

13. Statement of Financial Status

Electricity Generating Public Company Limited

Statement of Financial Position

As at 31 December 2014

	Notes	Consolidated			Company		
		31 December 2014	Restated 31 December 2013	Restated 1 January 2013	31 December 2014	Restated 31 December 2013	Restated 1 January 2013
		Baht	Baht	Baht	Baht	Baht	Baht
Assets							
Current assets							
Cash and cash equivalents	7	6,859,020,383	6,983,790,385	4,147,493,526	892,293,618	1,800,125,759	1,216,920,679
Short-term investments	8						
- Deposits at financial institutions		363,836,605	127,156,620	134,107,615	528,797	972,369	977,071
- Marketable securities		5,019,698	3,000,000	-	-	-	-
Short-term investments used as collateral	9	1,425,480,120	807,313,276	687,976,387	-	-	-
Trade receivables, net	10	2,013,444,715	2,161,389,806	1,833,217,744	-	-	-
Trade receivable from a related party	39.4	270,967,584	270,990,782	235,103,442	-	-	-
Trade receivable from a related party for services under finance lease	39.5	250,001,622	331,693,692	189,538,082	101,889,858	174,688,316	81,942,354
Current portion of finance lease receivable from a related party	39.6	807,994,978	1,595,688,095	1,353,154,341	124,620,416	1,003,228,115	858,155,231
Current portion of receivable under a concession arrangement		15,325,308	14,866,673	14,421,764	-	-	-
Dividend receivables from subsidiaries and joint ventures	14.4	7,241,289,361	7,126,653,930	7,600,763,848	7,548,952,539	7,437,493,216	8,045,088,668
Short-term loans to related parties	39.8	-	-	56,200,000	-	-	56,200,000
Current portion of long-term loans to related parties	39.9	-	-	-	45,882,350	45,882,350	45,882,350
Amounts due from related parties	39.7	176,155,527	148,996,090	145,384,054	126,850,741	252,970,623	48,426,774
Fuel and spare parts and supplies, net	11	2,602,863,164	3,016,796,663	3,212,468,649	357,310,357	467,324,952	559,451,239
Other current assets	12	1,296,242,569	1,449,339,584	1,154,684,767	347,423,372	252,110,124	220,054,166
Total current assets		23,327,641,634	24,037,675,596	20,764,514,219	9,545,752,048	11,434,795,824	11,133,098,532
Non-current assets							
Finance lease receivable from a related party, net	39.6	1,570,803,104	3,158,161,523	4,468,155,628	-	1,028,086,166	1,821,772,131
Receivable under a concession arrangement, net		279,479,964	293,659,043	325,436,190	-	-	-
Long-term investments in marketable securities	13	3,368,603,473	3,802,303,123	4,023,893,202	3,363,586,452	3,799,606,918	4,017,617,151
Amounts due from a related party due over one year		-	-	60,452,781	-	-	60,452,781
Long-term loans to related parties, net	39.9	-	85,000,000	-	2,653,785,907	2,704,668,257	1,635,916,722
Deposits at financial institutions used as collateral		87,712,981	282,300	282,300	-	-	-
Investments in subsidiaries	14.2	-	-	-	56,485,788,272	35,042,200,872	33,720,618,084
Investment in an associate	14.3	6,850,756,077	-	-	-	-	-
Interests in joint ventures	14.3	48,920,430,120	33,975,477,103	31,823,253,878	24,371,697,638	24,371,697,638	24,418,626,488
Other long-term investments	13	1,168,002,500	726,158,750	247,750,000	1,167,562,500	725,718,750	247,750,000
Investment property	15	448,602,691	322,071,012	322,071,012	448,602,691	322,071,012	322,071,012
Property, plant and equipment, net	16	55,275,084,926	44,520,831,620	32,425,839,555	2,008,128,049	1,295,184,916	1,595,470,491
Intangible assets, net	17	5,181,718,446	5,626,051,035	5,418,780,685	-	-	-
Goodwill	18	9,904,480,882	9,850,345,586	9,846,164,486	-	-	-
Deferred tax assets, net	23	170,193,677	60,200,598	86,180,565	-	-	-
Advance payments for construction of power plants		3,454,084,331	3,969,854,827	314,583,988	-	-	-
Other non-current assets	19	679,489,962	692,079,329	177,460,395	19,792,824	11,551,549	46,818,067
Total non-current assets		137,359,443,134	107,082,475,849	89,540,304,665	90,518,944,333	69,300,786,078	67,887,112,927
Total assets		160,687,084,768	131,120,151,445	110,304,818,884	100,064,696,381	80,735,581,902	79,020,211,459

Electricity Generating Public Company Limited
Statement of Financial Position
As at 31 December 2014

	Notes	Consolidated				Company
		Restated		Restated		Restated
		31 December 2014	31 December 2013	31 December 2014	31 December 2013	1 January 2013
		Baht	Baht	Baht	Baht	Baht
Liabilities and shareholders' equity						
Current liabilities						
Short-term loans from financial institutions	20	10,048,300,000	1,800,000,000	10,673,650,000	9,878,300,000	1,800,000,000
Trade payables		781,887,385	1,230,807,672	1,142,218,414	9,409,625	16,065,370
Trade payable to a related party	39.4	9,186,384	29,469,240	84,045,636	6,022,825	10,440,761
Amounts due to related parties	39.7	15,302,308	13,062,183	10,265,114	484,530	927,580
Current portion of long-term loans from financial institutions, net	22	5,633,109,763	5,191,405,438	1,050,700,537	3,337,743,332	3,331,957,009
Other current liabilities	21	2,246,094,747	2,523,124,975	1,810,825,378	447,773,036	405,444,806
Total current liabilities		18,733,880,587	10,787,869,508	14,771,705,079	13,679,733,348	5,564,835,526
Non-current liabilities						
Long-term loans from financial institutions, net	22	59,686,171,783	42,237,559,592	24,165,114,877	28,905,145,521	18,023,178,849
Retirement benefit obligations	24	293,603,657	261,405,778	198,954,170	112,013,111	103,927,455
Provision for decommissioning costs	25	1,416,242,770	1,348,601,983	1,088,849,809	437,176,000	419,554,703
Deferred tax liabilities, net	23	4,953,891,737	5,293,820,814	5,008,609,276	610,469,742	693,785,534
Other non-current liabilities	26	1,384,607,000	938,252,204	212,266,506	24,419,306	25,306,969
Total non-current liabilities		67,734,516,947	50,079,640,371	30,673,794,638	30,089,223,680	19,265,753,510
Total liabilities		86,468,397,534	60,867,509,879	45,445,499,717	43,768,957,028	24,830,589,036

Electricity Generating Public Company Limited
Statement of Financial Position
As at 31 December 2014

		Consolidated			Company	
		31 December 2014	Restated 31 December 2013	Restated 1 January 2013	31 December 2014	Restated 1 January 2013
Notes		Baht	Baht	Baht	Baht	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	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	5,264,650,000
Premium on share capital		8,601,300,000	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	47,373,035
Retained earnings						
Appropriated						
- Legal reserve						
27		530,000,000	530,000,000	530,000,000	530,000,000	530,000,000
Unappropriated						
		57,483,797,926	53,107,201,468	49,101,822,721	39,115,976,955	39,018,500,507
Other components of shareholders' equity		1,336,886,607	1,792,146,560	428,273,905	2,345,692,876	2,520,101,062
Total equity attributable to the owners of the parent						
		73,264,007,568	69,342,671,063	63,973,419,661	55,904,992,866	55,981,924,604
Non-controlling interests	28	954,679,666	909,970,503	885,899,506	-	-
Total shareholders' equity						
		74,218,687,234	70,252,641,566	64,859,319,167	55,904,992,866	55,981,924,604
Total liabilities and shareholders' equity						
		160,687,084,768	131,120,151,445	110,304,818,884	80,735,581,902	79,020,211,459

Electricity Generating Public Company Limited
Income Statement
For the year ended 31 December 2014

	Notes	Consolidated		Company	
		2014	Restated 2013	2014	Restated 2013
		Baht	Baht	Baht	Baht
Sales and service income	29,39.1,39.2	17,200,799,036	17,458,170,222	-	-
Cost of sales and services	30	(10,309,986,548)	(10,396,056,178)	-	-
Gross profit		6,890,812,488	7,062,114,044	-	-
Other income	31	1,853,438,679	983,102,155	5,824,407,986	5,284,482,042
Currency exchange gains		144,299,950	106,506,687	192,042,764	149,570,080
Administrative expenses		(2,955,822,637)	(2,848,992,972)	(875,702,745)	(1,019,064,216)
Finance costs	33	(2,794,028,418)	(2,824,422,786)	(1,476,554,099)	(1,600,940,493)
Share of profit from investment in an associate and interests in joint ventures, net	14.1	5,460,634,235	6,156,246,404	-	-
Profit before income tax expense		8,599,334,297	8,634,553,532	3,664,193,906	2,814,047,413
Income tax expense	34	(792,488,569)	(1,306,448,423)	-	-
Profit for the year from continuing operations		7,806,845,728	7,328,105,109	3,664,193,906	2,814,047,413
Discontinued operation					
Profit for the year from discontinued operation, net of income tax	40	-	-	365,749,479	442,182,245
Profit for the year		7,806,845,728	7,328,105,109	4,029,943,385	3,256,229,658
Attributable to:					
Owners of the parent					
Profit for the year from continued operations		7,666,976,983	7,164,131,957	3,664,193,906	2,814,047,413
Profit for the year from discontinued operation		-	-	365,749,479	442,182,245
Profit for the year attributable to the owners of parent		7,666,976,983	7,164,131,957	4,029,943,385	3,256,229,658
Non-controlling interests		139,868,745	163,973,152	-	-
Profit for the year		7,806,845,728	7,328,105,109	4,029,943,385	3,256,229,658
Earnings per share for the year	35				
Basic earnings per share		14.56	13.61	7.65	6.19

Electricity Generating Public Company Limited
Statement of Comprehensive Income
For the year ended 31 December 2014

	Consolidated		Company	
	2014	Restated	2014	Restated
	Baht	2013	Baht	2013
	Baht	Baht	Baht	Baht
Profit for the year	7,806,845,728	7,328,105,109	4,029,943,385	3,256,229,658
Other comprehensive income				
Unrealised losses on investments in marketable securities - available-for-sale, net of income tax	(348,816,373)	(174,408,186)	(348,816,373)	(174,408,186)
Share of other comprehensive income of a joint venture, net of income tax	883,168	8,012,243	-	-
Exchange difference on translation	(108,846,348)	1,527,482,715	-	-
Other comprehensive income (expense) for the year	(456,779,553)	1,361,086,772	(348,816,373)	(174,408,186)
Total comprehensive income for the year	<u>7,350,066,175</u>	<u>8,689,191,881</u>	<u>3,681,127,012</u>	<u>3,081,821,472</u>
Total comprehensive income attributable to:				
Owners of the parent	7,211,717,030	8,528,004,612	3,681,127,012	3,081,821,472
Non-controlling interests	<u>138,349,145</u>	<u>161,187,269</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the year	<u>7,350,066,175</u>	<u>8,689,191,881</u>	<u>3,681,127,012</u>	<u>3,081,821,472</u>

Electricity Generating Public Company Limited
Statement of Changes in Shareholders' Equity
For the year ended 31 December 2014

	Attributable to owners of the parent												Consolidated		
	Notes	Issued and paid-up share capital	Premium on share capital	Premium on treasury stock	Other components of share holders' equity						Total owners of the parent	Non-controlling interests		Total shareholders' equity	
					Retained earnings			Share of other comprehensive income (expense)							Total other components of share holders' equity
					Baht	Baht	Baht	Legal reserve	Unappropriated	Available-for-sale investments					
Opening balance as at 1 January 2013															
- As previously reported	5,264,650,000	8,601,300,000	47,373,035	530,000,000	49,290,932,522	2,520,101,062	7,609,315	(2,101,697,582)	426,012,795	64,160,268,352	840,888,937	65,001,157,289			
- Retrospective adjustments from changes in accounting policies	3.1	-	-	-	(189,109,801)	-	-	2,261,110	2,261,110	(186,848,691)	45,010,569	(141,838,122)			
- As restated	5,264,650,000	8,601,300,000	47,373,035	530,000,000	49,101,822,721	2,520,101,062	7,609,315	(2,099,436,472)	428,273,905	63,973,419,661	885,899,506	64,859,319,167			
Changes in shareholders' equity for the year															
Total comprehensive income for the year															
(Restated)	-	-	-	-	7,164,131,957	(174,408,186)	8,012,243	1,530,268,598	1,363,872,655	8,528,004,612	161,187,269	8,689,191,881			
Dividends paid	-	-	-	-	(3,158,753,210)	-	-	-	-	(3,158,753,210)	(141,297,372)	(3,300,050,582)			
Additional paid-up share capital of a subsidiaries	-	-	-	-	-	-	-	-	-	-	4,181,100	4,181,100			
Closing balance as at 31 December 2013															
(Restated)	5,264,650,000	8,601,300,000	47,373,035	530,000,000	53,107,201,468	2,345,692,876	15,621,558	(569,167,874)	1,792,146,560	69,342,671,063	909,970,503	70,252,641,566			
Opening balance as at 1 January 2014															
- As previously reported	5,264,650,000	8,601,300,000	47,373,035	530,000,000	53,045,922,492	2,345,692,876	15,621,558	(581,344,898)	1,779,969,536	69,269,215,063	874,381,251	70,143,596,314			
- Retrospective adjustments from changes in accounting policies	3.1	-	-	-	61,278,976	-	-	12,177,024	12,177,024	73,456,000	35,589,252	109,045,252			
- As restated	5,264,650,000	8,601,300,000	47,373,035	530,000,000	53,107,201,468	2,345,692,876	15,621,558	(569,167,874)	1,792,146,560	69,342,671,063	909,970,503	70,252,641,566			
Changes in shareholders' equity for the year															
Total comprehensive income for the year															
Dividends paid	-	-	-	-	7,666,976,983	(348,816,373)	883,168	(107,326,748)	(455,259,953)	7,211,717,030	138,349,145	7,350,066,175			
Additional paid-up share capital of a subsidiaries	-	-	-	-	(3,290,380,525)	-	-	-	-	(3,290,380,525)	(132,769,394)	(3,423,149,919)			
Closing balance as at 31 December 2014															
	5,264,650,000	8,601,300,000	47,373,035	530,000,000	57,483,797,926	1,996,876,503	16,504,726	(676,494,622)	1,336,886,607	73,264,007,568	954,679,666	74,218,687,234			

Electricity Generating Public Company Limited
Statement of Changes in Shareholders' Equity
For the year ended 31 December 2014

	Notes	Company									
		Other components of shareholders' equity									
		Retained earnings					Other comprehensive income				
		Issued and paid-up share capital	Premium on share capital	Premium on treasury stock	Legal reserve	Unappropriated	Available-for-sale investments	Total other components of shareholders' equity	Total shareholders' equity		
Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht		
Opening balance as at 1 January 2013		5,264,650,000	8,601,300,000	47,373,035	530,000,000	38,933,260,572	2,520,101,062	2,520,101,062	55,896,684,669		
- As previously reported		-	-	-	-	85,239,935	-	-	85,239,935		
- Retrospective adjustments from changes in accounting policies		3.1									
- As restated		5,264,650,000	8,601,300,000	47,373,035	530,000,000	39,018,500,507	2,520,101,062	2,520,101,062	55,981,924,604		
Changes in shareholders' equity for the year		-	-	-	-	3,256,229,658	(174,408,186)	(174,408,186)	3,081,821,472		
Total comprehensive income for the year						(3,158,753,210)	-	-	(3,158,753,210)		
(Restated)											
Dividends paid											
Closing balance as at 31 December 2013 (Restated)		5,264,650,000	8,601,300,000	47,373,035	530,000,000	39,115,976,955	2,345,692,876	2,345,692,876	55,904,992,866		
Opening balance as at 1 January 2014		5,264,650,000	8,601,300,000	47,373,035	530,000,000	39,031,205,928	2,345,692,876	2,345,692,876	55,820,221,839		
- As previously reported		-	-	-	-	84,771,027	-	-	84,771,027		
- Retrospective adjustments from changes in accounting policies		3.1									
- As restated		5,264,650,000	8,601,300,000	47,373,035	530,000,000	39,115,976,955	2,345,692,876	2,345,692,876	55,904,992,866		
Changes in shareholders' equity for the year		-	-	-	-	4,029,943,385	(348,816,373)	(348,816,373)	3,681,127,012		
Total comprehensive income for the year						(3,290,380,525)	-	-	(3,290,380,525)		
Dividends paid		36									
Closing balance as at 31 December 2014		5,264,650,000	8,601,300,000	47,373,035	530,000,000	39,855,539,815	1,996,876,503	1,996,876,503	56,295,739,353		

Electricity Generating Public Company Limited
Statement of Cash Flows
For the year ended 31 December 2014

		Consolidated		Company	
		2014	Restated 2013	2014	Restated 2013
	Notes	Baht	Baht	Baht	Baht
Cash flows from operating activities					
Profit before income tax from continuing operations for the year		8,599,334,297	8,634,553,532	3,664,193,906	2,814,047,413
Adjustments to reconcile profit before income tax to net cash provided by operations:					
- Depreciation and amortisation		2,133,659,440	1,723,532,029	47,038,182	47,646,239
- Allowance for obsolescence		179,796,936	191,420,261	-	-
- Retirement benefit expenses		64,413,636	84,029,095	11,593,276	11,135,785
- Interest income		(70,354,641)	(66,935,551)	(205,723,902)	(207,088,450)
- Interest expenses		1,986,891,117	1,639,106,642	763,833,556	639,460,489
- Provision for decommissioning costs	25	66,320,891	45,027,784	-	-
- Unrealised losses on exchange rates		421,125,190	905,730,330	387,890,021	961,480,004
- Gain on exchange rate from the decreasing in registered share capital of a joint venture		-	(10,171,006)	-	-
- Accounting gains on a business combination		-	(6,459,581)	-	-
- Losses (gains) on disposal of interests in joint ventures		-	(61,311,641)	-	60,000,000
- Losses from write-off and disposal of spare parts and supplies		95,501,397	933,000	-	-
- Losses (gains) on write-off and disposal of equipment		4,368,743	(932,988)	(1,096,820)	(3,386,355)
- Dividends received from other company		(133,920,572)	(137,035,004)	(133,920,572)	(137,035,004)
- Dividends received from subsidiaries and joint ventures	16.4	-	-	(5,262,110,052)	(4,679,977,291)
- Share of profit from investment in an associate and interests in joint ventures, net	16.1	(5,460,634,235)	(6,156,246,404)	-	-
Cash flows before changes in operating assets and liabilities		7,886,502,199	6,785,240,498	(728,302,405)	(493,717,170)
Changes in operating assets and liabilities: (excluding the effects of acquisition of subsidiaries)					
- Trade receivables and trade receivable from a related party		149,176,732	(386,587,198)	-	-
- Trade receivable from a related party for services under finance lease		81,692,070	(124,373,927)	-	-
- Finance lease receivable from a related party		1,324,170,518	1,067,460,351	-	-
- Receivable under a concession arrangement		13,720,444	31,451,826	-	-
- Amounts due from related parties		(29,484,659)	19,906,049	16,177,993	(100,426,846)
- Fuel, spare parts and supplies		42,614,738	55,980,032	-	(4,964)
- Other current assets		129,434,570	(384,148,587)	(98,680,130)	(28,072,950)
- Other non-current assets		(78,093,655)	(679,393,789)	(8,256,734)	60,468,240
- Trade payables and trade payable to a related party		(467,290,910)	(754,381,099)	-	-
- Amounts due to related parties		(14,630,788)	4,542,165	400,000	(1,968,800)
- Retirement benefit paid	24	(32,091,104)	(21,601,787)	-	(2,240,000)
- Other current liabilities and other non-current liabilities		70,400,942	966,487,036	2,505,043	101,634,874
Cash generated from operations		9,076,121,097	6,580,581,570	(816,156,233)	(464,327,616)
- Tax paid		(1,114,379,329)	(1,122,553,668)	-	-
Net cash receipts from (payments in) operating activities from continuing operations		7,961,741,768	5,458,027,902	(816,156,233)	(464,327,616)
Net cash receipts from operating activities of discontinued operation		-	-	1,604,163,002	1,390,166,415
Net cash receipts from operating activities		7,961,741,768	5,458,027,902	788,006,769	925,838,799

Electricity Generating Public Company Limited
Statement of Cash Flows
For the year ended 31 December 2014

	Notes	Consolidated		Company	
		2014	Restated 2013	2014	Restated 2013
		Baht	Baht	Baht	Baht
Cash flows from investing activities					
Investments in subsidiaries, investment in an associate and interests in joint ventures, net of cash and cash equivalents transferred as part of acquisition		(21,045,020,366)	(262,829,205)	-	(1,374,653,938)
Cash payments for additional paid-up share capital in subsidiaries and interest in joint ventures		-	(50,210,835)	(21,433,587,400)	-
Short-term and long-term investments used as collateral, net		(705,880,348)	(72,536,874)	-	-
Interest received		61,157,755	100,971,280	316,052,802	101,016,998
Net cash receipts (payment in) from short-term investments		(234,098,336)	7,062,460	443,572	4,702
Net cash receipts (payment in) from long-term investments		(3,565,001)	362,868	-	-
Acquisition of other long-term investments		(441,843,750)	(478,408,750)	(441,843,750)	(477,968,750)
Net cash payments in purchases of and equipment and construction in progress		(11,177,555,481)	(9,638,189,624)	(70,061,414)	(7,813,740)
Net cash payments in purchases of intangible assets		(23,173,911)	(105,129,326)	-	-
Advance payments for construction of power plants		-	(3,969,854,827)	-	-
Cash payments in short-term loans to related parties		-	-	-	(620,000,000)
Cash receipts from short-term loans to related parties		-	10,317,650	-	676,200,000
Cash payments in long-term loans to related parties		-	(86,964,977)	(80,000,000)	(1,114,632,742)
Cash receipts from long-term loans to related parties		85,000,000	47,847,328	130,882,350	47,847,328
Dividends received from subsidiaries and joint ventures	14.4	5,050,752,048	4,652,599,667	5,150,650,729	5,287,572,743
Dividends received from other company		133,920,572	137,035,004	133,920,572	137,035,004
Proceeds from decreasing in registered share capital and disposal of joint ventures		-	419,347,261	-	5,000,000
Net cash receipts from (payments in) investing activities of discontinuing operation		-	-	(1,901,407)	1,017,998
Net cash receipts from (payments in) investing activities		(28,300,306,818)	(9,288,580,900)	(16,295,443,946)	2,660,625,603
Cash flows from financing activities					
Payments on finance leases		(2,335,744)	(2,135,375)	(1,199,421)	(1,062,724)
Interests paid		(2,079,325,709)	(1,567,502,263)	(676,309,583)	(632,110,930)
Proceeds from short-term loans from financial institutions		26,569,788,000	7,318,689,312	25,830,788,000	2,800,000,000
Payments on short-term loans from financial institutions		(18,602,496,000)	(15,886,409,312)	(18,033,496,000)	(11,327,320,000)
Proceeds from long-term loans from financial institutions	22.3	27,825,087,295	22,522,815,415	18,181,699,000	11,251,262,500
Payments on long-term loans from financial institutions	22.3	(9,500,623,472)	(2,889,978,315)	(7,342,117,544)	(1,935,800,818)
Payments on deferred financing fee		(78,119,296)	-	(69,970,453)	-
Dividends paid to shareholders		(3,470,632,829)	(3,288,174,268)	(3,289,788,963)	(3,158,227,350)
Net cash receipts from (payments in) financing activities of discontinued operation		-	-	-	-
Net cash receipts from (payments in) financing activities		20,661,342,245	6,207,305,194	14,599,605,036	(3,003,259,322)
Net increase (decrease) in cash and cash equivalents		322,777,195	2,376,752,196	(907,832,141)	583,205,080
Beginning balance		6,983,790,385	4,147,493,526	1,800,125,759	1,216,920,679
Effect of exchange rate changes		(447,547,197)	459,544,663	-	-
Ending balance		6,859,020,383	6,983,790,385	892,293,618	1,800,125,759

Electricity Generating Public Company Limited
Statement of Cash Flows
For the year ended 31 December 2014

	Consolidated		Company	
	2014	Restated 2013	2014	Restated 2013
	Baht	Baht	Baht	Baht
Cash and cash equivalents are made up as follows:				
- Cash in hand and deposits at financial institutions - maturities within three months	4,839,631,385	4,690,040,929	127,401,590	37,291,774
- Short-term investments in promissory notes - maturities within three months	2,019,388,998	2,293,749,456	764,892,028	1,762,833,985
	<u>6,859,020,383</u>	<u>6,983,790,385</u>	<u>892,293,618</u>	<u>1,800,125,759</u>
Non-cash transactions				
- Reclassification of utilised capital spare parts to property, plant and equipment	151,081,648	302,731,758	10,368,754	34,352,347
- Reclassification of unutilised capital spare parts from property, plant and equipment	(55,061,221)	(352,467,206)	(5,343,076)	(52,839,616)
- Reclassification of advance payment for constructions of power plants to property, plant and equipment	515,770,496	-	-	-
- Increase in property, plant and equipment by other payables (included retention)	600,107,606	9,987,485	14,626,271	9,510,456
- Reclassification of other assets to deferred financing fee	100,544,337	-	-	-

Note to the Consolidated and Company Financial Statements for the Year Ended 31 December 2014

1 General information

Electricity Generating Public Company Limited (“the Company”) is a public limited company incorporated and resident in Thailand. The address of its registered office is 222 Moo 5, EGCO Tower, 14th and 15th floor, Vibhavadi Rangsit Road, Tungsonghong, Laksi, Bangkok 10210.

The Company is listed on the Stock Exchange of Thailand. For reporting purposes, the Company and its subsidiaries are referred to as “the Group”.

