



Management Discussion and Analysis

For the Financial Result of Quarter 3 Year 2018

Ended September 30, 2018

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: 662-998-5150-3 or Email: ir@egco.com

Management Discussion and Analysis

1. Significant events in the third Quarter of 2018

- **The progress in construction projects**

- **Xayaburi Project**, a project of the **Xayaburi Power Company Limited**, (EGCO holds a 12.50% ownership interest.), is a hydro power plant project, Run-of-River. The project is located in the Laos People's Democratic Republic (Laos PDR). The project has entered into the PPA with EGAT with the contracted capacity of 1,220 MW and Electricite De Laos (EDL) with the contracted capacity of 60 MW for 29 years. The construction of the project has progressed 96.36% (The construction plan was 97.00%). The commercial operation date is scheduled in the fourth quarter of 2019.
- **SBPL Project**, a project of **San Buenaventura Power Ltd., Co.**, (EGCO holds a 49% ownership interest.), is a 500 MW supercritical coal-fired power plant, in Mauban, Quezon province of the Philippines. 455 MW of the plant's capacity and energy are contracted to the Manila Electric Company (MERALCO) pursuant to a 20 years power supply agreement which is extendable for up to an additional 5 years. The construction of the project has progressed 93.69% (The construction plan was 92.41%). The commercial operation date is scheduled in the fourth quarter of 2019.
- **NT1PC Project**, a project of **Nam Theun 1 Power Company Limited** (EGCO holds a 25% ownership interest.), is a hydro power plant project. The project is located on Nam Kading River in Bolikhamxay, Laos PDR. The project has entered into the PPA with EGAT with the contracted capacity of 514 MW and EDL with the contracted capacity of 130 MW for 27 years. The construction of the project has progressed 39.87% (The construction plan was 53.47%). The commercial operation date is scheduled in the second quarter of 2022.

2. Business overview

EGCO Group have invested in the Independent Power Producer (IPP), Small Power Producer (SPP), Very Small Power Producer (VSPP), Coal Mining, Operating and Maintenance (O&M), Management and Administrative Services (Management Services). Details as at September 30, 2018 of each plant are as follows:

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

1. Power Generation

1.1 Local power generation

Khanom Electricity Generating Co., Ltd. (KEGCO)	IPP
EGCO Cogeneration Co., Ltd. (EGCO Cogen)	SPP
Roi-Et Green Co., Ltd. (RG)	SPP
Banpong Utilities Co., Ltd. (BPU)	SPP
Klongluang Utilities Co., Ltd. (KLU)	SPP
Chaiyaphum Wind Farm Co., Ltd. (CWF)	SPP
SPP Two Co., Ltd. (SPP 2)	VSPP
SPP Three Co., Ltd. (SPP 3)	VSPP
SPP Four Co., Ltd. (SPP 4)	VSPP
SPP Five Co., Ltd. (SPP 5)	VSPP
Yanhee EGCO Holding Co., Ltd. (Yanhee EGCO)	Holding Co.
● Solarco Company Limited (Solarco)	VSPP
Theppana Wind Farm Co., Ltd. (TWF)	VSPP
EGCO Plus Co., Ltd. (EGCO Plus)	Holding Co.

1.2 Overseas Power Generation

Quezon Power (Philippines) Limited Co. (Quezon)
Boco Rock Wind Farm Pty Ltd. (BRWF)

2. Other businesses

2.1 Local Other Businesses

EGCO Engineering and Service Co., Ltd. (ESCO)	O&M
---	-----

2.2 Overseas Other Businesses

Pearl Energy Philippines Operating Inc. (PEPOI)	O&M
Quezon Management Service Inc. (QMS)	Management Services

(2) Associated in overseas power generation business

Star Energy Geothermal Pte. Ltd. (SEG)

Star Energy Geothermal (Salak – Darajat) B.V. (SEGSD)

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

1. Power Generation

1.1 Local power generation

Gulf Electric Public Company Limited (GEC)

..... Holding Co.

