

SUSTAINABLE **GROWTH**

Financial Report 2012

Electricity Generating Public Company Limited



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CONTENTS

Vision, Mission	1
Financial Overview	2
Message from the Chairman	4
Management Discussion and Analysis	8
Statement of Directors' Responsibilities	24
Audit Committee's Report	25
Auditor's Report	28
Consolidated Financial Statements	29
General Information	39



Electricity Generating
Public Co., Ltd.

SUSTAINABLE GROWTH

Vision

To be the leading Thai integrated electric power company with comprehensive energy services in Thailand and in the ASEAN region, with full commitment to environment protection and social development support

Mission

1. To maximize shareholder's value
2. To offer reliable quality power supply at reasonable price
3. To create a work environment which promotes professionalism, good teamwork and equitable treatment
4. To be a good corporate citizen and be sensitive to society and environment



Financial Overview

Consolidated Financial Statements

FINANCIAL PERFORMANCE (Million Baht)

	2012	Restated								
		2011	2010	2009 ¹	2008	2007 ²	2006	2005	2004	2003
Sales and service income	14,057	7,661	8,609	9,145	10,320	10,939	13,839	16,022	15,620	15,378
Other income	415	449	386	349	378	655	848	805	852	898
Accounting gains on a business combination achieved in stages, net	4,310									
Cost of sales and services	9,673	5,589	5,678	5,411	5,872	5,711	5,815	8,151	7,593	6,017
Administrative expenses and income taxes	3,141	1,933	1,888	1,772	1,776	1,680	2,154	2,202	1,894	1,323
Impairment charge	-	-	-	-	-	-	-	-	(34)	170
Finance costs	703	694	564	568	630	839	1,166	1,859	2,220	2,631
Share of profit (loss) from Subsidiaries, an associated and interest in joint ventures	5,578	5,200	6,109	6,273	4,619	5,051	(83)	27	29	(545)
Net Profit (loss) attributable to Non-controlling interests	68	126	115	114	86	134	169	264	232	303
Fx gain (loss)	205	22	(56)	33	(25)	121	716	(285)	67	707
Net Profit (loss) attributable to the Company	10,979	4,990	6,803	7,936	6,927	8,402	6,016	4,093	4,662	5,994
FINANCIAL POSITION (Million Baht)										
Total assets	109,324	72,956	67,040	62,920	58,330	53,600	50,459	61,250	55,066	56,437
Total liabilities	41,004	14,423	11,712	11,826	12,788	11,604	14,661	29,136	25,963	29,736
Parent's shareholders' equity	67,433	57,978	54,819	50,572	45,066	41,475	35,289	31,041	28,173	25,895
Non-controlling interests' shareholders' equity	887	555	509	521	476	521	509	1,073	982	859
Treasury stock	-	-	-	-	-	-	-	-	(52)	(52)
Issued and paid-up share capital	5,265	5,265	5,265	5,265	5,265	5,265	5,265	5,265	5,265	5,265
PER SHARE DATA (Baht)										
Basic earnings per share	20.85	9.48	12.92	15.07	13.16	15.96	11.43	7.78	8.88	11.41
Book Value	128.09	110.13	104.13	96.06	85.60	78.78	67.03	58.96	53.55	49.21
Dividend	N/A	5.25	5.25	5.25	5.00	4.75	4.00	3.25	3.00	2.75
RATIO ANALYSIS										
Liquidity ratio (Time)	1.34	11.72	10.26	8.30	2.58	4.22	1.65	2.27	3.25	2.19
Cashflows liquidity ratio (Time)	0.51	1.82	2.08	1.08	1.11	1.20	1.58	1.29	1.33	1.01
Gross profit ratio (%)	31.19	27.05	34.04	40.83	43.10	47.80	57.98	49.13	51.39	60.88
Earnings ratio (%)	33.90*	37.49	45.04	50.33	45.22	50.48	41.19	24.28	28.25	38.10
Return on equity ratio (%)	10.84*	8.85	12.91	16.60	16.01	21.89	18.14	13.83	17.28	26.02
Return on assets ratio (%)	7.46*	7.13	10.47	13.09	12.38	16.15	10.77	7.04	8.36	10.68
Debt to equity ratio (Time)	0.60	0.25	0.21	0.23	0.28	0.28	0.41	0.91	0.89	1.11

* Excluding accounting gain on business combination after deducted the amortization amount 4,182 million baht of 52.125% of Quezon, before the company purchased the additional shares in the portion of 45.875%. This method was performed in accordance with the accounting standard.

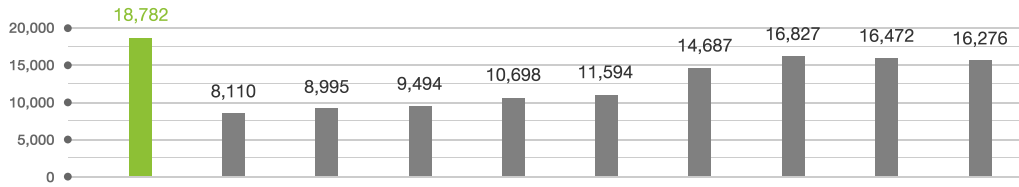
Remarks:

¹ According to the announcement published by the Department of Business Development regarding the 2009 financial statements format, the Group is required to present directors and management remuneration that used to include in cost of sales. Therefore, comparative figures have been adjusted to conform with changes in presentation in the current year.

² From January 1, 2007, EGCO Group has changed the accounting policy for interests in joint ventures in the consolidated financial statements from Proportionate Consolidation to the Equity Method; and adopted the accounting policy regarding Employee Benefits. The retrospective adjustments have been made on 2006 financial statements.

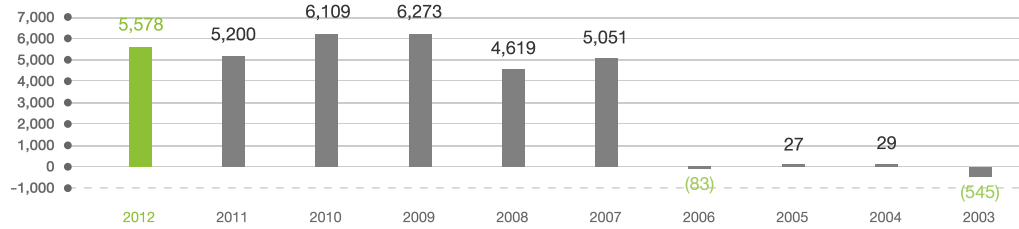
Total Revenues

unit : Million Baht



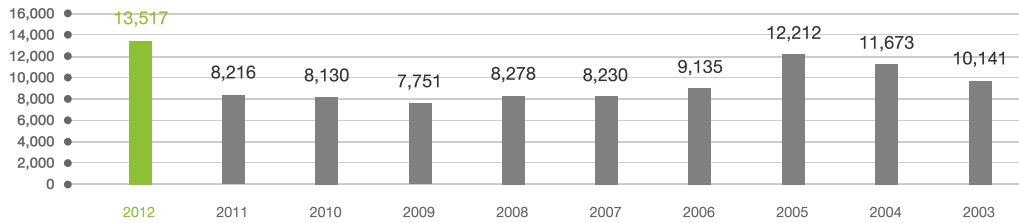
Share of profit (loss) from Subsidiaries, an associated and interest in joint ventures

unit : Million Baht



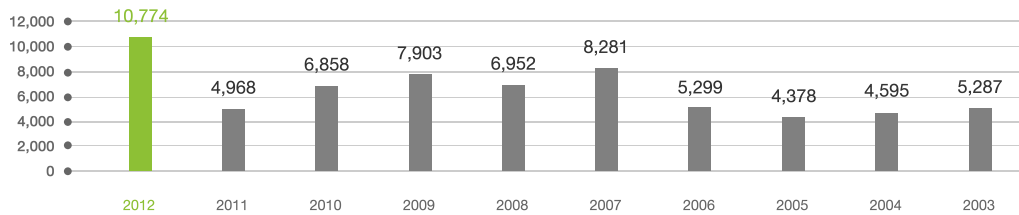
Total Expenses Excluding Currency Exchange Gains or Losses

unit : Million Baht



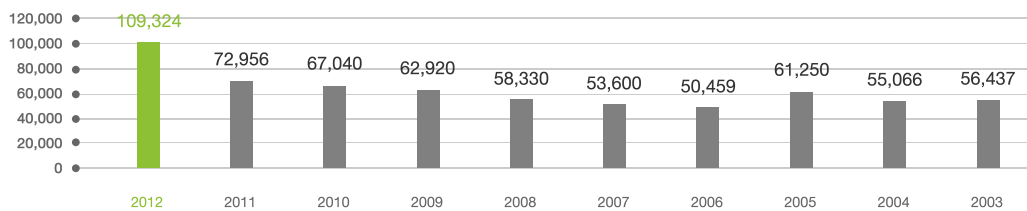
Net Profit Excluding Currency Exchange Gains or Losses

unit : Million Baht



Total Assets

unit : Million Baht





Message from the Chairman

In 2012, Thailand witnessed steady economic growth following the quick rebound of the private sector from the ravaging floods in late 2011, propelled by the government's economic stimulus package and the optimal financial conditions. In the meantime, despite the impact of the global economic downturn that had spilled over to the Thai economy since the second half of the year, its repercussions were limited to exports and the export-oriented manufacturing sector. As a consequence, this opened opportunities for strong businesses with capabilities to drive growth to continue to prosper, making it a successful year for business corporations prepared and equipped with operational strategies that reflected the prevailing circumstances.

Regarding the energy situation, specifically electricity, electricity consumption in 2012 totaled 173,133 million units, an increase of 14,233 million units or 8.96%, resulting in the peak power demand to reach 26,121 MW compared to 23,900 MW in 2011, up 2,221 MW or 9.29%.

Electricity Generating Public Company Limited or EGCO Group is committed to developing its business to achieve sustainable growth and progress as Thailand's first independent power producer. The Group attaches significance to maximizing the efficiency of existing power plant operations and constantly seeking investment opportunities by means of developing new projects and acquiring projects from private power producers in Thailand and the ASEAN region. The goal is to increase income and market shares as the leading energy company along with creating sustainable economic value for all stakeholders.

In 2012, EGCO Group was successful in expanding its investment in Thailand and ASEAN, as well as entering into new businesses. The Group acquired stakes in commercially operating assets, including 5 solar power plants, namely "SPP2" in Saraburi province, "SPP3" in Srisaket province, "SPP4" in the boundary between Srisaket and Ubon Ratchathani province, "SPP5" in Roi Et province, and power plants phase 1 - 3 operated by G-Power Source Company Limited ("GPS") in Nakhon Sawan and Chainat province. The total installed capacity is 46 MW Equity. The Group also acquired more stakes in a ASEAN power plant, including the Quezon coal fired electricity generation plant in the Philippines, with an additional installed capacity of 230 MW Equity. In addition, it invested in two other businesses - the Semi-solid Palm Oil *Biodiesel Plant* in Rojana Industrial Park, Rayong province, and the *Manambang Muara Enim (MME)* coal mine in Indonesia.



Four projects under construction include the very small wind power plant, namely, “Theppana” in Chaiyaphum province, the solar power plant “GPS” located in Petchaboon province, the solar power plant project “Solarco” including six power plants in Nakhon Pathom and Supanburi province, and the “Hat Yai Municipal Waste Power Plant Project” in Songkhla province. The total capacity of these projects is 41 MW Equity.

Three projects under development include three Small Power Producer (SPP) projects - “TJ Cogen” power plant project in Pathum Thani province, “TP Cogen” and “SK Cogen” in Ratchaburi province with a total installed capacity of 375 MW.

EGCO Group currently runs 20 operating plants and 10 projects under construction and development in Thailand and overseas with a total installed capacity of 5,288 MW Equity. The total contracted capacity with EGAT and PEA under long-term PPA is 3,922 MW. This resulted in EGCO Group’s market share in Thailand of 12% from a total installed capacity of 32,600 MW.

In 2012, the EGCO Group recorded better-than-expected operating results. Operating profit before FX and accounting gains on business combination was 6,060 million baht, a rise of 759 million baht or 14% from the previous year. Of which, 625 million baht came from the power business whereas the remaining 134 million baht came from other businesses. The EGCO Group’s total assets totaled 109,324 million baht, an increase of 36,368 million baht, or 49.85% compared to the year before. EGCO’s Board of Directors will propose to the shareholders in the 2013 Annual General Meeting to consider the dividend payment for the year was 6 baht per share. The Group pledges to retain the dividend distribution at an appropriate and satisfactory level.

