

Ratchaburi Electricity Generating Holding PCL

Management Discussion and Analysis

For the Three-month and Nine-month Periods Ended 30 September, 2014



RATCH

(Translation)

1. Significant events of the 3rd quarter of 2014

1.1 The Transfer of Tri Energy Co., Ltd. to Ratchaburi Electricity Generating Co., Ltd.

On August 1, 2014, Tri Energy Co., Ltd. had completed the transfer of its entire business through Entire Business Transfer ("EBT") method to Ratchaburi Electricity Generating Co., Ltd. (both companies were the Company's wholly owned subsidiaries). In this regard, Ratchaburi Electricity Generating Co., Ltd. increased its registered share capital for Baht 3,625 million by the issuance of 362.50 million new ordinary shares at the par value of Baht 10 each in order to purchase and accept the transfer. Therefore, Ratchaburi Electricity Generating Co., Ltd.'s registered share capital is now Baht 21,900 million. The transaction was done in order to manage the Company's investment in accordance with the structure of the Company group. Hereafter, Ratchaburi Electricity Generating Co., Ltd. has 2 power plants in control which are Ratchaburi Plants, installed capacity of 3,645 megawatts and Tri Energy Plant, installed capacity of 700 megawatts.

1.2 Solar Power Generation Project in Japan

1) The Entering into a Shareholder Agreement by RH International (Singapore) Corporation PTE. Ltd.

On September 12, 2014, RH International (Singapore) Corporation Pte. Ltd., an indirect subsidiary in Singapore, entered into a Shareholder Agreement with Chow International Co., Ltd. in a proportion of 60:40 in order to establish a joint venture company in Singapore to invest in solar power generation project in Japan with approximately 33 Megawatts capacity (initial phrase).

2) The Entering into a Shareholder Agreement by Ratchaburi Energy Co., Ltd.

On September 12, 2014, Ratchaburi Energy Co., Ltd., a subsidiary, entered into a Shareholder Agreement with Premier Solution Co., Ltd. in a proportion of 60:40 in order to establish a joint venture company in Thailand to provide management services for solar power generation project in Japan.

1.3 The Investment in Small Power Producer Project of Ratchaburi Cogeneration Co., Ltd.

On September 15, 2014, Ratchaburi Electricity Generating Co., Ltd., a subsidiary, entered into a Shareholder Agreement with Rajburi Sugar Co., Ltd. in a proportion of 35:65 in order to jointly invest in Small Power Producer Project of Ratchaburi Cogeneration Co., Ltd. which is located in Berkprai Subdistrict, Ban Pong District, Ratchaburi Province. The project has electricity generating capacity of 100 megawatts and steam generating capacity of 15 tons per hour and has 25-year Firm Cogeneration Power Purchase Agreement with Electricity Generating Authority of Thailand. The Commercial Operation Date is expected to be in 2019.

1.4 The Sale of Shares of Sukhothai Energy Co., Ltd.

On July 21, 2014, Ratchaburi Energy Co., Ltd., a subsidiary, has sold its entire shares of Sukhothai Energy Co., Ltd., totaling 200,000 shares or 25 per cent at Baht 54.71 per share, in the total amount of Baht 10.94 million to the former shareholder of such company.

1.5 The Sale of Shares of Sustainable Energy Corporation Co., Ltd.

On September 29, 2014, Ratchaburi Energy Co., Ltd., a subsidiary, has sold its entire shares of Sustainable Energy Corporation Co., Ltd., a developer of a wind farm project in Phetchabun Province, totaling 24.28 million shares or 55.18 per cent, in the total amount of Baht 118.43 million to a new shareholder.

