



EastWater

Opportunity Day
Venue SET Building, Room 1101
Eastern Water Resources Development
and Management PLC.
23 March 2009

Contents



Company Overview



Operation Highlights



Financial Highlights

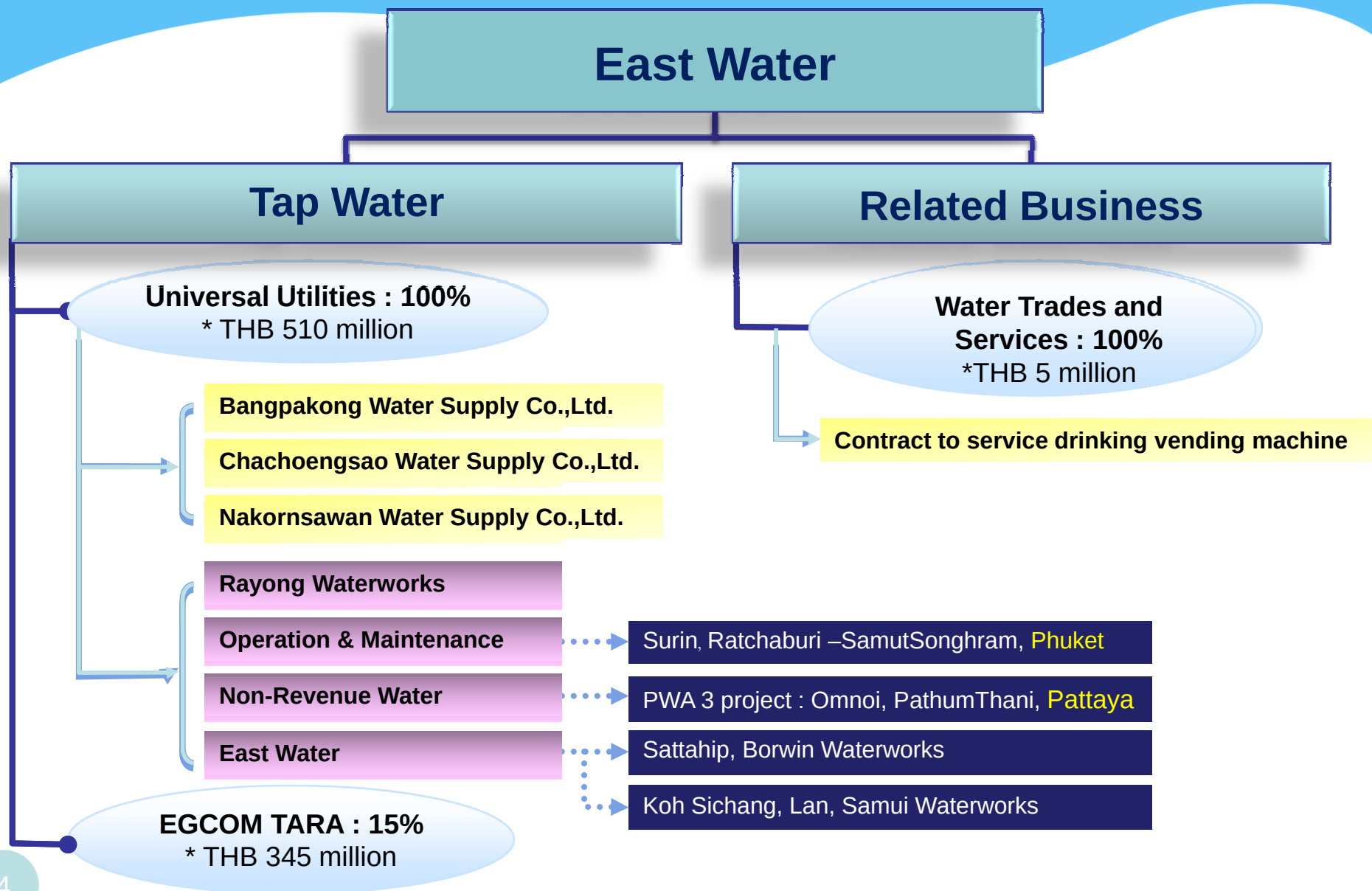


Future Investments

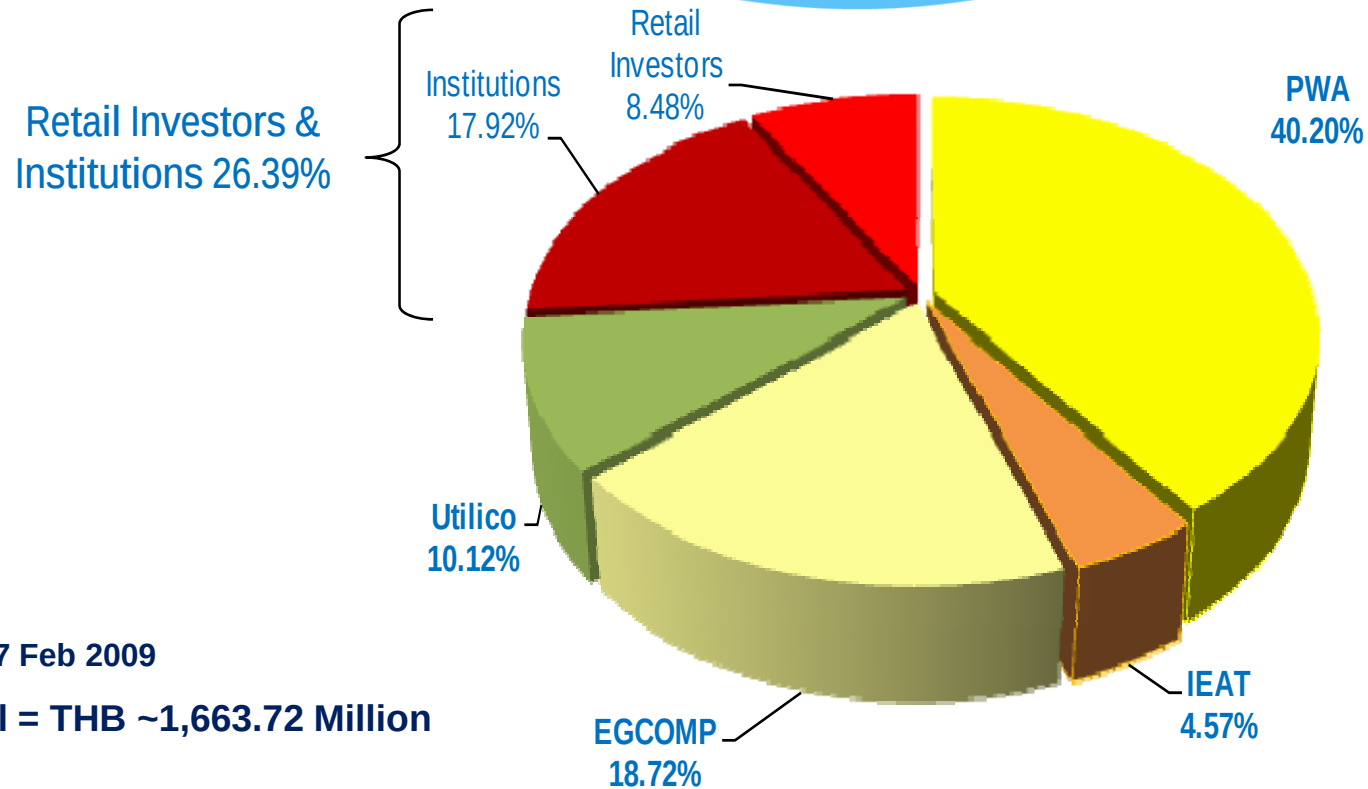
Highlights

- **Accounting period changed from 1 October – 30 September to 1 January – 31 December, starting in fiscal year 2009**
- **30.77 % of Net Income and 10.93 % of EBITDA increase (Q on Q)**
- **Tariff increases to 9.25-11.25 baht/cm. by type of customers in 2009**
- **Increasing potential of Nongplalai to Maptaphut(Line3) pipeline**

East Water Group Structure



Shareholders Structure



As of 27 Feb 2009

Paid-up Capital = THB ~1,663.72 Million

- Note:
- *PWA : Provincial Waterworks Authority, a state enterprise responsible for waterworks outside BKK
 - *IEAT : Industrial Estate Authority of Thailand, a state enterprise responsible for establishment industrial estates
 - *EGCOMP : A public company limited, produce and supply electricity in Thailand
 - *Utilico : Utilico Emerging Markets Limited, an investment company from UK

