

**EASTERN WATER RESOURCES DEVELOPMENT
AND MANAGEMENT PUBLIC COMPANY LIMITED**

**INTERIM CONSOLIDATED AND COMPANY
FINANCIAL INFORMATION
(UNAUDITED)**

30 JUNE 2012

AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS

To the Shareholders and the Board of Directors of Eastern Water Resources Development and Management Public Company Limited

I have reviewed the accompanying consolidated and company statements of financial position as at 30 June 2012, the related consolidated and company statements of comprehensive income for the three-month and six-month periods ended 30 June 2012 and 2011, the related consolidated and company statements of changes in shareholders' equity, and cash flows for the six-month period ended 30 June 2012 and 2011 and condensed notes to interim financial information of Eastern Water Resources Development and Management Public Company Limited and its subsidiaries and of Eastern Water Resources Development and Management Public Company Limited, respectively. 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 Thai Standard on Review Engagements 2410, "Review of interim financial information performed by the independent auditor of the entity". A review 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 interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".

Statement of financial position as at 31 December 2011 presented for comparative purpose

I have audited the consolidated and company financial statements for the year ended 31 December 2011 of Eastern Water Resources Development and Management Public Company Limited and its subsidiaries and of Eastern Water Resources Development and Management Public Company Limited, respectively, in accordance with Thai Standards on Auditing and expressed an unqualified opinion on those statements in my report dated 20 February 2012 and drew attention to the financial statements regarding the compensation of the Company's pipeline connecting project. The Company is paying the compensation at a preliminary rate because the government agency is considering a deal for the Company to rent/manage the connecting projects and the compensation rate that may change. The consolidated and company statements of financial position as at 31 December 2011, presented for comparative purposes, are part of the financial statements. I have not performed any other auditing procedures subsequent to the date of that report.

Emphasis of Matter

I draw attention to Note 18.5 to the financial statements regarding the compensation of the Company's pipeline connecting project. The Company is paying the compensation at a preliminary rate because the government agency is considering a deal for the Company to rent/manage the connecting projects and the compensation rate that may change.

Vichien Khingmontri
Certified Public Accountant (Thailand) No. 3977
PricewaterhouseCoopers ABAS Ltd.

Bangkok
8 August 2012

Eastern Water Resources Development and Management Public Company Limited
Statements of Financial Position
As at 30 June 2012 and 31 December 2011

(Unit: Baht'000)

	Notes	Consolidated		Company	
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
		30 June 2012	31 December 2011	30 June 2012	31 December 2011
Assets					
Current assets					
Cash and cash equivalents		77,712	128,690	39,066	73,442
Temporary investments	5	46,020	95,000	-	50,000
Trade and other receivables - net	6	450,650	417,582	326,569	297,474
Water loss treatment service income receivable - related party	17.2	24,507	10,133	-	-
Inventories		8,598	7,879	-	-
Other current assets		23,347	39,834	12,549	34,390
Non-current assets classified as held-for-sale	7	-	34,658	-	-
Total current assets		630,834	733,776	378,184	455,306
Non-current assets					
Investments in subsidiaries	8	-	-	510,750	510,000
Other long-term investments	9	91,470	91,470	91,470	91,470
Investment property - net	10	212,813	217,160	226,198	230,846
Property, plant and equipment - net	10	8,661,161	8,372,711	8,478,480	8,188,716
Assets under concession contracts - net	10	490,098	456,005	-	-
Deferred concession rights acquisition costs - net	10	537,090	541,774	-	-
Intangible assets - net	10	166,836	169,573	35,426	34,023
Deferred tax assets	14.1	10,262	12,831	-	2,650
Other non-current assets	11	491,416	178,940	414,769	155,689
Total non-current assets		10,661,146	10,040,464	9,757,093	9,213,394
Total assets		11,291,980	10,774,240	10,135,277	9,668,700

(Mr. Charnchai Soontharamut)
Chairman

(Mr. Praphant Asava-aree)
President & CEO

The accompanying notes on page 11 to 33 are an integral part of these interim financial information.

Eastern Water Resources Development and Management Public Company Limited
Statements of Financial Position (continued)
As at 30 June 2012 and 31 December 2011

(Unit: Baht'000)

	Notes	Consolidated		Company	
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
		30 June 2012	31 December 2011	30 June 2012	31 December 2011
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	13.1	271,000	33,000	200,000	-
Trade accounts payable	12	110,735	105,664	118,122	127,101
Payable for purchase of fixed assets		20,046	183,600	14,716	177,333
Current portion of long-term liabilities under finance lease agreements		2,242	2,382	2,242	2,382
Current portion of long-term loans from financial institutions	13.2	710,741	620,996	612,500	522,750
Current income tax payable		180,061	192,792	166,478	173,977
Accrued expenses		67,690	82,739	48,733	61,426
Other current liabilities		56,536	45,436	37,238	31,026
Total current liabilities		1,419,051	1,266,609	1,200,029	1,095,995
Non-current liabilities					
Long-term liabilities under finance lease agreements		1,202	2,325	1,202	2,325
Long-term loans from financial institutions	13.2	2,468,659	2,325,025	2,092,500	1,899,750
Deferred tax liabilities	14.1	33,915	27,683	6,781	-
Employee benefit obligations		69,296	64,958	39,713	37,673
Other non-current liabilities		161,003	151,440	137,670	129,865
Total non-current liabilities		2,734,075	2,571,431	2,277,866	2,069,613
Total liabilities		4,153,126	3,838,040	3,477,895	3,165,608
Shareholders' equity					
Share capital					
Registered share capital					
Ordinary shares, 1,663,725,149 shares of par Baht 1 each		1,663,725	1,663,725	1,663,725	1,663,725
Issued and paid-up share capital					
Ordinary shares, 1,663,725,149 shares of paid-up Baht 1 each		1,663,725	1,663,725	1,663,725	1,663,725
Share premium		2,138,522	2,138,522	2,138,522	2,138,522
Retained earnings					
Appropriated - legal reserve		166,500	166,500	166,500	166,500
Unappropriated		3,133,385	2,929,182	2,655,182	2,499,193
Other components of equity		33,453	35,152	33,453	35,152
Equity attributable to owners of the parent		7,135,585	6,933,081	6,657,382	6,503,092
Non-controlling interests		3,269	3,119	-	-
Total shareholders' equity		7,138,854	6,936,200	6,657,382	6,503,092
Total liabilities and shareholders' equity		11,291,980	10,774,240	10,135,277	9,668,700

The accompanying notes on page 11 to 33 are an integral part of these interim financial information.