Aside from its relentless commitment to driving business growth and prosperity, the EGCO Group realizes that environmental and social sustainability is essential to the survival and success of almost every business, thereby conducting business in alignment with the vision “To contribute to the environment and social development”. To accomplish the objectives, the Group stresses the importance of environmental stewardship to minimize its operating impacts. The Group also collaborates with the government and private sectors as well as the communities to carry out projects dedicated to developing society and the environment encompassing three areas: the promotion and development of quality of life in the community, the promotion of learning about energy and the environment among youths, and natural resources conservation. In addition, EGCO encourages its employees to take part in the efforts as a means to develop their potential and capabilities along with inculcating public-mindedness, enabling them to be accountable for the organization and society as a whole.

The demonstrated commitment gained EGCO Group numerous awards and recognition from various institutions in 2012. Examples included the Excellent Corporate Governance Performance in 2012 Award by IDO; an Excellent (Top 100 Scores) for the 4th executive year from the Annual General Meeting (AGM) conducted by Thai Investors Association; Investors’ Choice Award 2012 from the Securities and Exchange Commission and the Stock Exchange of Thailand as a corporation that valued shareholders’ benefit; and SET Awards for the listed companies with the market capitalization over 10,000 million baht, hosted by

the Stock Exchange of Thailand (SET), and the Finance and Bank Magazine: Outstanding Corporate Social Responsibility Awards, and Top Corporate Governance Report Awards.

Other power plants under the EGCO Group also won scores of awards and recognition from different institutions. For instance, Khanom Power Plant obtained the Outstanding Corporate Governance Award 2011 as a 10 million baht registered capital company from the Ministry of Commerce and the National Safety Award for the 13th consecutive year from the Ministry of Labour. Likewise, Roi Et Green Power Plant received the National Safety Award for the 3rd consecutive year from the Ministry of Labor.

All the achievements resulted from the continued support of all concerned parties including shareholders, customers, business partners, the community, and society that has enabled the EGCO Group to operate efficiently and successfully over the years. On behalf of the Board of Directors of Electricity Generating Public Company Limited, I wish to express appreciation to all shareholders and other involved parties for your continued trust and cooperation that have rendered our success today. This inspires and encourages the management as well as each and every employee to drive the company forward to achieve even further success, creating better returns for shareholders through the practice of good corporate governance and adherence to ethics and fairness to all stakeholders. We believe that by doing so, the EGCO Group will prosper as will Thai society in the years to come.



Mr. Pornchai Rujiprapa
Chairman of the Board of Directors

Management Discussion and Analysis

For the Annual Operating Results

Ended December 31, 2012

Note: This Management Discussion and Analysis (MD&A) was made to disclose information and the vision of the management in order to assist investors to better understand the company’s financial status and operation. It also supports the “Good Corporate Governance Project” of the Securities and Exchange Commission (SEC).

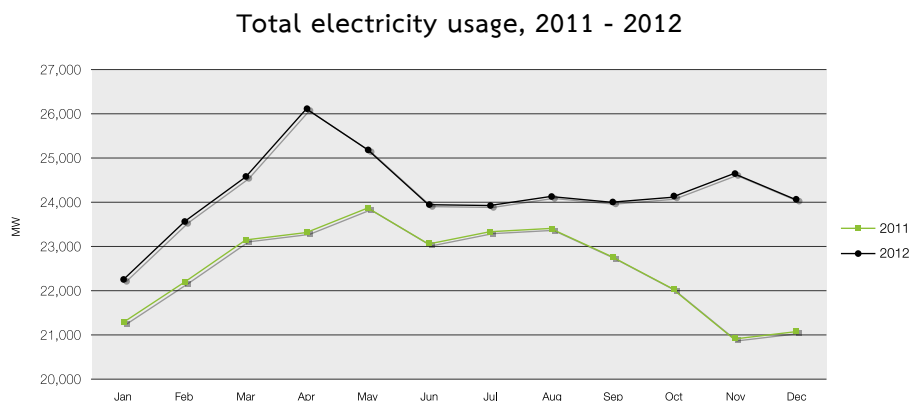
An English version of the MD&A has been prepared from the Thai version. In the event of a conflict or a difference in interpretation between the two languages, the Thai version shall prevail.

The objective of this MD&A is to present the information and the explanation of financial status and operating results as of the date hereof. However, the information provided in this MD&A may vary if any factors or situation are changed in the future; the investors are, therefore, required to have their own discretion regarding the usage of this information for any purpose. For further detail, please contact Investor Relations Section of the Electricity Generating Public Company Limited at Tel: 662-998-5145-8 or Email: ir@egco.com

Management Discussion and Analysis

1. Economy and Industry affecting to the business operation

The amount of electricity used in 2012 was 173,133 GWh, increasing by 14,233 GWh or 8.96% from the year 2011. This was caused by economic growth after the flood disaster in 2011. In addition, there were supporting policies of the Government and favourable financial situation. Although the recession of global economy had an impact on Thai economy, it affected only export and production for export. Therefore, the peak demand of electricity usage in 2012 was 26,121 MW, rising by 2,221 MW or 9.29% from the year 2011 (23,900 MW). This is because of the higher power consumption according to the emerging economy. In 2012, EGCO could generate electricity which higher than the Company’s projection by 3,997 GWh or 12.25%. This led to an increase in electricity sales.



Source: Electricity Generating Authority of Thailand

2. Significant events in 2012

2.1 The purchase of operating assets

- On January 23, 2012, EGCO acquired 99.99% stakes in SPP4 Company Limited (SPP4) from MEMC Singapore Pte Ltd. SPP4 owns and develops solar power plant project with installed capacity of 6 MW. SPP4, located in the boundary between Srisaket province and Ubon Ratchatani province, has entered into the Power Purchase Agreement (PPA) with the Provincial Electricity Authority (PEA) under the very small power producer scheme. The project is subsidized with an adder of 8 baht per KWh for 10 years from the Power Department Fund Management Division, Office of the Energy Regulatory Commission (OERC). In addition, the plant is the first private solar power project equipped with the tracking system. The commercial operation was on January 24, 2012.
- On February 29, 2012, EGCO acquired 99.99% stakes in SPP3 Company Limited (SPP3) from MEMC Singapore Pte Ltd. SPP3 owns and develops solar power plant project with installed capacity of 8 MW. SPP3, located in Srisaket province, has entered into PPA with PEA under the very small power producer scheme. The project is subsidized with an adder of 8 baht per KWh for 10 years from the OERC. In addition, the plant is equipped with the tracking system with commercial operation on February 21, 2012.
- On March 23, 2012, EGCO acquired 60% stakes in G-Power Source Company Limited (GPS) from Gunkul Engineering Public Company Limited. GPS is a solar power generator which has been awarded 4 PPAs with capacity of 6.5 MW each, totaling 26 MW, from PEA. GPS is subsidized with an adder of 8 baht per KWh for 10 years from the OERC. GPS has started supplying the electricity to PEA in the beginning of March 2012 according to 3 PPAs from the following solar power plants namely Ta Khit Solar Power Projects in Nakhon Sawan province, Ta Sang Solar Power Project in Nakhon Sawan province, and Dong Khon Solar Power Project in Chai Nat province. The commercial operation of the 4th Solar Power Plant, Bueng Sam Pan Solar Power Project in Petchaboon province, was on February 1, 2013.
- On May 11, 2012, EGCO acquired an additional 45.875% in Quezon Power (Philippines) Limited Co. (Quezon) and 100% ownership interest in Quezon Management Services Inc. (QMS) (name changed from InterGen Management Services (Philippines), Ltd. (IMS)). Quezon owns, operates and maintains a 503 MW (gross) coal fired electric generation and transmission facility in the Republic of the Philippines. QMS provides project management and administrative services and support to Quezon under a long-term Project Management Service Agreement. The acquisition were completed on June 11, 2012.
- On May 15, 2012, EGCO invested in a Biodiesel Plant through the acquisition of 50% stakes in Absolute Power P Co., Ltd. (APPC). The Biodiesel Plant is located in Rojana Industrial Park, Rayong province. The total capacity of this project is 300,000 litres per day (100,000 tons per year). The project has operated since October 2011.
- On May 23, 2012, EGCO acquired 99.99% stakes in SPP2 Company Limited (SPP2) from SunEdison Energy Holding (Singapore) Pte. Ltd. SPP2 owns and develops the solar power plant project with the capacity of 8 MW. SPP2, located in Saraburi province, has entered into the PPA with PEA under the very small power producer scheme. The project is subsidized with an adder of 8 baht per KWh for 10 years from the OERC. The commercial operation was on May 2, 2012. The acquisition were completed on June 8, 2012.
- On June 18, 2012, EGCO acquired 99.99% stakes in SPP5 Company Limited (SPP5) from SunEdison Energy Holding (Singapore) Pte. Ltd. SPP5 owns and develops the solar power plant project

with the capacity of 8 MW. SPP5, located in Roi Et province, has entered into the PPA with PEA under the very small power producer scheme. The project is subsidized with an adder of 8 baht per KWh for 10 years from the OERC. The commercial operation was on June 22, 2012. The acquisition was completed on June 28, 2012.

- On August 16, 2012, EGCO has entered into the Share Purchase Agreement to acquire 40% of ownership interest in PT Manambang Muara Enim (MME), an operator in the open-pit coal mine located in Muara Enim Regency, South Sumatra in Republic of Indonesia with the concession agreement from the government of Republic of Indonesia for 28 years starting from March 2010 to March 2038. The operating area covers 1,587 hectares or about 9,920 rai, with reserve coal of 140 million tons, and has been operated since March 2010.

2.2 Development of new projects

EGCO performs business strategy which places emphasis on expanding its investment in power generation in Thailand and the ASEAN countries, as well as an investment in related energy projects or renewable energy, including hydropower, solar, wind, biomass and etc. The target is to provide optimum returns to shareholders by improving the profitability of our existing assets and acquiring new projects with reasonable risk and return profiles, to maintain market share as a leading energy company and to strengthen its financial position and operating results for EGCO Group.

The development of new projects and the progress of constructions in 2012 can be summarized as follows:

- On January 18, 2012, EGCO acquired 90% stakes in Theppana Wind Farm Company Limited (Theppana). Theppana is the very small wind power plant, located in Chaiyaphum province. The project is subsidized with an adder of 3.50 baht per KWh for 10 years from the OERC. The commercial operations are scheduled in July 2013.
- On February 27, 2012, EGCO signed a Shareholder Agreement with Yanhee Solar Power Company Limited for the acquisition of 49% in Yanhee EGCO Holding Company Limited (Yanhee EGCO). Yanhee EGCO owns 100% stakes in Solarco Company Limited (Solarco), a project developer of 6 solar power plants with the total capacity of 57 MW (AC). Solarco located in Nakorn pathom province and Suphan buri province, has entered into PPAs with PEA under the contract very small power producer scheme. Solarco is subsidized with an adder of 8 baht per KWh for 10 years from the OERC. The commercial operations are scheduled in December 2013.
- On September 28, 2012, EGCO has signed the Investment Agreement and Shareholder Agreement regarding the investment in Hat Yai Municipal Waste Power Plant Project through the acquisition of 50% stakes in GIDEC Company Limited (GIDEC). The power plant is located in Hat Yai Municipality's sanitary landfill, Khuan Lang District, Songkhla Province with the installed capacity of 6.7 MW to generate the electricity to the grid. GIDEC has entered into PPA with PEA under the contract very small power producer scheme. The project is subsidized with an adder of 3.50 baht per KWh for 7 years from the OERC. The commercial operations are scheduled in April 2013.
- The project of NED 8 MW, is scheduled the commercial operations in April 2013, has PPA with PEA under the contract very small power producer scheme and subsidized with an adder of 8 baht per KWh for 10 years from the OERC.
- The project of Xayaburi has been preparing area and starting some part of construct. The commercial operations are scheduled in January 2019.

3. Future Plans

EGCO sets goal for continuous growth with the strategy of new projects development and domestic or regional projects acquisition, by taking into account the feasibility of the projects, EGCO's experiences and business expertise to increase the value to the projects, costs of capital and the acceptable risks in managing the projects. In addition, the asset management of the commercial operating projects is necessary to ensure that the operating results meet the estimation.

The projects under development and study of investment opportunities are as follows:

- 3.1 In the process of development of Small Power Producer (SPP) in Pathum Thani province and Ratchaburi province.
- 3.2 In preparing the proposals of electricity sale offering of new Khanom power plant for submitting to Energy Regulatory Commission (ERC).
- 3.3 In preparing the proposals of Independent Power Producer (IPP) Projects development for submitting to ERC in April 2013, which is in accordance with IPP Bid Solicitation, announced on December 4, 2012.
- 3.4 In negotiation for agreement of investment in Quezon Expansion project development, which is thermal power plant, with installed capacity about 500 MW and good quality coal as the main fuel.
- 3.5 Study on investment and jointly business of renewable energy projects such as solar and wind power plant projects.
- 3.6 Study on the opportunities to invest in overseas power generation projects since EGCO has potentials of techniques and capital.

