

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

Interim financial statements
and
Independent Auditor's Report
on Review of Interim Financial Information

For the three-month period ended
31 March 2012

Independent Auditor's Report on Review of Interim Financial Information

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 of Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries, and of Ratchaburi Electricity Generating Holding Public Company Limited, respectively, as at 31 March 2012; the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the three-month periods ended 31 March 2012 and 2011; and condensed notes ("interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my reviews.

Scope of Review

I conducted my reviews in accordance with the Thai Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my reviews, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".

The comparative consolidated and separate statements of financial position as at 31 December 2011

I have previously audited the consolidated and separate financial statements of Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries, and of Ratchaburi Electricity Generating Holding Public Company Limited, respectively, for the year ended 31 December 2011 in accordance with Thai Standards on Auditing and expressed an unqualified opinion on those financial statements in my report dated 13 February 2012. The consolidated and separate statements of financial position as at 31 December 2011, which are included in the accompanying interim financial information for comparative purposes, are components of those financial statements. I have not performed any auditing procedures since the date of my audit report.

(Vairoj Jindamaneepitak)
Certified Public Accountant
Registration No. 3565

KPMG Phoomchai Audit Ltd.
Bangkok
10 May 2012

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries

Statements of financial position

As at 31 March 2012 and 31 December 2011

Assets	Note	Consolidated		Separate	
		financial statements		financial statements	
		31 March	31 December	31 March	31 December
		2012	2011	2012	2011
		(Unaudited)		(Unaudited)	
(in thousan Baht)					
<i>Current assets</i>					
Cash and cash equivalents	5	6,640,515	10,698,629	4,504,131	3,819,726
Current investments	6	2,031,678	3,010,689	1,800,031	2,850,000
Trade accounts receivable from related parties	3	8,108,270	2,340,443	-	-
Trade accounts receivable from other party		290,414	313,528	-	-
Dividend receivable	3	-	30,813	2,989,910	2,541,231
Advances to and other receivables from related parties	3	74,649	105,286	54,601	79,147
Current portion of long-term loans to related party	3	62,500	62,500	62,500	62,500
Spare parts and supplies	10	2,231,961	2,246,743	-	-
Other current assets		463,709	323,043	134,650	169,889
Total current assets		19,903,696	19,131,674	9,545,823	9,522,493
<i>Non-current assets</i>					
Long-term receivable from related parties	3	-	-	37,629	16,777
Investments in subsidiaries	3, 7	-	-	21,182,161	21,179,660
Investments in jointly-controlled entities	3, 8	13,710,885	13,643,499	4,181,411	4,121,065
Investments in associates	3, 8	435,968	356,562	444,887	357,062
Investment in other company	9	50,656	50,656	50,656	50,656
Other long-term investments	6	2,582,475	2,249,224	268,000	218,000
Long-term loans to related parties	3	1,687,220	1,611,634	3,397,542	3,453,646
Property, plant and equipment	10	49,634,726	50,556,039	513,545	465,387
Land for future development projects		305,390	305,390	305,390	305,390
Intangible assets	11	6,058,953	6,097,146	670,365	670,882
Deferred tax assets		187,919	189,628	78,658	77,847
Other non-current assets	12	1,833,895	1,707,615	567,595	484,755
Total non-current assets		76,488,087	76,767,393	31,697,839	31,401,127
Total assets		96,391,783	95,899,067	41,243,662	40,923,620

The accompanying notes are an integral part of these financial statements.

Ratchaburi Electricity Generating Holding Public Company Limited its subsidiaries

Statements of financial position

As at 31 March 2012 and 31 December 2011

Liabilities and equity	Note	Consolidated		Separate	
		financial statements		financial statements	
		31 March	31 December	31 March	31 December
		2012	2011	2012	2011
		(Unaudited)		(Unaudited)	
(in thousan Baht)					
Current liabilities					
Trade account payable to related party	3	63,720	152,231	-	-
Trade account payable to other party		6,110,046	4,552,047	-	-
Current portion of long-term loans					
from related party	3	1,383,023	2,775,321	-	-
Current portion of long-term loans					
from financial institutions		191,186	191,827	-	-
Current portion of debentures		3,683,504	3,658,854	-	-
Current portion of financial lease liability		1,436	1,577	-	-
Income tax payable		724,997	499,048	-	-
Other current liabilities	3,17,18	2,651,292	916,331	1,840,886	267,160
Total current liabilities		14,809,204	12,747,236	1,840,886	267,160
Non-current liabilities					
Long-term loans from related party	3	1,403,669	1,425,626	-	-
Long-term loans from financial institutions		14,636,571	14,818,699	1,200,000	1,200,000
Debentures		14,238,232	15,788,341	-	-
Financial lease liability		1,607	1,817	-	-
Deferred tax liabilities		2,021,383	2,039,388	-	-
Employee benefit obligations		74,685	79,631	53,985	54,528
Other non-current liabilities		393,244	387,190	-	-
Total non-current liabilities		32,769,391	34,540,692	1,253,985	1,254,528
Total liabilities		47,578,595	47,287,928	3,094,871	1,521,688
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		30,559,180	30,661,591	20,667,013	21,920,154
Other components of equity		129,766	(226,021)	-	-
Total equity attributable to owners of the Company		48,170,724	47,917,348	38,148,791	39,401,932
Non-controlling interests		642,464	693,791	-	-
Total equity		48,813,188	48,611,139	38,148,791	39,401,932
Total liabilities and equity		96,391,783	95,899,067	41,243,662	40,923,620

The accompanying notes are an integral part of these financial statements.

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries

Statements of comprehensive income

For the three-month periods ended 31 March 2012 and 2011 (Unaudited)

		Consolidated		Separate	
		financial statements		financial statements	
	Note	2012	2011	2012	2011
		(in thousand Baht)			
Revenue from sale and rendering of services	3	11,786,564	8,129,974	-	-
Cost of sale and rendering of services	3	(9,753,782)	(6,202,488)	-	-
Gross profit		2,032,782	1,927,486	-	-
Management Service income	3	53,352	35,825	68,323	40,778
Dividend income	3, 8, 9	-	-	496,680	874,347
Interest income	3	117,394	66,433	72,252	64,936
Other income	3	57,564	53,415	504	712
Administrative expenses	3	(394,251)	(291,715)	(177,597)	(210,688)
Gain (loss) on exchange rate		446,178	21,009	(34,452)	20,806
Finance costs		(693,752)	(331,214)	(12,162)	-
Share of profit of jointly-controlled entities and associates	8	106,011	185,641	-	-
Profit before income tax expense		1,725,278	1,666,880	413,548	790,891
Income tax expense	14	(211,281)	(472,017)	811	1,502
Profit for the period		1,513,997	1,194,863	414,359	792,393
Other comprehensive income					
Foreign currency translation differences for					
foreign operations		103,378	(7,397)	-	-
Net change in fair value of available-for-sale investments	6	305,193	677,549	-	-
Income tax on other comprehensive income		(53,890)	-	-	-
Other comprehensive income for the period,					
 net of income tax		354,681	670,152	-	-
Total comprehensive income for the period		1,868,678	1,865,015	414,359	792,393
Profit (loss) attributable to:					
Equity holders of the Company		1,565,090	1,196,155	414,359	792,393
Non-controlling interests		(51,093)	(1,292)	-	-
Profit for the period		1,513,997	1,194,863	414,359	792,393
Total comprehensive income attributable to:					
Equity holders of the Company		1,920,876	1,866,307	414,359	792,393
Non-controlling interests		(52,198)	(1,292)	-	-
Total comprehensive income for the period		1,868,678	1,865,015	414,359	792,393
Basic earnings per share (Baht)	15	1.08	0.82	0.29	0.55