Contents



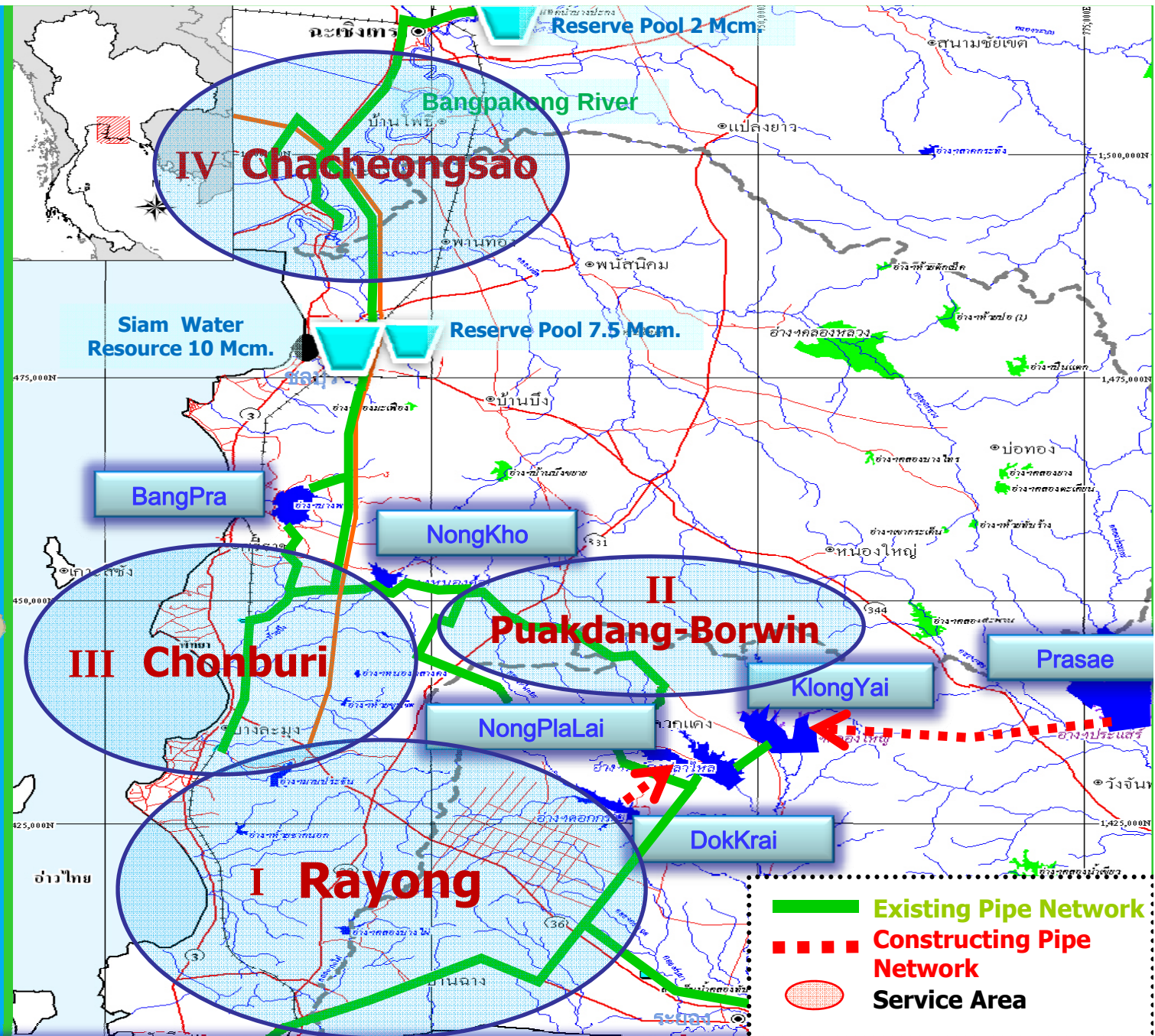
☐ Company Overview

☐ Operation Highlights

☐ Financial Highlights

☐ Future Investments

• Due to the higher pace of industrial growth, the Company operates majorly in three provinces : **Chonburi, Rayong and Chachoengsao**. East Water's pipelines network ranging from diameter 500 – 1500 mm. and 324 km. in length linking as the water grid line in Eastern Seaboard

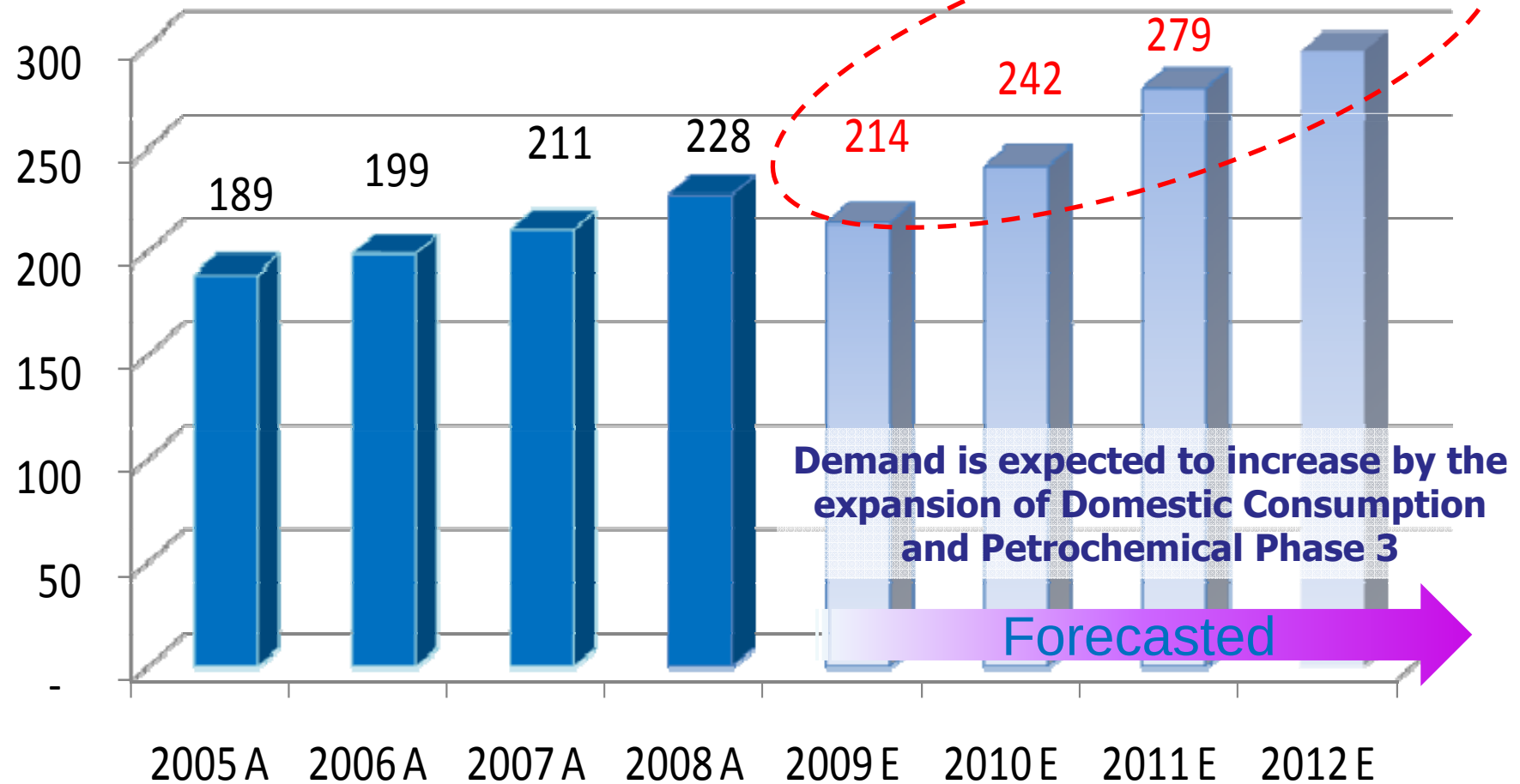


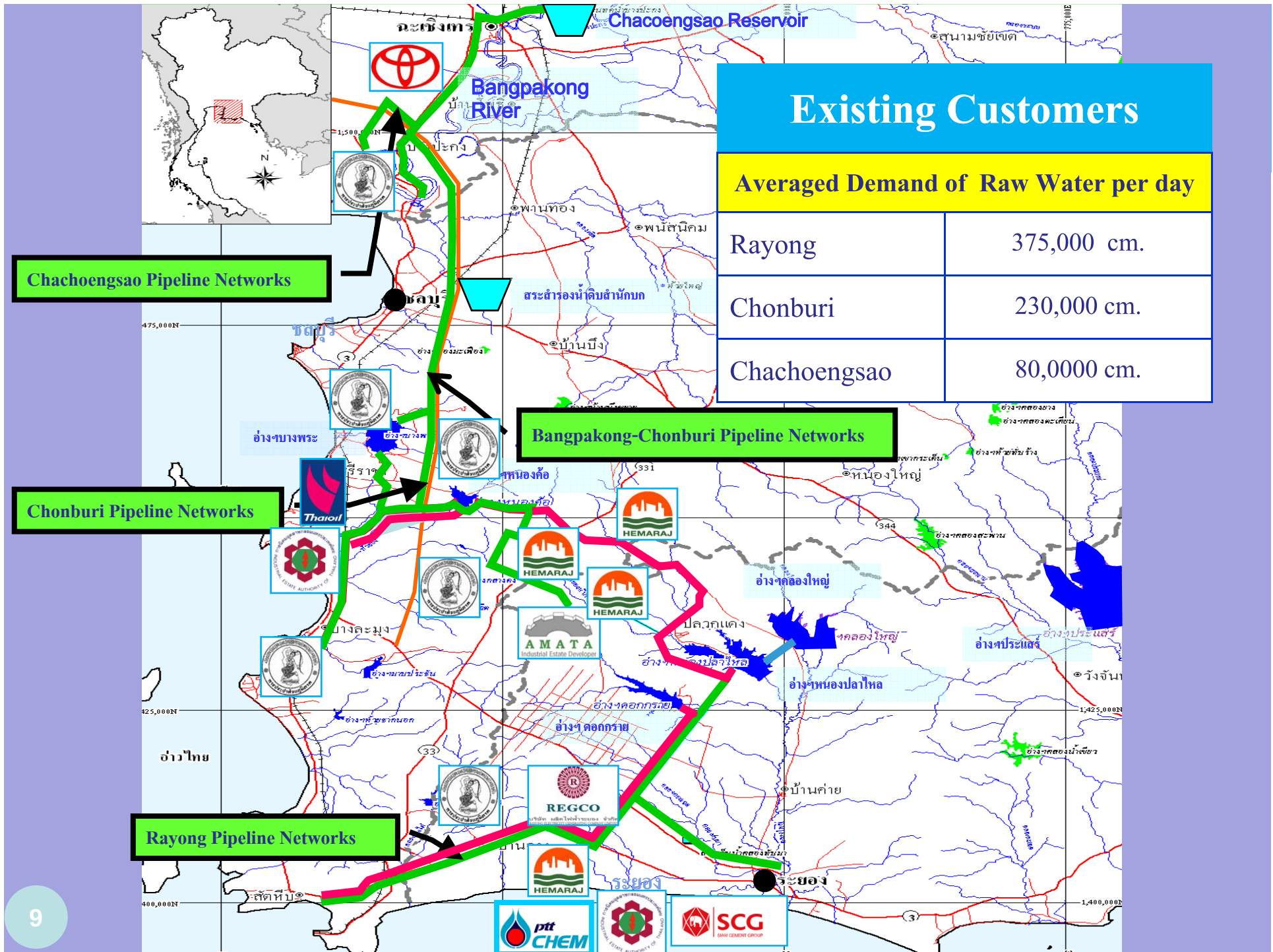
Source of Raw Water, Pipelines Network and Service Areas