The principal business operation of the Group is the generation of electricity for sale to the government sector and industrial users.

These consolidated and company financial statements were authorised for issue by the president on
17 February 2015.

2 Accounting policies

The principal accounting policies applied in the preparation of these consolidated and company financial statements are set out below.

2.1 Basis of preparation

The consolidated and company financial statements have been prepared in accordance with Thai generally accepted accounting principles under the Accounting Act B.E. 2543, being those Thai Accounting Standards issued under the Accounting Profession Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act.

The consolidated and company financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with Thai generally accepted accounting principles requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies and to disclose the areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements as disclosed in Note 4.

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

2 Accounting policies (continued)

2.2. Revised accounting standards, revised financial reporting standards, and interpretations (collectively “the accounting standards”) which are effective for the periods beginning on or after 1 January 2014 and adopted by the Group

TAS 1 (revised 2012)	Presentation of Financial Statements
TAS 7 (revised 2012)	Cash Flow Statements
TAS 12 (revised 2012)	Income taxes
TAS 17 (revised 2012)	Leases
TAS 18 (revised 2012)	Revenue
TAS 19 (revised 2012)	Employee Benefits
TAS 21 (revised 2012)	The Effects of Changes in Foreign Exchange Rates
TAS 24 (revised 2012)	Related Party Disclosures
TAS 28 (revised 2012)	Investments in Associates
TAS 31 (revised 2012)	Interests in Joint Ventures
TAS 34 (revised 2012)	Interim Financial Reporting
TAS 36 (revised 2012)	Impairment of assets
TAS 38 (revised 2012)	Intangible Assets
TFRS 2 (revised 2012)	Share - Based Payments
TFRS 3 (revised 2012)	Business Combinations
TFRS 5 (revised 2012)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 8 (revised 2012)	Operating Segments
TFRIC 1	Changes in existing decommissioning, restoration and similar liabilities
TFRIC 4	Determining whether an arrangement contains a lease
TFRIC 5	Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds
TFRIC 7	Applying the restatement approach under TAS 29 Financial reporting in hyperinflationary economies
TFRIC 10	Interim financial reporting and impairment
TFRIC 12	Service concession arrangements
TFRIC 13	Customer loyalty programmes
TFRIC 17	Distributions of non-cash assets to owners
TFRIC 18	Transfers of assets from customers
TSIC 15	Operating leases - incentives
TSIC 27	Evaluating the substance of transactions in the legal form of a lease
TSIC 29	Service concession arrangements: Disclosure
TSIC 32	Intangible assets - Web site costs

Commencing 1 January 2014, the Group has applied the aforementioned accounting standards. The application of those accounting standards does not have significant impact to the financial statements information being presented except the adoption of TFRIC 4 “Determining whether an arrangement contains a lease” and TFRIC 12 “Service concession arrangements” (an information of accounting policies for determining whether an arrangement contains a lease and for service concession arrangements is described in Notes 2.17 and 2.18, respectively). The adoption of those two interpretations has resulted in accounting records for certain contractual arrangements on power purchase agreements with Electricity Generating Authority of Thailand and water purchase agreements with Provincial Waterworks Authority. The Group has retrospectively applied those two interpretations and the impact of the changes on the consolidated and company statements of financial position as at 1 January 2013 and 31 December 2013 and the consolidated and company statements of income and comprehensive income for the year ended 31 December 2013 is presented in Note 3.1.

2 Accounting policies (continued)

2.3 New accounting standards, revised accounting standards, revised financial reporting standards, and interpretations (collectively “the accounting standards”) which are effective for the periods beginning on or after 1 January 2015 and not yet adopted by the Group before the effective date

2.3.1 The new and revised accounting standards with significant changes

TAS 1 (revised 2014)	Presentation of financial statements
TAS 16 (revised 2014)	Property, plant and equipment
TAS 19 (revised 2014)	Employee benefits
TAS 27 (revised 2014)	Separate financial statements
TAS 28 (revised 2014)	Investments in associates and joint ventures
TAS 34 (revised 2014)	Interim financial reporting
TFRS 10	Consolidated financial statements
TFRS 11	Joint arrangements
TFRS 12	Disclosure of interests in other entities
TFRS 13	Fair value measurement
TFRIC 14 (revised 2014)	TAS 19 - The limit on a defined benefit asset, minimum funding requirements and their interaction
TFRIC 20	Stripping costs in the production phase of a surface mine

The Group’s management is in the process of assessing the impacts of those accounting standards. Significant changes in those new and revised accounting standards are summarised as below.

- TAS 1 (revised 2014), the main change is that a requirement for entities to group items presented in “other comprehensive income” (“OCI”) on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments). The revised accounting standard does not address which items are presented in OCI.
- TAS 16 (revised 2014) indicates that spare part, stand-by equipment and servicing equipment are recognised as property, plant and equipment when they meet the definition of property, plant and equipment. Otherwise, such items are classified as inventory.
- TAS 19 (revised 2014), the key changes are (a) actuarial gains and losses are renamed “remeasurements” and will be recognised immediately in “other comprehensive income” (“OCI”). Actuarial gains and losses will no longer be deferred using the corridor approach or recognised in profit or loss; and (b) past-service costs will be recognised in the period of a plan amendment. Unvested benefits will no longer be spread over a future-service period.
- TAS 27 (revised 2014), the amendments are to change its name from “Consolidated and separate financial statements” to “Separate financial statements” and to specify the accounting treatment and disclosure of information for investments in subsidiaries, interests in joint ventures and investment in associates whenever the entity prepares the separate financial statements.
- TAS 28 (revised 2014), the amendment is to change its name from “Investments in associates” to “Investments in associates and joint ventures” and to specify the accounting treatment for investments in associates and joint ventures. In addition the revised accounting standard sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures.

2 Accounting policies (continued)

2.3 New accounting standards, revised accounting standards, revised financial reporting standards, and interpretations (collectively “the accounting standards”) which are effective for the periods beginning on or after 1 January 2015 and not yet adopted by the Group before the effective date (continued)

2.3.1 The new and revised accounting standards with significant changes (continued)

- TAS 34 (revised 2014), the key change is the disclosure requirements for operating segment. An entity shall disclose information of a measure of total assets and liabilities for a particular reportable segment if such amounts are regularly provided to the chief operating decision maker and if there has been a material change from the amount disclosed in the last annual financial statements for that reportable segment.
- TFRS 10 defined the principles of control which shall replace the principles of control and consolidation under TAS 27 (revised 2009) “Consolidated and separate financial statements”. This accounting standard sets out the requirements for when an entity should prepare consolidated financial statements, defines the principles of control, explains how to apply the principles of control and explains the accounting requirements for preparing consolidated financial statements. The key principle in the new standard is that control exists, and consolidation is required, only if the investor possesses power over the investee, has exposure to variable returns from its involvement with the investee and has the ability to use its power over the investee to affect its returns.
- TFRS 11 defined that a joint arrangement is a contractual arrangement where at least two parties agree to share control over the activities of the arrangement. Unanimous consent toward decisions about relevant activities between the parties sharing control is a requirement in order to meet the definition of joint control. Joint arrangements can be joint operations or joint ventures. The classification is principle based and depends on the parties’ exposure in relation to the arrangement. When the parties’ exposure to the arrangement only extends to the net assets of the arrangement, the arrangement is a joint venture. Joint operations have rights to assets and obligations for liabilities. Joint operations account for their rights to assets and obligations for liabilities. Joint ventures account for their interest by using the equity method of accounting.
- TFRS 12 require entities to disclose information that helps readers of financial statements to evaluate the nature of risks and financial effects associated with the entity’s interests in subsidiaries, associates, joint arrangements and unconsolidated structured entities.
- TFRS 13 aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across TFRSs.
- TFRIC 14 (revised 2014), this interpretation applies to all post-employment defined benefits and other long-term employee benefits. For the purpose of this interpretation, minimum funding requirements are any requirements to fund a post-employment or other long-term benefit plan. This interpretation explains how the pension asset or liability may be affected by a statutory or contractual minimum funding requirement.
- TFRIC 20 (revised 2014), this interpretation sets out the accounting for overburden waste removal (stripping) costs in the production phase of a surface mine.

2 Accounting policies (continued)

2.3 New accounting standards, revised accounting standards, revised financial reporting standards, and interpretations (collectively “the accounting standards”) which are effective for the periods beginning on or after 1 January 2015 and not yet adopted by the Group before the effective date (continued)

2.3.2 The revised accounting standards with minor changes

TAS 2 (revised 2014)	Inventories
TAS 7 (revised 2014)	Statement of cash flows
TAS 8 (revised 2014)	Accounting policies, changes in accounting estimates and errors
TAS 10 (revised 2014)	Events after the reporting period
TAS 11 (revised 2014)	Construction contracts
TAS 12 (revised 2014)	Income taxes
TAS 17 (revised 2014)	Leases
TAS 18 (revised 2014)	Revenue
TAS 20 (revised 2014)	Accounting for government grants & disclosure of government assistance
TAS 21 (revised 2014)	The effects of changes in foreign exchange rates
TAS 23 (revised 2014)	Borrowing costs
TAS 24 (revised 2014)	Related party disclosures
TAS 26 (revised 2014)	Accounting and reporting by retirement benefit plans
TAS 29 (revised 2014)	Financial reporting in hyperinflationary economies
TAS 33 (revised 2014)	Earnings per share
TAS 36 (revised 2014)	Impairment of assets
TAS 37 (revised 2014)	Provisions, contingent liabilities and contingent assets
TAS 38 (revised 2014)	Intangible assets
TAS 40 (revised 2014)	Investment property
TFRS 2 (revised 2014)	Share-based payment
TFRS 3 (revised 2014)	Business combinations
TFRS 5 (revised 2014)	Non-current asset held for sale and discontinued operations
TFRS 6 (revised 2014)	Exploration for and evaluation of mineral resources
TFRS 8 (revised 2014)	Operating segments
TSIC 10 (revised 2014)	Government assistance - No specific relation to operating activities
TSIC 15 (revised 2014)	Operating leases - Incentives
TSIC 25 (revised 2014)	Income taxes - changes in the tax status of an entity or its shareholders
TSIC 27 (revised 2014)	Evaluating the substance of transactions involving the legal form of a lease
TSIC 29 (revised 2014)	Service concession arrangements: Disclosures
TSIC 31 (revised 2014)	Revenue - barter transactions involving advertising services
TSIC 32 (revised 2014)	Intangible assets - Web site costs
TFRIC 1 (revised 2014)	Changes in existing decommissioning, restoration and similar liabilities
TFRIC 4 (revised 2014)	Determining whether an arrangement contains a lease
TFRIC 5 (revised 2014)	Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds
TFRIC 7 (revised 2014)	Applying the restatement approach under TAS 29 Financial reporting in hyperinflationary economies
TFRIC 10 (revised 2014)	Interim financial reporting and impairment
TFRIC 12 (revised 2014)	Service concession arrangements
TFRIC 13 (revised 2014)	Customer loyalty programmes
TFRIC 15 (revised 2014)	Agreements for the construction of real estate
TFRIC 17 (revised 2014)	Distributions of non-cash assets to owners
TFRIC 18 (revised 2014)	Transfers of assets from customers

2 Accounting policies (continued)

2.4 New financial reporting standard which is effective on 1 January 2016

TFRS4 (revised 2014) Insurance contracts

TFRS 4 applies to all insurance contracts (including reinsurance contracts) that an entity issues and to reinsurance contracts that it holds. TFRS 4 is not relevant to the Group's operations.

2.5 Group accounting - investments in subsidiaries and associates and interests in joint ventures

2.5.1 Investments in subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The Group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at the non-controlling interest's proportionate share of the acquiree's net assets.

The excess of the consideration transferred the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly to the income statement.

Intercompany transactions, balances and unrealised gains or loss on transactions between group companies are eliminated. Unrealised losses are also eliminated but considered an impairment indicator of the asset transferred. Accounting policies of subsidiaries have been changed to ensure consistency with the policies adopted by the Group.

In the company financial statements, investments in subsidiaries are accounted for using the cost method of accounting. Under the cost method, income from investments in subsidiaries will be recorded when dividends are declared. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

A test for impairment for investments in subsidiaries is carried out when there is a factor indicating that investments might be impaired. If the carrying value of the investments is higher than its recoverable amount, impairment loss is charged to the income statement.

A list of the Group's subsidiaries and the financial effects of the acquisitions and disposals of subsidiaries are shown in Note 14.

2 Accounting policies (continued)

2.5 Group accounting - investments in subsidiaries and associates and interests in joint ventures (continued)

2.5.2 Transactions with non-controlling interests

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For changes in a parent's ownership interest in a subsidiary that do not result in a loss of control, the difference between any consideration paid/received and the relevant share acquired/disposed of the carrying value of net assets of the subsidiary is recorded in shareholders' equity. Gains or losses on disposals to non-controlling interests are also recorded in shareholders' equity.

When the Group ceases to have control, any retained interest in the former subsidiary is re-measured at its fair value, with the change in carrying amount recognised in income statement. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest. In addition, any amounts previously recognised in statement of comprehensive income in respect of the former subsidiary are accounted for in the income statement as if the Group had directly disposed of the related assets or liabilities.

2.5.3 Investments in associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. The Group's investment in associates includes goodwill identified on acquisition, net of any accumulated impairment loss.

The Group's share of its associates' post-acquisition profits or losses is recognised in the profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group. Dilution gains and losses arising in investments in associates are recognised in the profit or loss.

In the Company's separate financial statements, investments in associates are accounted for using the cost method.

A list of the Group's principal associates and effects acquisitions and disposals of associates are shown in Note 14.

2 Accounting policies (continued)

2.5 Group accounting - investments in subsidiaries and associates and interests in joint ventures (continued)

2.5.4 Interests in joint ventures

The Group's interests in jointly controlled entities are accounted for using the equity method of accounting in the consolidated financial statements. Under the equity method, the interests in joint ventures are initially recognised at cost which includes goodwill identified on acquisition, net of any accumulated impairment loss (if any). The Group's share of its joint ventures' post-acquisition profits or losses is recognised in the consolidated income statement, and its share of post-acquisition movements in comprehensive income is recognised in the consolidated statement of comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the interests in joint ventures. When the Group's share of losses in joint ventures equals or exceeds its interests in joint ventures, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of joint ventures have been changed to ensure consistency with the policies adopted by the Group.

In the company financial statements, interests in joint ventures are accounted for using the cost method of accounting. Under the cost method, income from interests in joint ventures will be recorded when dividends are declared.

A test for impairment for interests in joint ventures is carried out when there is a factor indicating that investments might be impaired. If the carrying value of the investments is higher than its recoverable amount, impairment loss is charged to the income statement.

A list of the Group's joint ventures and the financial effects of the acquisitions and disposals of joint ventures are shown in Note 14.

2.6 Foreign currency translation

2.6.1 Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in Baht, which is the functional and presentation currency of the Company.

2 Accounting policies (continued)

2.6 Foreign currency translation (continued)

2.6.2 Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

When a gain or loss on a non-monetary item is recognised in the statement of comprehensive income, any exchange component of that gain or loss is recognised in the statement of comprehensive income. Conversely, when a gain or loss on a non-monetary item is recognised in the income statement, any exchange component of that gain or loss is recognised in the income statement.

2.6.3 Group companies

The results and financial position of all the group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- Income and expenses of each income statement and statement of comprehensive income are translated at average exchange rates; and
- All resulting exchange differences are recognised as other comprehensive income in the statement of comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

2.7 Financial instruments

Financial assets carried in the statements of financial position include cash and cash equivalents, deposits at financial institutions, short-term investments, trade receivables, trade receivable from a related party, amounts due from related parties, finance lease receivable from related party, receivable under a concession arrangement, and loans to related parties. Financial liabilities carried in the statement of financial position include trade payables, trade payables to related parties, amounts due to related parties, accrued interest, and loans. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

The Group is party to derivative financial instruments, which mainly comprise foreign currency forward contracts and interest rate swap agreements.

2 Accounting policies (continued)

2.7 Financial instruments (continued)

Foreign Currency Forward Contracts

The Group enters into financial instruments that reduce exposure to fluctuations in exchange rates by using foreign currency forward contracts to protect its exposure from movements in exchange rates. Foreign currency forward contracts establish a predetermined exchange rate (“forward rate”) at which the Group will receive/pay foreign currency amounts on a predetermined future date. At the statements of financial position date, the foreign currency amounts receivable under these contracts are translated into Baht at the rates ruling at that date. Unrealised gains or losses that result from the translation are recognised as part of the financial costs. The foreign currency amounts payable under these contracts are translated into Baht at the forward rates. Any premiums or discounts equal to the difference between the exchange rates and the forward rates at the inception of the contracts are amortised over the lives of the contracts. The foreign currency amounts receivable and payable have been presented net in the statements of financial position.

Interest Rate Swap Contracts

Interest rate swap contracts protect the Group from movements in interest rates. Any differential to be paid or received on the interest rate swap contracts is recognised as a component of finance costs as incurred.

Disclosures about financial instruments to which the Group is a party are provided in Note 38.

2.8 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. Cash and cash equivalents comprise cash in hand, deposits held at financial institutions and short-term highly liquid investments with maturities of three months or less from the date of acquisition.

2.9 Trade receivables

Trade receivables are recognised initially at original invoice amount and subsequently measured at the remaining amount less allowance for doubtful receivables based on a review of all outstanding amounts at the year end. The amount of the allowance is the difference between the carrying amount and the amount expected to be collectible. Bad debts are recognised to the income statement as part of administrative expenses.

2 Accounting policies (continued)

2.10 Fuel and spare parts and supplies

2.10.1 Fuel

Fuel includes coal and diesel. Cost is calculated on the moving average basis.

2.10.2 Spare parts and supplies

Spare parts and supplies are stated at cost less allowance for obsolescence. Cost is calculated on the moving average basis. The spare parts are categorised as “specific spare parts” and “common spare parts”. Specific spare parts are classified into two categories, which are capital spare parts used for specific plant equipment in power plants and specific spare parts used for general use.

The allowance for specific spare parts that are used for general use is calculated by dividing the balance of specific spare parts on hand at the year ended by the number of years remaining under the Power Purchase Agreements with the Electricity Generating Authority of Thailand (EGAT). The allowance for capital spare parts that are used for specific plant equipment in power plants is made on a specific basis.

The allowance for common spare parts is generally provided based on an aging analysis.

2.11 Other investments

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

- Investments with fixed maturity that the management has the intent and ability to hold to maturity are classified as held-to-maturity and are included in non-current assets, except those with maturities within 12 months from the end of the reporting period, which are classified as current assets.
- Investments intended to be held for an indefinite period of time, which may be sold in response to liquidity needs or changes in interest rates, are classified as available-for-sale, and are included in non-current assets unless management has expressed the intention of holding the investment for less than 12 months from the end of the reporting period or unless they will need to be sold to raise operating capital, in which case they are included in current assets.
- Investments in non-marketable equity securities are classified as general investments.

2 Accounting policies (continued)

2.11 Other investments (continued)

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

Held-to-maturity investments are carried at amortised cost using the effective yield method less impairment loss.

Available-for-sale investments are subsequently carried at fair value. Unrealised gains and losses arising from changes in the fair value of investments classified as available-for-sale are recognised in the statement of comprehensive income. The fair value of investments is based on the quoted bid price by reference to the Stock Exchange of Thailand and the Thai Bond Dealing Centre. When investments classified as available-for-sale are sold or impaired, the accumulated fair value adjustments are included in the income statement as gains and losses from investment in securities.

General investments are carried at cost less impairment.

A test for impairment is carried out when there is a factor indicating that an investment might be impaired. If the carrying value of the investment is higher than its recoverable amount, impairment loss is charged to the income statement.

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

2.12 Investment property

Property that is held for long-term rental or for capital appreciation or both, and that is not occupied by the companies in the Group, is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property or land held for a currently undetermined future use. Investment property of the Group is land held for a currently undetermined future use. The Group has not determined that it will use the land as owner-occupied property or as capital appreciation.

Investment property is measured initially at its cost including related transaction costs. Subsequently, the investment property is carried at cost less accumulated impairment losses (if any).

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance costs are expensed when incurred.

2 Accounting policies (continued)

2.13 Property, plant and equipment

All property, plant and equipment are initially recorded at cost. Subsequently all plant and equipment are stated at historical cost less accumulated depreciation and impairment (if any). The costs of property, plant and equipment comprise both the purchase price and any costs directly attributable to bringing the assets to location and condition necessary for them to be capable of operating in the manner intended by management. Their costs also include the initial estimate of the costs of dismantling and removing the item and restoring the site on which they are located, the obligation for which the Group incurs either when the items are acquired or as a consequence of having used the items during a particular period.

Depreciation is calculated using the straight-line method to write off the cost of each asset to its residual value over its estimated useful life, except land which is considered to have an indefinite life, as follows:

	Years
Power plants	21 to 50
Water plants and transmission pipeline	30
Buildings and structures	10 to 20
Substation and transmission system	20 and 25
Operating and maintenance equipment	5
Office equipment, furniture and computers	3 to 10
Motor vehicles	5

The assets' residual values and useful lives are reviewed and adjusted if appropriate, at the end of each reporting period.

Capital spare parts whose estimated useful life is more than one year are capitalised and depreciated using the straight-line method over the estimated useful life of between 6 and 12 years when used in major repair and maintenance processes. The capital spare parts which are replaced by a major overhaul will be removed and recorded as spare parts and supplies at the net book value at the date of replacement. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Where the carrying amount of asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains and losses on disposals of assets are determined by comparing proceeds with the carrying amount and are recognised within "Other gains or losses, net" in the income statement.

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are capitalised as part of the cost of that asset, during the period of time required to complete and prepare the asset for its intended use. All other borrowing costs are recognised as expenses in the income statement.

2 Accounting policies (continued)

2.14 Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net assets of the acquired subsidiary undertaking or joint venture at the date of acquisition. Goodwill on acquisitions of subsidiaries is separately reported and of joint ventures is included in interests in joint ventures in the consolidated statement of financial position.

Recognised goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of a subsidiary or a joint venture include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash generating units for the purpose of impairment testing. The allocation is made to those cash generating units or group of cash generating units that are expected to benefit from the business combination in which the goodwill arose.

2.15 Intangible assets

2.15.1 Right in Power Purchase Agreement and Tap Water Purchase Agreement and Operation and Maintenance Agreement

The right in Power Purchase and Tap Water Purchase Agreements and Operation and Maintenance Agreement arising on acquisitions of subsidiary or interest in joint venture is amortised over the periods of the Power Purchase Agreements and of the Water Supply Agreement and Operation and Maintenance Agreement, which are between 15 and 25 years.

2.15.2 Development expenditure

Development expenditure is recognised as an expense as incurred. Costs incurred on development projects are recognised as intangible assets when it is probable that the project will be a success considering its commercial and technological feasibility, and only if the cost can be measured reliably. Other development expenditure is recognised as an expense as incurred. Development expenditure previously recognised as an expense is not recognised as an asset in a subsequent period. Development expenditure that has been capitalised is amortised from the commencement of the commercial operation on a straight-line basis over the estimated useful life of assets.

2.16 Impairment of assets

Assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested annually for impairment. Assets and intangible assets that have definite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount which is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows. Assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2 Accounting policies (continued)

2.17 Long-term lease

The determination of whether an arrangement is or contains a lease shall be based on the substance of the arrangement, and not merely the legal form. It requires an assessment of whether (a) the fulfilment of the arrangement is dependent on the use of specific assets and (b) the arrangement conveys a right to use such assets.

If the arrangement is a lease or contains a lease, payments and other consideration required by the arrangement shall be separated into those for the lease and those for other elements (e.g. for services and the cost of inputs) on the basis of their relative fair values. The lease element of the arrangement shall be classified as a finance lease or an operating lease.

Leases - where a Group is the lessee

Leases of property, plant or equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the inception of the lease at the lower of the fair value of the leased property and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance cost is charged to profit or loss over the lease period so as to achieve a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant or equipment acquired under finance leases is depreciated over the shorter period of the useful life of the asset and the lease term.

Long-term leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

Leases - where a Group company is the lessor

Leases in which a significant portion of risks and rewards of ownership are retained by the lessee are classified as finance lease. When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Finance lease income (interest income from finance leases) is recognised over the term of the lease using the net investment method, which reflects a constant periodic rate of return. Initial direct costs are included in initial measurement of the finance lease receivable and reduce the amount of income recognised over the lease term. The recognition follows accounting policy in Note 2.24.

Leases in which a significant portion of risks and rewards of ownership are retained by lessor are classified as operating leases. Assets leased out under operating leases are included in property, plant and equipment in the statement of financial position. They are depreciated over their expected useful lives on a basis consistent with other similar property, plant and equipment owned by the Group. Rental income is recognised on a straight-line basis over the lease term. The recognition follows accounting policy in Note 2.24.

2 Accounting policies (continued)

2.18 Service concession arrangements between government and private entity in providing public services

A service concession arrangement is an arrangement involves an operator constructing and/or upgrading, operating and maintaining infrastructure used to provide a public service for a specified period of time. The operator is paid for its services over the period of the arrangement. The arrangement is governed by a contract that sets out performance standards, mechanisms for adjusting prices and arrangements for arbitrating disputes. The grantor controls (through ownership, beneficial entitlement or otherwise) any significant residual interest in the infrastructure at the end of the term of the arrangement.

The Group, as the operator for constructing and operating infrastructure, recognises receivable arising from a service concession arrangement to the extent that it has an unconditional right to receive cash or another financial asset from or at the direction of the grantor, for the construction of concession assets. Receivable recognised as a result of the service concession arrangement are measured at fair value upon initial recognition.

2.19 Borrowings

Borrowings are recognised initially at the fair value of the proceeds received, net of the transaction costs incurred. Borrowings are subsequently stated at amortised cost using the effective yield method; any difference between the proceeds (net of transaction costs) and the redemption value is recognised to the income statement over the period of the borrowings.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of reporting date.