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 three-month periods ended 31 March 2012 and 2011 (Unaudited)

Consolidated financial statements											
Note	Retained earnings				Other components of equity						
	Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated	Currency translation differences	Fair value changes in available-for-sale investments	Income Tax on other comprehensive income	Total other components of equity	Equity attributable to owners of the Company	Non-controlling interests	Total equity
Balance at 1 January 2011	14,500,000	1,531,778	1,450,000	29,083,475	18,888	-	-	18,888	46,584,141	46,203	46,630,344
Transactions with owners, recorded directly in equity											
Contributions by and distributions to owners of the Company	-	-	-	-	-	-	-	-	-	10,657	10,657
Dividends to owners of the Company	-	-	-	(1,667,500)	-	-	-	-	(1,667,500)	-	(1,667,500)
Total contributions by and distributions to owners of the Company	-	-	-	(1,667,500)	-	-	-	-	(1,667,500)	10,657	(1,656,843)
Total transactions with owners, recorded directly in equity	-	-	-	(1,667,500)	-	-	-	-	(1,667,500)	10,657	(1,656,843)
Comprehensive income for the period											
Profit	-	-	-	1,196,155	-	-	-	-	1,196,155	(1,292)	1,194,863
Other comprehensive income	-	-	-	-	(7,397)	677,549	-	670,152	670,152	-	670,152
Total comprehensive income for the period	-	-	-	1,196,155	(7,397)	677,549	-	670,152	1,866,307	(1,292)	1,865,015
Balance at 31 March 2011	14,500,000	1,531,778	1,450,000	28,612,130	11,491	677,549	-	689,040	46,782,948	55,568	46,838,516
Balance at 1 January 2012	14,500,000	1,531,778	1,450,000	30,661,590	(144,819)	(87,329)	6,128	(226,020)	47,917,348	693,791	48,611,139
Transactions with owners, recorded directly in equity											
Contributions by and distributions to owners of the Company	-	-	-	-	-	-	-	-	-	871	871
Dividends to owners of the Company	-	-	-	(1,667,500)	-	-	-	-	(1,667,500)	-	(1,667,500)
Total contributions by and distributions to owners of the Company	-	-	-	(1,667,500)	-	-	-	-	(1,667,500)	871	(1,666,629)
Total transactions with owners, recorded directly in equity	-	-	-	(1,667,500)	-	-	-	-	(1,667,500)	871	(1,666,629)
Comprehensive income for the period											
Profit	-	-	-	1,565,090	-	-	-	-	1,565,090	(51,093)	1,513,997
Other comprehensive income	-	-	-	-	104,483	305,193	(53,890)	355,786	355,786	(1,105)	354,681
Total comprehensive income for the period	-	-	-	1,565,090	104,483	305,193	(53,890)	355,786	1,920,876	(52,198)	1,868,678
Balance at 31 March 2012	14,500,000	1,531,778	1,450,000	30,559,180	(40,336)	217,864	(47,762)	129,766	48,170,724	642,464	48,813,188

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 three-month periods ended 31 March 2012 and 2011 (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 2011		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	16	-	-	-	(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		-	-	-	792,393	792,393
Other comprehensive income		-	-	-	-	-
Total comprehensive income for the period		-	-	-	792,393	792,393
Balance at 31 March 2011		14,500,000	1,531,778	1,450,000	19,766,638	37,248,416

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 three-month periods ended 31 March 2012 and 2011 (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 2012		14,500,000	1,531,778	1,450,000	21,920,154	39,401,932
Transactions with owners, recorded directly in equity						
Contributions by and distributions to owners of the Company						
Dividends to owners of the Company	16	-	-	-	(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		-	-	-	414,359	414,359
Other comprehensive income		-	-	-	-	-
Total comprehensive income for the period		-	-	-	414,359	414,359
Balance at 31 March 2012		14,500,000	1,531,778	1,450,000	20,667,013	38,148,791

The accompanying notes are an integral part of these financial statements.

Ratchaburi Electricity Generating Holding Public Company Limited its subsidiaries

Statements of cash flows

For the three-month periods ended 31 March 2012 and 2011 (Unaudited)

	Consolidated		Separate	
	financial statements		financial statements	
	2012	2011	2012	2011
	(in thousand Baht)			
<i>Cash flows from operating activities</i>				
Profit for the period	1,513,997	1,194,863	414,359	792,393
<i>Adjustments for</i>				
Depreciation	971,094	641,547	6,843	6,593
Amortisation	35,211	783	517	426
Interest income	(117,039)	(66,433)	(72,252)	(64,936)
Finance costs	693,752	331,214	12,162	-
Provision for obsolescence of spare parts and supplies	24,069	18,711	-	-
Unrealised (gain) loss on exchange	(413,238)	(10,174)	32,864	(4,582)
Dividend income	-	-	(496,680)	(874,347)
Gain on disposal of plant and equipment	152	-	152	-
Employee benefit obligations	8,602	2,412	6,665	1,833
Shares of profit of jointly-controlled entities and associates	(106,011)	(185,641)	-	-
Gain on changes in securities held for trading investments	(31)	-	(31)	-
Income tax expense	211,281	472,017	(811)	(1,502)
	<u>2,821,839</u>	<u>2,399,299</u>	<u>(96,212)</u>	<u>(144,122)</u>
<i>Changes in operating assets and liabilities</i>				
Trade accounts receivable from related parties	(5,767,827)	(456,833)	-	-
Other accounts receivable	22,768	(906)	-	-
Advances to and other receivables from related parties	(11,860)	77,209	25,857	121,518
Spare parts and supplies	(11,372)	(1,336)	-	-
Other current assets and non-current assets	(243,748)	(351,346)	(80,697)	(33,628)
Trade account payable from related party	(88,688)	-	-	-
Trade account payable from other party	1,613,259	(2,362,982)	-	-
Other current liabilities	(476,024)	(138,570)	(97,564)	(136,675)
Cash used in operating activities	<u>(2,141,653)</u>	<u>(835,465)</u>	<u>(248,616)</u>	<u>(192,907)</u>
Income tax paid	6,759	(80,286)	(2,605)	(2,297)
Net cash used in operating activities	<u>(2,134,894)</u>	<u>(915,751)</u>	<u>(251,221)</u>	<u>(195,204)</u>

The accompanying notes are an integral part of these financial statements.