Raw Water Demand



Million Cubic Meter





Prospect Customers

Averaged Demand of Raw Water
expected to increase 75,000 cm. per day

Chachoengsao Pipeline Networks

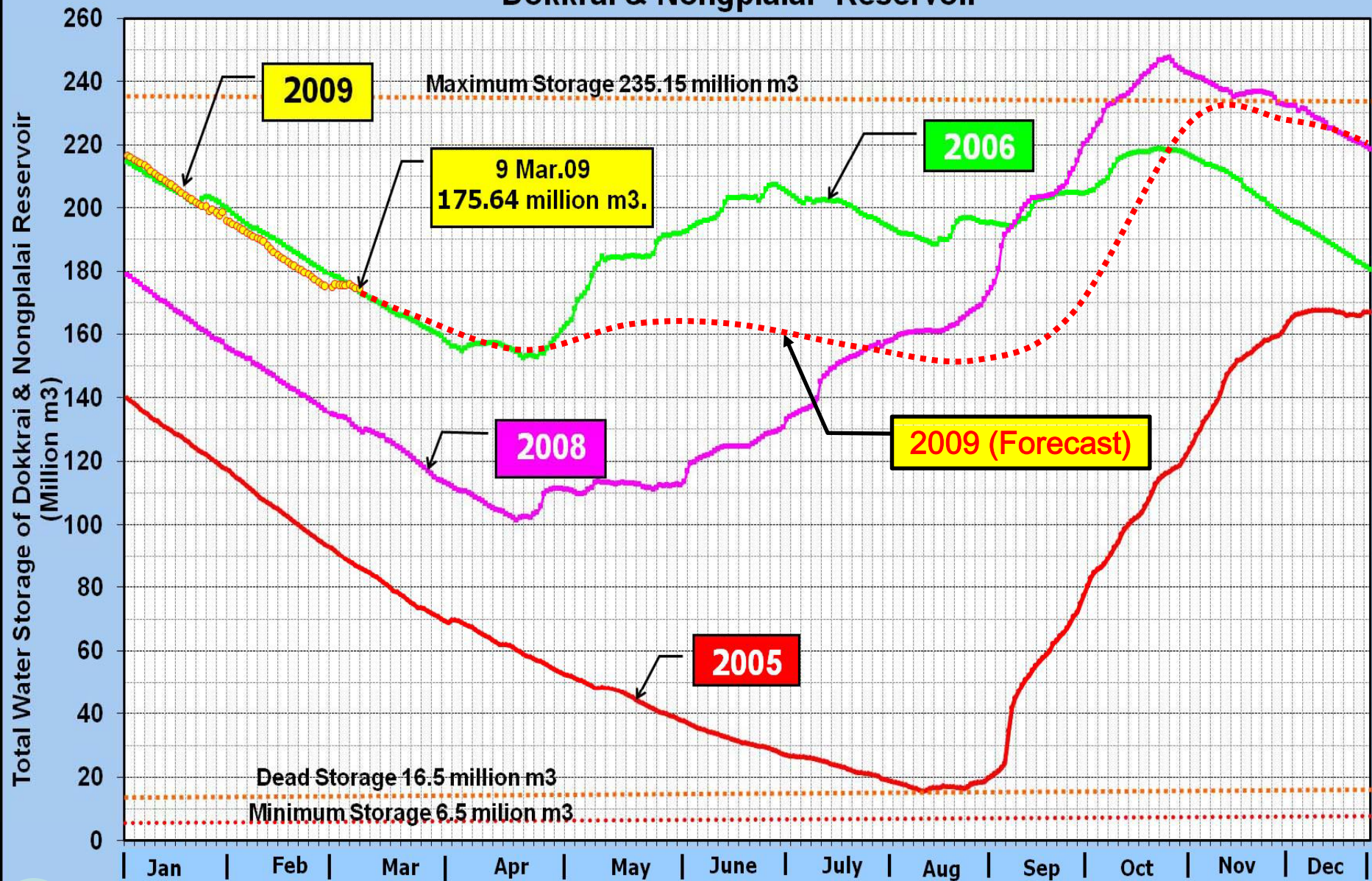
Bangpakong-Chonburi Pipeline Networks

Chonburi Pipeline Networks

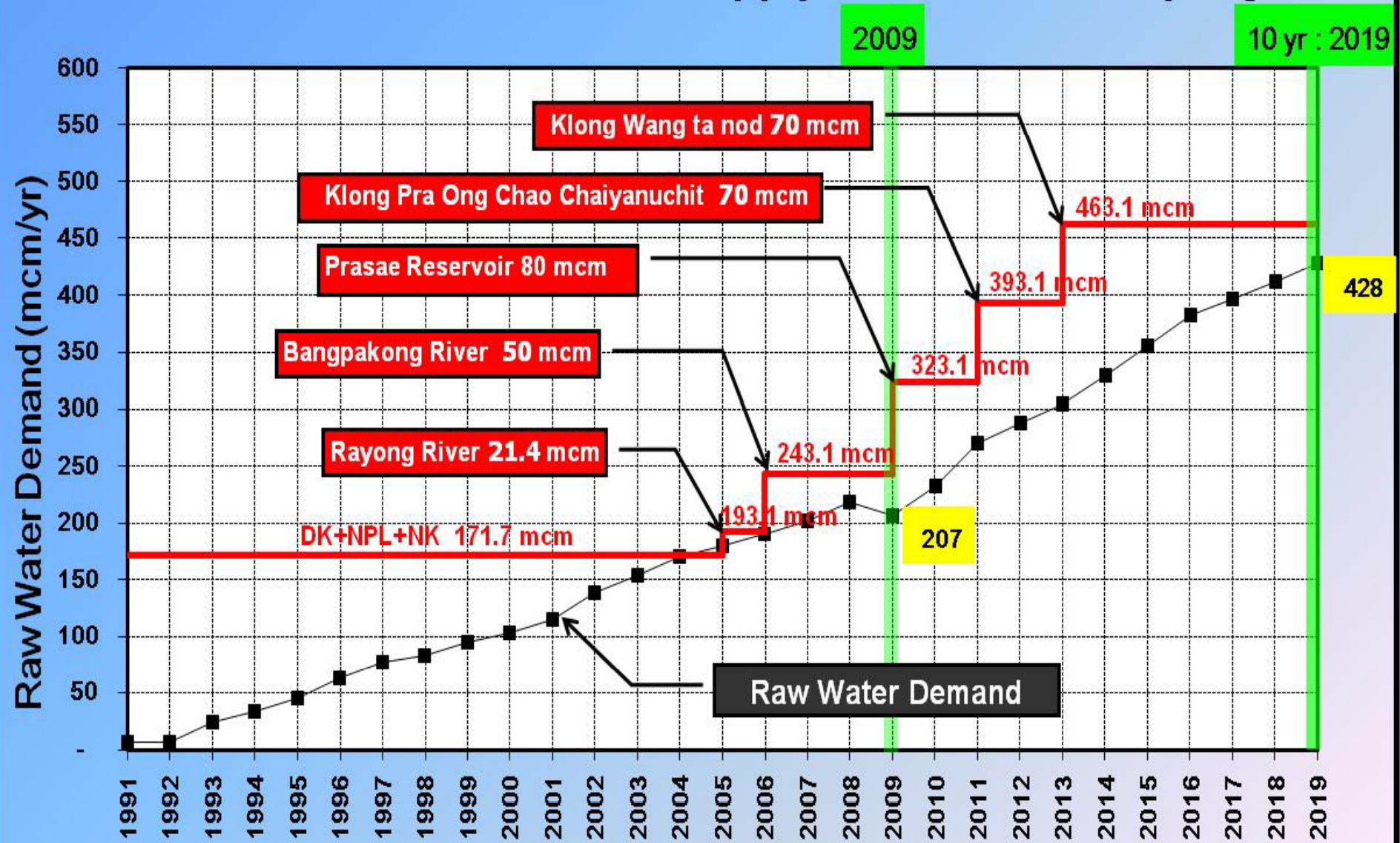
Rayong Pipeline Networks



Water Situation of Dokkrai & Nongplalai Reservoir



Raw water Demand vs Supply in Chonburi&Rayong



Future Source of Raw Water Supply

RID Water Resource Development Project



1. Klong Phra-ong-chao. –
Bangpra Pipeline : 70 mcm.

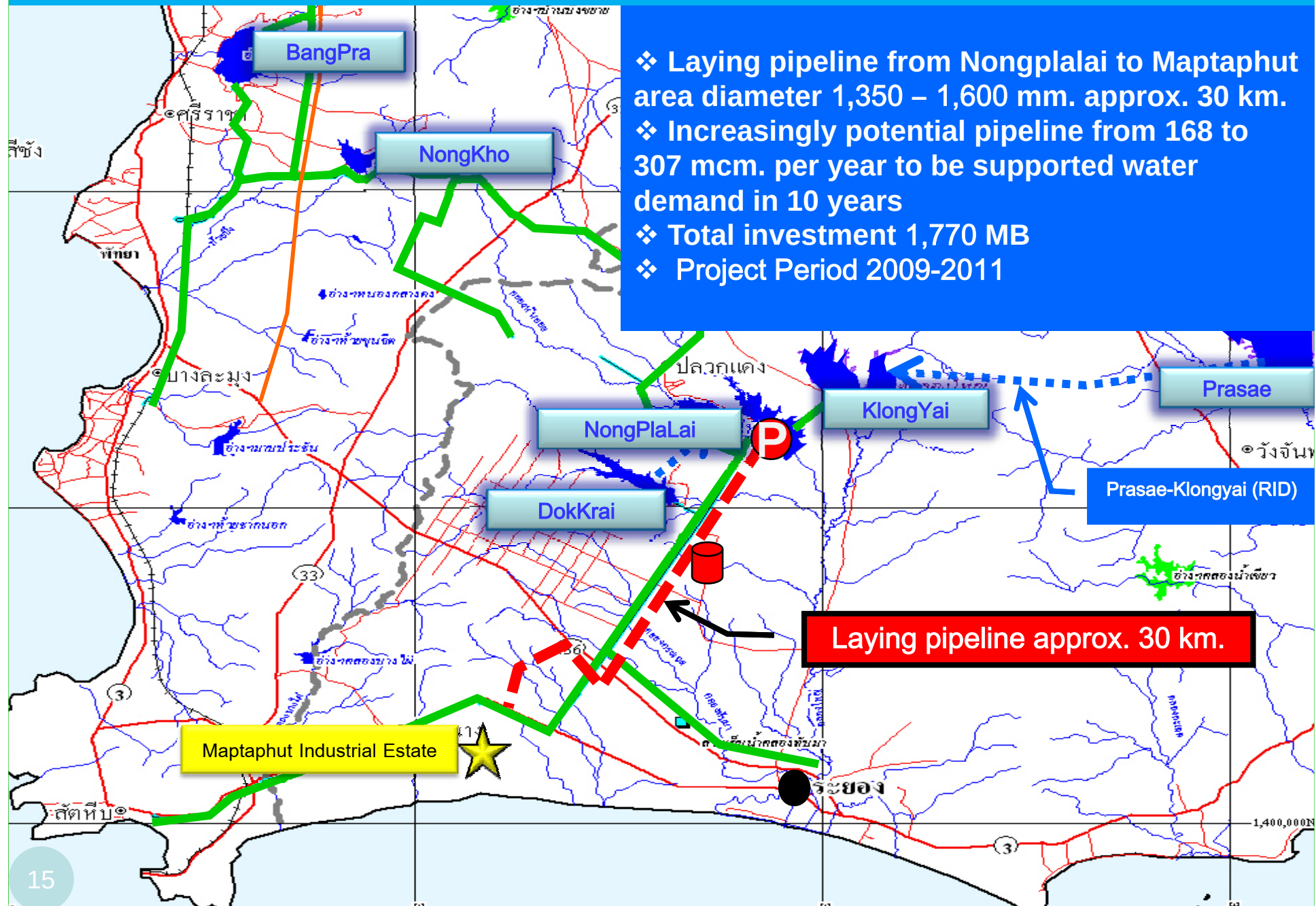
2. Prasae - Klongyai Pipeline
: 80 mcm.

3. Klong Wang-Ta-Node-
Prasae Pipeline : 70 mcm.

4. Stungnum-Trad-Chantaburi
-Rayong Pipeline : 700 mcm.

NongPlaLai-Dokkrai- Maptaphut Line 3

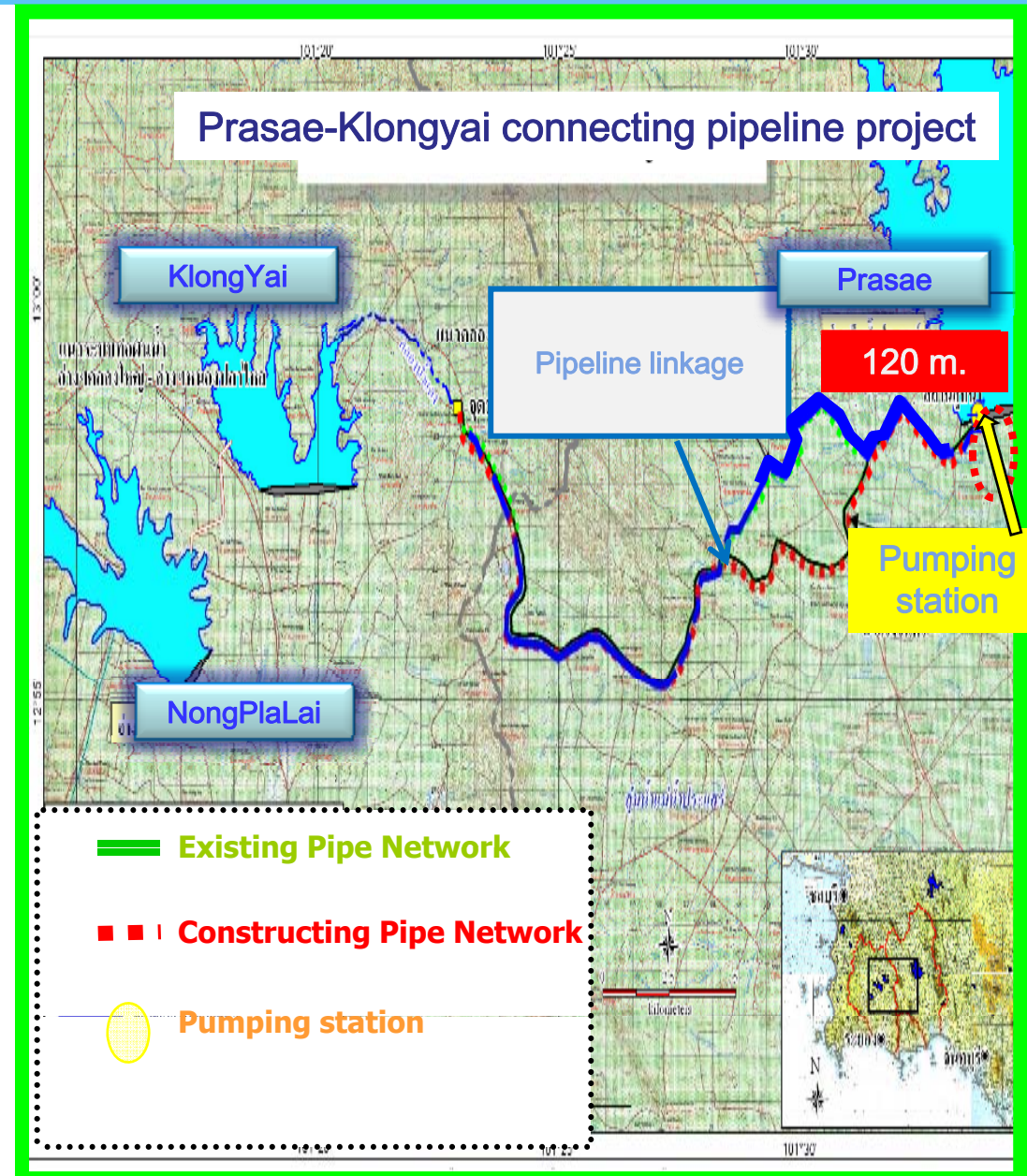
- ❖ Laying pipeline from Nongplalai to Maptaphut area diameter 1,350 – 1,600 mm. approx. 30 km.
- ❖ Increasingly potential pipeline from 168 to 307 mcm. per year to be supported water demand in 10 years
- ❖ Total investment 1,770 MB
- ❖ Project Period 2009-2011



Prasae-Klongyai Pipeline Linkage Project



- ❖ Appointed in Aug 2005, by the Cabinet, as the General Contractor for the 31.8 km. Prasae-Klongyai Pipeline project(1,680MB) to supply water to MTP