2.20 Current and deferred income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting period in the countries where the company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

2 Accounting policies (continued)

2.20 Current and deferred income taxes (continued)

Deferred income tax is recognised, using the liability method, on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. The principal temporary differences arise from the assigned fair values of assets acquired in business acquisitions which are property, plant, equipment and right in long-term power and tap water purchase agreements and operation and maintenance agreement, etc.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred income tax is provided on temporary differences arising from investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.21 Employee benefits

The Group has post-employment benefits consisting of both defined benefit and defined contribution plans. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that is not a defined contribution plan. Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age of employee, years of service and compensation.

2.21.1 Defined benefit plan - retirement benefits

The Group provides for post-employment benefits, payable to employees under the labour laws applicable in Thailand and other countries in which the Group has its operations. The liability in respect of employee benefits is the present value of the defined benefit obligation which is calculated by an independent actuary in accordance with the actuarial technique. The present value of the defined benefit obligation is determined by discounting estimated future cash flows using yields on government bonds which have terms to maturity approximating the terms of the related liability. The estimated future cash flows shall reflect employee salaries, turnover rate, mortality, length of service and other factors. Actuarial gains or losses will be recognised in the income statements in the period to which they relate. The costs associated with providing these benefits are charged to the income statements so as to spread the cost over the employment period during which the entitlement to benefits is earned.

2 Accounting policies (continued)

2.21 Employee benefits (continued)

2.21.2 Defined contribution plan - provident fund

The Group operates a provident fund that is a defined contribution plan. The assets are held in a separate fund which is managed by an external fund manager in accordance with the Provident Fund Act B.E. 2530. The provident fund is funded by payments from employees and by the Group. Contributions to the provident fund are charged to the income statements in the year to which they relate.

2.22 Provisions

2.22.1 General provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Group expects a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain.

2.22.2 Provision for decommissioning costs

The Group recognises provision for decommissioning costs, which are provided at the onset of completion of the project, for the estimate of the eventual costs that relate to the removal of the power and water plants. The recognised provision for decommissioning costs are based on future removal cost estimates and incorporate many assumptions such as abandonment times and future inflation rate and discounted to present value at the discount rate estimated by the management. Those costs are included as part of the power and water plants.

2.23 Treasury stock

Treasury stock presented in the consolidated and company financial statements is carried at cost and shown as a deduction from total shareholders' equity. Gains on disposal of treasury stock are determined by reference to its carrying amount and are taken to "Premium on treasury stock". Losses on disposal of treasury stock are determined by reference to its carrying amount and are taken to "Premium on treasury stock" and "Retained earnings" consecutively.

2 Accounting policies (continued)

2.24 Revenue recognition

Sales is shown net of value added tax and discounts. Sales under the Power Purchase Agreements (PPA) comprise Availability Payments and Energy Payments. Availability Payments are recognised according to the terms set out in the Power Purchase Agreement. Energy Payments are calculated based on electricity delivered. Sales under the Electricity and Steam Sales/Purchase Agreements with industrial users are recognised on delivery of electricity and steam and customer acceptance.

Finance lease income under power purchase agreements is recognised on an effective interest method over the period of the agreements. Rental income from operating lease under power purchase agreements is recognised on a straight-line basis over the period of the agreements.

Service income under finance and operating lease agreements related to power purchase agreements, which comprises servicing income and fuel cost received from leases with respect to the leased assets, is recognised when the services have been rendered.

Contingent rents are recognised in the income statement in the period in which they are incurred. Contingent rent is that portion of lease payments that is not fixed in amount but varies based on a future factor, such as the amount of use or production.

Revenue from construction services is recognised using the percentage of completion method. The stage of completion is measured by reference to the relationship that the contract costs incurred for work performed to date bear to the estimated total costs for the contract. Revenue from other services is recognised when the services have been rendered in accordance with the terms of the agreements or invoices have been issued.

Interest income is recognised on an accrual basis unless collectability is in doubt.

Dividend income is recognised when the shareholder's right to receive payment is established.

2.25 Government grants

Government grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and the group will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the income statement, within other income item, over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to property, plant and equipment are included in non-current liabilities as deferred government grants and are credited to the income statement on a straight-line basis over the expected lives of the related assets.

2.26 Dividends

Dividends are recorded in the consolidated and company financial statements in the period in which they are approved by the shareholders and the Board of Directors.

3 Changes in accounting policies and reclassification

3.1 Changes in accounting policies

The Group has applied retrospectively adjustments for the impact of the adoption of TFRIC 4 “Determining whether an arrangement contains a lease” and TFRIC 12 “Service concession arrangements” on the consolidated and company statements of financial position as at 1 January 2013 and 31 December 2013, and the consolidated and company income statements and the consolidated and company statements of comprehensive income for year ended 31 December 2013 is as follows:

	As previously reported Baht	Increase (Decrease) Baht	Consolidated After restated Baht
Statement of financial position as at 1 January 2013			
- Trade receivable, net	1,834,296,411	(1,078,667)	1,833,217,744
- Trade receivable from a related party	579,994,306	(344,890,864)	235,103,442
- Trade receivable from a related party for services under finance lease	-	189,538,082	189,538,082
- Current portion of finance lease receivable from a related party	-	1,353,154,341	1,353,154,341
- Current portion of receivable under concession arrangement	-	14,421,764	14,421,764
- Finance lease receivable from a related party, net	-	4,468,155,628	4,468,155,628
- Receivable under a concession arrangement, net	-	325,436,190	325,436,190
- Interests in joint ventures	31,923,930,727	(100,676,849)	31,823,253,878
- Property, plant and equipment, net	38,555,753,857	(6,129,914,302)	32,425,839,555
- Intangible assets, net	5,214,759,125	69,220,641	5,283,979,766
- Deferred tax assets	13,411,791	72,768,774	86,180,565
- Deferred tax liabilities	4,950,636,416	57,972,860	5,008,609,276
- Retained earnings	49,290,932,522	(189,109,801)	49,101,822,721
- Other components of shareholders’ equity	426,012,795	2,261,110	428,273,905
- Non-controlling interests	840,888,937	45,010,569	885,899,506
Statement of financial position as at 31 December 2013			
- Trade receivable, net	2,162,501,750	(1,111,944)	2,161,389,806
- Trade receivable from a related party	914,108,591	(643,117,809)	270,990,782
- Trade receivable from a related party for services under finance lease	-	331,693,692	331,693,692
- Current portion of finance lease receivable from a related party	-	1,595,688,095	1,595,688,095
- Current portion of receivable under concession arrangement	-	14,866,673	14,866,673
- Finance lease receivable from a related party, net	-	3,158,161,523	3,158,161,523
- Receivable under a concession arrangement, net	-	293,659,043	293,659,043
- Interests in joint ventures	34,161,626,208	(186,159,105)	33,975,477,103
- Property, plant and equipment, net	48,991,662,200	(4,470,830,580)	44,520,831,620
- Intangible assets, net	5,306,288,433	89,996,757	5,396,285,190
- Deferred tax liabilities	5,220,019,721	73,801,093	5,293,820,814
- Retained earnings	53,045,922,492	61,278,976	53,107,201,468
- Other components of shareholders’ equity	1,779,969,536	12,177,024	1,792,146,560
- Non-controlling interests	874,381,251	35,589,252	909,970,503

3 Changes in accounting policies and reclassification (continued)

3.1 Changes in accounting policies (continued)

	Consolidated		
	As previously reported Baht	Increase (Decrease) Baht	After restated Baht
Income statement			
for the year ended 31 December 2013			
- Sales and service income	18,686,230,427	(1,228,060,205)	17,458,170,222
- Cost of the sales and services	12,059,532,015	(1,663,475,837)	10,396,056,178
- Gains on exchange rates	133,343,683	(26,836,996)	106,506,687
- Administrative expenses	2,865,376,921	(16,383,949)	2,848,992,972
- Share of profit from investment in an associate and interests in joint ventures	6,251,644,573	(95,398,169)	6,156,246,404
- Income tax expense	1,217,851,467	88,596,956	1,306,448,423
- Profit for the year	7,087,137,649	240,967,460	7,328,105,109
- Profit on non-controlling interests	173,394,469	(9,421,317)	163,973,152
- Basic earnings per share	13.13	0.48	13.61
Statement of comprehensive income			
for the year ended 31 December 2013			
- Exchange difference on translation	1,517,566,801	9,915,914	1,527,482,715
	Company		
	As previously reported Baht	Increase (Decrease) Baht	After restated Baht
Statement of financial position			
as at 1 January 2013			
- Trade receivable from a related party	189,269,070	(189,269,070)	-
- Trade receivable from a related party for services under finance lease	-	81,942,354	81,942,354
- Current portion of finance lease receivable from a related party	-	858,155,231	858,155,231
- Finance lease receivable from a related party, net	-	1,821,772,131	1,821,772,131
- Property, plant and equipment, net	4,016,521,218	(2,466,050,727)	1,595,470,491
- Deferred tax liabilities	630,025,266	21,309,984	651,335,250
- Retained earnings	38,933,260,572	85,239,935	39,018,500,507
Statement of financial position			
as at 31 December 2013			
- Trade receivable from a related party	384,230,466	(384,230,466)	-
- Trade receivable from a related party for services under finance lease	-	174,688,316	174,688,316
- Current portion of finance lease receivable from a related party	-	1,003,228,115	1,003,228,115
- Finance lease receivable from a related party, net	-	1,028,086,166	1,028,086,166
- Property, plant and equipment, net	3,010,993,263	(1,715,808,347)	1,295,184,916
- Deferred tax liabilities	672,592,777	21,192,757	693,785,534
- Retained earnings	39,031,205,928	84,771,027	39,115,976,955
Income statement			
for the year ended 31 December 2013			
(Before reclassification of discontinued operation)			
- Sales and service income	2,201,180,419	(750,828,514)	1,450,351,905
- Cost of the sales and services	1,511,600,532	(750,242,379)	761,358,153
- Income tax expense	86,169,558	(117,227)	86,052,331
- Profit for the year	3,256,698,566	(468,908)	3,256,229,658
- Basic earnings per share	6.19	-	6.19

3 Changes in accounting policies and reclassification (continued)

3.2 Reclassification

Comparative figures have been reclassified to conform with changes in presentation in the current period. The Company has reclassified balances for the year ended 31 December 2013 as follows:

	As previously reported Baht	Increase (Decrease) Baht	Consolidated After reclassification Baht
Statement of financial position			
as at 1 January 2013			
- Intangible assets, net (included retrospective adjustments from change in accounting policies)	5,214,759,125	204,021,560	5,418,780,685
- Other non-current assets	312,261,314	(134,800,919)	177,460,395
Statement of financial position			
as at 31 December 2013			
- Intangible assets, net (included retrospective adjustments from change in accounting policies)	5,306,288,433	319,762,602	5,626,051,035
- Other non-current assets	921,845,174	(229,765,845)	692,079,329
Income statement for the year ended			
31 December 2013			
		(Note 40)	
Sales and service income	1,450,351,905	(1,450,351,905)	-
Cost of sales and services	(761,358,153)	761,358,153	-
Gross profit	688,993,752	(688,993,752)	-
Other income	5,345,314,476	(60,832,434)	5,284,482,042
Currency exchange gains	149,545,936	24,144	149,570,080
Administrative expenses	(1,223,720,648)	204,656,432	(1,019,064,216)
Finance costs	(1,617,851,527)	16,911,034	(1,600,940,493)
Profit before income tax expense	3,342,281,989	(528,234,576)	2,814,047,413
Income tax expense	(86,052,331)	86,052,331	-
Profit for the year	3,256,229,658	(442,182,245)	2,814,047,413

4 Critical accounting estimates and judgements

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

4.1 Lease agreements

Commencing 1 January 2014, the Group has applied TFRIC 4 “Determining whether an arrangement contains a lease”. The determination of whether an arrangement is or contains a lease shall be based on the substance of the arrangement, and not merely the legal form. It requires an assessment of whether (a) the fulfilment of the arrangement is dependent on the use of specific assets and (b) the arrangement conveys a right to use such assets. Lease in which a significant portion of the risk and reward of ownership are retained by the lessee are classified as finance lease. The Group recognised financial lease using the significant assumptions such as total minimum payment, interest rate, residual value of power plant at the end of lease agreement and discount rate. Therefore the changes in these significant assumptions will create and impact on financial lease receivable and revenue from financial lease that is recognised in the Group’s financial statement.

4.2 Estimated impairment of goodwill

Goodwill arising from the acquisition of investment in electricity generation businesses in country is tested annually for impairment by comparing the carrying amount to the recoverable amount for each cash-generating unit which is determined based on value-in-use calculations. These calculations use a cash flow projection covering periods of Power Purchase Agreements of each country entered into by the Group and the tariffs and capacity stated in the agreements. Discount rates used are based on pre-tax WACC of each country. A rise in discount rate of 1% will be resulted the recoverable amount to be equal to the carrying amount (please see Note 18).

5 Capital risk management

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

In order to maintain or adjust the capital structure, alternative practices include returning capital to shareholders, issuing new shares or selling assets to reduce debt.

6 Segment information - consolidated financial statements

The Group has two segments report which are comprised of electricity generation and other businesses. Electricity generation is to operate electricity for sales to the government and industrial users both in Thailand and overseas. Other businesses are tap water generation for sales to the government in Thailand, including maintenance and operating services for power plants and coal mining business. The segment information is presented on the same basis that used for internal reporting purpose as provided to the chief operating decision maker (“the President”).

For the year ended 31 December 2014					
	Electricity generation Baht	Other businesses Baht	Consolidated Baht	Adjustments Baht	Management Discussion and Analysis report Baht
Revenue from sales and service income	16,369,738,701	831,060,335	17,200,799,036	2,405,642,319 ^{(4),(5)}	19,606,441,355
Cost of sales and services	(9,708,993,696)	(600,992,852)	(10,309,986,548)	(1,578,190,939) ⁽⁵⁾	(11,888,177,487)
Segment results	6,660,745,005	230,067,483	6,890,812,488	827,451,380	7,718,263,868
Other income	1,837,039,950	16,398,729	1,853,438,679	(1,107,702,057) ⁽⁴⁾	745,736,622
Currency exchange gains (losses)	160,093,827	(15,793,877)	144,299,950	(820,725,157) ^{(1),(2),(3),(5)}	(676,425,207)
Administrative expenses	(2,894,271,138)	(61,551,499)	(2,955,822,637)	(537,324,679) ⁽⁷⁾	(3,493,147,316)
Finance costs	(2,794,028,418)	-	(2,794,028,418)	701,139,915 ⁽²⁾	(2,092,888,503)
Share of profit (loss) from investment in an associate and interests in joint ventures, net	5,482,375,117	(21,740,882)	5,460,634,235	581,530,616 ^{(1),(5),(6),(7)}	6,042,164,851
Profit before income tax expense	8,451,954,343	147,379,954	8,599,334,297	(355,629,982)	8,243,704,315
Income tax expense	(730,230,872)	(62,257,697)	(792,488,569)	(55,215,651) ^{(5),(6)}	(847,704,220)
Net profit for the year	7,721,723,471	85,122,257	7,806,845,728	(410,845,633)	7,396,000,095
Owners of the parent	7,626,239,172	40,737,811	7,666,976,983	(414,346,697) ⁽⁵⁾	7,252,630,286
Non-controlling interests	95,484,299	44,384,446	139,868,745	3,501,064 ^{(3),(5)}	143,369,809
Segment fixed assets	55,163,645,738	111,439,188	55,275,084,926		
Unallocated assets	104,517,765,757	894,234,085	105,411,999,842		
Consolidated total assets	159,681,411,495	1,005,673,273	160,687,084,768		

⁽¹⁾ Net currency exchange gains (losses) and finance costs of joint ventures

⁽²⁾ Net currency exchange gains (losses) and finance costs of subsidiaries

⁽³⁾ Net currency exchange gains (losses) of non-controlling interests

⁽⁴⁾ Adder income

⁽⁵⁾ Impact of the adoption of TFRIC 4 “Determining whether an arrangement contains a lease” and TFRIC 12 “Service concession arrangements”

⁽⁶⁾ Deferred tax of joint ventures and subsidiaries

⁽⁷⁾ Amortisation of rights in long-term power purchase agreements and fair value uplift of assets from business combination

6 Segment information - consolidated financial statements (continued)

	For the year ended 31 December 2013 (Restated)				Management Discussion and Analysis report
	Electricity generation Baht	Other businesses Baht	Consolidated Baht	Adjustments Baht	report Baht
Revenue from sales and service income	16,455,255,118	1,002,915,104	17,458,170,222	1,228,060,205 ^{(4),(5)}	18,686,230,427
Cost of sales and services	(9,636,770,927)	(759,285,251)	(10,396,056,178)	(1,663,475,837) ⁽⁵⁾	(12,059,532,015)
Segment results	6,818,484,191	243,629,853	7,062,114,044	(435,415,632)	6,626,698,412
Other income	966,933,149	16,169,006	983,102,155	(67,096,299) ⁽⁴⁾	916,005,856
Currency exchange gains (losses)	92,447,966	14,058,721	106,506,687	(288,955,382) ^{(1),(2),(3),(5)}	(182,448,695)
Administrative expenses	(2,792,293,612)	(56,699,360)	(2,848,992,972)	(284,956,352) ⁽⁷⁾	(3,133,949,324)
Finance costs	(2,824,422,786)	-	(2,824,422,786)	1,179,166,796 ⁽²⁾	(1,645,255,990)
Share of profit (loss) from interests in joint ventures, net	6,198,351,668	(42,105,264)	6,156,246,404	(432,242,589) ^{(1),(5),(6),(7)}	5,724,003,815
Profit before income tax expense	8,459,500,576	175,052,956	8,634,553,532	(329,499,458)	8,305,054,074
Income tax expense	(1,230,801,601)	(75,646,822)	(1,306,448,423)	88,596,956 ^{(5),(6)}	(1,217,851,467)
Net profit for the year	7,228,698,975	99,406,134	7,328,105,109	(240,902,502)	7,087,202,607
Owners of the parent	7,103,454,036	60,677,921	7,164,131,957	(250,388,777) ⁽⁵⁾	6,913,743,180
Non-controlling interests	125,244,939	38,728,213	163,973,152	9,486,275 ^{(3),(5)}	173,459,427
Segment fixed assets	44,393,780,338	127,051,282	44,520,831,620		
Unallocated assets	85,745,060,783	854,259,042	86,599,319,825		
Consolidated total assets	130,138,841,121	981,310,324	131,120,151,445		

⁽¹⁾ Net currency exchange gains (losses) and finance costs of joint ventures

⁽²⁾ Net currency exchange gains (losses) and finance costs of subsidiaries

⁽³⁾ Net currency exchange gains (losses) of non-controlling interests

⁽⁴⁾ Adder income

⁽⁵⁾ Impact of the adoption of TFRIC 4 “Determining whether an arrangement contains a lease” and TFRIC 12 “Service concession arrangements”

⁽⁶⁾ Deferred tax of joint ventures and subsidiaries

⁽⁷⁾ Amortisation of rights in long-term power purchase agreements and fair value uplift of assets from business combination

7 Cash and cash equivalents

As at 31 December 2014, cash and cash equivalents mainly comprised short-term investments in promissory notes with maturities of three months or less. The interest rates were 0.13% to 3.00% per annum (2013: 0.13% to 3.00% per annum).

8 Short-term investments

Short-term investments comprised deposits at financial institutions with maturities over three months but not later than one year and marketable securities.

Deposits at financial institutions

The deposits at financial institutions of the Group mainly comprise deposits at financial institutions and promissory notes issued by local financial institutions. As at 31 December 2014, deposits at financial institutions, and promissory notes bore interest at rates from 2.00% to 2.75% per annum (2013: interest at rates from 2.00% to 3.85% per annum).

Marketable securities

	Consolidated		Company	
	2014	2013	2014	2013
	Baht	Baht	Baht	Baht
<i>Held-to-maturity</i>				
Debt securities	5,019,698	3,000,000	-	-
Short-term investments in marketable securities	5,019,698	3,000,000	-	-

9 Short-term investments used as collateral

The majority of the deposits at financial institutions used as collateral are those of eight subsidiaries (As at 31 December 2013, were of eight subsidiaries). They comprise cash reserves required to be maintained under their loan agreements for the purpose of repayment of principal and payment of interest due within one year and as a reserve to minimise exchange rate risk. These cash reserves are provided from the proceeds of sales of electricity.

As at 31 December 2014, the Group had Thai Baht deposits at financial institutions used as collateral of Baht 1,425 million bearing interest at the rates of 0.75% to 3.90% per annum (2013: Baht 807 million bearing interest at the rates of 0.13% to 3.85% per annum). These included the cash reserve for the purpose of repayment of principal and payment of interest due within one year amounted to Baht 1,212 million (2013: Baht 650 million) and the remaining balance of Baht 213 million (2013: Baht 157 million) represented collateralised deposits maintained in accordance with the loan agreements but which could be used subject to certain lender approvals.

10 Trade receivables, net

	Consolidated		Company	
	2014	Restated	2014	2013
	Baht	2013	Baht	Baht
		Baht		
Trade receivables	668,479,588	684,573,199	-	-
Trade receivable from operating lease	268,857,145	267,648,703	-	-
Trade receivable from services under operating lease	1,076,107,982	1,209,167,904	-	-
Total trade receivables	2,013,444,715	2,161,389,806	-	-
<u>Less</u> Allowance for doubtful receivables	-	-	-	-
Trade receivables, net	<u>2,013,444,715</u>	<u>2,161,389,806</u>	<u>-</u>	<u>-</u>

Outstanding trade receivables as at 31 December can be analysed as follows:

	Consolidated		Company	
	2014	Restated	2014	2013
	Baht	2013	Baht	Baht
		Baht		
Not overdue	1,923,648,930	1,903,683,427	-	-
Overdue below 3 months	12,363,534	48,512,903	-	-
Overdue 3 - 6 months	-	53,312,622	-	-
Overdue 6 - 12 months	-	78,752,942	-	-
Overdue over 12 months	77,432,251	77,127,912	-	-
	2,013,444,715	2,161,389,806	-	-
<u>Less</u> Allowance for doubtful receivables	-	-	-	-
Trade receivables, net	<u>2,013,444,715</u>	<u>2,161,389,806</u>	<u>-</u>	<u>-</u>

11 Fuel and spare parts and supplies, net

	Consolidated		Company	
	2014	2013	2014	2013
	Baht	Baht	Baht	Baht
Fuel	990,434,952	1,201,895,635	185,620,202	186,676,928
Specific spare parts				
- Capital spare parts used for specific equipment of the power plant	1,390,104,420	1,510,219,127	1,005,129,562	1,011,868,162
- Other specific spare parts	885,851,578	862,463,628	-	-
Common spare parts	853,683,507	779,632,630	11,200,614	12,340,955
	4,120,074,457	4,354,211,020	1,201,950,378	1,210,886,045
<u>Less</u> Allowance for obsolescence	<u>(1,517,211,293)</u>	<u>(1,337,414,357)</u>	<u>(844,640,021)</u>	<u>(743,561,093)</u>
Fuel and spare parts and supplies, net	<u>2,602,863,164</u>	<u>3,016,796,663</u>	<u>357,310,357</u>	<u>467,324,952</u>

12 Other current assets

	Consolidated		Company	
	2014	2013	2014	2013
	Baht	Baht	Baht	Baht
Prepaid withholding tax	551,403,234	461,829,884	297,797,429	228,186,819
VAT receivable	279,724,126	522,608,676	-	-
Prepaid insurance premium	27,070,635	25,424,834	14,400	-
Accrued income	115,825,090	68,710,013	5,108,814	8,335,433
Interest receivable	7,196,599	5,259,451	467,017	623,268
Others	315,022,885	365,506,726	44,035,712	14,964,604
Total other current assets	<u>1,296,242,569</u>	<u>1,449,339,584</u>	<u>347,423,372</u>	<u>252,110,124</u>

13 Long-term investments in marketable securities and other long-term investments

	Consolidated		Company	
	2014	2013	2014	2013
	Baht	Baht	Baht	Baht
<i>Available-for-sale</i>				
Debt securities	5,017,020	2,696,205	-	-
Equity securities	867,490,823	867,490,823	867,490,823	867,490,823
Changes in fair value of investments	<u>2,496,095,630</u>	<u>2,932,116,095</u>	<u>2,496,095,629</u>	<u>2,932,116,095</u>
Total long-term investments in marketable securities	<u>3,368,603,473</u>	<u>3,802,303,123</u>	<u>3,363,586,452</u>	<u>3,799,606,918</u>
<i>Other long-term investments</i>				
Other equity securities	<u>1,168,002,500</u>	<u>726,158,750</u>	<u>1,167,562,500</u>	<u>725,718,750</u>
Total other investments	<u>1,168,002,500</u>	<u>726,158,750</u>	<u>1,167,562,500</u>	<u>725,718,750</u>
Total long-term investments in marketable securities and other long-term investments	<u>4,536,605,973</u>	<u>4,528,461,873</u>	<u>4,531,148,952</u>	<u>4,525,325,668</u>

Other long-term investments

Other long-term investment mainly represented an investment in Xayaburi Power Company Limited (“XPCL”) in the proportion 12.5% shareholding interest in XPCL. In order to become a joint developer of the Xayaburi hydropower project. XPCL was awarded a concession agreement by the government of the Laos People’s Democratic Republic (“Laos PDR”) to design, develop, construct and implement a run-of-the-river dam power project with an installed capacity of 1,285 MW for 29 years after the commercial operation date.

During the year 2014, XPCL issued additional ordinary shares and the Company paid for additional paid-up shares in the same proportion as its original investment, totalling Baht 442 million (2013: Baht 478 million). At 31 December 2014, investment in XPCL was Baht 1,166 million (2013: Baht 724 million).

