



Management Discussion and Analysis

For the Financial Result of Quarter 2 Year 2018

Ended June 30, 2018

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

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

The objective of this MD&A is to present the information and the explanation of financial status and operating results as of the date hereof. However, the information provided in this MD&A may vary if any factors or situation are changed in the future; the investors are, therefore, required to have their own discretion regarding the usage of this information for any purpose. For further detail, please contact Investor Relations Section of the Electricity Generating Public Company Limited at Tel: 662-998-5150-2 or Email: ir@egco.com

Management Discussion and Analysis

1. Significant events in the second Quarter of 2018

- **The progress in construction projects**

- **Xayaburi Project**, a project of the **Xayaburi Power Company Limited**, (EGCO holds a 12.50% ownership interest.), is a hydro power plant project, Run-of-River. The project is located in the Laos People's Democratic Republic (Laos PDR). The project has entered into the PPA with EGAT with the contracted capacity of 1,220 MW and Electricite De Laos (EDL) with the contracted capacity of 60 MW for 29 years. The construction of the project has progressed 94.37% (The construction plan was 94.80%). The commercial operation date is scheduled in the fourth quarter of 2019.
- **SBPL Project**, a project of **San Buenaventura Power Ltd., Co.**, (EGCO holds a 49% ownership interest.), is a 500 MW supercritical coal-fired power plant, in Mauban, Quezon province of the Philippines. 455 MW of the plant's capacity and energy are contracted to the Manila Electric Company (MERALCO) pursuant to a 20 years power supply agreement which is extendable for up to an additional 5 years. The construction of the project has progressed 89.83% (The construction plan was 88.38%). The commercial operation date is scheduled in the fourth quarter of 2019.
- **NT1PC Project**, a project of **Nam Theun 1 Power Company Limited** (EGCO holds a 25% ownership interest.), is a hydro power plant project. The project is located on Nam Kading River in Bolikhamxay, Laos PDR. The project has entered into the PPA with EGAT with the contracted capacity of 514 MW and EDL with the contracted capacity of 130 MW for 27 years. The construction of the project has progressed 36.56% (The construction plan was 47.91%). The commercial operation date is scheduled in the second quarter of 2022.

2. Business overview

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

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

1. Power Generation

1.1 Local power generation

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

1.2 Overseas Power Generation

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

2. Other businesses

2.1 Local Other Businesses

EGCO Engineering and Service Co., Ltd. (ESCO)	O&M
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2.2 Overseas Other Businesses

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

(2) Associated in overseas power generation business

Star Energy Geothermal Pte. Ltd. (SEG)

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

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

1. Power Generation

1.1 Local power generation

Gulf Electric Public Company Limited (GEC)

..... Holding Co.

● Gulf Cogeneration Co., Ltd. (GCC)

SPP

● Nong Khae Cogeneration Co., Ltd. (NKCC)

SPP

● Samutprakarn Cogeneration Co., Ltd. (SCC)

SPP

● Gulf Yala Green Co., Ltd. (GYG)

SPP

● Gulf Power Generation Co., Ltd (GPG)

IPP

BLCP Power Limited (BLCP)

IPP

Natural Energy Development Co., Ltd. (NED)

SPP & VSPP

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

VSPP

1.2 Overseas power generation

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

San Buenaventura Power Ltd. Co. (SBPL)

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

2. Others businesses

● **Overseas Other Business**

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

..... Coal Mining

(4) Other investments

- Xayaburi Power Company Limited (XPCL)

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

3. Report and Analysis of the Operating Results

EGCO would like to present analysis of the operation result as follows:

Summary of operating results for Q2/2018, Ended of June 30, 2018

Unit: Million Baht

	<i>Power Generation</i>		<i>Others</i>		<i>Total</i>		<i>Change Increase (Decrease)</i>	
	<u>Quarter 2</u>		<u>Quarter 2</u>		<u>Quarter 2</u>		<u>Quarter 2</u>	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>Amount</u>	<u>%</u>
Total Revenues	8,929	7,850	142	166	9,071	8,016	1,055	13%
Total Expenses	(8,254)	(7,221)	(148)	(156)	(8,402)	(7,377)	1,025	14%
Share of Profit (Loss)	1,800	2,417	19	12	1,819	2,429	(610)	(25%)
Profit (Loss) before the effects of foreign exchange, deferred income tax, and lease income	2,475	3,046	13	22	2,488	3,068	(580)	(19%)
Deferred income (expense) tax	(197)	25	-	1	(197)	26	(223)	(100%)
Profit (Loss) before the effects of foreign exchange and lease income	2,278	3,071	13	23	2,291	3,094	(803)	(26%)
Profit (Loss) from foreign exchange	(5,316)	522	-	-	(5,316)	522	(5,838)	(100%)
Net profit (Loss) before the impact of lease income	(3,038)	3,593	13	23	(3,025)	3,616	(6,641)	(100%)
Impact of lease income	661	(86)	-	-	661	(86)	747	100%
Net Profit (Loss)	(2,377)	3,507	13	23	(2,364)	3,530	(5,894)	(100%)