- ❖ 98% constructions progress achieved, only 120m. of pipe laying and system commissioning outstanding
- ❖ RID asked for the Budget Allocation but still in process
- ❖ Due to long budget allocation process and probable higher water cost, EW proposed to be the owner of the pipeline with the water allocation from RID



Alternative Source of Raw Water Supply



Water Resources Development by EW

1 Private Water Reservoir :
60-80 mcm.

2 Off-stream Reservoir : 30
mcm.

3 Water Reverse Osmosis :
100k-300k/day (36-100
mcm./year)



Revision of Tariff Structure for 2008-2012



Unit: Baht/m³

Type of Customers	Tariff In 2008*	Tariff In 2009	Tariff In 2010	Tariff In 2011- 2012
1. PWA & Domestic Consumption	8.5**	9.25	9.25	Will be considered in appropriation of Future Cost Structure and Economic Situation
2. IEAT and existing user	8.5**	9.25	9.25	
3. Private Industrial Estate	9.5	10.25	10.25	
4. General & Other Factory	10.5	11.25	11.25	

- According to the resolution of the BOD 2/2009 as of 27 Feb 2009, the tariff structure have been revised to be effective since March 2009

* Gradually increasing the tariff from May 2008 classified and negotiated by type of customers

** 7 Baht/m³ during May- Dec 2008 for the 7 sales contract of PWA(6) and IEAT(1) in chonburi according to the resolution of EGM2/2008

