></b>					
Rayong Electricity Generating Co., Ltd.	Electricity generating	4,702,200	99.99	4,702,200	620,027
Khanom Electricity Generating Co., Ltd.	Electricity generating	4,850,000	99.99	4,850,000	633,246
EGCO Engineering and Service Co., Ltd. and its subsidiaries	Power plant operation and maintenance services	400,000	99.99	400,000	42,993
- Agro Energy Co., Ltd.	Trading / delivery services of natural scrap		99.99		
- Egcom Tara Co., Ltd.	Tap water business		70.00		
EGCO Green Energy Co., Ltd. and its subsidiary	Investing in biomass fueled electricity generating plant	175,000	74.00	129,500	-
- Roi-Et Green Co., Ltd.	Husk fueled electricity generating plant		95.00		
EGCO Cogeneration Co., Ltd.	Electricity generating	1,060,000	80.00	891,894	-
<b><u>Subsidiary incorporated in British Virgin Islands</u></b>					
EGCO International B.V.I and its joint venture	Investing in power energy projects	-	99.99	1,002,467	-
- Conal Holdings Corporation (Conal) (incorporated in the Philippines)	Investing in power	729,320	40.00		
Total investments in subsidiaries				<u>11,976,061</u>	<u>1,296,266</u>

As at 30 June 2008, dividend receivable from subsidiaries amounting to Baht 3,683 million was recognised in the interim company financial statements.

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**9 Investments in subsidiaries and interests in joint ventures, net (continued)**

9.1 Investments in subsidiaries (continued)

The principal subsidiaries are as follows: (continued)

				<b>Company</b>	
				<b>31 December 2007</b>	
<b>Business</b>	<b>Paid-up share capital Baht'000</b>	<b>Portion of Investment (%)</b>	<b>Cost Method Baht'000</b>	<b>Dividend Baht'000</b>	
		(including indirect holding)			
<b><u>Subsidiaries incorporated in Thailand</u></b>					
Rayong Electricity Generating Co., Ltd.	Electricity generating	4,702,000	99.99	4,702,200	2,239,055
Khanom Electricity Generating Co., Ltd.	Electricity generating	4,850,000	99.99	4,850,000	2,352,477
EGCO Engineering and Service Co., Ltd. and its subsidiaries and joint venture	Power plant operation and maintenance services	400,000	99.99	400,000	254,540
- 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	175,000	74.00	129,500	70,146
- Roi-Et Green Co., Ltd.	Husk fueled electricity generating plant		95.00		
EGCO Cogeneration Co., Ltd.	Electricity generating	1,060,000	80.00	891,894	230,541
<b><u>Subsidiary incorporated in British Virgin Islands</u></b>					
EGCO International B.V.I and its joint venture	Investing in power energy projects	-	99.99	1,002,467	408,662
- Conal Holdings Corporation (Conal) (incorporated in the Philippines)	Investing in power energy business	729,320	40.00		
Total investments in subsidiaries				<u>11,976,061</u>	<u>5,555,421</u>

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**9 Investments in subsidiaries and interests in joint ventures, net** (continued)

9.2 Interests in joint ventures, net

The principal subsidiaries are as follows (continued):

				<b>Consolidated</b>	
				<b>30 June 2008</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)			
<b><u>Joint ventures incorporated in Thailand</u></b>					
Gulf Electric Public Co., Ltd. (Gulf) and its subsidiaries	Investing in power energy business	50.00	7,067,175	8,947,302	100,626
BLCP Power Ltd. (BLCP)	Electricity generating	50.00	9,902,800	10,403,369	2,299,940
Sustainable Energy and Environmental Development Co., Ltd. (SEED)	Investing in recycle fueled electricity	50.00	10,000	10,000	-
<b><u>Joint venture incorporated in the Philippines</u></b>					
Conal Holdings Corporation (Conal) and its subsidiaries	Investing in power energy business	40.00	1,002,467	695,281	75,691
			17,982,442	20,055,952	2,476,257
<u>Less</u> Provision for impairment			(394,406)	(394,406)	-
Total interests in joint ventures, net			<u>17,588,036</u>	<u>19,661,546</u>	<u>2,476,257</u>

As at 30 June 2008, under terms and conditions of the loan agreement of BLCP, the common shares of BLCP were pledged as collateral for its long-term loans.

As at 30 June 2008, dividend receivable from a joint venture amounting to Baht 3,450 million was recognised in the consolidated interim financial statements.