● Gulf Cogeneration Co., Ltd. (GCC)

..... 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 Limited (BLCP)

..... IPP

Natural Energy Development Co., Ltd. (NED)

..... SPP & VSPP

G-Power Source Co., Ltd. (GPS)

..... VSPP

1.2 Overseas power generation

Nam Theun 2 Power Co., Ltd. (NTPC)

San Buenaventura Power Ltd. Co. (SBPL)

Nam Theun 1 Power Co., Ltd. (NT1PC)

2. Others businesses

● **Overseas Other Business**

PT Manambang Muara Enim Co., Ltd. (MME)

..... Coal Mining

(4) Other investments

- Xayaburi Power Company Limited (XPCL)

As of September 30, 2018, EGCO Group's portfolio consists of 26 operating power plants, with a total contracted capacity of 4,260 MW equity and 3 construction projects, with a total contracted capacity of 544 MW equity.

3. Report and Analysis of the Operating Results

EGCO would like to present analysis of the operating results as follows:

Summary of operating results for Q3/2018, Ended of September 30, 2018

Unit: Million Baht

	<i>Power Generation</i>		<i>Others</i>		<i>Total</i>		<i>Change Increase (Decrease)</i>	
	<u>Quarter 3</u>		<u>Quarter 3</u>		<u>Quarter 3</u>		<u>Quarter 3</u>	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>Amount</u>	<u>%</u>
Total Revenues	10,140	8,600	203	183	10,343	8,783	1,560	18%
Total Expenses	(9,082)	(7,760)	(180)	(158)	(9,262)	(7,918)	1,344	17%
Share of Profit (Loss)	1,446	2,127	22	25	1,468	2,152	(684)	(32%)
Profit (Loss) before the effects of foreign exchange, deferred income tax, and lease income	2,504	2,967	45	50	2,549	3,017	(468)	(16%)
Deferred income (expense) tax	22	(13)	-	-	22	(13)	35	100%
Profit (Loss) before the effects of foreign exchange and lease income	2,526	2,954	45	50	2,571	3,004	(433)	(14%)
Profit (Loss) from foreign exchange	2,004	656	-	-	2,004	656	1,348	100%
Net profit (Loss) before the impact of lease income	4,530	3,610	45	50	4,575	3,660	915	25%
Impact of lease income	(628)	(143)	-	-	(628)	(143)	(485)	(100%)
Net Profit (Loss)	3,902	3,467	45	50	3,947	3,517	430	12%

To focusing on the operating performance, the impacts of lease income were excluded from the analysis of the operating result.

The operating profit of EGCO Group before the effects of foreign exchange, deferred income tax, impairment and lease income for Q3/2018 were 2,549 million Baht, decreasing by 468 million Baht comparing to Q3/2017, which came from a decrease in power generation business of 463 million Baht and a decrease in other business of 5 million Baht. See more details in 3.1 and 3.2 as follows;

3.1 The Analysis of the Operating Results in Power Generation business

Profit (loss) before the effects of foreign exchange, deferred income tax, impairment and lease income for Q3/2018 of power generation business decreased by 463 million Baht, comparing to Q3/2017. This was mainly due to a decrease in the operating results of KEGCO, NTPC, GPG, Quezon, SEG and BLCP. On the other hand, those of EGCO Plus, EGCO, BPU, CWF, SEGSD and KLU were increased as follows:

KEGCO:

Unit : Million Baht

	<u>Quarter 3</u>		<u>Change</u>	
	<u>2018</u>	<u>2017</u>	<u>Amount</u>	<u>%</u>
<i>Electricity revenue</i>				
- Availability Payment (AP)	964	1,112	(148)	(13%)
- Energy Payment (EP)	2,738	2,520	218	9%
Other income	6	8	(2)	(25%)
Total revenues	3,708	3,640	68	2%
<i>Cost of sale</i>	(3,183)	(2,931)	252	9%
<i>Other expenses</i>	(308)	(300)	8	3%
Total expenses	(3,491)	(3,231)	260	8%
Profit (Loss) before the effects of foreign exchange, deferred income tax, impairment and lease income	217	409	(192)	(47%)

- **KEGCO** : The operating result was decreased by 192 million Baht mainly due to a decrease in Availability Payment (AP) according to the PPA.

