

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

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

**30 SEPTEMBER 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 September 2012, the related consolidated and company statements of comprehensive income for the three-month and nine-month periods ended 30 September 2012 and 2011, the related consolidated and company statements of changes in shareholders' equity, and cash flows for the nine-month period ended 30 September 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 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  
7 November 2012

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

	Notes	Consolidated		(Unit: Baht'000) Company	
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
		30 September 2012	31 December 2011	30 September 2012	31 December 2011
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents		246,467	128,690	183,127	73,442
Temporary investments	5	56,307	95,000	-	50,000
Trade and other receivables - net	6	448,898	417,582	341,779	297,474
Water loss treatment service income receivable - related party	17	21,367	10,133	-	-
Inventories		8,020	7,879	-	-
Other current assets		25,567	39,834	13,493	34,390
Non-current assets classified as held-for-sale	7	-	34,658	-	-
<b>Total current assets</b>		<b>806,626</b>	<b>733,776</b>	<b>538,399</b>	<b>455,306</b>
<b>Non-current assets</b>					
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	210,597	217,160	223,830	230,846
Property, plant and equipment - net	10	9,255,805	8,372,711	8,973,159	8,188,716
Assets under concession contracts - net	10	492,270	456,005	-	-
Deferred concession rights acquisition costs - net	10	536,876	541,774	-	-
Intangible assets - net	10	163,799	169,573	34,493	34,023
Deferred tax assets	14	9,436	12,831	-	2,650
Other non-current assets	11	643,818	178,940	587,734	155,689
<b>Total non-current assets</b>		<b>11,404,071</b>	<b>10,040,464</b>	<b>10,421,436</b>	<b>9,213,394</b>
<b>Total assets</b>		<b>12,210,697</b>	<b>10,774,240</b>	<b>10,959,835</b>	<b>9,668,700</b>

(Mr. Chamchai Soontharamut)  
Chairman

(Mr. Praphant Asava-aree)  
President & CEO

The accompanying notes on page 11 to 34 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 September 2012 and 31 December 2011**

	Notes	Consolidated		(Unit: Baht'000) Company	
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
		30 September 2012	31 December 2011	30 September 2012	31 December 2011
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Short-term loans from financial institutions	13	144,000	33,000	-	-
Trade accounts payable	12	137,834	105,664	149,457	127,101
Payable for purchase of fixed assets		191,997	183,600	187,638	177,333
Current portion of long-term liabilities under finance lease agreements		2,246	2,382	2,246	2,382
Current portion of long-term loans from financial institutions	13	737,690	620,996	690,250	522,750
Income tax payable		78,330	192,792	69,853	173,977
Accrued expenses		94,266	82,739	71,627	61,426
Other current liabilities		57,537	45,436	41,759	31,026
<b>Total current liabilities</b>		<b>1,443,900</b>	<b>1,266,609</b>	<b>1,212,830</b>	<b>1,095,995</b>
<b>Non-current liabilities</b>					
Long-term liabilities under finance lease agreements		639	2,325	639	2,325
Long-term loans from financial institutions	13	3,380,670	2,325,025	2,933,500	1,899,750
Deferred tax liabilities	14	34,900	27,683	8,061	-
Employee benefit obligations		71,464	64,958	40,733	37,673
Other non-current liabilities		173,051	151,440	153,465	129,865
<b>Total non-current liabilities</b>		<b>3,660,724</b>	<b>2,571,431</b>	<b>3,136,398</b>	<b>2,069,613</b>
<b>Total liabilities</b>		<b>5,104,624</b>	<b>3,838,040</b>	<b>4,349,228</b>	<b>3,165,608</b>
<b>Shareholders' equity</b>					
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		3,101,304	2,929,182	2,609,256	2,499,193
Other components of equity		32,604	35,152	32,604	35,152
Equity attributable to owners of the parent		7,102,655	6,933,081	6,610,607	6,503,092
Non-controlling interests		3,418	3,119	-	-
<b>Total shareholders' equity</b>		<b>7,106,073</b>	<b>6,936,200</b>	<b>6,610,607</b>	<b>6,503,092</b>
<b>Total liabilities and shareholders' equity</b>		<b>12,210,697</b>	<b>10,774,240</b>	<b>10,959,835</b>	<b>9,668,700</b>

The accompanying notes on page 11 to 34 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 September 2012 and 2011**

		(Unit: Baht'000)			
		Consolidated		Company	
	Notes	(Unaudited) 2,012	(Unaudited) 2,011	(Unaudited) 2,012	(Unaudited) 2,011
<b>Revenues</b>	17				
Sales - raw water		671,950	548,265	709,962	578,700
Sales - tap water		214,183	192,138	73,276	61,261
<b>Total sales</b>		886,133	740,403	783,238	639,961
Rental and service income		61,701	53,824	18,888	15,970
Other income		8,948	22,672	29,807	33,411
<b>Total revenues</b>		956,782	816,899	831,933	689,342
<b>Expenses</b>	17				
Cost of sales - raw water		251,498	200,617	265,725	211,701
Cost of sales - tap water		117,320	106,833	72,638	60,699
<b>Total cost of sales</b>		368,818	307,450	338,363	272,400
Cost of rental and services		57,181	43,738	16,331	15,161
Selling expenses		17,557	9,455	16,971	9,550
Administrative expenses		88,966	73,457	69,515	52,480
Expenses for development of life quality and environment		9,443	7,906	8,974	7,530
Finance costs		20,567	22,411	13,929	15,527
<b>Total expenses</b>		562,532	464,417	464,083	372,648
<b>Profit before income tax</b>		394,250	352,482	367,850	316,694
Income tax		(93,446)	(110,996)	(81,040)	(96,536)
<b>Net profit for the period</b>		300,804	241,486	286,810	220,158
<b>Other comprehensive income (expense):</b>					
Write off asset transferred from customer		(849)	(861)	(849)	(861)
<b>Other comprehensive expense for the period, net of tax</b>		(849)	(861)	(849)	(861)
<b>Total comprehensive income for the period</b>		299,955	240,625	285,961	219,297
<b>Profit attributable to</b>					
Equity holders of the parent company		300,656	241,370	286,810	220,158
Non - controlling interests		148	116	-	-
		300,804	241,486	286,810	220,158
<b>Total comprehensive income attribute to</b>					
Equity holders of the parent company		299,807	240,509	285,961	219,297
Non - controlling interests		148	116	-	-
		299,955	240,625	285,961	219,297
<b>Earnings per share for profit attributable to the equity holders of the parent company (Baht)</b>	15				
Basic earnings per share		0	0	0	0

The accompanying notes on page 11 to 34 are an integral part of these interim financial information.

