

**Ratchaburi Electricity Generating Holding
Public Company Limited and its subsidiaries**

Interim financial statements
and
Review Report of Certified Public Accountant

For the three-month and six-month periods ended
30 June 2011

Review Report of Certified Public Accountant

To the Board of Directors of Ratchaburi Electricity Generating Holding Public Company Limited

I have reviewed the accompanying consolidated and separate statements of financial position as at 30 June 2011, and the related statements of comprehensive income for the three-month and six-month periods ended 30 June 2011 and 2010, and the related statements of changes in equity and cash flows for the six-month periods ended 30 June 2011 and 2010 of Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries, and of Ratchaburi Electricity Generating Holding Public Company Limited, respectively. The Company's management is responsible for the correctness and completeness of information presented in these financial statements. My responsibility is to issue a report on these financial statements based on my reviews.

I conducted my reviews in accordance with the auditing standard on review engagements. This Standard requires that I plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit in accordance with generally accepted auditing standards. I have not performed an audit and, accordingly, I do not express an audit opinion on the reviewed financial statements.

Based on my reviews, nothing has come to my attention that causes me to believe that the financial statements referred to above are not presented fairly, in all material respects, in accordance with financial reporting standards.

As explained in notes 2 and 3 to the financial statements, with effect from 1 January 2011 the Company has adopted certain new and revised financial reporting standards. The consolidated and separate financial statements for the three-month and six-month periods ended 30 June 2010, which are included in the accompanying financial statements for comparative purposes, have been restated accordingly.

I have previously audited the consolidated and separate financial statements for the year ended 31 December 2010 of Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries, and of Ratchaburi Electricity Generating Holding Public Company Limited, respectively, in accordance with generally accepted auditing standards and expressed an unqualified opinion on those financial statements in my report dated 14 February 2011. As explained in notes 2 and 3 to the accompanying financial statements, those financial statements have been restated consequent to the adoption of certain new and revised financial reporting standards. I have audited the adjustments that were applied to the restatement of those financial statements and in my opinion those adjustments are appropriate and have been properly applied. Other than the audit of those adjustments, I have not performed any auditing procedures since the date of my audit report. The consolidated and separate statements of financial position as at 31 December 2010, which are included in the accompanying financial statements for comparative purposes, are components of those restated financial statements.

(Vairoj Jindamaneepitak)
Certified Public Accountant
Registration No. 3565

KPMG Phoomchai Audit Ltd.
Bangkok
10 August 2011

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries

Statements of financial position

As at 30 June 2011 and 31 December 2010

Assets	Note	Consolidated		Separate	
		financial statements		financial statements	
		30 June	31 December	30 June	31 December
		2011	2010	2011	2010
		(Unaudited)	(Restated)	(Unaudited)	(Restated)
(in thousand Baht)					
Current assets					
Cash and cash equivalents	5	9,154,329	11,289,248	1,641,528	5,806,011
Current investments	5	4,797,000	2,601,383	3,590,000	2,600,000
Trade accounts receivable from related parties	4	8,222,194	3,341,232	-	-
Trade accounts receivable from other party		3,232	1,571	-	-
Dividend receivable	4	-	-	2,610,379	1,828,941
Advances to and other receivables from related parties	4	54,506	155,122	111,119	151,429
Short-term loans to related parties	4	-	-	915,222	1,797,092
Current portion of long-term loans to related party	4	62,500	62,500	62,500	62,500
Spare parts and supplies		1,714,601	1,746,232	-	-
Other current assets		231,216	76,331	79,227	55,730
Total current assets		24,239,578	19,273,619	9,009,975	12,301,703
Non-current assets					
Long-term trade receivable from related parties	4	-	4,951	-	-
Long-term receivable from related parties	4	-	-	4,472	4,548
Investments in subsidiaries	4, 7	-	-	21,179,661	20,523,467
Investments in jointly-controlled entities	4, 8	12,054,463	10,997,709	3,799,494	3,142,338
Investment in other company	9	50,656	50,656	50,656	50,656
Other long-term investments	6	2,019,653	1,669,461	278,000	368,000
Long-term loans to related parties	4	-	-	7,560,944	793,900
Property, plant and equipment	10	33,951,433	35,164,867	392,554	384,610
Land for future development projects		305,390	305,221	305,390	305,222
Intangible assets		794,475	795,510	671,487	671,841
Deferred tax assets	11	167,038	135,417	16,218	1,046
Other non-current assets	12	1,406,995	1,184,411	349,682	264,245
Total non-current assets		50,750,103	50,308,203	34,608,558	26,509,873
Total assets		74,989,681	69,581,822	43,618,533	38,811,576

Ratchaburi Electricity Generating Holding Public Company Limited its subsidiaries

Statements of financial position

As at 30 June 2011 and 31 December 2010

		Consolidated		Separate	
		financial statements		financial statements	
Liabilities and equity	Note	30 June	31 December	30 June	31 December
		2011	2010	2011	2010
		(Unaudited)	(Restated)	(Unaudited)	(Restated)
		(in thousand Baht)			
Current liabilities					
Short-term loans from financial institution	13	8,115,200	-	4,600,000	-
Trade account payable to related party	4	829,351	11,833	-	-
Trade account payable to other party		2,556,264	4,646,941	-	-
Current portion of long-term loans					
from financial institutions	13	-	3,617,468	-	-
Current portion of debentures	13	1,848,374	-	-	-
Current portion of financial lease liability		1,526	1,475	-	-
Income tax payable		969,445	433,288	-	-
Dividend payables		10,522	10,699	10,522	10,699
Other current liabilities	4,14	674,215	943,017	236,240	644,445
Total current liabilities		15,004,897	9,664,721	4,846,762	655,144
Non-current liabilities					
Long-term loans from financial institutions	13	-	13,237,527	-	-
Debentures	13	11,425,975	-	-	-
Financial lease liability		2,550	3,259	-	-
Employee benefit obligations	14	68,817	-	49,038	-
Total non-current liabilities		11,497,342	13,240,786	49,038	-
Total liabilities		26,502,239	22,905,507	4,895,800	655,144
Equity					
Share capital					
Authorised share capital		14,500,000	14,500,000	14,500,000	14,500,000
Issued and paid-up share capital		14,500,000	14,500,000	14,500,000	14,500,000
Share premium		1,531,778	1,531,778	1,531,778	1,531,778
Retained earnings					
Appropriated					
Legal reserve		1,450,000	1,450,000	1,450,000	1,450,000
Unappropriated		30,503,850	29,129,421	21,240,955	20,674,654
Other components of equity		439,754	18,888	-	-
Total equity attributable to owners of the Company		48,425,382	46,630,087	38,722,733	38,156,432
Non-controlling interests		62,060	46,228	-	-
Total equity		48,487,442	46,676,315	38,722,733	38,156,432
Total liabilities and equity		74,989,681	69,581,822	43,618,533	38,811,576

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries

Statements of comprehensive income

For the three-month periods ended 30 June 2011 and 2010 (Unaudited)

		Consolidated		Separate	
		financial statements		financial statements	
	Note	2011	2010	2011	2010
			(Restated)		(Restated)
Revenue from sale and rendering of services	4	11,047,842	11,999,841	-	-
Cost of sale and rendering of services	4	(8,786,667)	(10,174,579)	-	-
Gross profit		2,261,175	1,825,262	-	-
Management Service income	4	50,627	33,063	116,016	35,451
Dividend income	4, 7, 8	-	-	1,415,233	1,258,650
Interest income	4	85,135	52,022	72,600	49,023
Other income	4	15,818	28,762	1,077	13,985
Administrative expenses	4	(297,665)	(208,764)	(219,961)	(147,998)
Gain (loss) on exchange rate		(58,503)	(1,157)	90,430	(960)
Finance costs		(141,553)	(174,153)	(766)	-
Share of profit of jointly-controlled entities	8	624,508	407,797	-	-
Profit before income tax expense		2,539,542	1,962,832	1,474,629	1,208,151
Income tax expense		(648,969)	(435,152)	(312)	(3,670)
Profit for the period		1,890,573	1,527,680	1,474,317	1,204,481
Other comprehensive income					
Foreign currency translation differences for foreign operations		165,253	-	-	-
Net change in fair value of available-for-sale investments		(414,538)	-	-	-
Other comprehensive income for the period, net of income tax		(249,285)	-	-	-
Total comprehensive income for the period		1,641,288	1,527,680	1,474,317	1,204,481
Profit (loss) attributable to:					
Equity holders of the Company		1,891,720	1,527,680	1,474,317	1,204,481
Non-controlling interests		(1,147)	-	-	-
Profit for the period		1,890,573	1,527,680	1,474,317	1,204,481
Total comprehensive income attributable to:					
Equity holders of the Company		1,642,435	1,527,680	1,474,317	1,204,481
Non-controlling interests		(1,147)	-	-	-
Total comprehensive income for the period		1,641,288	1,527,680	1,474,317	1,204,481
Basic earnings per share (Baht)	16	1.30	1.05	1.02	0.83

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries

Statements of comprehensive income

For the six-month periods ended 30 June 2011 and 2010 (Unaudited)

		Consolidated		Separate	
		financial statements		financial statements	
	Note	2011	2010	2011	2010
			(Restated)		(Restated)
		(in thousand Baht)			
Revenue from sale and rendering of services	4	19,177,817	21,884,521	-	-
Cost of sale and rendering of services	4	(14,989,156)	(18,528,750)	-	-
Gross profit		4,188,661	3,355,771	-	-
Management Service income	4	86,585	69,003	156,794	73,757
Dividend income	4, 7, 8	-	-	2,289,580	1,855,531
Interest income	4	151,568	104,967	137,536	99,857
Other income	4	69,100	47,958	1,788	14,013
Administrative expenses	4	(589,378)	(389,681)	(430,648)	(258,831)
Gain (loss) on exchange rate		(37,494)	26,020	111,236	18,014
Finance costs		(472,768)	(353,149)	(766)	-
Share of profit of jointly-controlled entities	8	810,148	747,957	-	-
Profit before income tax expense		4,206,422	3,608,846	2,265,520	1,802,341
Income tax expense		(1,120,985)	(620,805)	1,190	(3,362)
Profit for the period		3,085,437	2,988,041	2,266,710	1,798,979
Other comprehensive income					
Foreign currency translation differences for foreign operations		157,855	-	-	-
Net change in fair value of available-for-sale investments		263,011	-	-	-
Other comprehensive income for the period, net of income tax		420,866	-	-	-
Total comprehensive income for the period		3,506,303	2,988,041	2,266,710	1,798,979
Profit (loss) attributable to:					
Equity holders of the Company		3,087,875	2,988,041	2,266,710	1,798,979
Non-controlling interests		(2,438)	-	-	-
Profit for the period		3,085,437	2,988,041	2,266,710	1,798,979
Total comprehensive income attributable to:					
Equity holders of the Company		3,508,741	2,988,041	2,266,710	1,798,979
Non-controlling interests		(2,438)	-	-	-
Total comprehensive income for the period		3,506,303	2,988,041	2,266,710	1,798,979
Basic earnings per share (Baht)	16	2.13	2.06	1.56	1.24

The accompanying notes are an integral part of these financial statements

Ratchaburi Electricity Generating Holding Public Company Limited its subsidiaries
Statements of changes in equity
For the six-month periods ended 30 June 2011 and 2010 (Unaudited)