NTPC:

Unit : Million Baht

	<u>Quarter 3</u>		<u>Change</u>	
	<u>2018</u>	<u>2017</u>	<u>Increase (Decrease)</u>	
			<u>Amount</u>	<u>%</u>
<i>Electricity revenue</i>	691	842	(151)	(18%)
<i>Other income</i>	2	1	1	100%
Total revenues	693	843	(150)	(18%)
<i>Cost of sale</i>	(219)	(222)	(3)	(1%)
<i>Other expenses</i>	(143)	(173)	(30)	(17%)
Total expenses	(362)	(395)	(33)	(8%)
Profit (Loss) before the effects of foreign exchange, deferred income tax, impairment and lease income	331	448	(117)	(26%)

- **NTPC** : The operating result was decreased by 117 million Baht mainly due to lower electricity generation, comparing to the same period of previous year. This is caused by the floods occurred in July and August 2018. Meanwhile, interest expenses and corporate income tax were decreased.

GPG:

Unit : Million Baht

	<u>Quarter 3</u>		<u>Change</u>	
	<u>2018</u>	<u>2017</u>	<u>Increase (Decrease)</u>	
			<u>Amount</u>	<u>%</u>
<i>Electricity revenue</i>				
- <i>Availability Payment (AP)</i>	516	619	(103)	(17%)
- <i>Energy Payment (EP)</i>	237	457	(220)	(48%)
<i>Other income</i>	3	6	(3)	(50%)
Total revenues	756	1,082	(326)	(30%)
<i>Cost of sale</i>	(454)	(645)	(191)	(30%)
<i>Other expenses</i>	(93)	(134)	(41)	(31%)
Total expenses	(547)	(779)	(232)	(30%)
Profit (Loss) before the effects of foreign exchange, deferred income tax, impairment and lease income	209	303	(94)	(31%)

- **GPG** : The operating result was decreased by 94 million Baht mainly due to a decrease in Availability Payment (AP) according to the PPA and a decrease in electricity profit resulting from the lower dispatch from EGAT. Meanwhile, corporate income tax and interest expenses were decreased.

Quezon (Include PEPOI and QMS):

Unit : Million Baht

	<u>Quarter 3</u>		<u>Change</u>	
	<u>2018</u>	<u>2017</u>	<u>Amount</u>	<u>%</u>
Electricity revenue	2,739	2,827	(88)	(3%)
Other income	4	-	4	100%
Total revenues	2,743	2,827	(84)	(3%)
Cost of sale	(1,486)	(1,466)	20	1%
Other expenses	(372)	(399)	(27)	(7%)
Total expenses	(1,858)	(1,865)	(7)	(1%)
Profit (Loss) before the effects of foreign exchange, deferred income tax, impairment and lease income	885	962	(77)	(8%)

- **Quezon** : The operating result was decreased by 77 million Baht mainly due to a decrease in electricity profit from lower electricity generation resulting from the lower dispatch from Manila Electric Company (Meralco), comparing to the same period of previous year. Meanwhile, corporate income tax and interest expenses were decreased.

SEG:

Unit : Million Baht

	<u>Quarter 3</u>		<u>Change</u>	
	<u>2018</u>	<u>2017</u>	<u>Amount</u>	<u>%</u>
Electricity revenue	531	521	10	2%
Other income	2	47	(45)	(96%)
Total revenues	533	568	(35)	(6%)
Cost of sale	(100)	(93)	7	8%
Other expenses	(306)	(280)	26	9%
Total expenses	(406)	(373)	33	9%
Profit (Loss) before the effects of foreign exchange, deferred income tax, impairment and lease income	127	195	(68)	(35%)

- **SEG** : The operating result was decreased by 68 million as there was an insurance claim from landslide received in Q3/2017. Besides, interest and administrative expenses were increased. Meanwhile, corporate income tax was decreased.