14 Investments in subsidiaries and an associate and interests in joint ventures

As at 31 December	Consolidated		Company	
	2014 Baht	Restated 2013 Baht	2014 Baht	2013 Baht
Investments in subsidiaries, net (Note 14.2)	-	-	56,485,788,272	35,042,200,872
Investment in an associate (Note 14.3)	6,850,756,077	-	-	-
Interests in joint ventures, net (Note 14.3)	48,920,430,120	33,975,477,103	24,371,697,638	24,371,697,638
Total investments in subsidiaries and an associate and interests in joint ventures	55,771,186,197	33,975,477,103	80,857,485,910	59,413,898,510

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

	Consolidated	
	2014 Baht	Restated 2013 Baht
Opening net book value		
- As previously reported	34,161,636,208	31,923,930,727
- Effect from change in accounting policies (Note 3.1)	(186,159,105)	(100,676,849)
- As restated	33,975,477,103	31,823,253,878
Acquisitions of investment in an associate and interests in joint ventures	21,045,020,366	-
Additional paid-up share capital of joint ventures (Note 14.1.3)	211,402,547	24,862,365
Proceeds from the decrease in registered share capital in a joint venture	-	(28,381,366)
Dispose interest in joint ventures	-	(385,060,502)
Share of net profit from investment in an associate and interests in joint ventures	5,460,634,235	6,156,246,404
Unrealised gain on investments in marketable securities -available-for-sale of a joint venture	883,168	8,012,243
Dividends received from joint ventures	(5,165,387,479)	(4,178,489,749)
Exchange difference on translation	243,156,257	555,033,830
Closing net book value	55,771,186,197	33,975,477,103

14 Investments in subsidiaries and an associate and interests in joint ventures (continued)

14.1 The movements of the investments in subsidiaries and an associate and interests in joint ventures can be analysed as follows: (continued)

	Company	
	2014	2013
	Baht	Baht
Opening net book value	59,413,898,510	58,139,244,572
Increase in share capital of subsidiaries (Note 14.1.1)	21,443,587,400	1,318,053,938
Increase in share capital of joint ventures	-	21,600,000
Dispose interest in a joint venture	-	(65,000,000)
Closing net book value	<u>80,857,485,910</u>	<u>59,413,898,510</u>

14.1.1 The movement of the investments in subsidiaries during the year ended 31 December 2014:

Direct holding by the Company

Banpong Utilities Company Limited (“Banpong”)

On 18 July 2014, Banpong issued additional share capital and the Company paid for additional paid-up share capital in the same proportion as its original investment, totalling Baht 498 million.

Chaiyaphum Wind Farm Co., Ltd. (“Chaiyaphum”)

On 14 August 2014, Chaiyaphum called for additional paid-up share capital and the Company paid for additional paid-up share capital in the same portion as its original investment, totalling Baht 406 million and paid for such additional paid-up shares on behalf of non-controlling interests amounting to Baht 41 million which is in accordance with the conditions of shareholders agreement.

North Pole Investment Company Limited (“North Pole”)

During the year ended 31 December 2014, North Pole issued additional share capital and the Company paid for additional paid-up share capital in the same proportion as its original investment, totalling US Dollar 635 million, equivalent to Baht 20,539 million.

14 Investments in subsidiaries and an associate and interests in joint ventures (continued)

14.1 The movements of the investments in subsidiaries and an associate and interests in joint ventures can be analysed as follows: (continued)

14.1.1 The movement of the investments in subsidiaries during the year ended 31 December 2014: (continued)

Indirect holding by the Company

New Growth Cooperatief U.A (“New Growth Coop”)

During the year ended 31 December 2014, New Growth Coop called for additional paid-up share capital and the Group paid for additional paid-up share capital in the same portion as its original investment, totalling US Dollar 668 million, equivalent to Baht 21,350 million.

Millennium Energy B.V.

During the year ended 31 December 2014, Millennium Energy B.V. called for additional paid-up share capital and the Group paid for additional paid-up share capital in the same portion as its original investment, totalling US Dollar 57 million, equivalent to Baht 1,839 million.

South Pacific Power Pty Limited (“SPPP”)

During the year ended 31 December 2014, SPPP called for additional paid-up share capital and the Group paid for additional paid-up share capital in the same portion as its original investment, totalling Australian Dollar 63 million, equivalent to Baht 1,872 million.

Boco Rock Wind Farm Pty Ltd. (“BRWF”)

During the year ended 31 December 2014, BRWF called for additional paid-up share capital and the Group paid for additional paid-up share capital in the same portion as its original investment, totalling Australian Dollar 60 million, equivalent to Baht 1,763 million.

Mauban Holdings Company, Inc. (“MHCI”)

During the year ended 31 December 2014, MHCI called for additional paid-up share capital and the Group paid for additional paid-up share capital in the same portion as its original investment, totalling Philippine Peso 299 million, equivalent to Baht 220 million.

Gen Plus B.V.

Gen Plus B.V. was incorporated in the Netherlands on 5 June 2014 to invest in the power business in the Philippines. The Group holds 100% of total registered share of such company. During the year ended 31 December 2014, the Group paid for share capital totalling US Dollar 454 million, equivalent to Baht 14,563 million.

Phoenix Power B.V.

Phoenix Power B.V. was incorporated in Netherlands on 5 June 2014 to invest in the power business in the Republic of Indonesia. The Group holds 100% of total registered share of such company. On 30 July 2014, the Group paid for share capital totalling US Dollar 216 million, equivalent to Baht 6,850 million.

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

14.1 The movements of the investments in subsidiaries and an associate and interests in joint ventures can be analysed as follows: (continued)

14.1.2 The movement of the investment in an associate during the year ended 31 December 2014:

Indirect holding by the Company

Star Energy Geothermal Pte. Ltd. and its subsidiaries ("SEG")

On 30 July 2014, the Group paid for 20% of shareholding in SEG which invests in the power business in the Republic of Indonesia, totalling US Dollar 215 million, equivalent to Baht 6,831 million.

The detail of investment is described below:

	Consolidated Baht'000
Net carrying value under interest acquired	414,175
Purchase price over net assets carrying value ^{(1), (2)} (presented in investment in an associate)	6,416,525
Purchase consideration	6,830,700

⁽¹⁾ As at 31 December 2014, the Group has been under the process of determining fair value of the acquired net assets and reviewing purchase price allocation ("PPA"). Therefore, the purchase price over net assets carrying value may be subject to further adjustments depending on the determination of fair value and the result of the PPA, which is expected to be finalised within 12 months from the acquisition date.

⁽²⁾ This is expected to be comprised of right to long-term power purchase agreements and goodwill, etc.

14.1.3 The movement of the interests in joint ventures during the year ended 31 December 2014

Indirect holding by the Company

San Buenaventura Power Ltd., Co. ("SBPL")

SBPL was incorporated in the Philippines on 6 February 2014 to develop the power project in the Philippines. The Group holds 49% of total registered share of such company. During the year ended 31 December 2014, the Group paid for share capital Philippine Peso 294 million, equivalent to Baht 211 million.

14 Investments in subsidiaries and an associate and interests in joint ventures (continued)

14.1 The movements of the investments in subsidiaries and an associate and interests in joint ventures can be analysed as follows: (continued)

14.1.3 The movement of the interests in joint ventures during the year ended 31 December 2014: (continued)

Indirect holding by the Company (continued)

Masinloc-AES Pte. Ltd. and its subsidiaries ("Masin-AES")

On 15 July 2014, the Group paid for 44.54% of shareholding in Masin-AES which invests in the power business in the Philippines, totalling US Dollar 443 million, equivalent to Baht 14,214 million. Masin-AES is a major shareholder of Masinloc Power Partners Co., Ltd. ("Masinloc") who operates the coal-fired power plant in the Philippines. Therefore, the Group holds 40.95% of total registered share of Masinloc.

Detail of the consideration paid and estimated net assets purchased assumed recognised at the acquisition date are as follow:

	Consolidated Baht'000
Fair value of net assets	6,523,139
Right in long term power purchase agreements (presented in interests in joint ventures)	3,315,561
Goodwill (presented in interests in joint ventures)	4,375,620
Purchase consideration	<u>14,214,320</u>

Right in long-term power purchase agreement is amortised over the periods of the Masin-AES's Power Purchase Agreement, which are between 2 to 12 years.

14 Investments in subsidiaries and an associate and interests in joint ventures (continued)

14.2 Investments in subsidiaries, net

The details of the investments in subsidiaries are as follows:

Company (continued)		Portion of investment in common share (%)		Cost Method		Dividend for the period	
Business		2014	2013	2014	2013	2014	2013
		(Including indirect holding)		Baht'000	Baht'000	Baht'000	Baht'000
Subsidiaries incorporated overseas							
North Pole Investment Company Limited (North Pole) (incorporated in the Republic of Mauritius) and its subsidiaries, associate and joint ventures		100.00	100.00	46,830,380	26,290,598	-	-
- EGCO International (B.V.) Limited (incorporated in the British Virgin Islands) and its subsidiaries, associate and joint ventures		100.00	100.00				
Subsidiaries							
- New Growth Cooperative U.A. (incorporated in the Netherlands) and its subsidiaries and joint venture		100.00	100.00				
Subsidiaries							
- Gen Plus B.V. (incorporated in the Netherlands) and its joint venture		100.00	-				
- Masin-AES Pre. Ltd. (Masin-AES) (incorporated in Singapore) and its subsidiaries		44.54	-				
- Phoenix Power B.V. (incorporated in the Netherlands) and its associate		100.00	-				
- Star Energy Geothermal Pre. Ltd. (SEG) (incorporated in the Republic of Indonesia) and its subsidiaries		20.00	-				
- Millennium Energy B.V. (incorporated in the Netherlands) and its subsidiaries		100.00	100.00				
- South Pacific Power Pty Limited (incorporated in the Australia) and its subsidiary		100.00	100.00				
- Boco Rock Wind Farm Pty Ltd. (incorporated in the Australia)		100.00	100.00				
- New Growth B.V. (incorporated in the Netherlands) and its subsidiaries and joint venture		100.00	100.00				
Subsidiaries							
- Pearl Energy Philippines Operating, Inc. (PEPOI) (registered under the laws of Cayman Islands, operated in the Philippines)		100.00	100.00				
- Quezon Power (Philippines) Limited Co. (QPL) (incorporated in the Philippines)		98.00	98.00				
- Quezon Management Service Inc. (QMS) (registered under the laws of Cayman Islands, operated in the Philippines)		100.00	100.00				
- Mauban Holding Company Inc. (MHCI) (incorporated in the Philippines) and its joint ventures		100.00	100.00				
- Kallayan Power Inc. (KPI) (incorporated in the Philippines)		49.00	49.00				
- San Buenaventura Power Ltd., Co. (SBPL) (incorporated in the Philippines)		49.00	-				
Joint venture							
- PT Mananbang Mirara Enim (MME) (incorporated in the Republic of Indonesia)		40.00	40.00				
Total investments in subsidiaries incorporated in overseas				46,830,380	26,290,598	-	-
Total investments in subsidiaries				56,485,788	35,042,201	650,273	553,775

14 Investments in subsidiaries and an associate and interests in joint ventures (continued)**14.2 Investments in subsidiaries, net (continued)**

The details of the investments in subsidiaries are as follows: (continued)

As at 31 December 2014 and 2013, dividends receivable from subsidiaries amounting to Baht 308 million were recognised in the company financial statements (31 December 2013: Baht 311 million).

As at 31 December 2014 and 2013, under the terms and conditions of Khanom Electricity Generating Co., Ltd. loan agreement, its common share was pledged as collateral for its long-term loan.

As at 31 December 2014 and 2013, under the terms and conditions of Solarco Co., Ltd. loan agreement, the common share of Yanhee EGCO Holding Co., Ltd. and Solarco Co., Ltd. were pledged as collateral for its long-term loan.

14 Investments in subsidiaries and an associate and interests in joint ventures (continued)

14.3 Investment in an associate and interests in joint ventures

The details of an associate and interests in joint ventures are as follows:

	Consolidated					
	Portion of investment in common share (%)		Cost		Equity Method	
	2014	2013	2014	2013	2014	2013
Business			Baht'000	Baht'000	Baht'000	Baht'000
	(Including indirect holding)					
Associate incorporated in the Republic of Indonesia						
Star Energy Geothermal Pte. Ltd. (SEG) and its subsidiaries	20.00	-	6,830,700	-	6,830,756	-
Total investment in an associate			6,830,700	-	6,830,756	-
Joint ventures incorporated in Thailand						
Gulf Electric Public Co., Ltd. (GEC) and its subsidiaries	50.00	50.00	6,672,769	6,672,769	13,953,733	13,628,423
BLCP Power Ltd. (BLCP)	50.00	50.00	10,433,597	10,433,597	7,419,905	7,419,483
Natural Energy Development Co., Ltd. (NED)	33.33	33.33	761,000	761,000	873,453	878,969
G- Power Source Co., Ltd. (GPS)	60.00 *	60.00 *	734,388	734,388	803,324	793,311
GIDEC Co., Ltd. (GIDEC)	50.00	50.00	200,000	200,000	138,048	168,506
Joint ventures incorporated in the Philippines						
Kaliayan Power Inc. (KPI)	49.00	49.00	1,683	3,262	1,511	3,219
San Buenaventura Power Ltd., Co. (SBPL)	49.00	-	211,403	-	184,386	-
Joint venture incorporated in Singapore						
Maslin-AES Pte. Ltd. (Maslin-AES) and its subsidiaries	44.54	-	14,214,320	-	13,954,042	-
Joint venture incorporated in the Lao People's Democratic Republic						
Nam Theun 2 Power Company Limited (NTPC)	35.00	35.00	5,569,943	5,569,943	5,623,986	5,093,408
Joint venture incorporated in the Republic of Indonesia						
PT Manambang Muara Enim (MME)	40.00	40.00	6,029,579	6,029,579	5,968,042	5,990,158
Total interests in joint ventures			44,828,682	30,404,538	48,920,430	33,975,477
						4,126,203

* Shareholder Agreement assigned the structure of the business operation and the strategic, operating and financing decisions of GPS, which required unanimous consent from both parties. Consequently, GPS is a joint venture of the Company.

As at 31 December 2014 and 2013, under the terms and conditions of BLCP and GPS loan agreements, their common shares were pledged as collateral for their long-term loans.

As at 31 December 2014, dividends receivable from joint ventures amounting to Baht 7,241 million were recognised in the consolidated financial statements (31 December 2013 : Baht 7,127 million).

14 Investments in subsidiaries and an associate and interests in joint ventures (continued)

14.3 Investment in an associate and interests in joint ventures (continued)

The details of an associate and interests in joint ventures are as follows: (continued)

	Company						
	Portion of investment in common share (%)		Cost method		Dividend for the period		
	2014	2013	2014 Baht'000	2013 Baht'000	2014 Baht'000	2013 Baht'000	
Business							
(Including indirect holding)							
Joint ventures incorporated in Thailand	Investment in power projects	50.00	50.00	6,672,769	6,672,769	1,364,651	1,219,915
	Electricity generation	50.00	50.00	10,433,597	10,433,597	1,973,133	1,983,290
	Solar electricity generation plant	33.33	33.33	761,000	761,000	310,000	223,603
	Solar electricity generation plant	60.00	60.00	734,388	734,388	139,903	114,600
	Electricity generation from waste power	50.00	50.00	200,000	200,000	-	-
Joint venture incorporated in the Lao People's Democratic Republic	Electricity generation	35.00	35.00	5,569,943	5,569,943	824,150	584,795
Nam Theun 2 Power Company Limited (NTPC)							
Total interests in joint ventures							
				24,371,697	24,371,697	4,611,837	4,126,203

As at 31 December 2014 and 2013, under the terms and conditions of BLCP and GPS loan agreements, their common shares were pledged as collateral for their long-term loans.

As at 31 December 2014, dividends receivable from joint ventures amounting to Baht 7,241 million were recognised in the company financial statements (31 December 2013 : Baht 7,127 million).

14 Investments in subsidiaries and an associate and interests in joint ventures (continued)

14.4 Dividends receivable from subsidiaries and joint ventures

The principal movements of the dividends receivable are as follows:

	Consolidated		Company	
	2014	2013	2014	2013
	Baht	Baht	Baht	Baht
Opening balance	7,126,653,930	7,600,763,848	7,437,493,216	8,045,088,668
Dividends declared by subsidiaries	-	-	650,273,219	553,774,326
Dividends declared by joint ventures	5,165,387,479	4,178,489,749	4,611,836,833	4,126,202,965
Dividends received from subsidiaries and joint ventures	(5,050,752,048)	(4,652,599,667)	(5,150,650,729)	(5,287,572,743)
Closing balance	7,241,289,361	7,126,653,930	7,548,952,539	7,437,493,216

14.5 The Group's share of the assets, liabilities, revenues and expenses of an associate and joint ventures is as follows:

Interest in Star Energy Geothermal Pte. Ltd. ("SEG")

SEG is an associate between Phoenix Power B.V., which is a subsidiary of the Company and Star Energy Group Holdings Pte Ltd. SEG's business is investor in geothermal energy power plant business in the Republic of Indonesia. The Group has a 20% interest in SEG.

Interest in Gulf Electric Public Company Limited ("GEC")

GEC is a joint venture between the Company and J-Power Holdings (Thailand) Company Limited and Mitr Power (Thailand) Company Limited. GEC's business is the generation of electricity for sale to Electricity Generating Authority of Thailand (EGAT) and industrial users under long-term purchasing agreements. The Group has a 50% interest in GEC.

Interest in BLCP Power Ltd. ("BLCP")

BLCP is a joint venture between the Company and Banpu Coal Power Limited. BLCP's business is to generate electricity from the coal fire electricity generating plant for sale to EGAT under long-term purchasing agreement, in which the Group has a 50% interest.

Interest in Nam Theun 2 Power Company Limited ("NTPC")

NTPC is a joint venture between the company, the government of Lao PDR (through Lao Holding State Enterprise) and EDF International. NTPC's business is the generation of electricity for sale to EGAT and Electricite Du Laos ("EDL"), in which the Group has a 35% interest.

14 Investments in subsidiaries and an associate and interests in joint ventures (continued)

- 14.5 The Group's share of the assets, liabilities, revenues and expenses of an associate and joint ventures is as follows: (continued)

Interest in Natural Energy Development Co., Ltd. ("NED")

NED is a joint venture between the Company, CLP Thailand Renewables Limited and Diamond Generating Asia Limited. The joint venture is governed by a joint venture agreement and the Group has a 33.33% interest. NED's business is to generate electricity from its solar power plant for sale to EGAT and PEA.

Interest in G- Power Source Co., Ltd. ("GPS")

GPS is a joint venture between the Company and Gunkul Engineering Public Company Limited. GPS's business is the solar electricity generation plant for sale to PEA in which the Group has a 60% interest.

Interest in GIDEC Company Limited ("GIDEC")

GIDEC is a joint venture between the Company and IEC Green Energy Co.,Ltd. GIDEC's business is the electricity generation from waste power for sale to PEA in which the Group has a 50% interest.

Interest in PT Manambang Muara Enim ("MME")

MME is a joint venture between New Growth B.V., which is a subsidiary of the Company, PT Alarm Karya Nusantara and PT Manunggal Power. MME's business is the operator in a coal mine located in South Sumatra, Indonesia in which the Group has a 40% interest.

Interest in Kalilayan Power Inc. ("KPI")

KPI is a joint venture between New Growth B.V., which is a subsidiary of the Company, Meralco PowerGen Corporation. KPI's business is investor in a power project in the Philippines which the Group has a 49% interest.

Interest in San Bvenarenturd Power Ltd., Co. ("SBPL")

SBPL is a joint venture between Mauban Holding Company, Inc, which is a subsidiary of the Group and MPG Mauban LP Corp. SBPL's business is development in the power project in the Philippines which the Group has a 49% interest.

Interest in Masinloc-AES Pte. Ltd. ("Masin-AES")

Masin-AES is a joint venture between Gen Plus B.V., which is a subsidiary of the Company and AES PHIL Investment Pte Ltd. Its business is investor in the power business in the Philippines which the Group has 44.54% interest.

14 Investments in subsidiaries and an associate and interests in joint ventures (continued)

14.5 The Group's share of the assets, liabilities, revenues and expenses of an associate and joint ventures is as follows: (continued)

Details of the financial position of an associate and joint venture's return follow the Group's ownership are as follows:

		For the year ended 31 December 2014				
	Country of incorporation	Assets Baht'000	Liabilities Baht'000	Revenue Baht'000	Net profit (loss) Baht'000	% interest held
					(Including indirect holding)	
SEG and its subsidiaries	The Republic of Indonesia	3,610,249	3,176,050	320,063	5,249	20.00
GEC and its subsidiaries	Thailand	20,311,058	6,349,416	14,707,944	1,695,325	50.00
BLCP	Thailand	19,671,787	15,111,019	8,639,608	2,117,039	50.00
NED	Thailand	2,360,565	1,487,112	529,354	304,484	33.33
GPS	Thailand	1,785,378	1,138,672	333,408	156,955	60.00
GIDEC	Thailand	531,081	403,719	518	(30,458)	50.00
NTPC	The Lao People's Democratic Republic	13,170,343	8,802,078	3,036,540	1,374,755	35.00
MME	The Republic of Indonesia	294,361	76,139	251,268	14,945	40.00
KPI	The Philippines	1,624	113	4	(91)	49.00
SBPL	The Philippines	209,245	24,859	270	(29,443)	49.00
Masin - AES and its subsidiaries	Singapore	14,741,764	8,229,645	2,772,516	375,302	44.54

		For the year ended 31 December 2013 (Restated)				
	Country of incorporation	Assets Baht'000	Liabilities Baht'000	Revenue Baht'000	Net profit (loss) Baht'000	% interest held
					(Including indirect holding)	
GEC and its subsidiaries	Thailand	21,769,678	7,720,702	18,542,902	2,137,446	50.00
BLCP	Thailand	21,068,391	16,080,176	8,750,794	2,538,173	50.00
NED	Thailand	2,522,598	1,643,629	473,415	243,242	33.33
GPS	Thailand	1,846,927	1,217,274	315,906	141,622	60.00
APPC	Thailand	-	-	36,966	(24,052)	50.00
GIDEC	Thailand	436,263	278,443	129	(27,393)	50.00
Conal and its subsidiaries	The Philippines	-	-	316,946	47,892	40.00
NTPC	The Lao People's Democratic Republic	12,450,637	9,493,153	2,806,303	1,459,717	35.00
MME	The Republic of Indonesia	253,036	49,384	190,242	3,570	40.00
KPI	The Philippines	3,219	-	-	-	49.00

15 Investment property

As at 31 December	Consolidated		Company	
	2014 Baht	2013 Baht	2014 Baht	2013 Baht
Book value as at 1 January	322,071,012	322,071,012	322,071,012	322,071,012
Transfer from property, plant and equipment (Note 16)	126,531,679	-	126,531,679	-
Book value as at 31 December	448,602,691	322,071,012	448,602,691	322,071,012
Fair value	1,027,871,617	721,631,000	1,027,871,617	721,631,000

Investment property of the Group is land held for a currently undetermined future use.