Contents



- ❑ Company Overview

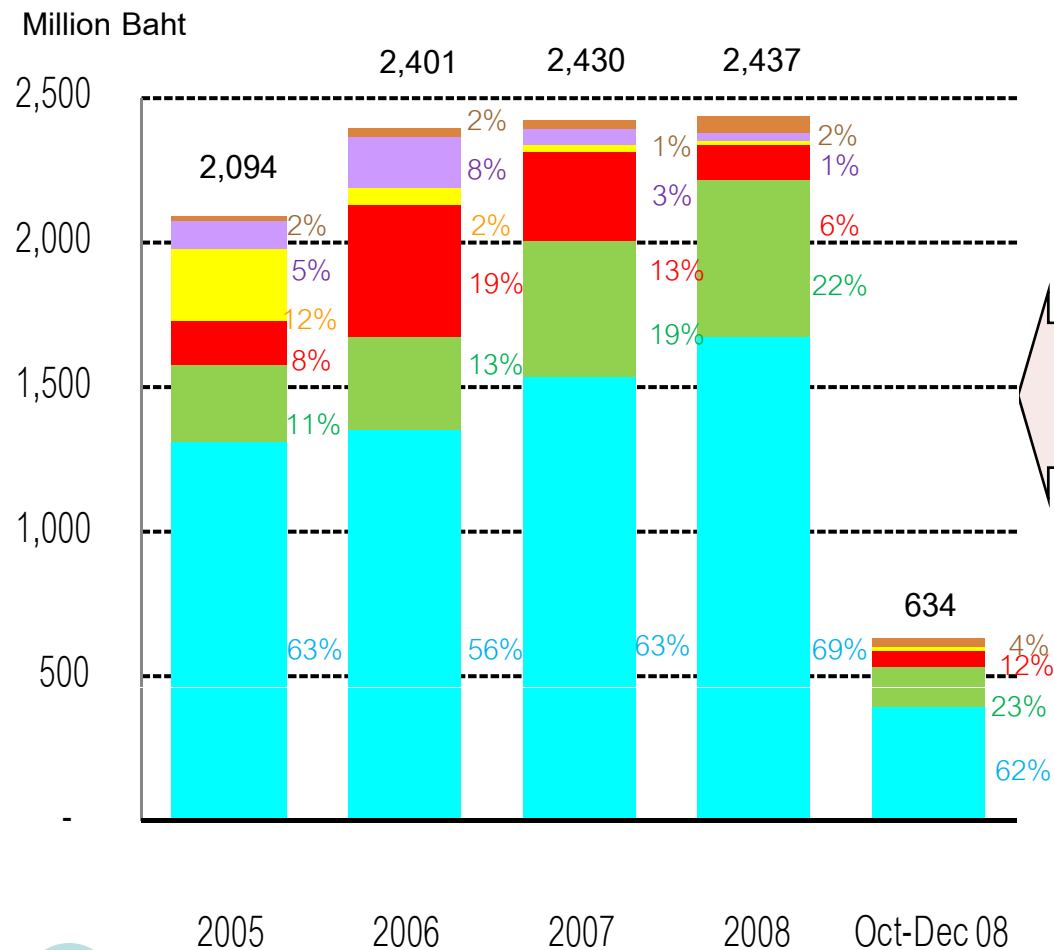
- ❑ Operation Highlights

- ❑ Financial Highlights

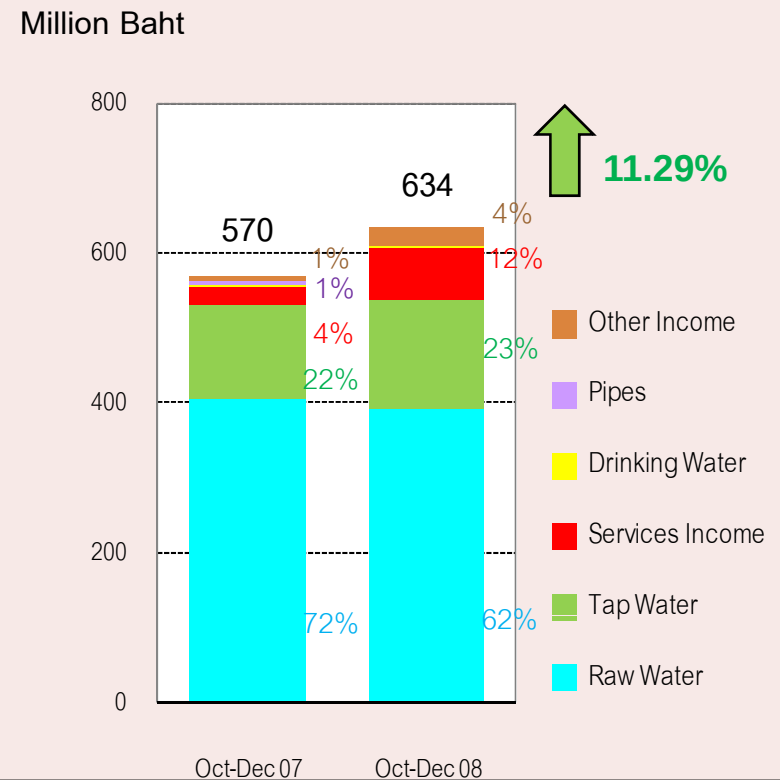
- ❑ Future Investments

Source of Revenue

East Water Group Source of Revenue



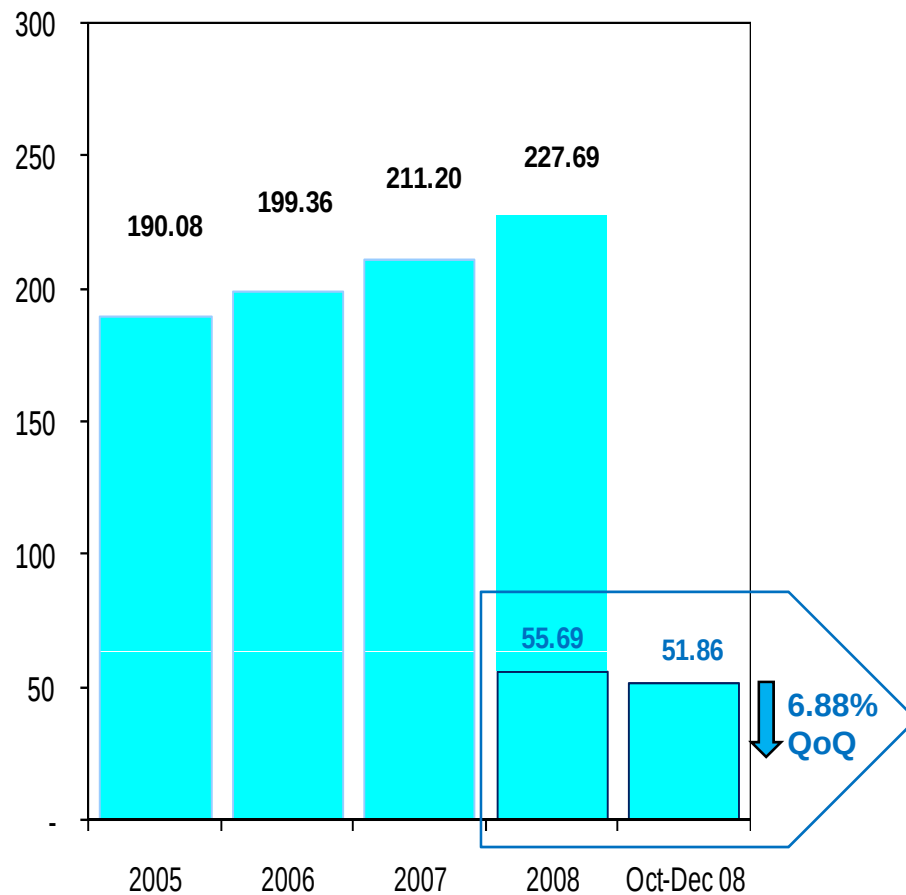
Quarterly Source of Revenue Comparison



Raw Water Volume and Sales

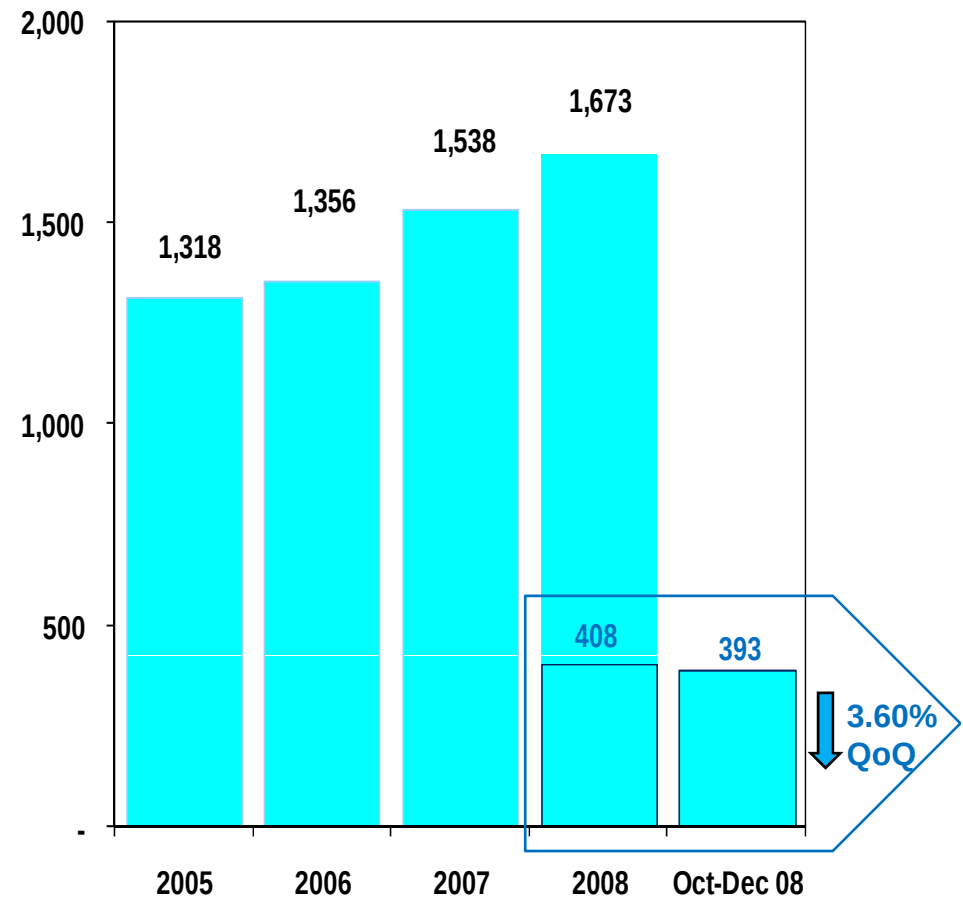
Consolidated Performance

