

AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

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 statement of financial position as at 30 September 2013, the related consolidated and company statements of comprehensive income for the three-month and nine-month period then ended, the related consolidated and company statements of changes in shareholders' equity, and cash flows for the nine-month period then ended, 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 review.

Scope of review

I conducted my review 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 review, 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".

Emphasis of Matter

I draw attention to Note 19 to the interim financial information regarding the compensation for 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, which might change. My opinion is not qualified in respect of this matter.

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

Bangkok
12 November 2013

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

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

30 SEPTEMBER 2013

(Unit: Baht'000)					
		Consolidated		Company	
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
		30 September	31 December	30 September	31 December
	Notes	2013	2012	2013	2012
Assets					
Current assets					
Cash and cash equivalents		347,787	238,473	253,329	199,660
Temporary investments	6	75,875	96,308	-	-
Trade and other receivables - net	7	520,269	473,963	423,518	340,767
Water loss treatment service income receivable - related party	17.2	15,773	7,679	-	-
Inventories		9,612	7,745	-	-
Other current assets		27,960	23,864	13,752	12,617
Total current assets		997,276	848,032	690,599	553,044
Non-current assets					
Investments in subsidiaries	8	-	-	543,750	510,887
Other long-term investments	9	91,470	91,470	91,470	91,470
Investment property - net	10	201,790	208,382	214,415	221,462
Property, plant and equipment - net	10	10,246,445	9,542,767	9,831,466	9,149,633
Assets under concession contracts - net	10	505,477	491,762	-	-
Deferred concession rights acquisition costs - net	10	517,510	531,792	-	-
Intangible assets - net	10	151,743	160,762	30,786	33,561
Deferred tax assets		6,469	9,676	-	-
Other non-current assets	11	514,581	555,441	441,562	520,022
Total non-current assets		12,235,485	11,592,052	11,153,449	10,527,035
Total assets		13,232,761	12,440,084	11,844,048	11,080,079

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Eastern Water Resources Development and Management Public Company Limited
Statement of Financial Position (continued)
As at 30 September 2013

		(Unit: Baht'000)			
		Consolidated		Company	
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
		30 September	31 December	30 September	31 December
		2013	2012	2013	2012
Notes					
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	13.1	133,500	111,000	100,000	-
Trade accounts payable	12	127,011	157,561	127,680	147,544
Payable for purchase of fixed assets		21,308	38,465	13,971	16,341
Current portion of long-term liabilities under finance lease agreements		639	2,024	639	2,024
Current portion of long-term loans from financial institutions	13.2	668,610	737,690	590,250	690,250
Corporate income tax payable		84,809	135,653	81,757	123,233
Accrued expenses		110,448	120,000	62,727	92,442
Dividend payable		196,789	387	196,789	387
Other current liabilities		55,031	55,465	42,501	44,565
Total current liabilities		1,398,145	1,358,245	1,216,314	1,116,786
Non-current liabilities					
Long-term liabilities under finance lease agreements		-	301	-	301
Long-term loans from financial institutions	13.2	3,771,501	3,456,281	3,229,500	2,943,750
Deferred tax liabilities		35,988	32,530	10,339	5,990
Employee benefit obligations		89,099	89,385	58,908	58,606
Other non-current liabilities		218,561	182,882	203,654	157,829
Total non-current liabilities		4,115,149	3,761,379	3,502,401	3,166,476
Total liabilities		5,513,294	5,119,624	4,718,715	4,283,262
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 par 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		3,691,920	3,316,437	3,127,379	2,796,315
Other components of equity		29,207	31,755	29,207	31,755
Equity attributable to owners of the parent		7,689,874	7,316,939	7,125,333	6,796,817
Non-controlling interests		29,593	3,521	-	-
Total shareholders' equity		7,719,467	7,320,460	7,125,333	6,796,817
Total liabilities and shareholders' equity		13,232,761	12,440,084	11,844,048	11,080,079

The accompanying notes on page 10 to 30 are an integral part of these interim financial information.

Eastern Water Resources Development and Management Public Company Limited

Statement of Comprehensive Income

For the three-month period ended 30 September 2013

		(Unit: Baht'000)			
Notes	Consolidated		Company		
	(Unaudited) 2013	(Unaudited) 2012	(Unaudited) 2013	(Unaudited) 2012	
Revenues	17.1				
Sales - raw water	667,579	671,950	693,283	709,962	
Sales - tap water	217,748	214,183	68,785	73,276	
Total sales	885,327	886,133	762,068	783,238	
Rental and service income	49,559	61,701	20,630	18,888	
Other income	18,635	8,948	17,533	29,807	
Total revenues	953,521	956,782	800,231	831,933	
Expenses	17.1				
Cost of sales - raw water	216,456	251,498	234,757	265,726	
Cost of sales - tap water	137,152	117,320	60,016	72,638	
Total cost of sales	353,608	368,818	294,773	338,364	
Cost of rental and services	43,511	57,181	17,066	16,331	
Selling expenses	3,154	22,311	2,755	21,724	
Administrative expenses	74,951	84,213	51,445	64,762	
Expenses for development of life quality and environment	12,535	9,444	11,921	8,974	
Finance costs	29,460	20,567	21,674	13,929	
Total expenses	517,219	562,534	399,634	464,084	
Profit before income tax	436,302	394,248	400,597	367,849	
Income tax	14 (90,638)	(93,446)	(82,427)	(81,040)	
Net profit for the period	345,664	300,802	318,170	286,809	
Other comprehensive income (expense):					
Write off asset transferred from customer	(849)	(849)	(849)	(849)	
Other comprehensive expense for the period, net of tax	(849)	(849)	(849)	(849)	
Total comprehensive income for the period	344,815	299,953	317,321	285,960	
Profit attributable to					
Equity holders of the parent company	345,724	300,654	318,170	286,809	
Non - controlling interests	(60)	148	-	-	
	345,664	300,802	318,170	286,809	
Total comprehensive income attribute to					
Equity holders of the parent company	344,875	299,805	317,321	285,960	
Non - controlling interests	(60)	148	-	-	
	344,815	299,953	317,321	285,960	
Earnings per share for profit attributable to the equity holders of the parent company (Baht)	15				
Basic earnings per share	0.21	0.18	0.19	0.17	

The accompanying notes on page 10 to 30 are an integral part of these interim financial information.