Ratchaburi Electricity Generating Holding Public Company Limited its subsidiaries

Statements of cash flows

For the three-month periods ended 31 March 2012 and 2011 (Unaudited)

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	<i>(in thousand Baht)</i>			
<i>Cash flows from investing activities</i>				
Interest received	105,479	62,007	84,786	63,710
Dividends received	134,313	295,000	48,000	20,000
Purchases of property, plant and equipment	(47,463)	(14,969)	(69,517)	(7,628)
Sale of plant and equipment	30	14	30	-
Purchases of intangible assets	19,456	(476)	-	(476)
Net cash inflow (outflow) in current investments	983,648	(1,291,000)	1,050,000	(150,000)
Net cash outflow in long term investments	(50,000)	-	(50,000)	-
Cash outflow on investments in				
securities available for sale	(17,430)	(84,704)	-	-
Decrease in short-term loans to related party	-	-	600,000	1,757,521
Increase in short-term loans to related party	-	-	(600,000)	(860,275)
Decrease in long-term loans to related party	-	-	83,800	265,700
Increase in long-term loans to related party	(1,441,060)	-	(60,560)	-
Cash outflow on acquisition of investments				
in subsidiaries	-	-	(2,500)	(595,000)
Cash outflow on acquisition of investments				
in jointly-controlled entities	(60,346)	(347,370)	(60,346)	(347,370)
Cash outflow on acquisition of investments				
in associated entities	(87,825)	-	(87,825)	-
Net cash provided by (used in) investing activities	(461,198)	(1,381,498)	935,868	146,182
<i>Cash flows from financing activities</i>				
Finance costs paid	(345,208)	(251,335)	-	-
Proceeds from issue of ordinary shares	870	10,657	-	-
Dividend paid to equity holders of the Company	(242)	(797)	(242)	(797)
Proceeds of short-term loans from financial institutions	-	3,424,000	-	-
Repayment of short-term loans from financial institutions	-	(600,000)	-	-
Repayment of finance lease liability	(349)	(324)	-	-
Repayment of long-term loans from financial institutions	(163,607)	(16,934,876)	-	-
Proceeds from issue of debentures	-	13,286,000	-	-
Redemption of debentures	(931,600)	-	-	-
Net cash used in financing activities	(1,440,136)	(1,066,675)	(242)	(797)
Net increase (decrease) in cash and cash equivalents	(4,036,228)	(3,363,924)	684,405	(49,819)
Cash and cash equivalents at 1 January	10,698,629	11,289,248	3,819,726	5,806,011
Effect of exchange rate changes on balances held on				
foreign currencies	(21,886)	-	-	-
Cash and cash equivalents at 31 March	6,640,515	7,925,324	4,504,131	5,756,192

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 period ended 31 March 2012 (Unaudited)

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Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2012 (Unaudited)

These notes form an integral part of the interim financial statements.

The interim financial statements issued for Thai regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Management authorised by the Board of Directors on 10 May 2012.

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 31 March 2012 and 31 December 2011 were as follows:

Name of the entities	Type of business	Country of incorporation	Ownership interest (%)	
			31 March 2012	31 December 2011
<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
Ratch O&M Company Limited	Providing operation and maintenance services	Thailand	99.99	-

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2012 (Unaudited)

Name of the entities	Type of business	Country of incorporation	Ownership interest (%)	
			31 March 2012	31 December 2011
<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
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	55.18	55.18
Khao Kor Wind Power Company Limited	Generating and selling electricity	Thailand	55.18	55.18
Ratch-Australia Corporation Company Limited and subsidiaries	Developing and operating power plant and investing in the power energy business	Australia	80	80
<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 2 Power Company Limited	Generating and selling electricity	Lao PDR	25	25
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 Electricity Generating Holding Public Company Limited and its subsidiaries
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Name of the entities	Type of business	Country of incorporation	Ownership interest (%)	
			31 March 2012	31 December 2011
Ratchaburi World Cogeneration Company Limited	Generating and selling electricity and steam	Thailand	40	40
Solarta Company Limited	Generating and selling electricity	Thailand	49	49
Solar Power (Korat 3) Company Limited	Generating and selling electricity	Thailand	40	40
Solar Power (Korat 4) Company Limited	Generating and selling electricity	Thailand	40	40
Solar Power (Korat 7) Company Limited	Generating and selling electricity	Thailand	40	40
Songkla Biomass Company Limited	Generating and selling electricity	Thailand	40	40
KK Power Company Limited	Generating and selling electricity	Cambodia	50	-
Songkla Biofuel Company Limited	Providing material of biofuel	Thailand	40	-
Associate entities				
First Korat Wind Company Limited	Generating and selling electricity	Thailand	20	20
K.R. Two Company Limited	Generating and selling electricity	Thailand	20	20

2 Basis of preparation of the interim financial statements

(a) Statement of compliance

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 2011. 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 and its subsidiaries for the year ended 31 December 2011.

The 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 2011.

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries
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(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 judgements

The preparation of interim financial statements in conformity with TFRS requires management to make judgements, 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.

In preparing these interim financial statements, the significant judgements made by management in applying the Group's/Company'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 2011.

3 Related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group 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 and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

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
Ratch O&M Company 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

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Name of entities	Country of incorporation / nationality	Nature of relationships
RH International (Singapore) Corporation PTE. LTD.	Singapore	Indirect subsidiary, 100 % shareholding by a subsidiary
Sustainable Energy Corporation Company Limited	Thailand	Indirect subsidiary, 55.18 % 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
Khao Kor Wind Power Company Limited	Thailand	Subsidiary of indirect subsidiary, 99.99% shareholding by an indirect subsidiary
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
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
Ratchaburi World Cogeneration Company Limited	Thailand	Jointly-controlled entity of the Company, 40% shareholding
Nava Nakorn Electricity Generating Company Limited	Thailand	Jointly-controlled entity of the Company, 40% shareholding
Solarta Company Limited	Thailand	Jointly-controlled entity of the Company, 49% shareholding
Ratch-Australia Corporation Company Limited	Australia	Subsidiary of indirect subsidiary, 80% shareholding by an indirect subsidiary
Solar Power (Korat 3) Company Limited	Thailand	Jointly controlled entity of the Company, 40% shareholding

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries
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Name of entities	Country of incorporation / nationality	Nature of relationships
Solar Power (Korat 4) Company Limited	Thailand	Jointly controlled entity of the Company, 40% shareholding
Solar Power (Korat 7) Company Limited	Thailand	Jointly controlled entity of the Company, 40% shareholding
Songkla Biomass Company Limited	Thailand	Jointly controlled entity of the Company, 40% shareholding
Songkla Biofuel Company Limited	Thailand	Jointly controlled entity of the Company, 40% shareholding
KK Power Company Limited	Cambodia	Jointly-controlled entity of the Company, 50% shareholding
First Korat Wind Company Limited	Thailand	Associate of the Company, 20% shareholding
K R Two Company Limited	Thailand	Associate of the Company, 20% 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 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
Interest expense	Contractually agreed rate

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Significant transactions for the three-month periods ended 31 March 2012 and 2011 with related parties were as follows:

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	<i>(in thousand Baht)</i>			
Major Shareholder				
Sale of electricity	10,719,271	8,097,690	-	-
Purchase of fuel	307,470	-	-	-
Purchase of electricity	43,509	46,718	-	-
Operation and maintenance services fee	298,331	321,307	-	-
Management service income	530	-	-	-
Subsidiaries				
Management service income	-	-	16,039	4,953
Dividend income	-	-	480,679	854,347
Interest income	-	-	25,613	14,408
Jointly-controlled entities				
Operation and maintenance services income	29,612	28,750	-	-
Management service income	51,874	37,761	51,335	34,744
Dividend income	-	-	16,000	20,000
Interest income	43,164	1,163	1,311	1,163
Rental income	2,931	2,882	-	-
Other income	8,190	8,732	-	-
Other related party				
Interest expense	105,272	-	-	-

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	<i>(in thousand Baht)</i>			
Key management personnel				
Short-term employee benefits	56,857	31,436	26,736	23,053
Post-employment benefits	2,061	1,354	1,251	969
Long-term employee benefit	1,415	3,794	704	3,563

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries
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Balances as at 31 March 2012 and 31 December 2011 with related parties were as follows:

<i>Trade accounts receivable from related parties</i>	Consolidated financial statements		Separate financial statements	
	31 March 2012	31 December 2011	31 March 2012	31 December 2011
	<i>(in thousand Baht)</i>			
Major Shareholder				
Electricity Generating Authority of Thailand	8,098,400	2,330,860	-	-
Jointly-controlled entities				
Nam Ngum 2 Power Company Limited	9,870	9,583	-	-
	8,108,270	2,340,443	-	-
<i>Less allowance for doubtful accounts</i>	-	-	-	-
Net	8,108,270	2,340,443	-	-
Bad and doubtful debts expense for the: three-month periods ended 31 March	-	-	-	-

Aging analyses for trade accounts receivable were as follows:

	Consolidated financial statements		Separate financial statements	
	31 March 2012	31 December 2011	31 March 2012	31 December 2011
	<i>(in thousand Baht)</i>			
Related parties				
Within credit terms	8,108,270	2,340,443	-	-
<i>Less allowance for doubtful accounts</i>	-	-	-	-
Net	8,108,270	2,340,443	-	-

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

<i>Dividend receivable</i>	Consolidated financial statements		Separate financial statements	
	31 March 2012	31 December 2011	31 March 2012	31 December 2011
	<i>(in thousand Baht)</i>			
Subsidiary				
Ratchaburi Electricity Generating Company Limited	-	-	2,989,910	2,541,231
Jointly-controlled entities				
Tri – Energy Company Limited	-	30,813	-	-
Total	-	30,813	2,989,910	2,541,231

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<i>Advances to and other receivables from related parties</i>	Consolidated financial statements		Separate financial statements	
	31 March 2012	31 December 2011 <i>(in thousand Baht)</i>	31 March 2012	31 December 2011
Major Shareholder				
Electricity Generating Authority of Thailand	17,085	8,490	-	-
Subsidiaries				
Ratchaburi Electricity Generating Company Limited	-	-	10,185	864
Ratchaburi Energy Company Limited	-	-	1,226	158
RH International (Singapore) Corporation PTE. LTD.	-	-	-	31,826
Sustainable Energy Corporation Company Limited	-	-	1,145	607
RATCH-Australia Corporation Limited	-	-	12,678	12,997
Ratch O&M Company Limited	-	-	57	-
Jointly-controlled entities				
Tri Energy Company Limited	2,419	2,419	2,419	2,419
Ratchaburi Power Company Limited	7,323	2,999	-	-
Chubu Ratchaburi Electric Services Company Limited	892	861	892	861
SouthEast Asia Energy Limited	19,738	18,382	19,738	18,382
Hongsa Power Company Limited	4,100	4,191	4,100	4,191
Ratchaburi World Cogeneration Company Limited	2,086	6,699	2,086	6,699
Nava Nakorn Electricity Generating Company Limited	-	3	-	3
Nam Ngum 2 Power Company Limited	129	168	-	-
Songkla Biomass Company Limited	76	140	75	140
Great Energy Alliance Corporation Pty Ltd.	20,801	60,934	-	-
Total	74,649	105,286	54,601	79,147

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Long-term trade account receivable from related party

	Consolidated financial statements		Separate financial statements	
	31 March 2012	31 December 2011	31 March 2012	31 December 2011
	<i>(in thousand Baht)</i>			
Subsidiary				
Ratch Udom Power Company Limited	-	-	133	2,557
RATCH-Lao Services Company Limited	-	-	9,741	3,942
RH International Corporation Limited	-	-	27,755	10,278
Total	-	-	37,629	16,777

Loans to related parties

	Interest rate		Consolidated financial statements		Separate financial statements	
	31 March 2012	31 December 2011	31 March 2012	31 December 2011	31 March 2012	31 December 2011
	<i>(% per annum)</i>		<i>(in thousand Baht)</i>			
<i>Long-term loans</i>						
Subsidiary						
RATCH-Lao Services						
Company Limited	2.50 and 3.65	2.50	-	-	979,171	943,575
Ratch Udom Power Company Limited	3.80	3.80	-	-	152,400	236,200
RH International Corporation Limited	3.10	3.10	-	-	2,265,971	2,273,871
Jointly-controlled entities						
SouthEast Asia Energy Limited	8.3333	8.4583	62,500	62,500	62,500	62,500
Great Energy Alliance Corporation Pty Ltd	10	10	1,687,220	1,611,634	-	-
			1,749,720	1,674,134	3,460,042	3,516,146
<i>Less</i> current portion			(62,500)	(62,500)	(62,500)	(62,500)
allowance for doubtful accounts			-	-	-	-
Long-term loans to related parties-net			1,687,220	1,611,634	3,397,542	3,453,646

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Movements during the three-month periods ended 31 March 2012 and 2011 of loans to related parties were as follows:

Loans to related parties

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	<i>(in thousand Baht)</i>			
<i>Short-term loans to related parties</i>				
At 1 January	-	-	-	1,797,092
Increase	-	-	600,000	860,275
Decrease	-	-	(600,000)	(1,752,937)
At 31 March	-	-	-	904,430
<i>Long-term loans to related parties</i>				
At 1 January	1,674,133	62,500	3,516,146	856,400
Converting interest to loan	82,567	-	-	-
Increase	-	-	60,560	-
Decrease	-	-	(83,800)	(265,700)
Exchange rate adjustment	(6,980)	-	(32,864)	-
At 31 March	1,749,720	62,500	3,460,042	590,700

Investments in subsidiaries

	Consolidated financial statements		Separate financial statements	
	31 March 2012	31 December 2011	31 March 2012	31 December 2011
	<i>(in thousand Baht)</i>			
Subsidiaries	-	-	21,182,161	21,179,660

Investments in jointly-controlled and associates entities

	Consolidated financial statements		Separate financial statements	
	31 March 2012	31 December 2011	31 March 2012	31 December 2011
	<i>(in thousand Baht)</i>			
Jointly-controlled entities	13,710,885	13,643,499	4,181,411	4,121,065
Associates	435,968	356,562	444,887	357,062
	14,146,853	14,000,061	4,626,298	4,478,127

Trade payables to related party

	Consolidated financial statements		Separate financial statements	
	31 March 2012	31 December 2011	31 March 2012	31 December 2011
	<i>(in thousand Baht)</i>			
Major Shareholder				
Electricity Generating Authority of Thailand	63,720	152,231	-	-

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<i>Other payables to related parties</i>	Consolidated financial statements		Separate financial statements	
	31 March 2012	31 December 2011 <i>(in thousand Baht)</i>	31 March 2012	31 December 2011
Major Shareholder				
Electricity Generating Authority of Thailand	24,701	22,099	-	-
Jointly-controlled entities				
Transfield Service Limited	95,043	-	-	-
	119,744	22,099	-	-

<i>Unearned revenue and accrued expenses-related parties</i>	Consolidated financial statements		Separate financial statements	
	31	31	31	31
	March	December	March	December
	2012	2011	2012	2011
	<i>(in thousand Baht)</i>			

Major Shareholder				
Electricity Generating Authority of Thailand	45,319	70,236	-	-
Subsidiary				
RH International (Singapore) Corporation PTE. LTD.	-	-	2,097	-
Jointly-controlled entity				
Ratchaburi Power Company Limited	17,110	14,203	12,714	15,621
Nam Ngum 3 Power Company Limited	-	410	-	-
Total	62,429	84,849	14,811	15,621