For focusing on the operating performance, the impact of lease income were excluded from the analysis of the operation result.

Profit from operation of EGCO Group before the effects of foreign exchange, deferred income tax, impairment and lease income for Q2/2018 were 2,488 million Baht, decreasing by 580 million Baht comparing to Q2/2017, which came from an decrease in power generation business of 571 million Baht and an decrease in other business of 9 million Baht. See more details in 3.1 and 3.2 as below;

3.1 The Analysis of the Operating Results in Power Generation business

Profit (loss) before the effects of foreign exchange, deferred income tax, impairment and lease income for Q2/2018 of power generation business decreased by 571 million Baht, comparing to that of Q2/2017, mainly due to a decrease in the operating results of KEGCO, Quezon, SEG, BLCP and GPG. On the other hand, those of EGCO Plus, BPU, BRWF, EGCO, SEGSD, NTPC and KLU increased as follows:

KEGCO:

Unit : Million Baht

	<u>Quarter 2</u>		Change	
	<u>2018</u>	<u>2017</u>	<u>Amount</u>	<u>%</u>
<i>Electricity revenue</i>				
- Availability Payment (AP)	875	1,094	(219)	(20%)
- Energy Payment (EP)	2,076	2,466	(390)	(16%)
Other income	8	9	(1)	(11%)
Total revenues	2,959	3,569	(610)	(17%)
<i>Cost of sale</i>	(2,517)	(2,877)	(360)	(13%)
<i>Other expenses</i>	(283)	(300)	(17)	(6%)
Total expenses	(2,800)	(3,177)	(377)	(12%)
Profit (Loss) before the effects of foreign exchange, deferred income tax, impairment and lease income	159	392	(233)	(59%)

- **KEGCO** : The operating result was decreased by 233 million Baht mainly due to a decrease in Availability Payment (AP) and electricity profit, caused by a scheduled maintenance in Q2/2018. Meanwhile, interest expense was decreased.

Quezon (Include PEPOI and QMS):

Unit : Million Baht

	<u>Quarter 2</u>		Change	
	<u>2018</u>	<u>2017</u>	<u>Amount</u>	<u>%</u>
<i>Electricity revenue</i>	2,651	2,816	(165)	(6%)
<i>Other income</i>	10	-	10	100%
Total revenues	2,661	2,816	(155)	(6%)
<i>Cost of sale</i>	(1,414)	(1,439)	(25)	(2%)
<i>Other expenses</i>	(391)	(394)	(3)	(1%)
Total expenses	(1,805)	(1,833)	(28)	(2%)
Profit (Loss) before the effects of foreign exchange, deferred income tax, impairment and lease income	856	983	(127)	(13%)

- **Quezon** : The operating result was decreased by 127 million Baht mainly due to a decrease in electricity profit .This was resulted from lower electricity generation, comparing to the same period of previous year, caused by an unplanned outage in Q2/2018.

SEG:

Unit : Million Baht

	<u>Quarter 2</u>		Change	
	<u>2018</u>	<u>2017</u>	<u>Amount</u>	<u>%</u>
<i>Electricity revenue</i>	512	537	(25)	(5%)
<i>Other income</i>	44	28	16	57%
Total revenues	556	565	(9)	(2%)
<i>Cost of sale</i>	(99)	(132)	(33)	(25%)
<i>Other expenses</i>	(428)	(302)	126	42%
Total expenses	(527)	(434)	93	21%
Profit (Loss) before the effects of foreign exchange, deferred income tax, impairment and lease income	29	131	(102)	(78%)

- **SEG** : The operating result was decreased by 102 million Baht mainly due to an increase in finance costs from refinancing. Meanwhile, other income was increased according to recognition of gain on settle Interest Rate SWAP of bank loan.