Eastern Water Resources Development and Management Public Company Limited
Statement of Comprehensive Income
For the nine-month period ended 30 September 2013

		(Unit: Baht'000)			
		Consolidated		Company	
	Notes	(Unaudited) 2013	(Unaudited) 2012	(Unaudited) 2013	(Unaudited) 2012
Revenues	17.1				
Sales - raw water		2,100,396	1,968,090	2,256,362	2,079,420
Sales - tap water		659,959	631,596	215,294	214,257
Total sales		2,760,355	2,599,686	2,471,656	2,293,677
Rental and service income		158,030	180,630	59,427	55,201
Other income		41,460	32,279	59,859	75,662
Total revenues		2,959,845	2,812,595	2,590,942	2,424,540
Expenses	17.1				
Cost of sales - raw water		661,110	636,474	734,726	672,479
Cost of sales - tap water		401,649	339,130	205,340	212,515
Total cost of sales		1,062,759	975,604	940,066	884,994
Cost of rental and services		139,906	160,879	50,677	47,047
Selling expenses		8,244	32,296	7,204	31,143
Administrative expenses		233,338	254,863	163,331	191,182
Expenses for development of life quality and environment		29,594	33,303	28,654	32,197
Finance costs		85,804	57,416	62,874	38,248
Total expenses		1,559,645	1,514,361	1,252,806	1,224,811
Profit before income tax		1,400,200	1,298,234	1,338,136	1,199,729
Income tax	14	(292,989)	(293,837)	(275,055)	(257,829)
Net profit for the period		1,107,211	1,004,397	1,063,081	941,900
Other comprehensive income (expense):					
Write off asset transferred from customer		(2,548)	(2,548)	(2,548)	(2,548)
Other comprehensive expense for the period, net of tax		(2,548)	(2,548)	(2,548)	(2,548)
Total comprehensive income for the period		1,104,663	1,001,849	1,060,533	939,352
Profit attributable to					
Equity holders of the parent company		1,107,500	1,103,959	1,063,081	941,900
Non-controlling interests		(289)	438	-	-
		1,107,211	1,104,397	1,063,081	941,900
Total comprehensive income attribute to					
Equity holders of the parent company		1,104,952	1,001,411	1,060,533	939,352
Non - controlling interests		(289)	438	-	-
		1,104,663	1,001,849	1,060,533	939,352
Earnings per share for profit attributable to the equity holders of the parent company (Baht)	15				
Basic earnings per share		0.67	0.60	0.64	0.57

The accompanying notes on page 10 to 30 are an integral part of these interim financial information.

Eastern Water Resources Development and Management Public Company Limited
Statement of Changes in Shareholders' Equity
For the nine-month period ended 30 September 2013

(Unit: Baht'000)											
(Unaudited)											
Consolidated											
Equity holders of the parent											
	Notes	Issued and paid-up share capital	Premium on share capital	Retained earnings		Other components of		Total other component of shareholders' equity	Total owner of the parent	Non-controlling interests	Total shareholders' equity
				Appropriated - legal reserve	Unappropriated	Assets transferred from customers-net	Other comprehensive income				
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	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	
Closing balance as at 30 September 2012		1,663,725	2,138,522	166,500	3,101,304	32,604	32,604	7,102,655	3,418	7,106,073	
Opening balance as at 1 January 2013		1,663,725	2,138,522	166,500	3,316,437	31,755	31,755	7,316,939	3,521	7,320,460	
Shares issued of subsidiary		-	-	-	-	-	-	-	26,887	26,887	
Dividend paid	16	-	-	-	(732,017)	-	-	(732,017)	(526)	(732,543)	
Comprehensive income for the period		-	-	-	1,107,500	(2,548)	(2,548)	1,104,952	(289)	1,104,663	
Closing balance as at 30 September 2013		1,663,725	2,138,522	166,500	3,691,920	29,207	29,207	7,689,874	29,593	7,719,467	

The accompanying notes on page 10 to 30 are an integral part of these interim financial information.

For the nine-month period ended 30 September 2013

The accompanying notes on page 10 to 30 are an integral part of these interim financial information.

Eastern Water Resources Development and Management Public Company Limited
Statement of Cash Flows
For the nine-month period ended 30 September 2013