Eastern Water Resources Development and Management Public Company Limited
Statements of Comprehensive Income
For the three-month periods ended 30 June 2012 and 2011

		(Unit: Baht'000)			
		Consolidated		Company	
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Notes		2012	2011	2012	2011
	Revenues				
	17.1				
	Sales - raw water	668,303	569,603	706,781	598,461
	Sales - tap water	214,123	188,728	72,694	57,194
	Total sales	882,426	758,331	779,475	655,655
	Rental and service income	60,985	57,433	18,269	16,693
	Other income	20,558	16,573	18,542	15,646
	Total revenues	963,969	832,337	816,286	687,994
	Expenses				
	17.1				
	Cost of sales - raw water	190,091	187,546	201,053	197,045
	Cost of sales - tap water	111,414	109,012	72,094	56,838
	Total cost of sales	301,505	296,558	273,147	253,883
	Cost of rental and services	54,066	51,894	16,276	15,391
	Selling expenses	7,649	9,172	7,337	8,266
	Administrative expenses	92,581	86,390	70,060	67,487
	Expenses for development of life quality and environment	5,505	5,788	6,194	5,369
	Finance costs	18,568	18,527	12,542	11,992
	Total expenses	479,874	468,329	385,556	362,388
	Profit before income tax	484,095	364,008	430,730	325,606
	Income tax	(104,900)	(107,501)	(91,745)	(96,218)
	Net profit for the period	379,195	256,507	338,985	229,388
	Other comprehensive income (expense):				
	Write off asset transferred from customer	(850)	(847)	(850)	(847)
	Other comprehensive expense for the period, net of tax	(850)	(847)	(850)	(847)
	Total comprehensive income for the period	378,345	255,660	338,135	228,541
	Profit attributable to				
	Equity holders of the parent company	379,040	256,377	338,985	229,388
	Non - controlling interests	155	130	-	-
		379,195	256,507	338,985	229,388
	Total comprehensive income attribute to				
	Equity holders of the parent company	378,190	255,530	338,135	228,541
	Non - controlling interests	155	130	-	-
		378,345	255,660	338,135	228,541
	Earnings per share for profit attributable to the equity holders of the parent company (Baht)				
	15				
	Basic earnings per share	0.23	0.16	0.20	0.14

The accompanying notes on page 11 to 33 are an integral part of these interim financial information.

Eastern Water Resources Development and Management Public Company Limited
Statements of Comprehensive Income
For the six-month periods ended 30 June 2012 and 2011

		(Unit: Baht'000)			
		Consolidated		Company	
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Notes		2012	2011	2012	2011
	Revenues				
	17.1				
	Sales - raw water	1,296,140	1,138,802	1,369,458	1,197,327
	Sales - tap water	417,413	372,417	140,981	117,261
	Total sales	1,713,553	1,511,219	1,510,439	1,314,588
	Rental and service income	118,929	119,319	36,313	32,535
	Other income	23,331	21,927	45,855	32,744
	Total revenues	1,855,813	1,652,465	1,592,607	1,379,867
	Expenses				
	17.1				
	Cost of sales - raw water	384,976	377,326	406,753	396,717
	Cost of sales - tap water	221,810	217,786	139,877	116,000
	Total cost of sales	606,786	595,112	546,630	512,717
	Cost of rental and services	103,698	104,138	30,716	29,843
	Selling expenses	14,738	14,554	14,172	12,870
	Administrative expenses	165,897	178,778	121,667	133,556
	Expenses for development of life quality and environment	23,859	14,949	23,223	14,379
	Finance costs	36,849	35,077	24,319	22,647
	Total expenses	951,827	942,608	760,727	726,012
	Profit before income tax	903,986	709,857	831,880	653,855
	Income tax	(200,391)	(217,314)	(176,789)	(196,516)
	Net profit for the period	703,595	492,543	655,091	457,339
	Other comprehensive income (expense):				
	Write off asset transferred from customer	(1,699)	(1,685)	(1,699)	(1,685)
	Other comprehensive expense for the period, net of tax	(1,699)	(1,685)	(1,699)	(1,685)
	Total comprehensive income for the period	701,896	490,858	653,392	455,654
	Profit attributable to				
	Equity holders of the parent company	703,305	492,311	655,091	457,339
	Non-controlling interests	290	232	-	-
		703,595	492,543	655,091	457,339
	Total comprehensive income attribute to				
	Equity holders of the parent company	701,606	490,626	653,392	455,654
	Non - controlling interests	290	232	-	-
		701,896	490,858	653,392	455,654
	Earnings per share for profit attributable to the equity holders of the parent company (Baht)				
	15				
	Basic earnings per share	0.42	0.30	0.39	0.27

The accompanying notes on page 11 to 33 are an integral part of these interim financial information.

Eastern Water Resources Development and Management Public Company Limited
 Statements of Changes in Shareholders' Equity
 For the six-month periods ended 30 June 2012 and 2011

(Unit: Baht'000)										
Consolidated										
(Unaudited)										
Equity holders of the parent										
Notes	Issued and paid-up share capital	Premium on share capital	Retained earnings		Assets transferred from customers-net	Other comprehensive income	Total other component of shareholders' equity	Total owner of the parent	Non-controlling interests	Total shareholders' equity
			Appropriated - legal reserve	Unappropriated						
Opening balance as at 1 January 2012	1,663,725	2,138,522	166,500	2,929,182	35,152	35,152	6,933,081	3,119	6,936,200	
Dividend paid	-	-	-	(499,102)	-	-	(499,102)	(140)	(499,242)	
Comprehensive income for the period	-	-	-	703,305	(1,699)	(1,699)	701,606	290	701,896	
Closing balance as at 30 June 2012	<u>1,663,725</u>	<u>2,138,522</u>	<u>166,500</u>	<u>3,133,385</u>	<u>33,453</u>	<u>33,453</u>	<u>7,135,585</u>	<u>3,269</u>	<u>7,138,854</u>	
Opening balance as at 31 December 2010	1,663,725	2,138,522	166,500	2,606,839	38,550	38,550	6,614,136	2,785	6,616,921	
- as previously report	-	-	-	(29,312)	-	-	(29,312)	-	(29,312)	
Retrospective adjustment	-	-	-	(29,312)	-	-	(29,312)	-	(29,312)	
Opening balance as at 31 December 2010	1,663,725	2,138,522	166,500	2,577,527	38,550	38,550	6,584,824	2,785	6,587,609	
- as restated	-	-	-	(40,333)	-	-	(40,333)	-	(40,333)	
Brought forward adjustment	-	-	-	(40,333)	-	-	(40,333)	-	(40,333)	
Dividend paid	-	-	-	(415,919)	-	-	(415,919)	(140)	(416,059)	
Comprehensive income for the period	-	-	-	492,311	(1,685)	(1,685)	490,626	232	490,858	
Closing balance as at 30 June 2011	<u>1,663,725</u>	<u>2,138,522</u>	<u>166,500</u>	<u>2,613,586</u>	<u>36,865</u>	<u>36,865</u>	<u>6,619,198</u>	<u>2,877</u>	<u>6,622,075</u>	

The accompanying notes on page 11 to 33 are an integral part of these interim financial information.

Eastern Water Resources Development and Management Public Company Limited
Statements of Changes in Shareholders' Equity (continued)
For the six-month periods ended 30 June 2012 and 2011

(Unit: Baht'000)								
Company								
(Unaudited)								
	Notes	Issued and paid-up share capital	Premium on share capital	Retained earnings		Other components of shareholder's equity	Total other component of shareholders' equity	Total shareholders' equity
				Appropriated - legal reserve	Unappropriated	Assets transferred from customers-net		
Opening balance as at 1 January 2012		1,663,725	2,138,522	166,500	2,499,193	35,152	35,152	6,503,092
Dividend paid	16	-	-	-	(499,102)	-	-	(499,102)
Comprehensive income for the period		-	-	-	655,091	(1,699)	(1,699)	653,392
Closing balance as at 30 June 2012		<u>1,663,725</u>	<u>2,138,522</u>	<u>166,500</u>	<u>2,655,182</u>	<u>33,453</u>	<u>33,453</u>	<u>6,657,382</u>
Opening balance as at 31 December 2010								
- as previously report		1,663,725	2,138,522	166,500	2,222,495	38,550	38,550	6,229,792
Retrospective adjustment		-	-	-	7,761	-	-	7,761
Opening balance as at 31 December 2010								
- as restated		1,663,725	2,138,522	166,500	2,230,256	38,550	38,550	6,237,553
Brought forward adjustment		-	-	-	(24,208)	-	-	(24,208)
Dividend paid	16	-	-	-	(415,919)	-	-	(415,919)
Comprehensive income for the period		-	-	-	457,339	(1,685)	(1,685)	455,654
Closing balance as at 30 June 2011		<u>1,663,725</u>	<u>2,138,522</u>	<u>166,500</u>	<u>2,247,468</u>	<u>36,865</u>	<u>36,865</u>	<u>6,253,080</u>

The accompanying notes on page 11 to 33 are an integral part of these interim financial information.