Moreover, EGCO has also developed the knowledge on energy market, investment opportunities and governance structure of other countries in ASEAN to identify new investment projects which eventually would increase the value of the shareholders.

4. Business overview

EGCO Group has invested in the Independent Power Producer (IPP), Small Power Producer (SPP), Very Small Power Producer (VSPP), Biodiesel, Coal Mining, Operating and Maintenance (O&M), Management and Administrative Services (Management Services) and Rayong power plant as an operating company, details of each plant are as follows:

(1) Subsidiaries which can be categorized into 2 businesses:

Power Generation

Khanom Electricity Generating Co., Ltd. (KEGCO)	IPP
Quezon Power (Philippines) Limited Co. (Quezon)	IPP
EGCO Cogeneration Co., Ltd. (EGCO Cogen)	SPP
Roi-Et Green Co., Ltd. (Roi-Et Green)	SPP
SPP2 Co., Ltd. (SPP2)	VSPP
SPP3 Co., Ltd. (SPP3)	VSPP
SPP4 Co., Ltd. (SPP4)	VSPP

SPP5 Co., Ltd. (SPP5)	VSPP
Yanhee EGCO Holding Co., Ltd. (Yanhee EGCO), which invested in Solarco Company Limited (Solarco)	Holding Co. VSPP
Theppana Wind Farm Co., Ltd. (Theppana)	VSPP
Others	
EGCO Engineering and Service Co., Ltd. (ESCO), which invested in Egcom Tara Co., Ltd. (Egcom Tara)	O&M Water
Pearl Energy Philippines Operating Inc. (PEPOI)	O&M
Quezon Management Services Inc. (QMS)	Management Services

(2) Joint Ventures which can be categorized into 2 businesses:

Power Generation

Gulf Electric Public Company Limited (GEC), which invested in Gulf Cogeneration Co., Ltd. (GCC)	Holding Co. SPP
Nong Khae Cogeneration Co., Ltd. (NKCC)	SPP
Samutprakarn Cogeneration Co., Ltd. (SCC)	SPP
Gulf Yala Green Co., Ltd. (GYG)	SPP
Gulf Power Generation Co., Ltd (GPG)	IPP
BLCP Power Co., Ltd. (BLCP)	IPP
Conal Holdings Corporation (Conal), which invested in Western Mindanao Power Corporation (WMPC)	Holding Co. IPP
Southern Philippines Power Corporation (SPPC)	IPP
Alto Power Management Coporation (APMC)	O&M
Nam Theun 2 Power Co., Ltd. (NTPC)	IPP
Natural Energy Development Co., Ltd. (NED)	SPP
G-Power Source Co., Ltd. (GPS)	VSPP
GIDEC Company Limited (GIDEC)	VSPP
Others	
Absolute Power P Co., Ltd. (APPC)	Biodiesel
Manambang Muara Enim coal mine Company (MME)	Coal Mining

(3) Other investments

Other investments, which are long-term investment in securities :

- EGCO holds 18.72% of the outstanding shares in East Water Resources Development and Management Public Company Limited (East Water).
- EGCO holds 12.50% of the outstanding shares in Xayaburi Power Company Limited (XPCL).

As of December 31, 2012, EGCO Group's portfolio comprises 20 operating plants with total contracted capacity with Electricity Generating Authority of Thailand (EGAT) under long-term PPAs of 3,862 MW. This resulted in EGCO Group's market share in Thailand of 12% from a total installed capacity of 32,600 MW.

5. Report and Analysis of the Operating Results

The analysis of the financial statements of EGCO is as follows:

Summary of operating results before FX for the year 2012

Unit : Million Baht

	Power Generation		Others		Total		Change	
	2012	2011	2012	2011	2012	2011	Increase/ (Decrease)	%
Total Revenues	13,346	7,451	1,126	658	14,472	8,109	6,363	78%
Total Expenses	(12,817)	(7,301)	(801)	(456)	(13,618)	(7,757)	5,861	76%
Share of Profit (Loss)	5,255	5,083	10	-	5,265	5,083	182	4%
NCI* before FX	(19)	(93)	(40)	(41)	(59)	(134)	(75)	(56%)
Profit (Loss) before FX	5,765	5,140	295	161	6,060	5,301	759	14%
FX	741	(324)	(4)	13	737	(311)	1,048	337%
Profit (loss) after FX	6,506	4,816	291	174	6,797	4,990	1,807	36%
Gain on business combination	4,182	-	-	-	4,182	-	4,182	100%
Net Profit (loss)	10,688	4,816	291	174	10,979	4,990	5,989	120%

* NCI: Non-Controlling Interest

Profit from operating of EGCO Group before FX and accounting gain on business combination for the year 2012 was 6,060 million baht, increased 759 million baht compared to the year 2011, which came from an increase in power generation business of 625 million baht and other businesses of 134 million baht. See more details in 5.1 and 5.2 as follows;

5.1 The Analysis of the Operating results in Power Generation business

Profit before FX for the year 2012 in power generation business increased from the year 2011 of 625 million baht. Mainly due to operating results of Quezon, GPG, NED and Rayong power plant increased, while the operating results from KEGCO, EGCO Cogen and GEC decreased as follows:

Quezon 52.125% (Former portion and PEPOI) :

Unit : Million Baht

	2012	2011	Change	
			Increase/(Decrease)	%
Electricity revenue	5,863	5,110	753	15%
Other income	195	194	1	1%
Total revenues	6,058	5,304	754	14%
Cost of sale	(3,576)	(3,149)	427	14%
Other expenses	(1,391)	(1,896)	(505)	(27%)
Total expenses	(4,967)	(5,045)	(78)	(2%)
Profit (Loss) before FX	1,091	259	832	321%

- **Former portion of Quezon (52.125%)** : In the year 2012, other expenses of Quezon decreased by 505 million baht (due to an increase in prepayment fee from refinancing of 440 million in the year 2011) and electricity revenue increased by 753 million baht because in the year 2011, EGCO recognized revenue in the portion of 52.125% for 9 months and the portion of 26% for 3 months (due to EGCO additionally acquired 26.125% shares of Quezon in March 2011). Therefore, the total operating result of the year 2012 increased from the year 2011 by 832 million baht. If excluded withholding tax from dividend which increased in the year 2012 of 34 million baht, resulted in the operating result increased of 866 million baht.

Quezon 45.875% (Additional portion in the year 2012 and QMS) :

Unit : Million Baht

	2012	2011	Change	
			Increase/(Decrease)	%
Electricity revenue	2,917	-	2,917	100%
Other income	-	-	-	-
Total revenues	2,917	-	2,917	100%
Cost of sale	(1,689)	-	1,689	100%
Other expenses	(663)	-	663	100%
Total expenses	(2,352)	-	2,352	100%
Profit (Loss) before FX	565	-	565	100%

- **Additional portion of Quezon (45.875%)** : The increased profit of 565 million baht came from 45.875% share of profit of Quezon which EGCO acquired in Quarter 2. If excluded withholding tax from dividend of 78 million baht, resulted in the profit increased of 643 million baht.

GPG :

Unit : Million Baht

	2012	2011	Change	
			Increase/(Decrease)	%
Electricity revenue	14,824	11,327	3,497	31%
Other income	68	54	14	26%
Total revenues	14,892	11,381	3,511	31%
Cost of sale	(12,514)	(9,149)	3,365	37%
Other expenses	(493)	(573)	(80)	(14%)
Total expenses	(13,007)	(9,722)	3,285	34%
Profit (Loss) before FX	1,885	1,659	226	14%

- **GPG** : Higher electricity generation compared to the year 2011 led to an increase in Energy Payment (EP) net from fuel cost of 141 million baht, while Availability Payment (AP) decreased by 64 million baht according to PPA; therefore, net revenue increased by 77 million baht. Meanwhile, scheduled maintenance costs decreased by 55 million baht and interest expenses decreased by 65 million baht. These were resulted in the operating result increased of 226 million baht.

NED :

Unit : Million Baht

	2012	2011	Change	
			Increase/(Decrease)	%
Electricity revenue	369	3	366	12,200%
Other income	1	4	(3)	(75%)
Total revenues	370	7	363	5,186%
Cost of sale	(95)	-	95	100%
Other expenses	(115)	(23)	92	400%
Total expenses	(210)	(23)	187	813%
Profit (Loss) before FX	160	(16)	176	1,100%

- **NED** : Electricity revenue increased by 366 million baht since it started the commercial operation on December 22, 2011 and completed in the first quarter of the year 2012. Meanwhile, costs of sales were 95 million baht and interest expenses was 92 million baht. These were resulted in the operating result increased of 176 million baht.

Rayong Power Plant :

Unit : Million Baht

	2012	2011	Change	
			Increase/(Decrease)	%
Electricity revenue	2,167	2,258	(91)	(4%)
Other income	50	54	(4)	(7%)
Total revenues	2,217	2,312	(95)	(4%)
Cost of sale	(1,673)	(1,805)	(132)	(7%)
Other expenses	(236)	(264)	(28)	(11%)
Total expenses	(1,909)	(2,069)	(160)	(8%)
Profit (Loss) before FX	308	243	65	27%

- **Rayong power plant** : Higher electricity generation compared to the year 2011 led to an increase in Energy Payment (EP) of 66 million baht, while Availability Payment (AP) decreased by 157 million baht according to PPA; therefore, net revenue decreased by 91 million baht. Moreover, costs of sales decreased by 132 million baht due to a drop of major maintenance costs of 96 million baht. In addition, other expenses decreased from general administrative expenses decreased by 28 million baht. These were resulted in the total operating result increased of 65 million baht.

KEGCO :

Unit : Million Baht

	2012	2011	Change	
			Increase/(Decrease)	%
Electricity revenue	1,763	2,170	(407)	(19%)
Other income	8	11	(3)	(27%)
Total revenues	1,771	2,181	(410)	(19%)
Cost of sale	(1,533)	(1,475)	58	4%
Other expenses	(280)	(432)	(152)	(35%)
Total expenses	(1,813)	(1,907)	(94)	(5%)
Profit (Loss) before FX	(42)	274	(316)	(115%)

- **KEGCO** : Lower electricity generation compared to the year 2011 led to a decrease in Energy Payment (EP) of 6 million baht, and a decrease in Availability Payment (AP) of 401 million baht according to PPA. Moreover, costs of sales increased due to major maintenance costs increased by 41 million baht. Although, other expenses decreased from interest expenses and income tax by 152 million baht. These were resulted in the total operating result decreased of 316 million baht.

EGCO Cogen :

Unit : Million Baht

	2012	2011	Change	
			Increase/(Decrease)	%
Electricity revenue	1,631	2,064	(433)	(21%)
Other income	7	13	(6)	(46%)
Total revenues	1,638	2,077	(439)	(21%)
Cost of sale	(1,732)	(1,748)	(16)	(1%)
Other expenses	(48)	(157)	(109)	(69%)
Total expenses	(1,780)	(1,905)	(125)	(7%)
Profit (Loss) before FX	(142)	172	(314)	(183%)

- **EGCO Cogen** : The damage of plant's equipment on February 11, 2012 caused the plant operated at the lower of its normal operation. This incident led to the operating result decreased of 314 million baht. The plant began normal operation on October 12, 2012.

GEC (GCC, NKCC, SCC, GYG) :

Unit : Million Baht

	2012	2011	Change	
			Increase/(Decrease)	%
Electricity revenue	3,855	3,906	(51)	(1%)
Other income	23	33	(10)	(30%)
Total revenues	3,878	3,939	(61)	(2%)
Cost of sale	(3,515)	(3,270)	245	7%
Other expenses	(334)	(263)	71	27%
Total expenses	(3,849)	(3,533)	316	9%
Profit (Loss) before FX	29	406	(377)	(93%)

- **GEC** : The damage of NKCC's plant equipment on April 7, 2012 caused the plant operated at the lower of its normal operation. This incident led to the operating result decreased of 377 million baht. NKCC's plant began normal operation on September, 25 2012.

