

News Release

9th November 2018

3Q/2018 Results Highlight

Banpu Power has submitted to the SET its 3Q/2018 financial performance with full details.

During the past 9 months of 2018, Banpu Power PLC has successfully achieve commercial operation date (COD) of 2 additional power plants consists of Luannan CHP phase 2 expansion, with capacity of 52 MW and Project Mukawa, with capacity of 17 MW (9.5 MW equity). This brings up our operating capacity reaching 2,129 MW. Furthermore, Project Nari Aizu, 20 MW (15 MW equity) will achieve COD by 1 December 2018

The reported financial result in 3Q18 with Net profit of THB 940 million, 12% increase compare to the same period of last year. Major contribution to this achievement come from higher reliability of our Hongsa power plant, though there were planned maintenance for 6 weeks. In this quarter, the EBITDA is reported at THB 1,249 million, or 6% increase compare to the same period last year.

The reported revenue was THB 1,206 million consists of revenue from our operation in China including CHP of THB 1,011 million and solar power plant of THB 195 million. The total revenue decreased by 9% compare to the same period last year. This is due to lower electricity and steam demand and the impact from continued domestic high coal cost situation. However, the company can generate additional revenue from the selling of cool water which help to improve the gross margin at 16% slightly decreased from 18% same period last year.

The share of profit form joint ventures was THB 1,076 million, 10% increases compare to THB 978 million same period last year. This consists of contribution from BLCP of THB 297 million (including deferred tax gain THB 95 million and FX translation loss THB 88 million), 24% decrease compare to THB 391 million same period last year. This is due to unit 1 underwent planned maintenance for 3 weeks, result in Equivalent Availability Factor (EAF) of 88%. The extended major overhaul for BLCP unit 2 still on plan and expect to complete by December 2018. Hongsa contribute THB 756 million (including FX translation loss of THB 173 million), 27% increase compare to THB 595 million same period last year. This quarter Hongsa report EAF at 84% reflect its smooth operation from higher reliability compare to previous year.

Summary of 3Q/2018 results

Year-end Dec (THB million)	3Q18	2Q18	3Q17	Note
Sales revenues	1,206.35	1,354.17	1,323.50	Power THB 547 m, Steam THB 430 m, Solar China THB 195 m, Other THB 35 m
Cost of sales	(1,011.22)	(1,156.67)	(1,088.84)	
Gross profit	195.13	197.50	234.67	
GPM	16%	15%	18%	
Administrative expenses	(274.87)	(291.59)	(243.82)	BLCP THB 297 m, Hongsai THB 756 m, Solar Japan THB 24 m, SLG THB (1) m
Equity income	1,076.20	1,915.07	978.16	
Dividend income	-	2.75	-	
Other income	92.81	114.24	84.74	
Amortization of fair value	(8.76)	(9.03)	(9.18)	
EBIT	1,080.50	1,928.93	1,044.57	
EBIT margin	90%	142%	79%	
Interest expenses	(59.43)	(54.43)	(31.01)	
Financial expenses	(1.90)	(1.75)	(1.82)	
Income tax - Core business	(13.60)	1.87	(22.07)	
NCI / Minorities	(9.66)	(7.24)	(20.29)	
Net profit before extra items	995.92	1,867.38	969.39	
Non-recurring items	(8.66)	(5.75)	(96.31)	
Income tax - Non core business	(0.29)	(1.20)	(0.56)	
Deferred tax income/expenses	4.92	13.13	4.83	
Net profit before FX	991.89	1,873.56	877.35	
Net gains (losses) on exchange rate	(51.70)	12.33	(39.39)	
Net profit	940.19	1,885.90	837.95	
EPS (THB/share)	0.31	0.62	0.28	
Depreciation	157.09	166.90	123.32	
Amortization	11.26	11.91	9.46	
Depre & Amortization	168.35	178.81	132.78	
EBITDA	1,248.87	2,107.74	1,177.35	
EBITDA margin	108%	158%	89%	

Segmentation detail

DETAIL OF PROFIT&LOSS STATEMENT	3Q18	2Q18	3Q17
Sales and Services Income (THB million)			
Zhending Power Plant			
Power sold	154.44	144.38	159.44
Steam Sold	74.02	82.19	71.83
Hot Water	-	-	-
Cool Water	14.30	4.68	11.48
Others	20.46	15.07	-
Revenue from Zhending Power Plant	263.23	246.32	242.75
Luannan Power Plant			
Power sold	180.22	256.14	205.50
Steam Sold	83.01	84.06	65.24
Hot Water	-	-	-
Cool Water	-	-	-
Others	-	-	-
Revenue from Luannan Power Plant	263.24	340.19	270.74
Zouping Power Plant			
Power sold	212.47	234.39	266.51
Steam Sold	272.57	321.91	361.65
Hot Water	-	-	-
Cool Water	-	-	-
Others	-	-	-
Revenue from Zouping Power Plant	485.04	556.29	628.16
BIC Group			
Power sold	547.13	634.91	631.46
Steam Sold	429.61	488.16	498.71
Hot Water	-	-	-
Cool Water	14.30	4.68	11.48
Others	20.46	15.07	-
Total Revenue from BIC Group	1,011.50	1,142.81	1,141.65
Solar China	194.84	211.35	181.86
Total revenue	1,206.35	1,354.17	1,323.50

DETAIL OF PROFIT&LOSS STATEMENT	3Q18	2Q18	3Q17
Cost of sale (THB million)			
Zhending Power Plant			
Coal cost	(164.13)	(143.88)	(159.24)
Operating cost	(98.76)	(105.70)	(96.28)
Total Cost of sale - Zhending power plant	(262.89)	(249.58)	(255.52)
Luannan Power Plant			
Coal cost	(174.19)	(238.36)	(177.27)
Operating cost	(75.74)	(73.83)	(65.89)
Total Cost of sale - Luannan power plant	(249.93)	(312.19)	(243.17)
Zouping Power Plant			
Coal cost	(323.74)	(365.12)	(418.98)
Operating cost	(106.36)	(164.37)	(98.56)
Total Cost of sale - Zouping power plant	(430.10)	(529.49)	(517.55)
BIC Group			
Coal cost	(662.06)	(747.37)	(755.50)
Operating cost	(280.86)	(343.89)	(260.73)
Total Cost of sale - BIC Group	(942.92)	(1,091.26)	(1,016.23)
Solar China - Cost of sale	(68.30)	(65.41)	(72.60)
Total cost of sale	(1,011.22)	(1,156.67)	(1,088.84)
Gross profit (THB million)			
Zhending Power Plant	0.34	(3.26)	(12.77)
Luannan Power Plant	13.31	28.01	27.57
Zouping Power Plant	54.94	26.81	110.61
Gross Profit - BIC Group	68.59	51.56	125.41
Gross profit - Solar China	126.54	145.94	109.25
Total Gross profit	195.13	197.50	234.67
Gross profit Margin			
Zhending Power Plant	0%	-1%	-5%
Luannan Power Plant	5%	8%	10%
Zouping Power Plant	11%	5%	18%
GPM - BIC Group	7%	5%	11%
GPM - Solar China	65%	69%	66%
GPM for Banpu Power Group	16%	15%	18%
Equity Income (THB million)			
BLCP	296.85	565.26	390.79
Hongsa	756.41	1,364.50	595.30
Solar Japan	23.52	(0.21)	3.30
SLG	(0.58)	(9.71)	(11.23)
Others	-	(4.77)	-
Total Equity Income	1,076.20	1,915.07	978.16