Eastern Water Resources Development and Management Public Company Limited
Statements of Cash Flows
For the six-month periods ended 30 June 2012 and 2011

	(Unit: Baht'000)				
	Notes	Consolidated		Company	
		(Unaudited) 2012	(Unaudited) 2011	(Unaudited) 2012	(Unaudited) 2011
Cash flows from operating activities					
Net profit before income tax		903,986	709,857	831,880	653,855
Adjustments to reconcile profit before income tax to net cash received (paid) from operating activities					
Allowance for diminution in value of inventories and spareparts		-	272	-	272
Allowance for doubtful accounts (Reversal)		(300)	-	(300)	-
Depreciation	10	151,043	158,901	126,212	132,882
Amortisation of deferred concession rights acquisition costs	10	14,103	13,313	-	-
Amortisation of rights and intangible asset	10	5,812	4,140	1,672	-
Impairment loss	10	1,940	-	-	-
Income from amortisation of assets transferred from customers		(1,699)	(1,685)	(1,699)	(1,685)
(Gain) Loss on disposals/written off of property, plant and equipment		12,447	(18)	12,447	(18)
Employee benefit liabilities		4,337	3,992	2,040	1,867
Dividend income		(13,479)	(8,876)	(38,622)	(21,779)
Interest income		(3,991)	(5,494)	(1,795)	(3,596)
Interest expenses and amortisation of deferred interest under finance lease agreements		36,061	34,475	23,576	22,119
Income from operating activities before changes in operating assets and liabilities		1,110,260	908,877	955,411	783,917
Changes in operating assets (increase) decrease					
Trade and other accounts receivables		(28,004)	(10,282)	(15,656)	(1,497)
Water loss treatment service income receivable - related parties		(14,374)	190	-	-
Inventories		(719)	439	-	-
Other current assets		16,486	(117)	21,841	(195)
Other non-current assets		(5,795)	327	-	(685)
Changes in operating liabilities increase (decrease)					
Trade accounts payable		5,071	(3,192)	(9,729)	10,509
Accrued expenses		(24,839)	(49,594)	(22,483)	(27,081)
Other current liabilities		11,100	(975)	6,212	-
Other non-current liabilities		9,563	26,199	7,805	27,143
Cash provided by operating activities		1,078,749	871,872	943,401	792,111
Interest paid		(26,247)	(20,641)	(13,790)	(8,233)
Income tax paid		(204,320)	(151,279)	(174,857)	(127,212)
Net cash generated from operating activities		848,182	699,952	754,754	656,666

The accompanying notes on page 11 to 33 are an integral part of these interim financial information.

Eastern Water Resources Development and Management Public Company Limited
Statements of Cash Flows (continued)
For the six-month periods ended 30 June 2012 and 2011

	Notes	(Unit: Baht'000)			
		Consolidated		Company	
		(Unaudited) 2012	(Unaudited) 2011	(Unaudited) 2012	(Unaudited) 2011
Cash flows from investing activities					
Restricted bank deposit		-	2,076	-	2,076
Purchase of temporary investment		-	(35,000)	-	-
Receive from temporary investment		48,980	-	50,000	-
Advance construction payment		(306,681)	(14,978)	(259,081)	(14,978)
Purchases of assets under concession contracts		(19,629)	(60,216)	-	-
Purchases of concession rights		(10,267)	(8,724)	-	-
Interest received		3,801	5,088	1,804	3,191
Dividend received from a related party and subsidiaries		8,712	4,219	25,474	17,122
Proceeds from disposals of property, plant and equipment		-	21	-	21
Purchase of intangible assets		(3,075)	-	(3,075)	-
Purchase of investment property		(543)	(59)	(4)	(63)
Purchases of property, plant and equipment		(561,913)	(593,661)	(556,859)	(576,484)
Net cash used in investing activities		(840,615)	(701,234)	(741,741)	(569,115)
Cash flows from financing activities					
Proceeds from short-term loans from financial institutions		279,000	151,050	200,000	137,050
Payment on short-term loans from financial institutions		(41,000)	-	-	-
Proceeds from long-term loans	13.2	499,000	331,000	499,000	278,000
Payment on long-term loans	13.2	(265,621)	(106,148)	(216,500)	(50,000)
Payment on liabilities under finance lease agreements		(1,263)	(1,418)	(1,263)	(1,418)
Interest paid for fund borrowed specifically to acquire qualifying assets		(29,524)	(13,663)	(29,524)	(13,663)
Dividends paid to Group shareholders	16	(499,137)	(416,059)	(499,102)	(415,919)
Net cash used in financing activities		(58,545)	(55,238)	(47,389)	(65,950)
Net (decrease) increase in cash and cash equivalents		(50,978)	(56,520)	(34,376)	21,601
Cash and cash equivalents at beginning of the periods		128,690	442,884	73,442	328,370
Cash and cash equivalents at ending of the periods		77,712	386,364	39,066	349,971
Supplemental cash flow information					
Non-cash related transactions:					
Net increase (decrease) in acquisition assets on credit		(163,554)	134,041	(162,617)	113,781
Transfer property, plant and equipment to non-current assets held for sale (Reversal)		(1,390)	1,227	-	-
Transfer assets under concession contracts to non-current assets held for sale (Reversal)		(33,268)	31,736	-	-

The accompanying notes on page 11 to 33 are an integral part of these interim financial information.

1 General information

Eastern Water Resources Development and Management Public Company Limited (“the Company”) is a public limited company incorporated and resident in Thailand. The address of the Company’s registered office is as follows:

23rd - 26th Floors, East Water Building, No. 1 Soi Vipavadeerangsit 5, Vipavadeerangsit Road, Jomphol Sub-district, Chatujak District, Bangkok.

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

The principal business operations of the Group are development and management of the major water distribution pipeline systems in the Eastern Seaboard area of Thailand, supply of raw water, produce and supply of tap water, waterworks management, and engineering services.

These interim consolidated and company financial information were authorised on 8 August 2012 by the Audit Committee of the Company under authority delegated by the Company’s Board of Directors.

These interim consolidated and company financial information have been reviewed, not audited.

2 Basis for preparation

These interim consolidated and company financial information are prepared in accordance with Thai generally accepted accounting principles under the Accounting Act B.E. 2543, being those Thai Accounting Standards (“TAS”) issued under the Accounting Professions Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission. The primary financial statements (i.e., statement of financial position, statements of comprehensive income, changes in shareholders’ equity and cash flows) are prepared in the full format as required by the Securities and Exchange Commission. The notes to the financial information are prepared in a condensed format according to Thai Accounting Standard (“TAS”) 34, “Interim Financial Reporting” and additional notes are presented as required by the Securities and Exchange Commission under the Securities and Exchange Act.

These interim financial information should be read in conjunction with the annual financial statement for the year ended 31 December 2011.

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

3 Accounting policies

The accounting policies used in the preparation of the interim financial information are consistent with those used in the annual financial statements for the year ended 31 December 2011.

3 Accounting policies (continued)

New accounting standards, amendments to accounting standards and new interpretation

The following new accounting standards, amendments to accounting standards and new interpretation are mandatory for the accounting periods beginning on or after 1 January 2013:

TAS 12	Income taxes
TAS 20 (Revised 2009)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (Revised 2009)	The Effects of Changes in Foreign Exchange Rates
TFRS 8	Operating Segments
TSIC 10	Government Assistance - No Specific Relation to Operating Activities
TSIC 21	Income Taxes - Recovery of Revalued Non-Depreciable Assets
TSIC 25	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders

The Group has early adopted TAS 12 Income taxes since 1 January 2011 and the Group's management has determined that the other new accounting standards, amendments to accounting standards and new interpretation which has not been early adopted will not significantly impact the financial information being presented.