		(Unit: Baht'000)			
		Consolidated		Company	
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	Notes	2013	2012	2013	2012
Cash flows from operating activities					
Net profit before income tax		1,400,200	1,298,234	1,338,136	1,199,729
Adjustments to reconcile profit before income tax to net cash received (paid) from operating activities					
Reversal of allowance for doubtful accounts		-	(300)	-	(300)
Depreciation	10	257,246	227,749	219,303	190,811
Amortisation	10	30,941	30,180	2,775	2,605
Impairment loss	10	280	1,940	-	-
Income from amortisation of assets transferred from customers		(2,548)	(2,548)	(2,548)	(2,548)
Loss on disposals/written off of property, plant and equipment		7,357	13,060	8,112	12,458
Dividend income		(17,917)	(18,246)	(38,215)	(65,421)
Interest income		(6,854)	(5,535)	(3,848)	(1,961)
Interest expenses and amortisation of deferred interest under finance lease agreements		81,897	56,225	59,060	37,151
Income from operating activities before changes in operating assets and liabilities					
		1,750,602	1,600,759	1,582,775	1,372,524
Changes in operating assets (increase) decrease					
Trade and other accounts receivables		(90,896)	(26,252)	(82,751)	(17,206)
Water loss treatment service income receivable - related parties		(8,094)	(11,234)	-	-
Inventories		(1,867)	(141)	-	-
Other current assets		4,967	14,267	(815)	20,897
Other non-current assets		(12,173)	(5,654)	(13,228)	-
Changes in operating liabilities increase (decrease)					
Trade accounts payable		(30,550)	32,170	(19,864)	21,606
Accrued expenses		602	2,142	(19,561)	816
Other current liabilities		(1,985)	12,101	(2,063)	10,733
Employee benefit liabilities		(286)	6,506	302	3,060
Other non-current liabilities		35,679	21,611	45,825	23,600
Cash provided by operating activities		1,645,999	1,646,275	1,490,620	1,436,030
Interest paid		(92,022)	(46,491)	(69,214)	(27,770)
Income tax paid		(346,071)	(397,687)	(312,182)	(351,242)
Net cash generated from operating activities		1,207,906	1,202,097	1,109,224	1,057,018

The accompanying notes on page 10 to 30 are an integral part of these interim financial information.

Eastern Water Resources Development and Management Public Company Limited

Statement of Cash Flows (continued)

For the nine-month period ended 30 September 2013

		(Unit: Baht'000)			
		Consolidated		Company	
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Notes		2013	2012	2013	2012
Cash flows from investing activities					
		20,433	38,693	-	50,000
	8	-	-	(32,863)	-
		(47,845)	(30,944)	-	-
		(7,207)	(17,083)	-	-
		6,857	5,892	3,528	1,970
		17,917	13,479	38,215	38,622
		2,750	-	-	-
		-	(3,075)	-	(3,075)
		-	(4)	-	(4)
		(797,685)	(1,494,218)	(761,371)	(1,355,837)
		(51,512)	(46,889)	(51,512)	(46,889)
Net cash used in investing activities		(856,292)	(1,534,149)	(804,003)	(1,315,213)
Cash flows from financing activities					
		220,500	388,000	100,000	200,000
		(198,000)	(277,000)	-	(200,000)
	13.2	751,830	2,018,610	644,000	1,524,000
	13.2	(505,690)	(846,271)	(458,250)	(322,750)
		(1,686)	(1,822)	(1,686)	(1,822)
		26,888	-	-	-
		(535,616)	(831,688)	(535,616)	(831,548)
		(526)	-	-	-
Net cash generated from (used in) financing activities		(242,300)	449,829	(251,552)	367,880
Net decrease in cash and cash equivalents		109,314	117,777	53,669	109,685
		238,473	128,690	199,660	73,442
Cash and cash equivalents at ending of the periods		347,787	246,467	253,329	183,127
Supplemental cash flow information					
Non-cash related transactions:					
		(15,977)	8,397	(2,370)	10,305
		-	(1,390)	-	-
		-	(33,267)	-	-

The accompanying notes on page 10 to 30 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 12 November 2013 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 2012.

According to new agreements of production and distribution of tap water between the Company and Universal Utilities Company Limited at the Sattahip Waterworks and Bo Win Waterworks dated 1 August 2013, sales of raw water and cost of raw water in company statements of comprehensive income for the three-month and nine-month period ended 30 September 2012, which presented as comparative figures, are different from current period (as mentioned in Note 20).

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 2012 except as described below.

New accounting standards, amendments to accounting standards and related interpretations

New and revised accounting standards and related interpretations which are effective on 1 January 2013 are:

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 adopted new revised accounting standards and related interpretations since 1 January 2013. New accounting policies which are relevant to the Group are discussed in Note 4.

Revised accounting standards and new interpretations which are effective on 1 January 2014 are:

TAS 12 (Revised 2012)	Income taxes
TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4	Determining whether an Arrangement contains a Lease
TFRIC 5	Right to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7	Applying the Restatement Approach under TAS 29 Financial Reporting in Hyperinflationary Economics
TFRIC 10	Interim Financial Reporting and Impairment
TFRIC 12	Service Concession Arrangements
TFRIC 13	Customer Loyalty Programmes
TFRIC 17	Distributions of non-cash assets to owners
TFRIC 18	Transfers of assets from customers
TSIC 15	Operating leases - Incentives
TSIC 27	Evaluating the substance of transactions in the legal form of a lease
TSIC 29	Service Concession Arrangements: Disclosure
TSIC 32	Intangible assets - Web Site Costs

New accounting standard which is effective on 1 January 2016 are:

TFRS 4	Insurance Contracts
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The Group's management has determined that the interpretations and accounting standards will not material impact or relevant to the financial information except the following:

TFRIC 4 requires the determination of whether an arrangement is or contains a lease to be based on the substance of the arrangement. It requires an assessment of whether: (a) fulfillment of the arrangement is dependent on the use of a specific asset or assets (the asset); and (b) the arrangement conveys a right to use the asset. The management is currently assessing the impact of this interpretation.

TFRIC 12 deals with public-to-private service concession arrangements for the delivery of public services. It applies only to concession agreements where the use of the infrastructure is controlled by the grantor. This interpretation requires two different accounting treatments, depending on the specific terms of the concession agreement. When the operator builds infrastructure and has an unconditional contractual right to receive cash or another financial asset from the grantor, that right is treated as a financial asset. When the operator builds infrastructure and receives a right (a licence) to charge users of the public service, that right is treated as an intangible asset. The management is currently assessing the impact of applying this interpretation.

3 Accounting policies (continued)

TFRIC18 sets out the accounting for transfers of items of property, plant and equity by entities that receive such transfers from their customers. Agreements within the scope of this interpretation are agreements in which an entity receives from a customer an item of property, plant and equipment that the entity must then use either to connect to a network or to provide the customer with ongoing access to supply of goods or services. The interpretation addresses the issues on the initial recognition and the accounting treatment of the transferred assets. This interpretation shall be applied prospectively to transfers of assets from customers received on or after 1 January 2014.