Property, plant and equipment, net

	Land Baht	Buildings and land improvements Baht	Power plants, substation, transmission system and water plants Baht	Office equipment, furniture, computers and motor vehicles Baht	Construction in progress Baht	Total Baht
At 31 December 2012						
Cost	1,618,207,112	7,049,250,604	67,568,046,566	598,180,617	335,816,572	77,169,501,471
Less Accumulated depreciation	-	(3,818,444,232)	(34,310,731,576)	(484,571,806)	-	(38,613,747,614)
Net book value	1,618,207,112	3,230,806,372	33,257,314,990	113,608,811	335,816,572	38,555,753,857
- as previously reported	-	(612,224,937)	(5,517,689,365)	-	-	(6,129,914,302)
Effect from change in accounting policies (Note3.1)	-	(612,224,937)	(5,517,689,365)	-	-	(6,129,914,302)
Net book value - as restated	1,618,207,112	2,618,581,435	27,739,625,625	113,608,811	335,816,572	32,425,839,555
Year ended 31 December 2013						
Opening net book value - as restated	1,618,207,112	2,618,581,435	27,739,625,625	113,608,811	335,816,572	32,425,839,555
Additions	47,656,936	12,198,588	287,371,579	17,639,197	10,319,765,312	10,684,631,612
Assets increased from acquisition of subsidiary	-	-	-	-	1,223,037,019	1,223,037,019
Capitalisation of capital spare parts	-	-	302,731,758	-	-	302,731,758
Transfer of capital spare parts out	-	-	(352,467,206)	-	-	(352,467,206)
Disposals, net	-	(126)	(5,444,657)	(6,516,274)	-	(11,961,057)
Write-off, net	-	-	(256,969)	(24,481)	(1,336,960)	(1,618,410)
Transfer	-	346,038,203	5,454,086,821	3,807,031	(5,803,932,055)	-
Depreciation charge (Note 32)	-	(106,674,727)	(1,242,672,823)	(41,544,754)	-	(1,390,892,304)
Exchange difference on translation	581,306	147,366,373	1,479,636,705	341,094	13,605,175	1,641,530,653
Closing net book value - as restated	1,666,445,354	3,017,509,746	33,662,610,833	87,310,624	6,086,955,063	44,520,831,620

16. Property, plant and equipment, net (continued)

	Consolidated				
	Land Baht	Buildings and land improvements Baht	Power plants, substation, transmission system and water plants Baht	Office equipment, furniture, computers and motor vehicles Baht	Construction in progress Baht
					Total Baht
At 31 December 2013					
Cost	1,666,445,354	4,861,574,156	46,064,767,013	593,271,224	59,273,012,810
Less Accumulated depreciation	-	(1,844,064,410)	(12,402,156,180)	(505,960,600)	(14,752,181,190)
Net book value - as restated	1,666,445,354	3,017,509,746	33,662,610,833	87,310,624	44,520,831,620
Year ended 31 December 2014					
Opening net book value - as restated	1,666,445,354	3,017,509,746	33,662,610,833	87,310,624	44,520,831,620
Additions	900,000	4,557,315	69,797,862	44,778,602	12,269,965,542
Capitalisation of capital spare parts	-	-	155,393,048	-	155,393,048
Transfer of capital spare parts out	-	-	(59,372,622)	-	(59,372,622)
Disposals, net	-	(1,337)	(63,355,436)	(1,758,774)	(65,115,547)
Write-off, net	-	(252,554)	(15)	(86,602)	(339,171)
Transfer	(48,392,326)	118,989,241	9,380,485,862	12,451,523	-
Transfer to investment property (Note 15)	(126,531,679)	-	-	-	(126,531,679)
Residual value of assets from finance lease receivable	-	-	1,028,086,166	-	1,028,086,166
Depreciation charge (Note 32)	-	(93,420,712)	(1,554,812,221)	(50,052,027)	(1,698,284,960)
Exchange difference on translation	154,084	4,802,660	(754,509,533)	5,318	(749,547,471)
Closing net book value	1,492,575,433	3,052,184,359	41,864,323,944	92,648,664	55,275,084,926
At 31 December 2014					
Cost	1,492,575,433	4,987,831,117	55,742,076,920	625,752,046	71,621,588,042
Less Accumulated depreciation	-	(1,935,646,758)	(13,877,752,976)	(533,103,382)	(16,346,503,116)
Net book value	1,492,575,433	3,052,184,359	41,864,323,944	92,648,664	55,275,084,926

16. Property, plant and equipment, net (continued)

	Land Baht	Buildings and land improvements Baht	Power plants, substation, and transmission system Baht	Office equipment, furniture, computers and motor vehicles Baht	Construction in progress Baht	Total Baht
At 31 December 2012						
Cost	315,573,445	2,021,099,793	17,578,777,300	325,223,941	9,440,855	20,250,115,334
Less Accumulated depreciation	-	(1,515,624,184)	(14,394,673,321)	(278,296,611)	-	(16,188,594,116)
Net book value	315,573,445	505,475,609	3,184,103,979	46,927,330	9,440,855	4,061,521,218
- as previously reported						
Effect from change in accounting policies (Note 3.1)	-	(176,360,090)	(2,289,690,637)	-	-	(2,466,050,727)
Net book value - as restated	315,573,445	329,115,519	894,413,342	46,927,330	9,440,855	1,595,470,491
Year ended 31 December 2013						
Opening net book value - as restated	315,573,445	329,115,519	894,413,342	46,927,330	9,440,855	1,595,470,491
Additions	-	-	-	2,752,152	13,749,039	16,501,191
Capitalisation of capital spare parts	-	-	34,352,347	-	-	34,352,347
Transfer of capital spare parts out	-	-	(52,839,616)	-	-	(52,839,616)
Disposals, net	-	-	-	(898,427)	-	(898,427)
Write-off, net	-	-	-	(19,717)	-	(19,717)
Transfer	-	3,860,000	(3,272,748)	3,017,031	(3,604,283)	-
Depreciation charge (Note 32)	-	(54,748,828)	(222,906,139)	(19,726,386)	-	(297,381,353)
Closing net book value	315,573,445	278,226,691	649,747,186	32,051,983	19,585,611	1,295,184,916
- as restated						
At 31 December 2013						
Cost	315,573,445	878,361,465	2,615,737,888	317,468,018	19,585,611	4,146,726,427
Less Accumulated depreciation	-	(600,134,774)	(1,965,990,702)	(285,416,035)	-	(2,851,541,511)
Net book value - as restated	315,573,445	278,226,691	649,747,186	32,051,983	19,585,611	1,295,184,916

16 Property, plant and equipment, net (continued)

	Company				
	Land Baht	Buildings and structures Baht	Power plants, substation, and transmission system Baht	Office equipment, furniture, computers and motor vehicles Baht	Construction in progress Baht
					Total Baht
At 31 December 2013					
Cost	315,573,445	878,361,465	2,615,737,888	317,468,018	4,146,726,427
Less Accumulated depreciation	-	(600,134,774)	(1,965,990,702)	(285,416,035)	(2,851,541,511)
Net book value - as restated	315,573,445	278,226,691	649,747,186	32,051,983	1,295,184,916
Year ended 31 December 2014					
Opening net book value - as restated	315,573,445	278,226,691	649,747,186	32,051,983	1,295,184,916
Additions	-	417,514	1,920,000	18,828,064	78,244,092
Capitalisation of capital spare parts	-	-	10,368,754	-	10,368,754
Transfer of capital spare parts out	-	-	(5,343,077)	-	(5,343,077)
Disposals, net	-	-	-	(37,205)	(37,205)
Transfer	-	542,056	-	12,451,033	(12,993,089)
Transfer to investment property (Note 15)	(126,531,679)	-	-	-	(126,531,679)
Residual value of assets from finance lease receivable	-	-	1,028,086,166	-	1,028,086,166
Depreciation charge (Note 32)	-	(51,184,573)	(203,175,307)	(17,484,038)	(271,843,918)
Closing net book value	189,041,766	228,001,688	1,481,603,722	45,809,837	2,008,128,049
At 31 December 2014					
Cost	189,041,766	879,321,034	3,643,776,837	344,768,291	5,120,578,964
Less Accumulated depreciation	-	(651,319,346)	(2,162,173,115)	(298,958,454)	(3,112,450,915)
Net book value	189,041,766	228,001,688	1,481,603,722	45,809,837	2,008,128,049

16 Property, plant and equipment, net (continued)

Borrowing costs of Baht 458 million arising from financing specifically entered into for the construction of new power plants, were capitalised during the year and are included in addition. Such costs are presented in the financing activities on the statement of cash flows.

As at 31 December 2014, property, plant and equipment with net book value of Baht 44,977 million (2013: Baht 34,705 million) in the consolidated financial statements in the consolidated financial statements were mortgaged and pledged as collateral for long-term loans, as described in Notes 22.1.

As at 31 December 2014, the Group had significant capital commitments in respect of construction of power plants and purchases of equipment but not yet recognised in the consolidated financial statements amounting to US Dollar 95 million, Australian Dollar 1 million, Japanese Yen 19,486 million, Euro 13 million, Swedish krona 538 million and Baht 5,346 million (2013: US Dollar 107 million, Australian Dollar 90 million, Japanese Yen 21,023 million, Euro 64 million and Baht 3,669 million).

17 Intangible assets, net

	Consolidated		
	Right in long-term power and tap water purchase agreements and operation and maintenance agreements Baht	Licenses for operating power plants Baht	Total Baht
For the year ended 31 December 2013			
Opening net book value			
- as previously reported	5,214,759,125	-	5,214,759,125
Reclassification (Note 3.2)	204,021,560	-	204,021,560
Net book value - as restated	5,418,780,685	-	5,418,780,685
Acquisitions of investments in subsidiaries	179,309,253	124,747,570	304,056,823
Additions	125,755,181	190,850,771	316,605,952
Amortisation (Note 32)	(413,392,425)	-	(413,392,425)
Closing net book value	5,310,452,694	315,598,341	5,626,051,035
As at 31 December 2013			
Cost	6,221,885,925	315,598,341	6,537,484,266
<u>Less</u> Accumulated amortisation	(911,433,231)	-	(911,433,231)
Net book value - as restated	5,310,452,694	315,598,341	5,626,051,035
For the year ended 31 December 2014			
Opening net book value	5,310,452,694	315,598,341	5,626,051,035
Additions	17,388,031	5,785,880	23,173,911
Amortisation (Note 32)	(424,796,232)	(10,578,248)	(435,374,480)
Exchange difference on translation	(12,173,861)	(19,958,159)	(32,132,020)
Closing net book value	4,890,870,632	290,847,814	5,181,718,446
As at 31 December 2014			
Cost	6,227,100,095	301,426,062	6,528,526,157
<u>Less</u> Accumulated amortisation	(1,336,229,463)	(10,578,248)	(1,346,807,711)
Net book value	4,890,870,632	290,847,814	5,181,718,446

18 Goodwill

	Consolidated Baht
For the year ended 31 December 2014	
Opening balance	9,850,345,586
Acquisition of subsidiary	54,135,296
Closing balance	9,904,480,882

Goodwill incurred as a result of acquisitions of local and overseas electricity generation businesses. The Group's management considered the electricity generation businesses located in each country as a cash generation unit ("CGU"). Goodwill arising from the acquisition of investment in electricity generation businesses in the Philippines and Thailand amounted to Baht 9,522 million and Baht 383 million, respectively.

Goodwill arising from the acquisition of investment in electricity generation businesses in country is tested annually for impairment by comparing the carrying amount to the recoverable amount for each cash-generating unit which is determined based on value-in-use calculations. These calculations use a cash flow projection covering periods of Power Purchase Agreements of each country entered into by the Group and the tariffs and capacity stated in the agreements. Discount rates used are based on pre-tax WACC of each country. Majority of goodwill amounting to Baht 9,522 million related to the acquisition of the electricity generation businesses in Philippines (Quezon Power (Philippines), Limited Co.). The recoverable amount calculated based on value-in-use calculations which exceeded carrying value by Baht 2,621 million. These calculations use a cash flow projection covering a Power Purchase Agreement period (as described in Note 41.2.1 (d)) for 12 years. Cash flows beyond the 12 years period are extrapolated using the market price of sales of electricity. The cash flow projection is based on the power plant's capacity and the tariff according to the condition of the Power Purchase Agreement. The pre-tax discount rate used in the calculation is 7.74% per annum. A rise in discount rate of 1% will be resulted the recoverable amount to be equal to the carrying amount.

19 Other non-current assets

	Consolidated		Company	
	2014 Baht	2013 Baht	2014 Baht	2013 Baht
Deposits	16,342,153	15,344,581	11,551,549	11,551,549
Project development cost	79,005,534	41,974,214	-	-
Deferred finance cost for undrawn down long-term loans from financial institutions	287,798,312	368,668,504	8,241,275	-
Others	296,343,963	266,092,030	-	-
Other non-current assets	679,489,962	692,079,329	19,792,824	11,551,549

20 Short-term loans from financial institutions

The short-term loans from financial institutions are as follows:

	Consolidated		Company	
	2014	2013	2014	2013
	Baht	Baht	Baht	Baht
Thai Baht	1,770,000,000	1,800,000,000	1,600,000,000	1,800,000,000
US Dollars	8,278,300,000	-	8,278,300,000	-
Total short-term loans from financial institutions	<u>10,048,300,000</u>	<u>1,800,000,000</u>	<u>9,878,300,000</u>	<u>1,800,000,000</u>

Short-term loans from financial institutions of the Company

As at 31 December 2014, the Company entered into short-term loan agreements with financial institutions. These loans are unsecured. The details of loans are described below:

Thai Baht loan

Number	Facility (Million Baht)	Undrawn amount (Million Baht)	Interest rate	Principal repayment term	Interest payment period
1	4,000	2,400	BIBOR plus a certain margin per annum	Repayment within six months from draw down date	Payment every month
Total	<u>4,000</u>	<u>2,400</u>			

US Dollar loans

Number	Facility (Million US Dollars)	Undrawn amount (Million US Dollars)	Interest rate	Principal repayment term	Interest payment period
1	150	-	LIBOR plus a certain margin per annum	Repayment within six months from draw down date	Payment every month
2	50	-	LIBOR plus a certain margin per annum	Repayment within nine months from 30 June 2014	Payment every month
3	50	-	LIBOR plus a certain margin per annum	Repayment within one year from draw down date	Payment every month
Total	<u>250</u>	<u>-</u>			

Short-term loan from financial institution of subsidiary

As at 31 December 2014, a subsidiary entered into a short-term loan agreement with financial institution. The loan is unsecured. The detail of loan is described below:

Thai Baht loan

Number	Facility (Million Baht)	Undrawn amount (Million Baht)	Interest rate	Principal repayment term	Interest payment period
1	200	30	BIBOR plus a certain margin per annum	Repayment on maturity date of each promissory note	Payment every month
Total	<u>200</u>	<u>30</u>			

21 Other current liabilities

	Consolidated		Company	
	2014 Baht	2013 Baht	2014 Baht	2013 Baht
Interest payable	477,579,464	300,129,321	88,847,269	12,598,727
Value added tax payable	65,535,947	406,125,984	25,642,294	36,266,768
Corporate income tax payable	210,256,823	285,441,036	-	-
Construction payables	28,454,984	514,290,891	-	-
Others	1,464,267,529	1,017,137,743	333,283,473	356,579,311
Other current liabilities	2,246,094,747	2,523,124,975	447,773,036	405,444,806

22 Long-term loans from financial institutions, net

22.1 The long-term loans from financial institutions are as follows:

	Consolidated		Company	
	2014 Baht	2013 Baht	2014 Baht	2013 Baht
Current portion of long-term loans from financial institution, net				
Thai Baht	599,648,402	760,823,054	-	-
US Dollars	4,946,079,369	4,517,123,326	3,358,732,076	3,342,117,544
Japanese Yen	28,987,201	33,113,179	-	-
Australian Dollars	201,972,768	-	-	-
<u>Less</u> Deferred financing fee	(143,577,977)	(119,654,121)	(20,988,744)	(10,160,535)
	5,633,109,763	5,191,405,438	3,337,743,332	3,331,957,009
Long-term loans from financial institution, net				
Thai Baht	18,157,544,826	14,534,079,654	8,000,000,000	8,000,000,000
US Dollars	36,018,915,759	25,404,287,403	20,968,557,635	10,038,708,690
Japanese Yen	14,493,601	49,669,769	-	-
Australian Dollars	6,088,590,988	2,883,194,712	-	-
<u>Less</u> Deferred financing fee, net	(593,373,391)	(633,671,946)	(63,412,114)	(15,529,841)
	59,686,171,783	42,237,559,592	28,905,145,521	18,023,178,849
Total long-term loans from financial institution, net	65,319,281,546	47,428,965,030	32,242,888,853	21,355,135,858

22 Long-term loans from financial institutions, net (continued)

22.1 The long-term loans from financial institutions are as follows: (continued)

Long-term loans from financial institutions of the Company

The Company entered into long-term loan facility agreements with banks amounting to Baht 8,000 million and US Dollar 735 million as follows :

Thai Baht loans

Number	Outstanding balance as at 31 December 2014 (Baht)	Interest rate	Principal repayment term	Interest payment period
1	4,000,000,000	A certain margin per annum	Repayment in June 2016	Payment every month
2	4,000,000,000	THBFIX six-month plus a certain margin per annum	Repayment in December 2020	Payment every six months
Total	8,000,000,000			

US Dollar loans

Number	Outstanding balance as at 31 December 2014 (US Dollar)	Interest rate	Principal repayment term	Interest payment period
1	54,545,455	LIBOR plus a certain margin per annum	Repayment every six month from November 2012	Payment every six month
2	250,125,000	BBA LIBOR six month plus a certain margin per annum	Repayment every six month from December 2013	Payment every six month
3	430,000,000	BBA LIBOR plus a certain margin per annum	Repayment in December 2018	Payment every six month
Total	734,670,455			

22 Long-term loans from financial institutions, net (continued)

Long-term loans from financial institutions of the subsidiaries

The subsidiaries entered into long-term loan facility agreements with banks amounting to Baht 10,757 million, US Dollar 505 million, Japanese Yen 157 million and Australian Dollar 236 million as follows:

Thai Baht loans

Number	Outstanding balance as at 31 December 2014 (Baht)	Interest rate	Principal repayment term	Interest payment period
1	11,330,360	THBFIX six-month plus a certain margin per annum	Repayment every month from January 2014	Payment every three month
2	4,562,634,000	THBFIX six-month plus a certain margin per annum	Repayment every six month from February 2017	Payment every three month
3	709,176,423	THBFIX three-month plus a certain margin per annum	Repayment every three month from September 2012	Payment every three month
4	721,909,222	THBFIX three-month plus a certain margin per annum	Repayment every three month from June 2012	Payment every three month
5	533,765,960	THBFIX three-month plus a certain margin per annum	Repayment every three month from June 2012	Payment every three month
6	663,030,000	MLR less a certain margin per annum	Repayment every three month from December 2012	Payment every three month
7	1,564,200,000	THBFIX plus a certain margin per annum	Repayment every six month from June 2014	Payment every six month
8	1,735,272,000	THBFIX three-month plus a certain margin per annum	Repayment every three month from June 2014	Payment every three month
9	134,922,410	A certain margin per annum	Repayment every six month from June 2014	Payment every six months
10	120,952,853	THBFIX six-month plus a certain margin per annum	Repayment every six month from March 2014	Payment every six months
Total	<u>10,757,193,228</u>			

22 Long-term loans from financial institutions, net (continued)

Long-term loans from financial institutions of the subsidiaries (continued)

US Dollar loans

Number	Outstanding balance as at 31 December 2014 (US Dollar)	Interest rate	Principal repayment term	Interest payment period
1	136,850,000	LIBOR six month plus a certain margin per annum	Repayment every six month from February 2017	Payment every six month
2	33,180,000	Fixed rate per annum	Repayment every six month from June 2014	Payment every six month
3	3,716,422	Fixed rate per annum	Repayment every six month from June 2014	Payment every six month
4	331,000,000	Fixed rate per annum	Repayment every six month from July 2012	Payment every six month
Total	504,746,422			

Japanese Yen loan

Number	Outstanding balance as at 31 December 2014 (Japanese Yen)	Interest rate	Principal repayment term	Interest payment period
1	157,248,000	A certain margin per annum	Repayment every six month from March 2004	Payment every six month
Total	157,248,000			

Australian Dollars loan

Number	Outstanding balance as at 31 December 2014 (Australian Dollars)	Interest rate	Principal repayment term	Interest payment period
1	235,706,096	Float rate plus margin per annum	Repayment every three month	Payment every month during construction period and every three month after construction period
Total	235,706,096			

Long-term loans of the subsidiaries are secured liabilities. The long-term loans are secured over land, buildings, power plants and equipment of the subsidiaries. The subsidiaries are required to maintain cash reserves which are provided from the proceeds of sales of electricity for the purpose of repayment of principal and payment of interest due within one year and as a reserve for minimising the exchange risk (refer to Note 9). In addition, the Power Purchase Agreements, the Asset Purchase Agreements, the Major Maintenance Agreements and insurance policies have been assigned as collateral in accordance with the conditions under the Loan Agreement.

22 Long-term loans from financial institutions, net (continued)

22.2 Interest rate risk management

The detail of interest rate swap contracts the Group are shown in Note 38.1.

The interest rate exposure on the long-term loans from financial institutions of the Group after taking account of interest rate swap contracts is as follows:

	Consolidated		Company	
	2014	2013	2014	2013
	Baht	Baht	Baht	Baht
Long-term loans from financial institutions, net				
- at fixed rates	14,671,761,110	15,579,585,953	4,000,000,000	4,000,000,000
- at floating rates	50,647,520,436	31,849,379,077	28,242,888,853	17,355,135,858
Total long-term loans from financial institutions, net	<u>65,319,281,546</u>	<u>47,428,965,030</u>	<u>32,242,888,853</u>	<u>21,355,135,858</u>

After taking account of interest rate swaps, the weighted average effective interest rates of the long-term loans from financial institutions of the Group were 3.47% per annum for US Dollars loans, 2.97% per annum for Japanese Yen loans and 6.61% per annum for Australian Dollars loans 5.23 % per annum for Thai Baht loans. (2013: 4.98% per annum for US Dollars loans, 2.78% per annum for Japanese Yen loans and 4.50% per annum for Thai Baht loans).

After taking account of interest rate swaps, the weighted average effective interest rate of the long-term loans from financial institutions of the Company were 2.01% per annum for US Dollars loans and 3.97% per annum for Thai Baht loans. (2013: 3.59% per annum for US Dollars loans and 4.10% per annum for Thai Baht loans).

22 Long-term loans from financial institutions, net (continued)

22.3 The movement of the long-term loans from financial institutions

The movement of the long-term loans from financial institutions can be analysed as follows:

	Consolidated		Company	
	2014	2013	2014	2013
	Baht	Baht	Baht	Baht
Opening net book value	47,428,965,030	25,215,815,414	21,355,135,858	10,797,954,549
Loan increased from				
acquisitions of subsidiaries	-	387,308,525	-	-
Additions of long-term loans	27,825,087,295	22,522,815,415	18,181,699,000	11,251,262,500
Repayments of long-term loans	(9,500,623,472)	(2,889,978,315)	(7,342,117,544)	(1,935,800,818)
Unrealised exchange losses	136,022,273	1,370,359,736	106,882,022	1,267,410,004
Additions of deferred financing fee	(170,514,789)	(50,336,746)	(69,970,453)	(35,239,300)
Amortisation of deferred financing fee	177,467,706	98,412,360	11,259,970	9,548,923
Exchange difference on translation	(577,122,497)	774,568,641	-	-
Closing net book value	65,319,281,546	47,428,965,030	32,242,888,853	21,355,135,858

22.4 Maturity of long-term loans is as follows:

	Consolidated		Company	
	2014	2013	2014	2013
	Baht	Baht	Baht	Baht
Within 1 year	5,633,109,764	5,191,405,438	3,337,743,332	3,331,957,009
Later than 1 year and not later than 5 years	43,348,356,348	32,455,363,226	24,905,145,521	18,023,178,849
Later than 5 years	16,337,815,434	9,782,196,366	4,000,000,000	-
Total long-term loans, net	65,319,281,546	47,428,965,030	32,242,888,853	21,355,135,858

22.5 Credit facilities

As at 31 December 2014, the Group had the available credit facilities from financial institutions amounted to Baht 7,952 million, US Dollar 234 million and Australia Dollar 29 million of which US Dollar 50 million for the Company (2013: Baht 15,207 million, US Dollar 295 million and Australia Dollar 166 million of which Baht 2,200 million for the Company).

23 Deferred income taxes

The analysis of deferred tax assets and deferred tax liability is as follows

	Consolidated		Company	
	2014	Restated	2014	Restated
	Baht	2013	Baht	2013
		Baht		Baht
Deferred tax assets:				
Deferred tax assets to be recovered within 12 months	37,111	29,005,782	-	-
Deferred tax assets to be recovered after more than 12 months	170,156,566	31,194,816	-	-
	<u>170,193,677</u>	<u>60,200,598</u>	<u>-</u>	<u>-</u>
Deferred tax liabilities:				
Deferred tax liabilities to be settled within 12 months	(177,543,078)	(185,391,862)	-	-
Deferred tax liability to be settled after more than 12 months	(4,776,348,659)	(5,108,428,952)	(610,469,742)	(693,785,534)
	<u>(4,953,891,737)</u>	<u>(5,293,820,814)</u>	<u>(610,469,742)</u>	<u>(693,785,534)</u>
Deferred income taxes, net	<u>(4,783,698,060)</u>	<u>(5,233,620,216)</u>	<u>(610,469,742)</u>	<u>(693,785,534)</u>

The movement of the deferred income tax account is as follows:

	Consolidated		Company	
	2014	Restated	2014	Restated
	Baht	2013	Baht	2013
		Baht		Baht
At 1 January - as previously reported	(5,159,819,123)	(4,937,224,625)	(672,592,777)	(630,025,266)
Effect from change in accounting policies (Note 3.1)	(73,801,093)	14,795,914	(21,192,757)	(21,309,984)
At 1 January - as restated	(5,233,620,216)	(4,922,428,711)	(693,785,534)	(651,335,250)
Acquisition of subsidiaries	-	(91,217,047)	-	-
Charged/(credited) to profit or loss	280,376,787	(58,964,320)	(3,888,301)	(86,052,332)
Tax charged/(credited) directly to other comprehensive income	87,204,093	43,602,048	87,204,093	43,602,048
Exchange difference on translation	82,341,276	(204,612,186)	-	-
At 31 December	<u>(4,783,698,060)</u>	<u>(5,233,620,216)</u>	<u>(610,469,742)</u>	<u>(693,785,534)</u>

23 Deferred income taxes (continued)

The movement in deferred tax assets and liabilities during the year is as follows:

	Consolidated					
	Provision Baht	Tax loss carry forward Baht	Allowance for obsolescence Baht	Finance costs Baht	Currency exchange gains (losses) Baht	Others Baht
						Total Baht
Deferred tax assets						
At 1 January 2014 - as previously reported	268,981,887	35,139,645	256,253,316	257,506,905	101,209,145	948,769,165
Effect from change in accounting policies (Note 3.1)	353,153,874	-	-	-	-	386,477,347
At 1 January 2014 - as restated	622,135,761	35,139,645	256,253,316	257,506,905	101,209,145	1,335,246,512
Charged/(credited) to profit or loss	(197,507,233)	118,234,211	40,308,537	(42,717,006)	16,613,811	(101,664,994)
Exchange difference on translation	(286,112)	(12,630,199)	(370,422)	527,448	703,744	(2,543,868)
At 31 December 2014	424,342,416	140,743,657	296,191,431	215,317,347	118,526,700	1,231,037,650
At 1 January 2013 - as previously reported	99,702,864	20,040,336	229,198,819	301,495,097	-	653,543,112
Effect from change in accounting policies (Note 3.1)	535,770,688	-	-	-	-	573,019,863
At 1 January 2013 - as restated	635,473,552	20,040,336	229,198,819	301,495,097	-	1,226,562,975
Charged/(credited) to profit or loss	(15,077,174)	15,432,775	27,054,497	(60,330,009)	93,141,584	82,865,873
Exchange difference on translation	1,739,383	(333,466)	-	16,341,817	8,067,561	25,817,664
At 31 December 2013 - as restated	622,135,761	35,139,645	256,253,316	257,506,905	101,209,145	1,335,246,512

23 Deferred income taxes (continued)

The movement in deferred tax assets and liabilities during the year is as follows: (continued)