BLCP:

Unit : Million Baht

	<u>Quarter 3</u>		<u>Change</u>	
	<u>2018</u>	<u>2017</u>	<u>Increase (Decrease)</u>	
			<u>Amount</u>	<u>%</u>
<i>Electricity revenue</i>				
- Availability Payment (AP)	921	972	(51)	(5%)
- Energy Payment (EP)	1,330	1,307	23	2%
Other income	20	8	12	100%
Total revenues	2,271	2,287	(16)	(1%)
Cost of sale	(1,675)	(1,608)	67	4%
Other expenses	(129)	(157)	(28)	(18%)
Total expenses	(1,804)	(1,765)	39	2%
Profit (Loss) before the effects of foreign exchange, deferred income tax, impairment and lease income	467	522	(55)	(11%)

- **BLCP** : The operating result was decreased by 55 million Baht mainly due to a decrease in Availability Payment (AP) according to the PPA and a decrease in electricity profit from lower electricity generation, caused by longer maintenance period comparing to previous year. Meanwhile, interest and administrative expenses were decreased. Besides, other income was increased.

EGCO Plus (Include Gen Plus B.V. and North Pole):

Unit : Million Baht

	<u>Quarter 3</u>		<u>Change</u>	
	<u>2018</u>	<u>2017</u>	<u>Increase (Decrease)</u>	
			<u>Amount</u>	<u>%</u>
<i>Electricity revenue</i>	-	-	-	-
Other income	155	1	154	100%
Total revenues	155	1	154	100%
Cost of sale	-	-	-	-
Other expenses	(90)	(94)	(4)	(4%)
Total expenses	(90)	(94)	(4)	(4%)
Profit (Loss) before the effects of foreign exchange, deferred income tax, impairment and lease income	65	(93)	158	100%

- **EGCO Plus** : The operating result was increased by 158 million Baht mainly due to an increase in interest income, caused by cash received from the disposal of shares in MPPCL.

EGCO:

Unit : Million Baht

	<u>Quarter 3</u>		<u>Change</u>	
	<u>2018</u>	<u>2017</u>	<u>Increase (Decrease)</u>	
			<u>Amount</u>	<u>%</u>
Electricity revenue	-	-	-	-
Other income	168	189	(21)	(11%)
Total revenues	168	189	(21)	(11%)
Cost of sale	-	-	-	-
Other expenses	(891)	(1,045)	(154)	(15%)
Total expenses	(891)	(1,045)	(154)	(15%)
Profit (Loss) before the effects of foreign exchange, deferred income tax, impairment and lease income	(723)	(856)	133	16%

- **EGCO** : The operating result was increased by 133 million Baht mainly due to a decrease in expenses, caused by the stopped amortization of right to PPA for MPPCL. Besides, interest income and other income were increased. Meanwhile, dividend income from East Water was decreased since the disposal of investment.

BPU:

Unit : Million Baht

	<u>Quarter 3</u>		<u>Change</u>	
	<u>2018</u>	<u>2017</u>	<u>Increase (Decrease)</u>	
			<u>Amount</u>	<u>%</u>
Electricity revenue	1,207	-	1,207	100%
Other income	2	-	2	100%
Total revenues	1,209	-	1,209	100%
Cost of sale	(1,009)	-	1,009	100%
Other expenses	(106)	(30)	76	100%
Total expenses	(1,115)	(30)	1,085	100%
Profit (Loss) before the effects of foreign exchange, deferred income tax, impairment and lease income	94	(30)	124	100%

- **BPU** : The operating result was increased by 124 million Baht resulted from the commencement of BPU since its Commercial Operation Date on October 1, 2017.