TSIC 29 contains disclosure requirements in respect of public-to-private service arrangements. This standard will have an impact on disclosure.

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.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss.

4 New accounting policies

4.1 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Baht, which is the company's functional and the group's presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. Conversely, when a gain or loss on a non-monetary item is recognised in profit and loss, any exchange component of that gain or loss is recognised in profit and loss.

4.2 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as Chief Executive Officer (CEO) that makes strategic decisions.

Eastern Water Resources Development and Management Public Company Limited
Condensed Notes to the Interim Financial Information
For the nine-month period ended 30 September 2013

5 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 is summarised as follows:

	Consolidated (Unaudited)					(Unit: Baht'000)	
	Sales		Service income				
	Supply of raw water business	Supply of Tap water business	Waterworks management business	Engineering services	Others	Elimination	Total
For the nine-month period ended 30 September 2013							
Revenue							
Revenue from third parties	2,100,396	659,959	48,564	53,851	55,615	-	2,918,385
Revenue from inter-segment	155,966	-	196,694	-	3,813	(356,473)	-
Total revenue	2,256,362	659,959	245,258	53,851	59,428	(356,473)	2,918,385
Cost of sales and services	(734,726)	(479,067)	(242,528)	(51,584)	(50,679)	355,919	(1,202,665)
Segment operating profit	1,521,636	180,892	2,730	2,267	8,749	(554)	1,715,720
Unallocated revenue (expenses)							
Other income							41,460
Selling expenses							(8,244)
Administrative expenses and other expenses							(262,932)
Finance costs							(85,804)
Income tax							(292,989)
Net profit							1,107,211
As at 30 September 2013							
Total segment assets	10,245,457	1,201,651	593,298	18,240	203,186	(69,175)	12,192,657
Unallocated assets							1,040,104
Total assets							13,232,761

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5 Segment information (continued)

(Unit: Baht'000)

	Consolidated						
	Sales		Service income				
	Supply of raw water business	Supply of Tap water business	Waterworks management business	Engineering services	Others	Elimination	Total
For the nine-month period ended 30 September 2012 (Unaudited)							
Revenue							
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)	-
Total revenue	2,079,420	631,596	258,930	84,269	55,201	(329,100)	2,780,316
Cost of sales and services	(672,477)	(425,765)	(237,805)	(81,896)	(40,810)	322,270	(1,136,483)
Segment operating profit	1,406,943	205,831	21,125	2,373	14,391	(6,830)	1,643,833
Unallocated revenue (expenses)							
Other income							32,279
Selling expenses							(32,296)
Administrative expenses and other expenses							(288,166)
Finance costs							(57,416)
Income tax							(293,837)
Net profit							1,004,397
As at 31 December 2012 (Audited)							
Total segment assets	9,545,184	1,193,581	567,993	17,467	209,328	(577,602)	10,955,951
Unallocated assets							1,484,133
Total assets							12,440,084

6 Temporary investments

As at 30 September 2013, the Group has temporary investments in fixed deposits with financial institutions that have maturity date 6 months and interest rate of 2.00% - 3.45% per annum.

7 Trade and other receivables - net

The detail of trade and other receivables as at 30 September 2013 and 31 December 2012 is as follows:

	Consolidated		Company	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	30 September 2013	31 December 2012	30 September 2013	31 December 2012
Trade receivables	485,583	387,867	396,692	316,222
Other receivables	6,479	65,243	1,051	7,559
Prepayments	27,518	18,815	25,444	15,629
Others	689	2,038	331	1,357
	<u>520,269</u>	<u>473,963</u>	<u>423,518</u>	<u>340,767</u>

7 Trade and other receivables - net (continued)

As at 31 December 2012, other receivables in the consolidated financial information included accounts receivable between a subsidiary and a private company. This related to support from the subsidiary to help the private company to produce tap water to meet the minimum requirement for the Provincial Waterworks Authority in accordance with sale and purchase agreement for tap water for Chonburi Province with the Provincial Waterworks Authority. In the past, the subsidiary could off-set this accounts receivable balance with the cost of tap water that the subsidiary purchased from the private company. However, the tap water purchase and sales agreement was terminated on 28 December 2012.

On 11 July 2013, the subsidiary entered into a raw water purchase and sales agreement with the private company to produce tap water by itself. The subsidiary will partially pay for raw water to the private company and the remaining will be off-set with the accounts receivable balance within five years. To present financial information in accordance with the fact mentioned above, as at 30 September 2013, the subsidiary presented this accounts receivable which totalling Baht 46.7 million under trade and other receivables as Baht 2.1 million and other non-current assets as Baht 44.6 million (Note 11).

The detail of trade account receivables as at 30 September 2013 and 31 December 2012 is as follows:

	Consolidated		(Unit: Baht'000) Company	
	(Unaudited) 30 September 2013	(Audited) 31 December 2012	(Unaudited) 30 September 2013	(Audited) 31 December 2012
Trade accounts receivable - billed				
- Third parties	96,069	105,937	96,022	105,576
- Related parties (Note 17.2)	299,489	196,535	294,079	205,860
Total trade account receivable - billed	395,558	302,472	390,101	311,436
Unbilled receivables				
- Third parties	314	299	-	-
- Related parties (Note 17.2)	89,711	85,096	6,591	4,786
Total unbilled receivables	90,025	85,395	6,591	4,786
	485,583	387,867	396,692	316,222