EGCO and Other Subsidiaries in Power Generation business :

Unit : Million Baht

	EGCO		Roi-et Green		SPP2		SPP3		SPP4	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
Electricity revenue	-	-	397	325	105	-	149	-	127	-
Other income	324	350	8	8	3	-	4	-	2	-
Total revenues	324	350	405	333	108	-	153	-	129	-
Cost of sale	-	-	(168)	(116)	(31)	-	(40)	-	(35)	-
Other expenses	(1,559)	(1,152)	(95)	(82)	(34)	-	(78)	-	(52)	-
Total expenses	(1,559)	(1,152)	(263)	(198)	(65)	-	(118)	-	(87)	-
Profit (Loss) before FX	(1,235)	(802)	142	135	43	-	35	-	42	-

EGCO and Other Subsidiaries in Power Generation business (continued) :

Unit : Million Baht

	SPP5		Others*		Total		Change	
	2012	2011	2012	2011	2012	2011	Increase/ (Decrease)	%
Electricity revenue	93	-	-	-	871	325	546	168%
Other income	1	-	3	-	345	358	(13)	(4%)
Total revenues	94	-	3	-	1,216	683	533	78%
Cost of sale	(27)	-	-	-	(301)	(116)	185	159%
Other expenses	(28)	-	(9)	-	(1,855)	(1,234)	621	50%
Total expenses	(55)	-	(9)	-	(2,156)	(1,350)	806	60%
Profit (Loss) before FX	39	-	(6)	-	(940)	(667)	(273)	(41%)

* Yanhee EGCO and Theppana : Under construction

Other Joint Ventures in Power Generation business :

Unit : Million Baht

	GPS		Conal		NTPC		BLCP	
	2012	2011	2012	2011	2012	2011	2012	2011
Electricity revenue	157	-	616	586	2,710	2,685	9,252	8,934
Other income	1	-	46	312	15	18	77	103
Total revenues	158	-	662	898	2,725	2,703	9,329	9,037
Cost of sale	(59)	-	(254)	(244)	(766)	(714)	(6,293)	(6,001)
Other expenses	(60)	-	(374)	(651)	(1,217)	(1,223)	(996)	(996)
Total expenses	(119)	-	(628)	(895)	(1,983)	(1,937)	(7,289)	(6,997)
Profit (Loss) before FX	39	-	34	3	742	766	2,040	2,040

Other Joint Ventures in Power Generation business (continued) :

Unit : Million Baht

	GIDEC*		Total		Change	
	2012	2011	2012	2011	Increase/(Decrease)	%
Electricity revenue	-	-	12,735	12,205	530	4%
Other income	-	-	139	433	(294)	(68%)
Total revenues	-	-	12,874	12,638	236	2%
Cost of sale	-	-	(7,372)	(6,959)	413	6%
Other expenses	(4)	-	(2,651)	(2,870)	(219)	(8%)
Total expenses	(4)	-	(10,023)	(9,829)	194	2%
Profit (Loss) before FX	(4)	-	2,851	2,809	42	1%

* GIDEC : Under construction

5.2 The Analysis of the Operating results in Other businesses

Profit before FX for the year 2012 in other businesses increased from the year 2011 by 134 million baht, mainly from the operating result of ESCO as followed:

ESCO :

Unit : Million Baht

	2012	2011	Change	
			Increase/(Decrease)	%
Service income	819	376	443	118%
Other income	11	8	3	38%
Total revenues	830	384	446	116%
Cost of sale	(568)	(275)	293	107%
Other expenses	(98)	(73)	25	34%
Total expenses	(666)	(348)	318	91%
Profit (Loss) before FX	164	36	128	356%

- **ESCO** : An increase in services led to service revenue increased from the year 2011 by 443 million baht. By the gross profit of maintenance services increased by 34 million baht, from operation and maintenance services increased by 53 million baht, and from engineering & energy services increased by 63 million baht. These were resulted in the net operating result after income tax increased of 128 million baht.

Other Subsidiaries and joint ventures in other businesses :

Unit : Million Baht

	EGCOM TARA		MME		APPC		Total		Change	
	2012	2011	2012	2011	2012	2011	2012	2011	Increase/ (Decrease)	%
Revenue	290	269	96	-	127	-	513	269	244	91%
Other income	5	5	-	-	-	-	5	5	-	-
Total revenues	295	274	96	-	127	-	518	274	244	89%
Cost of sale	(81)	(48)	(70)	-	(135)	-	(286)	(48)	238	496%
Other expenses	(93)	(101)	-	-	(8)	-	(101)	(101)	-	-
Total expenses	(174)	(149)	(70)	-	(143)	-	(387)	(149)	238	160%
Profit (Loss) before FX	121	125	26	-	(16)	-	131	125	6	5%

6. Report and Analysis of Financial Position

Comparing the Statements of Financial Position as at December 31, 2012 to the Statements of Financial Position as at December 31, 2011 as shown below:

	Consolidated Financial Statement (Million Baht)			
	Year		Change	
	2012	2011	Increase/(Decrease)	%
Assets				
Current Assets	19,846	20,119	(273)	(1.36%)
Interests in joint ventures, net	34,578	36,444	(1,866)	(5.12%)
Property, plant and equipment, net	38,556	13,023	25,533	196.06%
Other non-current assets	16,344	3,370	12,974	384.99%
Total Assets	109,324	72,956	36,368	49.85%
Liabilities				
Current Liabilities	13,721	1,180	12,541	1,062.80%
Long-term loans (including current portion of long-term loans)	25,216	12,057	13,159	109.14%
Other non-current liabilities	2,067	1,186	881	74.28%
Total Liabilities	41,004	14,423	26,581	184.30%
Shareholders' Equity				
Parent's shareholders' equity	67,433	57,978	9,455	16.31%
Non-controlling interests	887	555	332	59.82%
Total Shareholders' Equity	68,320	58,533	9,787	16.72%
Total Liabilities and Shareholders' Equity	109,324	72,956	36,368	49.85%

6.1 Asset Analysis

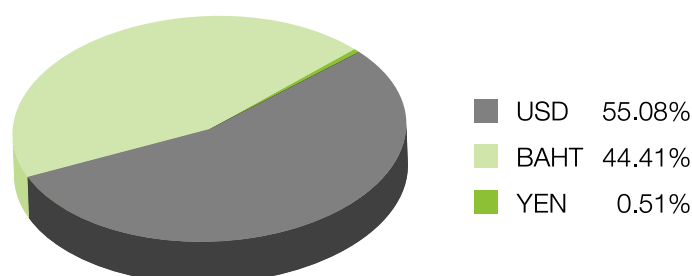
As at December 31, 2012 the total assets were 109,324 million baht, increasing by 36,368 million baht or 49.85% from the year 2011. The details are as follows:

- Current Assets decreased by 273 million baht or 1.36%. The resulted mainly from cash, cash equivalents and short-term investments decreased by 5,716 million baht due to the investment in subsidiaries and joint ventures. Whereas, trade receivables increased by 1,589 million baht, spare parts and supplies increased by 1,169 million baht and other current assets increased by 1,174 million baht owing to Quezon's assets (changing its status from a joint venture to a subsidiary company). Moreover, dividend receivable increased 1,511 million baht.
- Interests in joint ventures (net) decreased by 1,866 million baht or 5.12% due to the change of Quezon's status from a joint venture to a subsidiary company. This is because the Company purchased additional ordinary shares in the portion of 45.875% in June 2012. This led to a decrease in investment in the amount of 8,711 million baht. However, there were the additional investment in joint ventures which are GPS, APPC and MME increased by 6,924 million baht.
- Property, plant and equipment (net) increased by 25,533 million baht or 196.06% because of Quezon's assets (changing its status from a joint venture to a subsidiary company), and the additional investment in the subsidiaries in 2012.
- An increase in other non-current assets in the amount of 12,974 million baht or 384.99% due to the right of PPA increased by 4,529 million baht and goodwill increased by 6,141 million baht. This is because the additional investment in Quezon, SPP2, SPP3, SPP4 and SPP5. Moreover, long-term investments in marketable securities increased by 2,087 million baht owing to an increase in share price of East Water.

6.2 Liability Analysis

As at December 31, 2012 the total liabilities were 41,004 million baht, increasing by 26,581 million baht or 184.30% from the year 2011. The mainly details are as follows:

- An increase in current liabilities in the amount of 12,541 million baht or 1,062.80% because of short-term loan for the investments in Quezon and MME projects. The details are shown as follows:
 - USD loans in the amount of 300 million Us dollars
 - Baht loans in the amount of 1,400 million baht
- An increase in long-term loans in the amount of 13,159 million baht or 109.14% mainly came from the long-term loan of Quezon (changing its status from a joint venture to a subsidiary company) and the additional investment in the subsidiaries in 2012. The details are as follows:
 - USD loans in the amount of 461 million Us dollars
 - JPY loans in the amount of 367 million Yen
 - Baht loans in the amount of 11,374 million baht



Loan maturities schedule as at December 31, 2012 Unit :

Unit : Million Baht

Maturity	EGCO	Quezon	EGCO Cogen	Roi-Et Green	SPP 2, 3, 4, 5
Within 1 year	560	-	223	37	231
2 - 5 years	10,238	4,588	247	93	1,195
More than 5 years	-	6,141	-	-	1,663
Total	10,798	10,729	470	130	3,089

- Non-current liabilities increased by 881 million baht or 74.28%. The resulted mainly from provision for decommissioning costs increased by 116 million baht, other non-current liabilities increased by 198 million baht, tax liabilities of Quezon (changing its status from a joint venture to a subsidiary company) increased by 567 million baht.

6.3 Shareholders' Equity Analysis

As at December 31, 2012, total Shareholders' Equity were Baht 68,320 million increasing by 9,787 million baht or 16.72% from the year 2011 due to an increase in total equity attributable to EGCO in the amount of 9,455 million baht or 16.31%. This was mainly caused by net operating profit in consolidated financial statements was 10,979 million baht and the additional unrealised gains on investments in marketable securities was 2,097 million baht. Whereas, the decreasing portion came from dividend payment was 2,896 million baht. Additionally, the effect from the translation adjustment of foreign currencies to Thai Baht in foreign subsidiaries and joint ventures decreased by 725 million baht.

6.4 Investment structure

Debt to Equity Ratio (Time)

	2012	2011	Change
			Increase/(Decrease)
Consolidated	0.61	0.25	0.36
Company	0.40	0.23	0.17

An increase in debt to equity ratio was mainly from Quezon's debt (changing its status from a joint venture to a subsidiary company) and the additional subsidiaries which EGCO Group invested in 2012. Additionally, EGCO has new long-term loans in order to invest in subsidiaries and joint ventures.

6.5 Cash Flow Analysis

As at December 31, 2012 cash and cash equivalents were 4,147 million baht, decreasing by 4,255 million baht from 2011. The details are as follows:

Unit : Million Baht

Net cash <u>received from</u> operating activities	4,207
Net cash <u>payment for</u> investing activities	(14,131)
Net cash <u>received from</u> financing activities	5,781
Net decrease in cash from the effect of foreign exchange rate	(112)
Net decrease in cash	(4,255)

- **Net cash received from operating activities** was 4,207 million baht. This was mainly due to cash received from operation of EGCO and its subsidiaries.
- **Net cash payment for investing activities** was 14,131 million baht mainly due to cash payment for investing in subsidiaries and joint ventures, amounting to 19,651 million baht and the acquisition of Property, plant and equipment in the amount of 362 million baht. Whereas, cash received from joint ventures' dividend was 4,088 million baht, and redemption of deposits at bank and financial institution were 1,595 million baht.
- **Net cash received from financing activities** was 5,781 million baht. The main reasons were drew down loans in the amount of 10,927 million baht. Whereas, cash payment for dividend of shareholders was 2,999 million baht, interest payment of loans was 1,004 million baht and the principal repayment of loans was 1,198 million baht.

7. Financial Ratios

Profitability Ratios

	2012	2011	Change
			Increase/(Decrease)
Return on Assets (ROA)	7.46%*	7.13%	0.33
Return on Equity (ROE)	10.84%*	8.85%	1.99
Gross Profit Ratio	31.19%	27.05%	4.14
Operating Profit Ratio before FX	19.41%*	14.60%	4.81
Profit Ratio before FX	19.15%*	12.45%	6.70
Profit before FX per share (Baht)	11.51*	10.07	1.44

* Excluding accounting gain on business combination amount 4,180 million baht of 52.125% of Quezon before the company purchased the additional shares in the portion of 45.875%. This method was performed in accordance with the accounting standard.