2. Change in Thai Financial Reporting Standard

According to the Federation of Accounting Professions which required listed companies to prepare financial statements in accordance with Thai Financial Reporting Standard ("TFRS"), the Company including its subsidiaries, Ratchaburi Electricity Generating Co., Ltd. and Tri Energy Co., Ltd., and jointly-controlled entity, Ratchaburi Power Co., Ltd., have adopted TFRIC no.4 "Determining whether an Arrangement Contains a Lease" that requires TAS 17 "Leases" to be applied since January 1, 2014 onward. This resulted in the change in presentation of financial statements, as follow:-

2.1 Statements of Comprehensive Income

The Availability Payment ("AP") in terms of debt financing charge and equity financing charge would be recorded as revenue from financial leases. In the 3rd quarter and in the nine-month period of 2014, the Company recorded the revenue from financial leases in the amount of Baht 1,387.02 million and Baht 4,229.83 million, respectively.

Still, the recognition of AP in terms of charging for operation and maintenance, reimbursement, other costs and energy payment would be unchanged.

2.2 Statement of Financial Position

Some spare parts and supplies, property plant and equipment and intangible assets would be recorded as financial lease receivables. As at September 30, 2014, the Company recorded financial lease receivables in the amount of Baht 32,584.02 million. In addition, deferred tax assets decreased in the amount of Baht 157.82 million while deferred tax liabilities increased in the amount of Baht 22.63 million. Also, the retained earnings increased in the amount of Baht 3,053.09 million.

Unit : Million Baht

Description	TFRIC4	Previous Method	Increase/ (Decrease)
Statements of comprehensive income for the 3rd quarter of 2014			
Revenue from sale and rendering of services	14,120.80	16,563.52	(2,442.72) (1)
Revenue from financial leases	1,387.02	-	1,387.02
Cost of sale and rendering of services	13,183.52	13,935.70	(752.18) (2)
Administrative expenses	509.84	515.62	(5.78)
Share of profit of jointly-controlled and associate entities	339.75	396.41	(56.66)
Income tax expense	327.17	411.15	(83.98)
Profit for the period attributable to owner of the Company	1,954.10	2,224.52	(270.42)
Statements of comprehensive income for the first nine-month period of the year 2014			
Revenue from sale and rendering of services	35,710.40	42,673.75	(6,963.35) (1)
Revenue from financial leases	4,299.83	-	4,299.83
Cost of sale and rendering of services	33,715.23	35,888.60	(2,173.37) (2)
Administrative expenses	1,248.32	1,265.47	(17.15)
Share of profit of jointly-controlled and associate entities	1,030.37	1,057.90	(27.53)
Income tax expense	911.10	947.12	(36.02)
Profit for the period attributable to owner of the Company	6,167.29	6,701.81	(534.52)
Statement of financial position as at September 30, 2014			
Financial lease receivables	32,584.02	-	32,584.02
Spare parts and supplies/ Property, plant and equipment/ Intangible assets	22,546.05	51,703.78	(29,157.73)
Investments in jointly-controlled entities	10,481.45	10,674.20	(192.75)
Deferred tax assets	18.51	176.33	(157.82)
Deferred tax liabilities	1,744.43	1,721.80	22.63
Unappropriated retained earnings	44,492.82	41,439.73	3,053.09
Total assets / Total liabilities and equity	98,307.70	95,231.98	3,075.72

(1) This difference would be recognized as revenue from financial leases.

(2) The difference was the depreciation of power plants and equipment, which would be recorded as financial lease receivables in the statement of financial position.

3. Operation performance according to consolidated financial statement for the three-month period (July 1, 2014 – September 30, 2014)

(Million Baht)

	Quarter 3		Increase (Decrease)	%
	2014	2013*		
Revenue	16,093.56	12,538.78	3,554.78	28.4
<u>Less</u> Fuel Cost	11,966.42	8,494.75	3,471.67	40.9
Revenue (excluded Fuel Cost)	4,127.14	4,044.03	83.11	2.1
Cost of Sales and Expenses (excluded Fuel Cost)	2,461.79	2,326.58	135.21	5.8
	1,665.35	1,717.45	(52.10)	(3.0)
Profit (Loss) from Exchange Rate	252.45	351.42	(98.97)	(28.2)
Profit for the period	1,917.80	2,068.87	(151.07)	(7.3)
Non-controlling Interests	36.30	21.04	15.26	72.5
Profit Attributable to Owner of the Company	1,954.10	2,089.91	(135.81)	(6.5)
Earnings per share (Baht)	1.35	1.44	(0.09)	(6.5)