BLCP:

Unit : Million Baht

	<u>Quarter 2</u>		<u>Change</u>	
	<u>2018</u>	<u>2017</u>	<u>Increase (Decrease)</u>	
			<u>Amount</u>	<u>%</u>
<i>Electricity revenue</i>				
- Availability Payment (AP)	1,130	1,225	(95)	(8%)
- Energy Payment (EP)	1,431	1,447	(16)	(1%)
Other income	26	40	(14)	(35%)
Total revenues	2,587	2,712	(125)	(5%)
Cost of sale	(1,652)	(1,671)	(19)	(1%)
Other expenses	(176)	(199)	(23)	(12%)
Total expenses	(1,828)	(1,870)	(42)	(2%)
Profit (Loss) before the effects of foreign exchange, deferred income tax, impairment and lease income	759	842	(83)	(10%)

- **BLCP** : The operating result was decreased by 83 million Baht mainly due to a decrease in Availability Payment (AP) according to the PPA. Meanwhile, interest expense was decreased.

GPG:

Unit : Million Baht

	<u>Quarter 2</u>		<u>Change</u>	
	<u>2018</u>	<u>2017</u>	<u>Increase (Decrease)</u>	
			<u>Amount</u>	<u>%</u>
<i>Electricity revenue</i>				
- Availability Payment (AP)	571	651	(80)	(12%)
- Energy Payment (EP)	266	641	(375)	(59%)
Other income	6	7	(1)	(14%)
Total revenues	843	1,299	(456)	(35%)
Cost of sale	(473)	(830)	(357)	(43%)
Other expenses	(107)	(148)	(41)	(28%)
Total expenses	(580)	(978)	(398)	(41%)
Profit (Loss) before the effects of foreign exchange, deferred income tax, impairment and lease income	263	321	(58)	(18%)

- **GPG** : The operating result was decreased by 58 million Baht mainly due to Availability Payment (AP) decreased according to PPA and electricity profit was down by lower dispatch of EGAT. Meanwhile, corporate income tax and interest expenses were decreased.

EGCO Plus (Include Gen Plus B.V.):

Unit : Million Baht

	<u>Quarter 2</u>		<u>Change</u>	
	<u>2018</u>	<u>2017</u>	<u>Amount</u>	<u>%</u>
<i>Electricity revenue</i>	-	-	-	-
<i>Other income</i>	78	1	77	100%
Total revenues	78	1	77	100%
<i>Cost of sale</i>	(2)	-	2	100%
<i>Other expenses</i>	(66)	(92)	(26)	(28%)
Total expenses	(68)	(92)	(24)	(26%)
Profit (Loss) before the effects of foreign exchange, deferred income tax, impairment and lease income	10	(91)	101	100%

- **EGCO Plus** : The operating result was increased by 101 million Baht mainly due to an increase in interest income, caused by cash received from disposal of share in MPPCL.

BPU:

Unit : Million Baht

	<u>Quarter 2</u>		<u>Change</u>	
	<u>2018</u>	<u>2017</u>	<u>Amount</u>	<u>%</u>
<i>Electricity revenue</i>	1,162	-	1,162	100%
<i>Other income</i>	1	-	1	100%
Total revenues	1,163	-	1,163	100%
<i>Cost of sale</i>	(965)	-	965	100%
<i>Other expenses</i>	(112)	(10)	102	100%
Total expenses	(1,077)	(10)	1,067	100%
Profit (Loss) before the effects of foreign exchange, deferred income tax, impairment and lease income	86	(10)	96	100%

- **BPU** : The operating result was increased by 96 million Baht. This was resulted from the commencement of BPU on October 1, 2017.

BRWF:

Unit : Million Baht

	<u>Quarter 2</u>		<u>Change</u>	
	<u>2018</u>	<u>2017</u>	<u>Amount</u>	<u>%</u>
<i>Electricity revenue</i>	238	153	85	56%
<i>Other income</i>	4	5	(1)	(20%)
Total revenues	242	158	84	53%
<i>Cost of sale</i>	(110)	(100)	10	10%
<i>Other expenses</i>	(107)	(121)	(14)	(12%)
Total expenses	(217)	(221)	(4)	(2%)
Profit (Loss) before the effects of foreign exchange, deferred income tax, impairment and lease income	25	(63)	88	100%

- **BRWF** : The operating result was increased by 88 million Baht due to higher wind speed, comparing to the same period of previous year, leading to higher electricity generation.