TFRS 8: The standard requires a 'management approach', under which segment information is presented on the same basis as that used for internal reporting purposes. The group will apply this standard from 1 January 2013. The expected impact is still being assessed in detail by management, but it appears likely that the number of reportable segments, as well as the manner in which the segments are reported, may be changed in a manner that is consistent with the internal reporting provided to the chief operating decision-maker.

Costs that are incurred unevenly during the financial year are anticipated or deferred in the interim report only if it would also be appropriate to anticipate or defer such costs at the end of the financial year.

4 Segment information

The principal business operations of the Group are development and management of the major water distribution pipeline systems in the Eastern Seaboard area of Thailand, supply of raw water, produce and supply of tap water, waterworks management, and engineering services. These business operations are conducted only in one geographical area, which is Thailand.

The segment information for the three-month and six-month periods ended 30 June is summarised as follows:

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4 Segment information (continued)

4.1 Operating results by business segment

(Unit: Baht'000)

	Consolidated (Unaudited)						Total
	For the three-month period ended 30 June 2012						
	Sales		Service income			Elimination	
Supply of raw water business	Supply of tap water business	Waterworks management business	Engineering services	Others			
Revenue							
Revenue from third parties	668,303	214,123	15,210	28,719	17,056	-	943,411
Revenue from inter-segment	38,478	-	72,661	-	1,213	(112,352)	-
Total revenue	706,781	214,123	87,871	28,719	18,269	(112,352)	943,411
Cost of sales and services	(201,053)	(141,122)	(81,880)	(27,431)	-	95,915	(355,571)
Segment operating profit	505,728	73,001	5,991	1,288	18,269	(16,437)	587,840
Unallocated revenue (expenses)							
Other income							20,558
Selling expenses							(7,649)
Administrative expenses and other expenses							(98,086)
Finance costs							(18,568)
Income tax							(104,900)
Net profit							379,195

(Unit: Baht'000)

	Consolidated (Unaudited)						Total
	For the three-month period ended 30 June 2011						
	Sales		Service income			Elimination	
Supply of raw water business	Supply of tap water business	Waterworks management business	Engineering services	Others			
Revenue							
Revenue from third parties	569,603	188,728	15,203	20,945	21,285	-	815,764
Revenue from inter-segment	28,858	-	57,536	-	1,121	(87,515)	-
Total revenue	598,461	188,728	72,739	20,945	22,406	(87,515)	815,764
Cost of sales and services	(197,045)	(124,384)	(72,617)	(19,717)	(21,083)	86,394	(348,452)
Segment operating profit	401,416	64,344	122	1,228	1,323	(1,121)	467,312
Unallocated revenue (expenses)							
Other income							16,573
Selling expenses							(9,172)
Administrative expenses and other expenses							(92,178)
Finance costs							(18,527)
Income tax							(107,501)
Net profit							256,507

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4 Segment information (continued)

4.1 Operating results by business segment (continued)

(Unit: Baht'000)

	Consolidated (Unaudited)						Total
	For the six-month period ended 30 June 2012						
	Sales		Service income			Elimination	
Supply of raw water business	Supply of tap water business	Waterworks management business	Engineering services	Others			
Revenue							
Revenue from third parties	1,296,140	417,413	29,433	55,394	34,102	-	1,832,482
Revenue from inter-segment	73,318	-	140,956	-	2,210	(216,484)	-
Total revenue	1,369,458	417,413	170,389	55,394	36,312	(216,484)	1,832,482
Cost of sales and services	(406,753)	(279,977)	(156,627)	(52,505)	(14,440)	199,818	(710,484)
Segment operating profit	962,705	137,436	13,762	2,889	21,872	(16,666)	1,121,998
Unallocated revenue (expenses)							
Other income							23,331
Selling expenses							(14,738)
Administrative expenses and other expenses							(189,756)
Finance costs							(36,849)
Income tax							(200,391)
Net profit							703,595

(Unit: Baht'000)

	Consolidated (Unaudited)						Total
	For the six-month period ended 30 June 2011						
	Sales		Service income			Elimination	
Supply of raw water business	Supply of tap water business	Waterworks management business	Engineering services	Others			
Revenue							
Revenue from third parties	1,138,802	372,417	30,156	45,511	43,652	-	1,630,538
Revenue from inter-segment	58,525	-	117,247	-	1,964	(177,736)	-
Total revenue	1,197,327	372,417	147,403	45,511	45,616	(177,736)	1,630,538
Cost of sales and services	(396,717)	(255,515)	(139,706)	(43,176)	(39,908)	175,772	(699,250)
Segment operating profit	800,610	116,902	7,697	2,335	5,708	(1,964)	931,288
Unallocated revenue (expenses)							
Other income							21,927
Selling expenses							(14,554)
Administrative expenses and other expenses							(193,727)
Finance costs							(35,077)
Income tax							(217,314)
Net profit							492,543

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4 Segment information (continued)

4.2 Asset information by business segment

(Unit: Baht'000)

	Consolidated (Unaudited)						Total
	As at 30 June 2012						
	Supply of raw water business	Supply of tap water business	Waterworks management business	Engineering services	Unallocated assets	Elimination	
Trade and other receivables - net	209,229	213,823	75,028	12	44,380	(91,822)	450,650
Water loss treatment service income receivable	-	-	-	24,507	-	-	24,507
Inventories	-	3,335	3,069	2,194	-	-	8,598
Investment property - net	-	-	-	-	212,812	-	212,812
Property, plant and equipment - net	8,061,414	7,387	160,374	239	431,747	-	8,661,161
Assets under concession contracts - net	-	242,800	247,298	-	-	-	490,098
Deferred concession rights acquisition costs - net	-	424,974	112,116	-	-	-	537,090
Intangible assets - net	-	131,410	-	-	35,426	-	166,836
Other non-current assets	413,891	47,600	-	-	29,925	-	491,416
Unallocated assets and other assets	-	-	-	-	759,562	(510,750)	248,812
Total assets	8,684,534	1,071,329	597,885	26,952	1,513,852	(602,572)	11,291,980

(Unit: Baht'000)

	Consolidated (Audited)						Total
	As at 31 December 2011						
	Supply of raw water business	Supply of tap water business	Waterworks management business	Engineering services	Unallocated assets	Elimination	
Trade and other receivables - net	216,849	187,465	63,226	6,147	20,129	(76,234)	417,582
Water loss treatment service income receivable	-	-	-	10,133	-	-	10,133
Inventories	-	3,212	2,455	2,212	-	-	7,879
Non-current assets classified as held-for-sale, net	-	-	34,658	-	-	-	34,658
Investment property - net	-	-	-	-	217,160	-	217,160
Property, plant and equipment - net	7,872,135	6,861	161,215	298	332,202	-	8,372,711
Assets under concession contracts - net	-	241,859	214,146	-	-	-	456,005
Deferred concession rights acquisition	-	426,681	115,093	-	-	-	541,774
Intangible assets - net	-	135,550	-	-	34,023	-	169,573
Other non-current assets	152,636	-	-	-	26,304	-	178,940
Unallocated assets and other assets	-	-	-	-	878,635	(510,810)	367,825
Total assets	8,241,620	1,001,628	590,793	18,790	1,508,453	(587,044)	10,774,240

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4 Segment information (continued)