* Restated

The operating result according to the consolidated financial statements of the Company and its subsidiaries for the 3rd quarter of 2014 showed the profit of Baht 1,954.10 million or Baht 1.35 per share, decreasing by Baht 135.81 million or 6.5 per cent, compared to the profit of Baht 2,089.91 million or Baht 1.44 per share of the 3rd quarter of 2013 (restated). The significant transactions in this period were as follows:-

3.1 Revenue from sale and rendering of services (excluded fuel costs)

Revenue from sale and rendering of services (excluded fuel costs at Baht 11,966.42 million) for the 3rd quarter of 2014 was Baht 2,154.38 million, increasing by Baht 172.13 million or 8.7 per cent from Baht 1,982.25 million in the 3rd quarter of 2013. The main reasons were the shutdown for planned maintenance of Ratchaburi Plants in the 3rd quarter of 2014 was less than in the same period of the previous year, as well as, the Tri Energy Plant was entirely transferred to Ratchaburi Electricity Co., Ltd. increased Availability Payment and Energy Payment in the total amount of Baht 121.75 million and Baht 84.63 million, respectively.

3.2 Cost of sales (excluded fuel costs)

Cost of sales (excluded fuel costs at Baht 11,966.42 million) for the 3rd quarter of 2014 was Baht 1,217.10 million, decreasing by Baht 120.68 million or 9.0 per cent from Baht 1,337.78 million in the 3rd quarter of 2013. The main reason was, spare part expenses of Ratchaburi Plants decreased in the amount of Baht 118.42 million since the shutdown for planned maintenance in the 3rd quarter of 2014 was less than in the same period of the previous year.

3.3 Other income

Other income for the 3rd quarter of 2014 was Baht 26.07 million, decreasing by Baht 51.33 million or 66.3 per cent from Baht 77.40 million in the 3rd quarter of 2013. The main reason was, in the 3rd quarter of 2013, RATCH-Australia Corporation Co., Ltd., a subsidiary in Australia, received a compensation for cancellation of Coal Sale Agreement in the amount of Baht 49.46 million.

3.4 Administrative expenses Interest income

Administrative expenses for the 3rd quarter of 2014 were Baht 509.84 million, increasing by Baht 132.55 million or 99.0 per cent from Baht 377.29 million in the 3rd quarter of 2013. The main reason was the loss on disposal of the investment in Sustainable Energy Corporation Co., Ltd., an indirect subsidiary which develops of a wind farm project in Phetchabun Province, in the amount of Baht 142.11 million.

3.5 Finance costs

Finance costs for the 3rd quarter of 2014 were Baht 407.68 million, increasing by Baht 49.30 million or 13.8 per cent from Baht 358.38 million in the 3rd quarter of 2013. The main reason was the finance costs of RH International (Singapore) Corporation Pte. Ltd., an indirect subsidiary in Singapore, increased in the amount of Baht 65.98 million due to the issuance of USD 300 million debentures on April 28, 2014.

3.6 Share of profits in jointly-controlled and associated entities

Share of profits in jointly-controlled and associated entities for the 3rd quarter of 2014 was Baht 339.75 million, decreasing by Baht 87.78 million or 20.5 per cent from Baht 427.53 million in the 3rd quarter of 2013. The main reasons were the operating results of the following jointly-controlled entities.

3.6.1 The share profit of SouthEast Asia Energy Ltd., in the portion of 33.33 per cent, decreased in the amount of Baht 72.08 million due to the lower of water level in Nam Ngum 2 Dam, compared with that of the same period of the previous year, resulted in the decrease in electricity generation.