EGCO:

Unit : Million Baht

	<u>Quarter 2</u>		<u>Change</u>	
	<u>2018</u>	<u>2017</u>	<u>Amount</u>	<u>%</u>
<i>Electricity revenue</i>	-	-	-	-
<i>Other income</i>	142	193	(51)	(26%)
Total revenues	142	193	(51)	(26%)
<i>Cost of sale</i>	-	-	-	-
<i>Other expenses</i>	(914)	(1,008)	(94)	(9%)
Total expenses	(914)	(1,008)	(94)	(9%)
Profit (Loss) before the effects of foreign exchange, deferred income tax, impairment and lease income	(772)	(815)	43	5%

- **EGCO** : The operating result was increased by 43 million Baht mainly due to a decrease in expenses, caused by stopped the amortization of right to PPA of MPPCL. Meanwhile, dividend income from East Water was decreased since disposal of investment.

SEGSD:

Unit : Million Baht

	<u>Quarter 2</u>		<u>Change</u>	
	<u>2018</u>	<u>2017</u>	<u>Increase (Decrease)</u>	
			<u>Amount</u>	<u>%</u>
Electricity revenue	325	329	(4)	(1%)
Other income	-	-	-	-
Total revenues	325	329	(4)	(1%)
Cost of sale	(66)	(91)	(25)	(28%)
Other expenses	(168)	(170)	(2)	(1%)
Total expenses	(234)	(261)	(27)	(10%)
Profit (Loss) before the effects of foreign exchange, deferred income tax, impairment and lease income	91	68	23	34%

- **SEGSD** : The operating result was increased by 23 million Baht mainly due to an increase in electricity profit. This was resulted from a decrease in maintenance and operation costs.

NTPC:

Unit : Million Baht

	<u>Quarter 2</u>		<u>Change</u>	
	<u>2018</u>	<u>2017</u>	<u>Increase (Decrease)</u>	
			<u>Amount</u>	<u>%</u>
Electricity revenue	754	794	(40)	(5%)
Other income	2	1	1	100%
Total revenues	756	795	(39)	(5%)
Cost of sale	(215)	(223)	(8)	(4%)
Other expenses	(138)	(178)	(40)	(23%)
Total expenses	(353)	(401)	(48)	(12%)
Profit (Loss) before the effects of foreign exchange, deferred income tax, impairment and lease income	403	394	9	2%

- **NTPC** : The operating result was increased by 9 million Baht mainly due to a decrease in interest expenses and corporate income tax expenses. Meanwhile, electricity profit was decreased. This was resulted from lower electricity generation than the same period of previous year.

KLU:

Unit : Million Baht

	<u>Quarter 2</u>		<u>Change</u>	
			<u>Increase (Decrease)</u>	
	<u>2018</u>	<u>2017</u>	<u>Amount</u>	<u>%</u>
Electricity revenue	530	-	530	100%
Other income	1	-	1	100%
Total revenues	531	-	531	100%
Cost of sale	(466)	-	466	100%
Other expenses	(67)	(6)	61	100%
Total expenses	(533)	(6)	527	100%
Profit (Loss) before the effects of foreign exchange, deferred income tax, impairment and lease income	(2)	(6)	4	67%

- **KLU** : The operating result was increased by 4 million Baht due to revenue from electricity generation of KLU since its Commercial Operation Date on July 20, 2017. On the contrary, its maintenance costs was also incurred during this period.

Other Subsidiaries in Power Generation business:

Unit : Million Baht

	<i>Rayong Power Plant</i>		<i>Yanhee EGCO</i>		<i>RG</i>		<i>SPP 2</i>		<i>SPP 3</i>		<i>SPP 4</i>		<i>SPP 5</i>	
	<u>Quarter 2</u>		<u>Quarter 2</u>		<u>Quarter 2</u>		<u>Quarter 2</u>		<u>Quarter 2</u>		<u>Quarter 2</u>		<u>Quarter 2</u>	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
	Electricity revenue	-	-	319	324	43	41	46	46	45	44	32	33	46
Other income	-	3	3	3	-	-	-	-	-	-	-	-	-	-
Total revenues	-	3	322	327	43	41	46	46	45	44	32	33	46	48
Cost of sale	-	-	(85)	(82)	(37)	(38)	(13)	(13)	(13)	(12)	(10)	(10)	(12)	(12)
Other expenses	-	(30)	(83)	(90)	(4)	(3)	(10)	(12)	(9)	(11)	(7)	(9)	(10)	(11)
Total expenses	-	(30)	(168)	(172)	(41)	(41)	(23)	(25)	(22)	(23)	(17)	(19)	(22)	(23)
Profit (Loss) before the effects of foreign exchange, deferred income tax, impairment and lease income	-	(27)	154	155	2	-	23	21	23	21	15	14	24	25