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

		(Unit: Baht'000)			
		Consolidated		Company	
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Notes		2,012	2,011	2,012	2,011
	<b>Revenues</b>				
	17				
	Sales - raw water	1,968,090	1,687,067	2,079,420	1,776,027
	Sales - tap water	631,596	564,555	214,257	178,522
	<b>Total sales</b>	2,599,686	2,251,622	2,293,677	1,954,549
	Rental and service income	180,630	173,143	55,201	48,505
	Other income	32,279	44,599	75,662	66,155
	<b>Total revenues</b>	2,812,595	2,469,364	2,424,540	2,069,209
	<b>Expenses</b>				
	17				
	Cost of sales - raw water	636,474	577,943	672,479	608,418
	Cost of sales - tap water	339,130	324,619	212,515	176,699
	<b>Total cost of sales</b>	975,604	902,562	884,994	785,117
	Cost of rental and services	160,879	147,876	47,047	45,004
	Selling expenses	32,296	24,009	31,143	22,420
	Administrative expenses	254,863	252,235	191,182	186,036
	Expenses for development of life quality and environment	33,303	22,855	32,197	21,909
	Finance costs	57,416	57,488	38,248	38,174
	<b>Total expenses</b>	1,514,361	1,407,025	1,224,811	1,098,660
	<b>Profit before income tax</b>	1,298,234	1,062,339	1,199,729	970,549
	Income tax	(293,837)	(328,310)	(257,829)	(293,052)
	<b>Net profit for the period</b>	1,004,397	734,029	941,900	677,497
	<b>Other comprehensive income (expense):</b>				
	Write off asset transferred from customer	(2,548)	(2,546)	(2,548)	(2,546)
	<b>Other comprehensive expense for the period, net of tax</b>	(2,548)	(2,546)	(2,548)	(2,546)
	<b>Total comprehensive income for the period</b>	1,001,849	731,483	939,352	674,951
	<b>Profit attributable to</b>				
	Equity holders of the parent company	1,003,959	733,681	941,900	677,497
	Non-controlling interests	438	348	-	-
		1,004,397	734,029	941,900	677,497
	<b>Total comprehensive income attribute to</b>				
	Equity holders of the parent company	1,001,411	731,135	939,352	674,951
	Non - controlling interests	438	348	-	-
		1,001,849	731,483	939,352	674,951
	<b>Earnings per share for profit attributable to the equity holders of the parent company (Baht)</b>				
	15				
	Basic earnings per share	1	0	1	0

The accompanying notes on page 11 to 34 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 nine-month periods ended 30 September 2012 and 2011

(Unit: Baht'000)									
(Unaudited)									
Consolidated									
Equity holders of the parent					Other components of shareholders' equity				
Notes	Issued and paid-up share capital	Premium on share capital	Retained earnings		Assets transferred from customers-net	Total other component of shareholders' equity	Total owner of the parent	Non-controlling interests	Total shareholders' equity
			Appropriated - legal reserve	Unappropriated					
<b>Opening balance as at 1 January 2012</b>	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	16	-	-	(831,837)	-	-	(831,837)	(139)	(831,976)
Comprehensive income for the period		-	-	1,003,959	(2,548)	(2,548)	1,001,411	438	1,001,849
<b>Closing balance as at 30 September 2012</b>	<u>1,663,725</u>	<u>2,138,522</u>	<u>166,500</u>	<u>3,101,304</u>	<u>32,604</u>	<u>32,604</u>	<u>7,102,655</u>	<u>3,418</u>	<u>7,106,073</u>
<b>Opening balance as at 1 January 2011</b>									
- as previously report	1,663,725	2,138,522	166,500	2,606,839	38,550	38,550	6,614,136	2,785	6,616,921
Retrospective adjustment		-	-	(29,312)	-	-	(29,312)	-	(29,312)
<b>Opening balance as at 1 January 2011</b>									
- as restated	1,663,725	2,138,522	166,500	2,577,527	38,550	38,550	6,584,824	2,785	6,587,609
Brought forward adjustment		-	-	(40,333)	-	-	(40,333)	-	(40,333)
Dividend paid	16	-	-	(615,559)	-	-	(615,559)	(140)	(615,699)
Comprehensive income for the period		-	-	733,681	(2,546)	(2,546)	731,135	348	731,483
<b>Closing balance as at 30 September 2011</b>	<u>1,663,725</u>	<u>2,138,522</u>	<u>166,500</u>	<u>2,655,316</u>	<u>36,004</u>	<u>36,004</u>	<u>6,660,067</u>	<u>2,993</u>	<u>6,663,060</u>

The accompanying notes on page 11 to 34 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 nine-month periods ended 30 September 2012 and 2011**

(Unit: Baht'000)								
(Unaudited)								
Company								
	Notes	Issued and paid-up share capital	Premium on share capital	Retained earnings		Other components of shareholders' equity		Total shareholders' equity
				Appropriated - legal reserve	Unappropriated	Assets transferred from customers-net	Total other component of shareholders' equity	
<b>Opening balance as at 1 January 2012</b>		1,663,725	2,138,522	166,500	2,499,193	35,152	35,152	6,503,092
Dividend paid	16	-	-	-	(831,837)	-	-	(831,837)
Comprehensive income for the period		-	-	-	941,900	(2,548)	(2,548)	939,352
<b>Closing balance as at 30 September 2012</b>		<u>1,663,725</u>	<u>2,138,522</u>	<u>166,500</u>	<u>2,609,256</u>	<u>32,604</u>	<u>32,604</u>	<u>6,610,607</u>
<b>Opening balance as at 1 January 2011</b>								
- 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
<b>Opening balance as at 1 January 2011</b>								
- 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	-	-	-	(615,559)	-	-	(615,559)
Comprehensive income for the period		-	-	-	677,497	(2,546)	(2,546)	674,951
<b>Closing balance as at 30 September 2011</b>		<u>1,663,725</u>	<u>2,138,522</u>	<u>166,500</u>	<u>2,267,986</u>	<u>36,004</u>	<u>36,004</u>	<u>6,272,737</u>

The accompanying notes on page 11 to 34 are an integral part of these interim financial information.