3.6.2 The share loss of Hongsa Power Co., Ltd., in the portion of 40 per cent, increased in the amount of Baht 51.06 million since the project is under construction. However, Hongsa Plants are expected to begin Commercial Operation Date in June and November 2014.

3.6.3 The share profit of Ratchaburi Power Co., Ltd., in the portion of 25 per cent, increased in the amount of Baht 49.33 million. The main reason was the revenue from sale of Ratchaburi Power Plant increased, in the portion of 25 per cent, in the amount of Baht 67.06 million.

3.7 Income tax expense

Income tax expense in the 3rd quarter of 2014 was Baht 327.17 million, increasing by Baht 74.04 million or 29.3 per cent from Baht 253.13 million in the 3rd quarter of 2013. The main reason was the income tax expense of Ratchaburi Electricity Generating Co., Ltd. increased due to the increase in its profit. Also, the income tax of Tri Energy Co., Ltd. was consolidated in the amount of Baht 16.24 million. In addition, the income tax benefit of RATCH-Australia Corporation Co., Ltd. decreased in the amount of Baht 24.04 million.

4. Operation performance according to consolidated financial statement for the nine-month period (January 1, 2014 – September 30, 2014)

(Million Baht)

	Quarter 1-3		Increase (Decrease)	%
	2014	2013*		
Revenue	42,312.51	38,145.95	4,166.56	10.9
<u>Less</u> Fuel Cost	30,001.69	26,329.13	3,672.56	13.9
Revenue (excluded Fuel Cost)	12,310.82	11,816.82	494.00	4.2
Cost of Sales and Expenses (excluded Fuel Cost)	7,048.52	7,247.36	(198.84)	(2.7)
	5,262.30	4,569.46	692.84	15.2
Profit (Loss) from Exchange Rate	60.24	415.67	(355.43)	(85.5)
Profit for the period	5,322.54	4,985.13	337.41	6.8
Non-controlling Interests	47.46	(38.75)	86.21	(222.5)
Profit Attributable to Owner of the Company before extraordinary items	5,370.00	4,946.38	423.62	8.6
<i>Extraordinary items</i>				
- Gain on bargain purchase the shares of TECO	797.29	0.00	797.29	-
- Gain on sale of other long-term receivable	-	645.83	(645.83)	-
Profit Attributable to Owner of the Company	6,167.29	5,592.21	575.08	10.3
Earnings per share (Baht)	4.25	3.86	0.40	10.3

* Restated

The operating result according to the consolidated financial statements of the Company and its subsidiaries for the nine-month period of the year 2014 showed the profit of Baht 6,167.29 million or Baht 4.25 per share, increasing by Baht 575.08 million or 10.3 per cent, compared to the profit of Baht 5,592.21 million or Baht 3.86 per share of the nine-month period of the year 2013 (restated). The significant transactions in this period were as follows:-

4.1 Revenue from sale and rendering of services (excluded fuel costs)

Revenue from sale and rendering of services (excluded fuel costs at Baht 36,001.69 million) for the nine-month period of the year 2014 was Baht 5,708.71 million, decreasing by Baht 273.24 million or 4.6 per cent from Baht 5,981.95 million in the nine-month period of the year 2013. The main reason was the revenue from sale of Ratchaburi Electricity Generating Co., Ltd., a subsidiary, decreased in the amount of Baht 436.36 million due to the decrease in Base Availability Credit of Ratchaburi plants in 2014 comparing to 2013. While, such revenue from sale and rendering of services included the revenue from sale of Tri Energy plant since January 28, 2014.