Other Subsidiaries in Power Generation business (continue) :

Unit : Million Baht

	TWF		EGCO COGEN		CWF		Total		Change Increase (Decrease)	
	Quarter 2		Quarter 2		Quarter 2		Quarter 2		Quarter 2	
	2018	2017	2018	2017	2018	2017	2018	2017	Amount	%
	Electricity revenue	12	11	437	416	167	141	1,147	1,104	43
Other income	-	-	1	1	2	2	6	9	(3)	(33%)
Total revenues	12	11	438	417	169	143	1,153	1,113	40	4%
Cost of sale	(8)	(7)	(379)	(369)	(82)	(81)	(639)	(624)	15	2%
Other expenses	(5)	(6)	(19)	(16)	(54)	(62)	(201)	(250)	(49)	(20%)
Total expenses	(13)	(13)	(398)	(385)	(136)	(143)	(840)	(874)	(34)	(4%)
Profit (Loss) before the effects of foreign exchange, deferred income tax, impairment and lease income	(1)	(2)	40	32	33	-	313	239	74	31%

Other Joint Ventures in Power Generation business:

Unit : Million Baht

	GPS (JV)		GEC (JV)		NED (JV)		GIDEC* (JV)		Masin-AES** (JV)		Other*** (JV)		Total		Change Increase (Decrease)	
	Quarter 2		Quarter 2		Quarter 2		Quarter 2		Quarter 2		Quarter 2		Quarter 2		Quarter 2	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	Amount	%
	Electricity revenue	69	73	985	942	239	245	-	20	-	1,966	-	-	1,293	3,246	(1,953)
Other income	-	3	8	6	4	4	-	-	-	-	-	-	12	13	(1)	(8%)
Total revenues	69	76	993	948	243	249	-	20	-	1,966	-	-	1,305	3,259	(1,954)	(60%)
Cost of sale	(23)	(24)	(846)	(797)	(59)	(60)	-	(19)	-	(1,169)	-	-	(928)	(2,069)	(1,141)	(55%)
Other expenses	(10)	(11)	(60)	(71)	(29)	(36)	-	(18)	-	(378)	(23)	(15)	(122)	(529)	(407)	(77%)
Total expenses	(33)	(35)	(906)	(868)	(88)	(96)	-	(37)	-	(1,547)	(23)	(15)	(1,050)	(2,598)	(1,548)	(60%)
Profit (Loss) before the effects of foreign exchange, deferred income tax, impairment and lease income	36	41	87	80	155	153	-	(17)	-	419	(23)	(15)	255	661	(406)	(61%)

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

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

*** SBPL and NT1PC are under construction.

3.2 The Analysis of the Operating Results in Other businesses

Profit (loss) before the effects of foreign exchange, deferred income tax, impairment and lease income for Q2/2018 in other businesses decreasing by 9 million Baht comparing to Q2/2017 as the following details:

Subsidiaries and Joint Ventures in Other business:

Unit : Million Baht

	<i>ESCO (Sub)</i>		<i>MME (JV)</i>		<i>Total</i>		<i>Change Increase (Decrease)</i>	
	<u>Quarter 2</u>		<u>Quarter 2</u>		<u>Quarter 2</u>		<u>Quarter 2</u>	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>Amount</u>	<u>%</u>
<i>Revenue</i>	-	-	153	102	153	102	51	50%
<i>Service income</i>	140	164	-	-	140	164	(24)	(15%)
<i>Other income</i>	2	2	1	1	3	3	-	-
Total revenues	142	166	154	103	296	269	27	10%
<i>Cost of sale</i>	(130)	(134)	(116)	(76)	(246)	(210)	36	17%
<i>Other expenses</i>	(18)	(22)	(19)	(15)	(37)	(37)	-	-
Total expenses	(148)	(156)	(135)	(91)	(283)	(247)	36	15%
Profit (Loss) before the effects of foreign exchange, deferred income tax, impairment and lease income	(6)	10	19	12	13	22	(9)	(41%)