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

	Notes	(Unit: Baht'000)			
		Consolidated		Company	
		(Unaudited) 2012	(Unaudited) 2011	(Unaudited) 2012	(Unaudited) 2011
<b>Cash flows from operating activities</b>					
Net profit before income tax		1,298,234	1,062,339	1,199,729	970,549
Adjustments to reconcile profit before income tax to net cash received (paid) from operating activities					
Allowance for doubtful accounts (Reversal)		(300)	-	(300)	-
Depreciation	10	227,749	239,082	190,811	201,093
Amortisation of deferred concession rights acquisition costs	10	21,331	20,071	-	-
Amortisation of rights and intangible asset	10	8,849	6,244	2,605	-
Impairment loss	10	1,940	-	-	-
Income from amortisation of assets transferred from customers		(2,548)	(2,546)	(2,548)	(2,546)
Loss on disposals/written off of property, plant and equipment		13,060	559	12,458	428
Employee benefit liabilities		6,506	5,988	3,060	2,800
Dividend income		(18,246)	(13,698)	(65,421)	(38,841)
Interest income		(5,535)	(9,047)	(1,961)	(6,292)
Interest expenses and amortisation of deferred interest under finance lease agreements		56,225	56,181	37,151	36,978
<b>Income from operating activities before changes in operating assets and liabilities</b>		<b>1,607,265</b>	<b>1,365,173</b>	<b>1,375,584</b>	<b>1,164,169</b>
Changes in operating assets (increase) decrease					
Trade and other accounts receivables		(26,252)	(10,203)	(17,206)	2,199
Water loss treatment service income receivable - related parties		(11,234)	846	-	-
Inventories		(141)	1,066	-	-
Other current assets		14,267	712	20,897	(2,658)
Other non-current assets		(5,654)	(12,388)	-	(11,487)
Changes in operating liabilities increase (decrease)					
Trade accounts payable		32,170	39,363	21,606	56,087
Accrued expenses		2,142	(83,330)	816	(55,101)
Other current liabilities		12,101	(1,264)	10,733	-
Other non-current liabilities		21,611	39,383	23,600	38,892
Cash provided by operating activities		1,646,275	1,339,358	1,436,030	1,192,101
Interest paid		(46,491)	(32,435)	(27,770)	(13,196)
Income tax paid		(397,687)	(354,238)	(351,242)	(308,762)
<b>Net cash generated from operating activities</b>		<b>1,202,097</b>	<b>952,685</b>	<b>1,057,018</b>	<b>870,143</b>

The accompanying notes on page 11 to 34 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 nine-month periods ended 30 September 2012 and 2011**

	Notes	(Unit: Baht'000)			
		Consolidated		Company	
		(Unaudited) 2,012	(Unaudited) 2,011	(Unaudited) 2,012	(Unaudited) 2,011
<b>Cash flows from investing activities</b>					
Restricted bank deposit		-	2,076	-	2,076
Purchase of temporary investment		-	(85,000)	-	(50,000)
Receive from temporary investment		38,693	-	50,000	-
Advance construction payment		(459,224)	-	(432,044)	-
Purchases of assets under concession contracts		(30,944)	(85,085)	-	-
Purchases of concession rights		(17,083)	(11,174)	-	-
Interest received		5,892	8,569	1,970	6,126
Dividend received from a related party and subsidiaries		13,479	8,876	38,622	21,779
Proceeds from disposals of property, plant and equipment		-	161	-	161
Purchase of intangible assets		(3,075)	(16,590)	(3,075)	(16,590)
Purchase of investment property		(4)	(111)	(4)	(118)
Purchases of property, plant and equipment		(1,034,994)	(795,220)	(923,793)	(780,161)
<b>Net cash used in investing activities</b>		<b>(1,487,260)</b>	<b>(973,498)</b>	<b>(1,268,324)</b>	<b>(816,727)</b>
<b>Cash flows from financing activities</b>					
Proceeds from short-term loans from financial institutions		388,000	19,000	200,000	-
Payment on short-term loans from financial institutions		(277,000)	(576,007)	(200,000)	(576,007)
Proceeds from long-term loans	13	2,018,610	1,346,000	1,524,000	1,093,000
Payment on long-term loans	13	(846,271)	(324,994)	(322,750)	(50,000)
Payment on liabilities under finance lease agreements		(1,822)	(1,418)	(1,822)	(1,418)
Interest paid for fund borrowed specifically to acquire qualifying assets		(46,889)	(23,418)	(46,889)	(23,418)
Dividends paid to Group shareholders	16	(831,688)	(615,328)	(831,548)	(615,188)
<b>Net cash generated from (used in) financing activities</b>		<b>402,940</b>	<b>(176,165)</b>	<b>320,991</b>	<b>(173,031)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>117,777</b>	<b>(196,978)</b>	<b>109,685</b>	<b>(119,615)</b>
Cash and cash equivalents at beginning of the periods		128,690	442,884	73,442	328,370
<b>Cash and cash equivalents at ending of the periods</b>		<b>246,467</b>	<b>245,906</b>	<b>183,127</b>	<b>208,755</b>
<b>Supplemental cash flow information</b>					
Non-cash related transactions:					
Net increase (decrease) in acquisition assets on credit		8,397	(122,727)	10,305	(106,917)
Transfer property, plant and equipment to non-current assets held for sale (Reversal)		(1,390)	1,268	-	-
Transfer assets under concession contracts to non-current assets held for sale (Reversal)		(33,267)	33,547	-	-

The accompanying notes on page 11 to 34 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 7 November 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 nine-month periods ended 30 September 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 September 2012						
	Sales		Service income				
	Supply of raw water business	Supply of tap water business	Waterworks management business	Engineering services	Others	Elimination	
<b>Revenue</b>							
Revenue from third parties	671,950	214,183	15,232	28,875	17,594	-	947,834
Revenue from inter-segment	38,012	-	73,309	-	1,295	(112,616)	-
<b>Total revenue</b>	709,962	214,183	88,541	28,875	18,889	(112,616)	947,834
<b>Cost of sales and services</b>	(265,724)	(145,788)	(81,178)	(29,391)	(26,370)	122,452	(425,999)
Segment operating profit	444,238	68,395	7,363	(516)	(7,481)	9,836	521,835
<b>Unallocated revenue (expenses)</b>							
Other income							8,948
Selling expenses							(17,557)
Administrative expenses and other expenses							(98,409)
Finance costs							(20,567)
Income tax							(93,446)
<b>Net profit</b>							<u>300,804</u>

(Unit: Baht'000)