Consolidated financial statements										
<i>Note</i>	Retained earnings				Other components of equity					
	Issued and	Share	Legal reserve	Unappropriated	Currency	Fair value	Total	Equity	Non-	Total
	paid-up	premium			translation	changes in	other	attributable to	controlling	equity
	share capital				differences	available-for-sale	components	owners of	interests	
						investments	of equity	the Company		
					<i>(in thousand Baht)</i>					
Balance at 1 January 2010 - as reported	14,500,000	1,531,778	1,450,000	27,042,357	-	-	-	44,524,135	-	44,524,135
Impact of changes in accounting policies - retrospective	3	-	-	123,653	-	-	-	123,653	-	123,653
Balance at 1 January 2010 - restated	14,500,000	1,531,778	1,450,000	27,166,010	-	-	-	44,647,788	-	44,647,788
Transactions with owners, recorded directly in equity										
<i>Contributions by and distributions to owners of the Company</i>										
Dividends to owners of the Company	17	-	-	(1,667,500)	-	-	-	(1,667,500)	-	(1,667,500)
<i>Total contributions by and distributions to owners of the Company</i>		-	-	(1,667,500)	-	-	-	(1,667,500)	-	(1,667,500)
Total transactions with owners, recorded directly in equity		-	-	(1,667,500)	-	-	-	(1,667,500)	-	(1,667,500)
Comprehensive income for the period										
Profit		-	-	2,988,041	-	-	-	2,988,041	-	2,988,041
Other comprehensive income		-	-	-	-	-	-	-	-	-
Total comprehensive income for the period		-	-	2,988,041	-	-	-	2,988,041	-	2,988,041
Balance at 30 June 2010		14,500,000	1,531,778	1,450,000	28,486,551	-	-	45,968,329	-	45,968,329

Ratchaburi Electricity Generating Holding Public Company Limited its subsidiaries

Statements of changes in equity

For the six-month periods ended 30 June 2011 and 2010 (Unaudited)

Consolidated financial statements											
			Retained earnings		Other components of equity						
	Issued and	Share			Fair value	Total	Equity				
Note	paid-up	premium	Legal reserve	Unappropriated	Currency	changes in	other	attributable to	Non-	Total	
	share capital				translation	available-for-sale	components	owners of	controlling	equity	
					differences	investments	of equity	the Company	interests		

Ratchaburi Electricity Generating Holding Public Company Limited its subsidiaries

Statements of changes in equity

For the six-month periods ended 30 June 2011 and 2010 (Unaudited)

		Separate financial statements				
			Retained earnings			
	Note	Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated	Total equity
(in thousand Baht)						
Balance at 1 January 2010 - as reported		14,500,000	1,531,778	1,450,000	20,262,140	37,743,918
Impact of changes in accounting policies - retrospective	3	-	-	-	(241)	(241)
Balance at 1 January 2010 - restated		14,500,000	1,531,778	1,450,000	20,261,899	37,743,677
Transactions with owners, recorded directly in equity						
Contributions by and distributions to owners of the Company						
Dividends to owners of the Company	17	-	-	-	(1,667,500)	(1,667,500)
Total contributions by and distributions to owners of the Company		-	-	-	(1,667,500)	(1,667,500)
Total transactions with owners, recorded directly in equity		-	-	-	(1,667,500)	(1,667,500)
Comprehensive income for the period						
Profit		-	-	-	1,798,979	1,798,979
Other comprehensive income		-	-	-	-	-
Total comprehensive income for the period		-	-	-	1,798,979	1,798,979
Balance at 30 June 2010		14,500,000	1,531,778	1,450,000	20,393,378	37,875,156

Ratchaburi Electricity Generating Holding Public Company Limited its subsidiaries

Statements of changes in equity

For the six-month periods ended 30 June 2011 and 2010 (Unaudited)

		Separate financial statements				
		Retained earnings				
	Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated	Total equity	
Note	(in thousand Baht)					
Balance at 31 December 2010 - as reported	14,500,000	1,531,778	1,450,000	20,677,793	38,159,571	
Impact of changes in accounting policies - retrospective	3	-	-	(3,139)	(3,139)	
Balance at 1 January 2011 - restated	14,500,000	1,531,778	1,450,000	20,674,654	38,156,432	
Impact of changes in accounting policies - prospective	3	-	-	(32,909)	(32,909)	
Balance at 1 January 2011 - as adjusted	14,500,000	1,531,778	1,450,000	20,641,745	38,123,523	
Transactions with owners, recorded directly in equity						
Contributions by and distributions to owners of the Company						
Dividends to owners of the Company	17	-	-	(1,667,500)	(1,667,500)	
Total contributions by and distributions to owners of the Company		-	-	(1,667,500)	(1,667,500)	
Total transactions with owners, recorded directly in equity		-	-	(1,667,500)	(1,667,500)	
Comprehensive income for the period						
Profit		-	-	2,266,710	2,266,710	
Other comprehensive income		-	-	-	-	
Total comprehensive income for the period		-	-	2,266,710	2,266,710	
Balance at 30 June 2011		14,500,000	1,531,778	21,240,955	38,722,733	

Ratchaburi Electricity Generating Holding Public Company Limited its subsidiaries

Statements of cash flows

For the six-month periods ended 30 June 2011 and 2010 (Unaudited)

	Consolidated		Separate	
	financial statements		financial statements	
	2011	2010	2011	2010
		(Restated)		(Restated)
	(in thousand Baht)			
<i>Cash flows from operating activities</i>				
Profit for the period	3,085,437	2,988,041	2,266,710	1,798,979
<i>Adjustments for</i>				
Depreciation	1,276,565	1,352,359	13,179	11,666
Amortisation	1,545	1,467	831	785
Interest income	(151,568)	(104,967)	(137,536)	(99,857)
Finance costs	472,768	353,149	766	-
Provision for obsolescence of spare parts and supplies	35,047	28,572	-	-
Unrealised loss (gain) on exchange	129,190	(17,731)	(96,974)	(17,683)
Dividend income	-	-	(2,289,580)	(1,855,531)
Gain on disposal of plant and equipment	(900)	(178)	(874)	(1,083)
Employee benefit obligations	3,180	-	2,024	-
Shares of profit of jointly-controlled entities	(810,148)	(747,957)	-	-
Income tax expense	1,120,985	620,805	(1,190)	3,362
	<u>5,162,101</u>	<u>4,473,560</u>	<u>(242,644)</u>	<u>(159,362)</u>
<i>Changes in operating assets and liabilities</i>				
Trade accounts receivable from related parties	(4,877,671)	813,605	-	-
Advances to and other receivables from related parties	87,821	(5,944)	53,501	(2,997)
Spare parts and supplies	(3,415)	(38,558)	-	-
Other current assets and non-current assets	(396,885)	(384,574)	(94,031)	(248,840)
Trade account payable from related party	817,517	(201,822)	-	-
Trade account payable from other party	(2,090,677)	3,052,397	-	-
Other current liabilities	(221,109)	(124,751)	(409,699)	45,592
Cash (used in) provided by operating activities	(1,522,318)	7,583,913	(692,873)	(365,607)
Income tax paid	(601,358)	(338,705)	(4,020)	(4,293)
Net cash (used in) provided by operating activities	<u>(2,123,676)</u>	<u>7,245,208</u>	<u>(696,893)</u>	<u>(369,900)</u>

Ratchaburi Electricity Generating Holding Public Company Limited its subsidiaries

Statements of cash flows

For the six-month periods ended 30 June 2011 and 2010 (Unaudited)

	Consolidated		Separate	
	financial statements		financial statements	
	2011	2010	2011	2010
		(Restated)		(Restated)
	(in thousand Baht)			
Cash flows from investing activities				
Interest received	132,343	107,251	113,706	189,287
Dividends received	410,550	584,380	1,508,142	2,848,795
Purchases of property, plant and equipment	(70,251)	(17,942)	(21,908)	(12,082)
Sale of plant and equipment	2,212	3,123	2,172	2,453
Purchases of intangible assets	(476)	-	(476)	-
Net cash inflow (outflow) in current investments	(2,107,000)	550,000	(900,000)	550,000
Net cash inflow in long term investments	1,341	1,199	-	-
Cash outflow on investments in				
available for sale securities	(148,563)	-	-	-
Decrease in short-term loans to related party	-	-	2,174,997	900,000
Increase in short-term loans to related party	-	(520,000)	(1,275,151)	(1,420,000)
Decrease in long-term loans to related party	-	-	265,700	351,881
Increase in long-term loans to related party	-	-	(6,953,745)	-
Cash outflow on acquisition of investments				
in subsidiaries	-	-	(656,194)	-
Cash outflow on acquisition of investments				
in jointly-controlled entities	(657,156)	(148,152)	(657,156)	(134,652)
Net cash provided by (used in) investing activities	(2,437,000)	559,859	(6,399,913)	3,275,682
Cash flows from financing activities				
Finance costs paid	(390,507)	(334,278)	-	-
Proceeds from issue of ordinary shares	18,270	-	-	-
Dividend paid to equity holders of the Company	(1,667,677)	(1,666,199)	(1,667,677)	(1,666,199)
Proceeds from short-term loans from financial institutions	10,774,000	2,030,000	4,600,000	-
Repayment of short-term loans from financial institutions	(2,658,800)	(2,030,000)	-	-
Repayment of finance lease liability	(653)	(504)	-	-
Repayment of long-term loans from financial institutions	(16,934,876)	(703,598)	-	-
Proceeds from issue of debentures	13,286,000	-	-	-
Redemption of debentures	-	(750,000)	-	-
Net cash provided by (used in) financing activities	2,425,757	(3,454,579)	2,932,323	(1,666,199)
Net increase (decrease) in cash and cash equivalents	(2,134,919)	4,350,488	(4,164,483)	1,239,583
Cash and cash equivalents at beginning of period	11,289,248	3,774,088	5,806,011	1,418,702
Cash and cash equivalents at end of period	9,154,329	8,124,576	1,641,528	2,658,285

The accompanying notes are an integral part of these financial statements

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2011 (Unaudited)

Note	Contents
1	General information
2	Basis of preparation of the interim financial statements
3	Change in accounting policies
4	Related parties
5	Cash and equivalents and current investments
6	Other long-term investments
7	Investments in subsidiaries
8	Investments in jointly-controlled entities
9	Investment in other company
10	Property, plant and equipment
11	Deferred tax
12	Other non-current assets
13	Interest-bearing liabilities
14	Employee benefit obligations
15	Segment information
16	Basic earnings per share
17	Dividends
18	Commitments with non-related parties
19	Events after the reporting period
20	Thai Financial Reporting Standards (TFRS) not yet adopted
21	Reclassification of accounts

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2011 (Unaudited)

These notes form an integral part of the financial statements.

The interim financial statements were authorised for issue by the Management authorised by the Board of Directors on 10 August 2011

1 General information

Ratchaburi Electricity Generating Holding Public Company Limited, the “Company”, is incorporated in Thailand and has its registered office at 555/1 Energy Complex, Building A 7th Floor, Vibhavadi Rangsit Road, Chatuchak, Chatuchak, Bangkok, Thailand.

The Company was listed on the Stock Exchange of Thailand in October 2000.

The Company’s major shareholder during the financial period was Electricity Generating Authority of Thailand (“EGAT”), holding 45% of total ordinary shares of the Company.

The principal businesses of the Company are the investing in companies, whose objectives are to generate and sell electricity. Details of the Company’s subsidiaries and jointly-controlled entities as at 30 June and 31 December 2010 were as follows:

Name of the entities	Type of business	Country of incorporation	Ownership interest (%)	
			30 June 2011	31 December 2010
<i>Direct subsidiaries</i>				
Ratchaburi Electricity Generating Company Limited	Generating and selling electricity	Thailand	99.99	99.99
Ratchaburi Energy Company Limited	Developing and operating power plant and investing in the power energy business	Thailand	99.99	99.99
Ratchaburi Gas Company Limited	Investing in the power energy business	Thailand	99.99	99.99
Ratch Udom Power Company Limited	Investing in the power energy business	Thailand	99.99	99.99
RATCH-Lao Services Company Limited	Providing operation and maintenance services	Lao PDR	99.99	99.99
RH International Corporation Limited	Investing in the power energy business	Thailand	99.99	99.99
<i>Indirect subsidiaries</i>				
Ratchaburi Alliances Company Limited	Investing in the power energy business	Thailand	99.99	99.99
RH International (Mauritius) Corporation Ltd.	Investing in the power energy business internationally	Mauritius	100	100

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2011 (Unaudited)

Name of the entities	Type of business	Country of incorporation	Ownership interest (%)	
			30 June 2011	31 December 2010
RH International (Singapore) Corporation PTE. LTD.	Investing in the power energy business internationally	Singapore	100	100
Sustainable Energy Corporation Company Limited	Investing in the power energy business	Thailand	51	51
<i>Jointly-controlled entities</i>				
Tri Energy Company Limited	Generating and selling electricity	Thailand	50	50
Ratchaburi Power Company Limited	Generating and selling electricity	Thailand	25	25
Chubu Ratchaburi Electric Services Company Limited	Providing operation and maintenance services	Thailand	50	50
SouthEast Asia Energy Limited	Investing in the power energy business	Thailand	33.33	33.33
Hongsa Power Company Limited	Generating and selling electricity	Lao PDR	40	40
Phufai Mining Company Limited	Coal mining and trading	Lao PDR	37.50	37.50
Nam Ngum 3 Power Company Limited	Generating and selling electricity	Lao PDR	25	25
Nava Nakorn Electricity Generating Company Limited	Generating and selling electricity and steam	Thailand	40	40
Ratchaburi World Cogeneration Company Limited	Generating and selling electricity and steam	Thailand	40	10
Solarta Company Limited	Generating and selling electricity	Thailand	49	-

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2011 (Unaudited)

2 Basis of preparation of the interim financial statements

(a) Statement of compliance

The interim financial statements issued for Thai reporting purposes are prepared in the Thai language. This English translation of the interim financial statements has been prepared for the convenience of readers not conversant with the Thai language.