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

	Consolidated		(Unit: Baht'000) Company	
	(Unaudited) 30 September 2013	(Audited) 31 December 2012	(Unaudited) 30 September 2013	(Audited) 31 December 2012
Within credit term	251,836	257,648	246,414	266,634
Overdue below 3 months	41,701	15,827	41,697	15,828
Overdue 3 - 6 months	36,805	15,055	36,774	15,032
Overdue 6 months	65,831	14,557	65,831	14,557
	396,173	303,087	390,716	312,051
<u>Less</u> Allowance for doubtful accounts	(615)	(615)	(615)	(615)
	395,558	302,472	390,101	311,436

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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 2013	(Audited) 31 December 2012	(Unaudited) 30 September 2013	(Audited) 31 December 2012	(Unaudited) 30 September 2013	(Audited) 31 December 2012	(Unaudited) 30 September 2013	(Unaudited) 30 September 2012
			(Baht Million)	(Baht Million)	%	%	(Baht'000)	(Baht'000)	(Baht'000)	(Baht'000)
Universal Utilities Company Limited	Produce and Supply of tap water	Thailand	510	510	100	100	510,000	510,000	20,298	47,175
EW Utilities Company Limited	Water transportation by pipeline	Thailand	0.25	0.25	100	100	250	250	-	-
EW Water Balance (Chonburi) Company Limited	Water transportation by pipeline	Thailand	0.25	0.25	100	100	250	250	-	-
EW Smart Water (Rayong) Company Limited	Produce and supply of industrial water	Thailand	0.25	0.25	100	100	250	250	-	-
Samet Utilities Company Limited	Produce tap water from sea water	Thailand	60	0.25	55	55	33,000	137	-	-
Total investment in subsidiaries							543,750	510,887	20,298	47,175

On 29 January 2013, Samet Utilities Company Limited registered the increased share capital with the Ministry of Commerce from 200,000 ordinary shares with a par value of Baht 5 per share to 12,000,000 ordinary shares with a par value of Baht 5 per share. The Company paid increased share capital amounting to Baht 32.9 million. The Company invested in 6,600,000 registered ordinary shares with par value of Baht 5 per share. Total Company's investment is Baht 33.0 million or 55% of investment.

9 Other long-term investments

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

	Consolidated		(Unit: Baht'000) Company	
	(Unaudited) 30 September 2013	(Audited) 31 December 2012	(Unaudited) 30 September 2013	(Audited) 31 December 2012
General investments				
- Egcom Tara Company Limited	91,470	91,470	91,470	91,470
	<u>91,470</u>	<u>91,470</u>	<u>91,470</u>	<u>91,470</u>

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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 nine-month period ended 30 September 2013								
Opening net book amount (Audited)	208,382	9,542,767	491,762	531,792	160,762	221,462	9,149,633	33,561
Additions	-	934,874	44,106	7,640	-	-	902,660	-
Write-off, net	-	(9,827)	(826)	-	-	-	(8,571)	-
Transfer	-	3,450	(3,450)	-	-	-	-	-
Impairment loss	-	-	(280)	-	-	-	-	-
Depreciation/Amortisation	(6,592)	(224,819)	(25,835)	(21,922)	(9,019)	(7,047)	(212,256)	(2,775)
Closing net book amount (Unaudited)	201,790	10,246,445	505,477	517,510	151,743	214,415	9,831,466	30,786

As at 30 September 2013, the Group and the Company have motor vehicles and equipment under finance lease agreements with net book values amounting to Baht 0.6 million and Baht 0.6 million, respectively. (As at 31 December 2012: amounting to Baht 2.3 million and Baht 2.3 million, respectively).

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 2013, the fair value of investment property in consolidated and company financial information was amounting to Baht 222.4 million and Baht 236.7 million, respectively. This fair value was determined by a report of independent appraiser in 2012 which management assessed that no significant change in fair value of investment property from appraised date.

10 Capital expenditures (continued)

On 16 July 2012, Koh Srichang Municipality gave written notice of the termination of its concession contract and asked the Company to transfer its tap water business to Koh Srichang Municipality. This was because the quality of tap water did not meet the standard required by 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 and to show that the quality did meet the standard by attaching lab test results. The Company then had a meeting with Koh Srichang Municipality to explain about tap water quality which was accepted. On 24 July 2013, the Board of Directors' meeting approved the sale and transfer of the concession right for conducting business related to water resources in Koh Srichang. On 2 September 2013, the Group sold plant and equipment and assets under concession contracts at Koh Srichang to Koh Srichang Municipality at a price of Baht 2.4 million. The net book value of these assets is Baht 2.0 million. (Cost: Baht 37.2 million, accumulated depreciation: Baht 21.9 million, allowance for impairment loss: Baht 13.3 million).

11 Other non-current assets

	Consolidated		(Unit: Baht'000) Company	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	30 September	31 December	30 September	31 December
	2013	2012	2013	2012
Advance construction payment	425,521	522,637	424,295	516,191
Advance payment for services	24,755	26,862	-	251
Other receivables (Note 7)	44,590	-	-	-
Other	19,715	5,942	17,267	3,580
	<u>514,581</u>	<u>555,441</u>	<u>441,562</u>	<u>520,022</u>

12 Trade accounts payable

	Consolidated		(Unit: Baht'000) Company	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	30 September	31 December	30 September	31 December
	2013	2012	2013	2012
Third parties	103,127	142,553	66,336	100,654
Related parties (Note 17.2)	23,884	15,008	61,344	46,890
	<u>127,011</u>	<u>157,561</u>	<u>127,680</u>	<u>147,544</u>

13 Borrowings

13.1 Short-term loans from financial institutions

	Consolidated		(Unit: Baht'000) Company	
	(Unaudited) 30 September 2013	(Audited) 31 December 2012	(Unaudited) 30 September 2013	(Audited) 31 December 2012
Promissory notes	133,500	111,000	100,000	-
	133,500	111,000	100,000	-

As at 30 September 2013, the Group and the Company have a short-term loan from unsecured promissory notes with financial institutions totalling Baht 133.5 million (As at 31 December 2012: Baht 111.0 million) which is due at call with an interest rate of 3.00% - 3.25% per annum (as at 31 December 2012: 3.40% - 3.53% per annum).