4.3 Sales of raw water by distribution networks

4.3.1 Sales volume of raw water classified by distribution networks

	Company (Unaudited)			
	For the three-month periods ended 30 June			
	2012		2011	
	Sales Volume	Sales	Sales Volume	Sales
	Cubic Meters'000	Baht'000	Cubic Meters'000	Baht'000
Nong Pla Lai - Map Ta Pud Network	18,802	189,502	20,275	186,329
Dok Krai - Map Ta Pud Network	26,510	265,140	22,939	211,053
Chachoengsao - Chonburi Network	19,782	198,544	17,477	155,555
Nong Pla Lai - Nong Khor Network	5,349	53,595	5,031	45,524
Total	70,443	706,781	65,722	598,461

	Company (Unaudited)			
	For the six-month periods ended 30 June			
	2012		2011	
	Sales Volume	Sales	Sales Volume	Sales
	Cubic Meters'000	Baht'000	Cubic Meters'000	Baht'000
Nong Pla Lai - Map Ta Pud Network	38,456	377,077	39,082	359,159
Dok Krai - Map Ta Pud Network	52,372	512,243	46,217	425,303
Chachoengsao - Chonburi Network	38,617	378,446	34,254	305,221
Nong Pla Lai - Nong Khor Network	10,385	101,692	11,887	107,644
Total	139,830	1,369,458	131,440	1,197,327

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4 Segment information (continued)

4.3 Sales of raw water by distribution networks (continued)

4.3.1 Sales volume of raw water classified by distribution networks (continued)

Sales of raw water from Chachoengsao - Chonburi Network consisted of:

	(Unit: Baht'000)	
	Company (Unaudited)	
	For the three-month periods ended 30 June	
	2012	2011
Nong Khor - Laem Chabang Network 1	152,966	114,350
Nong Khor - Laem Chabang Network 2	37,446	35,952
Chachoengsao Network	8,132	5,253
Total	<u>198,544</u>	<u>155,555</u>

	(Unit: Baht'000)	
	Company (Unaudited)	
	For the six-month periods ended 30 June	
	2012	2011
Nong Khor - Laem Chabang Network 1	294,943	221,198
Nong Khor - Laem Chabang Network 2	70,269	71,452
Chachoengsao Network	13,234	12,571
Total	<u>378,446</u>	<u>305,221</u>

4.3.2 Proportion of raw water sold to end users

	Company (Unaudited)	
	For the six-month periods ended 30 June	
	2012	2011
	%	%
Industrial Estates	50.58	52.49
Waterworks Authority	31.07	29.24
Factories	18.35	18.27
Total	<u>100.00</u>	<u>100.00</u>

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5 Temporary investments

As at 30 June 2012, the Group and the Company have temporary investments from fixed deposits with financial institutions that have maturity date 3 months and interest rate of 2.35 - 2.50% per annum.

6 Trade and other receivables - net

The detail of trade and other receivables as at 30 June 2012 and 31 December 2011 is as follows:

	Consolidated		Company	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	30 June	31 December	30 June	31 December
	2012	2011	2012	2011
Trade receivables - net	362,683	363,707	285,494	279,939
Receivables from others	55,131	35,922	2,181	2,326
Prepayments	26,849	13,685	24,526	10,941
Dividend receivables	4,767	-	13,148	-
Others	1,220	4,268	1,220	4,268
	<u>450,650</u>	<u>417,582</u>	<u>326,569</u>	<u>297,474</u>

As at 30 June 2012, receivable from other in the consolidated financial statements included accounts receivable between a subsidiary and a private company totaling Baht 46.4 million (31 December 2011: Baht 35.3 million), which related to the compensation and fine for the delayed construction of a tap water production system and the supply of water to the Provincial Waterworks Authority below the minimum requirement in accordance with sale and purchase agreement for tap water for Chonburi Province with the Provincial Waterworks Authority. This balance also included any support of the subsidiary to help the private company to produce tap water to meet the minimum requirement for Provincial Waterworks Authority. However, the subsidiary could off-set this accounts receivable balance with tap water cost that the subsidiary purchased on a monthly basis from the private company.

The detail of trade account receivables as at 30 June 2012 and 31 December 2011 is as follows:

	Consolidated		Company	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	30 June	31 December	30 June	31 December
	2012	2011	2012	2011
Trade accounts receivable - billed				
- Third parties	99,543	95,793	99,147	95,339
- Related parties (Note 17.2)	168,180	192,027	186,347	184,600
Total trade account receivable - billed	<u>267,723</u>	<u>287,820</u>	<u>285,494</u>	<u>279,939</u>
Unbilled receivables				
- Third parties	444	257	-	-
- Related parties (Note 17.2)	94,516	75,630	-	-
Total unbilled receivables	<u>94,960</u>	<u>75,887</u>	<u>-</u>	<u>-</u>
	<u>362,683</u>	<u>363,707</u>	<u>285,494</u>	<u>279,939</u>

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6 Trade and other receivables - net (continued)

The aging analysis of the trade accounts receivable - billed is as follows:

(Unit: Baht'000)

	Consolidated		Company	
	(Unaudited) 30 June 2012	(Audited) 31 December 2011	(Unaudited) 30 June 2012	(Audited) 31 December 2011
Within credit term	257,813	268,142	275,639	260,692
Overdue below 3 months	9,171	19,584	9,163	19,182
Overdue 3 - 6 months	667	523	620	494
Overdue 6 - 12 months	687	486	687	486
	268,338	288,735	286,109	280,854
<u>Less</u> Allowance for doubtful accounts	(615)	(915)	(615)	(915)
	<u>267,723</u>	<u>287,820</u>	<u>285,494</u>	<u>279,939</u>

7 Non-current assets held for sale, net

On 23 June 2012, the Company's group management approved the sale of property, plant and equipment and assets under concession contracts used for conducting business related to water resources in Koh Lan and Koh Srichang to two private firms for Baht 30.0 million and Baht 5.0 million, respectively, total amount of Baht 35.0 million. The subsidiary classified them as non-current assets held for sale, with a value of Baht 34.5 million. The sale required the approval of Local Administration and Department of Water Resources, the Ministry of Natural Resources and Environment. While waiting for approval, the subsidiary was informed in writing on 29 May 2012 that the prospective buyer was cancelling the purchase of the assets. The Company then notified the Department of Water Resources to cancel the transfer of assets under concession contracts. On 28 June 2012, the Department of Water Resources returned the document related to the transfer of assets under concession contracts to the Company. For the assets at Koh Lan; the Subsidiary was also informed that the buyer changed business plan and was no longer interested in purchasing the assets. Currently, the subsidiary reclassified such assets from assets held for sale to property, plant and equipment or assets under concession contracts.

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8 Investments in subsidiaries

Investments in subsidiaries which presented in the company financial information are as follows:

Company	Nature of business	Country of incorporation	Company							
			Paid-up share capital		Ownership interest		Investment value		Dividends income	
			(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)
			30 June 2012	31 December 2011	30 June 2012	31 December 2011	30 June 2012	31 December 2011	30 June 2012	30 June 2011
				%	%	(Baht'000)	(Baht'000)	(Baht'000)	(Baht'000)	
Universal Utilities Company Limited	Produce and supply of tap water	Thailand	510.00	510.00	100	100	510,000	510,000	25,143	12,903
EW Utilities Company Limited	Water transportation by pipeline	Thailand	0.25	-	100	-	250	-	-	-
EW Water Balance (Chonburi) Company Limited	Water transportation by pipeline	Thailand	0.25	-	100	-	250	-	-	-
EW Smart Water (Rayong) Company Limited	Produce and supply of industrial water	Thailand	0.25	-	100	-	250	-	-	-
Total investment in subsidiaries							510,750	510,000	25,143	12,903

On 12 March 2012 the Company had invested in EW Utilities Company Limited, EW Water Balance (Chonburi) Company Limited and EW Smart Water (Rayong) Company Limited by acquiring 200,000 ordinary shares with par value of Baht 5 per share in each company. The shares were called for paid up at 25% or Baht 250,000 in each company totalling Baht 750,000. Currently, these companies have not been operated yet.