The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard (TAS) No. 34 (revised 2009) *Interim Financial Reporting*; guidelines promulgated by the Federation of Accounting Professions (FAP); and applicable rules and regulations of the Thai Securities and Exchange Commission.

The interim financial statements are prepared to provide an update on the financial statements for the year ended 31 December 2010. They do not include all of the financial information required for full annual financial statements but focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements of the Company for the year ended 31 December 2010.

During 2010 and 2011, the FAP issued the following new and revised Thai Financial Reporting Standards (TFRS) relevant to the Group's operations and effective for accounting periods beginning on or after 1 January 2011 as follows:

TFRS	Topic
TAS 1 (revised 2009)	Presentation of Financial Statements
TAS 2 (revised 2009)	Inventories
TAS 7 (revised 2009)	Statement of Cash Flows
TAS 8 (revised 2009)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2009)	Events after the Reporting Period
TAS 16 (revised 2009)	Property, Plant and Equipment
TAS 17 (revised 2009)	Leases
TAS 18 (revised 2009)	Revenue
TAS 19	Employee Benefits
TAS 23 (revised 2009)	Borrowing Costs
TAS 24 (revised 2009)	Related Party Disclosures
TAS 27 (revised 2009)	Consolidated and Separate Financial Statements
TAS 28 (revised 2009)	Investments in Associates
TAS 31 (revised 2009)	Interests in Joint Ventures

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2011 (Unaudited)

TFRS	Topic
TAS 33 (revised 2009)	Earnings per Share
TAS 34 (revised 2009)	Interim Financial Reporting
TAS 36 (revised 2009)	Impairment of Assets
TAS 37 (revised 2009)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2009)	Intangible Assets
FAP' s announcement no. 17/2554	Transitional Procedures for Other Long-term Employee Benefits

The adoption of these new and revised TFRS has resulted in changes in the Group's accounting policies. The effects of these changes are disclosed in note 3. Except for these changes, accounting policies and methods of computation applied in these interim financial statements are consistent with those applied in the financial statements for the year ended 31 December 2010.

In addition to the above new and revised TFRS, the FAP has issued during 2010 a number of other TFRS which are expected to be effective for financial statements beginning on or after 1 January 2013 and have not been adopted in the preparation of these interim financial statements. These new and revised TFRS are disclosed in note 20.

(b) *Presentation currency*

The interim financial statements are prepared and presented in Thai Baht. All financial information presented in Thai Baht has been rounded to the nearest thousand unless otherwise stated.

(c) *Use of estimates and judgments*

The preparation of interim financial statements in conformity with TFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Except as disclosed below, in preparing these interim financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2010. These changes principally derive from the adoption of new and revised TFRS from 1 January 2011.

Estimates

Measurement of defined employee benefit obligations

The calculation of the defined benefit obligation is sensitive to the assumptions on mortality rate, government bond yield, turnover rates and long-term salary increase rate as set out in note 14.

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2011 (Unaudited)

3 Changes in accounting policies

(a) Overview

From 1 January 2011, consequent to the adoption of new and revised TFRS as set out in note 2, the Group has changed its accounting policies in the following areas:

- Presentation of financial statements
- Accounting for income taxes
- Accounting for property, plant and equipment
- Accounting for employee benefits

Details of the new accounting policies adopted by the Group and the impact of the changes on the financial statements are included in notes 3(b) to 3(f) below.

(b) Presentation of financial statements

The Group has applied TAS 1 Presentation of Financial Statements (Revised 2009). Under the revised standard, a set of financial statements comprises:

- Statement of financial position;
- Statement of comprehensive income;
- Statement of changes in equity;
- Statement of cash flows; and
- Notes to the financial statements.

As a result, the Group presents all owner changes in equity in the statement of changes in equity and all non-owner changes in equity in the statement of comprehensive income. Previously, all such changes were included in the statement of changes in equity.

Comparative information has been re-presented so that it also is in conformity with the revised standard. Since the change in accounting policy only impacts presentation aspects, there is no impact on reported profit or earnings per share.

(c) Accounting for income taxes

The Group has applied TAS 12 Income taxes. The change in accounting policy has been applied retrospectively and the Group's 2010 financial statements, which are included in the Group's 2011 financial statements for comparative purposes, have been restated accordingly. The impact on the 2011 and 2010 financial statements was as described in note 3(f).

(d) Accounting for property, plant and equipment

The Group has applied TAS 16 (revised 2009) Property, Plant and Equipment in determining and accounting for the cost and depreciable amount of property, plant and equipment.

The principal changes introduced by the revised TAS 16 and affecting the Group are that (i) costs of asset dismantlement, removal and restoration have to be included as asset costs and subject to annual depreciation; (ii) the depreciation charge has to be determined separately for each significant part of an asset; and (iii) in determining the depreciable amount, the residual value of an item of property, plant and equipment has to be measured at the amount estimated receivable currently for the asset if the

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2011 (Unaudited)

asset were already of the age and in the condition expected at the end of its useful life. Furthermore, the residual value and useful life of an asset have to be reviewed at least at each financial year-end. No material impact of this change on the profit and earnings per share for the three-month and six-month period ended 30 June 2011 and 2010.

(e) Accounting for employee benefits

The Group has applied TAS 19 Employee Benefits. The change in accounting policy has been applied retrospectively to the Group's 2010 financial statements for short-term employee benefit obligations. For long-term employee benefit, the Group has opted to record the entire amount of this liability as an adjustment to retained earnings as at 1 January 2011. The impact on the 2011 and 2010 financial statements was as described in note 3(f).

(f) Impact

The impact on the 2011 and 2010 financial statements were summarised as follows :

2010 financial statements	Consolidated financial statements (in thousand Baht)	Separate financial statements
Statement of financial position		
Equity at 1 January 2010 – as reported	44,524,135	37,743,918
Changes adjusted retrospectively as a result of the adoption of :		
TAS 12 Deferred tax	130,055	4,302
TAS 19 Employee benefits short-term benefit	(6,402)	(4,543)
Equity at 1 January 2010 – restated	44,647,788	37,743,677
 Statement of comprehensive income for the three-month period ended 30 June 2010		
Profit before income tax expense - as reported	1,961,431	1,206,638
Changes before income tax expense adjusted retrospectively as a result of adoption of :		
TAS 19 Employee Benefits - short-term benefit	1,401	1,513
Profit before income tax expense – restated	1,962,832	1,208,151
Income tax expense – as reported	(436,507)	-
Changes in income tax expense as a result of the adoption of TAS 12 Deferred tax	1,700	(3,292)
Changes in income tax expense adjusted retrospectively as a result of the adoption of TAS 19	(345)	(378)
Income tax expense – restated	(435,152)	(3,670)
Profit – restated	1,527,680	1,204,481
 Increase in earnings per share (in Baht)	(0.0000)	(0.0036)

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2011 (Unaudited)

2010 financial statements

	Consolidated financial statements	Separate financial statements
	<i>(in thousand Baht)</i>	
Statement of comprehensive income for the six-month period ended 30 June 2010		
Profit before income tax expense - as reported	3,608,322	1,801,560
Changes before income tax expense adjusted retrospectively as a result of adoption of :		
TAS 19 Employee Benefits - short-term benefit	524	781
Profit before income tax expense – restated	<u>3,608,846</u>	<u>1,802,341</u>
Income tax expense – as reported	(626,124)	-
Changes in income tax expense		
as a result of the adoption of TAS 12 Deferred tax	5,437	(3,167)
Changes in income tax expense adjusted retrospectively as a result of the adoption of TAS 19	(118)	(195)
Income tax expense – restated	<u>(620,805)</u>	<u>(3,362)</u>
Profit – restated	<u>2,988,041</u>	<u>1,798,979</u>
 Increase in earnings per share (<i>in Baht</i>)	 <u>(0.0033)</u>	 <u>(0.0029)</u>

2011 financial statements

	Consolidated financial statements	Separate financial statements
	<i>(in thousand Baht)</i>	
Statement of financial position		
Equity at 31 December 2010 – as reported	46,547,164	38,159,571
Changes adjusted retrospectively as a result of the adoption of :		
TAS 12 Deferred tax	135,417	1,046
TAS 19 Employee benefits - short-term benefit	(6,267)	(4,185)
Equity at 31 December 2010 – as restated	<u>46,676,314</u>	<u>38,156,432</u>
Changes adjusted prospectively as a result of the adoption of :		
TAS 19 Employee benefits - long-term benefit	(65,636)	(47,014)
Changes in income tax expense as a result of the adoption of TAS 19	19,691	14,105
Equity at 1 January 2011 – as adjusted	<u>46,630,369</u>	<u>38,123,523</u>

4 Related parties

For the purposes of these financial statements, parties are considered to be related to the Group/Company if the Group/Company has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group/Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2011 (Unaudited)

Relationships with related parties were as follows:

Name of entities	Country of incorporation/ nationality	Nature of relationships
Electricity Generating Authority of Thailand	Thailand	Major shareholder, some common directors
Ratchaburi Electricity Generating Company Limited	Thailand	Subsidiary, 99.99% shareholding, some common directors
Ratchaburi Energy Company Limited	Thailand	Subsidiary, 99.99% shareholding
Ratchaburi Gas Company Limited	Thailand	Subsidiary, 99.99% shareholding
Ratch Udom Power Company Limited	Thailand	Subsidiary, 99.99% shareholding
RATCH-Lao Services Company Limited	Lao PDR	Subsidiary, 99.99% shareholding
RH International Corporation Limited	Thailand	Subsidiary, 99.99% shareholding
Ratchaburi Alliances Company Limited	Thailand	Indirect subsidiary, 99.99% shareholding by a subsidiary
RH International (Mauritius) Corporation Ltd.	Mauritius	Indirect subsidiary, 100 % shareholding by a subsidiary
RH International (Singapore) Corporation PTE. LTD.	Singapore	Indirect subsidiary, 100 % shareholding by a subsidiary
Sustainable Energy Corporation Company Limited	Thailand	Indirect subsidiary, 51% shareholding by a subsidiary
Tri Energy Company Limited	Thailand	Jointly-controlled entity of subsidiary, 50% shareholding by a subsidiary
Ratchaburi Power Company Limited	Thailand	Jointly-controlled entity of subsidiary, 25% shareholding
Chubu Ratchaburi Electric Services Company Limited	Thailand	Jointly-controlled entity of the Company, 50% shareholding
SouthEast Asia Energy Limited	Thailand	Jointly-controlled entity of the Company, 33.33% shareholding
Hongsa Power Company Limited	Lao PDR	Jointly-controlled entity of the Company, 40% shareholding
Phufai Mining Company Limited	Lao PDR	Jointly-controlled entity of the Company, 37.50% shareholding

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2011 (Unaudited)

Name of entities	Country of incorporation/ nationality	Nature of relationships
Nam Ngum 2 Power Company Limited	Lao PDR	Subsidiary of a jointly-controlled entity, 75% shareholding by a jointly-controlled entity
Nam Ngum 3 Power Company Limited	Lao PDR	Jointly-controlled entity of the Company, 25% shareholding
Nava Nakorn Electricity Generating Company Limited	Thailand	Jointly-controlled entity of the Company, 40% shareholding
Ratchaburi World Cogeneration Company Limited	Thailand	Jointly-controlled entity of the Company, 40% shareholding
Solarta Company Limited	Thailand	Jointly-controlled entity of the Company, 49% shareholding
Key management personnel	Thailand	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group/Company.