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**9 Investments in subsidiaries and interests in joint ventures, net (continued)**

9.2 Interests in joint ventures, net (continued)

The principal joint ventures are as follows (continued):

		<b>Consolidated</b>			
		<b>31 December 2007</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)				
<b><u>Joint ventures incorporated in Thailand</u></b>					
Amata Power-Esco Service Co., Ltd.	Power plant operation	50.00	1,000	11,756	-
EGCO Joint Venture and Development Co., Ltd. (EGCO JD) and its associate and joint venture	Investing in power energy business	50.00	348,360	772,945	60,000
Gulf Electric Public Co., Ltd. (Gulf) and its subsidiaries	Investing in power energy business	50.00	7,067,175	8,208,023	-
BLCP Power Ltd. (BLCP)	Electricity generating	50.00	9,902,800	10,809,559	3,000,000
<b><u>Joint venture incorporated in the Philippines</u></b>					
Conal Holdings Corporation (Conal) and its subsidiaries	Investing in power energy business	40.00	1,002,467	825,168	80,043
			18,321,802	20,627,451	3,140,043
<u>Less</u> Provision for impairment			(394,406)	(394,406)	-
Total interests in joint ventures, net			<u>17,927,396</u>	<u>20,233,045</u>	<u>3,140,043</u>

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**9 Investments in subsidiaries and interests in joint ventures, net (continued)**

9.2 Interests in joint ventures, net (continued)

The principal joint ventures are as follows (continued):

	<b>Company</b>		
	<b>30 June 2008</b>		
<b>Business</b>	<b>Portion of Investment (%)</b>	<b>Cost Method Baht'000</b>	<b>Dividend Baht'000</b>
	(including indirect holding)		
<b><u>Joint ventures incorporated in Thailand</u></b>			
Gulf Electric Public Co., Ltd. (Gulf) and its subsidiaries	Investing in power energy business	50.00 7,067,175	100,626
BLCP Power Ltd. (BLCP)	Electricity generating	50.00 9,902,800	2,299,940
Sustainable Energy and Environmental Development Co., Ltd. (SEED)	Investing in recycle fueled electricity	50.00 10,000	-
<b><u>Joint venture incorporated in the Lao People's Democratic Republic</u></b>			
Nam Theun 2 Power Company Limited	Electricity generating (construction phase)	25.00 1,109,007	-
		18,088,982	2,400,566
<u>Less</u> Provision for impairment		(394,406)	-
Total interests in joint ventures, net		<u>17,694,576</u>	<u>2,400,566</u>

As at 30 June 2008, dividend receivable from a joint venture amounting to Baht 3,375 million was recognised in the interim company financial statements.

**Principal movements in interests in joint ventures during the six-month period ended 30 June 2008**

**Nam Theun 2 Power Company Limited ("NTPC")**

- (a) During the first quarter of 2008, NTPC called for additional paid-up share capital at US Dollars 0.90 million. The Group paid for additional paid-up shares in the same portion as its original investment, totalling US Dollars 0.30 million which equal to Baht 9.42 million.
- (b) During the second quarter of 2008, NTPC called for additional paid-up share capital at US Dollars 32.10 million. The Group paid for additional paid-up shares in the same portion as its original investment, totalling US Dollars 10.70 million which equal to Baht 346.34 million.
- (c) In July and August 2008, a joint venture of the Company called for additional paid-up shares of US Dollars 11.85 million. The Group has committed to pay its portion of US Dollars 3.95 million which equal to Baht 132.95 million.

**Sustainable Energy and Environmental Development Co., Ltd. ("SEED")**

- (d) During 2007, the Company entered into the Memorandum of Understanding with two joint partners for the development of recycle fueled electricity project, in order to invest in 50% share capital of SEED. In January 2008, SEED issued additional ordinary shares of 0.10 million shares at par value of Baht 100 per share. The Group purchased all new shares issued, totalling Baht 10 million. Two joint partners will later purchase new shares issued in the proportion as their original investments.

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**9 Investments in subsidiaries and interests in joint ventures, net (continued)**

9.2 Interests in joint ventures, net (continued)

The principal joint ventures are as follows (continued):

Principal movements in interests in joint ventures during the six-month period ended 30 June 2008 (continued)

EGCO Joint Venture and Development Co., Ltd (“EGCO JD”)

- (e) On 8 May 2008, the Company and Amata Power Co., Ltd. signed a Share Purchase Agreement for the sale of the entire 50% stake in EGCO JD amounting to 58,421,693 shares at the price of 785 million. The Company received the payment on 15 May 2008.