Million Cubic Meter



Consolidated Performance

Million Baht

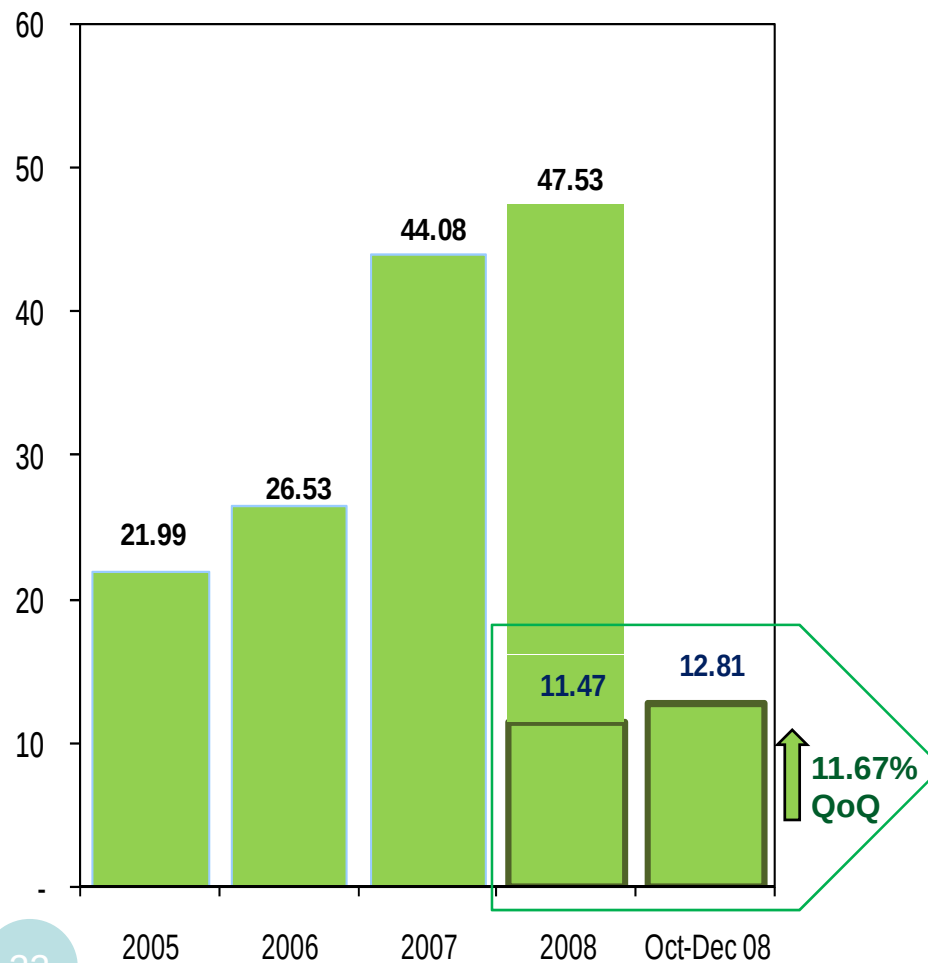


Tap Water Volume and Sales



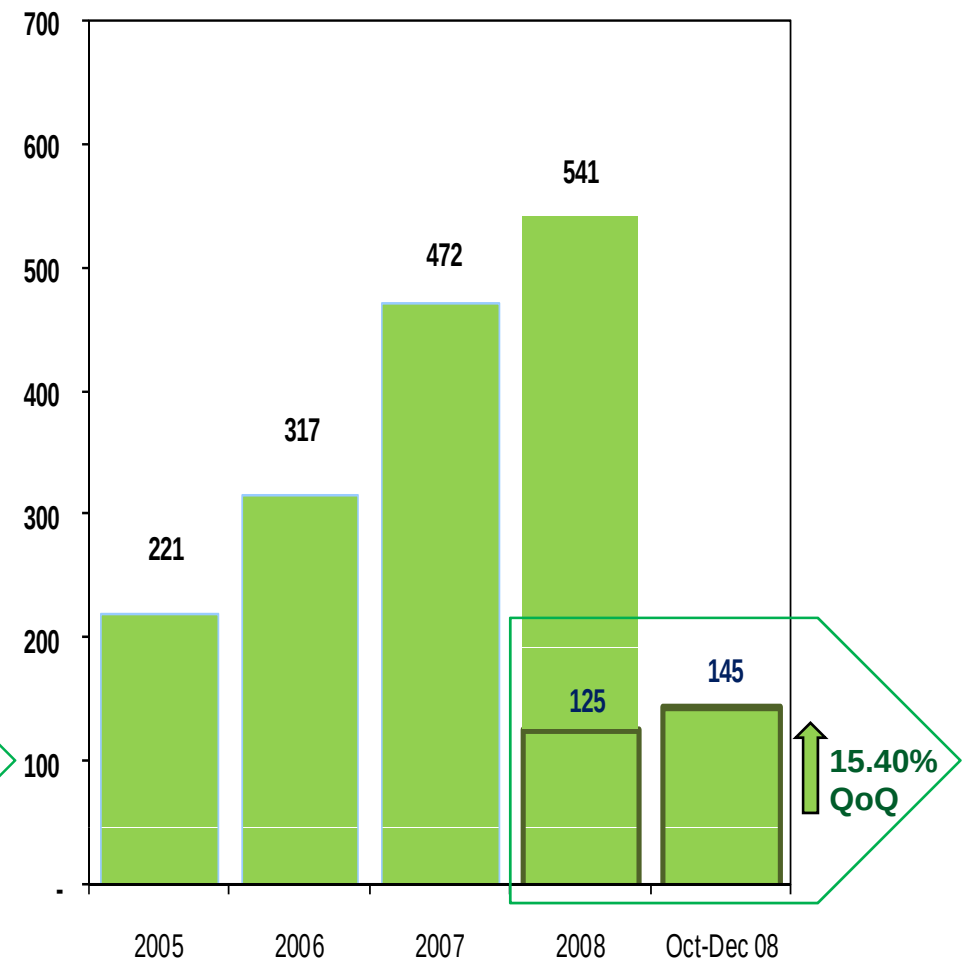
Consolidated Performance

Million Cubic Meter



Consolidated Performance

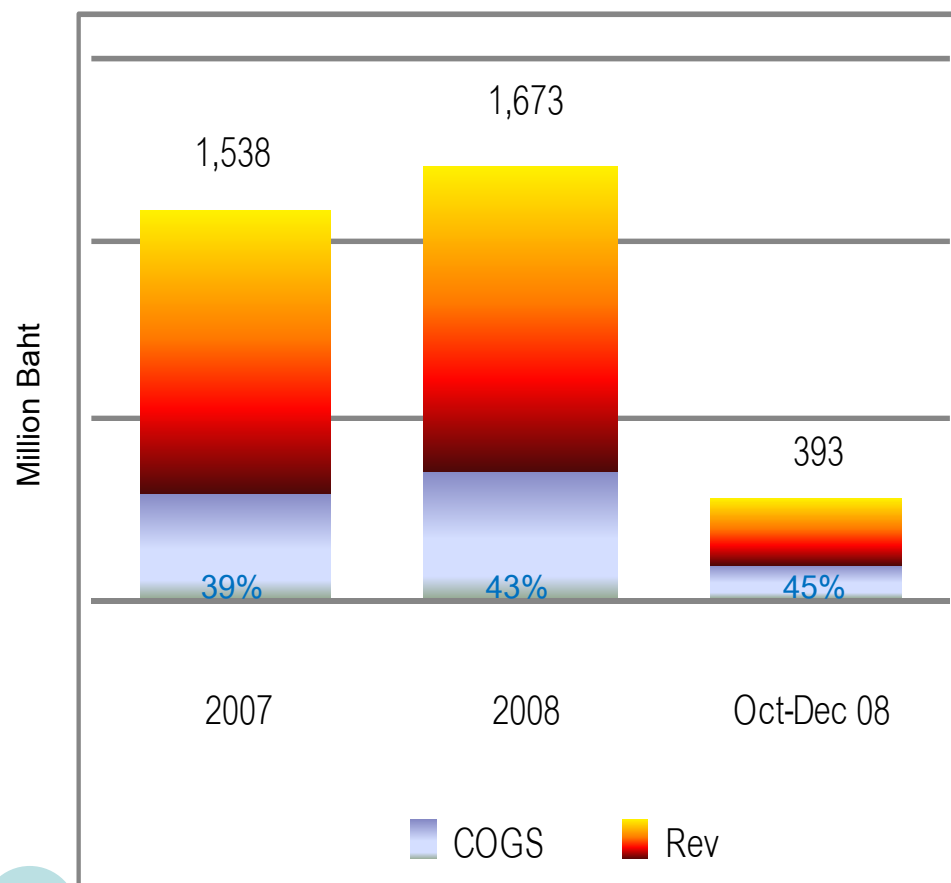
Million Baht



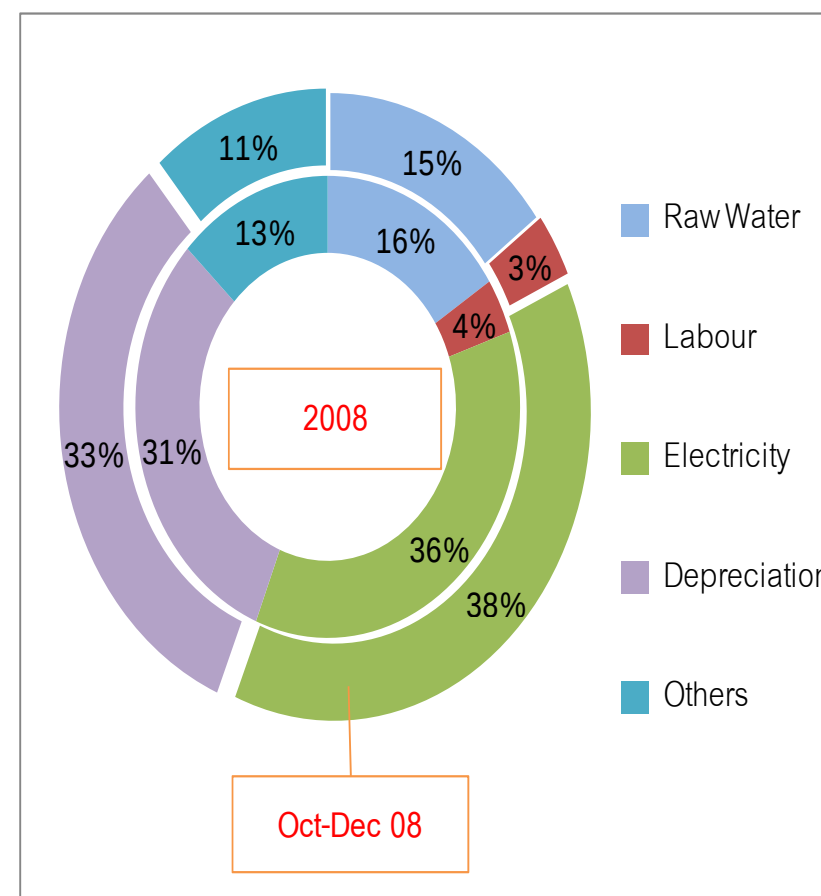
Raw Water Revenue and Costs Breakdown



Revenue & COGS of Raw Water (Consolidated F/S)