CWF:

Unit : Million Baht

	<u>Quarter 3</u>		<u>Change</u>	
	<u>2018</u>	<u>2017</u>	<u>Increase (Decrease)</u>	
			<u>Amount</u>	<u>%</u>
<i>Electricity revenue</i>	261	168	93	55%
<i>Other income</i>	4	1	3	100%
Total revenues	265	169	96	57%
<i>Cost of sale</i>	(82)	(88)	(6)	(7%)
<i>Other expenses</i>	(55)	(56)	(1)	(2%)
Total expenses	(137)	(144)	(7)	(5%)
Profit (Loss) before the effects of foreign exchange, deferred income tax, impairment and lease income	128	25	103	100%

- **CWF** : The operating result was increased by 103 million Baht due to higher wind speed, comparing to the same period of previous year, leading to higher electricity generation.

SEGSD:

Unit : Million Baht

	<u>Quarter 3</u>		<u>Change</u>	
	<u>2018</u>	<u>2017</u>	<u>Increase (Decrease)</u>	
			<u>Amount</u>	<u>%</u>
<i>Electricity revenue</i>	332	306	26	9%
<i>Other income</i>	-	-	-	-
Total revenues	332	306	26	9%
<i>Cost of sale</i>	(66)	(41)	25	61%
<i>Other expenses</i>	(182)	(217)	(35)	(16%)
Total expenses	(248)	(258)	(10)	(4%)
Profit (Loss) before the effects of foreign exchange, deferred income tax, impairment and lease income	84	48	36	75%

- **SEGSD** : The operating result was increased by 36 million Baht due to a decrease in administrative expense and corporate income tax. Meanwhile, interest expense was increased.

KLU:

Unit : Million Baht

	<u>Quarter 3</u>		<u>Change</u>	
			<u>Increase (Decrease)</u>	
	<u>2018</u>	<u>2017</u>	<u>Amount</u>	<u>%</u>
Electricity revenue	601	416	185	45%
Other income	-	-	-	-
Total revenues	601	416	185	45%
Cost of sale	(501)	(335)	166	50%
Other expenses	(64)	(54)	10	19%
Total expenses	(565)	(389)	176	45%
Profit (Loss) before the effects of foreign exchange, deferred income tax, impairment and lease income	36	27	9	33%

- **KLU** : The operating result was increased by 9 million Baht because Q3/2018 electricity profit was recognized three months, comparing to Q3/2017, since its Commercial Operation Date on July 20, 2017.

Other Subsidiaries in Power Generation business:

Unit : Million Baht

	<u>Rayong Power Plant</u>		<u>Yanhee EGCO</u>		<u>RG</u>		<u>SPP 2</u>		<u>SPP 3</u>		<u>SPP 4</u>		<u>SPP 5</u>	
	<u>Quarter 3</u>		<u>Quarter 3</u>		<u>Quarter 3</u>		<u>Quarter 3</u>		<u>Quarter 3</u>		<u>Quarter 3</u>		<u>Quarter 3</u>	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Electricity revenue	-	-	295	318	41	40	40	42	39	42	28	31	40	44
Other income	-	3	2	2	-	-	2	12	2	-	2	-	3	-
Total revenues	-	3	297	320	41	40	42	54	41	42	30	31	43	44
Cost of sale	-	-	(84)	(84)	(46)	(45)	(13)	(13)	(12)	(13)	(10)	(10)	(13)	(13)
Other expenses	-	(17)	(83)	(88)	(3)	(3)	(11)	(12)	(10)	(11)	(8)	(9)	(10)	(11)
Total expenses	-	(17)	(167)	(172)	(49)	(48)	(24)	(25)	(22)	(24)	(18)	(19)	(23)	(24)
Profit (Loss) before the effects of foreign exchange, deferred income tax, impairment and lease income	-	(14)	130	148	(8)	(8)	18	29	19	18	12	12	20	20

Other Subsidiaries in Power Generation business (continue) :