13.2 Long-term loans from financial institutions

	Consolidated		(Unit: Baht'000) Company	
	(Unaudited) 30 September 2013	(Audited) 31 December 2012	(Unaudited) 30 September 2013	(Audited) 31 December 2012
Long-term loans from financial institutions	4,440,111	4,193,971	3,819,750	3,634,000
<u>Less</u> Current portion of long-term loans	(668,610)	(737,690)	(590,250)	(690,250)
Long-term loans from financial institutions - net	3,771,501	3,456,281	3,229,500	2,943,750

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

	(Unit: Baht'000)	
	Consolidated	Company
Balance as at 1 January 2013 (Audited)	4,193,971	3,634,000
Additions	751,830	644,000
Repayments	(505,690)	(458,250)
Balance as at 30 September 2013 (Unaudited)	4,440,111	3,819,750

Long-term loan has no change in repayment condition and interest rate from detail which was disclosed in financial statement for the year ended 31 December 2012.

As at 30 September 2013, the Group and the Company have long-term loans that are not being used amounting to Baht 2,279.1 million and Baht 1,946.0 million, respectively. (As at 31 December 2012: Baht 3,030.0 million and Baht 2,590.0 million, respectively).

14 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 19.81% per annum. (The estimated tax rate for the nine-month period ended 30 September 2012 was 21.89% per annum).

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 (2013 and 2012: 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

2013 :

On 30 April 2013, at the Company's Annual General Shareholders' meeting of 2012, the meeting had approved a dividend payment of Baht 0.44 per share, totalling Baht 732.0 million. The Company paid an interim dividend of Baht 0.20 per share, totalling Baht 332.7 million on 21 September 2012 and additional dividend payment of Baht 0.24 per share, totalling Baht 399.3 million on 23 May 2013.

On 30 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 27 September 2012.

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.

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.

For the three-month periods ended 30 September	Consolidated		(Unit: Baht'000)	
			Company	
	(Unaudited) 2013	(Unaudited) 2012	(Unaudited) 2013	(Unaudited) 2012
<u>Sales - raw water</u>				
Major shareholders				
Industrial Estate Authority of Thailand	220,944	214,076	220,944	214,076
Provincial Waterworks Authority	183,895	184,160	183,895	184,160
Electricity Generating Public Company Limited	4,270	13,891	4,270	13,891
Subsidiary				
Universal Utilities Company Limited	-	-	25,704	38,013
<u>Sales - tap water</u>				
Major shareholder				
Provincial Waterworks Authority	180,066	178,456	31,103	38,449
<u>Rental and Service income</u>				
Major shareholder				
Provincial Waterworks Authority	7,240	24,991	-	-
Subsidiary				
Universal Utilities Company Limited	-	-	1,459	812
Other related party				
Egcom Tara Company Limited	16,906	14,741	-	-
<u>Dividend income</u>				
Subsidiary				
Universal Utilities Company Limited	-	-	-	22,032
Other related party				
Egcom Tara Company Limited	6,027	4,767	6,027	4,767
<u>Other income</u>				
Subsidiary				
Universal Utilities Company Limited	-	-	1,273	1,013
Samet Utilities Company Limited	-	-	366	-
<u>Service fee (include in costs of sales)</u>				
Subsidiary				
Universal Utilities Company Limited	-	-	50,188	73,309

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17 Related parties transactions (continued)

17.1 Transactions incurred during the periods (continued)

For the nine-month period ended 30 September	Consolidated		(Unit: Baht'000)	
			Company	
	(Unaudited) 2013	(Unaudited) 2012	(Unaudited) 2013	(Unaudited) 2012
<u>Sales - raw water</u>				
Major shareholders				
Industrial Estate Authority of Thailand	683,358	641,377	683,358	641,377
Provincial Waterworks Authority	567,673	536,195	567,673	536,195
Electricity Generating Public Company Limited	34,388	43,087	34,388	43,087
Subsidiary				
Universal Utilities Company Limited	-	-	155,966	113,827
<u>Sales - tap water</u>				
Major shareholder				
Provincial Waterworks Authority	547,543	526,633	102,879	111,994
<u>Rental and Service income</u>				
Major shareholder				
Provincial Waterworks Authority	19,115	70,877	-	-
Subsidiary				
Universal Utilities Company Limited	-	-	3,813	2,539
Other related party				
Egcom Tara Company Limited	48,618	44,151	-	-
<u>Dividend income</u>				
Subsidiary				
Universal Utilities Company Limited	-	-	20,298	47,175
Other related party				
Egcom Tara Company Limited	17,917	18,246	17,917	18,246
<u>Other income</u>				
Subsidiary				
Universal Utilities Company Limited	-	-	4,632	3,596
Samet Utilities Company Limited	-	-	1,098	-
<u>Service fee (include in costs of sales)</u>				
Subsidiary				
Universal Utilities Company Limited	-	-	196,694	214,265

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.