	Consolidated (continued)				
	Depreciation and amortisation	Unrealised gains on investments in marketable securities - available-for-sale	The assigned fair values of assets acquired in business acquisitions	Others	Total
	Baht	Baht	Baht	Baht	Baht
Deferred tax liabilities					
At 1 January 2014 - as previously reported	912,820,399	587,101,045	3,582,068,464	1,026,598,380	6,108,588,288
Effect from change in accounting policies (Note 3.1)	460,278,440	-	-	-	460,278,440
At 1 January 2014 - as restated	1,373,098,839	587,101,045	3,582,068,464	1,026,598,380	6,568,866,728
Charged/(credited) to profit or loss	(321,380,680)	(693,727)	(187,482,104)	127,514,730	(382,041,781)
Exchange difference on translation	(6,826,019)	15,900	(71,131,973)	(6,943,052)	(84,885,144)
Tax charged/(credited) directly to other comprehensive income	-	(87,204,093)	-	-	(87,204,093)
At 31 December 2014	1,044,892,140	499,219,125	3,323,454,387	1,147,170,058	6,014,735,710
At 1 January 2013 - as previously reported					
Effect from change in accounting policies (Note 3.1)	337,409,621	804,487,988	3,815,438,496	633,431,632	5,590,767,737
At 1 January 2013 - as restated	558,223,949	-	-	-	558,223,949
Acquisition of subsidiaries	895,633,570	804,487,988	3,815,438,496	633,431,632	6,148,991,686
Charged/(credited) to profit or loss	91,217,047	-	-	-	91,217,047
Exchange difference on translation	387,489,240	(171,374,182)	(394,403,277)	320,118,412	141,830,193
Tax charged/(credited) directly to other comprehensive income	(1,241,018)	(2,410,713)	161,033,245	73,048,336	230,429,850
At 31 December 2013 - as restated	1,373,098,839	(43,602,048)	3,582,068,464	1,026,598,380	6,568,866,728

23 Deferred income taxes (continued)

The movement in deferred tax assets and liabilities during the year is as follows: (continued)

	Company		
	Provision Baht	Allowance for obsolescence Baht	Total Baht
Deferred tax assets			
At 1 January 2014	93,689,784	148,712,219	242,402,003
Charged/(credited) to profit or loss	(40,928,140)	20,215,785	(20,712,355)
At 31 December 2014	52,761,644	168,928,004	221,689,648
At 1 January 2013	57,801,829	128,110,419	185,912,248
Charged/(credited) to profit or loss	35,887,955	20,601,800	56,489,755
At 31 December 2013	93,689,784	148,712,219	242,402,003
	Company		
	Depreciation and amortisation Baht	Unrealised gains on investments in marketable securities - available-for-sale Baht	Total Baht
Deferred tax liabilities			
At 1 January 2014			
- as previously reported	328,571,562	586,423,218	914,994,780
Effect from change in accounting policies (Note 3.1)	21,192,757	-	21,192,757
At 1 January 2014			
- as restated	349,764,319	586,423,218	936,187,537
Charged/(credited) to profit or loss	(16,824,054)	-	(16,824,054)
Tax charged/(credited) directly to other comprehensive income	-	(87,204,093)	(87,204,093)
At 31 December 2014	332,940,265	499,219,125	832,159,390
At 1 January 2013			
- as previously reported	185,912,248	630,025,266	815,937,514
Effect from change in accounting policies (Note 3.1)	21,309,984	-	21,309,984
At 1 January 2013			
- as restated	207,222,232	630,025,266	837,247,498
Charged/(credited) to profit or loss	142,542,087	-	142,542,087
Tax charged/(credited) directly to other comprehensive income	-	(43,602,048)	(43,602,048)
At 31 December 2013 - as restated	349,764,319	586,423,218	936,187,537

24 Retirement benefit obligations

	Consolidated		Company	
	2014 Baht	2013 Baht	2014 Baht	2013 Baht
Opening balance	261,405,778	198,954,170	103,927,455	90,063,890
Retirement benefit expenses	59,951,698	79,280,001	13,401,244	14,188,577
Interest cost	4,461,938	4,749,094	1,332,412	1,914,988
Retirement benefit paid	(32,091,104)	(21,601,787)	(6,648,000)	(2,240,000)
Exchange difference on translation	(124,653)	24,300	-	-
Closing balance	<u>293,603,657</u>	<u>261,405,778</u>	<u>112,013,111</u>	<u>103,927,455</u>

The following table is a summary of the assumptions relating to the actuarial technique as at the date of financial statements:

	2014	2013
Discount rate as at 31 December	3.70	3.70
Salary increase rate	5.00 - 10.00	5.00 - 10.00
Turnover rate	0.00 - 6.00	0.00 - 6.00
Pre-retirement mortality rate	0.08 - 1.66	0.08 - 1.66

25 Provision for decommissioning costs

	Consolidated		Company	
	2014 Baht	2013 Baht	2014 Baht	2013 Baht
Opening net book balance	1,348,601,983	1,088,849,809	419,554,703	402,643,668
Additional provision	-	206,519,491	-	-
Additional provision - finance costs	66,320,891	45,027,784	17,621,297	16,911,035
Exchange difference on translation	1,319,896	8,204,899	-	-
Closing net book balance	<u>1,416,242,770</u>	<u>1,348,601,983</u>	<u>437,176,000</u>	<u>419,554,703</u>

26 Other non-current liabilities

	Consolidated		Company	
	2014 Baht	2013 Baht	2014 Baht	2013 Baht
Advances from customers	436,596,059	326,235,329	-	-
Long-term finance lease obligation	1,588,127	3,908,412	-	1,183,962
Deposits	2,296,876	2,000,577	496,876	200,577
Retention for construction	841,155,066	337,870,544	-	-
Other non-current liabilities*	102,970,872	268,237,342	23,922,430	23,922,430
Total other non-current liabilities	<u>1,384,607,000</u>	<u>938,252,204</u>	<u>24,419,306</u>	<u>25,306,969</u>

26 Other non-current liabilities (continued)

*Other liabilities have been included fair value of preferred shares of the Company's subsidiary which were issued to the third party amounting to Baht 5 million. The preferred shares are financial liabilities according to Thai Accounting Standard 107 "Financial Instrument: Presentation and Disclosures" because they are cumulative preferred shares and the preferred shareholder is entitled to cumulative preferential dividends at amount specified in the shareholder agreement of the subsidiary which is in preference to the holder of the ordinary shares. According to the shareholder agreement, the Company, as the common shareholder, has responsibilities to get the subsidiary to pay dividends to the preferred shareholder with the amount as specified in the shareholders agreement over the 25 years.

27 Legal reserve

	Consolidated		Company	
	2014	2013	2014	2013
	Baht	Baht	Baht	Baht
Opening balance	530,000,000	530,000,000	530,000,000	530,000,000
Appropriation during the year	-	-	-	-
Closing balance	<u>530,000,000</u>	<u>530,000,000</u>	<u>530,000,000</u>	<u>530,000,000</u>

Under the Public Companies Act B.E. 2535, the Company is required to set aside as a legal reserve at least 5% of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10% of the registered capital. The legal reserve is non-distributable.

28 Non-controlling interests

	Consolidated		Company	
	2014	Restated 2013	2014	2013
	Baht	Baht	Baht	Baht
Opening balance				
- As previously reported	874,381,251	840,888,937	-	-
- Effect from change in accounting policies (Note 3.1)	<u>35,589,252</u>	<u>45,010,569</u>	-	-
- As restated	909,970,503	885,899,506	-	-
Additional paid-up shares of subsidiaries	39,129,412	4,181,100	-	-
Share of profit from subsidiaries	139,868,745	163,973,152	-	-
Dividend payment of subsidiaries	(132,769,394)	(141,297,372)	-	-
Exchange difference on translation	<u>(1,519,600)</u>	<u>(2,785,883)</u>	-	-
Closing balance	<u>954,679,666</u>	<u>909,970,503</u>	-	-

29 Sales and service income

For the years ended 31 December	Consolidated		Company	
	2014 Baht	Restated 2013 Baht	2014 Baht	Restated 2013 Baht
Sales of electricity	3,260,061,036	2,810,494,625	-	-
Finance lease income under power purchase agreements	650,581,364	905,451,930	-	-
Operating lease income under power purchase agreements	3,556,331,421	3,363,750,069	-	-
Lease service income under power purchase agreements	8,902,764,880	9,375,558,494	-	-
Income from service concession arrangement under a water purchase agreement	9,483,671	9,895,305	-	-
Service income under a water purchase agreement	294,184,326	267,495,599	-	-
Other service income	527,392,338	725,524,200	-	-
Total sales and service income	<u>17,200,799,036</u>	<u>17,458,170,222</u>	<u>-</u>	<u>-</u>

30 Cost of the sales and services

For the years ended 31 December	Consolidated		Company	
	2014 Baht	Restated 2013 Baht	2014 Baht	Restated 2013 Baht
Cost of sales of electricity	2,901,764,388	2,550,098,451	-	-
Cost of operating lease under power purchase agreements	1,035,853,139	550,119,471	-	-
Cost of services under power purchase agreements	5,717,307,739	6,477,274,074	-	-
Cost of services under a water purchase agreement	83,338,661	86,261,878	-	-
Cost of other services	571,722,621	732,302,304	-	-
Total cost of the sales and services	<u>10,309,986,548</u>	<u>10,396,056,178</u>	<u>-</u>	<u>-</u>

31 Other income

For the years ended 31 December	Consolidated		Company	
	2014 Baht	2013 Baht	2014 Baht	2013 Baht
Dividend income from subsidiaries and joint ventures (Note 14.4)	-	-	5,262,110,052	4,679,977,292
Dividend income from other company	133,920,572	137,035,004	133,920,572	137,035,004
Interest income (Note 39.8 and 39.9)	70,354,641	66,935,548	205,723,902	207,088,448
Rental and service income (Note 39.11)	34,470,478	66,679,065	189,642,965	260,381,298
Adder	1,484,859,036	498,627,440	-	-
Others	129,833,952	213,825,098	33,010,495	-
Total other income	1,853,438,679	983,102,155	5,824,407,986	5,284,482,042

* The adder represented income received from Provincial Electricity Authority (“PEA”).

32 Expense by nature

The following expenditure items have been charged in arriving at net profit:

For the years ended 31 December	Consolidated		Company	
	2014 Baht	Restated 2013 Baht	2014 Baht	Restated 2013 Baht
Depreciation on plant and equipment (Note 16)	1,698,284,960	1,390,892,304	271,843,918	297,381,353
Amortisation of right in long-term power and tap water purchase agreements (Note 17)	435,374,480	413,392,425	-	-
Major repair and maintenance expenses of power plants	345,246,572	491,401,377	38,134,153	96,764,336
Staff costs	1,045,261,220	1,367,284,128	614,489,674	584,285,952

33 Finance costs

For the years ended 31 December	Consolidated		Company	
	2014 Baht	2013 Baht	2014 Baht	2013 Baht
Interest expenses	1,870,325,875	1,493,667,545	696,320,491	627,549,058
Net losses on exchange rate from financing activities	701,139,914	1,179,166,797	712,720,543	961,480,004
Other finance costs	222,562,629	151,588,444	67,513,065	11,911,431
Total finance costs	2,794,028,418	2,824,422,786	1,476,554,099	1,600,940,493

34 Income taxes

	Consolidated		Company	
	2014	Restated	2014	Restated
	Baht	2013	Baht	2013
		Baht		Baht
Current tax	1,072,865,356	1,247,484,103	-	-
Deferred tax	(280,376,787)	58,964,320	-	-
Total income taxes	792,488,569	1,306,448,423	-	-

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the basic tax rate of the home country of the parent company as follows:

	Consolidated		Company	
	2014	Restated	2014	Restated
	Baht	2013	Baht	2013
		Baht		Baht
Profit before tax from continuing operations	8,599,334,297	8,634,553,583	3,664,193,906	2,814,047,413
Tax calculated at a tax rate of 20%	20%	20%	20%	20%
The result of the accounting profit multiplied by the income tax rate	1,719,866,859	1,726,910,717	732,838,781	562,809,483
Tax effect of :				
Income not subject to tax	(258,313,986)	(87,143,868)	(1,081,554,283)	(966,211,684)
Expenses not deductible for tax purpose	50,974,374	331,220,825	47,151,549	82,606,382
Revenues that are granted income tax exemption or expenses that are deductible at a greater amount	(445,019,160)	-	-	-
Net losses deductible	(11,001,405)	-	-	-
Tax losses for the year for which no deferred income tax assets was recognised	508,739,755	269,196,258	301,563,953	320,795,819
Share of profit from investments - equity method	(1,092,126,847)	(1,231,249,281)	-	-
Difference on tax rate in which countries the Group operated	319,368,979	297,513,772	-	-
Income taxes	792,488,569	1,306,448,423	-	-

The weighted average applicable tax rate for the Group and the Company were 9.21% and 0.00%, respectively (2013 : 15.13% and 2.58%, respectively).

34 Income taxes (continued)

The tax charged/(credited) relating to component of other comprehensive income is as follows:

	Consolidated	
	2014 Baht	2013 Baht
Unrealised gains on investments in marketable securities		
- available-for-sale		
At 1 January	586,423,218	630,025,266
Charged/(credited) to other comprehensive income	(87,204,093)	(43,602,048)
At 31 December	<u>499,219,125</u>	<u>586,423,218</u>
	Company	
	2014 Baht	2013 Baht
Unrealised gains on investments in marketable securities		
- available-for-sale		
At 1 January	586,423,218	630,025,266
Charged/(credited) to other comprehensive income	(87,204,093)	(43,602,048)
At 31 December	<u>499,219,125</u>	<u>586,423,218</u>

35 Earnings per share

Basic earnings per share is calculated by dividing the net profit for the year attributable to shareholders by the weighted average number of ordinary shares issued and paid-up during the year, net of treasury stock.

	Consolidated		Company	
	2014	Restated 2013	2014	Restated 2013
Net profit attributable to owners of the parent (Baht)	7,666,976,983	7,164,131,957	4,029,943,385	3,256,229,658
Weighted average number of ordinary share in issue (Shares)	526,465,000	526,465,000	526,465,000	526,465,000
Basic earnings per share (Baht)	14.56	13.61	7.65	6.19

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

36 Dividends

At the Annual General Shareholders' Meeting dated 23 April 2014, the shareholders approved the payment of dividends in respect of the operating results for the six-month period ended 31 December 2013 for 526,465,000 shares at Baht 3.25 per share, totalling Baht 1,711 million. These dividends were paid to shareholders on 2 May 2014.

The shareholders acknowledged the payments of interim dividends in respect of operating results for the first six-month period of 2013 for 526,465,000 shares at Baht 2.75 per share, totalling Baht 1,448 million. These dividends were paid to shareholders on 20 September 2013.

At the Board of Directors' meeting on 23 August 2014, the directors approved the payment of interim dividends in respect of the operating results for the six-month period ended 30 June 2014 for 526,465,000 shares at Baht 3.00 per share, totalling Baht 1,579 million. These dividends were paid to shareholders on 19 September 2014.

37 Promotional privileges

The Group has been granted promotional privileges by the Office of the Board of Investment under promotion certificates in respect of electricity and tap water generation. These eight subsidiaries have been granted exemption from certain taxes and duties as detailed in the certificates including exemption from corporate income tax for a period of eight years from the date of first revenue. As promoted entities, these subsidiaries are required to comply with the terms and conditions specified in the promotion certificates.

38 Financial instruments

The principal financial risks faced by the Group are interest rate and exchange rate risks. The Group borrows to finance its operations, which involve payments in foreign currencies, at both fixed and floating rates of interest.

The objectives of using derivative financial instruments are to reduce the uncertainty over future cash flows arising from movements in interest rates and to manage the liquidity of cash resources. Interest rate exposure is managed through interest rate swap contracts. In respect of currency exchange risk of the domestic operation, the formula for the calculation of the Availability Payments and Energy Payments charged to EGAT allows for the minimisation of the impact of currency exchange. For the exchange rate risks of the overseas operations, the Group receives cash inflow from trade receivables as same currency as the major liabilities of the Group.

Trading for speculative purposes is not allowed. All derivative transactions are subject to prior approval by the respective board of each company in the Group.

38 Financial instruments (continued)

38.1 Financial assets and liabilities

As at 31 December 2014 and 2013, the Group had outstanding foreign currency assets and liabilities after taking account of foreign currency forward contracts as details below.

	Consolidated		Consolidated	
	2014		2013	
	Currency Million	Million Baht	Currency Million	Million Baht
Assets				
US Dollar	170.45	5,605	172.37	5,643
Australian Dollar	13.94	372	6.11	178
Philippine Peso	4.84	4	-	-
		<u>5,981</u>		<u>5,821</u>
Liabilities				
US Dollar	1,286.90	42,526	910.44	29,921
Japanese Yen	157.25	43	262.08	83
Australian Dollar	241.22	6,438	99.23	2,883
		<u>49,007</u>		<u>32,887</u>
	Company		Company	
	2014		2013	
	Currency Million	Million Baht	Currency Million	Million Baht
Liabilities				
US Dollar	734.67	<u>24,327</u>	406.10	<u>13,381</u>

Foreign currency assets represent cash and cash equivalents, trade receivables and deposits with financial institutions. Foreign currency liabilities represent trade payables, other payables, interest payables and loans.

38 Financial instruments (continued)

38.1 Financial assets and liabilities (continued)

As at 31 December 2014, the Group did not enter into any foreign currency forward contracts to cover their exchange risk relating to long-term loan repayments of US Dollar 1,106 million, Japanese Yen 157 million and Australian Dollar 236 million which were the net amount after deducting deposits and investments in foreign currency (2013: US Dollar 738.07 million, Japanese Yen 262.08 million and Australian Dollar 93.12 million). However, exchange risk relating to US Dollar, the Group receives compensation from EGAT for exchange rate effects related to its US Dollar and Japanese Yen debt services and the majorities of overseas subsidiaries have cash inflow from trade receivables in US Dollar. In addition in Australian subsidiary has cash inflow from trade receivables in Australian Dollar when the subsidiary commences its commercial operation.

Objectives and significant terms and conditions

In order to manage risks arising from fluctuations in interest rates and currency exchange rates, the Group uses the following derivative financial instruments.

Interest rate swap contracts

Interest rate swap contracts are entered into to manage exposure to fluctuations in interest rates on specific transactions. The Company entered into interest rate swap contracts by converting floating rates to fixed rates for the total amount of long-term loans of Baht 4,000 million and of US Dollar 30 million (which equivalent to Baht 993 million). The seven subsidiaries of the Company entered into interest rate swap contracts by converting floating rates to fixed rate for the total amount of long-term loans of US Dollar 151 million (which equivalent to Baht 5,006 million) and of Baht 8,226 million and for the total amount of long-term loans of Australian Dollar 234 million (which equivalent to Baht 6,236 million).

Forward contracts

Forward contracts are entered into to manage exposure to fluctuations in currency exchange rates. The three subsidiaries of the Company entered into forward contracts for long term loans of Baht 130 million and for Construction Agreement of Baht 2,896 million, US Dollar 126 million (which equivalent to Baht 4,177 million) and Australian Dollar 6 million (which equivalent to Baht 160 million) respectively.

The fixed interest rates under the swaps for long-term loans at 31 December were:

Currency	Contract amount (million)		Fixed Exchange Rates	
	2014	2013	2014	2013
US Dollar	181	49	1.60 - 1.60	1.60 - 7.42
Thai Baht	12,226	8,998	1.60 - 6.10	1.60 - 6.10
Australian Dollar	234	101	4.40 - 4.40	4.40 - 4.40

38 Financial instruments (continued)

38.1 Financial assets and liabilities (continued)

The remaining notional principal amounts of the outstanding interest rate swap contracts at 31 December were:

	Consolidated		Company	
	2014	2013	2014	2013
	Million Baht	Million Baht	Million Baht	Million Baht
Within 1 year	1,876	1,998	993	1,483
Later than 1 year	22,586	9,557	4,000	4,000
	24,462	11,555	4,993	5,483

38.2 Credit risk

The Group has no significant concentrations of credit risk relating to its cash and investments. The Group places its cash and investments with high quality financial institutions. The Group's policy is designed to limit exposure with any one institution and to invest its excess cash in low risk investment accounts. The Group has not experienced any losses on such accounts. For trade receivables, the Group's sales are made to state-owned enterprises and industrial users under the terms and conditions of the long-term Power Purchase Agreements and the long-term Electricity and Steam Sales and Purchase Agreements.

38.3 Fair value

The carrying amounts of the following financial assets and financial liabilities approximate their fair values: cash and cash equivalents, short-term investments, trade receivables and payables, lease receivables, amounts due from and due to related parties, other receivables and payables, and short-term loans due to the short maturities of these instruments.

Long-term loans to related parties and long-term loans from financial institutions

The fair values of long-term loans to related parties and long-term loans from financial institutions with fixed interest rates have been calculated from the net present value of future cash flows discounted by market interest rates using rates at the date of financial statements. The fair values of long-term loans receivable and payable with floating interest rates approximate their carrying amounts.

38.3 Fair value (continued)

	2014			
	Consolidated		Company	
	Contract amount	Fair value	Contract amount	Fair value
	Million Baht	Million Baht	Million Baht	Million Baht
Long-term loans to related parties	-	-	1,749	1,806
Long-term loans from financial institutions	14,672	15,852	4,000	4,296

	2013			
	Consolidated		Company	
	Contract amount Million Baht	Fair value Million Baht	Contract amount Million Baht	Fair value Million Baht
Long-term loans to related parties	-	-	1,720	1,768
Long-term loans from financial institutions	15,580	16,514	4,000	4,067

	Consolidated		Company	
	2014	2013	2014	2013
	Million Baht	Million Baht	Million Baht	Million Baht
Unfavourable interest rate swaps	(2,114)	(258)	(11)	(74)
Favourable interest rate swap	62	-	33	-
Unfavourable forward contract	(1,037)	(177)	-	-
Favourable forward contract	3	4	-	-

The fair values of interest rate swap contracts, currency and interest rate swap contracts have been calculated using rates quoted by the Group's bankers to terminate the contracts at the date of financial statements.

39 Related party transactions

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with the company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the Company, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

The major shareholders of the Company are the Electricity Generating Authority of Thailand (“EGAT”) and TEPDIA Generating B.V. which is associates between Tokyo Electric Power Company (“TEPCO”) and Diamond Generating Asia, Limited. holding 25.41% and 22.42% of the Company’s shares, respectively. The remaining shares in the Company are widely held.

The information on the Company’s subsidiaries and joint ventures is provided in Note 14.

The following material transactions were carried out with related parties:

39.1 Sales of electricity

For the years ended 31 December	Consolidated		Company	
	Restated		Restated	
	2014	2013	2014	2013
	Million Baht	Million Baht	Million Baht	Million Baht
Sales of electricity				
- Major shareholder	1,465	1,498	-	-
Finance lease income under PPAs				
- Major shareholder	651	905	-	-
Lease service income under PPAs				
- Major shareholder	1,939	2,499	-	-
Finance lease income and lease Service income under PPA (from discontinued operation)				
- Major shareholder	-	-	1,165	1,451

The Company and three subsidiaries have entered into Power Purchase Agreements (“PPAs”) with EGAT. The agreements are effective for periods of 20 to 21 years. According to the resolutions of the Cabinet meetings dated 15 February 1994, 23 January 1996, 28 January 2003, and 29 May 2003, respectively, the electricity revenues from such agreements must be calculated on a cost plus basis. There is a limitation on sales of electricity to third parties as specified in the agreements. However, the PPA entered into between the Company and EGAT was expired on 7 December 2014 (Note 40).

39 Related party transactions (continued)

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

39.1 Sales of electricity (continued)

The two subsidiaries of the Company entered into three PPAs with EGAT under the Small Power Producer project. The PPAs are effective for periods of 25 years commencing from commercial operation date. As at 31 December 2014, the subsidiaries have not commenced their commercial operation.

A subsidiary of the Company entered into a PPA in relation to a new power plant project with EGAT. The PPA is effective for a period of 25 years starting from scheduled commercial operation date. The new power plant project is a combined cycle power plant, located in Nakhon Si Thammarat. The power plant will be operated with natural gas as a primary fuel to generate electricity at a contract capacity of 930 MW. As at 31 December 2014, the subsidiary has not commenced the commercial operation yet.

39.2 Service income

For the years ended 31 December	Consolidated		Company	
	2014	2013	2014	2013
	Million Baht	Million Baht	Million Baht	Million Baht
Service income				
- Major shareholder	14	21	-	-

A subsidiary of the Company has entered into the Subcontract for Major Maintenance Agreement with EGAT to provide major maintenance services, repair services, administrative services and additional services related to power plants. The compensation for such services is calculated on a cost plus basis. The agreement is effective for a period of 8 years commencing from 24 September 2007.

39.3 Major maintenance expenses

For the years ended 31 December	Consolidated		Company	
	2014	2013	2014	2013
	Million Baht	Million Baht	Million Baht	Million Baht
Major maintenance expenses				
- Major shareholder	45	96	32	59

The Company has entered into Major Maintenance Agreements with EGAT in order for the latter to provide major maintenance services, repair services, administrative services and additional services related to the Company power plant. The price for such services is calculated under the agreements on a cost plus basis and will be adjusted annually according to the Consumer Price Index. The agreements have been extended for a period of 8 years, commencing from 7 December 2006.