	Consolidated (Unaudited)						Total
	For the three-month period ended 30 September 2011						
	Sales		Service income				
	Supply of raw water business	Supply of tap water business	Waterworks management business	Engineering services	Others	Elimination	
<b>Revenue</b>							
Revenue from third parties	548,265	192,138	14,966	18,872	19,986	-	794,227
Revenue from inter-segment	30,435	-	61,445	-	979	(92,859)	-
<b>Total revenue</b>	578,700	192,138	76,411	18,872	20,965	(92,859)	794,227
<b>Cost of sales and services</b>	(211,701)	(129,447)	(69,038)	(17,521)	(18,063)	94,582	(351,188)
Segment operating profit	366,999	62,691	7,373	1,351	2,902	1,723	443,039
<b>Unallocated revenue (expenses)</b>							
Other income							22,672
Selling expenses							(9,455)
Administrative expenses and other expenses							(81,363)
Finance costs							(22,411)
Income tax							(110,996)
<b>Net profit</b>							<u>241,486</u>

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**4 Segment information (continued)**

**4.1 Operating results by business segment (continued)**

(Unit: Baht'000)

	Consolidated (Unaudited)						Total
	For the nine-month period ended 30 September 2012						
	Sales		Service income				
Supply of raw water business	Supply of tap water business	Waterworks management business	Engineering services	Others	Elimination		
<b>Revenue</b>							
Revenue from third parties	1,968,090	631,596	44,665	84,269	51,696	-	2,780,316
Revenue from inter-segment	111,330	-	214,265	-	3,505	(329,100)	-
<b>Total revenue</b>	<b>2,079,420</b>	<b>631,596</b>	<b>258,930</b>	<b>84,269</b>	<b>55,201</b>	<b>(329,100)</b>	<b>2,780,316</b>
<b>Cost of sales and services</b>	<b>(672,477)</b>	<b>(425,765)</b>	<b>(237,805)</b>	<b>(81,896)</b>	<b>(40,810)</b>	<b>322,270</b>	<b>(1,136,483)</b>
Segment operating profit	1,406,943	205,831	21,125	2,373	14,391	(6,830)	1,643,833
<b>Unallocated revenue (expenses)</b>							
Other income							32,279
Selling expenses							(32,296)
Administrative expenses and other expenses							(288,166)
Finance costs							(57,416)
Income tax							(293,837)
<b>Net profit</b>							<b>1,004,397</b>

(Unit: Baht'000)

	Consolidated (Unaudited)						Total
	For the nine-month period ended 30 September 2011						
	Sales		Service income				
Supply of raw water business	Supply of tap water business	Waterworks management business	Engineering services	Others	Elimination		
<b>Revenue</b>							
Revenue from third parties	1,687,067	564,555	45,122	64,383	63,638	-	2,424,765
Revenue from inter-segment	88,960	-	178,692	-	2,943	(270,595)	-
<b>Total revenue</b>	<b>1,776,027</b>	<b>564,555</b>	<b>223,814</b>	<b>64,383</b>	<b>66,581</b>	<b>(270,595)</b>	<b>2,424,765</b>
<b>Cost of sales and services</b>	<b>(608,418)</b>	<b>(384,962)</b>	<b>(208,744)</b>	<b>(60,697)</b>	<b>(57,971)</b>	<b>270,354</b>	<b>(1,050,438)</b>
Segment operating profit	1,167,609	179,593	15,070	3,686	8,610	(241)	1,374,327
<b>Unallocated revenue (expenses)</b>							
Other income							44,599
Selling expenses							(24,009)
Administrative expenses and other expenses							(275,090)
Finance costs							(57,488)
Income tax							(328,310)
<b>Net profit</b>							<b>734,029</b>

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**4 Segment information (continued)**

**4.2 Asset information by business segment**

**(Unit: Baht'000)**

	<b>Consolidated (Unaudited)</b>						<b>Total</b>
	<b>As at 30 September 2012</b>						
	<b>Supply of raw water business</b>	<b>Supply of tap water business</b>	<b>Waterworks management business</b>	<b>Engineering services</b>	<b>Unallocated assets</b>	<b>Elimination</b>	
Trade and other receivables - net	262,517	132,748	110,784	5,142	53,619	(115,912)	448,898
Water loss treatment service income receivable	-	-	-	21,367	-	-	21,367
Inventories	-	3,044	2,978	1,998	-	-	8,020
Investment property - net	-	-	-	-	210,597	-	210,597
Property, plant and equipment - net	8,562,630	109,190	158,941	202	424,842	-	9,255,805
Assets under concession contracts - net	-	241,501	250,769	-	-	-	492,270
Deferred concession rights acquisition costs - net	-	426,272	110,604	-	-	-	536,876
Intangible assets - net	-	129,306	-	-	34,493	-	163,799
Other non-current assets	584,761	27,180	-	-	31,877	-	643,818
Unallocated assets and other assets	-	-	-	-	940,059	(510,812)	429,247
<b>Total assets</b>	<b>9,409,908</b>	<b>1,069,241</b>	<b>634,076</b>	<b>28,709</b>	<b>1,695,487</b>	<b>(626,724)</b>	<b>12,210,697</b>

**(Unit: Baht'000)**

	<b>Consolidated (Audited)</b>						<b>Total</b>
	<b>As at 31 December 2011</b>						
	<b>Supply of raw water business</b>	<b>Supply of tap water business</b>	<b>Waterworks management business</b>	<b>Engineering services</b>	<b>Unallocated assets</b>	<b>Elimination</b>	
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
<b>Total assets</b>	<b>8,241,620</b>	<b>1,001,628</b>	<b>590,793</b>	<b>18,790</b>	<b>1,508,453</b>	<b>(587,044)</b>	<b>10,774,240</b>



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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**

	<b>Company (Unaudited)</b>			
	<b>For the three-month periods ended 30 September</b>			
	<b>2012</b>		<b>2011</b>	
	<b>Sales Volume</b>	<b>Sales</b>	<b>Sales Volume</b>	<b>Sales</b>
	<b>Cubic Meters'000</b>	<b>Baht'000</b>	<b>Cubic Meters'000</b>	<b>Baht'000</b>
Nong Pla Lai - Map Ta Pud Network	19,815	197,897	19,375	178,053
Dok Krai - Map Ta Pud Network	24,415	245,331	22,314	204,985
Chachoengsao - Chonburi Network	20,082	201,579	17,224	153,326
Nong Pla Lai - Nong Khor Network	6,507	65,155	4,643	42,337
<b>Total</b>	<b>70,819</b>	<b>709,962</b>	<b>63,556</b>	<b>578,701</b>