The pricing policies for particular types of transactions are explained further below:

Transactions	Pricing policies
Sale of electricity	Contractually agreed price
Service income on operation and maintenance services	Contractually agreed price
Management service income	Contractually agreed price
Purchase of goods/raw materials	Contractually agreed price
Operation and maintenance service fee	Contractually agreed price
Interest income	Contractually agreed rate
Other income	Contractually agreed price
Rental income	Contractually agreed price

Significant transactions for the three-month and six-month periods ended 30 June 2011 and 2010 with related parties were as follows:

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2011 (Unaudited)

<i>Three-month periods ended 30 June</i>	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	<i>(in thousand Baht)</i>			
Major Shareholder				
Sale of electricity	11,014,609	11,996,988	-	-
Purchase of fuel	836,801	160,172	-	-
Purchase of electricity	28,407	30,603	-	-
Operation and maintenance services fee	316,212	268,381	-	-
Management service income	205	-	-	-
Subsidiaries				
Management service income	-	-	66,005	2,387
Dividend income	-	-	1,415,233	1,258,650
Interest income	-	-	9,760	3,976
Jointly-controlled entities				
Operation and maintenance services income	28,750	2,853	-	-
Management service income	49,051	33,063	48,640	33,063
Dividend income	-	-	-	-
Interest income	1,241	5,092	1,241	5,092
Other income	10,939	10,990	-	-
Rental income	2,931	2,832	-	-
Key management personnel				
Short-term employee benefits	31,454	25,340	23,889	17,106
Post-employment benefits	1,323	1,015	1,019	656
Long-term employee benefit	(1,639)	-	(1,870)	-
Total	31,138	26,355	23,038	17,762
<i>Six-month periods ended 30 June</i>	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	<i>(in thousand Baht)</i>			
Major Shareholder				
Sale of electricity	19,112,299	21,878,816	-	-
Purchase of fuel	836,801	820,740	-	-
Purchase of electricity	75,125	77,002	-	-
Operation and maintenance services fee	649,403	533,512	-	-
Management service income	338	-	-	-
Subsidiaries				
Management service income	-	-	70,958	4,753
Dividend income	-	-	2,269,580	1,855,531
Interest income	-	-	24,168	9,013

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2011 (Unaudited)

<i>Six-month periods ended 30 June</i>	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	<i>(in thousand Baht)</i>			
Jointly-controlled entities				
Operation and maintenance services income	57,500	5,705	-	-
Management service income	83,795	69,004	83,384	69,004
Dividend income	20,000	-	20,000	-
Interest income	2,404	6,495	2,404	6,495
Other income	19,671	20,324	-	-
Rental income	5,813	5,665	-	-
Key management personnel				
Short-term employee benefits	62,889	50,751	46,941	34,407
Post-employment benefits	2,677	2,031	1,988	1,311
Long-term employee benefit	2,156	-	1,694	-
Total	67,722	52,782	50,623	35,718

Balances as at 30 June 2011 and 31 December 2010 with related parties were as follows:

<i>Trade accounts receivable from related parties</i>	Consolidated financial statements		Separate financial statements	
	30 June 2011	31 December 2010	30 June 2011	31 December 2010
	<i>(in thousand Baht)</i>			
Major Shareholder				
Electricity Generating Authority of Thailand	8,212,611	3,331,649	-	-
Jointly-controlled entity				
Nam Ngum 2 Power Company Limited	9,583	9,583	-	-
	8,222,194	3,341,232	-	-
<i>Less allowance for doubtful accounts</i>	-	-	-	-
Net	8,222,194	3,341,232	-	-
	2011	2010	2011	2010
	<i>(in thousand Baht)</i>			
Bad and doubtful debts expense for the:				
- three-month period ended 30 June	-	-	-	-
- six-month period ended 30 June	-	-	-	-

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2011 (Unaudited)

Aging analyses for trade accounts receivable were as follows:

	Consolidated financial statements		Separate financial statements	
	30 June 2011	31 December 2010	30 June 2011	31 December 2010
	<i>(in thousand Baht)</i>			
Related parties				
Within credit terms	8,222,194	3,341,232	-	-
Less allowance for doubtful accounts	-	-	-	-
Net	<u>8,222,194</u>	<u>3,341,232</u>	<u>-</u>	<u>-</u>

The normal credit term granted by the Group is not exceeding 1 month.

Dividend receivable	Consolidated financial statements		Separate financial statements	
	30 June 2011	31 December 2010	30 June 2011	31 December 2010
	<i>(in thousand Baht)</i>			
Subsidiary				
Ratchaburi Electricity Generating Company Limited	<u>-</u>	<u>-</u>	<u>2,610,379</u>	<u>1,828,941</u>

Advances to and other receivables from related parties	Consolidated financial statements		Separate financial statements	
	30 June 2011	31 December 2010	30 June 2011	31 December 2010
	<i>(in thousand Baht)</i>			

Major Shareholder

Electricity Generating Authority of Thailand	11,182	481	-	-
--	--------	-----	---	---

Subsidiaries

Ratchaburi Electricity Generating Company Limited	-	-	65,481	386
Ratchaburi Energy Company Limited	-	-	214	185
RATCH-Lao Services Company Limited	-	-	11,910	4,588
RH International (Mauritius) Corporation Limited	-	-	-	277
RH International (Singapore) Corporation PTE. LTD.	-	-	-	277
Sustainable Energy Corporation Company Limited	-	-	644	2,380

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2011 (Unaudited)

<i>Advances to and other receivables from related parties</i>	Consolidated financial statements		Separate financial statements	
	30 June 2011	31 December 2010	30 June 2011	31 December 2010
	<i>(in thousand Baht)</i>			
Jointly-controlled entities				
Tri Energy Company Limited	2,282	2,282	2,282	2,282
Ratchaburi Power Company Limited	10,454	11,305	-	-
Chubu Ratchaburi Electric Services Company Limited	862	800	862	800
SouthEast Asia Energy Limited	24,650	13,145	24,650	13,145
Hongsa Power Company Limited	4,604	127,109	4,604	127,109
Ratchaburi World Cogeneration Company Limited	472	-	472	-
Total	54,506	155,122	111,119	151,429
 <i>Long-term trade account receivable from related party</i>	Consolidated financial statements		Separate financial statements	
	30 June 2011	31 December 2010	30 June 2011	31 December 2010
	<i>(in thousand Baht)</i>			
Major Shareholder				
Electricity Generating Authority of Thailand	-	4,951	-	-
 <i>Long-term receivables from related parties</i>	Consolidated financial statements		Separate financial statements	
	30 June 2011	31 December 2010	30 June 2011	31 December 2010
	<i>(in thousand Baht)</i>			
Subsidiary				
Ratch Udom Power Company Limited	-	-	3,875	4,548
RH International Corporation Limited	-	-	597	-
Total	-	-	4,472	4,548

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2011 (Unaudited)

<i>Loans to related parties</i>	Interest rate		Consolidated financial statements		Separate financial statements	
	30	31	30	31	30	31
	June 2011	December 2010	June 2011	December 2010	June 2011	December 2010
	<i>(% per annum)</i>		<i>(in thousand Baht)</i>			
Short-term loans						
Subsidiary						
RATCH-Lao Services Company Limited	2.50	2.50	-	-	915,222	899,846
RH International (Mauritius) Corporation Limited	-	2.50	-	-	-	448,623
RH International (Singapore) Corporation PTE. LTD.	-	2.50	-	-	-	448,623
<i>Less allowance for doubtful accounts</i>			-	-	-	-
Short-term loans to related parties-net			<u>-</u>	<u>-</u>	<u>915,222</u>	<u>1,797,092</u>
Long-term loans						
Subsidiary						
Ratch Udom Power Company Limited	2.55	2.05	-	-	528,200	793,900
RH International Corporation Limited	3.10	-	-	-	7,032,744	-
Jointly-controlled entities						
SouthEast Asia Energy Limited	8.125	7.375	62,500	62,500	62,500	62,500
			62,500	62,500	7,623,444	856,400
<i>Less current portion allowance for doubtful accounts</i>			(62,500)	(62,500)	(62,500)	(62,500)
Long-term loans to related parties-net			<u>-</u>	<u>-</u>	<u>7,560,944</u>	<u>793,900</u>

Movements during the six-month periods ended 30 June 2011 and 2010 of loans to related parties were as follows:

<i>Loans to related parties</i>	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	<i>(in thousand Baht)</i>			
Short-term loans to related parties				
At 1 January	-	360	1,797,092	360
Increase	-	520,000	1,275,151	1,420,000
Decrease	-	-	(2,174,997)	(900,000)
Exchange rate adjustment	-	-	17,976	-
At 30 June	<u>-</u>	<u>520,360</u>	<u>915,222</u>	<u>520,360</u>

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2011 (Unaudited)

Loans to related parties

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	<i>(in thousand Baht)</i>			
<i>Long-term loans to related parties</i>				
At 1 January	62,500	62,500	856,400	1,475,281
Increase	-	-	6,953,745	-
Decrease	-	-	(265,700)	(351,881)
Exchange rate adjustment	-	-	78,999	-
At 30 June	<u>62,500</u>	<u>62,500</u>	<u>7,623,444</u>	<u>1,123,400</u>

Investments in subsidiaries

	Consolidated financial statements		Separate financial statements	
	30 June 2011	31 December 2010	30 June 2011	31 December 2010
	<i>(in thousand Baht)</i>			
Subsidiaries	<u>-</u>	<u>-</u>	<u>21,179,661</u>	<u>20,523,467</u>

Investments in jointly-controlled entities

	Consolidated financial statements		Separate financial statements	
	30 June 2011	31 December 2010	30 June 2011	31 December 2010
	<i>(in thousand Baht)</i>			
Jointly-controlled entities	<u>12,054,463</u>	<u>10,997,709</u>	<u>3,799,494</u>	<u>3,142,338</u>

Trade payables to related party

	Consolidated financial statements		Separate financial statements	
	30 June 2011	31 December 2010	30 June 2011	31 December 2010
	<i>(in thousand Baht)</i>			
Major Shareholder Electricity Generating Authority of Thailand	<u>829,351</u>	<u>11,833</u>	<u>-</u>	<u>-</u>

Other payables to related parties

	Consolidated financial statements		Separate financial statements	
	30 June 2011	31 December 2010	30 June 2011	31 December 2010
	<i>(in thousand Baht)</i>			
Major Shareholder Electricity Generating Authority of Thailand	<u>18,554</u>	<u>30,501</u>	<u>193</u>	<u>1,166</u>

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2011 (Unaudited)

<i>Unearned revenue and accrued expenses-related parties</i>	Consolidated financial statements		Separate financial statements	
	30 June 2011	31 December 2010	30 June 2011	31 December 2010
		(in thousand Baht)		
Major Shareholder				
Electricity Generating Authority of Thailand	46,250	42,916	282	-
Jointly-controlled entity				
Ratchaburi Power Company Limited	13,892	13,636	12,427	12,220
Nam Ngum 3 Power Company Limited	1,230	-	-	-
Total	61,372	56,552	12,709	12,220

Significant agreements with related parties

Short-term loans Agreement

As at 30 June 2011, the Company granted loans to RATCH-Lao Services Company Limited, a subsidiary, amounting to U.S. Dollars 30 million which bear interest at the rate as stipulated in the agreement. Such loan will be repayable as stipulated in the agreement.