39 Related party transactions (continued)

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

39.4 Trade receivable from and trade payable to a related party

As at 31 December	Consolidated		Company	
	2014	Restated 2013	2014	Restated 2013
	Million Baht	Million Baht	Million Baht	Million Baht
Trade receivable				
- Major shareholder	271	271	-	-

Outstanding trade receivable as at 31 December can be analysed as follows:

Not overdue	271	269	-	-
Overdue below 3 months	-	-	-	-
Overdue 3 - 6 months	-	-	-	-
Overdue 6 - 12 months	-	-	-	-
Overdue over 12 months	-	2	-	-
	271	271	-	-

Trade payable				
- Major shareholder	9	29	6	10

39.5 Trade receivable from a related party for services under finance lease

As at 31 December	Consolidated		Company	
	2014	Restated 2013	2014	Restated 2013
	Million Baht	Million Baht	Million Baht	Million Baht
Trade receivable from a related party for services under finance lease				
- Major shareholder	250	332	102	175

Outstanding trade receivable as at 31 December can be analysed as follows:

Not overdue	250	332	102	175
Overdue below 3 months	-	-	-	-
Overdue 3 - 6 months	-	-	-	-
Overdue 6 - 12 months	-	-	-	-
Overdue over 12 months	-	-	-	-
	250	332	102	175

39 Related party transactions (continued)

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

39.6 Finance lease receivable from a related party, net

	Consolidated			
	Minimum Payment		Present Value of Minimum Payment	
	2014 Million Baht	Restated 2013 Million Baht	2014 Million Baht	Restated 2013 Million Baht
As at 31 December				
Finance lease receivable from a related party				
- Less than 1 year	1,104	2,246	808	1,596
- Over 1 - 5 years	1,503	3,339	1,336	2,888
- Over 5 years	302	366	235	270
			2,379	4,754
<u>Less</u> deferred financial revenue	(530)	(1,197)		
Present value of minimum payment	2,379	4,754		
Finance lease receivable from a related party can be analysed as follows:				
- Current portion of finance lease receivable			808	1,596
- Non-current portion of finance lease receivable			1,571	3,158
			2,379	4,754
	Company			
	Minimum Payment		Present Value of Minimum Payment	
	2014 Million Baht	Restated 2013 Million Baht	2014 Million Baht	Restated 2013 Million Baht
As at 31 December				
Finance lease receivable from a related party				
- Less than 1 year	125	1,267	125	1,003
- Over 1 - 5 years	-	1,028	-	1,028
- Over 5 years	-	-	-	-
			125	2,031
<u>Less</u> deferred financial revenue	-	(264)		
Present value of minimum payment	125	2,031		
Finance lease receivable from a related party can be analysed as follows:				
- Current portion of finance lease receivable			125	1,003
- Non-current portion of finance lease receivable			-	1,028
			125	2,031

39 Related party transactions (continued)

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

39.7 Amounts due from and amounts due to related parties

As at 31 December	Consolidated		Company	
	2014 Million Baht	2013 Million Baht	2014 Million Baht	2013 Million Baht
Amounts due from related parties				
- Subsidiaries	-	-	123	248
- Joint ventures	176	149	4	5
	<u>176</u>	<u>149</u>	<u>127</u>	<u>253</u>
Amounts due to related parties				
- Subsidiaries	-	-	-	1
- Other related party	15	13	-	-
	<u>15</u>	<u>13</u>	<u>-</u>	<u>1</u>
Advance received for purchase of spare parts (other non-current liabilities)	-	-	24	24

39.8 Short-term loans to related parties and related interests

The movements of short-term loans to related parties can be analysed as follows:

For the year ended 31 December 2014	Consolidated		Company	
	Million Baht		Million Baht	
Beginning balance	-	-	-	8
Loans advanced during the year	-	-	-	4
Loans repayment during the year	-	-	-	(12)
Ending balance	-	-	-	-

For the years ended 31 December	Consolidated		Company	
	2014 Million Baht	2013 Million Baht	2014 Million Baht	2013 Million Baht
Interest income				
- Subsidiaries	-	-	-	3
- Joint ventures	-	4	-	4
	<u>-</u>	<u>4</u>	<u>-</u>	<u>7</u>

39 Related party transactions (continued)

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

39.9 Long-term loans to related parties and related interests

As at 31 December	Consolidated		Company	
	2014 Million Baht	2013 Million Baht	2014 Million Baht	2013 Million Baht
Long-term loans to related parties				
Subsidiaries				
- Due within 1 year	-	-	46	46
- Due over 1 year	-	-	2,654	2,620
	-	-	2,700	2,666
Joint ventures				
- Due within 1 year	-	-	-	-
- Due over 1 year	-	85	-	85
	-	85	-	85
As at 31 December	Consolidated		Company	
	2014 Million Baht	2013 Million Baht	2014 Million Baht	2013 Million Baht
Interest receivable				
- Subsidiaries	-	-	20	128
- Joint ventures	-	2	-	2
	-	2	20	130
For the year ended 31 December	Consolidated		Company	
	2014 Million Baht	2013 Million Baht	2014 Million Baht	2013 Million Baht
Interest income				
- Subsidiaries	-	-	185	180
- Joint ventures	7	-	7	-
	7	-	192	180

39 Related party transactions (continued)

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

39.9 Long-term loans to related parties and related interests (continued)

The movements of long-term loans to related parties can be analysed as follows:

	Consolidated	Company
For the year ended 31 December 2014	Million Baht	Million Baht
Beginning balance	85	2,751
Loans advanced during the year	-	80
Loan repayment during the year	(85)	(131)
Ending balance	-	2,700

On 19 July 2013, the Company entered into loan agreement with GIDEC Company Limited to lend not more than Baht 85 million. The interest rate on loan is fixed interest rate. All principal and interest will be repaid within three-years commencing from the drawn down date and they have been fully repaid.

39.10 Construction in progress

	Consolidated		Company	
As at 31 December	2014	2013	2014	2013
	Million Baht	Million Baht	Million Baht	Million Baht
Construction in progress				
- Major shareholder	34	9	-	-
- Other related parties	1,201	17	-	-
	1,235	26	-	-

A subsidiary of the Company entered into Technical Services Agreement for the new power plan with Tokyo Electric Power Company (“TEPCO”). The agreement has been effective since 4 June 2013 with the contract amount of US Dollar 3.54 million. In addition, such subsidiary entered into Engineering, Procurement and Construction for the new power plant construction with Mitsubishi Corporation Limited. The agreement has been effective since 18 May 2013 with contract amount of US Dollar 13 million and Baht 1,356 million, respectively.

Moreover, such subsidiary entered into Civil Engineering Services Contract for the new power plant with Electricity Generating Authority of Thailand. The contract has been effective since 18 July 2013 with the contract amount of Baht 44.95 million.

A subsidiary of the Company entered into Engineering, Procurement and Construction for the new power plant construction with Mitsubishi Corporation Limited. The agreement has been effective since 1 November 2014 with contract amount of US Dollar 0.27 million, Euro 0.47 million, Swedish Krona 4.43 million and Baht 3,761 million, respectively.

39 Related party transactions (continued)

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

39.11 Office building rental and service income

The Company has entered into Office Building Rental, Service Charges and Management Agreements with subsidiaries and joint ventures. The agreements are renewed yearly. The price for management services is calculated under the agreements on a cost plus basis.

For the years ended 31 December	Consolidated		Company	
	2014 Million Baht	2013 Million Baht	2014 Million Baht	2013 Million Baht
Office building rental and service income				
- Subsidiaries	-	-	6	8
	-	-	6	8
Management fee				
- Subsidiaries	-	-	94	85
- Joint ventures	35	40	35	40
- Other related party	4	-	4	-
	39	40	133	125

39.12 Project development income

The Company has entered into Project Development Service Agreements with subsidiaries. The price for services is calculated under the agreements on a cost plus basis.

For the years ended 31 December	Consolidated		Company	
	2014 Million Baht	2013 Million Baht	2014 Million Baht	2013 Million Baht
Projection development income				
- Subsidiaries	-	-	42	98
	-	-	42	98

39.13 Directors and managements remuneration

For the years ended 31 December	Consolidated		Company	
	2014 Million Baht	2013 Million Baht	2014 Million Baht	2013 Million Baht
Short-term employee benefits	88	116	57	84
Post employment benefits	3	3	2	2
Total director and managements remuneration	91	119	59	86

40 Operation and power purchase agreement of the Company (Rayong power plant)

The Company entered into Power Purchase Agreement with EGAT for a period of 20 years and according to the agreement, the Rayong power plant of the Company generated electricity to sell to EGAT. However, the Rayong power plant, which is one of the Company's major lines of businesses, ceased its operations and electricity sale to EGAT on 7 December 2014 resulting from the expiration of the power purchase agreement. Therefore, operating results and cash flows from the Rayong power plant are disclosed under the discontinued operation segment of the separate financial statements for the years ended 31 December 2014 and 2013.

Details of revenues and expenses of the Rayong power plant for the years ended 31 December 2014 and 2013 are as follows:

	Company	
	2014	Restated
	Baht	2013
		Baht
Sales and services income	1,164,902,825	1,450,351,905
Cost of sales and services	(649,374,281)	(761,358,153)
Gross profit	515,528,544	688,993,752
Other income	57,335,971	60,832,434
Currency exchange loss	-	(24,144)
Administrative expenses	(185,605,437)	(204,656,432)
Finance costs	(17,621,298)	(16,911,034)
Profit before income tax expense	369,637,780	528,234,576
Income tax expense	(3,888,301)	(86,052,331)
Profit for the year from discontinued operation, net of tax	365,749,479	442,182,245

41 Commitments and significant agreements

41.1 Commitments

- As at 31 December 2014, the Company had commitments under Sponsor Support Agreements, which were made in respect of loans to subsidiaries, totalling Baht 43 million (31 December 2013: Baht 243 million).
- As at 31 December 2014, the Company had commitments under the Counter Guarantee and Standby Letters of Credit issued on behalf of the Company to subsidiaries and joint ventures of Baht 5,775 million (2013: Baht 8,380 million).
- According to the Power Purchase Agreements ("PPAs") between the Company's subsidiaries and the Electricity Generating Authority of Thailand ("EGAT") whose period between 15 years and 21 years, the subsidiaries have to provide bank guarantees, totalling Baht 140 million. The collateral is to be returned to such subsidiaries upon the expiry of the agreements.
- On 31 May 2014, a subsidiary entered into New Medium Gas Pipeline and Metering Station for the new power plant for the contract amount of Baht 313 million. As at 31 December 2014, such subsidiary has capital expenditure commitment by Baht 250 million.

41 Commitments and significant agreements (continued)

41.2 Significant agreements

In addition to the PPAs with EGAT which is one of the Company's major shareholders as discussed in Note 39, the Group had the following significant agreements:

41.2.1 Power Purchase Agreements ("PPAs")

- a) The six subsidiaries of the Company entered into eleven PPAs with the Provincial Electricity Authority ("PEA") under the Very Small Power Producer ("VSPP") scheme. The PPAs are effective for periods of 5 years and are automatically renewable every 5 years.
- b) On 9 October 2014, a subsidiary entered into PPA with a company. The PPA is effective for a period of seven years starting from scheduled commercial operation date. The sales quantity and its price must be complied with the agreement. The agreement can be extended for another 2 years, commencing from the maturity date upon the conditions specified in the agreement.
- c) On 16 October 2014, a subsidiary entered into PPA with a company. The agreement is effective for a period of 20 years starting from scheduled commercial operation date. The agreement can be extended, commencing from the maturity date upon the conditions specified in the agreement.
- d) An overseas subsidiary of the Company entered into a PPA with a purchaser in the Philippines. The PPA is effective for a period of 25 years commencing from 30 May 2000. The purchaser is obligated to pay the subsidiary a Monthly Capacity Payment, at least US Dollar 109 million per year. As at 31 December 2014, the remaining period of the PPA is 12 years.
- e) An overseas subsidiary of the Company entered into a PPA with a purchaser in Australia. The PPA is effective for a period of 10 years and can be extended for another 5 years commencing from February 2015.

41.2.2 Water Supply Agreement

A subsidiary of the Company has entered into a water supply agreement with the Provincial Waterworks Authority ("PWA") for a period of 30 years. Under the agreement, the subsidiary is required to produce water for sale to PWA in Ratchaburi and Samutsongkram provinces. The PWA has an obligation to purchase water at the minimum volume and price agreed.

41.2.3 Steam Purchase Agreement

On 16 October 2014, a subsidiary of the Company entered into Steam Purchase Agreement with a company. The agreement is effective for a period of 20 years commencing from scheduled commercial operation date. The agreement can be extended, commencing the maturity date upon the conditions specified in the agreement.

41.2.4 Transmission Line Agreement ("TLA")

An overseas subsidiary of the Company entered into a TLA with a contractor in the Philippines. Under the TLA. The TLA is effective for a period of 25 years commencing from 30 May 2000.

41 Commitments and significant agreements (continued)

41.2.5 Fuel Purchase Agreements

- a) Subsidiaries of the Company have entered into Gas Purchase Agreements with PTT Public Company Limited (“PTT”). These agreements are effective for a period of 21 years and can be extended for another 4 years.
- b) A subsidiary of the Company has entered into a Heavy Fuel Oil Purchase Agreement with PTT. The agreement shall be effective for a period of 3 years from 1 January 2005 to 31 December 2008. The agreement has been extended by one year and can be extended automatically for further one year periods (in the event that there is no cancellation of the automatic extension).
- c) An overseas subsidiary of the Company entered into two Coal Supply Agreements (“CSAs”) with two contractors. Under the CSAs, subsidiary has to purchase coal as specified in the agreements. The CSAs are effective for periods of 15 years and 25 years, respectively, commencing from 30 May 2000.
- d) A subsidiary of the Company has entered into Gas Purchase Agreements with PTT Public Company Limited (“PTT”). The agreement is effective for a period of 25 years, commencing 19 June 2016. The sales quantity and its price must be complied with the agreement.
- e) On 4 April 2014, a subsidiary entered into the Diesel Fuel Supply Agreement for purchasing secondary fuel for a new power plant. The agreement is effective for a period of three years starting from 4 April 2014. The sales quantity and its price must be complied with the agreement.
- f) On 2 May 2014, a subsidiary entered into the Diesel Fuel Agreement. The agreement is for the purpose of selling fuel to existing power plants. The agreement is scheduled to be completed by November 2015. The sales quantity and its price must be complied with the agreement.

41.2.6 Operation and Maintenance Agreements

- a) A subsidiary of the Company has entered into power plant operation and maintenance, and power plant equipment maintenance agreements with three customers. The agreements, totalling Baht 694 million, are effective for a period of 5 to 6 years. In addition, the subsidiary has also entered into a subcontract for Supply of Spare Parts with a third party. This agreement is effective for a period of 2 to 3 years. The total contract price is US Dollar 14.48 million.
- b) A subsidiary of the Company has entered into power plant operation and maintenance, and power plant equipment maintenance agreement with PTT Utility Company Limited. The agreements, totalling Baht 140 million, are effective for a period of 10 years.
- c) A subsidiary of the Company has entered into long-term technical service agreement with constructors. The agreement is for the purpose of maintenance new power plant after commercial operation date, which is effective for a period of 10 years and 3 months commencing from 19 June 2016. The total contract price is Japanese Yen 18,560 million.

41 Commitments and significant agreements (continued)

41.2.7 Project Site Lease Agreement

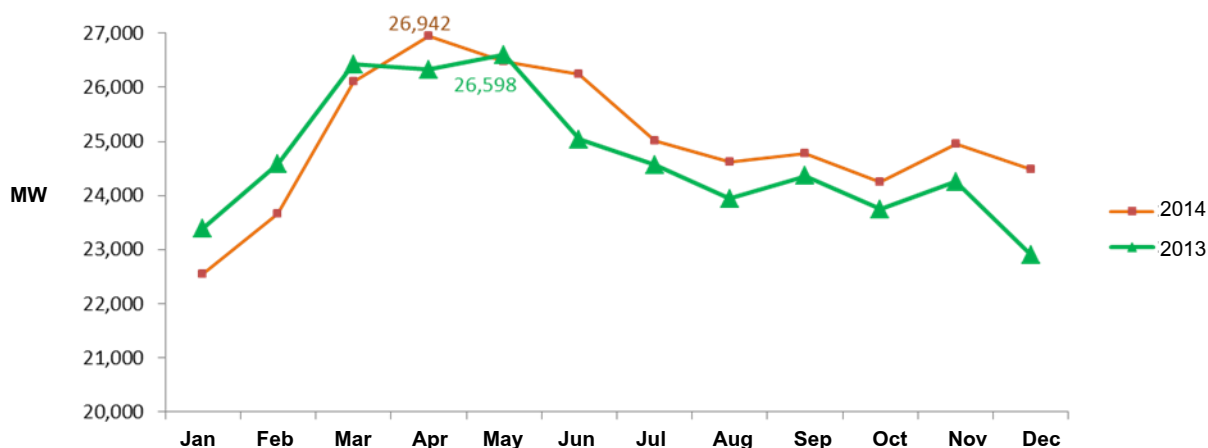
A subsidiary of the Company entered into a Project Site Lease Agreement with a contractor in the Philippines. The agreement is effective for a period of 25 years commencing from 30 May 2000 and the subsidiary has the right to extend the term for consecutive periods of 5 years each, provided that the extended term does not exceed 50 years in the aggregate.

42 Post statement of financial position event

- a) On 23 January 2015, a subsidiary entered into long-term loan agreements with financial institutions for a facility of Baht 4,405 million and US Dollars 30 million. The interest rates on Thai Baht loan is THBFIX six-month plus a certain margin per annum and the interest rate on US Dollar loan is fixed rate per annum. The loan principals and interests will be repaid on a semi-annual basis, commencing from June 2017.
- b) In January and February 2015, the Company entered into interest rate swap agreements to convert floating rates to fixed rates for US Dollars loans amount US Dollars 330 million (equivalent to Baht 10,927 million).
- c) On 4 February 2015, the Group paid for 33.33% of shareholding in Natural Energy Development Co., Ltd. ("NED"), totalling Baht 1,200 million. Therefore, the Group holds 66.66% of total registered shares of NED.

14. Management Discussion and Analysis

1. Economy and Industry affecting to the buisness operation



Source: Electricity Generating Authority of Thailand

Thailand decelerated economic growth in the first two quarters of 2014 led to a slight demand increase of only 2.37%. Electricity consumption was 173,142 GWh which was 4,057 GWh over the 2013 figure. The peak demand of the country occurred on April 23, 2014 at 2:26 p.m., reached 26,942 megawatt which was 1.29% higher than the peak demand in 2013 which was at 26,598 megawatt. However, the domestic Power Plants owned by EGCO possess long-term Power Purchase Agreements (PPA) with Electricity Generating Authority so that EGCO firmly received steady electricity revenue.

EGCO Group has consistently expanded its business investment to cover the Asia-Pacific Region for many years in Laos People's Democratic Republic (Laos PDR), The Philippines, The Republic of Indonesia and The Commonwealth of Australia to continuously build and develop its electricity business with sustainable growth. EGCO has co-invested with local business partners by possessing few shares in the beginning so as to understand and get accustomed to the electricity business conditions in that particular area before planning on its further investment or expansion.

2. Significant events in 2014

2.1 The progress in Construction and Developing projects

2.1.1 Completed projects

- **Boco Rock Wind Farm Pty Limited**, (EGCO holds an indirect 100% ownership interest.) The project is a wind power plant with the installed capacity of 113 MW, located in New South Wales, Australia. The project has entered into a 15-year PPA with Energy Australia Pty Ltd. The project has started its operation since November 28, 2014
- **GIDEC Company Limited**, (EGCO holds a 50% ownership interest.), is municipal solid waste plant. The power plant is located in Khuan Lang sub-district, Hat Yai district, Songkhla province, with the installed capacity of 6.70 MW generating and supplying the electricity to the grid. The project has a non-firm PPA for very small power producer with Provincial Electricity Authority (PEA) with 7-year subsidy of 3.50 baht per KWh adder from the Power Department Fund Management Division, Office of the Energy Regulatory Commission (OERC). The commercial operation date of the project was on December 11, 2014.

2.1.2 Construction projects

- **Khanom Power Plant Project Unit 4**, a gas-fired combined cycle power plant project of **Khanom Electricity Generating Company Limited (KEGCO)**, (EGCO holds a 99.99% ownership interest.), has entered into the PPA with the Electricity Generating Authority of Thailand (EGAT) for 25 years, with the contracted capacity of 930 MW. The project located in Nakhon Si- Thammarat province. The progress of the project was 56.70%. The commercial operation of the project is scheduled in June 2016.
- **Xayaburi Project**, a project of the **Xayaburi Power Company Limited (Xayaburi)**, (EGCO holds a 12.50% ownership interest.), is a hydro power plant project, Run off River, in the Laos People's Democratic Republic (Laos PDR). Xayaburi has entered into the PPA with EGAT with the contracted capacity of 1,220 MW. The construction of the project has progressed 40.79%. The commercial operation of the project is scheduled in October 2019.

2.1.3 Developing projects

- **Chaiyaphum Wind Farm Company Limited**, (EGCO holds a 90% ownership interest.), a wind power plant project located in Chaiyaphum province, has entered into the PPA with EGAT with the contracted capacity of 90 MW. The project is subsidized with an adder of 3.50 baht per KWh for 10 years from OERC. This project is under the process of negotiating a long-term loan contract with financial institutions and the contract is expected to be signed in January 2015. The commercial operation is scheduled in December 2016.
- **Klongluang Utilities Company Limited**, (EGCO holds a 99.99% ownership interest.), develops a cogeneration power plant project, TJ Cogen, with the installed capacity of 110 MW. The project is located in Klongnueng sub-district, Klonglaung district, Pathumthani province. TJ Cogen has entered into the PPA with EGAT for 25 years with the contracted capacity of 90 MW. The project is in the development process. The commercial operation is scheduled in June 2017.
- **Banpong Utilities Company Limited**, (EGCO holds a 99.99% ownership interest.), develops 2 cogeneration power plant projects: SK Cogen and TP Cogen, with the installed capacity of 125 MW each. The projects are located in Thapha sub-district, Banpong district, Ratchaburi province. SK Cogen and TP Cogen have entered into the PPAs with EGAT for 25 years with the contracted capacity of 90 MW each. The commercial operation of the projects are scheduled in October 2017.

2.2 New Investment

- On July 15, 2014, EGCO Group acquired 44.54% ownership interest in **Masin-AES Pte. Ltd. (Masin-AES)** whichs invests in power business in Philippines. Masin-AES is a major shareholder of Masinloc Power Partners Co.,Ltd. (MPPCL). Therefore, EGCO Group holds 40.945% ownership interest in MPPCL. MPPCL owns, operates and maintains coal fired power plant facilities comprising 2 units of 315 MW, 630 MW in total, located in Zambales province, Luzon, the Philippines. MPPCL sells its power and energy under contracts to the Manila Electric Company (Meralco), various electric cooperatives and a number of industrial customers in the approximate proportion of 70%, 20% and 10%, respectively.
- On July 30, 2014, EGCO Group acquired 20% indirect ownership interest in **Star Energy Geothermal Pte. Ltd. (SEG)**. SEG invests in the geothermal power station located in Indonesia with installed capacity of 227 MW, consisting of 2 Power Plant Units: Unit 1 - 110 MW and unit 2 - 117 MW which have been in operation since 2000 and 2009, respectively. SEG sells the electricity to PT PLN (Persero), an Indonesian government-owned electricity corporation, under the long-term Energy Sales Contract with the right to sell electricity up to 400 MW. Moreover, SEG is developing other two geothermal power projects of which the Energy Sales Contracts are expected to be signed in a near future.

2.3 Other significant event

- On December 7, 2014, the 20-year PPA between Rayong Power Plant, Thailand's first Independent Power Plant and EGAT expired. Consequently, the Power Plant stopped its operation and electricity sales to EGAT on the same day.

3. **Business overview**

EGCO Group has 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), Tap water including Rayong power plant as a business unit in EGCO. Details 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. (Roi-Et Green)	SPP
Banpong Utilities Co., Ltd. (Banpong)	SPP
Klongluang Utilities Co., Ltd. (Klongluang)	SPP
Chaiyaphum Wind Farm Co., Ltd. (Chaiyaphum)	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. (Theppana)	VSPP

1.2 **Overseas Power Generation**

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

2. **Other businesses**

2.1 **Local Other Businesses**

EGCO Engineering and Service Co., Ltd. (ESCO)	O&M
• EGCOM Tara Co., Ltd. (EGCOM Tara)	Tap Water

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)
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(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
GIDEC Company Limited (GIDEC)	VSPP

1.2 Overseas power generation

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

San Buenaventura Power Ltd. Co. (SBPL)

Masin-AES Pte. Ltd. (Masin-AES)

- Masinloc Power Partners Co., Ltd. (MPPCL)

2. Others businesses

- Overseas Other Business

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

Coal Mining

(4) Other investments

Other investments comprise long-term investment in securities :

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

As of December 31, 2014, EGCO Group's portfolio consists of 23 operating power plants, with a total contracted capacity of 3,746 MW equity (when including Rayong Power Plant, total contracted capacity were 4,921 MW equity).

4. Report and Analysis of the Operating Results

Commencing on 1 January 2014, EGCO Group has applied the new accounting standards that are effective for accounting periods beginning on or after 1 January 2014. These following accounting standards affect the financial statements: TFRIC 4 – Determining whether an arrangement contains a lease and TFRIC 12 – Service concession arrangements.

For focusing on the operating performance, EGCO would like to present analysis of the operation result excluding the impact of the new accounting standards.