	<b>Company (Unaudited)</b>			
	<b>For the nine-month periods ended 30 September</b>			
	<b>2012</b>		<b>2011</b>	
	<b>Sales Volume</b>	<b>Sales</b>	<b>Sales Volume</b>	<b>Sales</b>
	<b>Cubic Meters'000</b>	<b>Baht'000</b>	<b>Cubic Meters'000</b>	<b>Baht'000</b>
Nong Pla Lai - Map Ta Pud Network	58,271	574,974	58,456	537,213
Dok Krai - Map Ta Pud Network	76,787	757,574	68,530	630,288
Chachoengsao - Chonburi Network	58,699	580,025	51,480	458,547
Nong Pla Lai - Nong Khor Network	16,892	166,847	16,530	149,980
<b>Total</b>	<b>210,649</b>	<b>2,079,420</b>	<b>194,996</b>	<b>1,776,028</b>

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

	<b>(Unit: Baht'000)</b>	
	<b>Company</b>	
	<b>(Unaudited)</b>	
	<b>For the three-month periods</b>	
	<b>ended 30 September</b>	
	<b>2012</b>	<b>2011</b>
Nong Khor - Laem Chabang Network 1	153,354	116,062
Nong Khor - Laem Chabang Network 2	43,271	33,669
Chachoengsao Network	4,954	3,595
<b>Total</b>	<b>201,579</b>	<b>153,326</b>

	<b>(Unit: Baht'000)</b>	
	<b>Company</b>	
	<b>(Unaudited)</b>	
	<b>For the nine-month periods</b>	
	<b>ended 30 September</b>	
	<b>2012</b>	<b>2011</b>
Nong Khor - Laem Chabang Network 1	448,297	337,260
Nong Khor - Laem Chabang Network 2	113,540	105,121
Chachoengsao Network	18,188	16,166
<b>Total</b>	<b>580,025</b>	<b>458,547</b>

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**4 Segment information** (continued)

**4.3 Sales of raw water by distribution networks** (continued)

**4.3.2 Proportion of raw water sold to end users**

	<b>Company (Unaudited)</b>	
	<b>For the nine-month periods ended 30 September</b>	
	<b>2012</b>	<b>2011</b>
	%	%
Industrial Estates	51.59	51.90
Waterworks Authority	31.25	30.84
Factories	17.16	17.26
Total	<u>100.00</u>	<u>100.00</u>

**5 Temporary investments**

As at 30 September 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 September 2012 and 31 December 2011 is as follows:

	<b>(Unit: Baht'000)</b>			
	<b>Consolidated</b>		<b>Company</b>	
	<b>(Unaudited) 30 September 2012</b>	<b>(Audited) 31 December 2011</b>	<b>(Unaudited) 30 September 2012</b>	<b>(Audited) 31 December 2011</b>
Trade receivables - net	366,333	363,707	292,864	279,939
Receivables from others	57,252	35,922	2,958	2,326
Prepayments	20,125	13,685	18,737	10,941
Dividend receivables	4,767	-	26,799	-
Others	421	4,268	421	4,268
	<u>448,898</u>	<u>417,582</u>	<u>341,779</u>	<u>297,474</u>

As at 30 September 2012, receivable from other in the consolidated financial statements included accounts receivable between a subsidiary and a private company totaling Baht 47.3 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.

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**6 Trade and other receivables - net (continued)**

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

	<b>Consolidated</b>		<b>Company</b>	
	<b>(Unaudited)</b>	<b>(Audited)</b>	<b>(Unaudited)</b>	<b>(Audited)</b>
	<b>30 September</b>	<b>31 December</b>	<b>30 September</b>	<b>31 December</b>
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
Trade accounts receivable - billed				
- Third parties	100,258	95,793	99,877	95,339
- Related parties (Note 17.2)	175,463	192,027	192,987	184,600
Total trade account receivable - billed	275,721	287,820	292,864	279,939
Unbilled receivables				
- Third parties	265	257	-	-
- Related parties (Note 17.2)	90,347	75,630	-	-
Total unbilled receivables	90,612	75,887	-	-
	366,333	363,707	292,864	279,939

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

	<b>Consolidated</b>		<b>Company</b>	
	<b>(Unaudited)</b>	<b>(Audited)</b>	<b>(Unaudited)</b>	<b>(Audited)</b>
	<b>30 September</b>	<b>31 December</b>	<b>30 September</b>	<b>31 December</b>
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
Within credit term	246,094	258,327	263,263	250,843
Overdue below 3 months	15,644	29,399	15,646	29,009
Overdue 3 - 6 months	13,887	523	13,889	516
Overdue 6 - 12 months	711	486	681	486
	276,336	288,735	293,479	280,854
<u>Less</u> Allowance for doubtful accounts	(615)	(915)	(615)	(915)
	275,721	287,820	292,864	279,939

**7 Non-current assets held for sale, net**

On 23 June 2011, 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 34.7 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. Since second quarter of

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2012, the subsidiary has 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) 30 September 2012 (Baht Million)	(Audited) 31 December 2011 (Baht Million)	(Unaudited) 30 September 2012 %	(Audited) 31 December 2011 %	(Unaudited) 30 September 2012 (Baht'000)	(Audited) 31 December 2011 (Baht'000)	(Unaudited) 30 September 2012 (Baht'000)	(Unaudited) 30 September 2011 (Baht'000)
Universal Utilities Company Limited	Produce and supply of tap water	Thailand	510.00	510.00	100	100	510,000	510,000	47,175	25,143
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	47,175	25,143

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 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 25.2 million. The subsidiary paid all dividend within 2 July 2012.

On 21 September 2012, at the Board of Directors meeting of Universal Utilities Company Limited, the meetings have approved dividend payments of Baht 0.432 per share totalling Baht 22.0 million. The subsidiary will pay all dividend within December 2012.

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**9 Other long-term investments**

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

	<b>Consolidated</b>		<b>(Unit: Baht'000)</b> <b>Company</b>	
	<b>(Unaudited)</b> <b>30 September</b> <b>2012</b>	<b>(Audited)</b> <b>31 December</b> <b>2011</b>	<b>(Unaudited)</b> <b>30 September</b> <b>2012</b>	<b>(Audited)</b> <b>31 December</b> <b>2011</b>
<b><u>Long-term investments</u></b>				
<b><u>General investments</u></b>				
- Egcom Tara Company Limited	91,470	91,470	91,470	91,470
Total long-term investments	91,470	91,470	91,470	91,470

In the second and third quarters of 2012, Egcom Tara Company Limited declared of dividend payment to the Company amount of Baht 13.5 million and Baht 4.8 million, respectively.