Amata Power-Esco Services Co., Ltd (“AMESCO”)

- (f) On 8 May 2008, EGCO Engineering and Service Co., Ltd. (ESCO), a wholly owned subsidiary of the Company, and Amata Power Co., Ltd. signed a Share Purchase Agreement for the sale of the entire 50% stake in AMESCO amounting to 100,000 shares at the price of Baht 30 million. ESCO received the payment on 15 May 2008.

		<b>Company</b>		
		<b>31 December 2007</b>		
<b>Business</b>	<b>Portion of Investment (%)</b>	<b>Cost Method Baht’000</b>	<b>Dividend Baht’000</b>	
	(including indirect holding)			
<b><u>Joint ventures incorporated in Thailand</u></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	60,000
Gulf Electric Public Co., Ltd. (Gulf) and its subsidiaries	Investing in power energy business	50.00	7,067,175	-
BLCP Power Ltd. (BLCP)	Electricity generating	50.00	9,902,800	3,000,000
<b><u>Joint venture incorporated in the Lao People’s Democratic Republic</u></b>				
Nam Theun 2 Power Company Limited	Electricity generating (construction phase)	25.00	753,249	-
			18,071,584	3,060,000
<u>Less</u> Provision for impairment			(394,406)	-
Total interests in joint ventures, net			<u>17,677,178</u>	<u>3,060,000</u>

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**9 Investments in subsidiaries and interests in joint ventures, net** (continued)

9.3 Net liabilities in a joint venture

The movements in net liabilities arising from an interest in a joint venture for the six-month period ended 30 June 2008 are as follows:

	<u>Consolidated</u> <u>Baht'000</u>
Opening net book amount	(823,136)
Capital increase of a joint venture	355,758
Share of loss for the period	(110,091)
Translation adjustment	<u>12,560</u>
Closing net book amount	<u>(564,909)</u>

The balances of net liabilities in a joint venture incorporated in the Lao People's Democratic Republic are as follows:

		<u>Consolidated</u> <u>30 June 2008</u>			
<u>Business</u>	<u>Portion of</u> <u>Investment</u> <u>(%)</u>	<u>Cost</u> <u>Method</u> <u>Baht'000</u>	<u>Equity</u> <u>Method</u> <u>Baht'000</u>	<u>Dividend</u> <u>Baht'000</u>	
Nam Theun 2 Power Co., Ltd.	Electricity generating (construction phase)	25.00	1,109,007	(564,909)	-

		<u>Consolidated</u> <u>31 December 2007</u>			
<u>Business</u>	<u>Portion of</u> <u>Investment</u> <u>(%)</u>	<u>Cost</u> <u>Method</u> <u>Baht'000</u>	<u>Equity</u> <u>Method</u> <u>Baht'000</u>	<u>Dividend</u> <u>Baht'000</u>	
Nam Theun 2 Power Co., Ltd.	Electricity generating (construction phase)	25.00	753,249	(823,136)	-

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**10 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 six-month period ended 30 June 2008</b>			
Opening net book amount	18,637,631	210,697	690,206
Additions	77,701	-	12,573
Capitalisation of capital spare parts	381,064	-	-
Transfer capital spare parts out, net	(219,036)	-	-
Reclassifications	(12,140)	-	-
Disposals, net	(464)	-	(437)
Depreciation and amortisation	(1,072,712)	(7,263)	(24,430)
Closing net book value	17,792,044	203,434	677,912

As at 30 June 2008, land, buildings and equipment of subsidiaries amounting to Baht 9,903 million were mortgaged and pledged as collateral in accordance with the loan agreements and debentures, as described in Notes 11 and 12 (31 December 2007 : Baht 10,366 million).

As at 30 June 2008, the Group had no capital commitments in respect of construction of power plants and purchase of equipment but had not yet recognised in the interim consolidated financial statements (31 December 2007 : nil).