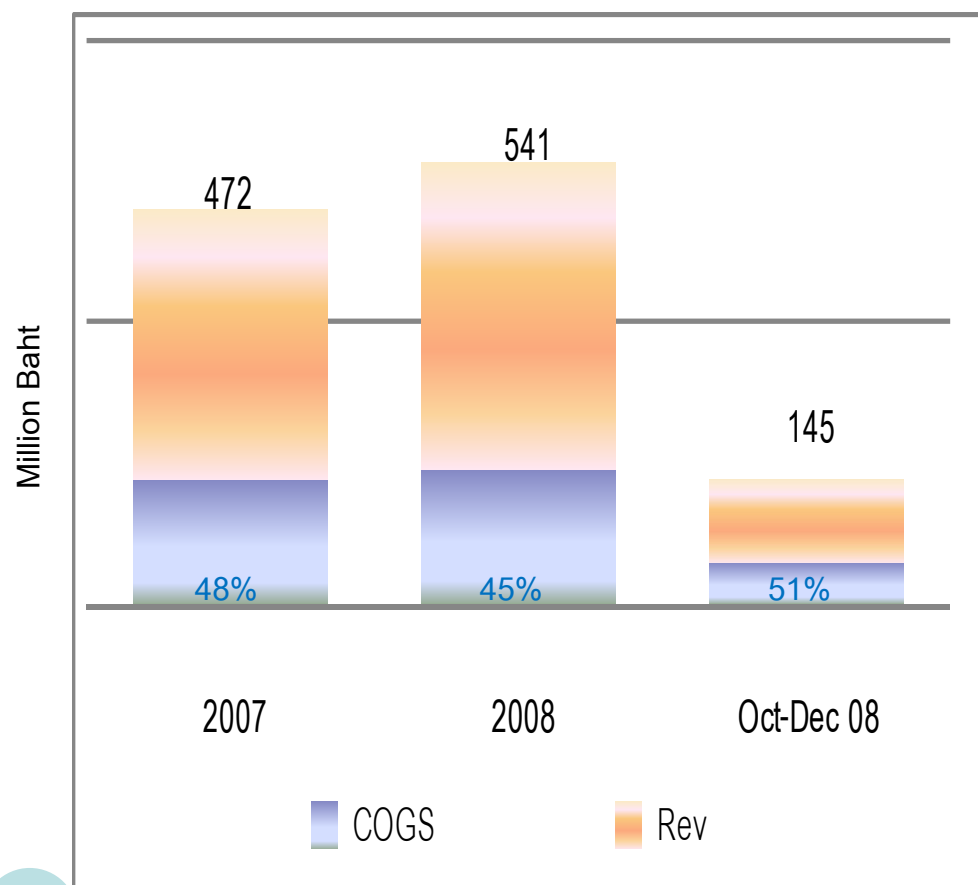
COGS of Raw Water Breakdown (Consolidated F/S)



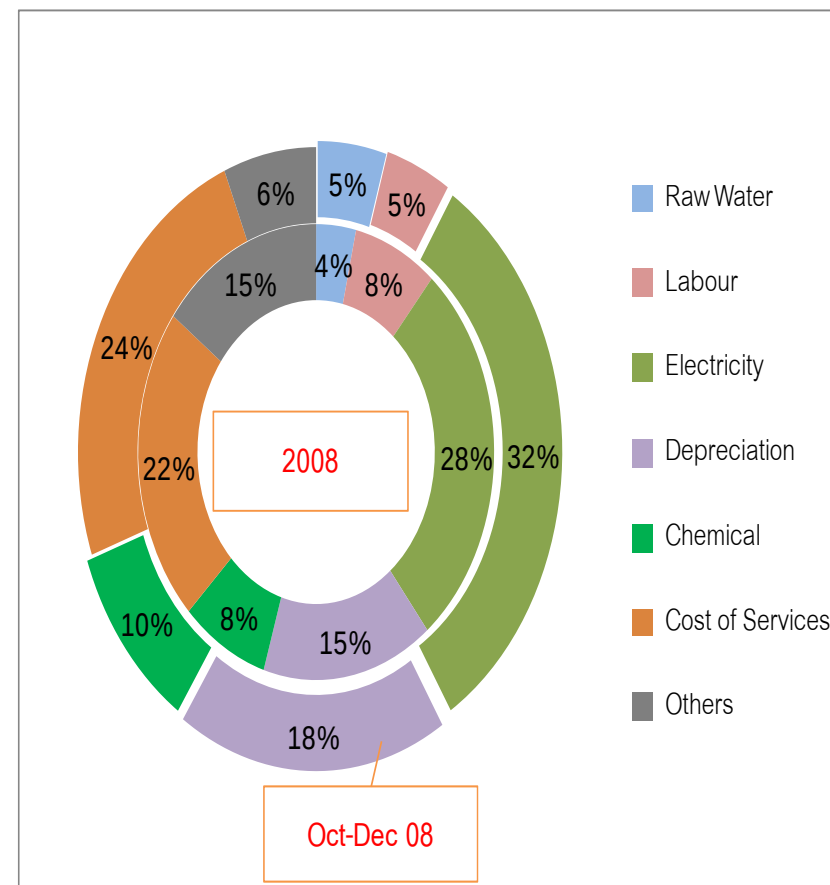
Tap Water Revenue and Costs Breakdown



Revenue & COGS of Tap Water (Consolidated F/S)

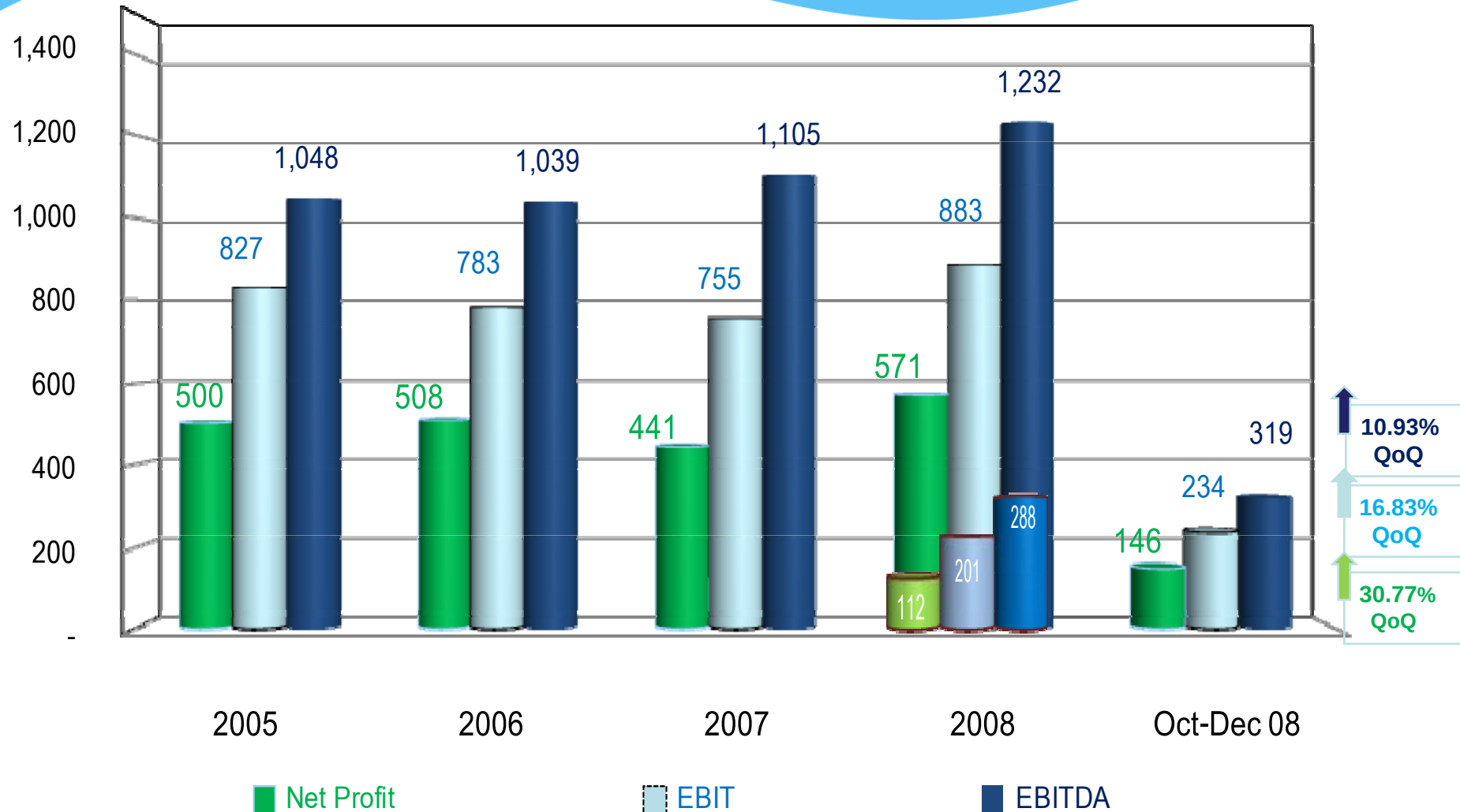


COGS of Tap Water Breakdown (Consolidated F/S)