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**10 Capital expenditures**

	<b>Consolidated</b>					<b>Company</b>		
	<b>Investment property</b>	<b>Property, plant and equipment</b>	<b>Assets under concession contracts</b>	<b>Deferred concession rights acquisition costs</b>	<b>Intangible assets</b>	<b>Investment property</b>	<b>Property, plant and equipment</b>	<b>Intangible assets</b>
<b>For the nine-month periods ended 30 September 2012</b>								
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	1,090,147	30,737	16,433	3,075	4	980,692	3,075
Write-off, net	-	(12,930)	(130)	-	-	-	(12,458)	-
Transfer	37	646	(683)	-	-	40	(40)	-
Transfer from non-current assets held for sale	-	1,390	33,267	-	-	-	-	-
Impairment loss	-	-	(1,940)	-	-	-	-	-
Depreciation/Amortisation	(6,604)	(196,159)	(24,986)	(21,331)	(8,849)	(7,060)	(183,751)	(2,605)
Closing net book amount (Unaudited)	210,597	9,255,805	492,270	536,876	163,799	223,830	8,973,159	34,493

As at 30 September 2012, the Group and the Company have motor vehicles and equipment under finance lease agreements with net book values amounting to Baht 2.9 million and Baht 2.9 million, respectively. (As at 31 December 2011: amounting to Baht 4.7 million and Baht 4.7 million, respectively).

In the second quarter of 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 September 2012, the fair value of investment property in consolidated 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 in 2011 which management assessed that no significant change in fair value of investment property from appraised date.

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**10 Capital expenditures (continued)**

On 16 July 2012, Koh Srichang Municipality informed the Company in writing of the termination of its concession contract and requested the Company to transfer its tap water business to Koh Srichang Municipality because the quality of tap water did not meet standard of the Provincial Waterworks Authority as specified in the contract. On 27 July 2012, the Company sent a letter to Koh Srichang Municipality to defend the quality of its tap water as meeting the standard attached with the result of LAB quality testing. This matter is currently subject of dispute and has not yet been finalised. Net book value of plant and equipment and assets under concession contracts used for conducting business related to tap water business in Koh Srichang on 30 September 2012 is Baht 4.4 million in consolidated financial information.

**11 Other non-current assets**

	(Unit: Baht'000)			
	Consolidated		Company	
	(Unaudited) 30 September 2012	(Audited) 31 December 2011	(Unaudited) 30 September 2012	(Audited) 31 December 2011
Advance construction payment and prepaid expenses	640,059	175,780	586,855	154,811
Deposit and retention	1,950	1,947	-	-
Other	1,809	1,213	879	878
	<u>643,818</u>	<u>178,940</u>	<u>587,734</u>	<u>155,689</u>

**12 Trade accounts payable**

	(Unit: Baht'000)			
	Consolidated		Company	
	(Unaudited) 30 September 2012	(Audited) 31 December 2011	(Unaudited) 30 September 2012	(Audited) 31 December 2011
Third parties	126,620	98,751	72,664	68,118
Related parties (Note 17.2)	11,214	6,913	76,793	58,983
	<u>137,834</u>	<u>105,664</u>	<u>149,457</u>	<u>127,101</u>

**13 Borrowings**

**13.1 Short-term loans from financial institutions**

	(Unit: Baht'000)			
	Consolidated		Company	
	(Unaudited) 30 September 2012	(Audited) 31 December 2011	(Unaudited) 30 September 2012	(Audited) 31 December 2011
Promissory note	144,000	33,000	-	-
	<u>144,000</u>	<u>33,000</u>	<u>-</u>	<u>-</u>

As at 30 September 2012, the Group and the Company have a short-term loan from unsecured promissory note with financial institutions totalling Baht 144.0 million (As at 31 December 2011: Baht 33.0 million) which is due at call with an interest rate of 3.40% - 3.76% per annum. (As at 31 December 2011: 3.40% per annum).



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**13 Borrowings (continued)**

**13.2 Long-term loans from financial institutions**

	<b>Consolidated</b>		<b>Company</b>	
	<b>(Unaudited)</b>	<b>(Audited)</b>	<b>(Unaudited)</b>	<b>(Audited)</b>
	<b>30 September</b>	<b>31 December</b>	<b>30 September</b>	<b>31 December</b>
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
Long-term loans from financial institutions	4,118,360	2,946,021	3,623,750	2,422,500
<u>Less</u> Current portion of long-term loans	<u>(737,690)</u>	<u>(620,996)</u>	<u>(690,250)</u>	<u>(522,750)</u>
Long-term loans from financial institutions - net	<u>3,380,670</u>	<u>2,325,025</u>	<u>2,933,500</u>	<u>1,899,750</u>

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

	<b>(Unit: Baht'000)</b>	
	<b>Consolidated</b>	<b>Company</b>
Balance as at 1 January 2012 (Audited)	2,946,021	2,422,500
Additions	2,018,610	1,524,000
Repayments	<u>(846,271)</u>	<u>(322,750)</u>
Balance as at 30 September 2012 (Unaudited)	<u>4,118,360</u>	<u>3,623,750</u>

In the second and third quarters of 2012, the Company had additional unsecured loan agreements from two local banks with a credit facility of Baht 3,710.0 million and has already drawn down Baht 690.0 million. The principal is repayable within ten years. The interest rate in the first to third year is 4.65% to 4.75% and is then THBFIX (6 months) plus 1.875% or Minimum Loan Rate (MLR) deduct 2.65% from the fourth year onwards, up to contract.

In the third quarter of 2012, the subsidiary had an additional unsecured loan agreement from a local bank with a credit facility of Baht 1,000.0 million and has already drawn down Baht 494.6 million which is used for refinancing amount of Baht 458.6 million. The principal is repayable within ten years. The interest rate in the first to third year is 4.625% and is then Minimum Loan Rate (MLR) deduct 2.65% from the fourth year onwards.

As at 30 September 2012, the Group and the Company have long-term loans that are not being used amounting to Baht 3,952.4 million and Baht 3,447.0 million, respectively. (As at 31 December 2011: Baht 1,449.0 million and Baht 1,261.0 million, respectively).

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**14 Deferred tax and income tax**

**14.1 Deferred tax**

Deferred tax asset and liability are consisted of follow;

	(Unit: Baht'000)			
	Consolidated		Company	
	(Unaudited) 30 September 2012	(Audited) 31 December 2011	(Unaudited) 30 September 2012	(Audited) 31 December 2011
Deferred tax assets	17,990	23,063	8,554	12,882
Deferred tax liabilities	(43,454)	(37,915)	(16,615)	(10,232)
Deferred tax - net	(25,464)	(14,852)	(8,061)	2,650

Present in statement of financial position as following;

Deferred tax assets	9,436	12,831	-	2,650
Deferred tax liabilities	(34,900)	(27,683)	(8,061)	-

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.