Unit : Million Baht

	TWF		EGCO COGEN		BRWF		Total		Change Increase (Decrease)	
	Quarter 3		Quarter 3		Quarter 3		Quarter 3		Quarter 3	
	2018	2017	2018	2017	2018	2017	2018	2017	Amount	%
Electricity revenue	18	11	451	431	325	380	1,277	1,339	(62)	(5)
Other income	-	-	1	-	2	2	14	19	(5)	(26)
Total revenues	18	11	452	431	327	382	1,291	1,358	(67)	(5)
Cost of sale	(7)	(7)	(400)	(368)	(114)	(112)	(699)	(665)	34	5
Other expenses	(5)	(6)	(17)	(18)	(89)	(122)	(236)	(297)	(61)	(21)
Total expenses	(12)	(13)	(417)	(386)	(203)	(234)	(935)	(962)	(27)	(3)
Profit (Loss) before the effects of foreign exchange, deferred income tax, impairment and lease income	6	(2)	35	45	124	148	356	396	(40)	(10)

Other Joint Ventures in Power Generation business:

Unit : Million Baht

	GPS (JV)		GEC (JV)		NED (JV)		GIDEC* (JV)		Masin-AES** (JV)		Other*** (JV)		Total		Change Increase (Decrease)	
	Quarter 3		Quarter 3		Quarter 3		Quarter 3		Quarter 3		Quarter 3		Quarter 3		Quarter 3	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	Amount	%
Electricity revenue	61	68	1,050	955	216	228	-	24	-	1,915	-	-	1,327	3,190	(1,863)	(58%)
Other income	1	-	11	5	2	2	-	-	-	-	-	4	14	11	3	27%
Total revenues	62	68	1,061	960	218	230	-	24	-	1,915	-	4	1,341	3,201	(1,860)	(58%)
Cost of sale	(23)	(24)	(919)	(813)	(60)	(60)	-	(19)	-	(1,162)	-	-	(1,002)	(2,078)	(1,076)	(52%)
Other expenses	(10)	(13)	(54)	(55)	(29)	(33)	-	(11)	-	(392)	(18)	(8)	(111)	(512)	(401)	(78%)
Total expenses	(33)	(37)	(973)	(868)	(89)	(93)	-	(30)	-	(1,554)	(18)	(8)	(1,113)	(2,590)	(1,477)	(57%)
Profit (Loss) before the effects of foreign exchange, deferred income tax, impairment and lease income	29	31	88	92	129	137	-	(6)	-	361	(18)	(4)	228	611	(383)	(63%)

* Divested ordinary shares in GIDEC on March 15, 2018.

** Divested ordinary shares in MPPCL on March 20, 2018.

*** SBPL and NT1PC are under construction.

3.2 The Analysis of the Operating Results in Other businesses

Profit (loss) before the effects of foreign exchange, deferred income tax, impairment and lease income for Q3/2018 in other businesses decreased by 5 million Baht comparing to Q3/2017.

The details are as follows:

Subsidiaries and Joint Ventures in Other business:

Unit : Million Baht

	<i>ESCO (Sub)</i>		<i>MME (JV)</i>		<i>Total</i>		<i>Change Increase (Decrease)</i>	
	<u>Quarter 3</u>		<u>Quarter 3</u>		<u>Quarter 3</u>		<u>Quarter 3</u>	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>Amount</u>	<u>%</u>
<i>Revenue</i>	-	-	167	187	167	187	(20)	(11%)
<i>Service income</i>	200	181	-	-	200	181	19	10%
<i>Other income</i>	3	2	2	1	5	3	2	67%
Total revenues	203	183	169	188	372	371	1	1%
<i>Cost of sale</i>	(157)	(134)	(131)	(149)	(288)	(283)	5	2%
<i>Other expenses</i>	(23)	(24)	(16)	(14)	(39)	(38)	1	3%
Total expenses	(180)	(158)	(147)	(163)	(327)	(321)	6	2%
Profit (Loss) before the effects of foreign exchange, deferred income tax, impairment and lease income	23	25	22	25	45	50	(5)	(10%)