Summary of operating results for 6M/2018, Ended of June 30, 2018

Unit : Million Baht

	<i>Power Generation</i>		<i>Others</i>		<i>Total</i>		<i>Change Increase (Decrease)</i>	
	<i>2018</i>	<i>2017</i>	<i>2018</i>	<i>2017</i>	<i>2018</i>	<i>2017</i>	<i>Amount</i>	<i>%</i>
Total Revenues	17,698	14,605	589	488	18,287	15,093	3,194	21%
Total Expenses	(16,918)	(13,936)	(526)	(447)	(17,444)	(14,383)	3,061	21%
Share of Profit (Loss)	3,576	4,105	45	30	3,621	4,135	(514)	(12%)
Gain on disposal of investment	14,162	-	-	-	14,162	-	14,162	100%
Profit (Loss) before the effects of foreign exchange, deferred income tax, impairment and lease income	18,518	4,774	108	71	18,626	4,845	13,781	100%
Loss from impairment	-	(21)	-	-	-	(21)	21	100%
Profit (Loss) before the effects of foreign exchange, deferred income tax and lease income	18,518	4,753	108	71	18,626	4,824	13,802	100%
Deferred income (expense) tax	(132)	154	-	1	(132)	155	(287)	(100%)
Profit (Loss) before the effects of foreign exchange and lease income	18,386	4,907	108	72	18,494	4,979	13,515	100%
Profit (Loss) from foreign exchange	(1,430)	1,922	-	-	(1,430)	1,922	(3,352)	(100%)
Net profit (Loss) before the impact of lease income	16,956	6,829	108	72	17,064	6,901	10,163	100%
Impact of lease income	743	(407)	-	-	743	(407)	1,150	100%
Net Profit (Loss)	17,699	6,422	108	72	17,807	6,494	11,313	100%

4. Cash Flow Analysis

As of June 30, 2018 cash and cash equivalents were 39,409 million Baht, increasing by 32,622 million Baht comparing to December 31, 2017. The details are as follows:

	Unit: Million Baht
Net cash <u>received from</u> operating activities	5,449
Net cash <u>received from</u> investing activities	33,014
Net cash <u>payment for</u> financing activities	(7,578)
Gain from the effect of foreign exchange rate	1,737
	<hr/>
Net increase in cash	<u>32,622</u>

- **Net cash received from operating activities** was 5,449 million Baht from operating of EGCO and its subsidiaries.

- **Net cash received from investing activities** was 33,014 million Baht. The amount of 31,620 million Baht were received from disposal of shares in MPPCL, East Water and GIDEC. The dividend received from joint ventures and other company were 2,350 million Baht. Cash receipts from short-term investments and interest income were 438 million Baht and 119 million Baht, respectively. Meanwhile, the construction costs and development costs of BPU and KLU were 1,016 million Baht. Equity injection in XPCL was 253 million Baht. Cash payments from Short-term and long-term payments used as collateral were 178 million Baht and investment in NT1PC was 66 million Baht.

- **Net cash payment for financing activities** was 7,578 million Baht, resulted from the principle repayment of short-term and long-term loans totalling 17,987 million Baht, interest payment of loans and financing fees totalling 2,109 million Baht and the dividend payment to shareholders amounting to 1,857 million Baht. Meanwhile, the drawn down loans was 14,375 million Baht.

5. Financial Ratios

Profitability Ratios

	<u>Quarter 2</u>		<u>Change</u>
	<u>2018</u>	<u>2017</u>	<u>Increase/(Decrease)</u>
Gross Profit Ratio (%)	35.88	38.80	(2.92)
Operating Profit Ratio before FX (%)	31.68	32.89	(1.21)
Profit Ratio before FX (%)	14.69	18.12	(3.43)
Profit before FX per share (Baht)	4.35	5.88	1.53

Leverage Ratio and Liquidity Ratio

	<u>Quarter 2</u>	<u>Quarter 1</u>	<u>Change</u>
	<u>2018</u>	<u>2018</u>	<u>Increase/(Decrease)</u>
<i>Debt to equity ratio (Time)</i>			
- Consolidated	1.05	1.06	(0.01)
- Company	0.78	0.71	0.07
<i>Book value per share (Baht)</i>			
- Consolidated	195.52	190.17	5.35
- Company	121.81	128.42	(6.61)
<i>Current ratio (Time)</i>			
- Consolidated	5.15	3.42	1.73
- Company	6.35	7.64	(1.29)
<i>Interest Coverage Ratio (Time)</i>			
- Company	6.24	15.69	(9.45)