Trade receivables aging summary

Aging periods of trade receivables as at December 31, 2012 are shown in the table below:

Unit : Million Baht

	2012	2011	Change	
			Increase/(Decrease)	%
Current	1,724	159	1,565	984%
Overdue less than 3 months	46	21	25	119%
Overdue between 3 - 6 months	21	-	21	100%
Overdue between 6 - 12 months	17	6	11	183%
Overdue more than 12 months	26	59	(33)	(56%)
	1,834	245	1,589	649%
<u>Less</u> Allowance for Doubtful Accounts	-	-	-	-
Trade receivables, net	1,834	245	1,589	649%

Leverage Ratio and Liquidity Ratio

	2012	2011	Change
			Increase/(Decrease)
Current Ratio (Time)			
- Consolidated	1.34	11.72	(10.38)
- Company	0.89	22.15	(21.26)
Quick Ratio (Time)			
- Consolidated	0.50	6.69	(6.19)
- Company	0.12	10.82	(10.70)
Interest Coverage Ratio (Time)			
- Company	10.24	13.35	(3.11)

In the year 2012, EGCO invested in subsidiaries and joint ventures by its internal cash and short-term loans from banks and financial institutions. These were resulted in the current and quick ratio decreased.

Statement of Directors' Responsibilities

According to the Public Limited Companies Act B.E. 2535, the Accounting Act B.E. 2543, the Securities and Exchange Act B.E. 2535, and the Notification of Capital Market Supervisory Board re: "Disclosure of Financial Statements and Performance of Listed Companies", the Board of Directors is responsible to prepare the true and fair financial statements of the Company.

The Board of Directors has also issued the Company's regulation on accounting, finance and budgeting B.E. 2550 to which the Management must adhere. In addition, the Audit Committee has been entrusted to ensure that the Company's financial statements have been prepared in a justified and prudent manner in compliance with such rules and regulations and that the appropriate accounting policies were consistently applied. Also, the Audit Committee has reviewed the Company's internal control systems to ensure its adequacy and effectiveness as a means to safeguard the company's assets from unauthorized persons and to reveal the weakness to prevent unlawful conduct and abnormalities.

Management has prepared both consolidated and Company financial statements for the year ended 31 December 2012 in compliance with the Thai Generally Accepted Accounting Principles under the Accounting Profession Act B.E. 2547. The appropriate accounting policies were consistently applied and the financial statements were prepared in a prudent and justified manner with adequate disclosure of significant information in the notes of the financial statements. Moreover, the consolidated and Company financial statements has audited by the auditor and has unqualified opinion.

The Board of Directors is of the opinion that both the consolidated and company financial statements for the year 2012, present the company's financial position, operating results, changes in shareholders' equity and cash flows fairly, in all material respects, and reliable manner and that such statements are in compliance with the Generally Accepted Accounting Principles and all governing rules and regulations.



Mr. Pornchai Rujiprapa
Chairman

Audit Committee's Report

The Audit Committee of EGCO consists of 3 independent directors who are knowledgeable and experienced in law, accounting and finance, management and energy business. The Committee is chaired by Mr. Thanapich Mulapruk, with Mr. Pongstorn Kuanusorn and Mr. Pasan Teparak as members.

The Audit Committee has performed its duties assigned by the Board, as prescribed in the Audit Committee Charter which aligned with the regulations of the Stock Exchange of Thailand (SET): the Audit Committee's Qualification and Scope of Duties and Responsibilities B.E. 2551 and regularly reports the Committee's meeting resolutions to the Board.

In 2012, the Audit Committee held 14 meetings. The Committee Meeting Attendance Report is shown in Table : Meeting Attendance, Subject : Corporate Governance Report for 2012

In carrying out its duties in the year 2012, the Committee has the opinion that;

1. EGCO's financial reports were accurate, complete, and reliable.
2. EGCO's internal control systems were appropriate and adequate.
3. EGCO had fully complied with the Securities and Exchange Acts, regulations of the SET, as well as other laws relating to EGCO's business.
4. EGCO's auditors were qualified, knowledgeable and independent.
5. Information disclosure of the connected transactions or any conflict of interest was accurate and adequate.
6. In performing its assigned duties, the Committee had the opinion that its composition, qualifications, and responsibilities aligned with the Audit Committee's Charter.
7. The Committee enhanced the good corporate governance by providing the channel for shareholders and employees to directly access the Audit Committee in reporting complaints or suspect in financial reports or internal control systems. The Whistleblower system has been set up as well.

Summary of the Audit Committee's Activities :

Review of financial statements

- Reviewed the quarterly and annual financial statements with the external auditors and the Management. The Committee asked the auditors on the accuracy and completeness of the financial statements and significant adjustments which effected the financial statements to ensure that the financial statements complied with the generally accepted accounting principles and that the information disclosed in the financial statements were adequate, accurate, reliable, and complied with governing laws and regulations.
- Considered the adoption of the new accounting standards, the new financial reporting standards, the new interpretation and amendments to accounting standards, and the adjusted accounting standards and accounting frameworks relating to EGCO (referred to as the new accounting standards) and adopted the new accounting standards which were mandatory for the year 2012 and 2013.

- Reviewed the Management Discussion and Analysis (MD&A) with the Management to ensure its accuracy, completeness, adequacy and that the disclosed information benefitted the investment decision of the shareholders and investors.
- Held exclusive meetings with the external auditors in the absence of the Management to ensure their independence.
- Considered other services performed by the audit firm's group companies for EGCO Group and determined that the scope of work and service fees were not significant to potentially influence the independence of the auditor.

Review of the internal control systems

Reviewed the sufficiency and effectiveness of the internal control systems from the internal auditors' and the external auditors' reports. The external auditors agreed that there was no significant shortcoming in the year 2012. In addition, the Committee and the Board evaluated EGCO's internal control system, using the internal control assessment form of by the Securities and Exchange Commission (SEC) and the result for the year 2012 showed that EGCO and its subsidiaries had sufficient and appropriate internal control systems.

Oversight of internal audit

- Approved the scope of work and annual audit plan which included management audit.
- Reviewed the internal audit report of the Internal Audit Division, which directly reported to the Audit Committee.
- Reviewed budget, manpower, the performance assessment of the Internal Audit Division, and endorsed the appointment of the new Chief Internal Auditor to ensure the Internal Audit Division's independence.

Compliance Review

Reviewed with the Management to ensure that EGCO's activities were conducted in compliance with the Securities and Exchange Acts, SET Regulations as well as other laws relating to EGCO's business. It also acknowledged the representation statements of the employees and management up to the President that their respective tasks and duties well complied with the governing laws.

Review of connected transactions

Considered the accuracy and adequacy of EGCO's disclosure on connected transactions and transactions that might cause the conflict of interest to ensure EGCO's compliance with business conditions and requirements of SEC.

Review of risk management

Reviewed with the Management EGCO policies on risk management, implementation plan and risk management guidelines and recommended the alignment of the risk management plan with the strategic plan in presenting to the Board.

Review of good corporate governance

Further enhanced EGCO's good corporate governance practices such as providing the channel for employees and shareholders to direct their complaints, reports on suspected violation of laws and Code of Conduct and questions about the financial statements and internal control systems by email to the Audit Committee via auditcommittee@egco.com. Whistleblower system was also set up.

Considered and acknowledged the Compliance Statement of the President the Chairman, The process in preparing and the content of the Compliance Statement ensured that EGCO's operations complied with the Code of conduct and relevant laws.

Audit Committee's self assessment

The Audit Committee conducted its annual self assessment using the Audit Committee's Self-Assessment Form which aligned with SET's guidelines. The findings that composition, qualifications, and performance of the Audit Committee well aligned with the Audit Committee Charter and the Stock Exchange of Thailand's guidelines were reported to the Chairman.

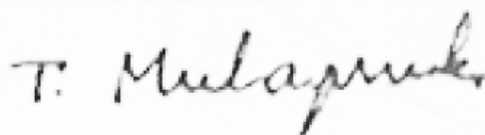
Annual review of the Audit Committee Charter

The Audit Committee reviewed the Audit Committee Charter to ensure that its assigned duties in 2012 were achieved and that its performance aligned with international practices, SET's Audit Committee Best Practice Guidelines and appropriated for EGCO's business.

Appointment of the external auditors

In 2012, the Audit Committee recommended the auditor selection from the leading audit firms, by considering qualifications and the service fees, to be appointed as EGCO Group's auditors for the year 2013. Through the procurement process, PricewaterhouseCoopers ABAS Ltd. (PwC) was selected by the procurement committee to be EGCO group's auditors.

Considering the result of the auditor selection proposed by the Management and PwC auditors' performance, the Committee was of the opinion that PwC auditors are independent, qualified with appropriate experience and good performance and would propose the appointment of Mr. Somchai Jinnovart Certified Public Accountant (Thailand) No. 3271, Mr. Vichien Khingmontri Certified Public Accountant (Thailand) No. 3977, and Ms. Amornrat Pearmpoonvatanasuk Certified Public Accountant (Thailand) No. 4599 of PwC as 2013 EGCO's auditor to the Board, which will submit the proposal for the shareholders' approval.



Mr. Thanapich Mulapruk
Chairman of the Audit Committee

Auditor's Report

To the Shareholders of Electricity Generating Public Company Limited

I have audited the accompanying consolidated and company financial statements of Electricity Generating Public Company Limited and its subsidiaries and of Electricity Generating Public Company Limited, which comprise the consolidated and company statements of financial position as at 31 December 2012, and the related consolidated and company statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the consolidated and company financial statements referred to above present fairly, in all material respects, the consolidated and company financial position of Electricity Generating Public Company Limited and its subsidiaries and of Electricity Generating Public Company Limited as at 31 December 2012, and its consolidated and company results of operations and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards.



Amornrat Pearmpoonvatanasuk

Certified Public Accountant (Thailand) No. 4599

PricewaterhouseCoopers ABAS Ltd.

Bangkok

20 February 2013

Electricity Generating Public Company Limited

Statements of Financial Position

As at 31 December 2012 and 2011

	Notes	Consolidated		Company	
		2012 Baht	2011 Baht	2012 Baht	2011 Baht
Assets					
Current assets					
Cash and cash equivalents		4,147,493,526	8,401,866,377	1,216,920,679	5,674,226,709
Short-term investments	8				
- Deposits at financial institutions		134,107,615	1,717,680,697	977,071	1,576,075,477
- Marketable securities		-	222,000,000	-	222,000,000
Short-term investments used as collateral	9	687,976,387	343,952,162	-	-
Trade receivables, net	10	1,834,296,411	245,141,606	-	-
Trade receivable from a related party	34.4	579,994,306	549,230,689	189,269,070	202,016,743
Dividend receivables from subsidiaries and joint ventures	14.4	7,600,763,848	6,089,418,454	8,045,088,668	7,018,039,732
Short-term loans to related parties	34.6	56,200,000	-	56,200,000	-
Current portion of long-term loans to related parties	34.7	-	-	45,882,350	45,882,350
Amounts due from related parties	34.5	145,384,054	51,081,780	48,426,774	22,779,474
Fuel and spare parts and supplies, net	11	3,212,468,649	2,043,819,652	559,451,239	833,986,690
Other current assets	12	1,447,518,755	455,163,627	220,054,166	112,637,703
Total current assets		19,846,203,551	20,119,355,044	10,382,270,017	15,707,644,878
Non-current assets					
Long-term investments in marketable securities	13	4,023,893,202	1,937,293,740	4,017,617,151	1,930,947,778
Amounts due from a related party due over one year	34.5	60,452,781	168,134,509	60,452,781	168,134,509
Long-term loans to related parties, net	34.7	-	-	1,635,916,722	596,470,600
Deposits at financial institutions used as collateral		282,300	282,300	-	-
Investments in subsidiaries, net	14.2	-	-	33,720,618,084	17,901,783,196
Interests in joint ventures	14.3	34,577,791,684	36,444,572,866	24,418,626,488	23,150,309,238
Other long-term investments	13	247,750,000	127,000,000	247,750,000	127,000,000
Investment property	15	322,071,012	322,071,012	322,071,012	322,071,012
Property, plant and equipment, net	16	38,555,753,857	13,022,582,385	4,061,521,218	4,977,213,590
Right in long-term power and tap water purchase agreements and operation and maintenance agreement, net	17	5,214,759,125	685,946,459	-	-
Goodwill	18	6,141,105,368	-	-	-
Other non-current assets, net	19	334,011,314	128,834,166	46,818,067	11,779,387
Total non-current assets		89,477,870,643	52,836,717,437	68,531,391,523	49,185,709,310
Total assets		109,324,074,194	72,956,072,481	78,913,661,540	64,893,354,188

For Director




Electricity Generating Public Company Limited

Statements of Financial Position (continued)