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

Summary of operating results for the year 2014

Unit : Million Baht

	<i>Power Generation</i>		<i>Others</i>		<i>Total</i>		<i>Change Increase (Decrease)</i>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>Amount</u>	<u>%</u>
Total Revenues	19,491	18,552	861	1,050	20,352	19,602	750	4%
Total Expenses	(18,007)	(17,388)	(539)	(702)	(18,546)	(18,090)	456	3%
Share of Profit (Loss)	6,027	6,058	15	(21)	6,042	6,037	5	-
NCI* before FX	(97)	(131)	(46)	(43)	(143)	(174)	(31)	(18%)
Profit (Loss) before FX and deferred income tax	7,414	7,091	291	284	7,705	7,375	330	4%
Deferred income (expense) tax	225	(280)	-	1	225	(279)	504	181%
Profit (Loss) before FX	7,639	6,811	291	285	7,930	7,096	834	12%
FX	(661)	(196)	(16)	14	(677)	(182)	(495)	(272%)
Net Profit (loss)	6,978	6,615	275	299	7,253	6,914	339	5%

* NCI: Non-Controlling Interests

Profit from operation of EGCO Group before FX and deferred income tax for the year 2014 was 7,705 million baht, increasing by 330 million baht comparing the year 2013, which came from an increase in power generation business of 323 million baht and an increase in other business of 7 million baht. See more details in 4.1 and 4.2 as below;

4.1 The Analysis of the Operating Results in Power Generation business

Profit (loss) before FX and deferred income tax for the year 2014 from the operation of power generation business increased by 323 million baht from the year 2013 mainly due to an increase in the operating results of Yanhee EGCO, Quezon, Masin-AES, NTPC, BLCF and NED whereas those of GPG, KEGCO, EGCO, EGCO COGEN, Rayong Power Plant and GEC decreased as follow:

Yanhee EGCO:

Unit : Million Baht

	<u>2014</u>	<u>2013</u>	<i>Change</i> <i>Increase (Decrease)</i>	
			<u>Amount</u>	<u>%</u>
<i>Electricity revenue</i>	1,377	110	1,267	1,152%
<i>Other income</i>	13	4	9	225%
<i>Total revenues</i>	1,390	114	1,276	1,119%
<i>Cost of sale</i>	(323)	(31)	292	942%
<i>Other expenses</i>	(306)	(95)	211	222%
<i>Total expenses</i>	(629)	(126)	503	399%
Profit (Loss) before FX and deferred income tax	761	(12)	773	6,442%

- **Yanhee EGCO** : The operating result increased by 773 million baht due to recognizing electricity sale on a full year basis in the year 2014. In the year 2013, 3 projects of Yanhee EGCO started their commercial operation on November 18, 2013 while the other 3 projects commenced their operation on December 16, 2013.

Quezon (Include PEPOI and QMS):

Unit : Million Baht

	<u>2014</u>	<u>2013</u>	Change <u>Increase (Decrease)</u>	
			<u>Amount</u>	<u>%</u>
Electricity revenue	10,472	10,213	259	3%
Other income	-	-	-	-
Total revenues	10,472	10,213	259	3%
Cost of sale	(5,685)	(5,815)	(130)	(2%)
Other expenses	(1,882)	(1,937)	(55)	(3%)
Total expenses	(7,567)	(7,752)	(185)	(2%)
Profit (Loss) before FX and deferred income tax	2,905	2,461	444	18%

- **Quezon** : The profit from electricity sales increased by 389 million baht due to higher generation and a decrease in fuel cost from a lower coal price comparing to year 2013. Besides, corporate income tax decreased due to adoption of the optional standard, increasing its operating result by 444 million baht.

Masin-AES:

Unit : Million Baht

	<u>2014</u>	<u>2013</u>	Change <u>Increase (Decrease)</u>	
			<u>Amount</u>	<u>%</u>
Electricity revenue	2,773	-	2,773	100%
Other income	-	-	-	100%
Total revenues	2,773	-	2,773	100%
Cost of sale	(1,493)	-	(1,493)	100%
Other expenses	(844)	-	(844)	100%
Total expenses	(2,337)	-	(2,337)	100%
Profit (Loss) before FX and deferred income tax	436	-	436	100%

- **Masin-AES** : EGCO acquired shares in Masin-AES in July 15, 2014.

NTPC:

Unit : Million Baht

	<u>2014</u>	<u>2013</u>	Change <u>Increase (Decrease)</u>	
			<u>Amount</u>	<u>%</u>
Electricity revenue	2,832	2,787	45	2%
Other income	8	19	(11)	(59%)
Total revenues	2,840	2,806	34	1%
Cost of sale	(823)	(752)	71	9%
Other expenses	(830)	(970)	(140)	(14%)
Total expenses	(1,653)	(1,722)	(69)	(4%)
Profit (Loss) before FX and deferred income tax	1,187	1,084	103	10%

- **NTPC** : In 2013, the water level for electricity generation had reached the level as prescribed in the PPA, resulting excess energy to be sold. Therefore, the electricity revenue in US Dollar of year 2014 was lower than that in 2013. However, a depreciated in Thai Baht increased the electricity revenue after conversion to Thai Baht when comparing to the last year. Meanwhile, an interest expense was lower. These led to an increase in the operating result in the amount of 103 million baht.

BLCP:

Unit : Million Baht

	<u>2014</u>	<u>2013</u>	Change <u>Increase (Decrease)</u>	
			<u>Amount</u>	<u>%</u>
Electricity revenue	9,329	8,630	699	8%
Other income	81	121	(40)	(33%)
Total revenues	9,410	8,751	659	8%
Cost of sale	(6,221)	(5,752)	469	8%
Other expenses	(862)	(747)	115	15%
Total expenses	(7,083)	(6,499)	584	9%
Profit (Loss) before FX and deferred income tax	2,327	2,252	75	3%

- **BLCP** : When comparing to Availability payment (AP) of 2013, the AP in 2014 increased by 101 million baht due to a depreciated in Thai Baht despite the lower AP rate stated in the PPA. Moreover, electricity profit after deduction of cost of sale increased by 129 million baht from higher electricity generation. Meanwhile, an interest income was lower whereas an income tax rose up due to an expiration of tax exemption from BOI. Such factors led to an increase in the operating result in the amount of 75 million baht.

NED :

Unit : Million Baht

	<u>2014</u>	<u>2013</u>	Change <u>Increase (Decrease)</u>	
			<u>Amount</u>	<u>%</u>
Electricity revenue	511	463	48	10%
Other income	18	10	8	80%
Total revenues	529	473	56	12%
Cost of sale	(124)	(119)	5	4%
Other expenses	(101)	(111)	(10)	(9%)
Total expenses	(225)	(230)	(5)	(2%)
Profit (Loss) before FX and deferred income tax	304	243	61	25%

- **NED** : The electricity profit increased by 43 million baht due to a higher electricity generation, comparing to that in year 2013 (In 2014, EGCO recognized a profit on full year basis from NED 8 MW, as it was an expansion of NED project and started its commercial operation on May 2, 2013). Meanwhile, the other expenses decreased mainly from interest expense and financing cost. As a result, the operating result increased in the amount of 61 million baht.

GPG :

Unit : Million Baht

	<u>2014</u>	<u>2013</u>	Change <u>Increase (Decrease)</u>	
			<u>Amount</u>	<u>%</u>
Electricity revenue	10,231	13,735	(3,504)	(26%)
Other income	58	81	(23)	(28%)
Total revenues	10,289	13,816	(3,527)	(26%)
Cost of sale	(8,694)	(11,542)	(2,848)	(25%)
Other expenses	(393)	(439)	(46)	(10%)
Total expenses	(9,087)	(11,981)	(2,894)	(24%)
Profit (Loss) before FX and deferred income tax	1,202	1,835	(633)	(34%)

- **GPG** : Availability payment (AP) decreased by 338 million baht according to the PPA. The electricity generation was lower than year 2013 due to lower dispatch from EGAT. As a result, electricity profit decreased in the amount of 318 million baht. Besides, an interest income was lower. Meanwhile, other expenses decreased mainly due to a decrease in interest expense. Consequently, the operating result decreased by 633 million baht.

KEGCO :

Unit : Million Baht

	<u>2014</u>	<u>2013</u>	Change <u>Increase (Decrease)</u>	
			<u>Amount</u>	<u>%</u>
Electricity revenue	1,514	2,035	(521)	(26%)
Other income	77	9	68	756%
Total revenues	1,591	2,044	(453)	(22%)
Cost of sale	(1,313)	(1,429)	(116)	(8%)
Other expenses	(391)	(361)	30	8%
Total expenses	(1,704)	(1,790)	(86)	(5%)
Profit (Loss) before FX and deferred income tax	(113)	254	(367)	(144%)

- **KEGCO** : Availability payment (AP) decreased by 526 million baht according to the PPA. The other expenses increased mainly from administrative expenses and provisions of obsolete stock. Meanwhile, cost of sale decreased due to a lower maintenance cost, comparing to that in year 2013. Additionally, the other income increased from a profit of selling diesel oil in order to reserve new lot for Khanom Power Plant Project Unit 4. Therefore, these led to a decrease in the operating result of 367 million baht.

EGCO:

Unit : Million Baht

	<u>2014</u>	<u>2013</u>	Change <u>Increase (Decrease)</u>	
			<u>Amount</u>	<u>%</u>
Electricity revenue	-	-	-	-
Other income	235	242	(7)	(3%)
Total revenues	235	242	(7)	(3%)
Cost of sale	-	-	-	-
Other expenses	(2,854)	(2,505)	349	14%
Total expenses	(2,854)	(2,505)	349	14%
Profit (Loss) before FX and deferred income tax	(2,619)	(2,263)	(356)	(16%)

- **EGCO** : The other expenses increased by 349 million baht, caused by the amortization of right in PPA and fair value of acquiring in business acquisition of Masin-AES. Meanwhile, a decrease in other income of 7 million baht was from interest income. Thus, the operating result decreased in the amount of 356 million baht.

EGCO Cogen:

Unit : Million Baht

	<u>2014</u>	<u>2013</u>	Change <u>Increase (Decrease)</u>	
			<u>Amount</u>	<u>%</u>
Electricity revenue	2,514	2,548	(34)	(1%)
Other income	1	8	(7)	(88%)
Total revenues	2,515	2,556	(41)	(2%)
Cost of sale	(2,332)	(2,318)	14	1%
Other expenses	(145)	(110)	35	32%
Total expenses	(2,477)	(2,428)	49	2%
Profit (Loss) before FX and deferred income tax	38	128	(90)	(70%)

- **EGCO Cogen** : The electricity profit decreased by 48 million baht due to lower electricity generation and higher cost of sale, comparing to that in year 2013, since the plant carried out major maintenance in 2014. Moreover, other expense increased from provisions of obsolete stock. Interest income and other income decreased due to compensation receipt from damaged plant's equipment in year 2013. These led to a decrease in the operating result in the amount of 90 million baht.

Rayong Power Plant

Unit : Million Baht

	<u>2014</u>	<u>2013</u>	Change <u>Increase (Decrease)</u>	
			<u>Amount</u>	<u>%</u>
Electricity revenue	1,959	2,201	(242)	(11%)
Other income	42	49	(7)	(14%)
Total revenues	2,001	2,250	(249)	(11%)
Cost of sale	(1,337)	(1,511)	(174)	(12%)
Other expenses	(203)	(222)	(19)	(9%)
Total expenses	(1,540)	(1,733)	(193)	(11%)
Profit (Loss) before FX and deferred income tax	461	517	(56)	(11%)

- **Rayong Power Plant:** Availability payment (AP) decreased by 200 million baht according to the PPA. Energy payment (EP) decreased by 42 million baht due to lower electricity generation, comparing to the year 2013, as well as the expiration of Rayong Power Plant's PPA on December 7, 2014. Besides, cost of sale decreased by 174 million baht due to lower maintenance expenses. As such, the operating result decreased by 56 million baht.

GEC (excluding GPG)
Baht

Unit : Million

	<u>2014</u>	<u>2013</u>	Change <u>Increase (Decrease)</u>	
			<u>Amount</u>	<u>%</u>
Electricity revenue	4,758	4,573	185	4%
Other income	67	153	(86)	(56%)
Total revenues	4,825	4,726	99	2%
Cost of sale	(4,100)	(4,012)	88	2%
Other expenses	(256)	(233)	23	10%
Total expenses	(4,356)	(4,245)	111	3%
Profit (Loss) before FX and deferred income tax	469	481	(12)	(2%)

- **GEC** : The electricity profit increased by 97 million baht resulted from higher generation, comparing to the year 2013. Meanwhile, other income decreased by 86 million baht due to NKCC's insurance claim in the year 2013. Besides, the corporate income tax was higher. These led to a decrease in the operating result in the amount of 12 million baht.

Other Subsidiaries in Power Generation business:

Unit : Million Baht

	Roi-Et Green		SPP 2		SPP 3		SPP 4		SPP 5	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Electricity revenue	402	365	193	187	191	179	147	140	196	187
Other income	4	7	2	2	3	3	3	2	4	2
Total revenues	406	372	195	189	194	182	150	142	200	189
Cost of sale	(225)	(189)	(51)	(52)	(49)	(49)	(38)	(38)	(48)	(50)
Other expenses	(71)	(76)	(49)	(53)	(50)	(56)	(39)	(42)	(48)	(52)
Total expenses	(296)	(265)	(100)	(105)	(99)	(105)	(77)	(80)	(96)	(102)
Profit (Loss) before FX and deferred income tax	110	107	95	84	95	77	73	62	104	87

Other Subsidiaries in Power Generation business (continue) :

Unit : Million Baht

	<i>Theppana*</i>		<i>Northpole**</i>		<i>Others ***</i>		<i>Total</i>		<i>Change Increase (Decrease)</i>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>Amount</u>	<u>%</u>
Electricity revenue	81	33	-	-	42	-	1,252	1,091	161	15%
Other income	5	2	10	17	4	7	35	42	(7)	(17%)
Total revenues	86	35	10	17	46	7	1,287	1,133	154	14%
Cost of sale	(31)	(14)	-	-	(34)	-	(476)	(392)	84	21%
Other expenses	(29)	(20)	(519)	(438)	(53)	(56)	(858)	(793)	65	8%
Total expenses	(60)	(34)	(519)	(438)	(87)	(56)	(1,334)	(1,185)	149	13%
Profit (Loss) before FX and deferred income tax	26	1	(509)	(421)	(41)	(49)	(47)	(52)	5	10%

* The commercial operation date of Theppana was on July 18, 2013.

** Withholding Tax on dividend from Quezon and PEPOI was included in other expenses of Northpole.

*** - Boco Rock started the commercial operation on November 28, 2014
- Banpong, Klongluang and Chaiyaphum are under development phase.

Associate and Other Joint Ventures in Power Generation business

Unit : Million Baht

	<i>SEG* (Associate)</i>		<i>GPS (JV)</i>		<i>Other** (JV)</i>		<i>Total</i>		<i>Change Increase (Decrease)</i>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>Amount</u>	<u>%</u>
Electricity revenue	318	-	333	315	1	296	652	611	41	7%
Other income	2	-	1	1	-	21	3	22	(19)	(86%)
Total revenues	320	-	334	316	1	317	655	633	22	3%
Cost of sale	(126)	-	(102)	(100)	(2)	(119)	(230)	(219)	11	5%
Other expenses	(189)	-	(75)	(74)	(59)	(177)	(323)	(251)	72	29%
Total expenses	(315)	-	(177)	(174)	(61)	(296)	(553)	(470)	83	18%
Profit (Loss) before FX and deferred income tax	5	-	157	142	(60)	21	102	163	(61)	(37%)

* EGCO acquired shares in SEG on July 30, 2014.

** Including GIDEC, SBPL and Conal (Conal to be divested on July 2, 2013).

4.1 The Analysis of the Operating Results in Other businesses

Profit (loss) before FX and deferred income tax for the year 2014 in other businesses increased from the previous year by 7 million baht as the following details:

Subsidiaries and Joint Ventures in Other business:

Unit : Million Baht

	<i>ESCO</i>		<i>EGCOM Tara</i>		<i>MME</i>		<i>APPC*</i>		<i>Total</i>		<u>Change Increase (Decrease)</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>Amount</u>	<u>%</u>
Revenue	-	-	317	309	250	190	-	37	567	536	31	6%
Service income	528	726	-	-	-	-	-	-	528	726	(198)	(27%)
Other income	12	11	4	4	1	-	-	-	17	15	2	13%
Total revenues	540	737	321	313	251	190	-	37	1,112	1,277	(165)	(13%)
Cost of sale	(333)	(477)	(89)	(86)	(200)	(158)	-	(51)	(622)	(772)	(150)	(19%)
Other expenses	(70)	(85)	(93)	(97)	(36)	(29)	-	(10)	(199)	(221)	(22)	(10%)
Total expenses	(403)	(562)	(182)	(183)	(236)	(187)	-	(61)	(821)	(993)	(172)	(17%)
Profit (Loss) before FX and deferred income tax	137	175	139	130	15	3	-	(24)	291	284	7	2%

* EGCO acquired ordinary shares in APPC on May 15, 2012 and sold such shares on October 21, 2013.

5. Report and Analysis of Financial Position

Comparing the Statements of Financial Position as at December 31, 2014 to the Statements of Financial Position as at December 31, 2013 is shown below:

	Consolidated Financial Statement (Million Baht)			
	Year		Change Increase (Decrease)	
	<u>2014</u>	<u>2013</u>	<u>Amount</u>	<u>%</u>
Assets				
Current Assets	23,328	24,038	(710)	(2.95%)
Interests in joint ventures and associated, net	55,771	33,975	21,796	64.15%
Property, plant and equipment, net	58,729	48,491	10,238	21.11%
Other non-current assets	22,859	24,616	(1,757)	(7.14%)
Total Assets	160,687	131,120	29,567	22.55%
Liabilities				
Current Liabilities	13,101	5,597	7,504	134.07%
Long-term loans (including current portion of long-term loans)	65,319	47,428	17,891	37.72%
Other non-current liabilities	8,048	7,842	206	2.63%
Total Liabilities	86,468	60,867	25,601	42.06%
Shareholders' Equity				
Parent's shareholders' equity	73,264	69,343	3,921	5.65%
Non-controlling interests	955	910	45	4.95%
Total Shareholders' Equity	74,219	70,253	3,966	5.65%
Total Liabilities and Shareholders' Equity	160,687	131,120	29,567	22.55%

5.1 Asset Analysis

As of December 31, 2014 the total assets were 160,687 million baht, increasing by 29,567 million baht or 22.55% from the year 2013. The details are as follows:

- Current assets decreased by 710 million baht or 2.95%. This was caused by a decrease in Rayong Power Plant's financial lease receivable of 536 million baht. Spare parts and supplies decreased by 414 million baht due to provisions of obsolete stock from KEGCO, Rayong Power Plant and Quezon. Account receivable of ESCO and Rayong Power Plant totally decreased by 454 million baht. Other current assets decreased by 153 million baht. Meanwhile cash, cash equivalents and short-term investments increased by 732 million baht mainly from Yanhee EGCO and Khanom Power Plant Project Unit 4. The dividend receivable from BLCP and GPS was up by 73 million baht and 42 million baht, respectively.
- Interests in joint ventures and associated (net) increased by 21,796 million baht or 64.15% due to an investment in Masin-AES and SEG together with share of profit from joint ventures and associated.
- Property, plant and equipment (net) and advance payments for construction rose by 10,238 million baht or 21.11% because of subsidiary companies' power plants projects construction which were Boco Rock and Khanom Power Plant Project Unit 4.
- Other non-current assets decreased in the amount of 1,757 million baht or 7.14%. It was resulted from a decrease in financial lease receivable of Rayong Power Plant and KEGCO and receivable under concession arrangement of EGCOM Tara by 1,601 million baht. In addition, deferred expense decreased by 293 million baht, a decrease in long-term investment and repayment long-term loan from GIDEC by 220 million baht and 85 million baht, respectively. Meanwhile, the investment in Xayaburi increased by 442 million baht.

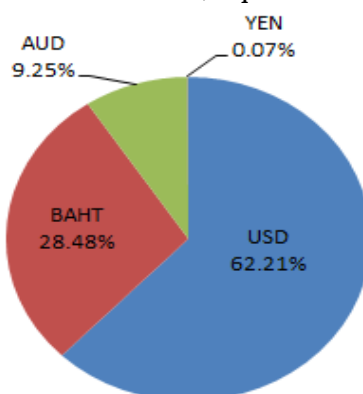
5.2 Liability Analysis

As of December 31, 2014 the total liabilities were 86,468 million baht, increasing by 25,601 million baht or 42.06% from the year 2013. The details are as follows:

- Current liabilities increased by 7,504 million baht or 134.07% mainly from EGCO's short-term USD loan in the amount of 8,078 million baht in order to invest in Masin-AES and SEG together with EGCO Cogen's short-term THB loan in the amount of 170 million baht. Meanwhile, account payable decreased by 449 million baht mainly from Quezon, EGCO COGEN and KEGCO. Additionally, other current liabilities decreased by 295 million baht mainly from value added tax payable of Quezon.
- Long-term loans rose by 17,891 million baht or 37.72% mainly due to EGCO's long-term loan for refinance of short-term loan and long-term loans of KEGCO, Boco Rock and Yanhee EGCO for constructing the power plants.

The details of outstanding long-term loans are as follows:

- USD loans in the amount of 1,227 million US dollars, equivalent to 40,372 million baht
- Baht loans in the amount of 18,757 million baht
- AUD loans in the amount of 236 million Australian dollars, equivalent to 6,147 million baht
- JPY loans in the amount of 157 million Yen, equivalent to 43 million baht



Loan maturities schedule as at December 31, 2014

Unit : Million Baht

Maturity	EGCO	QUEZON	KEGCO	Boco Rock	Yanhee EGCO	SPP 2,3,4,5	Theppana	Roi-Et Green	Total
Within 1 year	3,338	1,434	11	159	344	293	25	29	5,633
2 - 5 years	24,905	5,708	3,666	5,988	1,563	1,385	119	14	43,348
Over 5 years	4,000	3,487	5,261	-	2,454	931	205	-	16,338
Total	32,243	10,629	8,938	6,147	4,361	2,609	349	43	65,319

- Non-current liabilities increased by 206 million baht or 2.63% mainly from an increase in retention of Khanom Power Plant Project Unit 4 by 446 million baht, provision for decommissioning costs increased by 68 million baht and accrued retirement cost raised by 32 million baht while Rayong Power Plant's deferred income tax liabilities decreased by 340 million baht.

5.3 Shareholders' Equity Analysis

As of December 31, 2014, total Shareholders' Equity were 74,219 million baht increasing by 3,966 million baht or 5.65% from the year 2013. The main reasons are as follows: Firstly, EGCO's operating profit in Income Statement increased by 7,667 million baht. Secondly, a decrease by dividend payment in the amount of 3,290 million baht. Thirdly, the additional unrealised loss on investments in marketable securities was 348 million baht and lastly, the effect from the translation adjustment of currencies to Thai Baht for offshore subsidiaries and joint ventures decreased by 107 million baht.

5.4 Cash Flow Analysis

As of December 31, 2014 cash and cash equivalents were 6,859 million baht, decreasing by 125 million baht comparing to the amount as at December 31, 2013. The details are as follows:

Unit: Million baht	
Net cash <u>received from</u> operating activities	7,962
Net cash <u>payment for</u> investing activities	(28,300)
Net cash <u>received from</u> financing activities	20,661
Loss from the effect of foreign exchange rate	(448)
Net decrease in cash	<u>(125)</u>

- **Net cash received from operating activities** was 7,962 million baht from operating of EGCO and its subsidiaries.

- **Net cash payment for investing activities** was 28,300 million baht from the investment in Masin-AES and SEG in the amount of 21,045 million baht and power plants construction cost of Boco Rock, Khanom Power Plant Project Unit 4, Yanhee EGCO, Chaiyaphum, and Theppana and in the amount of 11,181 million baht. Moreover, the payment in investments used as collateral of Yanhee EGCO and Khanom Power Plant Project Unit 4 in the amount of 706 million baht, the equity injection to Xayaburi in the amount of 442 million baht. Meanwhile, the dividend received from joint ventures was 5,051 million baht and repayment long-term loan from GIDEC was of 85 million baht.

- **Net cash received from financing activities** was 20,661 million baht from the drawn down loans were 54,395 million baht proposing to invest in Masin-AES and SEG as well as the power plants' construction. Meanwhile, the principle repayment of loans were 28,103 million baht, interest payment of loans were 2,079 million baht and dividend payment was 3,471 million baht.

6. Financial Ratios

Profitability Ratios

	<u>2014</u>	<u>2013</u>	<u>Change</u> <u>Increase/(Decrease)</u>
Gross Profit Ratio (%)	34.21	31.06	3.15
Operating Profit Ratio before FX (%)	26.10	24.89	1.21
Profit Ratio before FX (%)	15.27	13.90	1.37
Profit before FX per share (Baht)	15.06	13.48	1.58

Trade receivables aging summary

Aging periods of trade receivables as at December 31, 2014 are shown in the table below:

Unit: Million Baht

	<u>2014</u>	<u>2013</u>	<u>Change</u> <u>Increase/(Decrease)</u>	
			<u>Amount</u>	<u>%</u>
Current	1,924	1,904	20	1%
Overdue less than 3 months	12	48	(36)	(75%)
Overdue between 3 – 6 months	-	53	(53)	(100%)
Overdue between 6 – 12 months	-	79	(79)	(100%)
Overdue more than 12 months	77	77	-	-
	2,013	2,161	(148)	(7%)
<u>Less Allowance for Doubtful Accounts</u>	-	-	-	-
<u>Trade receivables, net</u>	<u>2,013</u>	<u>2,161</u>	<u>(148)</u>	<u>(7%)</u>

Leverage Ratio and Liquidity Ratio

	<u>2014</u>	<u>2013</u>	<u>Change</u> <u>Increase/(Decrease)</u>
Debt to equity ratio (Time)			
- Consolidated	1.17	0.87	0.30
- Company	0.78	0.44	0.34
Book value per share (Baht)			
- Consolidated	139.16	131.71	7.45
- Company	106.93	106.19	0.74
Current ratio (Time)			
- Consolidated	1.25	2.23	(0.98)
- Company	0.70	2.05	(1.35)
Interest Coverage Ratio (Time)			
- Company	6.12	6.09	0.03

6. Future Plans

EGCO continues to develop business in response to the company's sustainable growth. The company focused on power projects due to its employees' knowledge and expertise in power business. In 2015, EGCO plans to expand its investment in Asia-Pacific Region by co-investment with local business partners. Moreover, EGCO focuses to considerably expand its business opportunity in SPP and VSPP business. EGCO also emphasizes on and considers the management of its power plants which are under construction and development to be efficiently completed and within the budget. After the power plant can operate commercially, EGCO has a plan to operate both domestic and abroad power plants to generate electricity with the highest efficiency in order to guarantee its highest performance and to benefit all shareholders as planned.