<i>Long-term loans from related party</i>	Interest rate		Consolidated financial statements		Separate financial statements	
	31	31	31	31	31	31
	March	December	March	December	March	December
	2012	2011	2012	2011	2012	2011
	(% per annum)		(in thousand Baht)			
Transfield Services Limited	14.50	14.50	2,786,692	4,200,947	-	-
Less Current portion of long-term loans			(1,383,023)	(2,775,321)	-	-
Long-term loans from related party			1,403,669	1,425,626	-	-

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Movements during the three-month periods ended 31 March 2012 and 2011 of long-term loans from related parties were as follows:

<i>Long-term loans from related party</i>	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	<i>(in thousand Baht)</i>			
At 1 January	4,200,947	-	-	-
Increase	15,319	-	-	-
Decrease	(1,443,108)	-	-	-
Exchange rate adjustment	13,534	-	-	-
At 31 March	2,786,692	-	-	-

Significant agreements with related parties

Long-term loans to related party

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. Until 31 March 2012, such subsidiary has made repayment to the Company totalling Baht 1,260.38 million. Consequently, as at 31 March 2012, the Company had the outstanding balance of such loans amounting to Baht 152.40 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 SouthEast 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 and 31 August 2011, 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 and 12 months which will be due on 4 September 2012.

The Company granted loans to RH International Corporation Limited, a subsidiary, amounting to AUD 259 million which bear interest at the rate of 3.10 % per annum. Principle and interest will be on call as stipulated in the agreement. Until 31 March 2012, the such subsidiary made repayment to the Company amounting to AUD 187.5 million. Consequently, as at 31 March 2012 the Company had the outstanding balance of such loans amounting to AUD 71.5 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.

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During 2011, the Company granted the loans to Ratch-Lao services Company Limited, a subsidiary, amounting to U.S.Dollars 30 million which bear interest at the fixed rate of 2.50% per annum. During the first quarter of 2012, the Company granted the additional loan to such subsidiary amounting to U.S.Dollars 2 million which bear interest at the fixed rate of 3.65% per annum. Principle and interest will be due as stipulated in the agreement. As at 31 March 2012 the Company had the total outstanding balance of such loans amounting to U.S.Dollars 32 million (*As at 31 December 2011: U.S.Dollars 30 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.

Long-term loans from related party

During year 2011, RATCH-Australia Corporation Limited, a subsidiary, had a long-term loan agreement for a 30 year term with another related party in Australia amounting to AUD 125.93 million which bears interest at the rate of 14.5% per annum. During the first quarter of 2012, RH International (Singapore) Corporation PTE. LTD., a major shareholder of such subsidiary, made a partial repayment of such loan for transferring such loan from another related party of such subsidiary amounting to AUD 43.10 million. Therefore, as at 31 March 2012, the subsidiary had the outstanding balance of the loan amounting to AUD 82.83 million which was classified as a current portion amounting to AUD 43.10 million.

In addition, such subsidiary had also a long-term loan from related party in Australia amounting to AUD 3 million which bears interest at the rate of 14.5% per annum. The lender has no intention to recall such loans from the subsidiary within one year. Therefore, the Company classified such loan as long-term loan as at 31 March 2012.

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.

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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 rai 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.

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 31 March 2012, 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 31 March 2012, the Company has not provided any loans or guarantees according to the agreement.

Agreements in relation to Nam Ngum 2 Power Plant

On 26 May 2006, The Company entered into the Service Agreement with Nam Ngum 2 Power Company Limited, a subsidiary of a jointly-controlled entity for the Project development, Construction and Operation and Maintenance Agreement whereby the Company will receive management fee from Nam Ngum 2 Power Company Limited amounting to Baht 25 million per year commencing from the commercial operation date until the end of the concession period under the concession agreement.

On 25 September 2009, RATCH-Lao Services Company Limited, a subsidiary, 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

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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.

4 Acquisitions of subsidiary and non-controlling interest

RH International (Singapore) Corporation PTE LTD., a subsidiary, invested AUD 203.03 million for 56.16% of the ordinary shares of the Fund Transfield Services Infrastructure Fund (name changed to RATCH-Australia Corporation Limited) which is incorporated in Australia on 5 July 2011. Such entity was restructured in accordance with document steps plan. Subsequent to the completion of the restructuring, the subsidiary obtained the proportion of investment at 80% or AUD 130.25 million and a loan to such entity amounting to AUD 72.78 million.

The purchase of this condition in accordance with the Financial Report No. 3 (Revised 2009) Business Combinations, which requires a record of assets, liabilities and contingent liabilities is specified at the acquisition date at fair value, including goodwill (if any). The Group has hired an independent appraiser to determine the fair value of assets and liabilities acquired at that date, however, the report on the review at the interim financial statements date has not been completed, so the net assets acquired are provisionally recorded at cost in the consolidated statements of financial position as at 31 March 2012. The result of the appraisal will be used to amend the accounting at fair value and to record the final determination of goodwill (if any) in the period that the report of the independent appraiser is received.

5 Cash and cash equivalents

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 31 March 2012, such reserves amounting to Baht 963 million were included in cash and cash equivalents (*As at 31 December 2011: Baht 976 million*).

6 Other investments

	Consolidated financial statements		Separate financial statements	
	31 March 2012	31 December 2011	31 March 2012	31 December 2011
	<i>(in thousand Baht)</i>			
<i>Current investments</i>				
Short-term deposits at financial institutions	1,681,647	2,860,689	1,450,000	2,700,000
Short-term held-for-trading securities	200,031	-	200,031	-
Debt securities held to maturity	150,000	150,000	150,000	150,000
	<u>2,031,678</u>	<u>3,010,689</u>	<u>1,800,031</u>	<u>2,850,000</u>

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries
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	Consolidated financial statements		Separate financial statements	
	31 March 2012	31 December 2011	31 March 2012	31 December 2011
	<i>(in thousand Baht)</i>			
<i>Other long-term investments</i>				
Equity securities available for sale	2,314,475	2,031,224	-	-
Debt securities held to maturity	268,000	218,000	268,000	218,000
	<u>2,582,475</u>	<u>2,249,224</u>	<u>268,000</u>	<u>218,000</u>
Total	<u>4,614,153</u>	<u>5,259,913</u>	<u>2,068,031</u>	<u>3,068,000</u>

Movements during the three-month periods ended 31 March 2012 and 2011 of marketable debt and equity securities were as follows:

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	<i>(in thousand Baht)</i>			
<i>Short-term held-for-trading securities</i>				
At 1 January	-	-	-	-
Purchases during the year	200,000	-	200,000	-
Exchange rate adjustment	-	-	-	-
Valuation adjustment	31	-	31	-
At 31 March	<u>200,031</u>	<u>-</u>	<u>200,031</u>	<u>-</u>

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	<i>(in thousand Baht)</i>			
<i>Available-for-sale securities</i>				
At 1 January	2,031,224	1,301,461	-	-
Purchases during the year	17,430	84,704	-	-
Exchange rate adjustment	(39,372)	1,944	-	-
Valuation adjustment	305,193	677,549	-	-
At 31 March	<u>2,314,475</u>	<u>2,065,658</u>	<u>-</u>	<u>-</u>

7 Investments in subsidiaries

	Separate financial statements	
	2012	2011
	<i>(in thousand Baht)</i>	
At 1 January	21,179,661	20,523,467
Acquisitions	2,500	595,000
At 31 March	<u>21,182,161</u>	<u>21,118,467</u>