**11 Long-term loans, net**

The long-term loans are as follows:

As at	<b>Consolidated</b>		<b>Company</b>	
	<b>30 June 2008 Baht'000</b>	<b>31 December 2007 Baht'000</b>	<b>30 June 2008 Baht'000</b>	<b>31 December 2007 Baht'000</b>
<b>Current portion, net</b>				
US Dollar	76,675	724,041	-	-
Japanese Yen	32,081	30,211	-	-
Thai Baht	81,005	78,623	-	-
<u>Less</u> Deferred financing fee	(3,755)	(3,755)	-	-
	186,006	829,120	-	-
<b>Long-term portion, net</b>				
US Dollar	563,785	606,168	-	-
Japanese Yen	229,698	231,419	-	-
Thai Baht	4,595,625	4,636,128	4,000,000	4,000,000
<u>Less</u> Deferred financing fee, net	(20,026)	(21,888)	-	-
	5,369,082	5,451,827	4,000,000	4,000,000
Total long-term loans, net	5,555,088	6,280,947	4,000,000	4,000,000

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**11 Long-term loans, net (continued)**

The long-term loans of the subsidiaries are secured liabilities. The long-term loans are secured over land, buildings, power plants and equipment of subsidiaries. The subsidiaries 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 7). In addition, the Power Purchase Agreements, the Major Maintenance Agreements and insurance policies have been assigned as collateral with the lenders. The subsidiaries are also required to maintain financial ratios in accordance with conditions identified in the Master Agreements.

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

	<u>Consolidated</u>	<u>Company</u>
	<u>Baht'000</u>	<u>Baht'000</u>
<b>For the six-month period ended 30 June 2008</b>		
Opening net book amount	6,280,947	4,000,000
Repayments of long-term loans	(738,672)	-
Amortisation of deferred financing fee	1,862	-
Unrealised exchange gains	10,951	-
	<u>5,555,088</u>	<u>4,000,000</u>
Closing net book amount	<u>5,555,088</u>	<u>4,000,000</u>

**12 Debentures**

The debentures are denominated in Thai Baht of a subsidiary as follows:

	<u>Consolidated</u>	
<b>As at</b>	<u>30 June</u>	<u>31 December</u>
	<u>2008</u>	<u>2007</u>
	<u>Baht'000</u>	<u>Baht'000</u>
Current portion	771,859	729,675
Long-term portion	1,830,113	2,226,937
	<u>2,601,972</u>	<u>2,956,612</u>
Total debentures	<u>2,601,972</u>	<u>2,956,612</u>

Movements of the debentures can be analysed as follows:

	<u>Consolidated</u>
	<u>Baht'000</u>
<b>For the six-month period ended 30 June 2008</b>	
Opening net book amount	2,956,612
Repayments of debentures	(354,640)
	<u>2,601,972</u>
Closing amount	<u>2,601,972</u>

The debentures of the subsidiary are secured liabilities. The subsidiary is required to maintain reserves for repayment of principal and payment of interest due within one year from proceeds of sales of electricity (as described in Note 7) and to pledge the relevant agreements as collateral (as described in Notes 10 and 11).

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**13 Retirement benefit obligations**

Movements of retirement benefit obligations can be analysed as follows:

	<u>Consolidated</u>	<u>Company</u>
	<u>Baht'000</u>	<u>Baht'000</u>
<b>For the six-month period ended 30 June 2008</b>		
Opening net book amount	136,238	34,545
Retirement benefit expenses	6,579	1,655
Interest cost	3,662	929
Retirement benefit paid	<u>(3,743)</u>	<u>-</u>
Closing amount	<u>142,736</u>	<u>37,129</u>

**14 Dividends**

At the Annual General Shareholders' meeting on 21 April 2008, it was unanimously resolved to pay dividends in respect of the operating results for the year ended 2007 as follows:

- (a) Interim dividends for 526,465,000 shares of Baht 2.25 per share, totalling Baht 1,185 million. These dividends were paid to shareholders in September 2007.
- (b) Dividends for 526,465,000 shares of Baht 2.50 per share, totalling Baht 1,316 million. These dividends were paid to shareholders in May 2008 (2007: Dividends for 526,465,000 shares of Baht 2.00 per share, totalling Baht 1,053 million).

In addition, during the six-month period ended 30 June 2008 the Company reversed dividend payable to foreign investors of Baht 20 million approximately (2007: Baht 12 million) as they were unable to exercise their rights in receiving such dividends.

**15 Related party transactions**

The major shareholders of the Company are the Electricity Generating Authority of Thailand (EGAT) and One Energy Thailand Limited (formerly "CLP Power Projects (Thailand) Limited"), holding 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 and joint ventures is stated in Note 9.