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

	(Unit: Baht'000)			
	Consolidated			
Deferred tax assets	Allowance for doubtful accounts	Depreciation and Impairment of assets	Employee benefit	Total
As at 1 January 2012	5,305	4,717	13,041	23,063
Transaction recorded in profit/loss	(4,940)	(1,444)	1,311	(5,073)
As at 30 September 2012	365	3,273	14,352	17,990

	(Unit: Baht'000)		
	Consolidated		
Deferred tax liabilities	Amortisation- intangible asset	Liabilities under finance lease agreements and Depreciation	Total
As at 1 January 2012	27,110	10,805	37,915
Transaction recorded in profit/loss	(1,248)	6,787	5,539
As at 30 September 2012	25,862	17,592	43,454

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**14 Deferred tax and income tax** (continued)

**14.1 Deferred tax** (continued)

	(Unit: Baht'000)		
	Company		
<b>Deferred tax asset</b>	<b>Allowance for doubtful accounts</b>	<b>Employee benefit</b>	<b>Total</b>
As at 1 January 2012	5,305	7,577	12,882
Transaction recorded in profit/loss	(4,940)	612	(4,328)
As at 30 September 2012	<u>365</u>	<u>8,189</u>	<u>8,554</u>

	(Unit: Baht'000)
	Company
<b>Deferred tax liabilities</b>	<b>Liabilities under finance lease agreements and Depreciation</b>
As at 1 January 2012	10,232
Transaction recorded in profit/loss	6,383
As at 30 September 2012	<u>16,615</u>

**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 21.89% per annum. (The estimated tax rate for the nine-month period ended 30 September 2011 was 29.06% per annum).

	(Unit: Baht'000)			
	Consolidated		Company	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<b>For the nine-month periods ended 30 September</b>	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
Current tax	293,371	320,960	255,774	282,676
Deferred tax assets	(5,073)	(2,790)	(4,328)	(1,013)
Deferred tax liabilities	5,539	10,140	6,383	11,389
Income tax recorded in statements of comprehensive income	<u>293,837</u>	<u>328,310</u>	<u>257,829</u>	<u>293,052</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**

**2012 :**

On 20 February 2012, at the Company's Annual General Shareholders' meeting of 2011, the meeting had approved a dividend payment on operating results for the six-month period ended 31 December 2011 to the Company's shareholders of Baht 0.30 per share, totalling Baht 499.1 million. The Company paid this dividend on 24 April 2012.

On 22 August 2012, at the Board of Director's meeting, the meeting had approved an interim dividend payment from operating results for the six-month period ended 30 June 2012 to the Company's shareholders of Baht 0.20 per share, totalling Baht 332.7 million. The Company paid this dividend on 21 September 2012.

**2011 :**

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 216.3 million on 21 September 2010 and additional dividend payment of Baht 0.25 per share, totalling Baht 415.9 million on 12 April 2011.

On 22 August 2011, at the Board of Directors' meeting of the Company, the meeting had approved an interim dividend payment from operating results for the six-month period ended 30 June 2011 to the Company's shareholders of Baht 0.12 per share, totalling Baht 199.6 million. The Company paid this dividend on 20 September 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.

	(Unit: Baht'000)			
	Consolidated		Company	
	(Unaudited) 2012	(Unaudited) 2011	(Unaudited) 2012	(Unaudited) 2011
<b>For the three-month periods ended 30 September</b>				
<b><u>Sales - raw water</u></b>				
<b>Major Shareholders</b>				
Industrial Estate Authority of Thailand	214,076	197,019	214,076	197,019
Provincial Waterworks Authority	184,160	143,166	184,160	143,166
Electricity Generating Public Company Limited	13,891	4,868	13,891	4,868
<b>Subsidiary</b>				
Universal Utilities Company Limited	-	-	38,013	30,435
<b><u>Sales - tap water</u></b>				
<b>Major Shareholder</b>				
Provincial Waterworks Authority	178,456	139,441	38,449	10,954
<b><u>Rental and Service income</u></b>				
<b>Shareholder</b>				
Provincial Waterworks Authority	24,991	19,784	-	-
<b>Subsidiary</b>				
Universal Utilities Company Limited	-	-	812	979
<b>Other related party</b>				
Egcom Tara Company Limited	14,741	14,189	-	-
<b><u>Dividend income</u></b>				
<b>Subsidiary</b>				
Universal Utilities Company Limited	-	-	22,032	12,240
<b>Other related party</b>				
Egcom Tara Company Limited	4,767	4,822	4,767	4,822
<b><u>Other income</u></b>				
<b>Subsidiary</b>				
Universal Utilities Company Limited	-	-	1,013	869
<b><u>Service fee (include in costs of sales)</u></b>				
<b>Subsidiary</b>				
Universal Utilities Company Limited	-	-	73,309	61,445

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**17 Related parties transactions (continued)**

**17.1 Transactions incurred during the periods (continued)**

	<b>Consolidated</b>		<b>(Unit: Baht'000)</b>	
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>For the nine-month period ended 30 September</b>	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
<b><u>Sales - raw water</u></b>				
<b>Major Shareholders</b>				
Industrial Estate Authority of Thailand	641,377	597,174	641,377	597,174
Provincial Waterworks Authority	536,195	434,785	536,195	434,785
Electricity Generating Public Company Limited	43,087	18,518	43,087	18,518
<b>Subsidiary</b>				
Universal Utilities Company Limited	-	-	113,827	88,961
<b><u>Sales - tap water</u></b>				
<b>Major Shareholder</b>				
Provincial Waterworks Authority	526,633	421,093	111,994	37,460
<b><u>Rental and Service income</u></b>				
<b>Major Shareholder</b>				
Provincial Waterworks Authority	70,877	67,291	-	-
<b>Subsidiary</b>				
Universal Utilities Company Limited	-	-	2,539	2,943
<b>Other related party</b>				
Egcom Tara Company Limited	44,151	41,866	-	-
<b><u>Dividend income</u></b>				
<b>Subsidiary</b>				
Universal Utilities Company Limited	-	-	47,175	25,143
<b>Other related party</b>				
Egcom Tara Company Limited	18,246	13,698	18,246	13,698
<b><u>Other income</u></b>				
<b>Subsidiary</b>				
Universal Utilities Company Limited	-	-	3,596	2,722
<b><u>Service fee (include in costs of sales)</u></b>				
<b>Subsidiary</b>				
Universal Utilities Company Limited	-	-	214,265	178,692