Long-term loans to related parties

The Company granted loans to Ratch Udom Power Company Limited, a subsidiary, amounting to Baht 1,412.78 million which bear interest at the rates as stipulated in the agreement under the existing agreement and condition, by an issuance of promissory notes held at call to the Company. During 2011, such subsidiary made repayment to the Company amounting to Baht 265.70 million. As at 30 June 2011, the Company had the outstanding balance of such loans amounting to Baht 528.20 million. The Company has no intention to recall such loans from the subsidiary within one year. Therefore, the Company classified such loans as long-term loans.

The Company granted loans to South East Asia Energy Limited, Vientiane Branch, a jointly-controlled entity, amounting to Baht 62.50 million which bear interest at the rates as stipulated in the agreement. The Company recorded such loans as loans due within one year since the loan agreement determines the repayment term of principal and interest within 30 months commencing from the signing date in the Shareholders' Loan Agreement or the loan approval date from the financial institutions to the jointly-controlled entity, whichever is the earlier. However, on 12 February 2010, the Company has amended the loan agreement with such jointly-controlled entity by extension of the period of repayment and its interest for another 18 months which will be due on 4 September 2011. Therefore, the Company classified such loans as current portion of long-term loans as at 30 June 2011.

The Company granted loans to RH International Corporation Limited, a subsidiary, amounting to Australia Dollars 216 million which bear interest at the rate of 3.10 % per annum. Principle and interest will be on call. The Company has no intention to recall such loans from the subsidiary within one year. Therefore, the Company classified such loans as long-term loans.

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2011 (Unaudited)

Power Purchase Agreement

On 9 October 2000, Ratchaburi Electricity Generating Company Limited, a subsidiary, entered into the Power Purchase Agreement with EGAT for the period of 25 years, whereby the subsidiary will deliver the Net Electrical Generation from the Thermal Generating Units 1 and 2 and the Combined Cycle Generating Blocks 1, 2 and 3 to EGAT as defined in the agreements. Under the Power Purchase Agreement, the subsidiary will receive revenue from EGAT comprising of an Availability Payment (AP) and an Energy Payment (EP). The Availability Payment (AP) covers repayment of principal and interest of loan, equity return for shareholders, fixed expenses in operation and maintenance, and administrative expenses. Such expenses will be adjusted to cover the change of interest rate, Consumer Price Index and exchange rate. The Energy Payment (EP) covers production costs comprising of fuel costs variable costs in operation and maintenance, which will be adjusted in accordance with the fuel price, efficiency ratio and Consumer Price Index.

On 3 December 2008, Ratchaburi Energy Company Limited, a subsidiary, entered into the 2 Megawatts Power Purchase Agreement with EGAT for the period of 5 years. The contract can be extended for a period of 5 years subject to the provision of written notice to the counterparty within 30 days before the contract expiry date.

Operation and Maintenance Agreement and Other Service Agreements

On 7 January 2009, Ratchaburi Electricity Generating Company Limited, a subsidiary, entered into the Operation and Maintenance Agreement with EGAT whereby EGAT will operate and provide general maintenance services including major overhaul for the subsidiary. The total operation and general maintenance charge including services charges for major maintenance are approximately Baht 16,608.16 million, adjusted by the annual Consumer Price Index. The contract is valid from 1 January 2009 until the termination dates of the Power Purchase Agreements for Thermal Generating Units and Combined Cycle Generating Units.

Land Lease Agreement and Common Facility Agreement

On 7 June 2004 and 21 October 2005, Ratchaburi Electricity Generating Company Limited, a subsidiary, entered into the Land Lease Agreement with Ratchaburi Power Company Limited to lease an area of 145 rais in the Ratchaburi Power Plant area for a power plant project to Ratchaburi Power Company Limited for the period of 25 years and 3 months commencing from Ratchaburi Power's commercial operation date.

On 25 November 2005, Ratchaburi Electricity Generating Company Limited, a subsidiary, entered into the Common Facility Agreement with Ratchaburi Power Company Limited whereby the subsidiary will provide certain facilities, utilities, services, right to use and access rights relating to the construction and operation of the facility to Ratchaburi Power Company Limited as defined in the agreement. This agreement is effective from the signing date in the agreement and will be expired on the expiry date of the Land Lease Agreement dated 7 June 2004.

Management Service Agreement

On 27 February 2004, the Company entered into the Management Service Agreement with Ratchaburi Power Company Limited, a jointly-controlled entity whereby the Company will receive management fee from Ratchaburi Power Company Limited amounting to U.S. Dollars 2.5 million per year for the period of 25 years and 3 months commencing from the commercial operation date of the first unit of Ratchaburi Power Company Limited with total contract value of U.S. Dollars 63.12 million.

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2011 (Unaudited)

Agreements in relation to investments in Chubu Ratchaburi Electric Services Company Limited

On 29 September 2005, the Company and Chubu Electric Power (Thailand) Company Limited entered into the Shareholders Agreement to set up Chubu Ratchaburi Electric Services Company Limited and made the first payment of paid-up capital in proportion of each equity holder totaling Baht 10 million. As at 30 June 2011, the Company has commitment to make payment for the unpaid share capital amounting to Baht 10 million. In addition, under this Shareholders Agreement, should Chubu Ratchaburi Electric Services Company Limited require additional funding exceeding its registered capital, the Company agreed to provide financial support in the form of shareholder loans or any guarantees to Chubu Ratchaburi Electric Services Company Limited in proportion of the Company's shareholding of 50%. There are no specific amounts of financial supports specified in the agreement. As at 30 June 2011, the Company has not provided any loans or guarantees according to the agreement.

Agreements in relation to investment in SouthEast Asia Energy Limited

On 26 May 2006, the Company entered into the Equity Contribution Agreement between shareholders and lenders from financial institutions so as to obligate the capital contribution payment to SouthEast Asia Energy Limited, a jointly-controlled entity. The Company has total commitments to pay capital contribution to such jointly-controlled entity of Baht 2,202.25 million. As at 30 June 2011, the Company has no outstanding obligation (*As at 31 December 2010: 58.91 million*).

Operation and Maintenance Agreement

On 25 September 2009, RATCH-Lao Services Company Limited entered into the Operation and Maintenance Agreement of the hydroelectric power plant with Nam Ngum 2 Power Company Limited. The contract is valid from 1 July 2009 until the end of the concession period under the concession agreement. In consideration thereof, EGAT will act as the subcontractor for the operation and maintenance of dam and powerhouse while RATCH-Lao Service Company Limited will provide building maintenance, facilities and other management services. The initial operation and maintenance services fee are approximately Baht 3,200 million, which will be adjusted by the rates as stipulated in the agreement. On 26 September 2009, RATCH-Lao Services Company Limited entered into the Subcontract Agreement on operation and maintenance of such hydroelectric power plant with EGAT whereby EGAT will operate and provide general maintenance services to Nam Ngum 2 Power Company Limited. The contract is valid from 1 July 2009 until the concession period under the concession agreement with initial approximate contract price of Baht 2,000 million, which will be adjusted by the rates as stipulated in the agreement.

5 Cash and cash equivalents and current investments

At the Board of Directors meeting of Ratchaburi Electricity Generating Company Limited, a subsidiary, held on 11 July 2005, the Board approved the policy to maintain cash reserves for repayment of principal and interest of loan in the next quarter. As at 30 June 2011, such reserves amounting to Baht 1,026 million were included in cash and cash equivalents and current investments (*As at 31 December 2010: Baht 884 million were included in cash and cash equivalents*).

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2011 (Unaudited)

6 Other long-term investments

	Consolidated financial statements		Separate financial statements	
	30 June 2011	31 December 2010	30 June 2011	31 December 2010
	<i>(in thousand Baht)</i>			
<i>Other long-term investments</i>				
Equity securities available for sale	1,741,653	1,301,461	-	-
Debt securities held to maturity	278,000	368,000	278,000	368,000
	<u>2,019,653</u>	<u>1,669,461</u>	<u>278,000</u>	<u>368,000</u>

Movements during the years ended 30 June 2011 and 2010 of equity securities available for sales were as follows:

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	<i>(in thousand Baht)</i>			
<i>Available-for-sale securities</i>				
At 1 January	1,301,461	-	-	-
Purchases during the year	148,563	-	-	-
Exchange rate adjustment	28,618	-	-	-
Valuation adjustment	263,011	-	-	-
At 30 June	<u>1,741,653</u>	<u>-</u>	<u>-</u>	<u>-</u>

7 Investments in subsidiaries

	Separate financial statements	
	2011	2010
	<i>(in thousand Baht)</i>	
<i>Subsidiaries</i>		
At 1 January	20,523,467	20,144,717
Acquisitions	656,194	-
At 30 June	<u>21,179,661</u>	<u>20,144,717</u>

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2011 (Unaudited)

Investments in subsidiaries as at 30 June 2011 and 31 December 2010, and dividend income from those investments for the six-month periods ended 30 June 2011 and 2010 were as follows:

	Separate financial statements											
	Ownership Interest		Paid-up capital		Cost method		Impairment		At cost - net		Dividend income for the three-month ended	
	30	31	30	31	30	31	30	31	30	31	30	30
	June	December	June	December	June	December	June	December	June	December	June	June
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
	(%)						(in thousand Baht)					
<i>Direct subsidiaries</i>												
Ratchaburi Electricity Generating Company Limited	99.99	99.99	18,275,000	18,275,000	18,275,000	18,275,000	-	-	18,275,000	18,275,000	1,956,580	1,721,152
Ratchaburi Gas Company Limited	99.99	99.99	1,165,903	1,165,903	1,165,903	1,165,903	-	-	1,165,903	1,165,903	313,000	134,380
Ratch Udom Power Company Limited	99.99	99.99	420,900	420,900	420,900	420,900	-	-	420,900	420,900	-	-
Ratchaburi Energy Company Limited	99.99	99.99	640,000	640,000	640,000	640,000	-	-	640,000	640,000	-	-
RATCH-Lao Services Company Limited	99.99	99.99	77,858	16,664	77,858	16,664	-	-	77,858	16,664	-	-
RH International Corporation Limited	99.99	99.99	600,000	5,000	600,000	5,000	-	-	600,000	5,000	-	-
Total					21,179,661	20,523,467	-	-	21,179,661	20,523,467	2,269,580	1,855,532

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2011 (Unaudited)

Increase in share capital of RH International Corporation Limited

At the annual shareholders' meeting of RH International Corporation Limited, a subsidiary, held on 18 March 2011, the shareholders approved to increase the authorised share capital from Baht 5 million, comprising 500,000 shares at par value of Baht 10 per share, to Baht 600 million, comprising 60 million shares at par value of Baht 10 per share by issuance of new ordinary shares totaling 59.5 million shares at par value of Baht 10 per share. As at 30 June 2011, the Company had fully paid for the share capital, in the proportion of investment of 99.99 %.

Payment for additional paid-up share of Sustainable Energy Corporation Limited

For the six months period ended 30 June 2011, Ratchaburi Energy Company Limited, a subsidiary, paid for additional paid-up share capital of Sustainable Energy Corporation Limited, a subsidiary of such subsidiary, comprising 15.30 million shares at par value of Baht 10 per share. Such subsidiary paid for the additional paid-up share capital at Baht 6 per share amounting to Baht 91.80 million, in the proportion of investment of 51%.

Increase in share capital of RATCH-Lao Services Company Limited

At the extraordinary shareholders' meeting of RATCH-Lao Services Company Limited, a subsidiary, held on 9 June 2011, the shareholders approved to increase the authorised share capital from U.S. Dollars 0.5 million, comprising 500,000 shares at par value of U.S. Dollar 1 per share, to U.S. Dollars 2.5 million, comprising 2.5 million shares at par value of U.S. Dollar 1 per share by issuance of new ordinary shares totaling 2 million shares at par value of U.S. Dollar 1 per share. As at 30 June 2011, the Company had fully paid for the share capital, in the proportion of investment of 99.99 %.