17 Related parties transactions (continued)

17.2 Outstanding balances at the end of the periods

	Consolidated		(Unit: Baht'000) Company	
	(Unaudited) 30 September 2013	(Audited) 31 December 2012	(Unaudited) 30 September 2013	(Audited) 31 December 2012
<u>Trade accounts receivable - billed</u>				
Major shareholders				
Provincial Waterworks Authority	184,066	114,577	184,036	114,577
Industrial Estate Authority of Thailand	107,936	73,326	107,936	73,326
Electricity Generating Public Company Limited	1,357	3,492	1,357	3,492
Subsidiary				
Universal Utilities Company Limited	-	-	750	14,465
Other related company				
Egcom Tara Company Limited	6,130	5,140	-	-
	<u>299,489</u>	<u>196,535</u>	<u>294,079</u>	<u>205,860</u>
<u>Unbilled receivables</u>				
Major shareholder				
Provincial Waterworks Authority	84,380	80,098	-	-
Subsidiary				
Universal Utilities Company Limited	-	-	6,591	4,786
Other related company				
Egcom Tara Company Limited	5,331	4,998	-	-
	<u>89,711</u>	<u>85,096</u>	<u>6,591</u>	<u>4,786</u>
<u>Water loss treatment service income receivables</u>				
Major shareholder				
Provincial Waterworks Authority				
- billed	11,364	153	-	-
- unbilled	4,409	7,526	-	-
	<u>15,773</u>	<u>7,679</u>	<u>-</u>	<u>-</u>
The age analysis of the water loss treatment service income receivable-billed is as follows:				
Within credit term	<u>11,364</u>	<u>153</u>	<u>-</u>	<u>-</u>
Total water loss treatment service income receivable - billed	<u>11,364</u>	<u>153</u>	<u>-</u>	<u>-</u>

17 Related parties transactions (continued)

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

	Consolidated		(Unit: Baht'000) Company	
	(Unaudited) 30 September 2013	(Audited) 31 December 2012	(Unaudited) 30 September 2013	(Audited) 31 December 2012
<u>Other receivable (include in trade and other receivables)</u>				
Major shareholder				
Provincial Waterworks Authority	16	15	-	-
Subsidiary				
Universal Utilities Company Limited	-	-	840	1,362
EW Smart Water (Rayong) Company Limited	-	-	1	-
EW Utilities Company Limited	-	-	1	-
EW Water Balance (Chonburi) Company Limited	-	-	1	-
Samet Utilities Company Limited	-	-	131	384
	<u>16</u>	<u>15</u>	<u>974</u>	<u>1,746</u>
<u>Trade accounts payable</u>				
Major shareholders				
Provincial Waterworks Authority	23,884	15,008	752	710
Subsidiary				
Samet Utilities Company Limited	-	-	-	137
Universal Utilities Company Limited	-	-	60,592	46,043
Other related company				
Egcom Tara Company Limited	-	-	-	-
	<u>23,884</u>	<u>15,008</u>	<u>61,344</u>	<u>46,890</u>
<u>Rental guarantees (include in other non-current liabilities)</u>				
Subsidiaries				
Universal Utilities Company Limited	-	-	58	58

17 Related parties transactions (continued)

17.3 Management benefit expenses

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

For the three-month period ended 30 September	(Unit: Baht'000)		(Unit: Baht'000)	
	Consolidated		Company	
	(Unaudited) 2013	(Unaudited) 2012	(Unaudited) 2013	(Unaudited) 2012
Short-term employee benefits	17,772	17,702	12,573	12,274
Post-employee benefits	1,295	726	1,018	448
Other long-term employee benefits	15	-	11	-
	<u>19,082</u>	<u>18,428</u>	<u>13,602</u>	<u>12,722</u>

For the nine-month period ended 30 September	(Unit: Baht'000)		(Unit: Baht'000)	
	Consolidated		Company	
	(Unaudited) 2013	(Unaudited) 2012	(Unaudited) 2013	(Unaudited) 2012
Short-term employee benefits	58,387	61,172	39,428	44,048
Post-employee benefits	3,884	2,182	3,055	1,346
Other long-term employee benefits	46	-	33	-
	<u>62,317</u>	<u>63,354</u>	<u>42,516</u>	<u>45,394</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 2013, the Group and the Company had commitments in respect of in-progress construction and pipeline projects of Baht 3,512.8 million and Baht 3,476.1 million, respectively (as at 31 December 2012: Baht 5,538.0 million and Baht 5,495.6 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;

	(Unit: Million Baht)		(Unit: Million Baht)	
	Consolidated		Company	
	(Unaudited) 30 September 2013	(Audited) 31 December 2012	(Unaudited) 30 September 2013	(Audited) 31 December 2012
Within 1 year	18.9	6.8	9.0	4.3
Within 1-5 year	26.6	6.2	10.6	4.7
More than 5 years	4.1	4.1	-	-
	<u>49.6</u>	<u>17.1</u>	<u>19.6</u>	<u>9.0</u>

18 Commitments and contingent liabilities (Continued)

18.3 Long-term service commitments

As at 30 September 2013, 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 24.7 million and Baht 11.7 million, respectively (as at 31 December 2012: Baht 19.7 million and Baht 13.4 million, respectively).

18.4 Guarantees

As at 30 September 2013, 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 144.0 million and Baht 90.4 million, respectively (as at and 31 December 2012: Baht 202.5 million and Baht 149.4 million, respectively).

18.5 Litigation

The Group and the Company had no significant additional progress of litigation from that disclosed in the annual financial statements for the year ended 31 December 2012 except cases as follows:

1) Case regarding breach of a construction agreement

On 20 October 2008, the Company was sued by a company in a lawsuit with a black case number 5930/2551 regarding a breach of a construction agreement. The litigation filed with the Civil Court by the plaintiff requested that the Company pay damages totalling Baht 40.2 million.

On 29 December 2008, the Company filed a lawsuit with a black case number 6848/2551 regarding a breach of a construction contract, suing the aforementioned company and a local commercial bank as the work guarantor of that company. The litigation filed with the Civil Court by the Company requested that the defendants pay damages totalling Baht 37.4 million. And then there was ruling from the Civil Court to consider these lawsuits together.