As at 31 December 2012 and 2011

	Notes	Consolidated		Company	
		2012 Baht	2011 Baht	2012 Baht	2011 Baht
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	20	10,673,650,000	-	10,633,250,000	-
Trade payables		1,142,218,414	253,078,447	23,076,173	27,636,013
Trade payable to a related party	34.4	84,045,636	64,551,410	78,820,644	55,751,959
Amounts due to related parties	34.5	10,265,114	9,701,695	5,367,940	4,458,738
Current portion of long-term loans from financial institutions, net	21	1,050,700,537	535,728,282	559,590,904	289,380,906
Other current liabilities					
- Interest payable		260,098,636	18,222,832	14,833,849	9,659,749
- Value added tax payable		386,250,983	78,063,073	30,184,259	35,525,577
- Corporate income tax payable		273,386,700	35,810,629	-	-
- Others		891,089,059	720,905,424	284,374,284	286,883,840
Total current liabilities		14,771,705,079	1,716,061,792	11,629,498,053	709,296,782
Non-current liabilities					
Long-term loans from financial institutions, net	21	24,165,114,877	11,521,387,363	10,238,363,645	10,893,809,094
Retirement benefit obligations	22	198,954,170	199,408,660	90,063,890	91,767,927
Provision for decommissioning costs	23	1,088,849,809	972,895,496	402,643,668	386,414,269
Other non-current liabilities	24	779,227,871	13,267,003	26,382,349	30,590,721
Total non-current liabilities		26,232,146,727	12,706,958,522	10,757,453,552	11,402,582,011
Total liabilities		41,003,851,806	14,423,020,314	22,386,951,605	12,111,878,793

Electricity Generating Public Company Limited

Statements of Financial Position (continued)

As at 31 December 2012 and 2011

	Notes	Consolidated		Company	
		2012 Baht	2011 Baht	2012 Baht	2011 Baht
Liabilities and shareholders' equity (continued)					
Shareholders' equity					
Share capital					
Authorised share capital					
- 530,000,000 ordinary shares at par of Baht 10 per share		5,300,000,000	5,300,000,000	5,300,000,000	5,300,000,000
Issued and paid-up share capital					
- 526,465,000 ordinary shares paid-up at Baht 10 per share		5,264,650,000	5,264,650,000	5,264,650,000	5,264,650,000
Premium on share capital		8,601,300,000	8,601,300,000	8,601,300,000	8,601,300,000
Premium on treasury stock		47,373,035	47,373,035	47,373,035	47,373,035
Retained earnings					
Appropriated					
- Legal reserve	25	530,000,000	530,000,000	530,000,000	530,000,000
Unappropriated		50,765,745,766	42,681,867,762	38,933,260,572	37,274,695,405
Other components of shareholders' equity		2,224,291,129	852,834,463	3,150,126,328	1,063,456,955
Total equity attributable to the owners of the parent		67,433,359,930	57,978,025,260	56,526,709,935	52,781,475,395
Non-controlling interests	26	886,862,458	555,026,907	-	-
Total shareholders' equity		68,320,222,388	58,533,052,167	56,526,709,935	52,781,475,395
Total liabilities and shareholders' equity		109,324,074,194	72,956,072,481	78,913,661,540	64,893,354,188

Electricity Generating Public Company Limited

Income Statements

For the years ended 31 December 2012 and 2011

	Notes	Consolidated		Company	
		2012 Baht	2011 Baht	2012 Baht	2011 Baht
Sales and service income	34.1, 34.2	14,056,539,177	7,661,035,192	2,166,613,171	2,258,324,928
Cost of sales and services		(9,672,800,113)	(5,588,768,660)	(1,673,335,632)	(1,806,013,523)
Gross profit		4,383,739,064	2,072,266,532	493,277,539	452,311,405
Other income	27	414,585,464	449,118,661	5,192,597,438	5,892,735,667
Accounting gains on a business combination achieved in stages, net	14.1.1	4,310,427,223	-	-	-
Currency exchange gains (losses)		205,089,164	21,978,720	(4,238,299)	7,412,030
Administrative expenses	34.9	(2,361,691,424)	(1,678,317,514)	(992,856,735)	(921,361,651)
Finance costs	29	(703,268,565)	(694,204,857)	(134,312,293)	(536,606,508)
Share of profit from interests in joint ventures, net	14	5,577,586,306	5,199,684,409	-	-
Profit before corporate income tax		11,826,467,232	5,370,525,951	4,554,467,650	4,894,490,943
Corporate income tax		(779,193,252)	(254,702,346)	(382,878)	-
Profit for the year		11,047,273,980	5,115,823,605	4,554,084,772	4,894,490,943
Attributable to:					
Owners of the parent		10,979,397,609	4,989,534,456	4,554,084,772	4,894,490,943
Non-controlling interests		67,876,371	126,289,149	-	-
Profit for the year		11,047,273,980	5,115,823,605	4,554,084,772	4,894,490,943
Earnings per share for the year	30				
Basic earnings per share		20.85	9.48	8.65	9.30
Diluted earnings per share		20.85	9.48	8.65	9.30

Electricity Generating Public Company Limited

Statements of Comprehensive Income

For the years ended 31 December 2012 and 2011

	Consolidated		Company	
	2012 Baht	2011 Baht	2012 Baht	2011 Baht
Profit for the year	11,047,273,980	5,115,823,605	4,554,084,772	4,894,490,943
Other comprehensive income				
Unrealised gains (losses) on investments in marketable securities - available-for-sale	2,096,181,016	(146,130,436)	2,086,669,373	(149,566,139)
Translation adjustments	(748,281,184)	1,077,987,078	-	-
Other comprehensive income (loss) for the year	1,347,899,832	931,856,642	2,086,669,373	(149,566,139)
Total comprehensive income for the year	12,395,173,812	6,047,680,247	6,640,754,145	4,744,924,804
Total comprehensive income attributable to:				
Owners of the parent	12,350,854,275	5,921,391,098	6,640,754,145	4,744,924,804
Non-controlling interests	44,319,537	126,289,149	-	-
Total comprehensive income for the year	12,395,173,812	6,047,680,247	6,640,754,145	4,744,924,804

Statements of Changes in Shareholders' Equity

For the years ended 31 December 2012 and 2011

Consolidated

Attributable to owners of the parent

Other components of shareholders' equity

Other comprehensive income (loss)

Note	Issued and paid-up share capital Baht	Premium on share capital Baht	Premium on treasury stock Baht	Legal reserve Baht	Unappropriated Baht	Available-for-sale investments Baht	Translation adjustments Baht	Total other components of shareholders' equity		Total owners of the parent Baht	Non-controlling interests Baht	Total shareholders' equity Baht
								Other comprehensive income (loss) Baht	Shareholders' equity Baht			
Opening balance as at 1 January 2011	5,264,650,000	8,601,300,000	47,373,035	530,000,000	40,455,123,354	1,209,587,391	(1,288,609,570)	(79,022,179)	54,819,424,210	509,094,479	55,328,518,689	
Changes in shareholders' equity for the year	-	-	-	-	4,989,534,456	(146,130,436)	1,077,987,078	931,856,642	5,921,391,098	126,289,149	6,047,680,247	
Total comprehensive income for the year	-	-	-	-	(2,762,790,048)	-	-	-	(2,762,790,048)	(80,356,721)	(2,843,146,769)	
Dividends paid	-	-	-	-	-	-	-	-	-	-	-	
Closing balance as at 31 December 2011	5,264,650,000	8,601,300,000	47,373,035	530,000,000	42,681,867,762	1,063,456,955	(210,622,492)	852,834,463	57,978,025,260	555,026,907	58,533,052,167	
Opening balance as at 1 January 2012	5,264,650,000	8,601,300,000	47,373,035	530,000,000	42,681,867,762	1,063,456,955	(210,622,492)	852,834,463	57,978,025,260	555,026,907	58,533,052,167	
Changes in shareholders' equity for the year	-	-	-	-	10,979,397,609	2,096,181,016	(724,724,350)	1,371,456,666	12,350,854,275	44,319,537	12,395,173,812	
Total comprehensive income for the year	-	-	-	-	(2,895,519,605)	-	-	-	(2,895,519,605)	(112,991,363)	(3,008,510,968)	
Dividends paid	-	-	-	-	-	-	-	-	-	-	-	
Acquisitions of investments in subsidiaries	-	-	-	-	-	-	-	-	-	400,507,377	400,507,377	
Closing balance as at 31 December 2012	5,264,650,000	8,601,300,000	47,373,035	530,000,000	50,765,745,766	3,159,637,971	(935,346,842)	2,224,291,129	67,433,359,930	886,862,458	68,320,222,388	

Statements of Changes in Shareholders' Equity (continued)

For the years ended 31 December 2012 and 2011

	Company									
	Note	Issued and paid-up share capital Baht	Premium on share capital Baht	Premium on treasury stock Baht	Retained earnings		Other components of shareholders' equity			Total shareholders' equity Baht
					Legal reserve Baht	Unappropriated Baht	Available-for-sale investments Baht	Total other components of shareholders' equity Baht		
Opening balance as at 1 January 2011		5,264,650,000	8,601,300,000	47,373,035	530,000,000	35,142,994,510	1,213,023,094	1,213,023,094	1,213,023,094	50,799,340,639
Changes in shareholders' equity for the year		-	-	-	-	-	-	-	-	-
Total comprehensive income for the year		-	-	-	-	4,894,490,943	(149,566,139)	(149,566,139)	(149,566,139)	4,744,924,804
Dividends paid		-	-	-	-	(2,762,790,048)	-	-	-	(2,762,790,048)
Closing balance as at 31 December 2011		5,264,650,000	8,601,300,000	47,373,035	530,000,000	37,274,695,405	1,063,456,955	1,063,456,955	1,063,456,955	52,781,475,395
Opening balance as at 1 January 2012		5,264,650,000	8,601,300,000	47,373,035	530,000,000	37,274,695,405	1,063,456,955	1,063,456,955	1,063,456,955	52,781,475,395
Changes in shareholders' equity for the year		-	-	-	-	-	-	-	-	-
Total comprehensive income for the year		-	-	-	-	4,554,084,772	2,086,669,373	2,086,669,373	2,086,669,373	6,640,754,145
Dividends paid	31	-	-	-	-	(2,895,519,605)	-	-	-	(2,895,519,605)
Closing balance as at 31 December 2012		5,264,650,000	8,601,300,000	47,373,035	530,000,000	38,933,260,572	3,150,126,328	3,150,126,328	3,150,126,328	56,526,709,935



Pravin Jethani

Electricity Generating Public Company Limited

Statements of Cash Flows

For the years ended 31 December 2012 and 2011

	Notes	Consolidated		Company	
		2012 Baht	2011 Baht	2012 Baht	2011 Baht
Cash flows from operating activities					
Profit before corporate income tax for the year		11,826,467,232	5,370,525,951	4,554,467,650	4,894,490,943
Adjustments to reconcile profit before corporate income tax to net cash provided by operations:					
- Depreciation and amortisation		2,810,751,914	1,972,553,321	1,053,402,897	1,053,132,812
- Allowance for obsolescence		208,619,811	217,216,514	105,536,365	121,740,689
- Retirement benefit expenses	22	30,974,679	25,988,046	10,342,608	10,310,096
- Interest income		(153,560,682)	(176,396,514)	(192,521,377)	(189,063,659)
- Interest expenses		1,018,185,447	466,647,642	476,524,713	380,541,269
- Provision for decommissioning costs		41,499,562	50,892,632	16,229,399	15,575,239
- Unrealised (gains) losses on exchange rates		(382,249,382)	163,988,568	(358,441,818)	140,490,000
- Gain on exchange rate from the decreasing in registered share capital of a joint venture	14.1.2	(118,537,874)	-	-	-
- Gains on a business combination achieved in stages, net	14.1.1	(4,310,427,223)	-	-	-
- Losses from write-off and disposal of spare parts and supplies		21,515	68,627	21,515	68,627
- (Gains) losses on write-off and disposal of equipment		928,158	5,357	(847,783)	(69,774)
- Gains from discontinued operation of a subsidiary		-	-	-	(6,982,607)
- Dividends received from other company		(155,721,595)	(115,233,980)	(155,721,595)	(115,233,980)
- Dividends received from subsidiaries and joint ventures	14.4	-	-	(4,646,428,386)	(5,364,452,040)
- Share of profit from interests in joint ventures, net	14.1	(5,577,586,306)	(5,199,684,409)	-	-
Cash flows before changes in operating assets and liabilities		5,239,365,256	2,776,571,755	862,564,188	940,547,615
Changes in operating assets and liabilities: (excluding the effects of acquisition and disposal of subsidiaries)					
- Other current assets		(447,199,086)	(56,747,588)	(133,232,503)	(69,231,794)
- Other non-current assets		(13,815,436)	77,353,857	72,442,428	78,512,080
- Short-term and long-term investments used as collateral		(3,202,217)	620,824,463	-	-
- Trade receivables and trade receivable from a related party		(258,993,848)	(3,360,613)	12,747,673	17,928,067
- Amounts due from related parties		(102,330,168)	8,946,332	653,978	(3,225,854)
- Spare parts and supplies		268,242,855	(117,590,329)	49,634,355	28,693,005
- Trade payables and trade payable to a related party		6,666,458	(7,911,130)	18,508,845	28,290,932
- Amounts due to related parties		(6,356,467)	(4,062,337)	909,202	(1,852,898)
- Retirement benefit paid	22	(31,441,215)	(7,112,522)	(12,046,645)	(701,660)
- Other current liabilities and other non-current liabilities		97,847,272	(66,972,599)	(42,406,245)	1,385,482
Cash generated from operations		4,748,783,404	3,219,939,289	829,775,276	1,020,344,975