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries
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Investments in subsidiaries as at 31 March 2012 and 31 December 2011, and dividend income from those investments for the three-month periods ended 31 March 2012 and 2011 were as follows:

	Separate financial statements										Dividend income for the three-month ended	
	Ownership Interest		Paid-up capital		Cost method		Impairment		At cost - net			
	31	31	31	31	31	31	31	31	31	31		
	March	December	March	December	March	December	March	December	March	December	31	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	March	
(%)		(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	448,679	854,347
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	32,000	-
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	77,858	77,858	77,858	-	-	77,858	77,858	-	-
RH International Corporation Limited	99.99	99.99	600,000	600,000	600,000	600,000	-	-	600,000	600,000	-	-
Ratch O&M Company Limited	99.99	99.99	2,500	-	2,500	-	-	-	2,500	-	-	-
Total					21,182,161	21,179,661	-	-	21,182,161	21,179,661	480,679	854,347

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries
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Investment in Ratch O&M Company Limited

On 9 March 2012, the Company registered Ratch O&M Company Limited to be responsible for the operation and maintenance services. Such Company has registered capital of Baht 10 million, comprising 1 million shares at par value of Baht 10 each. The Company paid for paid-up share capital of Baht 2.5 each in the proportion of 99.99% amounting to Baht 2.5 million. As at 31 March 2012, the Company has commitments for the remaining unpaid-share capital of Baht 7.5 million.

Dividends from subsidiaries

At the annual general meeting of the shareholders of Ratchaburi Electricity Generating Company Limited, a subsidiary, held on 19 March 2012, the shareholders approved the appropriation of dividends from the net profit of 2011 of Baht 2.24 per share, totalling Baht 4,092.14 million, after deducting the interim dividend of Baht 1.99 per share, amounting to 3,643.46 million from the net profit for nine-month period ended 30 September 2011. The balance of dividends, amounting to Baht 448.68 million, will be paid to shareholders during January 2013.

At the Board of Directors meeting of Ratchaburi Gas Company Limited, a subsidiary, held on 1 March 2012, the Board approved the appropriation of the interim dividend of Baht 0.64 per share, totalling Baht 32 million. The dividend was paid to shareholders during March 2012.

8 Investments in jointly-controlled entities and associates

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	<i>(in thousand Baht)</i>			
At 1 January	14,000,061	10,997,709	4,478,127	3,142,338
Share of net profit of investment - equity method	106,011	185,640	-	-
Payment for additional shares in jointly-controlled entities	60,346	347,371	60,346	347,371
Payment for additional shares in associates	87,825	-	87,825	-
Dividend income	(103,500)	(295,000)	-	-
Exchange rate adjustment	(3,890)	-	-	-
At 31 March	14,146,853	11,235,720	4,626,298	3,489,709

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Investments in jointly-controlled entities and associates as at 31 March 2012 and 31 December 2011, and dividend income from those investments for the three-month periods ended 31 March 2012 and 2011 were as follows:

Consolidated financial statements														
	Ownership interest		Paid-up capital		Cost method		Equity method		Impairment		At equity - net		Dividend income for the three-month period ended 31 March	
	31	31	31	31	31	31	31	31	31	31	31	31		
	March	December	March	December	March	December	March	December	March	December	March	December	2012	2011
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011		
	(<i>%)</i>		<i>(in thousand Baht)</i>											
<i>Jointly-controlled entities</i>														
Tri Energy Company Limited	50	50	3,618,420	3,618,420	1,809,211	1,809,211	4,884,038	4,918,886	-	-	4,884,038	4,918,886	-	-
Ratchaburi Power Company Limited	25	25	7,325,000	7,325,000	1,831,250	1,831,250	3,464,828	3,358,393	-	-	3,464,828	3,358,393	87,500	275,000
Chubu Ratchaburi Electric Services Company Limited	50	50	20,000	20,000	10,000	10,000	96,384	95,533	-	-	96,384	95,533	16,000	20,000
SouthEast Asia Energy Limited	33.33	33.33	6,606,750	6,606,750	2,202,250	2,202,250	2,522,701	2,425,322	-	-	2,522,701	2,425,322	-	-
Hongsa Power Company Limited	40	40	2,457,793	2,457,793	983,116	983,116	640,704	808,054	-	-	640,704	808,054	-	-
Phufai Mining Company Limited	37.5	37.5	1,679	1,679	630	630	443	450	-	-	443	450	-	-
Nam Ngum 3 Power Company Limited	25	25	1,808	1,808	452	452	366	375	-	-	366	375	-	-
Nava Nakorn Electricity Generating Company Limited	40	40	82,000	82,000	32,800	32,800	31,169	31,452	-	-	31,169	31,452	-	-
Ratchaburi World Cogeneration Company Limited	40	40	810,000	390,000	184,000	156,000	176,770	150,492	-	-	176,770	150,492	-	-
Solarta Company Limited	49	49	1,100,000	1,100,000	545,960	545,960	554,864	551,747	-	-	554,864	551,747	-	-

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	Ownership interest		Paid-up capital		Cost method		Equity method		Impairment		At equity - net		Dividend income for the three-month period ended	
	31 March 2012	31 December 2011	31 March 2012	31 December 2011	31 March 2012	31 December 2011	31 March 2012	31 December 2011	31 March 2012	31 December 2011	31 March 2012	31 December 2011	31 March 2012	31 March 2011
	(%)													
	(in thousand Baht)													
Jointly-controlled entities														
Solar Power (Korat 3) Company Limited	40	40	162,500	162,500	65,000	65,000	57,191	56,605	-	-	57,191	56,605	-	-
Solar Power (Korat 4) Company Limited	40	40	153,315	153,315	61,326	61,326	59,244	59,143	-	-	59,244	59,143	-	-
Solar Power (Korat 7) Company Limited	40	40	113,780	113,780	45,530	45,530	44,037	44,944	-	-	44,037	44,944	-	-
Songkla Biomass Company Limited	40	40	86,250	45,000	34,500	18,000	34,223	16,899	-	-	34,223	16,899	-	-
Perth Power Partnership (Kwinana)	30	30	2,311,167	2,311,167	874,082	874,082	1,128,079	1,125,204	-	-	1,128,079	1,125,204	-	-
KK Power Company Limited	50	-	30,892	-	15,447	-	15,447	-	-	-	15,447	-	-	-
Songkla Biofuel Company Limited	40	-	1,000	-	400	-	397	-	-	-	397	-	-	-
Total					8,695,954	8,635,607	13,710,885	13,643,499	-	-	13,710,885	13,643,499	103,500	295,000
Associate entities														
First Korat Wind Company Limited	20	20	1,457,365	1,018,460	291,419	203,594	286,540	203,180	-	-	286,540	203,180	-	-
K.R.Two Company Limited	20	20	767,920	767,920	153,468	153,468	149,428	153,382	-	-	149,428	153,382	-	-
Total					444,887	357,062	435,968	356,562	-	-	435,968	356,562	-	-