East Water Group Performance

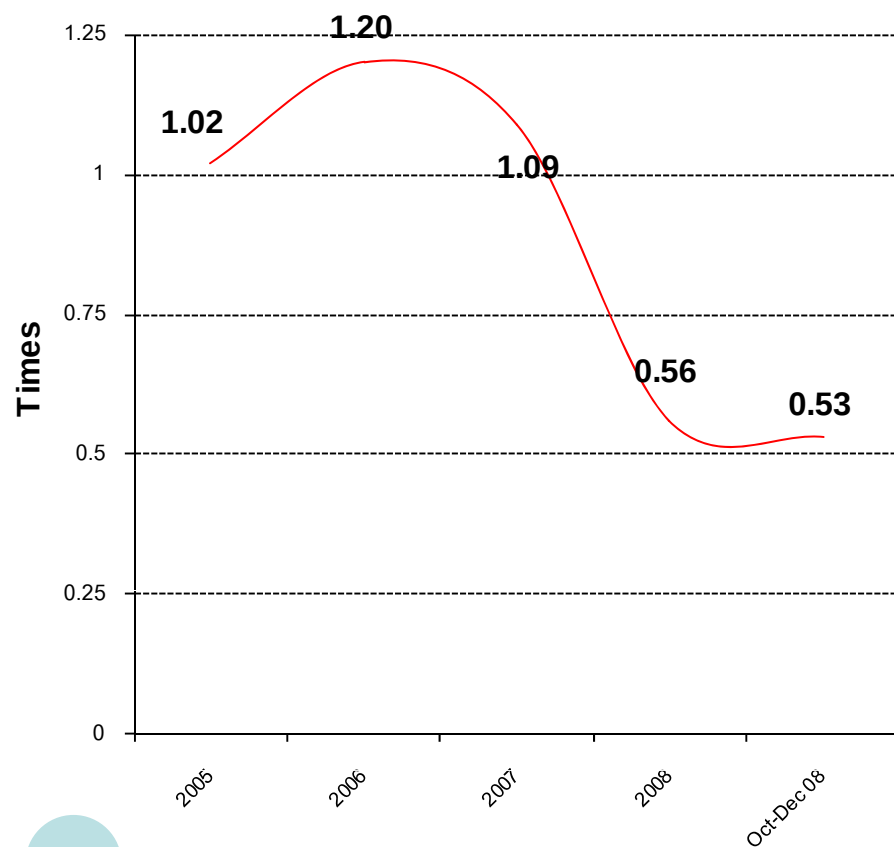
Million Baht



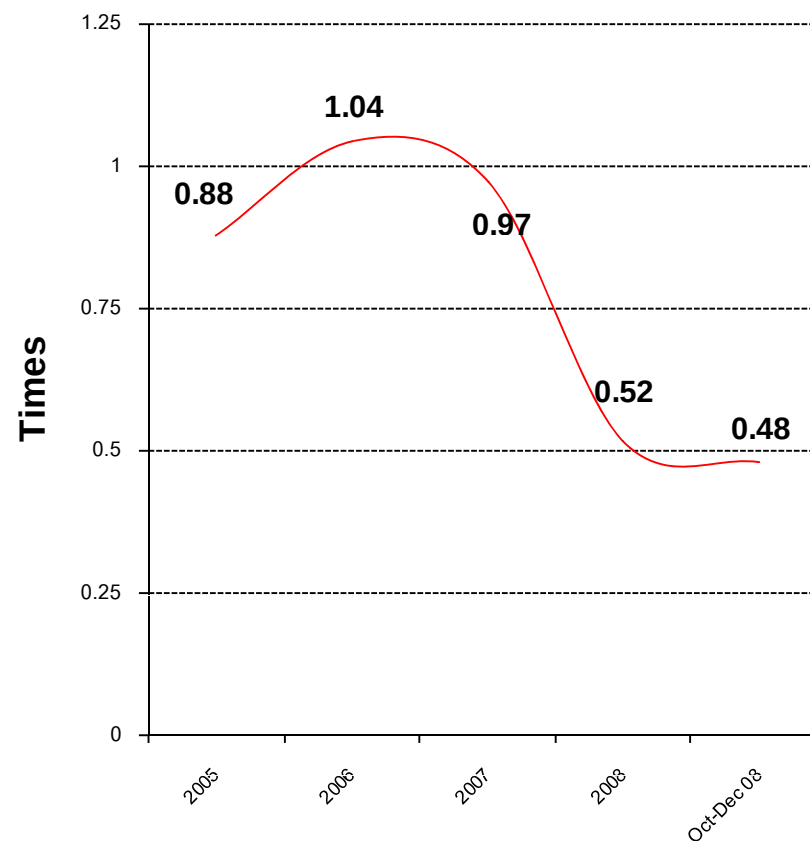
Financial Structure of East Water



Consolidated D/E Ratio

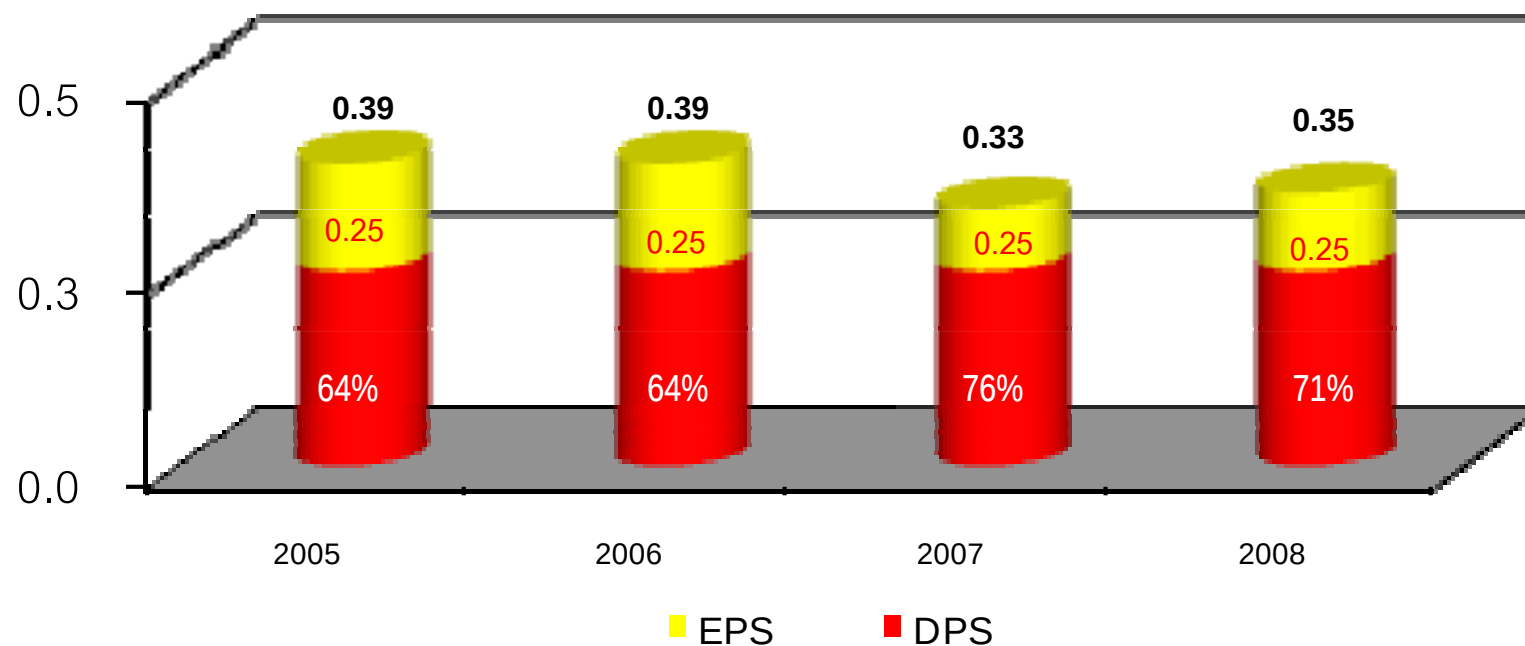


Separated D/E Ratio



Dividend Policy

Baht/Share*



Consolidated Financial Ratio



Financial Ratio	Oct – Dec 08	Oct 07 – Sep 08
Gross Profit Margin (%)	53.22	56.32
Net Profit Margin (%)	23.05	22.02
ROE (%)	9.67*	10.05
ROA (%)	6.26*	5.60
Debt to Equity Ratio (times)	0.53	0.56
Interest Coverage Ratio (times)	9.29	7.38

Source of Funds

Source of Loan	Amount (MB)	Outstanding	Tenor (years)	Rate 2005-2007	Rate 2008-2009	Rate 2010-2011
Long-Term Loan from KTB	1500	948	7	4.5*	MLR-1.50	MLR-0.75
- Tranche A	500	202	7	4.5*	MLR-1.50	MLR-0.75
- Tranche B						
Source of Loan	Amount (MB)	Outstanding	Tenor (years)	Rate 2007-2009	Rate 2010-2011	Rate 2012-2013
Long-Term Loan from KTB						
- Tranche C	1500	1500	7	4.8	MLR-1.75	MLR-1.50
Source of Loan	Amount (MB)	Outstanding	Tenor (years)	Rate 2007-2009	Rate 2010-2011	Rate 2012-2013
Long-Term Loan from KBANK						
- Tranche A(Undrawdown)**	1000	-	7	MLR-2.0	MLR-1.75	MLR-1.50

Contents



- ☐ Company Overview
- ☐ Operation Highlights
- ☐ Financial Highlights
- ☐ Future Investments

Future Projects

Raw Water Projects

1. Pipeline Expansion
 - NongPlaLai-MapTaPhut 3
 - PraSae-KlongYai (RID)
 - Improvement Dokkrai Pumping Station
 - Nongplalai-Nongkho Pipeline Expansion
 - Nongkho-Leamchabang Pipeline Expansion
2. Alternative Water Resources
 - Private Pond
 - Off-Stream Reservoir
 - Desalination
3. Monitoring Project
 - Southern Seaboard Project

Waterworks Projects

- Existing Contract Expansion
- Chonburi Project
- Industrial water / Wastewater Projects

Special Projects

- Mini Hydro Turbine Generator Project (Prasae Reservoir, Nongplalai-Nongkho Pipeline)
- Expand to Regional / SE Asia

Indicative East water Group's Capital Expenditure



Unit : Million Baht

Projects	Total MB	2009 MB	2010 MB	2011 MB	2012 MB	2013 MB
Raw Water Projects (Existing Cap. Enhancement)	3,850	1,730	1,420	140	120	440
Tap Water Projects	730	370	110	230	20	0
Total Capital Expenditure	4,580	2,100	1,530	370	140	440

Raw Water Projects
(Alternative Projects)**

2,970 70 390 730 730 1,050

** Alternative Project is not calculated in the CAPEX as it is a raw water replacement project which will be updated in the future



Thank You

www.eastwater.com