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**

	<b>Consolidated</b>		<b>(Unit: Baht'000)</b>	
	<b>(Unaudited)</b>	<b>(Audited)</b>	<b>(Unaudited)</b>	<b>(Audited)</b>
	<b>30 September</b>	<b>31 December</b>	<b>30 September</b>	<b>31 December</b>
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
<b><u>Trade accounts receivable - billed</u></b>				
<b>Major shareholders</b>				
Provincial Waterworks Authority	98,567	111,554	98,546	94,093
Industrial Estate Authority of Thailand	72,267	70,856	72,267	70,856
Electricity Generating Public Company Limited	4,629	4,211	4,629	4,211
<b>Subsidiary</b>				
Universal Utilities Company Limited	-	-	17,545	15,440
<b>Other related company</b>				
Egcom Tara Company Limited	-	5,406	-	-
	<u>175,463</u>	<u>192,027</u>	<u>192,987</u>	<u>184,600</u>
<b><u>Unbilled receivables</u></b>				
<b>Major shareholder</b>				
Provincial Waterworks Authority	80,542	70,743	-	-
<b>Other related company</b>				
Egcom Tara Company Limited	9,805	4,887	-	-
	<u>90,347</u>	<u>75,630</u>	<u>-</u>	<u>-</u>
<b><u>Water loss treatment service income receivables</u></b>				
<b>Major shareholder</b>				
Provincial Waterworks Authority				
- billed	16,285	962	-	-
- unbilled	5,082	9,171	-	-
	<u>21,367</u>	<u>10,133</u>	<u>-</u>	<u>-</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:

	<b>Consolidated</b>		<b>Company</b>	
	<b>(Unaudited)</b>	<b>(Audited)</b>	<b>(Unaudited)</b>	<b>(Audited)</b>
	<b>30 September</b>	<b>31 December</b>	<b>30 September</b>	<b>31 December</b>
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
Within credit term	16,043	816	-	-
Past due less than 3 months	84	146	-	-
Past due more than 3 months	158	-	-	-
<b>Total water loss treatment service income receivable - billed</b>	<b>16,285</b>	<b>962</b>	<b>-</b>	<b>-</b>
<b>Dividend receivables</b>				
<b>(include in trade and other receivables)</b>				
<b>Subsidiary</b>				
Universal Utilities Company Limited	-	-	22,032	-
<b>Other related company</b>				
Egcom Tara Company Limited	4,767	-	4,767	-
<b>Other receivables</b>				
<b>Major shareholders</b>				
Provincial Waterworks Authority	13	10	-	-
<b>Subsidiaries</b>				
Universal Utilities Company Limited	-	-	690	2,105
EW Water Balance (Chonburi) Company Limited	-	-	8	-
EW Utilities Company Limited	-	-	8	-
EW Smart Water (Rayong) Company Limited	-	-	8	-
	<b>13</b>	<b>10</b>	<b>714</b>	<b>2,105</b>
<b>Trade accounts payable</b>				
<b>Major shareholders</b>				
Provincial Waterworks Authority	11,214	6,895	677	646
Industrial Estate Authority of Thailand	-	1	-	1
<b>Subsidiaries</b>				
Universal Utilities Company Limited	-	-	75,366	58,336
EW Water Balance (Chonburi) Company Limited	-	-	250	-
EW Utilities Company Limited	-	-	250	-
EW Smart Water (Rayong) Company Limited	-	-	250	-
<b>Other related company</b>				
Egcom Tara Company Limited	-	17	-	-
	<b>11,214</b>	<b>6,913</b>	<b>76,793</b>	<b>58,983</b>



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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:

	<b>Consolidated</b>		<b>Company</b>	
	<b>(Unaudited)</b>	<b>(Audited)</b>	<b>(Unaudited)</b>	<b>(Audited)</b>
	<b>30 September</b>	<b>31 December</b>	<b>30 September</b>	<b>31 December</b>
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
<b>(Unit: Baht'000)</b>				
<b><u>Rental guarantees</u></b>				
(include in other non-current liabilities)				
<b>Subsidiary</b>				
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:

	<b>Consolidated</b>		<b>Company</b>	
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
<b>(Unit: Baht'000)</b>				
<b>For the three-month period ended</b>				
<b>30 September</b>				
Short-term employee benefits	17,702	17,224	12,274	12,174
Post-employee benefits	726	686	448	425
	<u>18,428</u>	<u>17,910</u>	<u>12,722</u>	<u>12,599</u>
<b>(Unit: Baht'000)</b>				
<b>For the nine-month period ended</b>				
<b>30 September</b>				
Short-term employee benefits	61,172	56,766	44,048	39,448
Post-employee benefits	2,182	2,058	1,346	1,277
	<u>63,354</u>	<u>58,824</u>	<u>45,394</u>	<u>40,725</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 September 2012, the Group and the Company had commitments in respect of in-progress construction projects of Baht 2,866.5 million and Baht 2,728.5 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		(Unit: Baht'000) Company	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	30 September 2012	31 December 2011	30 September 2012	31 December 2011
Within 1 year	13.4	11.8	9.0	4.8
Within 1-5 year	6.7	5.4	4.9	2.7
More than 5 years	4.1	-	-	-
	<u>24.2</u>	<u>17.2</u>	<u>13.9</u>	<u>7.5</u>

### 18.3 Long-term service commitments

As at 30 September 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 37.5 million and Baht 28.1 million, respectively (as at 31 December 2011: Baht 159.5 million and Baht 7.2 million, respectively).

### 18.4 Guarantees

As at 30 September 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 251.7 million and Baht 149.3 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 September 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. The owner’s arbitrator specified the last day of fact finding to be 22 June 2012 before proposing this case to the judging panel.

**18 Commitments and contingent liabilities** (continued)

**18.6 Litigation** (continued)

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

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

(3) The Company was sued as a co-defendant together with a private company

On 27 June 2011, the Company was sued as a co-defendant together with a private company by the State Railway of Thailand in relation to a claim for damages for soil erosion on its land caused by the excavation of a raw water pit at the water pumping project in Chonburi. The plaintiff lodged the lawsuit, Black Case No.722/2554, with the Chonburi Provincial Court, seeking compensation amounting to Baht 12.9 million. The Company's defence was that it was not a party to the excavation operation but was only a purchaser of raw water from the private company. Later, on 19 July 2012, the Chonburi Provincial Court dismissed the case against the Company and judged that it was the private company that was liable to the State Railway of Thailand.

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.

**19 Post balance sheet event**

On 2 October 2012, the Company had cooperated with the Rayong Provincial Administrative Organisation to establish Samet Utilities Co., Ltd. to produce tap water from sea water by Reverse Osmosis (RO) system. The Company invested in 110,000 registered ordinary shares with par value of Baht 5 per share, or 55% of investment. The shares were called for paid up at 25% totalling to Baht 137,500.