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Separate financial statements												
	Ownership interest		Paid-up capital		Cost method		Impairment		At cost - net		Dividend income for the three-month period ended 31 March	
	31 March 2012	31 December 2011	31 March 2012	31 December 2011	31 March 2012	31 December 2011	31 March 2012	31 December 2011	31 March 2012	31 December 2011	2012	2011
	(%)						(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	16,000	20,000
SouthEast Asia Energy Limited	33.33	33.33	6,606,750	6,606,750	2,202,250	2,202,250	-	-	2,202,250	2,202,250	-	-
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	82,000	82,000	32,800	32,800	-	-	32,800	32,800	-	-
Ratchaburi World Cogeneration Company Limited	40	40	810,000	740,000	184,000	156,000	-	-	184,000	156,000	-	-
Solararta Company Limited	49	49	1,100,000	1,100,000	545,960	545,960	-	-	545,960	545,960	-	-
Solar Power (Korat 3) Company Limited	40	40	162,500	162,500	65,000	65,000	-	-	65,000	65,000	-	-
Solar Power (Korat 4) Company Limited	40	40	153,315	153,315	61,326	61,326	-	-	61,326	61,326	-	-

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	Ownership interest		Paid-up capital		Cost method		Impairment		At cost - net		Dividend income for the three-month period ended 31 March	
	31	31	31	31	31	31	31	31	31	31	2012	2011
	March	December	March	December	March	December	March	December	March	December	2012	2011
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
	(%)						(in thousand Baht)					
Jointly-controlled entities												
Solar Power (Korat 7) Company Limited	40	40	113,780	113,780	45,530	45,530	-	-	45,530	45,530	-	-
Songkla Biomass Company Limited	40	40	86,250	45,000	34,500	18,000	-	-	34,500	18,000	-	-
KK Power Company Limited	50	-	30,892	-	15,447	-	-	-	15,447	-	-	-
Songkla Biofuel Company Limited	40	-	1,000	-	400	-	-	-	400	-	-	-
Total					4,181,411	4,121,064	-	-	4,181,411	4,121,064	16,000	20,000
Associate entities												
First Korat Wind Company Limited	20	20	1,457,365	1,018,460	291,419	203,594	-	-	291,419	203,594	-	-
K.R.Two Company Limited	20	20	767,920	767,920	153,468	153,468	-	-	153,468	153,468	-	-
Total					444,887	357,062	-	-	444,887	357,062	-	-

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Investment in Ratchaburi World Cogeneration Company Limited

During the first quarter of 2012, Ratchaburi World Cogeneration Company Limited, jointly-controlled entities called for the paid-up share capital amounting to Baht 70 million. The Company paid for the share capital amounting to Baht 28 million, in the proportion of investment of 40%

Investment in Songkha Biomass Company Limited

At the annual meeting of the shareholders of Songkha Biomass Company Limited, jointly-controlled entity held on 24 February 2012, the shareholders approved to increase the authorised share capital from Baht 45 million (*comprising 0.45 million at par value of Baht 100 per share*) to Baht 210 million (*comprising 2.1 million shares at par value of Baht 100 per share*) by issuance of new ordinary shares totalling 1.65 million shares at par value of Baht 100 per share. Such Company called for the paid-up share capital at Baht 25 per share. The Company paid for the share capital amounting to Baht 16.5 million, in the proportion of investment of 40%. As at 31 March 2012, the Company had commitments for the remaining unpaid-share capital of Baht 49.5 million.

Investment in KK Power Company Limited

On 17 February 2012, the Company entered into a Share Purchase Agreement and Shareholder Agreement to purchase shares of KK Power Company Limited in order to jointly operate a power plant in Cambodia. The registered capital of such company was U.S. Dollars 1 million (*comprising 1,000 ordinary shares at par value of U.S. Dollars 1,000 per share*). Such Company called for the paid-up share capital at U.S. Dollar 500 per share. The Company paid for the share capital totalling U.S. Dollars 0.5 million, in the proportion of investment of 50%.

Investment in Songkha Biofuel Company Limited

On 28 February 2012, the Company and the joint investor has completed the registration of Songkhla Biofuel Company Limited in order to supply the biomass fuel to Songkha Biomass Company Limited. The registered capital of such company was Baht 1 million (*comprising 10,000 ordinary shares at par value of Baht 100 per share*). Such Company called for the paid-up share capital at Baht 100 per share. The Company fully paid for the share capital totalling Baht 0.4 million, in the proportion of investment of 40%.

Investment in First Korat Wind Company Limited

During the first quarter of 2012, First Korat Wind Company Limited, Associate entity called for the paid-up share capital amounting to Baht 438.91 million. The Company paid for the share capital amounting to Baht 87.82 million, in the proportion of investment of 20%

Dividend paid by jointly-controlled entity

At the meeting of the shareholders of Ratchaburi Power Company Limited, a jointly-controlled entity, held on 8 March 2012, the shareholders approved the appropriation of dividends of Baht 4.78 per share. The Company received such dividend in the proportion of investment amounting to Baht 87.5 million. The dividend was paid during the first quarter of 2012.

At the meeting of the shareholders of Chubu Ratchaburi Electric Service Company Limited, a jointly-controlled entity, held on 14 March 2012, the shareholders approved the appropriation of dividends of Baht 80 per share, amounting to Baht 16 million. The dividend was paid during the first quarter of 2012.

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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 31 March 2012, the Company had commitments for the remaining unpaid-share capital of Baht 11.64 million (*As at 31 December 2011: Baht 11.64 million*).

10 Property, plant and equipment

Acquisitions, disposals and transfers of property, plant and equipment during the three-month periods ended 31 March 2012 and 2011 were as follows:

	Consolidated financial statements					
	2012	2012	Adjust	2011	2011	Acquisitions
	Acquisitions	Disposals	Exchange	Acquisitions	Disposals	from
	and transfers	and transfers	Rates	and	and	business
	in	out - net		transfers in	transfers	combination-
	- at cost	book value		- at cost	out - net	net book
					book value	value
			(in thousand Baht)			
Land	-	-	(684)	-	-	-
Buildings and building improvements	333	-	(830)	100	-	-
Power plants, substation & transmission system and operating & maintenance equipment	134,859	-	(57,855)	-	-	-
Office equipment	392	(338)	(1)	3,002	14	-
Construction in progress	77,347	(110,388)	-	33,456	814	-
Total	212,931	(110,726)	(59,370)	36,558	828	-
Separate financial statements						
	2012	2012		2011	2011	
	Acquisitions	Disposals		Acquisitions	Disposals	
	and transfers	and transfers out		and	and transfers	
	in	- net book value		transfers in	out - net	
	- at cost			- at cost	book value	
			(in thousand Baht)			
Office equipment	113	338		2,826	-	
Construction in progress	55,014	-		4,105	814	
Total	55,127	338		6,931	814	

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11 Intangible Assets

	Consolidated financial statements		Separate financial statements	
	31 March 2012	31 December 2011	31 March 2012	31 December 2011
	<i>(in thousand Baht)</i>			
Goodwill from business acquisition- transferred from the subsidiary company	3,989,407	4,036,207	-	-
Goodwill from business acquisition	1,369,427	1,359,564	-	-
License on project development	665,512	665,512	665,512	665,512
Right to use electrical transmission line	24,385	24,741	-	-
Software licenses	10,222	11,122	4,853	5,370
Total	<u>6,058,953</u>	<u>6,097,146</u>	<u>670,365</u>	<u>670,882</u>

12 Other non-current assets

	Consolidated financial statements		Separate financial statements	
	31 March 2012	31 December 2011	31 March 2012	31 December 2011
	<i>(in thousand Baht)</i>			
Development cost-Nam Ngum 3 Project	438,862	357,693	438,862	357,694
Development cost-Xe-Pian Xe-Namnoy Project	119,965	118,294	119,965	118,294
Development cost for wind power project	181,591	177,105	-	-
Deferred expense under contractual service agreement	1,004,580	978,911	-	-
Others	88,897	75,612	8,767	8,767
Total	<u>1,833,895</u>	<u>1,707,615</u>	<u>567,594</u>	<u>484,755</u>

Xe-Pian Xe-Namnoy, Hydroelectric Power Project

On 23 March 2012, the Company and the joint investors have completed the registration of Xe-Pian Xe-Namnoy Power Company Limited under the laws of Lao People's Democratic Republic in order to operate Xe-Pian Xe-Namnoy Hydroelectric Power Plant Project. The registered capital of such company was U.S. Dollars 50 million (*comprising 500,000 ordinary shares at par value of U.S. Dollars 100 per share*). The Company invested in the proportion of 25% of such company. As at 31 March 2012, the Company had commitments for the remaining unpaid-share capital of U.S. Dollars 12.5 million

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries
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13 Segment information

The Group is operating in generating and selling electricity to government and industrial sector, both within and outside the country, and providing operation and maintenance service relating to the power plant. The Group does not presented the information of the service segment because the revenue from service segment is less than 5% of total revenues.