On 30 July 2010, The Civil Court delivered its judgement of the red case number 3169/2553 and 3170/2553 which can be summarised as follows:

1. The litigant is required to pay a fine of Baht 8.8 million, return the advance payment of Baht 2.1 million and pay for wage supervisors during late work period of Baht 0.2 million, totalling a payment of Baht 11.1 million.
2. The Company is required to pay the 30th and 31st installment of construction cost according to the agreement of Baht 13.0 million together with the additional costs of Baht 7.0 million, the return of retention costs of Baht 3.8 million and fee of bank guarantees of Baht 2.8 million, totalling Baht 26.6 million. Moreover, the Company is required to return all eight bank guarantees to the litigant.

However, for the benefit of the Company, a lawyer was appointed to lodge an appeal with the court on 29 October 2010 regarding the fine and the additional costs. In order that the litigant lodge the same appeal as well.

The Company has recorded liabilities of the construction costs and the retention costs of Baht 16.8 million; still, not recorded Baht 7.0 million of the additional costs. Nevertheless, this case has not yet been finalised.

Progress of litigation

On 9 July 2013, The Appeal Court delivered its judgement to decrease additional costs that the Company is required to pay from Baht 7.0 million to Baht 1.9 million. For other judgements are remain the same. In the third quarter of 2013, the company has recorded additional liabilities of fee of bank guarantees and interest totalling Baht 5.6 million. Therefore, the Company has recorded liabilities in financial statement totalling Baht 22.4 million.

On 7 August 2013, the litigant filed a petition with the court regarding the fine and the additional costs.

18 Commitments and contingent liabilities (Continued)

18.5 Litigation (Continued)

2) Case regarding Rayong Tap Water business of Universal Utilities Company Limited

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 has 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. On 27 November 2012, the owner’s arbitrator concluded that plaintiff have no authority to indict because they were not persons those affected from selection process. Therefore, the judging panel recalled a judgement of the Rayong Administrative Court.

Progress of litigation

On 8 November 2013, the Supreme Administrative Court had an order to recall a judgement of the Rayong Administrative Court for this case viewing that plaintiff have no authority to indict because they were not persons those affected from selection process. Therefore, this case has been finalised.

19 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. On 9 May 2011, the Committee under section 13 had a resolution to approve the Company’s rental of a pipeline without auction and already submitted this to the Cabinet for approval, before considering the compensation rate in the next process. As at 30 September 2013, there was no significant progress from that disclosed in the annual financial statements for the year ended 31 December 2012.

20 Significant agreements

The Company has the following significant agreements, besides other agreements in notes to financial statements as at 31 December 2012.

On 1 August 2013, the Company entered into new agreements with Universal Utilities Company Limited, a subsidiary. The agreements were for the production and distribution of tap water and the provision of maintenance services for the Sattahip Waterworks and Bo Win Waterworks for the period of 5 months. The Company will pay management fee at the service fee rate stated in the agreements. The Company will provide raw water to the subsidiary. These agreements replaced the old agreements dated 15 November 2000 and 14 July 2006. The old agreements, the Company pay management fee at percentage from revenue and the subsidiary has to purchase raw water from the Company. The new agreements lead to decrement on sales of raw water and cost of raw water in the Company financial information.

21 Raw water uses and sales classified by distribution networks

21.1 Uses and sales volume of raw water classified by distribution networks

	Company (Unaudited)			
	For the three-month period ended 30 September			
	2013		2012	
	Volume Cubic Meters'000	Amount Baht'000	Volume Cubic Meters'000	Amount Baht'000
Total uses volume of raw water				
Nong Pla Lai - Map Ta Pud Network	15,275	163,490	19,602	198,740
Dok Krai - Map Ta Pud Network	26,667	280,862	24,628	244,489
Chachoengsao - Chonburi Network	20,894	219,998	20,083	201,578
Nong Pla Lai - Nong Khor Network	5,654	56,763	6,507	65,155
Total	68,490	721,113	70,820	709,962
Less Raw water uses to produce tap water				
Dok Krai - Map Ta Pud Network	(2,392)	(25,117)	-	-
Nong Pla Lai - Nong Khor Network	(258)	(2,713)	-	-
Total sales of raw water	65,840	693,283	70,820	709,962

	Company (Unaudited)			
	For the nine-month period ended 30 September			
	2013		2012	
	Volume Cubic Meters'000	Amount Baht'000	Volume Cubic Meters'000	Amount Baht'000
Total uses volume of raw water				
Nong Pla Lai - Map Ta Pud Network	54,989	631,826	58,059	574,974
Dok Krai - Map Ta Pud Network	76,776	758,601	76,999	757,574
Dok Krai - Map Ta Pud Network	66,342	699,040	58,700	580,025
Nong Pla Lai - Nong Khor Network	18,770	194,725	16,892	166,847
Total	216,877	2,284,192	210,650	2,079,420
Less Raw water uses to produce tap water				
Dok Krai - Map Ta Pud Network	(2,392)	(25,117)	-	-
Nong Pla Lai - Nong Khor Network	(258)	(2,713)	-	-
Total sales of raw water	214,227	2,256,362	210,650	2,079,420

21 Raw water uses and sales classified by distribution networks (continued)

21.1 Uses and 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 September	
	2013	2012
Nong Khor - Laem Chabang Network 1	157,608	155,000
Nong Khor - Laem Chabang Network 2	44,693	41,624
Chachoengsao Network	17,697	4,954
Total	219,998	201,578

	(Unit: Baht'000)	
	Company (Unaudited)	
	For the nine-month periods ended 30 September	
	2012	2011
Nong Khor - Laem Chabang Network 1	473,639	448,297
Nong Khor - Laem Chabang Network 2	131,836	113,540
Chachoengsao Network	93,565	18,188
Total	699,040	580,025

21.2 Proportion of raw water sold to end users

	Company (Unaudited)	
	For the nine-month periods ended 30 September	
	2013 %	2012 %
Industrial Estates	49.31	50.61
Waterworks Authority	29.44	31.14
Factories	21.25	18.25
Total	100.00	100.00