Electricity Generating Public Company Limited

Statements of Cash Flows (continued)

For the years ended 31 December 2012 and 2011

	Notes	Consolidated		Company	
		2012 Baht	2011 Baht	2012 Baht	2011 Baht
Cash flows from operating activities (continued)					
Cash generated from operations		4,748,783,404	3,219,939,289	829,775,276	1,020,344,975
- Interest received		191,642,825	152,419,869	197,163,095	166,871,516
- Tax paid		(733,462,441)	(171,659,875)	(382,878)	(9,657,280)
Net cash receipts from operating activities		4,206,963,788	3,200,699,283	1,026,555,493	1,177,559,211
Cash flows from investing activities					
Investments in subsidiaries and interests in joint ventures, net of cash and cash equivalents transferred as part of acquisition		(19,650,603,912)	(6,570,001,495)	(17,052,152,138)	(6,237,422,000)
Net cash receipts (payments) from short-term investments		1,805,573,082	(1,489,463,592)	1,797,098,405	(1,448,832,809)
Net cash receipts from long-term investments		1,448,526	156,075,075	-	158,000,000
Acquisition of other long-term investments		(120,750,000)	(125,000,000)	(120,750,000)	(125,000,000)
Net cash payments in purchases of equipment		(357,464,017)	(76,474,101)	(21,634,755)	(21,302,557)
Cash payments in short-term loans to related parties		(93,855,031)	-	(574,855,031)	-
Cash receipts from short-term loans to related parties		34,155,031	-	564,537,381	45,882,350
Cash payments in long-term loans to related parties		-	-	(721,367,258)	-
Cash payments for receipt of long-term loan receivables and interest receivables		(369,088,173)	-	(369,088,173)	-
Cash received from discontinued operation of a subsidiary		-	-	-	6,982,607
Dividends received from subsidiaries and joint ventures	14.4	4,087,746,612	6,403,252,203	3,619,379,450	5,455,968,612
Dividends received from other company		155,721,595	115,233,980	155,721,595	115,233,980
Proceeds from decreasing in registered share capital of a joint venture	14.1.2	376,015,329	-	-	-
Net cash payments in investing activities		(14,131,100,958)	(1,586,377,930)	(12,723,110,524)	(2,050,489,817)
Cash flows from financing activities					
Payments on finance leases		(2,739,443)	(3,257,977)	(1,062,724)	(1,062,724)
Interests paid		(1,003,944,657)	(460,923,941)	(471,149,992)	(373,477,533)
Proceeds from short-term loans from financial institutions		11,027,400,000	-	10,987,000,000	-
Payments on short-term loans from financial institutions		(663,072,400)	-	(100,000,000)	-
Proceeds from long-term loans from financial institutions	21.3	334,628,051	3,042,700,000	-	3,042,700,000
Payments on long-term loans from financial institutions and debentures	21.3	(915,304,113)	(724,073,518)	(280,543,634)	-
Proceeds from increasing in share capital of subsidiary from another shareholder		4,100,000	-	-	-
Dividends paid to shareholders		(2,999,665,205)	(2,844,842,618)	(2,894,994,649)	(2,762,235,948)
Net cash receipts from (payments in) financing activities		5,781,402,233	(990,398,054)	7,239,249,001	(94,076,205)

Electricity Generating Public Company Limited

Statements of Cash Flows (continued)

For the years ended 31 December 2012 and 2011

	Consolidated		Company	
	2012 Baht	2011 Baht	2012 Baht	2011 Baht
Net increase (decrease) in cash and cash equivalents	(4,142,734,937)	623,923,299	(4,457,306,030)	(967,006,811)
Beginning balance	8,401,866,377	7,748,266,006	5,674,226,709	6,641,233,520
Effect of exchange rate changes	(111,637,899)	29,677,072	-	-
Ending balance	4,147,493,541	8,401,866,377	1,216,920,679	5,674,226,709

Cash and cash equivalents are made up as follows:

- Cash in hand and deposits at financial institutions - maturities within three months	2,235,776,053	2,539,090,823	39,349,851	339,646,491
- Short-term investments in promissory notes - maturities within three months	1,911,717,488	5,862,775,554	1,177,570,828	5,334,580,218
	4,147,493,541	8,401,866,377	1,216,920,679	5,674,226,709

Non-cash transactions

- Purchases of fixed assets by finance lease liabilities	-	27,512,619	-	3,998,070
- Reclassification of utilised capital spare parts to property, plant and equipment	451,149,214	242,058,511	185,760,381	141,847,753
- Reclassification of unutilised capital spare parts from property, plant and equipment	(267,471,090)	(258,683,278)	(66,417,165)	(133,061,844)
- Increase in property, plant and equipment by other payables	96,041,986	10,877,070	4,229,080	8,344,308

General Information

Company	Business	Registered Share Capital (Million Baht)	Par Value (Baht)	Paid-up Share Capital (Million Baht)	Ownership Interest (Direct + Indirect) (%)
Electricity Generating Public Company Limited (EGCO) Registration 0107537000866 (No.BorMorJor.333) Head Office 14 th , 15 th Floor EGCO Tower, 222 Moo 5, Vibhavadi Rangsit Road, Tungsonghong, Laksi, Bangkok 10210, Thailand Tel. +66 (0) 2998 5000 Fax +66 (0) 2955 0956-9 Rayong Power Plant Bangkok Office 12 th Floor, EGCO Tower Tel. +66 (0) 2998 5000 Fax +66 (0) 2955 0931 Rayong Office 35 Rayong Highway No. 3191 Huay Pong District, Amphur Muang, Rayong 21150, Thailand Tel. +66 (0) 3868 1012, +66 (0) 3868 1016, +66 (0) 3868 1020 Fax +66 (0) 3868 1784 Sector Energy & Utilities Industry Resources Foreign Limit 44.81% Share of Minor Shareholder (% Free Float) 51.90% Website www.egco.com	Holding Company focusing on Power business and others related to power business Independent Power Producer (IPP) Electricity Generating and supply business	5,300	10	5,264.65	-

Subsidiaries

Company	Business	Registered Share Capital (Million Baht)	Par Value (Baht)	Paid-up Share Capital (Million Baht)	Ownership Interest (Direct + Indirect) (%)
Khanom Electricity Generating Company Limited (KEGCO) Office 12 th Floor, EGCO Tower Tel. +66 (0) 2998 5000 Fax +66 (0) 2955 0932 Site Office 112 Moo 8, Tongnean District, Amphur Khanom, Nakhon Sri Thammarat 80210, Thailand Tel. +66 (0) 7552 9173, +66 (0) 7552 9179 Fax +66 (0) 7552 8358	IPP Electricity Generating and supply business	5,000	10	4,850	99.99
EGCO Engineering & Service Company Limited (ESCO) Office 13 th Floor, EGCO Tower Tel. +66 (0) 2998 5000 Fax +66 (0) 2955 0933 Site Office 35 Rayong Highway No. 3191 Huay Pong District, Amphur Muang, Rayong 21150, Thailand Tel. +66 (0) 3868 2611-4 Fax +66 (0) 3868 2823	Engineering, operation and maintenance services for power plants and manufacturers	400	10	400	99.99
North Pole Investment Company Limited (North Pole) Office EGCO Tower Tel. +66 (0) 2998 5000 Fax +66 (0) 2955 0956-9 Oversea office 6 th Floor, Tower A, 1 CyberCity, Ebene, Republic of Mauritius	Holding company focusing on investment in electricity generating companies in foreign countries	25,571.95 ¹ (837,046,921 USD)	30.5502 ¹ (1 USD)	25,571.95 ¹ (837,046,921 USD)	100

Subsidiaries (continued)

Company	Business	Registered Share Capital (Million Baht)	Par Value (Baht)	Paid-up Share Capital (Million Baht)	Ownership Interest (Direct + Indirect) (%)
EGCO International (B.V.I.) Limited (EGCO B.V.I.) Office EGCO Tower Tel. +66 (0) 2998 5000 Fax +66 (0) 2955 0956-9 Overseas office Akara Bldg., 24 De Castro Street, Wickhams Cay 1, Road Town, Tortola, British Virgin Islands, P.O. Box 3136	Holding company focusing on investment in electricity generating companies in foreign countries	10.69 ¹ <i>(350,000 USD)</i>	30.5502 ¹ <i>(1 USD)</i>	10.69 ¹ <i>(350,000 USD)</i>	100
New Growth Cooperatief U.A. (Coop) Office EGCO Tower Tel. +66 (0) 2998 5000 Fax +66 (0) 2955 0956-9 Overseas office De Lairessestraat 154, 1075 HL Amsterdam, The Netherlands	Holding company focusing on investment in electricity generating companies in foreign countries	22,782.95 ¹ <i>(745,754,647 USD)</i>		22,782.95 ¹ <i>(745,754,647 USD)</i>	100
New Growth B.V. (BV) Office EGCO Tower Tel. +66 (0) 2998 5000 Fax +66 (0) 2955 0956-9 Overseas office De Lairessestraat 154, 1075 HL Amsterdam, The Netherlands	Holding company focusing on investment in electricity generating companies in foreign countries	1.11 ¹ <i>(36,284 USD)</i>		1.11 ¹ <i>(36,284 USD)</i>	100
Quezon Power (Philippines), Limited Co. (Quezon) (North Pole is the company's 98% indirect shareholder) Office 26/F Orient Square Building, Ortigas Center, pasig City, 1605 Philippines Overseas office Barangay, Cagsiay I, Mauban Quezon Province, Philippines 4330	IPP Electricity Generating and supply business	6,343.48 ¹ <i>(207,641,268 USD)</i>		6,343.48 ¹ <i>(207,641,268 USD)</i>	98
Pearl Energy Philippines Operating, Inc. (PEPOI) Office EGCO Tower Tel. +66 (0) 2998 5000 Fax +66 (0) 2955 0956-9 Overseas office Barangay, Cagsiay I, Mauban, Quezon, Philippines 4330	Operation and Maintenance of QPL	6.11 ¹ <i>(200,000 USD)</i>		6.11 ¹ <i>(200,000 USD)</i>	100
Quezon Management Service Limited (QMS) Office EGCO Tower Tel. +66 (0) 2998 5000 Fax +66 (0) 2955 0956-9 Overseas office 26/F Orient Square Building, Ortigas Center, pasig City, 1605 Philippines	Management service for Quezon Power Plant	3.88 ³ <i>(5,260,000 PESO)</i>		3.88 ³ <i>(5,260,0 PESO)</i>	100
EGCO Cogeneration Company Limited (EGCO Cogen) Office 13 th Floor, EGCO Tower Tel. +66 (0) 2998 50000 Fax +66 (0) 2955 0956-9 Site Office 222 Moo 8, Mabkha District, Amphur Nikhom Phattana, Rayong 21180, Thailand Tel. +66 (0) 3863 7051-8 Fax +66 (0) 3863 7063	Small Power Producer (SPP) Electricity and steam generating and supply business	1,060	10	1,060	80
EGCO Green Energy Company Limited (EGCO Green) Office EGCO Tower Tel. +66 (0) 2998 5000 Fax +66 (0) 2955 0956-9	Holding company focusing on power business	175	10	175	74
Roi-Et Green Energy Company Limited (Roi-Et Green) (EGCO Green is the company's 95.00% shareholder) Office 13 th Floor, EGCO Tower	SPP utilizing Biomass as primary fuel	180	10	180	70.30

Subsidiaries (continued)