Dividends paid by subsidiaries

At the Board of Directors meeting of Ratchaburi Gas Company Limited, a subsidiary, held on 20 June 2011, the Board approved the appropriation of the interim dividend of Baht 6.26 per share, totalling Baht 313 million. The dividend was paid to shareholders during June 2011

At the Board of Directors meeting of Ratchaburi Electricity Generating Company Limited, a subsidiary, held on 23 May 2011, the Board approved the appropriation of the interim dividend of Baht 0.60 per share, totalling Baht 1,102.23 million will be paid to shareholders during December 2011.

At the annual general meeting of the shareholders of Ratchaburi Electricity Generating Company Limited, a subsidiary, held on 21 March 2011, the shareholders approved the appropriation of dividends from the net profit of 2010 of Baht 2.08 per share, totalling Baht 3,808 million, after deducting the interim dividend of Baht 1.618 per share, amounting to Baht 2,953.21 million from the net profit for nine-month period ended 30 September 2010. The balance of dividends, amounting to Baht 854.35 million, will be paid to shareholders during October 2011.

At the Board of Directors meeting of Ratchaburi Gas Company Limited, a subsidiary, held on 8 June 2010, the Board approved the appropriation of the interim dividend of Baht 2.68 per share, totalling Baht 134.38 million. The dividend was paid to shareholders during June 2010

At the Board of Directors meeting of Ratchaburi Electricity Generating Company Limited, a subsidiary, held on 20 May 2010, the Board approved the appropriation of the interim dividend of Baht 0.62 per share, totalling Baht 1,124.27 million. The dividend was paid to shareholders during December 2010.

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2011 (Unaudited)

At the annual general meeting of the shareholders of Ratchaburi Electricity Generating Company Limited, a subsidiary, held on 16 March 2010, the shareholders approved the appropriation of dividends from the net profit of 2009 of Baht 2.74 per share, totalling Baht 5,014.57 million, after deducting the interim dividend of Baht 2.41 per share, amounting to Baht 4,417.69 million from the net profit for nine-month period ended 30 September 2009. The balance of dividends, amounting to Baht 596.88 million, was paid to shareholders during September 2010.

8 Investments in jointly-controlled entities

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	<i>(in thousand Baht)</i>			
At 1 January	10,997,709	9,493,610	3,142,338	1,914,883
Share of net profit of investment - equity method	810,148	747,957	-	-
Payment for additional shares	657,156	148,152	657,156	134,651
Dividend income	(410,550)	(584,380)	-	-
At 30 June	<u>12,054,463</u>	<u>9,805,339</u>	<u>3,799,494</u>	<u>2,049,534</u>

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2011 (Unaudited)

Investments in jointly-controlled entities as at 30 June 2011 and 31 December 2010, and dividend income from those investments for the six-month periods ended 30 June 2011 and 2010 were as follows:

Consolidated financial statements														Dividend income for the three-month period ended	
	Ownership interest		Paid-up capital		Cost method		Equity method		Impairment		At equity - net		for the three-month period ended		
	30	31	30	31	30	31	30	31	30	31	30	31	30	30	
	June	December	June	December	June	December	June	December	June	December	June	December	June	June	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	
	(%)		(in thousand Baht)												
Jointly-controlled entities															
Tri Energy Company Limited	50	50	3,618,420	3,618,420	1,809,211	1,809,211	4,811,250	4,675,616	-	-	4,811,250	4,675,616	115,550	134,380	
Ratchaburi Power Company Limited	25	25	7,325,000	7,325,000	1,831,250	1,831,250	3,392,744	3,318,318	-	-	3,392,744	3,318,318	275,000	450,000	
Chubu Ratchaburi Electric Services Company Limited	50	50	20,000	20,000	10,000	10,000	96,739	99,538	-	-	96,739	99,538	20,000	-	
SouthEast Asia Energy Limited	33.33	33.33	6,606,750	6,430,019	2,202,250	2,143,340	2,339,398	2,051,924	-	-	2,339,398	2,051,924	-	-	
Hongsa Power Company Limited	40	40	2,457,793	2,457,793	983,116	983,116	808,881	846,538	-	-	808,881	846,538	-	-	
Phufai Mining Company Limited	37.5	37.5	1,679	1,679	630	630	509	523	-	-	509	523	-	-	
Nam Ngum 3 Power Company Limited	25	25	1,808	1,808	452	452	389	452	-	-	389	452	-	-	
Nava Nakorn Electricity Generating Company Limited	40	40	2,000	2,000	800	800	780	800	-	-	780	800	-	-	
Ratchaburi World Cogeneration Company Limited	10	10	740,000	40,000	156,000	4,000	155,449	4,000	-	-	155,449	4,000	-	-	
Solart Company Limited	49	-	1,320,000	-	446,246	-	448,324	-	-	-	448,324	-	-	-	
Total					7,439,955	6,782,799	12,054,463	10,997,709	-	-	12,054,463	10,997,709	410,550	584,380	

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2011 (Unaudited)

Separate financial statements												Dividend income for the three-month period ended	
	Ownership interest		Paid-up capital		Cost method		Impairment		At equity - net				
	30	31	30	31	30	31	30	31	30	31	30	30	
	June	December	June	December	June	December	June	December	June	December	June	June	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	
	(%)		(in thousand Baht)										
Jointly-controlled entities													
Chubu Ratchaburi Electric Services Company Limited	50	50	20,000	20,000	10,000	10,000	-	-	10,000	10,000	20,000	-	
SouthEast Asia Energy Limited	33.33	33.33	6,606,750	6,430,019	2,202,250	2,143,340	-	-	2,202,250	2,143,340	-	-	
Hongsa Power Company Limited	40	40	2,457,793	2,457,793	983,116	983,116	-	-	983,116	983,116	-	-	
Phufai Mining Company Limited	37.50	37.50	1,679	1,679	630	630	-	-	630	630	-	-	
Nam Ngum 3 Power Company Limited	25	25	1,808	1,808	452	452	-	-	452	452	-	-	
Nava Nakorn Electricity Generating Company Limited	40	40	2,000	2,000	800	800	-	-	800	800	-	-	
Ratchaburi World Cogeneration Company Limited	40	10	740,000	40,000	156,000	4,000	-	-	156,000	4,000	-	-	
Solartha Company Limited	49	-	1,320,000	-	446,246	-	-	-	446,246	-	-	-	
Total					3,799,494	3,142,338	-	-	3,799,494	3,142,338	20,000	-	

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2011 (Unaudited)

Payment for additional paid-up share of jointly-controlled entities

For the six months period ended 30 June 2011, SouthEast Asia Energy Limited, a jointly-controlled entity, called for additional paid-up share capital. The Company paid for the additional paid-up share capital amounting to Baht 58.91 million, As at 30 June 2011, the Company had fully paid for the share capital in the proportion of investment of 33.33%.

Investment in Ratchaburi World Cogeneration Company Limited

On 15 March 2011, the Company entered into a Share Purchase Agreement and Shareholder Agreement to purchase shares of Ratchaburi World Cogeneration Company Limited in order to develop Power Plant Project and steam. The registered capital of such company was Baht 40 million, comprising 4 million ordinary shares at par value of Baht 10 per share. As at 30 June 2011, the Company had fully paid for the share capital amounting to Baht 16 million, in the proportion of investment of 40%.

At the annual general meeting of the shareholders of Ratchaburi World Cogeneration Company Limited, jointly-controlled entities, held on 7 April 2011, the shareholders approved to increase the authorised share capital from Baht 40 million, comprising 4 million shares at par value of Baht 10 per share, to Baht 740 million, comprising 74 million shares at par value of Baht 10 per share by issuance of new ordinary shares totaling 70 million shares at par value of Baht 10 per share. As at 30 June 2011, the Company had commitments for the remaining unpaid-share capital of Baht 140 million, in the proportion of investment of 40 %.

Investment in Solarta Company limited

On 13 January 2011, the Company entered into a Share Purchase Agreement and Shareholder Agreement to purchase shares of Solarta Company Limited in order to jointly develop 8 Solar Power Plant Projects located in Phra Nakhon Si Ayutthaya, Suphanburi, and Nakhon Pathom provinces, for total capacity of 34.25 Megawatts. The registered capital of such company was Baht 550 million, comprising 5.5 million ordinary shares at par value of Baht 100 per share. As at 30 June 2011, the Company had fully paid for the share capital, in the proportion of investment of 49%.

At the extraordinary meeting of the shareholders of Solarta Company Limited Limited, jointly-controlled entities held on 19 April 2011, the shareholders approved to increase the authorised share capital from Baht 550 million, comprising 5.5 million shares at par value of Baht 100 per share, to Baht 1,320 million, comprising 13.2 million shares at par value of Baht 100 per share by issuance of new ordinary shares totaling 7.7 million shares at par value of Baht 100 per share. The Company paid for the additional share capital amounting to Baht 169.78 million in the proportion of investment of 49 %. As at 30 June 2011, the Company had commitments for the remaining unpaid-share capital of Baht 207.52 million

Dividend paid by jointly-controlled entity

At the meeting of the shareholders of Chubu Ratchaburi Electric Service Company Limited, a jointly-controlled entity, held on 24 March 2011, the shareholders approved the appropriation of dividends of Baht 100 per share, amounting to Baht 20 million. The dividend was paid in 2011.

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2011 (Unaudited)

9 Investment in other company

Investment in EGAT Diamond Service Company Limited

On 12 October 2009, the Company entered into the Joint Venture Agreement to establish EGAT Diamond Service Company Limited in order to provide maintenance services of gas turbine. The registered capital of such company was Baht 623 million, comprising 6.23 million ordinary shares at par value of Baht 100 per share. The Company paid for paid-up share capital of Baht 81.32 each, amounting to Baht 50.66 million, in the proportion of investment of 10%. As at 30 June 2011, the Company had commitments for the remaining unpaid-share capital of Baht 11.64 million (*As at 31 December 2010: Baht 11.64 million*).

10 Property, plant and equipment

Acquisitions, disposals and transfers of property, plant and equipment during the six-month periods ended 30 June 2011 and 2010 were as follows:

	Consolidated financial statements			
	2011		2010	
	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value (in thousand Baht)	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value
Land	-	-	4,313	-
Buildings and building improvements	1,750	-	1,795	-
Power plants, substation & transmission system and operating & maintenance equipment	156	-	35,898	-
Office equipment	8,215	14	11,083	3
Vehicles	5,950	1,298	6,255	1,763
Construction in progress	52,627	4,254	7,616	43,181
Total	68,698	5,566	66,960	44,947

	Separate financial statements			
	2011		2010	
	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value (in thousand Baht)	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value
Office equipment	6,227	-	5,034	-
Vehicles	5,950	1,298	6,255	1,371
Construction in progress	11,489	1,244	793	-
Total	23,666	2,542	12,082	1,371

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2011 (Unaudited)

11 Deferred tax

From 1 January 2011, the Group/Company has adopted TFRS 12 Deferred tax. The change in accounting policy has been applied retrospectively to the Group's/Company's 2010 financial statements. The impact of the changes is disclosed in note 3(c).