On 30 March 2012, at the General Shareholders meeting of Universal Utilities Company Limited, the meetings have approved dividend payments of Baht 0.493 per share totalling Baht 25.1 million. The subsidiary paid all dividend within 2 July 2012.

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9 Other long-term investments

Other long-term investments represent investments in non-marketable securities consisted of the following:

(Unit: Baht'000)

	Consolidated		Company	
	(Unaudited) 30 June 2012	(Audited) 31 December 2011	(Unaudited) 30 June 2012	(Audited) 31 December 2011
<u>Long-term investments</u>				
General investments				
- Egcom Tara Company Limited	91,470	91,470	91,470	91,470
Total long-term investments	<u>91,470</u>	<u>91,470</u>	<u>91,470</u>	<u>91,470</u>

In second quarter of year 2012, Egcom Tara Company Limited declared of dividend payment to the Company amount of Baht 4.77 million.

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10 Capital expenditures

(Unit: Baht'000)

	Consolidated					Company		
	Investment property	Property, plant and equipment	Assets under concession contracts	Deferred concession rights acquisition costs	Intangible assets	Investment property	Property, plant and equipment	Intangible assets
For the six-month periods ended 30 June 2012								
Opening net book amount (Audited)	217,160	8,372,711	456,005	541,774	169,573	230,846	8,188,716	34,023
Additions	4	428,722	20,242	9,419	3,075	4	423,771	3,075
Write-off, net	-	(12,447)	-	-	-	-	(12,447)	-
Transfer	38	645	(683)	-	-	40	(40)	-
Transfer from non-current assets held for sale	-	1,390	33,268	-	-	-	-	-
Impairment loss	-	-	(1,940)	-	-	-	-	-
Depreciation/Amortisation	(4,389)	(129,860)	(16,794)	(14,103)	(5,812)	(4,692)	(121,520)	(1,672)
Closing net book amount (Unaudited)	<u>212,813</u>	<u>8,661,161</u>	<u>490,098</u>	<u>537,090</u>	<u>166,836</u>	<u>226,198</u>	<u>8,478,480</u>	<u>35,426</u>

As at 30 June 2012, the Group and the Company have motor vehicles and equipment under finance lease agreements with net book values amounting to Baht 3.4 million and Baht 3.4 million, respectively. (As at 31 December 2011: amounting to Baht 4.7 million and Baht 4.7 million, respectively).

In second quarter 2012, the subsidiary recorded loss on impairment of assets under concession contracts for Koh Lan and Koh Srichang Tap water projects amounting to Baht 1.9 million after transferring from non-current assets held for sale because the recoverable amount was lower than their carrying amount.

The Group and the Company have commitment to deliver assets under concession contracts to the contractors at the end of concession period.

As at 30 June 2012, the fair value of investment property in consolidated financial information and company financial information was amounting to Baht 222.8 million and Baht 237.1 million, respectively. This fair value was determined by a report of independent appraiser.

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11 Other non-current assets

	Consolidated		Company	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	30 June	31 December	30 June	31 December
	2012	2011	2012	2011
Advance construction payment and prepaid expenses	488,191	170,806	413,891	154,811
Deposit and retention	2,012	1,947	-	-
Other	1,213	6,187	878	878
	491,416	178,940	414,769	155,689

12 Trade accounts payable

	Consolidated		Company	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	30 June	31 December	30 June	31 December
	2012	2011	2012	2011
Third parties	102,848	98,751	53,540	68,118
Related parties (Note 17.2)	7,887	6,913	64,582	58,983
	110,735	105,664	118,122	127,101

13 Borrowings

13.1 Short-term loans from financial institutions

	Consolidated		Company	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	30 June	31 December	30 June	31 December
	2012	2011	2012	2011
promissory note	271,000	33,000	200,000	-
	271,000	33,000	200,000	-

As at 30 June 2012, the Group and the Company have a short-term loan from promissory note with financial institutions totalling Baht 271.0 million and Baht 200.0 million, respectively. (As at 31 December 2011: Baht 33.0 million) which is due at call with an interest rate of 3.40% per annum. (As at 31 December 2011: 3.40% per annum).

13.2 Long-term loans from financial institutions

	Consolidated		Company	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	30 June	31 December	30 June	31 December
	2012	2011	2012	2011
Long-term loans from financial institutions	3,179,400	2,946,021	2,705,000	2,422,500
<u>Less</u> Current portion of long-term loans	(710,741)	(620,996)	(612,500)	(522,750)
Long-term loans from financial institutions - net	2,468,659	2,325,025	2,092,500	1,899,750

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13 Borrowings (continued)

13.2 Long-term loans from financial institutions (continued)

Movements in the long-term loans from financial institutions during the six-month period ended 30 June consisted of the following:

	Consolidated	(Unit: Baht'000) Company
Balance as at 31 December 2011 (Audited)	2,946,021	2,422,500
Additions	499,000	499,000
Repayments	<u>(265,621)</u>	<u>(216,500)</u>
Balance as at 30 June 2012 (Unaudited)	<u>3,179,400</u>	<u>2,705,000</u>

On 23 May 2012, the Company had an additional loan agreement from a local bank with a credit facility of Baht 1,520.0 million and has already drawn down Baht 205.0 million. The principal is repayable in semi-annual installments within ten years, beginning in fourth year. The interest rate in the first to third years is 4.75% and is then THBFIX (6 months) plus 1.875% from the fourth year onwards.

The conditions of repayment of the principal and interest of the other loans have not changed from the disclosure in the latest annual financial statements ended 31 December 2011.

As at 30 June 2012, the Group and the Company have long-term loans that are not being used amounting to Baht 2,400.0 million and Baht 2,282.0 million, respectively. (As at 31 December 2011: Baht 1,449.0 million and Baht 1,261.0 million, respectively).

14 Deferred tax and income tax

14.1 Deferred tax

Deferred tax asset and liability are consisted of follow;

	Consolidated		(Unit: Baht'000) Company	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	30 June	31 December	30 June	31 December
	2012	2011	2012	2011
Deferred tax assets	18,613	23,063	8,350	12,882
Deferred tax liabilities	<u>(42,266)</u>	<u>(37,915)</u>	<u>(15,131)</u>	<u>(10,232)</u>
Deferred tax - net	<u>(23,653)</u>	<u>(14,852)</u>	<u>(6,781)</u>	<u>2,650</u>

Present in statement of financial position as following;

Deferred tax assets	<u>10,262</u>	<u>12,831</u>	<u>-</u>	<u>2,650</u>
Deferred tax liabilities	<u>(33,915)</u>	<u>(27,683)</u>	<u>(6,781)</u>	<u>-</u>

The above presentation in statement of financial position is offset between deferred tax assets and deferred tax liabilities for the same taxable entity and relate to income taxes levied by the same taxation authority.