4.2 Interest income and gain on sale of other long-term receivable

Interest income for the nine-month period of the year 2014 were Baht 187.57 million, decreasing by Baht 167.31 million or 47.2 per cent from Baht 354.88 million in the nine-month period of the year 2013. The main reason was, interest income of RATCH-Australia Corporation Co., Ltd. ("RAC"), a subsidiary in Australia, decreased in the amount of Baht 176.07 million. The main reason was, in the nine-month period of the year 2014, RAC recorded interest income of Scheduled Payment Option Agreement from the sale of an investment in Loy Yang A Power Plant in the amount of Baht 163.36 million. Later on, RAC has already sold such agreement in June 2013 and recorded gain on sale of such agreement in the amount of Baht 645.83 million.

4.3 Gain on bargain purchase the shares of Tri Energy Co., Ltd.

On January 28, 2014, Ratchaburi Gas Co., Ltd. ("RGAS"), a subsidiary, acquired an additional 49.99 per cent of the common shares of Tri Energy Co., Ltd. ("TECO") at USD 21.32 million or equivalent to Baht 703.43 million. As a result, RGAS held 99.99 per cent of the issued and paid up capital of TECO which previously held 50 per cent. On March 31, 2014, the Company agreed to acquire all investment in TECO from RGAS. The Company recognized gain on bargain purchase in the amount of Baht 797.29 million, which derived from gain on bargain purchase in the amount of Baht 2,257.02 million deducted by difference from revaluation of interest in TECO in the amount of Baht 1,459.73 million.

4.4 Other income

Other income for the nine-month period of the year 2014 was Baht 694.10 million, increasing by Baht 349.29 million or 101.3 per cent from Baht 344.81 million in the nine-month period of the year 2013. The main reason was, the reversal of a provision regarding project development of RATCH-Australia Corporation Co., Ltd. ("RAC") to revenue in the amount of Baht 306.06 million since the contractor has not completed the conditions in the agreement. In addition, Tri Energy Co., Ltd. and Ratchaburi Electricity Generating Co., Ltd. recorded compensation of equipment failure from insurance companies in the amount of Baht 218.16 million and Baht 25.98 million, respectively. However, in the nine-month period of the year 2013, RAC received a compensation for pollution reduction from Australian government and coal compensation after the termination of Collinsville Power Station Power Purchase Agreement in the total amount of Baht 229.33 million.

4.5 Administrative expenses

Administrative expenses for the nine-month period of the year 2014 were Baht 1,248.32 million, increasing by Baht 210.02 million or 20.2 per cent from Baht 1,038.30 million in the nine-month period of the year 2013. The main reason was the loss on disposal of the investment in Sustainable Energy Corporation Co., Ltd. in the amount of Baht 142.11 million, as specified in no. 3.4. Additionally, administrative expenses of TECO was consolidated in the amount of Baht 42.18 million.

4.6 Share of profits in jointly-controlled and associated entities

Share of profits in jointly-controlled and associated entities for the nine-month period of the year 2014 was Baht 1,030.37 million, increasing by Baht 394.62 million or 62.1 per cent from Baht 635.75 million in the nine-month period of the year 2013. The main reasons were the operating results of the following jointly-controlled entities.

4.6.1 The share profit of Ratchaburi Power Co., Ltd., in the portion of 25 per cent, increased in the amount of Baht 184.49 million. The main result was, in the nine-month period of the year 2014, the revenue from sale of Ratchaburi Power Plant increased, in the portion of 25 per cent, in the amount of Baht 134.63 million. Moreover, in the nine-month period of the year 2014, gain on exchange rate was recognized in the amount of Baht 23.94 million.

4.6.2 The share loss of Hongsa Power Co., Ltd., in the portion of 40 per cent, decreased in the amount of Baht 163.26 million. The main result was, in the nine-month period of the year 2014, gain on exchange rate was recognized, in the portion of 40 per cent, in the amount of Baht 129.21 million.