Deferred tax assets are included in the statement of financial position as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	30	31	30	31
	June	December	June	December
	2011	2010	2011	2010
	<i>(in thousand Baht)</i>			
Deferred tax assets	167,042	135,417	16,218	1,046
Deferred tax liabilities	(4)	-	-	-
Net	167,038	135,417	16,218	1,046

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2011 (Unaudited)

Movements in deferred tax assets/liabilities during the period were as follows:

	Consolidated financial statements				
			(Charged) / credited to:		
	At 1 January 2011	Change in income tax as a result of the adoption of employee benefit (Note 3)	Profit or loss (in thousand Baht)	Other comprehensive income	At 30 June 2011
<i>Deferred tax assets</i>					
Allowance for					
Inventory	133,727	-	10,514	-	144,241
Provision for					
employee benefits	1,670	19,691	1,440	-	22,801
Finance leases					
liabilities	20	-	(20)	-	-
	<u>135,417</u>	<u>19,691</u>	<u>11,934</u>	<u>-</u>	<u>167,042</u>
<i>Deferred tax</i>					
<i>Liabilities</i>					
Finance leases					
liabilities	-	-	(4)	-	(4)
Net	<u>135,417</u>	<u>19,691</u>	<u>11,930</u>	<u>-</u>	<u>167,038</u>

	Consolidated financial statements				
			<u>(Charged) / credited to:</u>		
	At 1 January 2010	Change in income tax as a result of the adoption of employee benefit (Note 3)	Profit or loss (in thousand Baht)	Other comprehensive income	At 30 June 2010
Deferred tax assets					
Allowance for inventory	125,196	-	8,571	-	133,767
Provision for damage insurance	3,166	-	(3,166)	-	-
Provision for employee benefits	1,693	-	(118)	-	1,575
Finance leases liabilities	-	-	32	-	32
Total	130,055	-	5,319	-	135,374

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2011 (Unaudited)

	At 1 January 2011	Change in income tax as a result of the adoption of employee benefit (Note 3)	Separate financial statements (Charged) / credited to:		At 30 June 2011
			Profit or loss (in thousand Baht)	Other comprehensive income	
Deferred tax assets					
Provision for employee benefits	1,046	14,105	1,067	-	16,218

	At 1 January 2010	Change in income tax as a result of the adoption of employee benefit (Note 3)	Separate financial statements (Charged) / credited to:		At 30 June 2010
			Profit or loss (in thousand Baht)	Other comprehensive income	
Deferred tax assets					
Provision for damage Insurance	3,166	-	(3,166)	-	-
Provision for employee benefits	1,136	-	(195)	-	941
Total	4,302	-	(3,361)	-	941

12 Other non-current assets

	Consolidated financial statements		Separate financial statements	
	30 June 2011	31 December 2010	30 June 2011	31 December 2010
	(in thousand Baht)			
Development cost-Hongsa Lignite Project	-	15,692	-	15,692
Development cost-Nam Ngum 3 Project	270,031	182,369	270,031	182,369
Development cost-Xe-Pian Xe-Namnoy Project	70,866	57,381	70,866	57,381
Development cost for wind power project	165,563	72,592	-	-
Deferred charges	891,232	847,056	-	-
Others	9,303	9,321	8,785	8,803
Total	1,406,995	1,184,411	349,682	264,245

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2011 (Unaudited)

Joint Development Agreement in relation to Lignite Mining Project and the Lignite-Fired Power Project (Hongsa Lignite Project)

On 11 December 2007, the Company entered into a Joint Development Agreement (“JDA”) with Banpu Power Limited (a subsidiary of Banpu Public Company Limited) with the purpose of joint completing the development of the Lignite-Fired Power Project and the Lignite Mining Project at Hongsa District, Sayaboury Province, Lao People’s Democratic Republic (“Lao PDR”) as the Head of Agreement (Project Development Agreement) dated 18 December 2006 between the Government of the Lao People’s Democratic Republic (“GOL”) and Banpu Power Limited in developing two projects, being the Lignite-Fired Power Project and the Lignite Mining Project. Such agreement was approved by GOL on 10 January 2008. The remaining interests of 20% and 25% in the Lignite-Fired Power Project and Lignite Mining Project, respectively are held by Lao Holding State Enterprise (“LHSE”), and nominated by GOL.

According to the Joint Development Agreement, the Company has commitments to responsible for project development costs whereby the Company and Banpu Power Limited shall share the costs and expenses equally. In addition, the Company has commitments to provide financial support equally in the form of loans to LHSE for its administrative expenses during the development of the project until LHSE receives dividends from the Project Company. The amounts of financial support are preliminarily estimated at U.S. Dollars 410,000 (U.S. Dollars 205,000 for the Company’s portion) and can be adjusted to the requirements of LHSE. In addition, the Company agreed to pay the Joint Development Right Fee on the participation of the Hongsa Lignite Project amounting to U.S. Dollars 20 million. As at 30 June 2011, the Company had fully paid for the Development Right Fee.

On 1 December 2008 and 30 January 2009, the Company and Banpu Power Limited entered into the First and the Second Amendments to the Joint Development Agreement dated 11 December 2007.

On 15 July 2009, the Company, Banpu Power Limited and LHSE established Hongsa Power Company Limited under the laws of Lao People’s Democratic Republic with the initial authorised share capital of U.S. Dollars 100,000 so as to acquire power concession of the Hongsa Lignite Project. The Company, Banpu Power Limited and LHSE will hold 40%, 40% and 20% of the company’s ordinary shares, respectively. The Company fully paid for the paid-up share capital in September 2009.

On 1 September 2009, the Company, Banpu Power Limited and LHSE established Phufai Mining Company Limited under the laws of Lao People’s Democratic Republic with the initial authorised share capital of U.S. Dollars 50,000 so as to acquire mining concession of the Hongsa Lignite Project. The Company, Banpu Power Limited and LHSE will hold 37.5%, 37.5% and 25% of the company’s ordinary shares, respectively. The Company fully paid for such share capital in November 2009.

At the Board of Directors meeting of Hongsa Power Company Limited held on 21 June 2010, the Boards approved the increase in share capital by transferred the development costs to investment in the amount of Baht 849 million and recalled the remaining amount Baht 16 million which was received in April 2011.

On 5 August 2010, Hongsa Power Company Limited entered into a Financial Agreement which initially specified a loan amount of U.S. Dollars 2,783 million or equivalent Baht 94,620 million with 9 Thai financial institutions. The loan is secured by all of share certificates of such company. As at 30 June 2011, the loan had been drawdown by the Company in the amount of Baht 8,840 million and U.S. Dollars 135 million.

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2011 (Unaudited)

On 23 February 2011, Hongsa Power Company Limited, entered into an Operation and Maintenance Agreement with EGAT having operation service fee of approximately Baht 16,850 million. The agreement will be effective in 2013 for a period of 18 years.

Hydro Power Plant Project, Nam Ngum 3

In accordance with the Memorandum of Understanding (“MOU”) on the joint project development - Hydro Power Plant Project, Nam Ngum 3 dated 26 April 2005 between the Company, GMS Lao Company Limited and Marubeni Corporation, the Company has committed to pay project development cost of this project in the proportion of 32.47%. The Company will be able to transfer the project development costs which were already paid as equity of the formed company which will be established to engage in and pursue project management of the Hydro Power Plant Project, Nam Ngum 3.

On 18 December 2006, the Company, GMS Lao Company Limited and Marubeni Corporation entered into a Memorandum of Understanding with EGAT in relation to the sales and purchases of power from Hydro Power Plant Project, Nam Ngum 3, located in the Laos People’s Democratic Republic. The agreement period shall be 27 years with the commercial operation date expected to be in 2013. This project has total capacity of 440 megawatts and the total project cost of approximately U.S. Dollars 708 million. However, this Memorandum of Understanding expired on 18 June 2008. Subsequently on 11 March 2010, the new tariff MOU has been signed.

On 13 May 2008, the Company entered into a Shareholders Agreement with the other three shareholders, GMS Lao Company Limited, Marubeni Corporation, and Lao Holding State Enterprise, to form Nam Ngum3 under the policies and laws of Lao People’s Democratic Republic with the initial authorised share capital of approximately U.S. Dollars 0.3 million, comprising 3,000 ordinary shares with a par value of U.S. Dollars 100 per share. The Company hold 25% of the company’s ordinary shares. The formed company will be established to engage in and pursue project management of the Hydro Power Plant Project, Nam Ngum 3. Such company had been registered on 28 October 2010. In addition, during December 2010, the Company converted the development costs to investment in such Company in the amount of Baht 0.45 million, in the proportion of investment of 25%.

On 13 May 2008, the Company and Marubeni Corporation entered into a Financial Support Agreement with GMS Lao Company Limited in order to provide financial support for share capital payment for Hydro Power Plant Project, Nam Ngum 3 to GMS Lao Company Limited. The Company has committed to provide financial support in the form of collateral or guarantee and direct funding for the total initial amount of not exceeding U.S. Dollars 1.22 million. As at 30 June 2011, the Company had not yet provided any guarantee or loan in accordance with the conditions under this agreement.

Xe-Pian Xe-Namnoy, Hydroelectric Power Project

On 14 November 2008, the Company entered into a Project Development Agreement with SK Engineering & Construction Co., Ltd., Korea Western Power Co., Ltd and the Government of the Laos People’s Democratic Republic (Lao PDR) in order to jointly develop Xe-Pian Xe-Namnoy, Hydroelectric Power Project located in Attapeu and Champassak districts. This is in accordance with the Joint Development Agreement that the Company entered on 6 August 2007 with the proportion of investment of 25%.

On 16 August 2010, the Company and partners entered into a Tariff Memorandum of Understanding (Tariff MOU) with EGAT for such project.

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2011 (Unaudited)

On 15 June 2011, the Company and partners entered into a Shareholders Agreement in order to develop the such project.

13 Interest-bearing liabilities

On 30 June 2011, The Company recieved loans from financial institutions amounting to Baht 4,600 million which bear interest at the rate of 3.03 %. Such loan will be due on 16 August 2011

On 18 March 2011, Ratchaburi Electricity Generating Company Limited, a subsidiary, entered into an underwriting agreement with a financial institution to issue the bill of exchange and debenture totalling Baht 16,110 million to repay the full amount of the existing loans. Such credit facilities comprised bill of exchange Baht 2,824 million and debenture Baht 13,286 million which bear interest at the rates as stipulated in each tranche. Such debenture is unsubordinated, unsecured, and with the non-holder representative. The debenture is repayable on a quarterly basis starting from the 1st quarter 2012 and to 1st quarter 2015.

On 30 June 2011, such subsidiary made repayments of the existing secured borrowings and the buildings, power plant and equipment which had been used as collateral were redeemed during April 2011. The unwinding fee of Baht 80.55 million and the remaining balance of deferred financing fee of the existing loans of Baht 72.50 million were recognised as finance costs for the six-month period ended 30 June 2011.

14 Employee benefit obligations

The Group has applied TAS 19 Employee Benefits. The change in accounting policy has been applied retrospectively to the Group's/Company's 2010 financial statements for short-term employee benefit obligations. For long-term employee benefit, the Group/Company has opted to record the entire amount of this liability as an adjustment to retained earnings as at 1 January 2011. The impact on the 2011 and 2010 financial statements was as described in note 3(f).

Employee benefit obligations as at 30 June 2011 as follows:

	Consolidated financial statements	Separate financial statements
	<i>(in thousand Baht)</i>	
<i>Current (included in other current liabilities)</i>		
Unused vacation leave	7,187	5,021
<i>Non current</i>		
Post-employment benefit	68,817	49,038

Movement in the Employee benefit obligations for the three-month and six-month period ended 30 June 2011 as follows:

<i>Three-month period ended 30 June</i>	Consolidated financial statements	Separate financial statements
	<i>(in thousand Baht)</i>	
<i>Unused vacation leave</i>		
At 1 April 2011	8,720	6,661
Decrease	(1,533)	(1,640)
At 30 June 2011	7,187	5,021

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2011 (Unaudited)

<i>Three-month period ended 30 June</i>	Consolidated financial statements <i>(in thousand Baht)</i>	Separate financial statements
<i>Post-employment benefit</i>		
Defined benefit obligations at 1 April 2011	68,049	48,848
Benefits paid by the plan	(3,467)	(3,467)
Current service costs and interest	4,235	3,657
Defined benefit obligations at 30 June 2011	68,817	49,038
 <i>Six-month period ended 30 June</i>	 Consolidated financial statements <i>(in thousand Baht)</i>	 Separate financial statements
<i>Unused vacation leave</i>		
At 1 January 2011	6,267	4,185
Increase	920	836
At 30 June 2011	7,187	5,021
 <i>Post-employment benefit</i>		
Defined benefit obligations at 1 January 2011	65,637	47,014
Benefits paid by the plan	(3,467)	(3,467)
Current service costs and interest	6,647	5,491
Defined benefit obligations at 30 June 2011	68,817	49,038

Expense recognised in profit or loss for the three-month and six-month period ended 30 June 2011 as follows:

<i>Three-month period ended 30 June</i>	Consolidated financial statements <i>(in thousand Baht)</i>	Separate financial statements
Unused vacation leave	(1,533)	(1,640)
Post-employment benefit	4,235	3,657
Total	2,702	2,017
 <i>Six-month period ended 30 June</i>	 Consolidated financial statements <i>(in thousand Baht)</i>	 Separate financial statements
Unused vacation leave	920	836
Post-employment benefit	6,647	5,490
Total	7,567	6,326

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2011 (Unaudited)

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	Consolidated financial statements	Separate financial statements
	(%)	
Discount rate	4.2	4.2
Future salary increases	8	8

Assumptions regarding future mortality are based on published statistics and mortality tables, discount rate of long-term government bond.