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14 Deferred tax and income tax (continued)

14.1 Deferred tax (continued)

The movement in deferred tax asset and liability are the following:

	Consolidated			(Unit: Baht'000)
	Allowance for doubtful accounts	Depreciation and Impairment of assets	Employee benefit	Total
Deferred tax assets				
As at 1 January 2012	5,305	4,717	13,041	23,063
Transaction recorded in profit/loss	(4,940)	(375)	865	(4,450)
As at 30 June 2012	<u>365</u>	<u>4,342</u>	<u>13,906</u>	<u>18,613</u>

	Consolidated			(Unit: Baht'000)
	Amortisation-intangible asset	Liabilities under finance lease agreements and Depreciation		
Deferred tax liabilities			Total	
As at 1 January 2012	27,110	10,805	37,915	
Transaction recorded in profit/loss	(828)	5,179	4,351	
As at 30 June 2012	<u>26,282</u>	<u>15,984</u>	<u>42,266</u>	

	Company			(Unit: Baht'000)
	Allowance for doubtful accounts	Employee benefit		
Deferred tax asset			Total	
As at 1 January 2012	5,305	7,577	12,882	
Transaction recorded in profit/loss	(4,940)	408	(4,532)	
As at 30 June 2012	<u>365</u>	<u>7,985</u>	<u>8,350</u>	

	Company		(Unit: Baht'000)
	Liabilities under finance lease agreements and Depreciation		
Deferred tax liabilities			
As at 1 January 2012			10,232
Transaction recorded in profit/loss			4,899
As at 30 June 2012			<u>15,131</u>

14 Deferred tax and income tax (continued)

14.2 Income tax

The interim income tax expense is accrued based on management's estimate using the tax rate that based on the expected profit for the full year. The estimated tax rate is 21.20% per annum. (The estimated tax rate for the six-month period ended 30 June 2011 was 29.06% per annum).

For the six-month periods ended 30 June	(Unit: Baht'000)			
	Consolidated		Company	
	(Unaudited) 2012	(Unaudited) 2011	(Unaudited) 2012	(Unaudited) 2011
Current tax	191,589	213,525	167,358	190,595
Deferred tax assets	4,451	(2,931)	4,532	(1,627)
Deferred tax liabilities	4,351	6,720	4,899	7,548
Income tax recorded in statements of comprehensive income	<u>200,391</u>	<u>217,314</u>	<u>176,789</u>	<u>196,516</u>

15 Earnings per share

Earnings per share attributable to equity holders of the parent is calculated by dividing the net profit attributable to equity holders of the parent by the weighted average number of ordinary shares in issue during the periods (2012 and 2011: 1,663,725,149 shares).

There are no potential dilutive ordinary shares issued for this period, so diluted earnings per share is not presented in the financial statements.

16 Dividend payments

On 29 March 2012, at the Company's Annual General Shareholders' meeting of 2011, the meeting had approved a dividend payment of Baht 0.42 per share, totalling Baht 698.76 million. The Company paid an interim dividend of Baht 0.12 per share, totalling Baht 199.64 million on 20 September 2011 and additional dividend payment of Baht 0.30 per share, totalling Baht 499.10 million on 24 April 2012.

On 24 March 2011, at the Company's Annual General Shareholders' meeting of 2010, the meeting had approved a dividend payment of Baht 0.38 per share, totalling Baht 632.22 million. The Company paid an interim dividend of Baht 0.13 per share, totalling Baht 216.30 million on 21 September 2010 and additional dividend payment of Baht 0.25 per share, totalling Baht 415.92 million on 12 April 2011.

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17 Related parties transactions

The Company is a public listed company. The major shareholder is the Provincial Waterworks Authority which owns 40.2% of the company's share. The significant investments in subsidiaries are set out in note 8.

17.1 Transactions incurred during the periods

The following material transactions were carried out with related parties, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the company and these related parties.

	Consolidated		(Unit: Baht'000) Company	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	2012	2011	2012	2011
For the three-month periods ended 30 June				
<u>Sales - raw water</u>				
Major shareholders				
Industrial Estate Authority of Thailand	220,285	202,167	220,285	202,167
Provincial Waterworks Authority	181,115	146,789	181,115	146,789
Electricity Generating Public Company Limited	14,841	7,447	14,841	7,447
Subsidiary				
Universal Utilities Company Limited	-	-	40,975	28,858
<u>Sales - tap water</u>				
Major shareholder				
Provincial Waterworks Authority	178,013	144,654	37,484	13,120
<u>Rental and Service income</u>				
Major shareholder				
Provincial Waterworks Authority	24,268	21,912	-	-
Subsidiary				
Universal Utilities Company Limited	-	-	1,073	1,121
Other related party				
Egcom Tara Company Limited	15,557	13,967	-	-
<u>Dividend income</u>				
Other related party				
Egcom Tara Company Limited	4,767	8,876	4,767	8,876
<u>Other income</u>				
Subsidiary				
Universal Utilities Company Limited	-	-	1,317	917
<u>Service fee (include in costs of sales)</u>				
Subsidiary				
Universal Utilities Company Limited	-	-	72,661	57,536

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17 Related parties transactions (continued)

17.1 Transactions incurred during the periods (continued)

For the six-month period ended 30 June	Consolidated		(Unit: Baht'000) Company	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	2012	2011	2012	2011
<u>Sales - raw water</u>				
Major shareholders				
Industrial Estate Authority of Thailand	427,301	400,155	427,301	400,155
Provincial Waterworks Authority	352,035	291,620	352,035	291,620
Electricity Generating Public Company Limited	29,196	13,650	29,196	13,650
Subsidiary				
Universal Utilities Company Limited	-	-	75,815	58,525
<u>Sales - tap water</u>				
Major shareholder				
Provincial Waterworks Authority	348,177	281,662	73,545	62,088
<u>Rental and Service income</u>				
Major shareholder				
Provincial Waterworks Authority	45,886	47,507	-	-
Subsidiary				
Universal Utilities Company Limited	-	-	2,210	1,964
Other related party				
Egcom Tara Company Limited	29,410	27,677	-	-
<u>Dividend income</u>				
Subsidiary				
Universal Utilities Company Limited	-	-	25,143	12,903
Other related party				
Egcom Tara Company Limited	4,767	8,876	4,767	8,876
<u>Other income</u>				
Subsidiary				
Universal Utilities Company Limited	-	-	2,583	1,922
<u>Service fee (include in costs of sales)</u>				
Subsidiary				
Universal Utilities Company Limited	-	-	140,956	117,247

Pricing Policy for selling of raw water and rental is similar to market price.

Pricing Policy for selling of tap water and service income are mutually - agreed prices as stipulated in the contracts.

Cost of sale tap water are charged at mutually - agreed prices as stipulated in the contracts.

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17 Related parties transactions (continued)

17.2 Outstanding balances at the end of the periods

	Consolidated		(Unit: Baht'000)	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	30 June	31 December	30 June	31 December
	2012	2011	2012	2011
<u>Trade accounts receivable - billed</u>				
Major shareholders				
Provincial Waterworks Authority	86,996	111,553	86,996	94,093
Industrial Estate Authority of Thailand	76,737	70,857	76,737	70,856
Electricity Generating Public Company Limited	4,034	4,211	4,034	4,211
Subsidiary				
Universal Utilities Company Limited	-	-	18,580	15,440
Other related company				
Egcom Tara Company Limited	413	5,406	-	-
	168,180	192,027	186,347	184,600
<u>Unbilled receivables</u>				
Major shareholder				
Provincial Waterworks Authority	83,879	70,743	-	-
Other related company				
Egcom Tara Company Limited	10,637	4,887	-	-
	94,516	75,630	-	-
<u>Water loss treatment service income receivables</u>				
Major shareholder				
Provincial Waterworks Authority				
- billed	7,834	962	-	-
- unbilled	16,673	9,171	-	-
	24,507	10,133	-	-

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17 Related parties transactions (continued)

17.2 Outstanding balances at the end of the periods (continued)

The age analysis of the water loss treatment service income receivable-billed is as follows:

	Consolidated		(Unit: Baht'000)	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	30 June	31 December	30 June	31 December
	2012	2011	2012	2011
Within credit term	7,156	816	-	-
Past due less than 3 months	678	146	-	-
Total water loss treatment service income receivable - billed	<u>7,834</u>	<u>962</u>	<u>-</u>	<u>-</u>
<u>Dividend receivables</u>				
(include in trade and other receivables)				
Subsidiary				
Universal Utilities Company Limited	-	-	8,381	-
Other related company				
Egcom Tara Company Limited	4,767	-	4,767	-
<u>Other receivables</u>				
Major shareholders				
Provincial Waterworks Authority	15	10	-	-
Subsidiaries				
Universal Utilities Company Limited	-	-	615	2,105
EW Water Balance (Chonburi) Company Limited	-	-	8	-
EW Utilities Company Limited	-	-	8	-
EW Smart Water (Rayong) Company Limited	-	-	8	-
	<u>15</u>	<u>10</u>	<u>639</u>	<u>2,105</u>
<u>Trade accounts payable</u>				
Major shareholders				
Provincial Waterworks Authority	7,856	6,895	680	646
Industrial Estate Authority of Thailand	-	1	-	1
Subsidiaries				
Universal Utilities Company Limited	-	-	63,152	58,336
EW Water Balance (Chonburi) Company Limited	-	-	250	-
EW Utilities Company Limited	-	-	250	-
EW Smart Water (Rayong) Company Limited	-	-	250	-
Other related company				
Egcom Tara Company Limited	31	17	-	-
	<u>7,887</u>	<u>6,913</u>	<u>64,582</u>	<u>58,983</u>

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17 Related parties transactions (continued)

17.2 Outstanding balances at the end of the periods (continued)

The age analysis of the water loss treatment service income receivable-billed is as follows:

	(Unit: Baht'000)			
	Consolidated		Company	
	(Unaudited) 30 June 2012	(Audited) 31 December 2011	(Unaudited) 30 June 2012	(Audited) 31 December 2011
<u>Rental guarantees</u> (include in other non-current liabilities)				
Subsidiary				
Universal Utilities Company Limited	-	-	58	806

17.3 Management benefit expenses

Management benefit expenses composed of salaries, meeting allowance gratuities and post-employee benefits can be categorised as follows:

	(Unit: Baht'000)			
	Consolidated		Company	
	(Unaudited) 2012	(Unaudited) 2011	(Unaudited) 2012	(Unaudited) 2011
For the three-month period ended 30 June				
Short-term employee benefits	22,500	18,882	17,683	14,103
Post-employee benefits	727	686	449	425
	<u>23,227</u>	<u>19,568</u>	<u>18,132</u>	<u>14,528</u>

	(Unit: Baht'000)			
	Consolidated		Company	
	(Unaudited) 2012	(Unaudited) 2011	(Unaudited) 2012	(Unaudited) 2011
For the six-month period ended 30 June				
Short-term employee benefits	43,471	39,003	31,774	27,275
Post-employee benefits	1,455	1,372	898	851
	<u>44,926</u>	<u>40,375</u>	<u>32,672</u>	<u>28,126</u>

18 Commitments and contingent liabilities

The Group and the Company had the following commitments and contingent liabilities.

18.1 Capital expenditure commitments

As at 30 June 2012, the Group and the Company had commitments in respect of in-progress construction projects of Baht 3,392.5 million and Baht 3,193.5 million, respectively. (As at 31 December 2011: Baht 1,305.6 million and Baht 1,094.5 million, respectively).

18.2 Operating lease commitments

The Group and the Company had future minimum lease payments required under non-cancellable operating leases contracts regarding to vehicles, land and computer equipment as following:

	Consolidated		Company	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	30 June 2012	31 December 2011	30 June 2012	31 December 2011
Within 1 year	17.0	11.8	12.0	4.8
Within 1-5 year	6.7	5.4	4.5	2.7
More than 5 years	4.1	-	-	-
	<u>27.8</u>	<u>17.2</u>	<u>16.5</u>	<u>7.5</u>

18.3 Long-term service commitments

As at 30 June 2012, the Group and the Company had commitments in respect of service agreements for water loss treatment project and other services. Future service fees payable were totalling Baht 165.0 million and Baht 34.2 million, respectively. (As at 31 December 2011: Baht 159.5 million and Baht 7.2 million, respectively).

18.4 Guarantees

As at 30 June 2012, The Group and the Company had contingent liabilities from letters of guarantee issued by local commercial banks to the Provincial Electricity Authority for electricity consumption, to the Ministry of Finance for management and operation of the major water distribution pipeline systems in the Eastern Seaboard area, to the Provincial Electricity Authority and the Royal Irrigation Department for compliance to agreements, and to counterparty for bid bonds and performance bonds totalling Baht 248.6 million and Baht 149.1 million, respectively. (As at and 31 December 2011: Baht 281.1 million and Baht 153.1 million, respectively).

18 Commitments and contingent liabilities (continued)

18.5 Project compensation

A government agency is considering a deal for the Company to rent/manage the two pipeline connecting projects (“the projects”) and adjust the compensation. A letter issued by this government agency stipulated that the Company was initially to pay compensation for the projects at a percentage of the raw water sales from the projects, from the year operation commenced (1998). In addition, if it is later decided that the fair rate is more than the rate at which the Company has already paid, the Company is to make an additional payment, in full, as a lump sum; whereas if the fair rate is lower, the government agency agrees to pay back the surplus paid by offsetting it against the compensation of the following years.

On 8 January 2010, the government agency issued a letter to the Company notifying it that a deal for the Company to rent/manage the projects and the adjusting of compensation must be processed in accordance with the Act on Private Participation in a State Undertaking B.E. 2535, whereby a committee has, under Section 13, authority to set the compensation rate and negotiate benefits with the Company in order to reach a preliminary conclusion. Currently, it is in process of consideration by Deputy Permanent Secretary for Ministry of Finance. The conclusion will then be proposed to the Cabinet for a resolution in accordance with Section 21 of that Act.

18.6 Litigation

As at 30 June 2012, the Group and the Company have been sued as defendants in litigation cases with significant claims which have not been concluded, as follows:

- a) Litigation cases for which there have been changes since the financial statements for the year ended 31 December 2011

- (1) The Company was sued as a defendant by a former employee under the labour law.

On 13 June 2011, the Company was sued as a defendant by a former employee under the labour law under black case No.1887/2554 regarding the termination of their employment. The plaintiff lodged the lawsuit with the Central Labour Court, seeking compensation of Baht 32.5 million. On 1 June 2012, the Court issued a compromise judgement and ordered the defendant to pay Baht 4.35 million to the plaintiff. Both parties accepted this judgement, and this case was finalised.

- (2) The Company was sued as a defendant by a co-defendant together with the Provincial Waterworks Authority (“PWA”).

On 14 March 2006, Universal Utilities Company Limited, a subsidiary, was sued as a co-defendant together with the Provincial Waterworks Authority (“PWA”) in a case brought in connection with illegal acts performed by administrative agencies or state officials. The plaintiff petitioned the administrative court to void the selection process by which a private operator was selected to produce tap water for distribution to the PWA in the area belonging to the Rayong Waterworks. On 16 March 2007, the Rayong Administrative Court ordered the selection process voided in accordance with the plaintiff’s petition, and also declared void the agreement appointing a private firm to produce water for sale to the Rayong Waterworks, which had resulted from an illegal selection process. However, the PWA and the subsidiary lodged appeals with the Rayong Administrative Court on 12 April 2007 and the Rayong Administrative Court issued a court receipt for such appeal and then passed it to the Supreme Administrative Court. Currently, the owner’s arbitrator has specified the last day of fact finding to be 22 June 2012 before proposing this case to the judging panel.

- b) For significant litigation cases other than those mentioned above, there have been no changes from the disclosure in the notes to financial statements for the year ended 31 December 2011.