4.7 Income tax expense

Income tax expense in the nine-month period of the year 2014 was Baht 911.10 million, decreasing by Baht 257.08 million or 22.0 per cent from Baht 1,168.18 million in the nine-month period of the year 2013. The main reason was, in the nine-month period of the year 2013, RATCH-Australia Corporation Co., Ltd. recorded income tax expense from the gain on sale of other long-term receivable, as specified in no. 4.2, in the amount of Baht 193.75 million.

5. Analysis of Statements of Financial Position

5.1 Analysis of Assets

As at September 30, 2014, the total assets were Baht 98,307.70 million, increasing by Baht 4,433.20 million or 4.7 per cent from Baht 93,874.50 million as at December 31, 2013. The details were as follows:

(Million Baht)

	Sep 30, 2014	Dec 31, 2013 *	Increase (Decrease)	%
Current assets	32,157.56	24,375.28	7,782.28	31.9
Non-current assets	66,150.14	69,499.22	(3,349.08)	(4.8)
Total Assets	98,307.70	93,874.50	4,433.20	4.7

* Restated

5.1.1 As at September 30, 2014, current assets were Baht 32,157.56 million, increasing by Baht 7,782.28 million from Baht 24,375.28 million as at December 31, 2013. The main reasons were as follow:-

(1) Trade account receivable from related party increased by Baht 3,935.51 million. The main reason was trade account receivable of Ratchaburi Electricity Generating Co., Ltd. as at September 30, 2013 increased in the amount of Baht 3,947.29 million since the receivable consisted of the electricity sale in August and September 2013 whereas the receivable in December 2013 consisted of the electricity sale in the December 2013 only.

(2) Cash and cash equivalents including current investments of RH International (Singapore) Corporation Pte. Ltd., increased in the amount of Baht 3,043.45 million. The main reason was the issue of USD 300 million debentures to repay SGD 260 million (equivalent to USD 206.05 million) short-term loan from a financial institute.

5.1.2 As at September 30, 2014, non-current assets were Baht 66,150.14 million, decreasing by Baht 3,349.08 million from Baht 69,499.22 million as at December 31, 2013. The main reason was, due to the additional acquisition of Tri Energy Co., Ltd. ("TECO") on January 28, 2014, the recognition of TECO was changed to be a consolidation; as a result, the investment in TECO decreased in the amount of Baht 2,163.16 million. In addition, financial lease receivables from related company decreased in the amount of Baht 1,238.93 million.

5.2 Analysis of Liabilities and Equity

As at September 30, 2014, total liabilities and equity were Baht 98,307.70 million, increasing by Baht 4,433.20 million or 4.7 per cent from Baht 93,874.50 million as at December 31, 2013. The details were as follows:

	(Million Baht)			
	Sep 30, 2014	Dec 31, 2013 *	Increase	%
Liabilities	36,416.95	34,748.03	1,668.92	4.8
Equity	61,890.75	59,126.47	2,764.28	4.7
Liabilities and Equity	98,307.70	93,874.50	4,433.20	4.7

*Restated

5.2.1 As at September 30, 2014, liabilities were Baht 36,416.95 million, increasing by Baht 1,668.92 million from Baht 34,748.03 million as at December 31, 2013. The main reasons were as follow:-

(1) Debentures and short-term loans from financial institutions of RH International (Singapore) Corporation Pte. Ltd. increased in the amount of Baht 2,777.03 million due to the issue of USD 300 million debentures to repay SGD 260 million short-term loan from a financial institute.

(2) Trade accounts payable of Ratchaburi Electricity Generating Co., Ltd. increased in the amount of baht 2,477.74 million. The main reason was, Ratchaburi Plants generated electricity in August and September 2014 more than in November and December 2013, resulting in the increase in fuel consumption.

(3) Ratchaburi Electricity Generating Co., Ltd. made a repayment during the period in the amount of Baht 4,039.50 million.