The following material transactions were carried out with related parties:

**(a) Sales of electricity**

**For the three-month and six-month periods ended 30 June 2008**

	<u>Consolidated</u>		<u>Company</u>	
	<u>Three-month</u>	<u>Six-month</u>	<u>Three-month</u>	<u>Six-month</u>
	<u>period</u>	<u>period</u>	<u>period</u>	<u>period</u>
	<u>Baht'000</u>	<u>Baht'000</u>	<u>Baht'000</u>	<u>Baht'000</u>
Sales of electricity				
- Major shareholder	2,119,905	4,343,189	-	-

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**15 Related party transactions (continued)**

The following material transactions were carried out with related parties (continued):

**(a) Sales of electricity (continued)**

**For the three-month and six-month periods ended 30 June 2007**

	<b>Consolidated</b>		<b>Company</b>	
	<b>Three-month period Baht'000</b>	<b>Six-month period Baht'000</b>	<b>Three-month period Baht'000</b>	<b>Six-month period Baht'000</b>
Sales of electricity				
- Major shareholder	2,205,407	4,498,166	-	-

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

The sales of electricity for the three-month and six-month periods ended 30 June 2008 included the compensation from exchange rate effects of approximately Baht 71 million and Baht 136 million, respectively (Baht 101 million and Baht 215 million for the three-month and six-month periods ended 30 June 2007, respectively).

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

**For the three-month and six-month periods ended 30 June 2008**

	<b>Consolidated</b>		<b>Company</b>	
	<b>Three-month period Baht'000</b>	<b>Six-month period Baht'000</b>	<b>Three-month period Baht'000</b>	<b>Six-month period Baht'000</b>
Service income				
- Major shareholder	26,731	34,340	-	-
Major maintenance expenses				
- Major shareholder	110,319	135,784	-	-

**For the three-month and six-month periods ended 30 June 2007**

	<b>Consolidated</b>		<b>Company</b>	
	<b>Three-month period Baht'000</b>	<b>Six-month period Baht'000</b>	<b>Three-month period Baht'000</b>	<b>Six-month period Baht'000</b>
Service income				
- Major shareholder	14,389	22,707	-	-
Major maintenance expenses				
- Major shareholder	65,545	108,513	-	-

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

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**15 Related party transactions (continued)**

The following material transactions were carried out with related parties (continued):

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

As at	Consolidated		Company	
	30 June 2008 Baht'000	31 December 2007 Baht'000	30 June 2008 Baht'000	31 December 2007 Baht'000
Trade receivable from a related party - Major shareholder	1,582,029	1,621,832	-	-

Trade receivable from a related party as at 30 June 2008 and 31 December 2007 can be analysed as follows:

As at	Consolidated		Company	
	30 June 2008 Baht'000	31 December 2007 Baht'000	30 June 2008 Baht'000	31 December 2007 Baht'000
Current	1,562,719	1,571,781	-	-
Overdue below 3 months	9,120	22,680	-	-
Overdue 3 - 6 months	813	20,789	-	-
Overdue 6 - 12 months	3,979	-	-	-
Overdue over 12 months	5,398	6,582	-	-
	<b>1,582,029</b>	<b>1,621,832</b>	<b>-</b>	<b>-</b>
Trade payable to a related party - Major shareholder	79,458	98,081	-	-

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

As at	Consolidated		Company	
	30 June 2008 Baht'000	31 December 2007 Baht'000	30 June 2008 Baht'000	31 December 2007 Baht'000
<u>Amounts due from related parties</u>				
- Major shareholder	55,932	55,932	-	-
- Subsidiaries	300	-	14,657	7,787
- Joint ventures	24,333	6,927	2,156	2,312
- Other related parties	-	-	-	-
	<b>80,565</b>	<b>62,859</b>	<b>16,813</b>	<b>10,099</b>
Amounts due from related party due over one year	203,461	196,169	203,461	196,169
<u>Amount due to related parties</u>				
- Subsidiaries	-	-	3	39
- Other related parties	6,046	3,003	-	-
	<b>6,046</b>	<b>3,003</b>	<b>3</b>	<b>39</b>

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**15 Related party transactions (continued)**

The following material transactions were carried out with related parties (continued):

**(e) Long - term loan to a related party and related interests**

As at	Consolidated		Company	
	30 June 2008 Baht'000	31 December 2007 Baht'000	30 June 2008 Baht'000	31 December 2007 Baht'000
Current portion of long-term loan to a related party - Subsidiary	-	-	893,620	866,840
Long-term loan to a related party, net - Subsidiary	-	-	1,240,200	1,700,400
	-	-	2,133,820	2,567,240
Interest receivable - Subsidiary	-	-	5,380	7,419

Movements of long-term loan to a related party can be analysed as follows:

	Consolidated Baht'000	Company Baht'000
<b>For the six-month period ended 30 June 2008</b>		
<b>Subsidiary</b>		
Beginning balance	-	2,567,240
Repayments received during the period	-	(433,420)
Ending balance	-	2,133,820

**For the three-month and six-month periods ended 30 June 2008**

	Consolidated		Company	
	Three-month period Baht'000	Six-month period Baht'000	Three-month period Baht'000	Six-month period Baht'000
Interest income - Subsidiaries	-	-	36,909	75,476

**For the three-month and six-month periods ended 30 June 2007**

	Consolidated		Company	
	Three-month period Baht'000	Six-month period Baht'000	Three-month period Baht'000	Six-month period Baht'000
Interest income - Subsidiaries	-	-	49,335	99,729
- Joint venture	-	-	1,808	3,945

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**15 Related party transactions (continued)**

The following material transactions were carried out with related parties (continued):

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

As at	<u>Consolidated</u>		<u>Company</u>	
	<u>30 June 2008 Baht'000</u>	<u>31 December 2007 Baht'000</u>	<u>30 June 2008 Baht'000</u>	<u>31 December 2007 Baht'000</u>
Investment in debentures				
- Subsidiary	-	-	26,028	29,575
Interest receivable				
- Subsidiary	-	-	226	272

**For the three-month and six-month periods ended 30 June 2008**

	<u>Consolidated</u>		<u>Company</u>	
	<u>Three-month period Baht'000</u>	<u>Six-month period Baht'000</u>	<u>Three-month period Baht'000</u>	<u>Six-month period Baht'000</u>
Interest income				
- Subsidiary	-	-	1,346	2,723

**For the three-month and six-month periods ended 30 June 2007**

	<u>Consolidated</u>		<u>Company</u>	
	<u>Three-month period Baht'000</u>	<u>Six-month period Baht'000</u>	<u>Three-month period Baht'000</u>	<u>Six-month period Baht'000</u>
Interest income				
- Subsidiary	-	-	1,660	3,332

Investment in debentures of a subsidiary was included in short-term and long-term investments in the company balance sheets as at 30 June 2008 and 31 December 2007.

## **16 Commitments and significant agreements**

For the six-month period ended 30 June 2008, the Company does not have any significant changes of commitments and other agreements from the year ended 31 December 2007, except for following transactions:

### **Commitments of the Company**

- (a) As at 30 June 2008, the Company had commitments under Sponsor Support Agreements, which were made in respect of loans of subsidiaries and other related parties, totalling Baht 424 million.
- (b) As at 30 June 2008, the Company had commitments under Counter Guarantee and Standby Letters of Credit issued on behalf of the Company to a subsidiary and joint ventures, totalling Baht 3,363 million.
- (c) As at 30 June 2008, the common shares of BLCP were pledged as collateral as described in Note 9.2.
- (d) On 30 April 2008, the Company entered into a long-term promissory note agreement with a local bank to obtain a credit facility of Baht 4,000 million. The interest rate of such facility is equal to 3-month THBFIX rate plus a certain margin per annum. Interest is payable on a semi-annual basis and the principal is to be paid upon the final maturity date which is three years from the date of this agreement. The Company commits to pay a commitment fee at 0.25% per annum for outstanding credit facility. As at 30 June 2008, the Company has not drawn down such facility.

## **17 Business Transfer**

At the Annual General Shareholders' Meeting dated 21 April 2008, the acquisition of the entire business of Rayong Electricity Generating Co., Ltd. (REGCO), a wholly owned subsidiary of the Company, on 1 July 2008 or any other date that would be determined by the President, and REGCO's dissolution and liquidation in the same year were approved.

As at 30 June 2008, REGCO is in the process of transferring business.

## **18 Post balance sheet events**

### **Post balance sheet event of the Company**

According to the Royal Decree regarding the deduction of corporate income tax (No.475) dated 29 July 2008, it reduces the corporate income tax for a listed company on the Stock Exchange of Thailand under the Securities and Exchange law. Net profit which does not exceed Baht 300 million is subject to tax at the rate of 25%. The new tax rate is effective for three consecutive years for the accounting periods beginning on or after 1 January 2008. However, such change does not have significant impact to the Group.

### **Post balance sheet event of a subsidiary**

On 22 July 2008, a subsidiary of the Company entered into the third Major Maintenance Agreement with EGAT of Baht 328 million contract value (before the Consumer Price Index adjustment). The agreement shall be effective for a period of approximately 4 years from 1 August 2008 to 18 June 2012.