The Group presents financial information by geographic segment. The primary format for reporting geographical segment is based on the management system and internal reporting structure of the Group as the basis for the division.

Revenues and operating results of the geographic area in the consolidated financial statements for the three-month period ended 31 March 2012 and 2011 are as follows:

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	Thailand		Australia		Others		Total	
	2012	2011	2012	2011	2012	2011	2012	2011
	<i>(in thousand Baht)</i>							
Revenue from sale and rendering of services	10,737,059	8,101,224	1,019,892	-	29,613	28,750	11,786,564	8,129,974
Cost of sale and rendering of services	(9,129,452)	(6,184,738)	(606,047)	-	(18,283)	(17,750)	(9,753,782)	(6,202,488)
Gross profit	1,607,607	1,916,486	413,845	-	11,330	11,000	2,032,782	1,927,486
Management service income	52,284	35,825	-	-	1,068	-	53,352	35,825
Dividend income	-	-	-	-	-	-	-	-
Interest income	67,140	66,433	48,872	-	1,382	-	117,394	66,433
Other income	13,437	53,282	(18,159)	-	62,286	133	57,564	53,415
Administrative expenses	(219,407)	(284,905)	(163,748)	-	(11,096)	(6,810)	(394,251)	(291,715)
Gain (loss) on exchange rate	(39,043)	25,780	547	-	484,674	(4,771)	446,178	21,009
Finance costs	(169,709)	(331,214)	(449,519)	-	(74,524)	-	(693,752)	(331,214)
Share of profit of jointly- Controlled entities and associates	99,246	185,641	6,765	-	-	-	106,011	185,641
Profit (loss) before income tax expense	1,411,555	1,667,328	(161,397)	-	475,120	(448)	1,725,278	1,666,880
Income tax expense	(319,154)	(472,017)	107,873	-	-	-	(211,281)	(472,017)
Profit (loss) for the period	1,092,401	1,195,311	(53,524)	-	475,120	(448)	1,513,997	1,194,863

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14 Income tax expense

Income tax expense is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year applied to the pre-tax income of the interim period. The Group's consolidated effective tax rate in respect of continuing operations for the three-months ended 31 March 2012 was 12.3 % (31 March 2011: 28.3%). This change in effective tax rate was caused mainly by reduction in the corporate income tax rate for 2012 and subsequent years pursuant to the cabinet announcement on 11 October 2011 and the deferred tax assets from loss carried forward of a foreign subsidiary during the first quarter of 2012.

15 Basic earnings per share

The calculation of basic earnings per share for the three-month periods ended 31 March 2012 and 2011 was based on the net profit for the period attributable to equity holders of the Company and the number of ordinary shares outstanding during the period as follows:

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
	<i>(in thousand Baht / thousand shares)</i>			
Profit attributable to equity holders of the Company	<u>1,565,090</u>	<u>1,196,155</u>	<u>414,359</u>	<u>792,393</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>1.08</u>	<u>0.82</u>	<u>0.29</u>	<u>0.55</u>

16 Dividends

At the annual general meeting of the shareholders of the Company held on 26 March 2012, the shareholders approved the appropriation of dividend of Baht 2.25 per share, totalling Baht 3,262.50 million, from the profit of 2011 after deducting the interim dividends of Baht 1.10 per share, totalling Baht 1,595 million, paid to shareholders in September 2011 from the profit for the six-month period ended 30 June 2011. The balance of dividend amounted to Baht 1,667.50 million which will be paid to shareholders in April 2012.

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 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 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.

17 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.

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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 10 March 2008, Ratchaburi Energy Company Limited, a subsidiary, entered into an Operation and Maintenance Agreement with a service provider having operation service fee of approximately Baht 2.85 million per year. The agreement is effective for a period of one year. On April 1, 2010 both parties agreed to extend the term of the agreement until December 31, 2011, with a rate of approximately 2.07 million per year contract.

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 six-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.

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 31 March 2012, such subsidiary had outstanding commitments amounting to US Dollars 266.41 million (*As at 31 December 2011: U.S. Dollars 272.74 million*).

In addition, in accordance with the agreement, the subsidiary is required to open a letter of credit amounting to U.S. Dollars 6 million. As at 31 March 2012 the company had an unused letter of credit amounting to U.S. Dollars 6 million (*As at 31 December 2011: U.S. Dollars 6 million*).

Letter of Guarantee

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As at 31 March 2012, subsidiaries had a commitment from letter of guarantee issued by a financial institution for compliance with agreement conditions in the amount of Baht 75.42 million. (*As at 31 December 2011: Baht 75.42 million*).

Capital commitment

As at 31 March 2012, the Company had outstanding capital commitments amounting to Baht 353.48 million (*As at 31 December 2011: Baht 415.12 million*).

As at 31 March 2012, 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 of Baht 76.73 million and Swiss Franc 0.1 million. (*As at 31 December 2011: Baht 89.29 million and Swiss Franc 0.13 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.

Capital share purchase agreement

On 28 February 2012, Ratchaburi Energy Company Limited, a subsidiary entered into shareholder purchase agreement of Sukhothai Energy company Limited in order to operate development plan for off Gas treatment project. The registered capital of such company was Baht 0.1 million (comprising 1,000 ordinary shares at par value of Baht 100 per share). As at 31 March 2012, the Company had commitment for the share capital amounting to Baht 30,600 at Baht 60 per share in the proportion of investment of 51 %.

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18 Events after the reporting period

On 12 April 2012, the Company paid for the additional paid-up capital of First Korat Wind Company Limited, an associate entity, for 39.92 million of ordinary shares at par value of Baht 10 per share. The associate entity called for the paid-up share capital at 1.50 Baht. The company paid for the share capital amounting to Baht 59.88 million, in proportion to its investment of 20%.

On 30 April 2012, the Company paid for the additional paid-up capital of Nava Nakorn Electricity Generating Company Limited, a jointly controlled entity, for 3.2 million of the new ordinary shares at par value of Baht 10 per share. The jointly controlled entity called for the paid-up share capital at 10 Baht. The company paid for the share capital amounting to Baht 32 million, in proportion to its investment of 40%.

On 12 April 2012 and 2 May 2012, Ratchaburi Energy Company Limited, a subsidiary, paid for share capital of Sukhothai Energy Company Limited for 0.8 million shares, total amounting to Baht 28.61 million, in the proportion of investment of 51% in accordance with share purchase agreement of such Company.