5.2.2 Equity increased by Baht 3,535.31 million. The main reasons were as follows:

(1) The profit of the nine-month period of the year 2014 in the amount of Baht 6,467.29 million

(2) The dividend payment during the nine-month period of the year 2014 in the amount of Baht 2.27 per share decreased retained earnings in the amount of Baht 3,291.50 million.

6. Analysis of Cash Flows

(Million Baht)

	Quarter 1-3		Increase (Decrease)
	2014	2013*	
Net cash from operating activities	6,661.89	1,783.27	4,878.62
Net cash from (used in) investing activities	(646.33)	7,850.11	(8,496.44)
Net cash from (used in) financing activities	(3,565.33)	(12,727.01)	9,161.68
	2,450.23	(3,093.63)	5,543.86
Effect of exchange rate on balances held on foreign currencies	(3.97)	(10.29)	6.32
Cash and cash equivalents at beginning of period	7,437.78	8,260.58	(822.80)
Cash of subsidiary acquired/disposed during the period	17.37	-	17.37
Cash and cash equivalents at end of period	9,901.41	5,156.66	4,744.75

* restated

Cash and cash equivalents of the Company and its subsidiaries as at September 30, 2014 were Baht 9,901.41 million, increasing by Baht 4,744.75 million from Baht 5,156.66 million on September 30, 2013. The details were summarized below:

6.1 The increase in net cash from operating activities increased cash flow in the amount of Baht 4,878.62 million. The reason was the Company received cash from trade account receivable more than in the same period of the previous year in the amount of Baht 1,464.92 million and paid for trade account payable less than in the same period of the previous year in the amount of Baht 2,938.29 million.

6.2 The increase in net cash used in investing activities decreased cash flow in the amount of Baht 8,496.44 million. The main reasons were as follows;

6.2.1 In the nine-month of the year 2014, the Company invested in current investments in the amount of Baht 500.72 million. On the other hand, in the nine-month of the year 2013, the Company received cash from current investments in the amount of Baht 3,387.60 million.

6.2.2 On January 28, 2014, the Company additionally purchased the shares of Tri Energy Co., Ltd. in the amount of USD 21.32 million, or equivalent to Baht 703.43 million, as specified in no. 4.3.

6.2.3 During the nine-month period of the previous year, RATCH-Australia Corporation Co., Ltd. received cash from the sale of long-term receivable in the amount of Baht 3,518.06 million.

6.3 The decrease in net cash used in financing activities increased cash flow in the amount of Baht 9,161.68 million. The main reasons were as follows;

6.3.1 The issue of USD 300 million debentures of RH International (Singapore) Corporation Pte. Ltd. to repay SGD 260 million short-term loan from a financial institute increased cash in the amount of Baht 3,037.50 million.

6.3.2 During the nine-month period of the year 2014, Ratchaburi Electricity Generating Co., Ltd. received cash from bills of exchange payables and short-term loans from financial institutions more than in the same period of the previous year in the amount of Baht 2,350 million.

6.3.3 The loan repayment of RATCH-Australia Corporation Co., Ltd. ("RAC") during the nine-month period of the previous year decreased cash flows of RAC and RH International (Singapore) Corporation Pte. Ltd. in the total amount of Baht 4,307.84 million.

7. Significant Financial Ratios

Ratios		Quarter 3	
		2014	2013*
1) Current Ratio	(Times)	1.81	3.00
2) Net Profit to Total Revenue (excluded fuel costs)	(%)	46.47	51.16
3) Estimated Return on Equity**	(%)	11.86	11.42
4) Estimated Return on Assets**	(%)	7.30	0.09
5) EBITDA	(Million Baht)	3,016	3,035
6) EBITDA to Total Assets	(%)	12.59	13.01
7) Debt to Equity Ratio	(Times)	0.59	0.58
8) Debt Service Coverage Ratio	(Times)	1.19	0.58
9) Book Value per Share	(Baht)	42.31	40.14
10) Earning per Share	(Baht)	1.35	1.44

* Restated

** Data for 12-month period