Summary of operating results for 9M/2018, Ended of September 30, 2018

Unit : Million Baht

	Power Generation		Others		Total		Change Increase (Decrease)	
	2018	2017	2018	2017	2018	2017	Amount	%
Total Revenues	27,838	23,204	791	672	28,629	23,876	4,753	20%
Total Expenses	(26,000)	(21,695)	(705)	(606)	(26,705)	(22,301)	4,404	20%
Share of Profit (Loss)	5,022	6,231	67	56	5,089	6,287	(1,198)	(19%)
Gain on disposal of investments	14,162	-	-	-	14,162	-	14,162	100%
Profit (Loss) before the effects of foreign exchange, deferred income tax, impairment and lease income	21,022	7,740	153	122	21,175	7,862	13,313	100%
Loss from impairment	-	(21)	-	-	-	(21)	21	100%
Profit (Loss) before the effects of foreign exchange, deferred income tax and lease income	21,022	7,719	153	122	21,175	7,841	13,334	100%
Deferred income (expense) tax	(110)	142	-	-	(110)	142	(252)	(100%)
Profit (Loss) before the effects of foreign exchange and lease income	20,912	7,861	153	122	21,065	7,983	13,082	100%
Profit (Loss) from foreign exchange	574	2,577	-	-	574	2,577	(2,003)	(78%)
Net profit (Loss) before the impact of lease income	21,486	10,438	153	122	21,639	10,560	11,079	100%
Impact of lease income	115	(550)	-	-	115	(550)	665	100%
Net Profit (Loss)	21,601	9,888	153	122	21,754	10,010	11,744	100%

4. Cash Flow Analysis

As of September 30, 2018 cash and cash equivalents were 37,093 million Baht, increasing by 30,306 million Baht comparing to December 31, 2017. The details are as follows:

	Unit: Million Baht
Net cash <u>received from</u> operating activities	8,127
Net cash <u>received from</u> investing activities	35,025
Net cash <u>payment for</u> financing activities	(13,780)
Gain from the effect of foreign exchange rate	<u>934</u>
Net increase in cash	<u>30,306</u>

- **Net cash received from operating activities** was 8,127 million Baht from operating of EGCO and its subsidiaries.

- **Net cash received from investing activities** was 35,025 million Baht. The amount of 31,622 million Baht were received from disposal of shares in MPPCL, East Water and GIDEC. The dividend received from joint ventures and other company were 3,639 million Baht. Cash receipts from short-term and long-term investments used as collateral, short-term and long-term investments were 411 million Baht and 409 million Baht, respectively. Cash receipts from Interest income were 379 million Baht. Meanwhile, the construction costs and development costs of BPU and KLU were 1,036 million Baht. Equity injection in XPCL was 333 million Baht and the investment in NT1PC was 66 million Baht.

- **Net cash payment for financing activities** was 13,780 million Baht, resulted from the principal repayment of short-term and long-term loans totalling 20,416 million Baht, interest payment of loans and financing fees totalling 3,218 million Baht and the dividend payment to shareholders amounting to 5,022 million Baht. Meanwhile, the loan drawdown was 14,876 million Baht.

5. Financial Ratios

Profitability Ratios

	<u>Quarter 3</u>		<u>Change</u>
	<u>2018</u>	<u>2017</u>	<u>Increase/(Decrease)</u>
Gross Profit Ratio (%)	32.94	38.39	(5.45)
Operating Profit Ratio before FX (%)	29.28	32.19	(2.91)
Profit Ratio before FX (%)	15.64	17.41	(1.77)
Profit before FX per share (Baht)	4.88	5.71	(0.83)

Leverage Ratio and Liquidity Ratio

	<u>Quarter 3</u>	<u>Quarter 2</u>	<u>Change</u>
	<u>2018</u>	<u>2018</u>	<u>Increase/(Decrease)</u>
<i>Debt to equity ratio (Time)</i>			
- Consolidated	1.05	1.05	-
- Company	0.78	0.78	-
<i>Book value per share (Baht)</i>			
- Consolidated	191.52	195.52	(4.00)
- Company	119.76	121.81	(2.05)
<i>Current ratio (Time)</i>			
- Consolidated	4.53	5.15	(0.62)
- Company	3.41	6.35	(2.94)
<i>Interest Coverage Ratio (Time)</i>			
- Company	5.98	6.24	(0.26)