15 Segment information

The Group/Company operates in a single line of business, power plant business. Therefore, management considers that the Group/Company operates in a single line of business. In addition, the Group/Company operates its principle business in Thailand. Therefore, the management considers that the Group/Company operates in a single geographic area.

16 Basic earnings per share

The calculation of basic earnings per share for the three-month and six-month periods ended 30 June 2011 and 2010 was based on the profit for the period attributable to equity holders of the Company and the number of ordinary shares outstanding during the period as follows:

<i>Three-month period ended 30 June</i>	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	<i>(in thousand Baht / thousand shares)</i>			
Profit attributable to equity holders of the Company	<u>1,891,720</u>	<u>1,527,680</u>	<u>1,474,317</u>	<u>1,204,481</u>
Number of ordinary shares outstanding	<u>1,450,000</u>	<u>1,450,000</u>	<u>1,450,000</u>	<u>1,450,000</u>
Basic earnings per share (Baht)	<u>1.30</u>	<u>1.05</u>	<u>1.02</u>	<u>0.83</u>

<i>Six-month period ended 30 June</i>	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	<i>(in thousand Baht / thousand shares)</i>			
Profit attributable to equity holders of the Company	<u>3,087,875</u>	<u>2,988,041</u>	<u>2,266,710</u>	<u>1,798,979</u>
Number of ordinary shares outstanding	<u>1,450,000</u>	<u>1,450,000</u>	<u>1,450,000</u>	<u>1,450,000</u>
Basic earnings per share (Baht)	<u>2.13</u>	<u>2.06</u>	<u>1.56</u>	<u>1.24</u>

17 Dividends

At the annual general meeting of the shareholders of the Company held on 28 March 2011, the shareholders approved the appropriation of dividend of Baht 2.25 per share, totalling Baht 3,262.50 million, from the net profit of 2010 after deducting the interim dividends of Baht 1.10 per share, totalling Baht 1,595 million, paid to shareholders in September 2010 from the net profit for the six-month period ended 30 June 2010. The balance of dividend amounted to Baht 1,667.50 million which was paid to shareholders in April 2011.

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2011 (Unaudited)

At the annual general meeting of the shareholders of the Company held on 29 March 2010, the shareholders approved the appropriation of dividend of Baht 2.25 per share, totalling Baht 3,262.50 million, from the net profit of 2009 after deducting the interim dividends of Baht 1.10 per share, totalling Baht 1,595 million, paid to shareholders in September 2009 from the net profit for the six-month period ended 30 June 2009. The balance of dividend amounted to Baht 1,667.50 million which was paid to shareholders in April 2010.

18 Commitments with non-related parties

Power Purchase Agreement

On 17 September 2010, Ratchaburi Energy Company Limited, a subsidiary, entered into the 0.9 Megawatts Power Purchase Agreement with Provincial Electricity Authority (“PEA”) for the period of 5 years. The contract can be extended for a period of five years subject to the provision of written notice to the counterparty.

On 8 February 2011, Ratchaburi Energy Company Limited, a subsidiary, entered into the 3.6 Megawatts Power Purchase Agreement with Provincial Electricity Authority (“PEA”) for the period of 5 years. The contract can be extended for a period of five years subject to the provision of written notice to the counterparty.

Operation and Maintenance Agreement and Other Service Agreement

On 21 January 2011, Ratchaburi Energy Company Limited, a subsidiary, entered into an Operation and Maintenance Agreement with a service provider having operation service fee of approximately Baht 3.24 million per year. The agreement is effective for a period of one year. As at 30 June 2011, the subsidiary had outstanding commitments amounting to Baht 1.62 million.

Fuel Purchase Agreements

On 27 October 2000, Ratchaburi Electricity Generating Company Limited, a subsidiary, entered into a 25-year Gas Sales Agreement with PTT Public Company Limited (“PTT”) whereby PTT will supply natural gas to the subsidiary at an agreed quantity and price.

On 1 June 2004, Ratchaburi Electricity Generating Company Limited, a subsidiary, entered into a 3-year Diesel Purchase Agreement with PTT Public Company Limited (“PTT”), which can be extended for a period of one year until the end of contract. However, without the three-month advance written notice designated the intention to terminate the contract from PTT, PTT would sell diesel to the subsidiary at the agreed quantity and price as stated in the contract.

On 17 January 2006, Ratchaburi Energy Company Limited, a subsidiary, entered into a Gas Sales Agreement (gas is a by-product from crude oil production) with PTTEP Siam Company Limited and PTT Exploration and Production Public Company Limited for its 2 Megawatts power plant project (PTO-A) and 0.9 Megawatts power plant project (PTO-A (EX)) with the initial price of Baht 26.65 per 1 million B.T.U. for eight years from the date of commencement of commercial operation, which was 27 June 2007 and 2 December 2010, respectively.

On 29 June 2011, Ratchaburi Energy Company Limited, a subsidiary, entered into a Gas Sales Agreement (gas is a by-product from crude oil production) with PTTEP Siam Company Limited and PTT Exploration and Production Public Company Limited for its 3.6 Megawatts power plant project (STN-A) with the initial price of Baht 29.50 per 1 million B.T.U. for eight years from the date of commencement of commercial operation.

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2011 (Unaudited)

Contractual Service Agreement

On 29 December 2005, Ratchaburi Electricity Generating Company Limited, a subsidiary, entered into a Contractual Service Agreement for the Combined Cycle Generating Power Plant between the subsidiary and the Consortium of General Electric International Operations Co., Inc. and GE Energy Parts, Inc. The agreement is effective from the agreement date until the end of the operation of gas turbine according to Power Purchase Agreement in year 2027 with a total contract price of US Dollars 428.60 million with adjustments as conditions specified in the agreement. As at 30 June 2011, such subsidiary had outstanding commitments amounting to U.S. Dollars 285.19 million (*As at 31 December 2010: U.S. Dollars 296.80 million*).

In addition, in accordance with the agreement, the subsidiary is required to open letter of credit amounting to U.S. Dollars 6 million. As at 30 June 2011 the company had unused letter of credit amounting to U.S. Dollars 6 million (*As at 31 December 2011: None*)

Letter of Guarantee

As at 30 June 2011, The subsidiaries had commitment from letters of guarantee issued by a financial institution for compliance with agreement conditions in the amount of Baht 75.42 million. (*As at 31 December 2010: Baht 76.92 million*).

Capital commitment

As at 30 June 2011, the Company had outstanding capital commitments amounting to Baht 18.31 million (*As at 31 December 2010: Baht 0.56 million*).

As at 30 June 2011, a subsidiary of SouthEast Asia Energy Limited, which is the Company's jointly-controlled entity, had outstanding capital commitment on the significant agreements in the investing proportion under Consulting and Other Service Agreement for Hydro Power Plant Project Nam Ngum 2 and Hydro Power Plant Project Nam Barg 1-2 of Baht 105.92 million, Swiss Franc 0.2 million and 0.07 million/month which are under construction. (*As at 31 December 2010: Baht 129.27 million, Swiss Franc 0.3 million, and U.S. Dollars 0.07 million*).

Pledge of share agreement

On 15 November 2005, the Board of Directors' meeting of Ratchaburi Alliances Company Limited, a subsidiary, approved to pledge all of share certificates of Ratchaburi Power Company Limited, jointly-controlled entity, held by such subsidiary as collateral for loans.

Ratchaburi Gas Company Limited has pledged all of share certificates of Tri Energy Company Limited, jointly-controlled entity, as collateral for loans from such jointly-controlled entity.

SouthEast Asia Energy Limited, a jointly-controlled entity, has pledged partially its share certificates and all of share certificates of Nam Ngum 2, a subsidiary of the jointly-controlled entity, as collateral for its loans and the subsidiary of the jointly-controlled entity's loans.

19 Events after the reporting period

On 2 May 2011, RH International (Singapore) Company Limited, a subsidiary, entered into the Shares Purchase Agreement with Transfield Services Limited, Australia, to acquire 246.4 million shares of Transfield Services Infrastructure Fund which is operating in energy and infrastructure in Australia, amounting AUD 209.44 million or Baht 6,702 million, in the proportion of investment of 56.16%. On 5 July 2011, The Company has acquired the project.

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2011 (Unaudited)

On 26 July 2011, The Company entered into the Agreement to invest and develop Huay Bong 3 wind - turbine power project with Aeolus Power Co.,Ltd and Chubu Electric Power Korat, BV in order to operate wind -turbine power project with installed capacity of 103.50 megawatts in Nakorn Ratchasima Province , in the proportion of investment of 20%

On 4 August 2011, the Company entered into the joint venture Agreement with Solar Power Company in order to develop three solar power projects with installed capacity of 6 megawatts for each project and total installed capacity of 18 megawatts in Nakorn Ratchasima Province , in the Proportion of investment of 40 %. The Company has not yet paid for the share capital.

20 Thai Financial Reporting Standards (TFRS) not yet adopted

The Group/Company has not adopted the following new and revised TFRS that have been issued as of the reporting date but are not yet effective. The new and revised TFRS are anticipated to become effective for annual financial periods beginning on or after 1 January in the year indicated in the following table.

TFRS	Topic	Year effective
TAS 21 (revised 2009)	The Effects of Changes in Foreign Exchange Rates	2013

Management is presently considering the potential impact of adopting and initially applying these new and revised TFRS on the consolidated and separate's financial statements.

21 Reclassification of accounts

Certain accounts in the statement of financial position as at 31 December 2010, which are included in the 2011 interim financial statements for comparative purposes, have been reclassified to conform to the presentation in the 2011 interim financial statements as follow:

	2010					
	Consolidated financial statements			Separate financial statements		
	Before reclass.	Reclass.	After reclass.	Before reclass.	Reclass.	After reclass.
<i>(in thousand Baht)</i>						
Statement of financial position as at 31 December 2010						
Investment in jointly-controlled entities	10,993,709	4,000	10,997,709	-	-	-
Investment in other company	54,656	(4,000)	50,656	-	-	-
Trade account payable to related party	5,917	5,916	11,833	-	-	-
Other current liabilities	942,666	(5,916)	936,750	-	-	-
		<u>-</u>			<u>-</u>	

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2011 (Unaudited)

	2010					
	Consolidated financial statements			Separate financial statements		
	Before reclass.	Reclass.	After reclass.	Before reclass.	Reclass.	After reclass.
	<i>(in thousand Baht)</i>					
<i>Statement of comprehensive income for the three-month period ended 30 June 2010</i>						
Other income	28,822	(60)	28,762	-	-	-
Gain (loss) on exchange rate	-	(1,117)	(1,117)	-	(960)	(960)
Administrative expenses	(219,389)	10,625	(208,764)	(148,958)	960	(147,998)
Finance costs	(164,745)	(9,408)	(174,153)	-	-	-
		<u>-</u>			<u>-</u>	
<i>Statement of comprehensive income for the six-month period ended 30 June 2010</i>						
Other income	74,110	(26,512)	47,598	32,027	(18,014)	14,013
Gain (loss) on exchange rate	-	26,020	26,020	-	18,014	18,014
Administrative expenses	(408,734)	19,053	(389,681)	-	-	-
Finance costs	(334,228)	(18,921)	(353,149)	-	-	-
		<u>-</u>			<u>-</u>	

The reclassifications have been made because in the opinion of management, the new classification is more appropriate to the Group's business.