Company	Business	Registered Share Capital (Million Baht)	Par Value (Baht)	Paid-up Share Capital (Million Baht)	Ownership Interest (Direct + Indirect) (%)
<p>Tel. +66 (0) 2998 5000 Fax +66 (0) 2955 0956-9 222 Moo 10, Nua-Muang District, Amphur Muang, Roiet 45000, Thailand Tel. +66 (0) 4351 9825-6 Fax +66 (0) 4351 9827</p>					
<p>Agro Energy Company Limited (AE) (ESCO is the company's 99.99% shareholder) Office EGCO Tower Tel. +66 (0) 2998 5000 Fax +66 (0) 2955 0956-9</p>	Trading/delivery service of fuel from natural scrap	2	10	2	99.99
<p>Egcom Tara Company Limited (Egcom Tara) (ESCO is the company's 74.19% shareholder) Office 13th Floor, EGCO Tower Tel. +66 (0) 2998 5000 Fax +66 (0) 2955 0945 Site office - Plant 1 332 Moo 2, Pongsawai District, Amphur Muang, Ratchburi 70000, Thailand - Plant 2 250 Moo 1, Pangpuay District, Amphur Damneansaduak Ratchburi 70130, Thailand</p>	Piped water generating and supply business	345	10	345	74.19
<p>SPP Two Company Limited (SPP 2) Office EGCO Tower Tel. +66 (0) 2998 5000 Fax +66 (0) 2955 0956-9 Site Office Salangpan District, Amphur Wang Muang, Saraburi 18220, Thailand</p>	VSPP Electricity Generating and Supply Business using Solar Power	196.7	10	196.7	99.99
<p>SPP Three Company Limited (SPP 3) Office EGCO Tower Tel. +66 (0) 2998 5000 Fax +66 (0) 2955 0956-9 Site Office Tha-Klor District, Amphur Benjaluck, Srisaket 33110, Thailand</p>	VSPP Electricity Generating and Supply Business using Solar Power	197.5	10	197.5	99.99
<p>SPP Four Company Limited (SPP 4) Office EGCO Tower Tel. +66 (0) 2998 5000 Fax +66 (0) 2955 0956-9 Site Office Tha-Klor District, Amphur Benjaluck, Srisaket 33110, Thailand</p>	VSPP Electricity Generating and Supply Business using Solar Power	148.7	10	148.7	99.99
<p>SPP Five Company Limited (SPP 5) Office EGCO Tower Tel. +66 (0) 2998 5000 Fax +66 (0) 2955 0956-9 Site Office Roi-Et, Thailand</p>	VSPP Electricity Generating and Supply Business using Solar Power	198.4	10	198.4	99.99
<p>Theppana Wind Farm Company Limited Office EGCO Tower Tel. +66 (0) 2998 5999 Fax +66 (0) 2955 0956-9</p>	VSPP Electricity Generating and Supply Business using Solar Power	157.32	100	103.42	90
<p>Yanhee EGCO Holding Company Limited Office EGCO Tower Tel. +66 (0) 2998 5999 Fax +66 (0) 2955 0956-9</p>	VSPP Electricity Generating and Supply Business using Solar Power	10	100	10	49
<p>Solarco Company Limited Office EGCO Tower Tel. +66 (0) 2998 5999 Fax +66 (0) 2955 0956-9</p>	VSPP Electricity Generating and Supply Business using Solar Power	1,650	100	660.6	49

Joint Ventures:

Company	Business	Registered Share Capital (Million Baht)	Par Value (Baht)	Paid-up Share Capital (Million Baht)	Ownership Interest (Direct + Indirect) (%)
Gulf Electric Public Company Limited (GEC) Office No.87, 11 th Floor, M. Thai Tower 1, All Seasons Place, 87 Wireless Road, Lumpini, Pathumwan, Bangkok 10330, Thailand Tel. +66 (0) 2654 0155 Fax +66 (0) 2654 0156-7 Website http://www.gulfelectric.co.th	Holding company focusing on IPP and SPP	14,000	10	13,784.35	50
Gulf Power Generation Company Limited (GPG) (GEC is the company's 100% shareholder) Site office 64 Moo 2 Ban Pa District, Amphur Kaeng Khoi, Saraburi 18110, Thailand Tel. +66 (0) 3624 8305 Fax +66 (0) 3624 8314, +66 (0) 3625 1344	Independent Power Producer (IPP) Electricity Generating and supply business	9,607	10	9,607	50
Gulf Cogeneration Company Limited (GCC) (GEC is the company's 100% shareholder) Site office 79 Moo 3, Tandeow District, Amphur Kaeng Khoi, Saraburi 18110, Thailand Tel. +66 (0) 3624 6531 Fax +66 (0) 3624 8020	Small Power Producer (SPP) Electricity and steam generating and supply business	850	10	850	50
Nong Khae Cogeneration Company Limited (NKCC) (GEC is the company's 100% shareholder) Site office 111/11 Moo 7 Nongplamor District, Amphur Nong Khae, Saraburi 18140, Thailand Tel. +66 (0) 3637 3676 Fax +66 (0) 3637 3691	Small Power Producer (SPP) Electricity and steam generating and supply business	1,241.72	74	1,241.72	50
Samutprakarn Cogeneration Company Limited (SCC) (GEC is the company's 100% shareholder) Site office 745 Moo 2 Bang Pu Mai District, Amphur Muang, Samutprakarn 10280, Thailand Tel. +66 (0) 2709 0751 Fax +66 (0) 2709 1842	Small Power Producer (SPP) Electricity and steam generating and supply business	981.54	76	981.54	50
Gulf Yala Green Company Limited (GYG) (GEC is the company's 100% shareholder) Site office 80 Moo 1, Pron District, Amphur Muang, Yala 95160, Thailand Tel. +66 (0) 7325 2721 Fax +66 (0) 7325 2722	SPP utilizing Biomass as primary fuel	460	10	460	50
Conal Holding Corporation (Conal) (EGCO B.V.I. is the company's 40% shareholder) Office EGCO Tower Tel. +66 (0) 2998 5000 Fax +66 (0) 2955 0956-9 Oversea office 4 th Floor, Alphaland Southgate Tower 2258 Chino Roces Avenue Corner EDSA Makati City, 1232 Philippines Tel. (632) 836 4940, (632) 836 4403 Fax (632) 801 0593	Holding company focusing on power business in the Philippines	239.95 ¹ (7,854,423 USD)	99.90 ¹ (3.27 USD)	239.95 ¹ (7,854,423 USD)	40
Alto Power Management Corporation (APMC) (Conal is the company's 60% shareholder) Oversea office 4 th Floor, Alphaland Southgate Tower 2258 Chino Roces Avenue	Operation and maintenance services for power plants and consulting	15.16 ¹ (496,278 USD)	75.76 ¹ (2.48 USD)	7.58 ¹ (248,139 USD)	24

Joint Ventures: (continued)

Company	Business	Registered Share Capital (Million Baht)	Par Value (Baht)	Paid-up Share Capital (Million Baht)	Ownership Interest (Direct + Indirect) (%)
Corner EDSA Makati City, 1232 Philippines Tel. (632) 836 4940 Fax (632) 801 0593					
Western Mindanao Power Corporation (WMPC) (Conal is the company's 44% indirect shareholder) Overseas office 4 th Floor, Alphaland Southgate Tower 2258 Chino Roces Avenue Corner EDSA Makati City, 1232 Philippines Tel. (632) 836 4940 Fax (632) 801 0593 Site office Sitio Malasugat, Sangali, Zamboanga City, Philippines	IPP Electricity Generating and supply business	118.92 ¹ (3,892,661 USD)	79.43 ¹ (2.60 USD)	107.41 ¹ (3,515,851 USD)	17.6
Southern Philippines Power Corporation (SPPC) (Conal is the company's 44% indirect shareholder) Overseas office 4 th Floor, Alphaland Southgate Tower 2258 Chino Roces Avenue Corner EDSA Makati City, 1232 Philippines Tel. (632) 836 4940 Fax (632) 801 0593 Site office Bo. Baluntay, Alubel, Sarangani Province, Philippines	Electricity Generating and supply business	74.73 ¹ (2,445,986 USD)	83.10 ¹ (2.72 USD)	68.87 ¹ (2,254,384 USD)	17.6
BLCP Power Limited (BLCP) Office No. 9, I-8 Road, Map Ta Phut Industrial Estate, Amphur Map Ta Phut, Rayong 21150, Thailand Tel. +66 (0) 3892 5100 Fax +66 (0) 3892 5199	IPP Electricity Generating and supply business	12,010	100	12,010	50
Nam Theun 2 Power Company Limited (NTPC) Office Unit 9, Tat Luang Road Nongbone Village, P.O. Box 5862 Vientiane, Lao PDR Tel. (856-21) 263 900 Fax (856-21) 263 901	IPP Electricity Generating and supply business	13,747.59 ¹ (450,000,000 USD)	3,055.02 ¹ (100 USD)	11,410.50 ¹ (373,500,000 USD)	35
Natural Energy Development Company Limited (NED) Office 999/9 the Offices at Central World, Rama 1 Road, Pathumwan, Bangkok 10330, Thailand Site Office 188 Moo 3, Wang Ploeng Sub-District, Khok Samrong District, Lopburi 15120, Thailand Tel. +66 (0) 3641 8400 Fax +66 (0) 3641 8401	SPP Electricity Generating and Supply Business using Solar Power	2,304	10	2,283	33.33
G-Power Source Company Limited (GPS) Office 1046 Nakornchaisri Rd., Nakornchaisri, Dusit, Bangkok 10300 Thailand Tel. +66 (0) 2242 5800 Fax +66 (0) 2242 5832 Site Office - Branch 1 - 11/1,111,111/1 Moo 11 Tumbon Dong Khon, Amphoe, Sankhaburi Chai Nat 17140 - Branch 2 - 11/1,11/11 Moo 5 Tumbon Ta Khit, Amphoe Banphot Phisai, Nakhon Sawan 60180	VSPP Electricity Generating and Supply Business using Solar Power	930	100	894	60

Joint Ventures: (continued)

Company	Business	Registered Share Capital (Million Baht)	Par Value (Baht)	Paid-up Share Capital (Million Baht)	Ownership Interest (Direct + Indirect) (%)
- Branch 3 - 11,11/1 Moo 2 Tumbon Ta Sang, Amphoe Banphot Phisai, Nakhon Sawan 60180 - Branch 4 - 311,311/1 Moo 2 Tumbon Sap Samo Thot, Amphoe Bueng Sam Phan, Phetchabun 67160					
Absolute Power P Company Limited (APPC) Office EGCO Tower Tel +66 (0) 2998 5000 Fax +66 (0) 2955 0956-9 Site Office 8/1 Moo 11, Nong Bua District, Ban Khai, Rayong 21120, Thailand	Biodiesel business, Biodiesel production and trading	100	100	100	50
GIDEC Company Limited Office 408/70 Paholyothin Place Tower 16 th Floor Paholyothin Road, Samsennai, Phayathai, Bangkok 10400 Thailand Site Office Sanambin Panij Road, Moo 3 Kuanlung, Hat Yai, Song Khla 90110, Thailand	VSPP Electricity Generating and Supply Business using waste	400	100	400	50
PT Manambang Maura Enim (MME) Head Office BRI2 Building, 30 th Floor, Jalan Jendral Sudirman Kavling 44-46, Jakarta 10210 Indonesia Site Office Lawang Kidul and Tanjung Enim, Muara Enim City, Sumatera Selatan (South Sumatra) Province, Indonesia	COAL MINING industry, covering coal mining, coal concession development, coal trading and shipping	2,325.08 ² 750,000,000 <i>(Thousand Rupiah)</i>	3,100.10 ² 1,000 <i>(Thousand Rupiah)</i>	581.27 ² 187,500,000 <i>(Thousand Rupiah)</i>	40

Other:

Company	Business	Registered Share Capital (Million Baht)	Par Value (Baht)	Paid-up Share Capital (Million Baht)	Ownership Interest (%)
Eastern Water Resources Development and Management Public Company Limited (East Water) Office 23 - 26/F Eastwater Building, 1 Vibhavadi Rangsit Road, Jomphol, Chatuchak, Bangkok 10900, Thailand Tel. +66 (0) 2272 1600 Fax +66 (0) 2272 1601-3 Website www.eastwater.com	Water resources development and management for supplying raw water to the customers	1,663.73	1	1,663.73	18.72
Xayaburi Power Company Limited (XPCL) Office 215 Lanexang Avenue, Ban Siang Yuen, Chantaburi District, Vientiane, Lao PDR Tel. (856-21) 223 215, 252 060 Fax (856-21) 215 500	Feasibility study on Hydroelectric project in Lao PDR	16,250	10	1,966	12.5

Note : The Exchange rate as at December 28, 2012

¹ 1 USD = Baht 30.5502

² 1,000 Rupiah = Baht 3.1001

³ 1 PESO = Baht 0.7370



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